

## RELATIONSHIP WITH THE GOVERNMENT AND GOVERNMENT INSTITUTIONS

### GUIDELINES

#### 5.1 The Government as Regulator

Companies may have relations with the Government are as follows:

5.1.1 Oil and Gas Sector through the Directorate General of Oil and Gas under the Ministry of Energy and Mineral Resources which functioned to organize:

- a. Policy formulation in oil and gas field.
- b. Policy implementation in oil and gas field.
- c. Norms, standards, procedures and criteria preparation in oil and gas field.

5.1.2 The Capital Market through the Financial Services Authority (OJK) which functioned to establish an integrated regulatory and supervisory system among all activities of the financial service industry.

#### 5.2 Government Hosting

Some Basic Principles of Government Hosting are as follows:

##### 5.2.1 Business Objective Legitimacy

Hosting should only be done in conjunction with the Company's business purpose in legal manner, and should not be done for government official's personal benefits. It is also should not be done in certain ways in order to influence the decision which is under authority of such institutions or government officials.

##### 5.2.2 Cash Payment / Per Diem to Individual Officials

a. In terms of when it is provided to the government officials as a form of compensation as informant or guest speaker in an official event of the Company and / or a government institution based on the letter of assignment from each institutions in accordance with the applicable regulations.

b. In terms of when the Company carries out official travel with Government Officials, all provisions relating to allowance and other reimbursements are based on the letter of assignment from each institutions in accordance with the applicable regulations.

##### 5.2.3 Fair Expenditure

The hosting request is made at reasonable cost and should avoid any unnecessary expenses including gifts/rewards (other than those permitted in the acceptance and reward policy).

The level of travel, accommodation and consumption costs provided by the Company should be suitable with the recipient's status / level in accordance to the applicable regulation and travel policy of each agencies / institutions.

#### 5.3 Hiring the Government Officials

The company may hire government officials in order to provide service with legitimate business purpose and is not contradicted with the government officials' obligation. For example: The company invite a government official to provide consultation according to this official's competency.

#### 5.4 Political Activity

The Elnusa Members are given the opportunity, on behalf of their very own, to be able to express their aspirations in politic. However the company apply a number of restrictions regarding to this activity:

5.4.1 Not provide any funds, donations or other assistances in any forms including the use of facilities and infrastructures owned by the company for any activities of political parties or organizations which affiliated with political parties.

5.4.2 The Elnusa Members are prohibited to receive any funds, donations or other assistances from any political parties to be used in the Company's environment.

5.4.3 Not listed as functionary / administrator of political parties or registered as legislative candidates.

5.4.4 Not participating in election campaign, either presidential election or regional election, and / or being a campaign implementer during working hours.

5.5 If any violations are found, such as holding or receiving a hosting request without the consent of the **competent authority and the Ethics Council and GCG and the Ethics Supervisor**, the **Elnusa Member** shall report to the **direct manager** and / or to **the Ethics Council and the GCG and the Ethics Supervisor** in accordance with **the Integrated Complaint System Procedure (WBS) (REL-SOP.5.1)**.

5.6 **The Ethics Council and the GCG and the Ethics Supervisor** will impose sanction **according to the applicable authority** against the reported member who proven committing violation. The sanctions that will be given are as follows:

5.6.1 Criminal and / or civil penalties for the Company and individual involved.

5.6.2 Disciplinary sanction provision by the Company, including employment termination against the perpetrator in accordance to applicable Company Regulations.