



SARANA MENARA NUSANTARA

PT SARANA MENARA NUSANTARA TBK

**ANTI-BRIBERY
AND
ANTI-CORRUPTION POLICY**

1. Background & Objective

PT Sarana Menara Nusantara Tbk and its subsidiaries ("**Company**" or "**SMN Group**") is committed to conducting business transparently, honestly and with integrity in compliance with applicable laws and regulation. As part of the implementation of Good Corporate Governance principles within the organization of the Company, it is important to provide a general guideline on anti-bribery and anti-corruption policy as a basis for SMN Group in conducting its business and relationship with all stakeholders as well as to ensure the Company achieves a more sustainable business.

The purpose of SMN Groups' anti-bribery and anti-corruption policy ("**Policy**") is to outline the organization's commitment and procedures on detecting, responding and preventing incidents or acts of bribery, corruption or other related criminal actions applicable to all of the Company's operations and business processes.

This Policy should be read in conjunction with the Company's Code of Conduct, Whistleblowing Policy and Company Regulation as well as other Company's relevant internal policies. This Policy is not a comprehensive manual and does not cover every situation the Relevant Parties (as defined below) might encounter. Nevertheless, this Policy provides guidance for specific situations that may arise. It is the Relevant Parties' responsibility to comply with this Policy and to exercise good judgment so as to act in a manner that will reflect favorably upon the Company.

This Policy will be reviewed from time to time to ensure that it aligns with the Company's business at all times and any amendment of the relevant laws and regulations.

2. Definitions

Bribery	:	An offer or the receipt of any gift, favors, funds, loan, fee, reward or other advantages, financial in nature or otherwise, to or from any person as an inducement to behave dishonestly or illegally in a specific situation with the intention of influencing a person's actions or decisions to obtain or retain an improper advantage.
Conflict of Interest	:	A situation where there is a conflict of interest of an individual's personal interests (including the interest of family, group, or related parties of such individuals) who takes advantage of his position and authority (either intentionally or unintentionally) with the interest of the Company so that the mandated tasks of such individual cannot be carried out objectively or effectively and have the potential to cause losses of the Company.
Corruption	:	All acts that fulfill the elements in the types of criminal acts of corruption referred to in the Law of the Republic of Indonesia Number 31 of 1999 concerning Eradication of Corruption and its amendments to the Law of the Republic of Indonesia Number 20

		of 2001 concerning Amendments to Law Number 31 of 1999 concerning Eradication Corruption Crime, as amended from time to time (" Anti-Corruption Law ").
Facilitation Payment	:	Payments in the form of sum of money or other form(s) made from or to other person (including public officials) to initiate, secure, speed up, facilitate or accelerate access to routine governmental or non-governmental action.
Gift	:	Any goods item, or anything with value, that is delivered or received openly and transparently as a sign of gratitude.
Hospitality	:	Any type of attention, usually of a social nature, given within the framework of a commercial and/or professional relationship.
Kickbacks	:	Payments made in return for a business favor or advantage.
Money Laundering	:	<p>All acts that fulfill the elements of criminal acts in accordance with the provisions in Law No. 8 of 2010 on the Criminal Act of Money Laundering ("AML Law") which includes, among others:</p> <ul style="list-style-type: none"> a. Placing, transferring, spending, paying, granting, depositing, carrying abroad, converting, exchanging, or any other act over criminal act proceeds with the intent of concealing or obscuring the source of the criminal act proceeds. b. Concealing or obscuring the origins, source, location, purpose, transfer or actual ownership of criminal act proceeds resulting from or should have been known to be a result of criminal acts. c. Receiving or controlling the placement, transfer, grant, donation, deposit, exchange or otherwise use the criminal act proceeds resulting from or should have been known to be a result of criminal acts.

3. Scope

This Policy applies to all member of the Company, including commissioners, directors, and all employees ("**Relevant Parties**"). The Relevant Parties shall ensure that this Policy is applied and exercised by their customers, vendors, consultants, advisers and other relevant business partners whom they deal with ("**Business Partners**"), including but not limited to ensure that the relevant provisions of this Policy are included in third-party contracts, e.g. the right to conduct audits and inspections on its Business Partners as well as a clause on termination, if the Business Partners fail to comply with this Policy, relevant laws and regulations.

4. Specific Policy

- (a) The Relevant Parties are required to adhere to all applicable laws, rules and regulations in Indonesia, including Anti-Corruption Law and AML Laws, and reject and avoid all forms or act of Bribery, Corruption, Kickbacks, Gift, Hospitality, Facilitation Payment, Money Laundering, Conflict of Interest, and report any indications of such related acts.
- (b) The Relevant Parties must avoid situations and are prohibited to conduct transactions or hold other positions that have a Conflict of Interest with and take personal benefits from the Company. The Relevant Parties should avoid placing subordinates in such situations. In this respect, the Relevant Parties should encourage the principle of voluntary disclosure in order to detect any such potential situation before it occurs.
- (c) The Company prohibits any Relevant Parties to offer or bribe or made any payment to any person or other entity or to perform work activities in contrary to the applicable laws, moral and ethics.
- (d) The Relevant Parties are prohibited to ask for or accept or to offer/receive gifts, money, item, discount, commission, loan without interest, trips, facility, sponsor or other special events with significant value at private or social events (e.g., Religious Festivity Day) or at other times, from and/or to government or state officials, vendors or others doing business with the Company related with title and/or against with its duties and responsibilities. Gifts, offers of trips or special events should be politely refused or returned respectfully to the offeror. Such offering should also be conveyed to the Director, relevant Vice President, or Legal and Compliance department of the Company and should be determined on a case-by-case basis, taking into account all relevant considerations, including cross-cultural sensitivities.

Invitation to meals, business or social events, sports or entertainment events in order to strengthen business relation is allowed as long as it does not affect or impressed to affect a decision making and as long as applicable laws and the Company's policy are not violated. In any event, good faith judgment must prevail and if any question concerning the acceptance of a gift, trip or special event arise (the value of the gift is unclear, the purpose of the gift seems doubtful, etc.), then the Director, relevant Vice President, or Legal and Compliance department of the Company shall be consulted and determined on a case-by-case basis, taking into account all relevant considerations, including cross-cultural sensitivities.

- (e) All of the Company's assets shall only be used for legitimate business purposes. Funds or assets of the Company must not be used for Gifts or favors. This does not preclude Gifts or favors which meet all of the following requirements:
 - i. the Gifts or favors are made for a legitimate business purpose and not to obtain benefits not permitted by laws nor to escape obligations imposed by laws,
 - ii. the Gifts or favors are in fair amount and are made in accordance with morality and prevailing local custom and are not considered to be in the nature of Bribery, gratification or be otherwise in violation of applicable laws as interpreted and applied,

- iii. disclosure of the Gifts or favors would not embarrass the Company nor result in any disadvantage for the Company, and
 - iv. the Gifts or favors are authorized by the responsible manager or supervisor. If, in the judgment of the responsible manager or supervisor, the amount may not be construed as modest in amount, the manager or supervisor shall seek guidance from his or her superior. Funds or assets of the Company must not be used for donations to political parties and/or to individuals/corporations affiliated with political parties.
- (f) Before engaging in any new transaction or entering into any business relationship with a third party on behalf of the Company, each Relevant Parties Company must:
- i. verify the identity of the third party and any other counter parties.
 - ii. have a general understanding of the third party's line of business and identify any potential money laundering risks associated with entering into the relationship.

The following factors may indicate that a third party is a high risk. If any of these factors exist, each Relevant Parties must report to the Vice President and/or the Director of the Company to determine whether additional information should be collected about the third party. The factors are:

- i. Refuses to provide trade references or working experience;
- ii. Does not have a clear record of ownership.
- iii. Conducts transactions in cash;
- iv. Has sources of funds that cannot be identified;
- v. Run by or contains a number of politically exposed persons; or
- vi. Generally known to be involved in illegal activities.

5. Relevant Parties' Responsibilities

- (a) All Relevant Parties must ensure that they have read, understood and comply with this Policy and shall ensure their Business Partners' compliance to this Policy.
- (b) The detection, prevention and reporting of the violation of this Policy are the responsibility of the Relevant Parties. All Relevant Parties are required to avoid any activity that might lead to, or suggest, a violation of this Policy.
- (c) The Relevant Parties shall ensure that their Business Partners acknowledged and complied with this Policy and ensure that each Business Partners have signed an Integrity Pact addressing the same requirements provided under this Policy before such Business Partners engaged with the Company. The compliance to the Integrity Pact of Business Partners shall be one of the parameters assessed in the vendor selection and evaluation process.
- (d) The Relevant Parties must ensure that all expense claims, invoices and other similar documents and records relating to entertainment, gifts or expenses incurred are recorded fairly, accurately, accountably and transparently and are submitted in accordance with the Company's expense policy to serve as evidence the business reason for any payments made to third parties and meet the relevant legal, tax, litigation purpose and regulatory requirements in Indonesia.

6. Monitoring, Sanctions & Consequences

1. Management of the Company, through the Risk Management Department, conducts risk identification and assessment of the Company's business which include the risk identification and assessment associated with the compliance with this Policy and provide regular report to the Board of Directors of the Company. The Board of Directors may formulate and take necessary actions to formulate as well as take necessary mitigations based on such report.
2. If the Relevant Parties have reason to believe or suspect that an instance of violation of this Policy has occurred or will occur in the future that breaches the Policy, the Relevant Parties must raise the matter through the Company's Whistle Blower System by following the procedure laid out in the Company's Whistleblower Policy:

Email : whistleblower.protelindogroup@protelindo.co.id
SMS/WhatsApp : 0817-492-2964 / 0878-4453-0366

3. Reports, as referred to in Point 2 above, will be received by the Whistle Blower System Committee ("**WBS Committee**") in which it will be handled and followed up in accordance with the Whistle Blower Policy and Company Regulation. The WBS Committee must also oversee the implementation of Whistle Blower System as one of the Company's internal monitoring systems to monitor the compliance of this Policy.
4. The Company will not tolerate any of the above violation of this Policy. Violation or breach of this Policy will be subject to disciplinary action, which may include suspension or termination of contractual relationship and possible legal actions, including civil or criminal sanction imposed by the applicable laws and regulations.

7. Protection

The Company will ensure that no one suffers any detrimental treatment as a result of refusing to acts which appears to be contrary to this Policy or because they reported a concern relating to potential act(s) of violation or breach of this Policy. Detrimental treatment refers to dismissal, disciplinary action, treats or unfavorable treatment in relation to the concern the individual raised.

If the Relevant Parties believe that they have suffered any detrimental treatment as a result of refusing to take part in corruption or other actions contrary to this Policy or because of reporting concerns under this Policy in good faith, such Relevant Parties should raise the matter by following the procedure laid out in the Whistleblower Policy.

8. Awareness/Training and Acknowledgment

As part of the monitoring program, the Company will regularly establish and conduct, and the Relevant Parties shall (and shall cause the relevant Business Partners to) attend, the relevant awareness programs and/or training in regards to this Policy.

The Company will periodically request (i) acknowledgment to the Relevant Parties that they have read and understand the substance of this Policy, as well as (ii) commitment from the Relevant Parties that they will comply with this Policy, other relevant internal policies and applicable laws and regulations.