



CODE OF CONDUCT
PT PERTAMINA (PERSERO)



PERTAMINA
Semangat Terbarukan

DECISION LETTER
No. Kpts – 07/C00000/2014-S0
CONCERNING
PT PERTAMINA (PERSERO)'S CODE OF CONDUCT
PRESIDENT DIRECTOR OF PT PERTAMINA (PERSERO)

Considering : a. That the implementation of Good Corporate Governance among others is proven by the existence of a Code of Conduct.

b. That a Code of Conduct serves a guideline for all Employees, members of the Board of Directors and members of the Board of Commissioners in carrying out their respective duties.

c. That the Business Ethical Guidelines and Code of Conduct prepared in 2009 is no longer relevant to the current development of the company, therefore this new Code of Conduct has been prepared.

d. That to implement the Code of Conduct, it is necessary to issue a decision to endorse the Code of Conduct at PT Pertamina (Persero).

In view of : 1. Law No. 28 of 1999 on State Organizer who is Clean and Free from Corruption, Collusion and Nepotism;

2. Law No. 31 of 1999 in conjunction with Law No. 20 of 2001 on Eradication of Corruption;

3. Law No. 19 of 2003 on State-owned Enterprises;

4. Law No. 40 of 2007 on Limited Liability Companies;

5. Regulation of the State Minister of State-owned Enterprises No. PER-01/MBU/2011 in conjunction with Regulation of the State Minister of State-owned Enterprises No. PER-09/MBU/2012 on the Implementation of Good Corporate Governance at the State-owned Enterprises (BUMN);
6. General Guidelines on Good Corporate Governance Indonesia by the Policy Committee of Governance Committee.
7. PT PERTAMINA (Persero)'s Articles of Association;
8. Codes of Corporate Governance.

HAS DECIDED

To issue

- FIRST : To declare the 2009 Business Ethics Guidelines and Code of Conduct is no longer applicable.
- SECOND : To put into effect the Code of Conduct at PT. Pertamina (Persero).
- THIRD : To assign the Corporate Secretary as the Chief of Compliance Officer (CCO), as the person in charge of the implementation of this Decision Letter and if required to update/make any adjustments in line with the development of Company.

This Decision Letter shall take effect as of the date of issue, on condition that matters not yet or not adequately prescribed in this decision letter shall be arranged later on.

Issued in Jakarta
On 26 February 2014
President Director
Karen Agustiawan

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INTRODUCTION TO MANAGEMENT

The existence of a Code of Conduct in an organization is an important thing. The Code of Conduct provides the guidelines to act in accordance with the Company's expectation so as this will eventually be implanted and become typical behaviour which differentiates PT Pertamina (Persero) ("Company") from other companies. By the issuance of this Code of Conduct with a more articulate concept, we hope that it can explain the expected behaviour that will become part of the daily life of the entire Pertamina's Staff in carrying out their activities.

The Company believes that behaving with integrity and promoting the Company's primary values will guide our steps toward our vision to become the World Class National Energy Company.

Jakarta, 11 January 2014

President Director,

[signature]

Karen Agustiawan

President Commissioner,

[signature]

Sugiharto

MESSAGE FROM THE PRESIDENT DIRECTOR



aren Agustiawan

MESSAGE FROM THE PRESIDENT DIRECTOR

Praise God, this year 2014 PT Pertamina (Persero) (“Company”) can issue a new Code of Conduct which is hoped to be able to boost the renewable spirit for all Pertamina’s Staff in carrying out their activities in the Company.

In this present tough global business competition, it is essential to have a unique characteristic which distinguishes and is outstanding compared to other world organizations, and integrity is the most important thing to ensure a sustainable business.

For this purpose, I personally hope that all Pertamina’s staff would read, understand and practice this Code of Conduct seriously because the examples of conduct described in this Code of Conduct are derived from the Primary Values (Clean, Competitive, Confident, Customer-Focused, Commercial and Capable which are expected to become the highly respected values as well as the unique behaviour of Pertamina’s staff.

An organization can only achieve its mission with solid cooperation and contributions from all members of the organization. The same is true with the Company. Each employee of Pertamina is a valuable asset of the Company and gives contributions that have impacts on the achievement of Company’s vision.

The compliance of each staff of Pertamina with this Code of Conduct will contribute to the achievement of Company’s vision to become the World Class National Energy Company.

Kind regards,
Karen Agustawan
President Director

INTRODUCTION TO THE CODE OF CONDUCT

This Code of Conduct constitutes Pertamina's commitment to comply with the legal provisions and the highest ethical standard wherever Pertamina conducts its business/operational activities.

This Code of Conduct will assist Pertamina's Staff to behave in accordance with Pertamina's Primary Values.

To become a whole Pertamina's Staff, is in fact the intention of this Code of Conduct. To become a man certainly is more than just a worker, as the wholeness of human being is what this Code of Conduct intends to reach. So, this Code of Conduct should be understood as a conduct profile, not just a collection of rules on the do's and don'ts, as this Code of Conduct speaks about the mind, feeling, attitude, speech and action of Pertamina's staff. And, if there is just one word that can describe the wholeness of conduct as a Pertamina's Staff, that word would be integrity. It is integrity that makes this Code of Conduct mapped as one integrated ethical conduct. It is the integrity that makes this Code of Conduct remains as reference when the environment continues to change. As a business entity, Pertamina certainly is an institution geared toward obtaining profits. This is where this Code of Conduct plays the important role because business operations and profits are actually the results of trust and satisfaction, whereas trust and satisfaction are the fruits of honesty and professionalism. Business competition in the future will certainly get even tougher. And what will make us the winner is when we can maintain our ethics.

For this reason, maintaining professional attitude is the main demand which is guided through this Code of Conduct. Not just for oneself, but a collective professionalism that

we should grow and nurture together with our colleagues, partners, even the environment. If we have to reprimand, straighten up or report unprofessional behaviour happening around us, it is merely because we don't want Pertamina to bear fatal risks just because of a few people's behaviour. Anyhow, Pertamina is a boat that will take us to the destination, otherwise we will sink together because of several colleagues' reckless behaviour.

To sincerely abide by this Code of Conduct is a form of our gratefulness to the Almighty God, who gives us the opportunity to become Pertamina's Staff. This gratefulness is realized in the form of our care towards the customers, business partners, environment, and the most important: the people who entrusted this mandate to us. The gratefulness and satisfaction felt by our environment toward us is a kind of prayer which will erase all our weaknesses and the prayer that will lead us to the vision and mission of Pertamina.

Pertamina is aware that there is a possibility that the provisions in this Code of Conduct might be in contradiction to our habits or the local business practices where Pertamina runs its business/operational activities. If this happens, Pertamina's Staff shall ensure and shall obtain prior written approval from the management before taking the action which might cause violation to the provisions of this Code of Conduct.

PERTAMINA'S STAFF INCLUDES THE BOARD OF DIRECTORS, BOARD OF COMMISSIONERS, CONTRACT EMPLOYEES, PERMANENT EMPLOYEES AND WORKERS WORKING WITH PERTAMINA.

This Code of Conduct serves as a guide for:

1. Pertamina's Staff;
2. The external parties acting for and on behalf of Pertamina;
3. The subsidiary companies and company structures under it, namely other legal entities controlled by Pertamina either directly or indirectly.
4. Business Partners having cooperation with Pertamina.

VISION AND MISSION

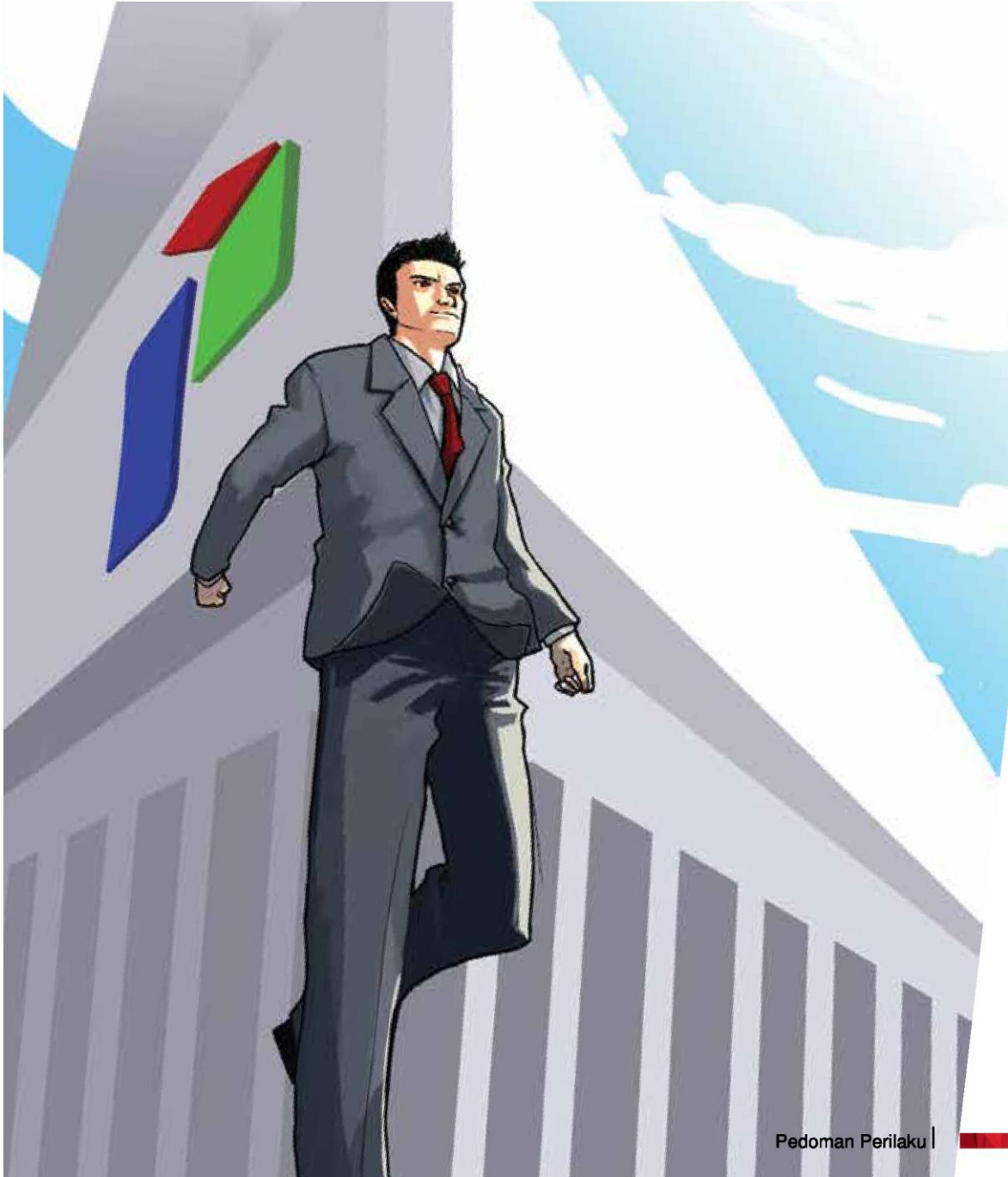
The implementation of this Code of Conduct by Pertamina's Staff is expected to become the catalyst in realizing Pertamina's vision and mission:

Vision

To become the World Class National Energy Company

Mission

To carry out business in the oil, gas and new and renewable energy integratedly, based on strong commercial principles.



<p style="text-align: center;">CLEAN</p>	<p>The Company is managed professionally by:</p> <ul style="list-style-type: none"> - avoiding conflicts of interest; - not tolerating any bribes; - upholding trust and integrity; and <p>be guided by the principles of good corporate governance.</p>
<p>Able to compete at the regional and international levels, to boost the growth through investment, to build the culture of cost awareness and to respect performance.</p>	<p style="text-align: center;">COMPETITIVE</p>
<p style="text-align: center;">CONFIDENT</p>	<p>To play the role in the national economic development, to become the pioneer in the State-owned Enterprise reform and to build the pride of the nation.</p>
<p>Be customer-oriented and be committed to providing the best service to the customers.</p>	<p style="text-align: center;">COSTUMER-FOCUSED</p>

COMMERCIAL	To create value added with commercial orientation and to make decisions based on healthy business principles.
Is managed by professional leaders and employees having the talent and high technical skills, committed in developing research and development capabilities.	CAPABLE

THE PRINCIPLES OF GOOD CORPORATE GOVERNANCE (GCG) OF PERTAMINA

This Code of Conduct is one of the realizations of Pertamina’s commitments to implement the principles of Good Corporate Governance (GCG) as one of the State-owned Enterprises.

The Principles of Pertamina’s GCG which become the principles of Pertamina’s Staff are:

Transparency

To ensure disclosure of material and relevant information concerning the performance, financial condition and other information openly, clearly, adequately, accurately, comparably and timely and can be easily accessed by the stakeholders in accordance with their rights.

Accountability

To ensure the clear function, implementation and accountability of all Pertamina's Staff which enable the Company's management to be run effectively.

Accountability refers to the obligations of all Pertamina's Staff or the Company's operational functions in relation to the exercise of authority and/or performance of responsibilities entrusted by Pertamina to them.

Independency

Managed professionally without any conflicts of interest and influence/pressure from any party which are not in line with the prevailing laws and regulations and the principles of GCG.

Responsibility

To ensure that its business activities are carried out in accordance with healthy corporate principles, fulfillment of the obligations to the Government in accordance with the prevailing laws and regulations, to cooperate actively for mutual benefits and to make every effort to give real contributions to the people.

Fairness

To ensure fair and equivalent treatment in fulfilling the rights of stakeholders which arise based on the agreement and the prevailing laws and regulations.



LET US UPHOLD THE RIGHT AND AVOID THE DOUBTFUL

Pertamina's Staff should not compromise in the area of integrity. The fact that Pertamina's reputation depends on our action and conduct must become our mutual awareness. That is why we all need to act and behave that is morally, legally and ethically correct in every situation. Such kind of conduct continuously and in line with the development of the Company will form the integrity culture in Pertamina.

Acting and behaving with integrity means avoiding any situation that might create conflicts between personal interest of Pertamina's Staff and the Company's interest.

With integrity we will create an atmosphere of mutual respect which becomes the shield against any high risk corrupt practices for the sustainability of our business.

We have the mind, feeling, attitude, speech and action. Integrity is when the five elements are upheld consistently: yesterday, today and in the future.

Integrity of Pertamina's Staff:

➤ Compliance with the Law

Pertamina's Staff comply with the laws and regulations, either those applicable at the place where they are assigned, or at the national and international levels including the Company's internal regulation.

➤ Conflict of Interest

Pertamina's Staff are responsible for ensuring that personal interest outside their work will not disturb their responsibilities toward Pertamina/Company.

Pertamina's Staff should try to avoid the situation where personal interest (directly or indirectly), outside activities, or financial interest, contradicts, seems to contradict or might potentially contradict with Pertamina's interest.

However, the Company respects the rights of Pertamina's Staff to manage their personal interests and personal investments and it does not intend to interfere with these affairs so as long as they do not disturb their works, are carried out outside the working hours and are not in conflict with Pertamina's interests.

Pertamina's Staff should carry out business activities transparently, properly and responsibly.

Regulations might be tricked. But we have the heart which cannot be cheated. Use your heart and make it as the highest decision maker, as the peace of heart only comes from clean conduct.

Disrespectful behaviour might bring some advantages and satisfaction. Just for a while. Long-term everlasting success comes from the commitment and consistency towards honesty and action.

So, maintain your personal integrity. Make transparency as our savior from the desire to deviate. Uphold the integrity, as this is what our family desires and is proud of.

Even a mere impression of conflict of interest could ruin Pertamina's reputation and destroy the trust of our customers, goods/service providers, workers and other business partners, unless such conflict of interest has been disclosed in writing and signed by the Pertamina's Staff concerned.

Pertamina's Staff should disclose all situations that might cause the arising of conflict of interest.

The form of conflict of interest vary greatly: This Code of Conduct cannot discuss every situation that causes or potentially can cause a conflict of interest, so Pertamina's Staff must use their judgement and common sense in evaluating whether a certain situation is the one that cause or potentially can cause a conflict of interest and seek for advice if in doubt.

➤ **Bribes and Corruption**

A company which has a good reputation and is trustworthy would not give bribes. Giving a bribe is an act against the law. Sometimes, Pertamina's Staff may be tempted to give bribes as it seems that this is the easiest way to get the work done. And ironically, in various places, bribe is a common practice. For Pertamina's Staff, the smoothness of work or what is known "business smoothing agent" cannot be used as justification to give bribes or be involved in other forms of corrupt deeds.

Pertamina's Staff shall not be involved in any bribes and/or corruptions, either as the party who gives or the party who receives the bribes.

Bribes come in various forms. A bribe is not always in the form of money. It can be in any form of value to the recipient. For example, gifts, dinner, entertainments, business opportunities, scholarships, job offers, all can become

bribes if offered with the intention to get a certain payback. There is no limit of a nominal of currency/valuable object to be considered as a bribe.

Any form of corruption cannot be tolerated for whatever reasons. Corruption is an act against the law with the intention to enrich oneself or others (individual or corporate) that can harm the state's finance or economy.

Corruption may be in the form of bribe, fraud, extortion, fraudulent act, conflict of interest in a procurement, and gratification.

In making a financial transaction with the government or another party outside the company, Pertamina's Staff are not allowed to offer, give and/or receive anything which is not in line with the Gratification Rules with the intention to get benefits/considerations/indirect benefits and special treatments from those parties.

To find out further about the Rules for Gratification, please read the Guideline for Gratification which can be downloaded from this website: <http://www.Pertamina.com/company-profile/pedoman-tata-kelola-perusahaan/kode-kepatuhan/>

Gratification is permitted taking into account Pertamina's interest and shall meet all the following criteria:

1. Has been budgetted and is approved by the authorized Company officer;
2. Is intended to support Pertamina's interest;
3. Not for a bribe in order to obtain ease in work affairs or special treatment;

4. Not in the form of money and/or equivalent to money (vouchers, checks and checks for deposit only (*giro*). Gratification in the form of money is permitted for a sponsorship and shall be performed in accordance with Company's regulation;
5. Not in the form of objects which violate the law and morality;
6. Has a nominal value not exceeding Rp. 1,000,000,- (one million Rupiah). The limit of this nominal value may be exceeded if the fund is intended for the purpose of promotion, sponsorship and customer gathering;
7. A gratification object bearing Pertamina's logo which is permanent, attached to and becomes an inseparable part of the said object;
8. Not to be given to the same party more than once in a year.

➤ **Gift, Dinner and Entertainment**

Gifts, dinner, entertainment, and other facilities are often used to strengthen business relationship. Pertamina's Staff should be aware not to offer or receive them if in their opinion, such gifts may influence or have the impression to influence a decision making.

Pertamina's Staff are allowed to give or receive the facilities only if based on considerations using common sense, that rejecting them would ruin the good relationship that has been built between the Party who Gives and Pertamina.

Taking into consideration compliance with the law, ethics and Pertamina's interests, Pertamina's Staff are allowed to receive a gift, lunch/dinner and entertainment subject to the following criteria:

1. Not to be given by the same party to Pertamina's Staff more than once in a year.
2. Could disturb the good relationship between the giver and Pertamina if it is rejected.
3. Does not disturb the working hours of Pertamina's Staff concerned;
4. Does not discuss about the internal information and/or confidential information which potentially can cause a conflict of interest;
5. If in the form of dinner and entertainment, must be received together with another person from Pertamina's Staff.

➤ **Relationship with Government Officials or Government Institutions**

Pertamina's relationship with Government Officials or Government Institutions shall be based on the commitment to maintain good and communicative relationships. This good interaction/relationship is done with consideration and common sense for the interest of Pertamina without violating the laws.

Pertamina does not support the giving of money/facility/gift or promise to a government official or government institution with the intention to obtain or extend a license, etcetera.

If in carrying out his job, a staff of Pertamina cooperates with a government representative/agency or is asked to provide information for the purpose of investigation and/or inquiry, he must ensure that the information given is accurate, accountable and in accordance with the rules applicable at the place of work of the Pertamina's Staff.

If in doubt about this, please discuss with the supervisor or Legal Department where the Staff is assigned.

Giving bribes to a Government Official or Government Institution is a serious problem that might result in a criminal sentence to the receiving party. Pertamina does not want its reputation to be ruined if it is related to criminal acts.

It is our mutual obligation to maintain the integrity and good company reputation where we work.

➤ **Fraud and Theft**

Every event of fraud, embezzlement and theft that occurs in Pertamina or that is connected with Pertamina will be promptly investigated, reported, and after sufficient examination will be imposed with an appropriate punishment.

Every event which is suspected as a fraud and theft shall be immediately reported.

Therefore, Pertamina's Staff are asked to report the case through Pertamina's whistle blowing system. To find out further about Pertamina's whistle blowing system, please go to page 42.

➤ **Money Laundering**

Pertamina has a good relationship with the Center for Reporting and Financial Transaction to mutually prevent and eradicate money laundering criminal acts in Pertamina. For this purpose, Pertamina does not tolerate money laundering acts carried out within Pertamina.

What is meant by money laundering is:

Actions performed with the intention to hide or disguise the origin of the wealth which is known or reasonably suspected as a result of a criminal act through one or more methods as follows:

1. Moving;
2. Transferring;
3. Shifting;
4. Spending;
5. Paying;
6. Granting;
7. Entrusting with;
8. Altering the form;
9. Exchanging with other currency or commercial papers.

HEALTHY COMPETITION



COMPETITION IS OFTEN VERY TOUGH. WE ARE LEFT WITH TWO CHOICES:

SUPERIOR OR WE WILL BE DESTROYED

Pertamina supports a healthy business competition which encourages business performance and creativity to give the best to the customers and stakeholders.

➤ **Healthy Business Competition**

Pertamina's Staff shall ensure that Pertamina's business activities comply with the law on anti-monopoly and healthy competition in Indonesia and the local regulations where Pertamina carries on its business/operational activities.

The law is meant to encourage competition which prohibits collective agreement or action between the competitors which give impacts to restrict trading or decrease competition.

Pertamina's Staff shall be aware of the efforts leading to unhealthy business competitions. Some unhealthy business competition practices may not be realized by Pertamina's Staff.

Pertamina's Staff shall only carry out fair and ethical business practices and shall not spread any sensitive information with the act of other people's principles in order to maintain a fair competition. Everything done by Pertamina shall be based on honesty, trust and openness.

Business world nowadays develops very rapidly.

Just following and adjusting ourselves will only make us exhausted.

If we want to remain superior, we have to be professional, competitive and proactive or even create the change itself.

There are two ways that can be relied upon in order to compete in the business: Firstly, to maintain quality; Secondly, to maintain good service. But there is another way to become the winner: To implement the Primary Values will make us unique and different.

Because uniqueness and difference are the right way to compete.

Pertamina's Staff are asked to discuss first with the local Legal Department when they intend to cooperate in a joint venture, merger, acquisition or to carry out certain marketing strategies, if they are in doubt whether or not their acts contradict with the principles of a healthy business competition.

➤ **The Procurement Process for Goods/Service Providers**

Pertamina supports a healthy business competition by having the procurement process of Goods/Service Providers transparent and asks the prospective Goods/Service Providers taking part in the procurement process with Pertamina to respect and comply with the regulation for goods/service procurement applicable at Pertamina.

➤ **Competitor Information**

Pertamina supports Pertamina's Staff to participate in a business players association or other associations related to Pertamina's business sector.

Pertamina's Staff, in accordance with the nature of their work, may collect, share, and use information related to competitors and this must be done in a legal and ethical way. Just like the Company respects and protects its own non-public information, Pertamina's Staff shall also respect other companies' non-public information.

Collecting the competitors' information is permissible through the information available for the public or through an ethical research.

When seeking the information from non-public sources, Pertamina's Staff should act honestly and with integrity, and shall not seek, obtain, or use the information if this is against the prevailing laws. Pertamina's Staff may also ask a third party for information on the competitors or receive information gathering on the competition offered by the third party, provided that this is not against the laws and ethics.

CONFIDENTIALITY OF DATA AND TRANSPARENCY



WE ARE HERE TO SERVE THE PUBLIC, SO HONESTY IS OUR CHARACTER. BUT, WHEN TRANSPARENCY IS JEOPARTIZING, THEN KEEP IT CONFIDENTIAL!

Openness is the fruit of sincere honesty, as honesty does not need a reason to escape, and sincerity does not need a place to take shelter of. We desperately desire openness, as we believe that this corporate will be expanded with the prayers of the people who assent to honesty.

However, sometimes openness may be threatening. As in every house there are always private rooms to keep the privacy, and locked cabinets to keep secrets. Secret is the proof that we are unique and different. We need secrets so as we would always have the power to win over the competition. Commitment toward the secret is the commitment to protect many interests.

➤ **Confidentiality of Data and Information**

Company's data and information are important assets that must be protected from being accessed by those unauthorized parties from outside the Company.

Pertamina's Staff are prohibited from revealing any confidential data and information to the third parties (either directly or indirectly) related to business transactions or other Company's internal information. Pertamina's Staff, including their colleagues or relatives are not allowed to take any personal advantage by utilizing Company's confidential data and information.

In general, data and information are considered confidential if they are not yet published or not yet available to the public. Pertamina's Staff are asked to immediately report to the highest function manager if they know that Company's data and information have been lost and it is strictly prohibited to use the company's internal data and information for sale.

All external parties who have temporary access to the Company shall be informed of the need to keep the confidentiality of data and information and they must be monitored to ensure that sensitive data and information are used properly.



Pedoman Perilaku

➤ **Accounting and Financial Report**

All Company's business transactions shall be reflected in financial reports accurately and properly. The presentation of financial reports shall follow the financial accounting standards and the generally accepted financial reporting principles.

All recordings made for the purpose of accounting or reporting shall accurately reflect each transaction without any misleading information. It shall be ensured that all documents are complete, reflecting the actual condition, be accurate, timely, traceable up to its transaction and are understandable.

The Company uses proper procedures to examine the accuracy, honesty and completeness of financial reports and related reports.



➤ **Management of Files (Archives)**

To be able to work effectively and efficiently, files must be managed properly. Documents required for the ongoing business or which are required for legal purpose shall be maintained. All files shall be kept for a period as specified in the applicable schedule of file keeping and shall be destroyed in accordance with the applicable file keeping policy. File keeping shall also be done taking into account

the interest of court and investigation process by the competent authority. Files and documents shall be orderly and securely managed according to their cycles so as to ease the tracking when needed.

The accuracy of financial reports is often used as consideration for decision making, so it is our responsibility to give only correct, accurate, complete, objective, relevant, timely and understandable information.

PROFESSIONAL ATTITUDE



WHEN A RESPONSIBILITY IS NOT IN THE HAND OF AN EXPERT, HOW CLOSE WE ARE TO A DESTRUCTION

Pertamina respects innovation and creativity the same with professional attitude that Pertamina's Staff have. Human Resources that Pertamina currently has are the invaluable assets and their innovations and creativity must be protected.

➤ **Professional Working Attitude**

The Company is aware that the achievement of Company's goals depends on the professionalism of Pertamina's Staff in doing their jobs. Therefore, in interacting with their peer employees, Pertamina's staff are required to trust each other, be sincere, earnest, to remind each other and give inputs, be solid and synergic to achieve Pertamina's vision and mission.

Pertamina's Staff shall carry out their work in goodwill and with responsibility. Each individual is a part of the Company who must support each other and who has the interest toward the advancement and sustainability of the Company's operations. Pertamina's Staff shall constantly strive to improve professionalism and competencies (skill, knowledge, attitude) by working towards the achievement of the goals.

Pertamina's Staff shall not put pressure or intimidation, offence, harrassment or provocation on each other, and shall not create unhealthy competition with each other.

Pertamina's Staff shall be discipline, not leaving their work before the time without permission from the superior, and or not carrying out other activities for

personal interest or for the interest of other parties outside the Company without permission during the working hours. Pertamina's Staff shall keep the confidentiality of documents and information concerning the Company.

As a Superior

Be a good role model in action and in speech, be fair and open with subordinates. In making a policy must always attempt to coordinate and have harmonious cooperation (teamwork) with subordinates. Should give an opportunity to subordinates for self development.

Must comply with and respect the agreement contained in a Collective Labor Agreement (CLA). Must evaluate subordinates' performance objectively based on clear criteria. Must not use his/her position for personal, group's or other party's interests.

As a Subordinate

Be respectful and polite to the superior and be loyal to the Company in performing every job being assigned. Be obedient and consequent towards the laws, policies, and Standard Operating Procedures (SOP) that have been determined. Not to act beyond his authority. Always be discipline in carrying out the tasks. Comply with and respect every assignment and directive given by the superior which is not in violation to the applicable laws and regulations. Comply

with and respect the agreement contained in a Collective Labor Agreement (CLA).

In interacting with the customers, partners and business partners, Pertamina's Staff are required to be fair, honest, and fully complying with the agreement contained in the contract as well as the applicable laws and regulations.

➤ **Dare to Disclose Problems**

If observing any problem which would potentially become a deviation or violation, Pertamina's Staff shall dare to report it. We all have the obligation to maintain Pertamina's reputation through ethical attitude and to maintain the trust from all stakeholders.

Pertamina's Staff shall be encouraged to ask about the correct behavior or if they know of any doubtful behavior. To disclose the problem would give the Company an opportunity to handle and correct it.

Better to do it promptly before the problem becomes a violation against the law or put the risk on Pertamina's reputation.

Let us report through the whistle blowing system....! To find out further about Pertamina's whistle blowing system, please go to page (42).

➤ **Decision Making**

In the daily work, often a decision must be made in order to decide whether taking a certain action is the right decision, and make sure that:

Company's reputation is protected

Action is taken for the interest of the Company

All actions comply with the laws as well as Company's mandate, regulations and policies.

All actions shall be taken with full responsibility toward the surrounding communities.

Company's operational activities are safe and do not harm the communities and the environment

Colleagues are not discriminated or harmed

Based on facts and not on presumptions or assumptions

Pertamina's Staff shall be open to the possibility of dissenting opinions in formulating a decision.

➤ **Intellectual Property Rights**

Ideas and knowledge developed by the Company are valuable assets which contribute to the competitiveness and advantage of the Company. Therefore, these intellectual properties should be properly safeguarded and unauthorized parties shall not be allowed access to.

The intellectual property rights constitute intangible assets which are the results of creativity such as patent rights, copyrights and trademarks. Pertamina's Staff shall abide by the laws and regulations which regulate the intellectual property ownership rights.

On the other hand, the Company shall only use third party's intellectual property rights including patent rights, copyrights and trademarks after the Company has obtained the third party's permission to use them.

Just believe it, we join Pertamina not accidentally. But we are the chosen ones among the children of this nation to carry out the mandate to manage part of the natural riches for the greatest prosperity of the people.

This is because we are trusted of possessing the professional ability to develop the national economy, to become the pioneer in the State-owned Enterprises reform and to develop the nation's pride through the realization of a world class national oil Company in the right way.

Certainly this trust is a mandate which we must carry with strong self confidence, but not with arrogance. Self confidence must be maintained by continued study, hard work and respect for each other.

➤ **Avoid Discrimination**

The Company takes care and respects the existence of Pertamina's Staff as Human Resources. The works and creativity of Pertamina's Staff are the most important assets of the Company. Therefore, the Company shall create a trustful working environment, where Pertamina's Staff can interact with each other fairly, respectfully, politely and openly.

The Company is committed to keep the working environment which is free from discrimination and abuse. The Company would never allow any discrimination

against anyone based on ethnicity, race, nationality, religion, gender, age, disability, sexual orientation or other reasons.

➤ **Equal Career Opportunities**

Pertamina highly respects equal opportunities and diversities, which are the important aspects in the success of the Company. Each employee has an equal opportunity to develop his skills and talents. Pertamina provides special skill education and training for all employees that are supported by the Company's internal standards, procedures, and provisions.

Pertamina ensured that decisions such as hiring, evaluating, giving compensations, promoting and terminating an employee would only be done based on the qualification, performance and other factors related to work.

➤ **Manpower Standard**

Pertamina shall create proper and professional working environment as well as fair compensation for its employees. Pertamina shall also comply with manpower standards. Underage employees and forced labor shall not be permitted. Working relationship shall be nurtured based on the norms recognized in the national legal practice.

➤ **Free from Drugs and Alcoholic Drinks**

Pertamina's Staff shall be free from drugs and alcohol abuse. Pertamina's Staff are prohibited from using, possessing, distributing and trading narcotics and psychotropic drugs and alcohol abuse because they are potential to cause carelessness, occupational accidents, under standard performance, bad working attitude or they may ruin Pertamina's reputation.

➤ **Political Activities**

Pertamina respects political rights of Pertamina's Staff. Therefore, Pertamina's Staff are allowed to express their political aspirations in an elegant way, not disturbing the order and their work as well as other staff's work.

Nevertheless, as a corporate, Pertamina remains neutral:

not directly or indirectly participating in a political party's activities;

not giving donations or contributions in any form.



➤ **Mass Media**

Pertamina considers mass media as a partner in developing Company's reputation and maintaining relationship with the Mass Media to reach the public to promote the image, trust and to reach Company's goals. For these reasons, the Company attempts to constantly provide accurate and accountable information to the public. Only Pertamina's Staff whose nature of work is related to the Media are allowed to have relationship or to respond to questions from the Mass Media on behalf of Pertamina.

➤ **Professional Organization**

Pertamina is aware that there are many professions which associate with the Company and Pertamina support its staff to actively participate in the organizational activities in accordance with their profession.

Involvement in a professional organization will give positive advantages to Pertamina, such as to keep us informed of the latest developments of the business where we are in.

In interacting with the professional organizations, Pertamina's Staff are asked to be aware of the possibility of a situation which might cause a conflict of interest.

COMMITMENT TOWARD CUSTOMERS/CONSUMERS

CUSTOMER SATISFACTION IS A PRAYER. SO, WHEN THEY SMILE,

LET US TAKE A BREATH

Often, the growth or failure of a corporate is not because of poor quality of the product offered, but rather because of what they offer do not meet the customer's needs. We must admit that customers have the absolute power to decide.

This certainly does not mean that we have to surrender our vision, mission, values and idealism to the market taste, because actually we can also educate the customers. Focusing on customers means bringing the ideals to meet with the reality.

➤ **Commitment toward Customers/Consumers**

Pertamina positions the customers/consumers as the strategic partners. Provides products and services with high quality in accordance with the standards to all customers. Prioritizes honesty and ethics in doing business with the customers based on Company's ability. Ensures delivery of goods and services in the right quantity and time. Pays attention to the complaints and inputs from the customers and gives a response promptly.

Pertamina constantly attempts to treat the customers fairly and honestly in the ways which comply with the applicable laws and which are based on good business practices.

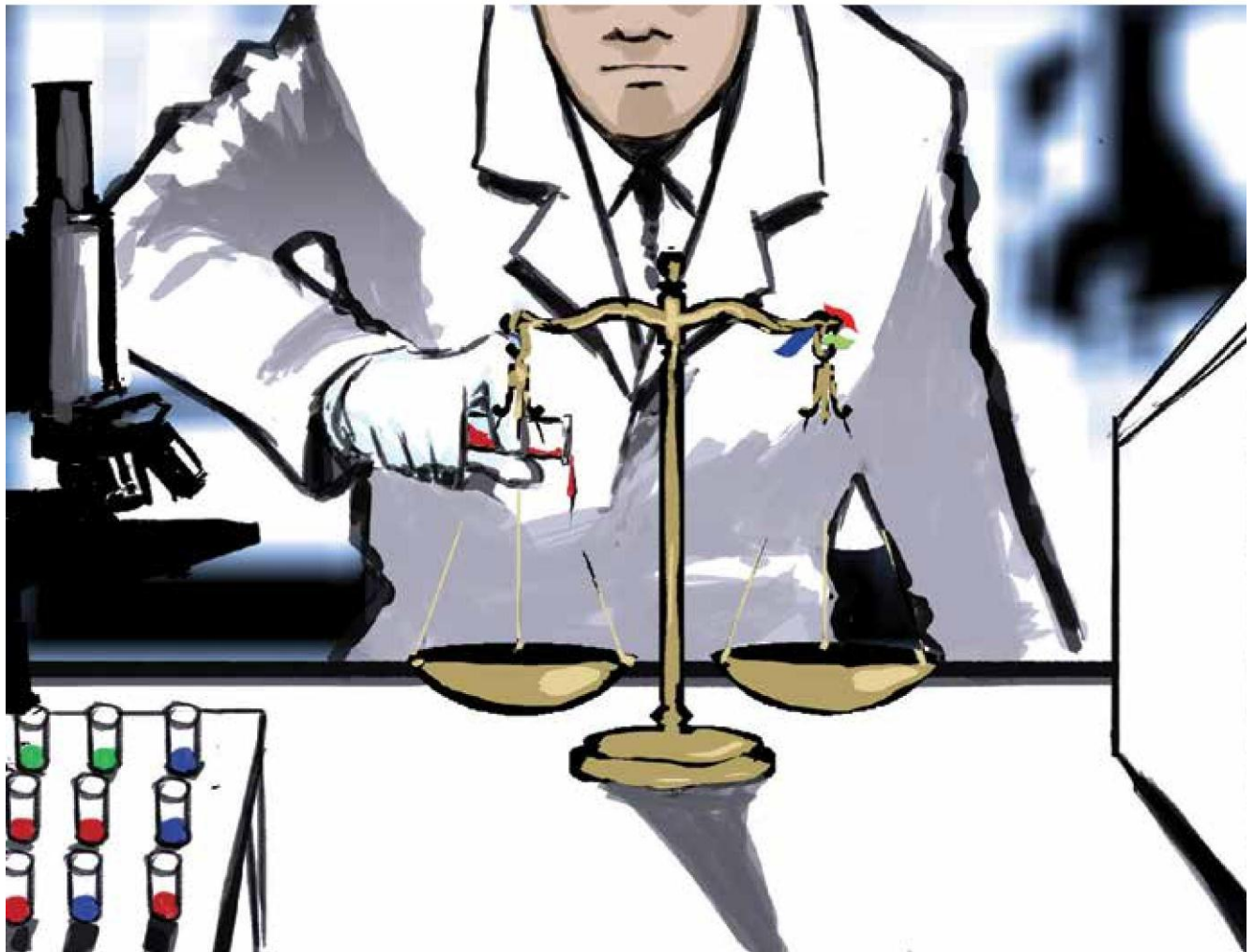


➤ **RESPONSIBILITY TOWARD THE PRODUCTS**

Products and services provided by Pertamina constitute the subject of high security standard. Pertamina attempts to prevent any risks on human beings and the environment, as well as damage or lost due to its products.

Pertamina shall comply with all the laws and regulations pertaining to products and shall carry out a careful quality control.

Pertamina carries on business with respect to the customers or consumers who use its products and services. Pertamina ensures the customers' safety and strengthens the bond between Pertamina and the customers. Every Pertamina's Staff has an important role to ensure product quality and safety, starting from the design up to production, sustainable improvement, as well as customer support.



COMMITMENT TOWARD THE OTHER STAKEHOLDERS



**WE MAY NOT BE PERFECT, BUT WHEN THE STAKEHOLDERS ARE SATISFIED,
THAT IS THE FORM OF OUR PERFECTION.**

Pertamina has the interest and commitment to continuously build a long-term and mutually profitable relationship with the stakeholders. Company's activities which are fully based on the principles of Good Corporate Governance (GCG) which consist of transparency, accountability, responsibility, independency, and fairness show that Pertamina has the commitment to care about the stakeholders.

➤ **Commitment toward the Government as the Shareholders**

Pertamina attempts to optimally and continuously increase the shareholders' value such as profit level, growth level, and other shareholders' interests in accordance with the prevailing laws and regulations. In its business activities, Pertamina attempts to create and develop business opportunities in order to increase the development of Company. It constantly and seriously implements the principles of Good Corporate Governance including in the recording and reporting of business transactions in accordance with the generally accepted accounting principles.

➤ **Commitment toward Employees**

Pertamina appreciates the employees as Company's assets without looking at their race, skin color, religion, ethnic, physical disability, gender, and age, whose capacities are continuously improved through education and training consistently.

Pertamina gives a reward to employees who perform well and imposes a strong punishment to those who neglect their duties or who violate Company's regulation. Pertamina applies the recruitment, promotion and career development system fairly/reasonably and consistently based on competency and the Company's needs. Employee compensation and benefits are given fairly, reasonably and transparently based on performance and the applicable regulation.

Just like Pertamina's commitment toward the Employees, Pertamina's Staff shall always treat their colleagues based on the principle that every man is equal, without distinguishing the ethnic as well as position with full respect to the etiquette.

➤ **Commitment toward Labor Union**

Pertamina positions the Labor Union as its partner in the efforts to achieve Company's goals in order to create dynamic and harmonious industrial relations.

➤ **Commitment toward Subsidiary Companies**

For the purpose of running and developing its business, Pertamina may establish subsidiary companies or affiliated companies. Cooperation with the subsidiary companies as well as affiliated companies is intended to build a better synergy and image and also to improve Company's performance. Pertamina's Staff shall

ensure that business relationship with the subsidiary companies as well as affiliated companies is maintained within the framework of a reasonable business relationship as in the business relationship developed with the non-affiliated parties, and shall constantly keep the respect toward each other's interest through a mutually profitable cooperation agreement. Pertamina has a harmonious and mutually supportive relationship with the Subsidiary Companies as well as the company structures under it.

➤ **Commitment toward Goods/Service Providers**

Pertamina maintains a good communication with the goods/service providers or partners as strategic partners who play important roles in ensuring the availability of goods and service supplies required for the smooth operation of the Company. Pertamina carries out goods and service procurements transparently and in accordance with the applicable regulations. Always selects prospective goods/service providers or partners who have good reputation, competencies and track records. Pertamina avoids doing business with goods/service providers or partners who have a conflict of interest with the officials and or the Company which can reasonably be expected to bring about corruption, collusion and nepotism.

Exchange of gifts, entertainment or assistance with the goods/service providers, or partners may be acceptable if this is based on a clear business goal and based on common sense considerations. A meeting followed by lunch/dinner with

a goods/service provider or partner is sometimes needed but this should be carried out in compliance with the applicable Gratification Rules.

➤ **Commitment toward the Government as Regulator**

Pertamina complies with and supports the laws and regulations pertaining to its operation including compliance in paying tax, dues, labor matters and protection of the environment. Pertamina supports national as well as regional programs in particular in the technological, educational, social, economical, and cultural sectors. It shall not utilize the good relation with the government to obtain business opportunities in an unethical way. Always communicates and maintains ethical relationship with the government so that every government's policy can be well anticipated for the development and sustainability of the Company.

➤ **Commitment toward the Legislative**

Pertamina provides relevant information concerning the Company for the legislative by always referring to the applicable regulations. Pertamina pays attention and gives a response to any inputs from the legislative which carry people's interests in accordance with the Company's interests and capabilities.

➤ **Commitment toward Investors, Creditors and Banks**

Pertamina strives for the security of investment made by investors. Attempts to fulfill the return of investment optimally, Pertamina takes loans from official

creditors who have a good reputation, and who do not have conflicts of interest with the Company.

Pertamina attempts to fulfill the obligations in accordance with the agreements. Pertamina secures every loan with sufficient and legal collaterals. Always manages loan funds effectively in accordance with their allocations. Pertamina puts every agreement in a written document prepared based on goodwill and mutual benefits. Is committed to provide information on the condition of the Company honestly to the creditors and banks.

➤ **Commitment toward Business Partners, Research Institutions and Universities**

Pertamina maintains clear and mutually beneficial business relations in writing only with the strategic and official business partners who have a good reputation. It ensures the accuracy of information on products and services to be marketed by the strategic business partners. Maintains the quality of relations with the strategic business partners and would not make cooperation which could harm the company, customers as well as the community. Pertamina treats the results of a relevant research as a reference in improving performance. Be accommodative towards the needs of research and the advancement of education.



➤ **Commitment toward Health, Safety, Security & Protection of the Environment**

Pertamina believes that the safety of human life takes the highest priority in any action taken by the company. It is the responsibility of Pertamina to create a safe and healthy workplace and to provide suitable equipment and occupational protection for every Pertamina's Staff and contractor in order to prevent any accidents, injuries and epidemics in the workplace.

Pertamina shall carry out its activities taking into consideration the protection of environment. Pertamina uses the energy resources and natural resources efficiently and attempts to prevent pollution on the environment.

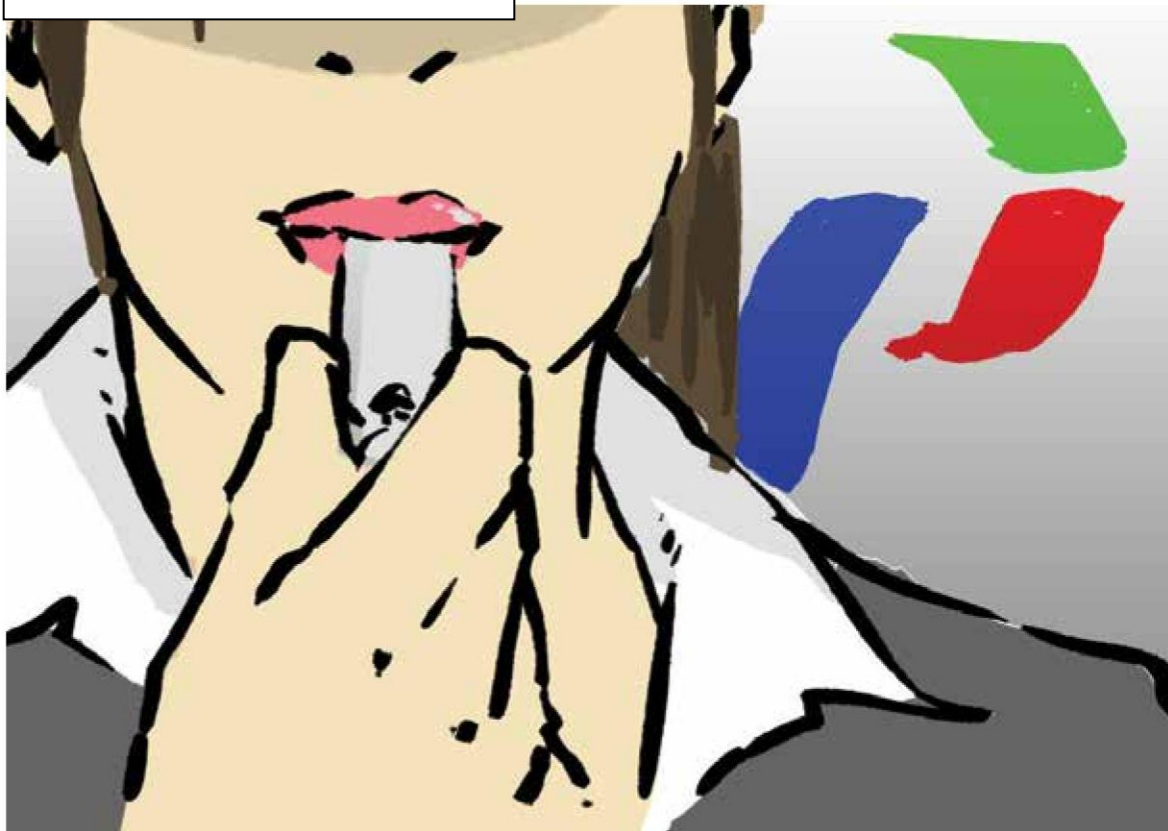
Pertamina has the commitment to do business in the way which respects the environment and attempts to have certainty of the safety and health of Pertamina's Staff and the communities at the Company's operational locations.

➤ **Commitment toward the surrounding Communities and Social Responsibilities**

Pertamina wishes that its presence would give the greatest benefits to the surrounding communities where it carries out its business/operations.

Pertamina supports the involvement of Pertamina's Staff through the Corporate Social Responsibility programs in developing the communities and preserving the nature where the staff is assigned.

WHISTLE BLOWING SYSTEM



Pertamina wishes that its business/operational activities is run in a clean way in accordance with the Clean value in the Pertamina's Primary Values, therefore, Pertamina's Staff are asked to actively participate in reporting every expected fraudulence known by Pertamina's Staff.

This reporting shall be supported by relevant data and is intended for the interest of the Company, not for putting other people down. The reporting may be brought up to the highest management in the function where the staff is assigned. If a Pertamina's Staff does not feel comfortable to report it directly, please use the operator of Pertamina's Whistle Blowing System through the following channels:

Telephone: 62-21-381-5909/ 5910/ 5911

Facsimile: 62-21-381-5912

Email: pertaminaclean@tipoffs.com.sg

SMS: 62-8111750612

Website: Pertaminaclean.Pertamina.com

Mail Box: Pertamina Clean, PO BOX 2600 JKP 10026

Reporting through the Whistle Blowing System shall be done with the principle of anonymity, confidentiality and independence.

The Whistle Blowing System is aimed at reporting suspected violation of the law as follows:

1. Corruption;
2. Bribe;

3. Conflict of Interest;
4. Theft;
5. Fraud;
6. Violation of the law and Company Regulations.

Let us together maintain the reputation and integrity of the company where we work.

DISSEMINATION

This Code of Conduct shall simultaneously and continuously be disseminated by the Company through the Compliance - Corporate Secretary Function. Review and perfection of this Code of Conduct shall be attempted to be carried out periodically.

So, Pertamina's Staff may give inputs and recommendations for the perfection of this Code of Conduct to the Compliance - Corporate Secretary Function.

THE CONSEQUENCES OF VIOLATION TO THIS CODE OF CONDUCT

Violations to this Code of Conduct is not expected by the Company, and so every violation will be followed up by the Chief Compliance Officer (CCO) who will provide the results of his findings to the Company's top management.

The top management (Board of Directors or Board of Commissioners) shall decide a corrective or preventive action that must be taken by the direct superior of the staff concerned.

Sanctions on any violations committed will certainly be given in accordance with the provisions of the Collective Labor Agreement and other regulations applicable at the Company.

Pertamina respects the right for self-defense of Pertamina's Staff who is suspected of having committed a violation and to listen to the staff's explanations which will be taken as considerations in determining the form of disciplinary action to be taken.

COMMITMENT OF PERTAMINA'S STAFF

After reading and understanding this Code of Conduct, Pertamina's Staff are asked to fill in and to click the form in attachment 1 available at Pertamina's intranet, at the following address: <http://intra.pertamina.com/HR/default.aspx>. For Pertamina's Staff who have a team under the structure of their positions are also asked to fill in and sign the form in attachment 2 as the commitment to ensure that this Code of Conduct is complied with and is implemented properly by each Pertamina's Staff in their respective function and role.

Pertamina's Staff are asked to renew their commitments by completing the forms at the beginning of each year.

Compliance with this Code of Conduct constitutes our collective commitment which impacts on the reputation and integrity of the Company.

The other reporting compliance program can be learned in the Online Compliance Guideline by downloading the file from this website:

[http://www.pertamina.com/company-profile/pedoman-tata-kelola-perusahaan/
kode-kepatuhan/](http://www.pertamina.com/company-profile/pedoman-tata-kelola-perusahaan/kode-kepatuhan/)

I, **DRA. NELCE MANOPPO, MBA**, a Certified and Sworn Translator by virtue of Jakarta Governor's Decree No. 2238/2004, dated 29 September 2004, do hereby certify that the foregoing is a true and complete translation to the best of my knowledge and belief from Indonesian into English.

I, **H. Arfan Achyar, B.Eng**, a Certified Translator by virtue of Himpunan Penerjemah Indonesia's Decree No. TSN/2013/1/02U/001, dated 23 February 2014, acting as the the editor for this document, do hereby certify that the foregoing is a true and complete translation to the best of my knowledge and belief from Indonesian into English.



Issued by:
Compliance – Corporate Secretary Function
PT Pertamina (Persero)