



GRATIFICATION

CONTROL GUIDELINES



GRATIFICATION CONTROL GUIDELINES

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Revision 0

**PERTAMINA HULU ENERGI
(SUBHOLDING UPSTREAM)
CORPORATE SECRETARY**

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BAB I GENERAL

In business activities that generally involve many parties, it is important to establish harmonious, good, sustainable cooperation and relationships and in accordance with the principles of good corporate governance.

One thing that usually happens and often unavoidable in a business relationship is the giving and/or the receipt of Gratification from one party to another party. This gratification is one of the concerns, given its nature which leads to the criminal act of bribery.

Provisions with regard to Gratification in the laws and regulations of the Republic of Indonesia are contained in Article 12 B Paragraph (1) of Law Number 20 of 2001 regarding Amendments to the provisions of Law Number 31 of 1999 regarding Eradication of Criminal Acts of Corruption (hereinafter referred to as "Law on Corruption Eradication"), which states that "Every gratification to a civil servant or State Administrator is considered a bribe, if it is related to his/her position and contrary to his/her obligations or duties".

Based on the elucidation of Article 2 number 7 of Law Number 28 of 1999 regarding State Administration that is Clean and Free from Corruption, Collusion and Nepotism that the Board of Directors, Commissioners and other structural officials in the State-Owned Enterprises are included in the category of State Administrators.

To follow up on the above provisions, the Corruption Eradication Commission has issued Gratification Control Guidelines which can be used as a reference in drafting internal rules and implementing a Gratification control system for the State Administrators in implementing the provisions of Articles 12 B and 12 C of the Law on Corruption Eradication.

This guideline is a further elaboration of the Code of Conduct (CoC) and the provisions of the 2015 Gratification Control Guidelines of the Corruption Eradication Commission, as well as the laws and regulations as mentioned above, to assist the Pertamina Hulu Energi personnel in understanding the definition and concept of Gratification as well as knowing the actions to be taken when dealing with Gratification. Therefore, the Guidelines for Gratification, Rejection, Receiving, Giving of Gifts/Souvenirs, Entertainment Number: 061/PHE040/2014-SO Revision: 0 have been updated which have been revoked and replaced with this Gratification Control Guidelines.

A. PURPOSE

The purposes and objectives of the preparation of this Guideline are as follows:

1. Providing direction and reference for the Pertamina Hulu Energi Personnel concerning Gratification.
2. Providing direction and reference for the Pertamina Hulu Energi Personnel concerning the importance of compliance to report Gratification for the protection of themselves and their families from the opportunity to be charged with criminal acts of bribery.
3. Establishing an agency/organizational environment that is aware and controlled in handling Gratification practices so that the principles of transparency and accountability in carrying out the Company's operational and business activities are increasingly implemented.

B. SCOPE

1. The scope of this Guideline is with regard to matters related to the basic principles of Gratification, the concept of Gratification, provisions of applicable laws and regulations, limits on receiving and giving from the Third Parties, rejection of Gratification, reporting of Gratification, implementation of Gratification policies and sanctions for violation.
2. This guideline applies internally to PT Pertamina Hulu Energi ("PHE") and can be used as a reference for Subsidiaries and Affiliates.
3. This guideline does not apply to the Giving of Gratification from Pertamina Hulu Energi Personnel to the third parties related to activities of sponsorship, promotions, customer gatherings or stakeholder gatherings and Corporate Social Responsibility as well as other similar activities aimed at improving the quality of services to the customers.
4. Gratification receiving reports as provided for in this Guideline are those submitted to the UPG PHE no later than 10 (ten) calendar days after the date of receiving Gratification.

C. DEFINITION

1. **Affiliate** shall mean a business entity in the form of a limited liability company or other form similar to a limited liability company, in which more than 50% (fifty percent) of the shares are possessed or owned by the Subsidiary.
2. **Subsidiary** shall mean a business entity in the form of a limited liability company or other form similar to a limited liability company, in which the shareholding of PT Pertamina Hulu Energi is greater than 50% (fifty percent) and/or has controlling ability.
3. **Compliance Online System (Compols)** shall mean a system that is built in an integrated manner and integrated with the existing online system within PT Pertamina Hulu Energi, which is a means for Pertamina Hulu Energi Personnel to submit reports related to compliance reporting programs, especially in terms of this Gratification report.

4. **Chief Compliance Officer (CCO)** shall mean an official appointed by the President Director, who has the duty, responsibility and authority to plan, make, inspect, socialize, monitor and evaluate the implementation of the compliance program of PT Pertamina Hulu Energi and Pertamina Hulu Energi Personnel with the provisions of laws and regulations as well as internal regulations in carrying out its activities.
5. **Code of Conduct (COC)** shall mean a policy that regulates business ethics and code of conduct for the Pertamina Hulu Energi Personnel to implement good corporate management practices.
6. **Gratification** shall mean every give and/or receipt in the widest sense of the word, which includes Gifts/ Souvenirs and Entertainment from and/or to Pertamina Hulu Energi Personnel, both received domestically and abroad as well as carried out by using electronic means and/or without going through electronic means.
7. **Gifts/Souvenirs** shall mean everything in the form of money and/or cash equivalents, goods, discounts, commissions, interest-free loans, travel tickets, lodging facilities, sightseeing trip, free medical treatment, and other facilities.
8. **Entertainment** shall mean everything in the form of words, places, objects, behavior that is entertaining and enjoyable, including but not limited to music, movies, operas, dramas, games, sports and tourism.
9. **Pertamina Hulu Energi Personnel** shall mean the Board of Commissioners, the Board of Directors, Definite Term Workers, Indefinite Term Workers, and Supporting Service Manpowers who work within PT Pertamina Hulu Energi.
10. **Core Family Members** shall mean the husband or wife and children of the Pertamina Hulu Energi Personnel.
11. **Corruption Eradication Commission (KPK)** shall mean a state commission/institution established to carry out its duties and authorities independently and free from the influence of any power, as regulated in the Law on the Corruption Eradication Commission.
12. **Conflict of Interest** shall mean a conflict of interest as referred to in the Guidelines on Conflict of Interest (CoI) of PT Pertamina Hulu Energi.
13. **Guidelines** shall mean Gratification Control Guidelines of PT Pertamina Hulu Energi.
14. **Giver** shall mean Pertamina Hulu Energi Personnel and/or Third Parties who give Gratification.
15. **State Administrators** shall mean State Officials who carry out executive, legislative, judicial functions and other officials whose main functions and duties are related to the State administration in accordance with the provisions of Law Number 28 of 1999 regarding State Administration that is Clean and Free from Corruption, Collusion and Nepotism.

16. **Company** shall mean PT Pertamina Hulu Energi which is established and carries out business activities in accordance with the applicable Articles of Association.
17. **Third Party** shall mean an individual and/or legal entity that has or does not have a business relationship with the Company or is a competitor of the Company, including but not limited to the vendors, suppliers, dealers, agents, counterparty banks and third party partners.
18. **Bribery** shall mean a criminal act as referred to in the laws and regulations on Corruption Eradication prevailing in the Republic of Indonesia.
19. **Gratification Control Unit of PT Pertamina Hulu Energi** (hereinafter referred to as "UPG PHE") shall mean a unit within the Compliance Function in charge of managing Gratification.

D. REFERENCE

1. Law Number 28 of 1999 regarding State Administration that is Clean and Free from Corruption, Collusion and Nepotism (KKN).
2. Law Number 31 of 1999 as already amended by virtue of the Law Number 20 of 2001 regarding Eradication of Criminal Acts of Corruption.
3. Law Number 30 of 2002 as already amended by virtue of the Law Number 19 of 2019 regarding Corruption Eradication Commission (KPK).
4. Law Number 19 of 2003 regarding the State-Owned Enterprises.
5. Law Number 40 of 2007 regarding Limited Liability Companies.
6. Regulation of the Minister of State-Owned Enterprises (SOEs) Number: PER-01/MBU/2011 concerning the Implementation of Good Corporate Governance within the State-Owned Enterprises as already amended by virtue of the Regulation of the Minister of SOEs Number: PER 09/MBU/2012 concerning Amendments to the Regulation of the Minister of SOEs Number: PER 01/MBU/2011 concerning the Implementation of Good Corporate Governance within the State-Owned Enterprises.
7. Regulation of the Corruption Eradication Commission Number 02 of 2014 concerning Guidelines for Reporting and Determination of Gratification Status as already amended by virtue of the Regulation of the Corruption Eradication Commission Number 06 of 2015 concerning Amendments to the Regulation of the Corruption Eradication Commission Number 02 of 2014 concerning Guidelines for Reporting and Determination of Gratification Status.
8. Circular Letter of the Corruption Eradication Commission Number: B.1341/01-13/03/2017 dated March 15, 2017 concerning Guidelines and Limitations of Gratification.
9. Articles of Association of PT Pertamina Hulu Energi.
10. The 2015 Gratification Control Guidelines of the Corruption Eradication Commission.
11. PT Pertamina (Persero) Guidelines Number: A09-001/ N00000/2021-SO Revision: 0 concerning Gratification Control.

12. PT Pertamina Hulu Energi Guidelines Number: A-003/ PHE040/2018-S9 Rev.: 0 concerning Business Conduct and Ethics - Code of Conduct (CoC).
13. Collective Labor Agreement (CLA) of PT Pertamina Hulu Energi

CHAPTER II POLICY

A. GENERAL POLICY

All Pertamina Hulu Energi personnel and the core family members are required to refuse the prohibited Gratification and report such refusal to UPG PHE. If the Pertamina Hulu Energi Personnel are unable to reject the Gratification, then the Pertamina Hulu Energi Personnel shall be required to report the receipt of Gratification to UPG PHE.

B. SPECIAL POLICY

1. Gratification Control is a series of activities aimed at controlling Gratification receipt through an increase in understanding and awareness of Gratification reporting in a transparent and accountable manner in accordance with the prevailing laws and regulations. In carrying out gratification control activities, there are a number of main principles, namely:
 - a. Transparency;
 - b. Accountability;
 - c. Legal Certainty;
 - d. Benefit;
 - e. Public Interest;
 - f. Independence; and
 - g. Protection for Whistleblowers.
2. To ensure that this Guideline is known by the third parties, the relevant functions authorized to carry out procurement of goods/services, Corporate Social Responsibility (CSR) and other related functions related to business partners, assigned to include provisions on prohibitions to give, ask for and/or receive Gratification to and/or from Third Parties.
3. In connection with the giving of Gratification, all Pertamina Hulu Energi Personnel are prohibited from:
 - a. Giving or promising something to the State Civil Apparatus (ASN) and/or State Administrators with the intention that the ASN and/or State Administrators do or not do something in their position, which is contrary to their obligations; or
 - b. Giving something to the State Civil Apparatus (ASN) and/or State Administrators because or related to something that is contrary to their obligations, done or not done in their position.

4. Receipt of Gratification by the Pertamina Hulu Energi Personnel
 - a. The Pertamina Hulu Energi personnel who receive the Gratification must report the Gratification received.
 - b. In the event that the Gratification is related to the position and is contrary to their obligations and duties, the Pertamina Hulu Energi Personnel and the core family members shall be obliged to refuse such Gratification.
 - c. Gratification Reporting as referred to in Chapter II.B.4.a) shall be exempted from the following types of Gratification:
 - 1) Gifts due to family relationships, namely from grandparents, father/mother/in-laws, husband/ wife, children/in-laws, adopted children/ lawful guardians, grandchildren, in-laws, uncles/aunts, brothers/sisters/in-laws, cousins and nephews, as long as there is no conflict of interest;
 - 2) Profits or interests from funds placement, investment or personal share ownership which is generally accepted;
 - 3) Benefits from cooperatives, employee organizations or similar organizations based on generally accepted membership;
 - 4) Device or equipment provided to participants in official activities such as seminars, workshops, conferences, training or similar activities, which are generally accepted with a nominal value for a maximum of IDR 1,000,000.- (one million rupiah);
 - 5) The prize is not in the form of money or other means of exchange, which is intended as a promotional or socialization tool that uses a logo or socialization message as long as it does not have a Conflict of Interest and is generally accepted;
 - 6) The prizes, appreciations or awards from championships, contests or competitions, which are participated at their own expense and not related to official service;
 - 7) Rewards both in the form of money and goods related to improving work performance given by the government in accordance with the provisions of prevailing laws and regulations;
 - 8) Direct prizes/lottery, discounts/rebates, vouchers, point rewards or souvenirs that are generally accepted and not related to official service;
 - 9) Compensation or honorarium for professions outside of official activities that are not related to duties and obligations, as long as there is no Conflict of Interest and does not violate the regulations/code of ethics of the relevant employee/worker;
 - 10) Wreaths as a greeting given in events such as engagement, marriage, birth, death, aqiqah, baptism, circumcision, tooth cutting or other traditional/religious ceremonies, farewell, retirement, promotion;

- 11) Gifts related to the engagement, marriage, birth, death, aqiqah, baptism, circumcision, tooth cutting or other traditional/religious ceremonies, with a nominal value for a maximum of IDR 1,000,000.- (one million Rupiah) for each Giver;
 - 12) Giving related to calamities or disasters experienced by the Pertamina Hulu Energi Personnel, husband/wife, children, parents/ in-laws and/or daughter-in-law as long as there is no conflict of interest and fulfills the fairness or decency with a nominal value for a maximum of IDR 1,000,000.- (one million Rupiah) for each giver;
 - 13) Gifts from fellow co-workers in the framework of farewell, retirement, job transfer or birthday which is not in the form of money or other means of exchange is for a maximum of IDR 300,000.- (three hundred thousand Rupiah) for each gift per person, with a total gift not exceeding the amount of IDR 1,000,000.- (one million Rupiah) within 1 (one) year from the same Giver, as long as there is no Conflict of Interest;
 - 14) Gifts from fellow co-workers that is not in the form of money or other means of exchange and is not related to official service is for a maximum of IDR 200,000.- (two hundred thousand Rupiah) for each gift per person, with a total gift not exceeding the amount of IDR 1,000,000.- (one million Rupiah) within 1 (one) year from the same Giver;
 - 15) Giving in the form of dishes or servings that are generally accepted;
 - 16) Giving of souvenirs/placards to agencies in the framework of official service and state relations, both domestically and abroad as long as such souvenirs/placards are not given to the individual Pertamina Hulu Energi Personnel.
5. Treatment for Receiving of Gratification that are excluded
If the Gratification received by the Pertamina Hulu Energi Personnel is included in one of the exempted forms of Gratification as described in the provisions of Chapter II.B.4.c) above, then the receipt of Gratification is not required to be reported and shall become the right of the Pertamina Hulu Energi Personnel.
 6. Reporting on the form of receiving/asking for/giving of Gratification
 - a. Gratification Reporting for the Pertamina Hulu Energi Personnel is carried out through PHE's Compliance Online System ("Compols"), with the following provisions:
 - 1) If there is no receipt/ask for/give of the Gratification by the Pertamina Hulu Energi Personnel, then the Gratification Reporting shall be carried out through PHE's Compols once a month.
 - 2) If the Pertamina Hulu Energi Personnel reject or accept the receipt/ask for/give of Gratification, then the Pertamina Hulu Energi Personnel shall be obliged to report that matter no later than 10 (ten) days after the occurrence of the rejection or acceptance of the receipt/ask for/give of Gratification.

In the event that the Pertamina Hulu Energi Personnel do not have access to the PHE's Compliance Online System, the report can be submitted via email to the email address: phe.compliance@pertamina.com;

- b. If the Pertamina Hulu Energi Personnel are in doubt in terms of:
 - 1) Whether the receipt of Gratification fulfills/does not fulfill one of the forms of Gratification as described in Chapter II.B. 4.c), then the receipt of Gratification must be reported to UPG PHE via the PHE's Compols application or via email to email address: phe.compliance@pertamina.com no later than 10 (ten) calendar days since the Pertamina Hulu Energi Personnel/Core Family Members receive such Gratification;
 - 2) Finding or dealing with conditions, which according to the Pertamina Hulu Energi personnel have the potential to be included into the prohibited Gratification category/ potential bribery, then the Pertamina Hulu Energi Personnel shall be required to report the same in writing and/or electronic mail to UPG PHE via email to the email address: phe.compliance@pertamina.com.

7. The Gratification Report shall at least contain the following information:

- a. The identity of the whistleblower consisting of the Population Registration Number (NIK), full name, complete address, worker number, position and working unit, email address and telephone (mobile) number;
- b. The form of the Gratification Report that has been made, whether it is rejection or acceptance of the receipt, ask for and/or give of gratification;
- c. The form and type of Gratification, namely the specification of the form of the Gratification (for example: money, bags, vouchers, and so on);
- d. Time and/or time span and location of rejection or acceptance of the receipt/ask for/give of Gratification;
- e. The name of the party/institution giving or receiving the Gratification;
- f. Chronology of Gratification events; and
- g. Other supporting documents

**CHAPTER III
DUTIES, RESPONSIBILITIES, AND AUTHORITIES**

A. CHIEF COMPLIANCE OFFICER

1. Chief Compliance Officer has the authority to make coordination with the Corruption Eradication Commission (KPK) with regard to Gratification.
2. Chief Compliance Officer shall provide reports on receipt/ask for/give of Gratification from Pertamina Hulu Energi Personnel that have been reported to PT Pertamina (Persero) at least once a year to the President Director.
3. Chief Compliance Officer shall provide a recapitulation of reports on the receipt/ask for/give of Gratification from Pertamina Hulu Energi Personnel which have been reported at least once a year to PT Pertamina (Persero) (if requested).
4. Chief Compliance Officer has the authority to make decisions with regard to the follow-up to reports on the receipt/ask for/give of Gratification proposed by the Compliance Function under the authority of PT Pertamina Hulu Energi.
5. Chief Compliance Officer has the authority to make decisions on the management or allocation or distribution of Gratification goods which are the authority of PT Pertamina Hulu Energi.
6. Chief Compliance Officer has the authority to make decisions/policies related to Gratification that have not been regulated in this Guideline.
7. Chief Compliance Officer has the authority to carry out supervision related to the implementation of gratification reports within PT Pertamina Hulu Energi and its Subsidiaries/Affiliates.

B. SPECIAL POLICY

1. Compliance Function has the authority to receive, analyze, administer and follow up reports on the receipt/ask for/give of Gratification from Pertamina Hulu Energi Personnel reported through Compliance Online System or via email to the email address: phe.compliance@pertamina.com.
2. Compliance Function shall provide reports on the receipt/ask for/give of Gratification from Pertamina Hulu Energi Personnel that have been reported to PT Pertamina (Persero) and/or KPK at least once a year to the Chief Compliance Officer.
3. Compliance function has the authority to forward reports on the receipt/rejection of Gratification from the Pertamina Hulu Energi Personnel to PT Pertamina (Persero) and/or KPK.
4. Compliance function has the authority to make coordination with PT Pertamina (Persero) and/or KPK related to Gratification reports.
5. Compliance Function has the authority to propose to the Chief Compliance Officer the utilization and management/allocation/distribution of the Gratification goods under the authority of PT Pertamina Hulu Energi.
6. Compliance function has the authority to carry out socialization related to Gratification and carry out other related activities.

C. HUMAN CAPITAL FUNCTION

1. Human Capital Function shall perform maintenance, management and storage as well as updating of the information database of the Pertamina Hulu Energi Personnel.
2. Human Capital Function shall include the obligation/ compliance with the submission of the Gratification reports into the performance assessment evaluation.

D. RELATED FUNCTIONS

The Related Function shall include prohibition of the receipt/ask for/give of gratification to the Pertamina Hulu Energi Personnel and the Core Family Members in every announcement in the process of procurement of goods/services, business cooperation process and CSR provision within PT Pertamina Hulu Energi and its Sub- sidiaries/Affiliates by referring to this Guideline.

**CHAPTER IV
SANCTIONS AND OTHER PROVISIONS**

A. SANCTIONS

Violations in the implementation of this Guideline will be subject to sanctions in accordance with the Collec- tive Labor Agreement and the prevailing laws and regu- lations.

B. OTHER PROVISIONS

1. If a provision in this Guideline conflicts with a provision in another guideline that has been enforced prior to the issuance in this Guideline, then the provisions of this Guideline shall prevail.
2. If a provision in this Guideline conflicts with another provision that has been enforced after the issuance of this Guideline, the provisions of the more specific matter shall prevail.
3. If a provision in this Guideline requires a more detailed arrangement, it will be regulated in the Organizational Working Procedure and/or Individual Working Procedure which still refers to the provisions of this Guideline.

LIST OF ATTACHMENTS

Attachment 1 - Gratification Reporting Form

GRATIFICATION REPORTING FORM

Reporting Date :
 Name of UPG :
 Agency :
 Working Unit :
 Sub Working Unit :
 Address :
 Province :
 Regency/Municipality :

Date of Reporting to UPG	:	
Full Name	:	
Population Reg. Number / ID Card Number	:	
Place of Birth	:	
Date of Birth (DD-MM-YY)	:	
Email	:	
Mobile Phone Number	:	
Rank	:	
Position	:	
Working Unit/Department	:	
Sub Working Unit	:	
Province	:	
Regency	:	
Home address	:	
Home Telephone	:	
Cellphone	:	
Type of Reporting	:	

Type of Event	:	
Type of Receipt *)	:	<input type="checkbox"/> Money / cash equivalents <input type="checkbox"/> Goods <input type="checkbox"/> Meals <input type="checkbox"/> Accommodation (Travel Ticket) <input type="checkbox"/> Rebates (discounts)/Commissions/ Interest-free loans <input type="checkbox"/> Wreaths <input type="checkbox"/> Other Facilities
Description of Goods	:	
Currency	:	
Nominal Value / Estimation	:	
Place of Receipt	:	
Date of Receipt (DD-MM-YYYY)	:	
Name of Giver	:	
Occupation/Position of Giver	:	
Email Address of Giver	:	
Telephone of Giver	:	
Relationship with the Giver	:	
Reason for Giving	:	
Chronology of Giving	:	
Order of Details (if the date of Reporting to the UPG and full name is the same then it is considered as 1 report with many details)	:	

*) Mark with a check mark (v) in one of the types of receipts in accordance with the reporting from you.



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