



# Anti-Bribery & Anti-Corruption Policy

Risk

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# Document Control

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**Erik Meijer**  
 President Director

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# Ethical Behaviour Statement

## *English*

- This statement aims to describe the mandatory expectations and standards required of all employees, third parties and suppliers within telkomtelstra. telkomtelstra is committed to conducting its business in a sound commercial and ethical manner having regard to the policies and procedures of telkomtelstra.
- telkomtelstra and its employees will demonstrate and practice a professional and ethical approach to all its business activities. All employees are required to conduct their activities in accordance with telkomtelstra's Ethical Behaviour commitments, observe a high standard of integrity in their business dealings and comply with all Company Policies.
- Third parties / suppliers and commercial partners of telkomtelstra are required to respect and acknowledge the way the telkomtelstra conducts its business and ensure that they maintain a similar level of ethical behaviour in their dealings.

## *Bahasa Indonesia*

- Pernyataan ini bertujuan untuk mendeskripsikan harapan dan standar yang wajib dipatuhi bagi semua karyawan, pihak ketiga dan penyedia dalam telkomtelstra. telkomtelstra berkomitmen untuk melakukan bisnisnya dengan tata cara komersial dan etika yang tepat sesuai dengan kebijakan dan prosedur dari telkomtelstra.
- telkomtelstra dan karyawannya akan mendemonstrasikan dan mempraktikkan sebuah pendekatan yang profesional dan etis pada semua kegiatan bisnisnya. Semua karyawan diharuskan untuk melakukan kegiatannya sesuai dengan komitmen Perilaku Etis telkomtelstra, mematuhi standar integritas yang tinggi dalam hubungan bisnisnya dan memenuhi semua Kebijakan Perusahaan.
- Pihak ketiga / penyedia dan mitra komersial dari telkomtelstra diharuskan untuk menghormati dan mengakui tata cara telkomtelstra dalam melakukan bisnisnya dan memastikan bahwa mereka mempertahankan tingkat perilaku etis yang sama dalam hubungan mereka.

Approved for telkomtelstra by:



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Erik Meijer  
President Director  
telkomtelstra

# Anti-Bribery and Anti-Corruption Policy

## EXECUTIVE SUMMARY

The purpose of telkomtelstra's Anti-Bribery and Anti-Corruption Policy is to assist staff understand what is acceptable and unacceptable conduct and provide guidance on the avoidance of bribery and corruption.

Telkomtelstra's Board of Directors endorses the Anti-Bribery and Anti-Corruption Policy and is committed to maintaining the highest ethical standards and integrity. The policy reflects the telkomtelstra Board of Directors' vision to embed a culture of best practice that will ensure the reduction of risk and mitigates against criminal liabilities and reputational damage.

Telkomtelstra takes a zero-tolerance approach to bribery and corruption and we are committed to ensuring all staff, Managers, Contractors and Suppliers understand their responsibilities in observing and upholding our stance on bribery and corruption.

Adherence to this policy will ensure that telkomtelstra and all its staff comply with the anti-bribery and anti-corruption laws.

## 1. Introduction

Our Ethical Behaviour framework requires all staff and contractors to accept responsibility for maintaining and enhancing telkomtelstra's reputation for integrity and fairness in its business dealings. This framework is intended to assist, staff, contractors, suppliers and any other third party acting on behalf of telkomtelstra, to understand where issues might arise, and to support them in making the right decisions in line with our values and corporate position.

The Ethical Behaviour Framework includes the following policies:

- Fraud and Criminal Conduct
- Anti-Bribery & Anti-Corruption
- Conflicts of Interest and Outside Activities
- Gifts, prizes and Hospitality Policy
- Whistleblower Policy

## 2. Our Objective

It is the objective of telkomtelstra to conduct all our business in an honest and ethical manner.

We take a zero tolerance approach to bribery and corruption and are committed to acting professionally, fairly and with integrity in all our business dealings and relationships.

## 3. Policy Communication

All business units must, at a minimum communicate this policy and its key features to their staff. All new employees are required to attend the mandatory ethical behaviour training that covers this policy and all existing employees are required to take the annual ethical behaviour test. These trainings are managed by telkomtelstra's Risk Management Team.

## 4. Scope

This policy applies to all staff, managers, and directors whether full time, part time or temporary, consultants, contractors, seconded staff, third parties and or any other person associated with telkomtelstra.

## 5. What are your responsibilities

The Board of Directors has overall responsibility for ensuring this policy complies with our legal and ethical obligations, and that everyone complies with the policy.

However, the most effective way to counter the threat of bribery and corruption is to ensure that all staff within telkomtelstra take responsibility for prevention and detection.

The integration of the following strategies provides an effective prevention and detection framework including, but not limited to:

- Ensuring that all staff and contractors are aware of the anti-bribery and anti-corruption policy
- Regular communications across the enterprise, addressing the criteria for identifying fraud risks and defining the responsibilities for education and training, prevention, detection and reporting
- Analysis to assess the level of risk and prioritise exposure areas.

Telkomtelstra takes a zero tolerance approach to bribery and corruption and does not take part in acts of corruption, or pay bribes either directly or indirectly.

## 6. Things to look out for

There are a number of issues that should cause some further investigation into whether a particular transaction or relationship may present a potential bribery issue.

These include, but not limited to:

- The occurrence of bribery in the particular country
- Payments of usually high fees or commissions
- Request for cash payments
- Requests for payments to different companies
- Undefined or unreported payments to third parties
- No written agreements
- Unusually close relationship with government officials

## 7. Bribery and Corruption

Telkomtelstra is committed to ensuring that all staff are aware of, and understand that engaging in, any acts of corruption, paying or accepting bribes, kickbacks to or from, or making facilitation payments is strictly prohibited.

It is the responsibility of all staff who are involved in engaging with external suppliers, consultants, third parties or any other partner to ensure that we act ethically, honestly and that we are transparent in all our dealings.

A bribe is defined as “an inducement or reward offered, promised or provided in order to gain any commercial, contractual, regulatory or personal advantage”

Improper performance is defined as when a “telkomtelstra representative fails to act in good faith, impartially or in accordance with a position of trust.”

Bribery and Corruption includes, but is not limited to:

- Improperly influence the judgement or conduct of a customers, supplier or competitor
- Improperly influence a decision of, or gain a benefit from, any government official, government agency and political party
- Gain an improper advantage or induce a person to act illegally, dishonestly to corrupt the decision making process
- Rewarding improper performance.

## a. Public Officials

Bribing and or attempting to corrupt a public official, either directly or indirectly, is a serious offence, which can carry hefty penalties and significant reputational damage for telkomtelstra.

Bribery and bribing public officials is against the law in Indonesia and the Indonesian Government is publicly committed to tackling all forms of corruption.

The Corruption Eradication Commission (KPK) monitor interactions between companies, their staff, and government officials related to the delivery of public services, such as the issuing of business permits or provision of other business documentation.

The term “Public Official” has a very broad meaning and usually includes, but not limited to, politicians, public servants, and employees or contractors of government entities and companies, or public international organisations (for instance, the United Nations, World Bank).

## b. Facilitation Payments

Facilitation payments are usually small, unofficial, payments to officials to ensure or speed up performance of routine or necessary action to which telkomtelstra is already entitled. These are considered bribes, regardless of whether they may be a part of the way of doing business. All telkomtelstra staff must not make any facilitation payments.

## c. Gifts, Prizes and Hospitality

We should exercise caution when offering or accepting gifts or hospitality to ensure it does not and, is not perceived to improperly influence a business outcome.

Telkomtelstra staff must not offer and or accept gifts, prizes and hospitality or other incentives that could affect the impartiality of decisions or influence a decision or lead to improper conduct.

All telkomtelstra staff offered gifts, prizes and/or hospitality must refer to the telkomtelstra gifts, prizes and hospitality policies, for clear guidance on the reasonable circumstances for acceptance of, and provision of, gifts.

The telkomtelstra gift, prizes and hospitality policy provides guidance on the specific process involved in accepting, recording and managing the gift register.

## d. Conflict of Interest

A Conflict of Interest arises when two or more different interests are involved in the same situation.

Examples of Conflicts of Interest include, but are not limited to:

- Conflict between staff and a Customer
- Conflict between staff and telkomtelstra
- Conflict between Customer and telkomtelstra

A Conflict of Interest is a type of moral hazard. They require you to stop and think about what is the right thing to do.

- Do you need to tell your Manager?
- Can you act in this situation?
- Do you need to disclose something?

In all situations and decision making you must always act with honesty and integrity while upholding telkomtelstra reputation.

## e. Types of conflicts of Interest

A conflict of interest may be actual, potential or apparent:

- Actual – An activity that causes a Conflict of Interest
- Potential – An activity that could give rise to an actual conflict, either at the time of the activity or at some time in the future.
- Apparent – An activity or transaction of which a third party could reasonably form the view that a conflict exists.

A conflict of interest exists where there are circumstances which do, have the potential to, or appear to:

- Compromise your independence or judgment
- Affect your ability to make impartial decisions in the best interest of telkomtelstra
- Indicate favouritism or prejudice toward any particular person or entity as part of your work for telkomtelstra
- Result in your personal interests conflicting with your work for telkomtelstra

## f. Political Donations

Telkomtelstra does not make political donations or contributions to groups whose activities are to promote party interest or to support of a particular political candidate.

In some limited instances as permitted by regulations and law we may pay fees to attend events organised by political parties where these events allow for discussion on significant policy issues.

## g. Charitable Donations

Charitable contributions/donations may be provided to recognise not for profit, charitable organisations. All donations must be transparent and properly recorded.

## h. Business Relationships and Third parties

Telkomtelstra expects that all of its business partners approach issues of bribery and corruption in a manner that is consistent with the principles of the Ethical Behaviour Framework and this policy.

In order to maintain the highest standards of integrity telkomtelstra will ensure that:

- The background and reputation of business partners are assessed
- The engagement, selection and management process is fully documented
- Business partners are aware of telkomtelstra core values, integrity and ethical standards

Telkomtelstra will continue to monitor its relationship to ensure that there are no infringements of the Anti-Bribery and Anti-Corruption policy.

## i. Tender and Bidding Contracts

The policy requirements for anti-bribery and anti-corruption also include the tender and bidding processes, negotiations or procuring goods and services.

For any merger and acquisition activity a detailed bribery and corruption assessment must be completed of the targeted company, as well as appropriate due diligence assessments which should be based on the proportionate identified risks.

## 8. Roles and Responsibilities

The telkomtelstra Board of Commissioners is responsible for reviewing and approving the overall risk management strategy. The Board’s approach is that responsibility and accountability for risk first begins with the Business Units that originate the risk.

The following table illustrates key aspects of the roles and responsibilities across telkomtelstra

Role	Function	Description
<b>telkomtelstra Board of Commissioners</b>	3 <sup>rd</sup> line of Defence	To review policies and procedures that exist for the receipt, retention and treatment of information submitted confidentially, by staff and third parties about accounting, internal controls, compliance audit or other matters which staff have concerns
<b>Audit and Risk Committee</b>	3 <sup>rd</sup> line of Defence	Overseeing management’s design and implementation of the Company’s internal control system, which includes the process for identification of significant fraud risk and the adequacy of prevention, detection and reporting mechanism in place.
<b>Risk Management</b>	2 <sup>nd</sup> line of Defence	<ul style="list-style-type: none"> <li>• Contact point for policy enquires</li> <li>• Provide management guidance on significant fraud and criminal conduct</li> <li>• Act in accordance with the ethics and integrity behaviour standards</li> <li>• Maintain and update policy and assist Business units do the right thing</li> <li>• Provide policy education and training</li> </ul>
<b>Ethics and</b>	2 <sup>nd</sup> line of	<ul style="list-style-type: none"> <li>• Review reports and treatment of complaints received by</li> </ul>

<b>Integrity Council</b>	Defence	<p>telkomtelstra</p> <ul style="list-style-type: none"> <li>Refer to the Risk and Audit Committee any matters that have come to the attention of the Council that are relevant to the Audit and Risk Committee</li> </ul>
<b>telkomtelstra Board of Directors</b>	2 <sup>nd</sup> line of Defence	To lead by example to create an organisational culture where Fraud and Criminal Conduct are identified, declared and managed
<b>Business units Leaders and Managers</b>	1 <sup>st</sup> line of Defence	<ul style="list-style-type: none"> <li>To identify and mitigate control deficiencies that may lead to fraud and criminal conduct</li> <li>Report any incidents of actual, potential or apparent fraud and criminal conduct</li> <li>Manage and advise staff on Fraud and Criminal Conduct behaviour</li> <li>Ensure all staff are appropriately aware and trained</li> <li>Advise and seek support from Risk Management as required</li> </ul>
<b>Staff and Contractors</b>	1 <sup>st</sup> line of Defence	<ul style="list-style-type: none"> <li>Reporting of actual, potential or apparent Fraud and Criminal Conduct</li> <li>Identify any continuous improvement opportunities to reduce the likelihood of Fraud</li> <li>Identify control deficiencies and suggest mitigation strategies to reduce the likelihood of fraud</li> <li>Comply with the policy for Fraud and Criminal Conduct</li> <li>Report any instances of Policy non-compliance</li> </ul>

## 9. Monitoring

Telkomtelstra will conduct regular reviews and monitoring programs that seek to the following:

- The appropriateness of governance documents
- The appropriateness of key controls
- The completion of regular reviews of authorisations and delegations.
- Reviews of high risk areas as directed by Audit and Risk committee
- Implementation of continuous improvement programs

The outcomes and findings of the monitoring activities may be communicated and incorporated across various governance forums and reporting activities including:

- Regular risk assessment process and internal risk profile for telkomtelstra
- Reporting to the Board of Directors on the effectiveness of internal controls
- Developing best practices and continuous improvement strategies
- Ethics and Integrity committee
- Regularly reviewing authorisations and delegations
- Audit and Risk Committee

## 10. Reporting

Any allegation of bribery and corruption will need to be recorded when received or as soon as practicable thereafter. There are several options available to report an incident of anti-bribery and anti-corruption:

- (a) Discuss it with your Manager
- (b) Seek advice from your legal Counsel
- (c) Seek advice from Risk Management
- (d) Use the telkomtelstra Whistleblower process

All staff members must be reassured that you will not face any reprisal action for fraud and criminal conduct raised with reasonable grounds. Alternative any issues can be raised anonymously through the telkomtelstra Whistleblower process.

## 11. Protection against victimisation

Telkomtelstra encourages openness and will support anyone who raises genuine concerns with reasonable grounds under this policy. This also extends to telkomtelstra staff who refuse to accept or offer a bribe and report the concerns.

## 12. Definition:

Type of Concern	Description
Business Integrity	Business integrity involves the adherence to a strict ethical or moral code of conduct and standards. Telkomtelstra have established their core values and expectations to be applied across the enterprise.
Bribery	Bribery is the offering, promising or giving of a financial or non-financial advantage to somebody in order to influence improperly their/your views or actions.
Corruption	Corruption is the use of improper business practices including bribery, graft, facilitation payments and any other forms in the misuse of trust for gain.
Facilitation Payments	Facilitation payments are small unofficial payments to (officials) ensure or speed up performance of routine or necessary action to which telkomtelstra is already entitled.

## 13. Policy Review and Governance

Policies, procedures, capabilities, governance systems and supporting documentation require regular reviews to ensure that they continue to be effective in an ever changing environment. In addition this ensures that telkomtelstra Policies continue to be fit for telkomtelstra purposes and provide assurance and comfort to the Board of Directors.

The policy is reviewed regularly and updated when there are significant changes or adjustments.

## 14. Consequences of Non- Compliance

Non-compliance with this policy could have serious consequences for staff and telkomtelstra, including customer loss and reputation damage. It is the responsibility of all staff to understand how this policy applies to their function.

If you don't follow this Policy you could face disciplinary action. In serious cases this may include termination of your employment or engagement. If you break the law you may also be personally liable.

## 15. More Information

If you are uncertain about whether or how this policy applies to you and or your business unit, if you are unsure whether you have an actual, potential or apparent conflict of interest, please speak to your immediate Manager or Risk Management.

## References

- Ethical Behaviour Framework and Code of Conduct
- Fraud and Criminal Conduct Policy
- Conflicts of Interest
- Gifts, prizes and Hospitality Policy
- Privacy Policy
- Risk Management Framework

Whistleblower Policy

## Approval

Company Policy Owner	Risk
Business Unit Approval	CEO
Policy Contact	Rey Sihotang

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