

**RESOLUTION OF THE BOARD OF COMMISSIONERS OF PT SUMBERDAYA SEWATAMA
ON ADOPTION OF WHISTLEBLOWING SYSTEM POLICY
NO. SK 10/SS-BOC /X/2014**

PT Sewatama Tbk. (hereinafter referred to as "Company") recognizes the significance of the implementation of Good Corporate Governance, and therefore, in order that such governance is carried out in a consistent manner, there is a need for a monitoring system that is robust, effective and applicable on all ABM Members and the relevant stakeholders. In regards to this objective, the Board of Commissioners has resolved that as of the signing of this decree the attached Whistleblowing System becomes effective on the Company.

In the event any matter contained in this decree requires amendment, it shall be rectified in the future as necessary.

Jakarta, 10 October 2014

Board of Commissioners of the Company



Yovie Priadi
(President Commissioner)



Achmad Ananda Djajanegara
(Commissioner)



Todung Mulya Lubis
(Independent Commissioner)



Certificate No:
27/23/SUCOFINDO/2011



Certificate No:
QEC29723



WHISTLEBLOWING SYSTEM
PT SUMBERDAYA SEWATAMA

INTRODUCTION

PT Sumberdaya Sewatama, hereinafter referred to as "Sewatama" or "Company", recognizes the importance of the role of the Wistleblower System, or WBS, in supporting GCG Charter implementation by the Company and its subsidiaries under the Sewatama Group.

Introduction of the WBS is expected to bring a number of benefits to the Company, among others:

- a. Providing an important and critical means for conveying information by the Company to parties charged with providing secure and timely response;
- b. Promoting a sense of reluctance to engage in transgression due to an increased willingness to report offenses, driven by a sense of trust on an effective reporting system;
- c. Providing an early warning system on potential issues caused by violations;
- d. Providing opportunity initially address offenses internally, before such issue becomes a violation of public nature;
- e. Reducing the risks faced by the organization due to acts of violations, whether from a monetary, operational, legal, work safety or reputation aspects;
- f. Reducing costs involved in addressing issues of violation;
- g. Improving the Company's reputation among stakeholders, regulators, and the public in general; and
- h. Providing feedback to the organization to further review the critical areas and operating procedures which exhibit shortcomings in internal control, and to design the necessary improvement measures.

I. SCOPE AND PURPOSE

The scope of the Policy include violations committed by SEWATAMA Members, SEWATAMA Group and third parties which may adversely affect the Company in ethical and monetary terms. The purpose of the Policy is to provide a guideline and certainty for SEWATAMA Members in implementing the WBS.

II. DEFINITIONS

In this charger, the following terms shall have the meaning as ascribed to them:

- a. **SEWATAMA** is PT Sumberdaya Sewatama;
- b. **SEWATAMA Group** is SEWATAMA and its subsidiaries whose shares are directly or indirectly owned by SEWATAMA with an ownership portion of at least 20%;
- c. **SEWATAMA Member** is any individual person working within SEWATAMA, comprising of members of the Board of Commissioners, Board of Directors, Board of Commissioners Supporting Organs and Employees;

- d. **Reportable Violations** is an act which, in the view of the complainant acting in good faith, constitute any of the following actions:

- 1) Corruption;
- 2) Fraud;
- 3) Dishonest conduct;
- 4) Giving/receipt of gratification;
- 5) Unlawful act (including embezzlement, abuse against coworker or supervisor, extortion, use of illegal drugs, harassment, other criminal offense);
- 6) Violation of tax or other laws, including signature forgery, embezzlement, vandalism of Company assets, harmful acts against the environment, markup, under-invoicing, labor violations, etc.);
- 7) Violation of the Company's Code of Conduct or generally applicable norms of decency, including but not limited to acting with a conflict of interest, involvement in banned public activity;
- 8) Action which endangers work safety and health or poses a threat to the Company's security;
- 9) Action which may cause financial or non-financial loss to the Company or the Company's interests;
- 10) Violation of the Company's Standard Operating Procedure (SOP), particularly relating to the procurement of goods and services, provision of allowances and remuneration;
- 11) Violation of generally applicable business principles and practices.

The Company may add to or reduce the list of reportable offenses in order to facilitate the Company's employees in detecting such reportable acts.

- e. **Corruption** is any fraudulent or unlawful act committed by an SEWATAMA Member or any individual within the SEWATAMA Group, which act is contrary to the Company's interest, or any misuse of authority/trust given to such person with the aim of acquiring personal gain, or gain for other persons or company.
- f. **Fraud** is any deceitful act which may cause potential or actual harm on the Company or its employees or other persons, including but not limited to larceny, theft of goods, racketeering, forgery. Acts falling into this type of offense also include the forgery, suppression or destruction of documents/reports, or the use of forged documents for business purposes, or disclosure of Company information to persons external to the Company.
- g. **Deception** is any failure to disclose any factual condition, thereby causing potential or actual loss on the Company or any SEWATAMA Member and the SEWATAMA Group or any other person.
- h. **Gratification**, in the broadest meaning of the term, include but is not limited to money, goods, discount, commission, non-interest bearing loan, travel ticket, lodgings accommodation, tour, free healthcare service, and other facilities received abroad or within the country, using electronic or non-electronic means.

- i. **Investigation** is any activity with the aim of finding evidence related to an offense committed by an employee or the Company that has been reported through the whistleblowing system;
- j. **Administrative immunity** is a protection provided by the Company to a whistleblower with respect to his/her involvement in the offense being reported. An example is fraud committed by a group of SEWATAMA Members, where the whistleblower receives a share of the proceeds from the fraudulent act, and such person returns his/her gain along with a report of such fraud;
- k. **Designated Officer** is a an SEWATAMA Member or any other third party appointed to hold a position on the WBS implementation unit, such as the report receiving officer, or report investigative officer;
- l. **Whistleblowing** is an SEWATAMA Member's act of exposing an offense or unlawful action, unethical/indecent conduct or any other action which may adversely affect the organization or other stakeholders. Such exposure is generally made in confidence and the possibility exists that the Complainant did not see or hear firsthand the commission of the offense, but posses corroborating letters or instruments (recordings, images, etc.) of such alleged offense;

Exposure must be done in good faith and must not constitute a manifestation of a grievance against company policy or based on malicious intent/slander.
- m. **Whistleblower** is any of SEWATAMA Member (internal), SEWATAMA Group or third parties external to SEWATAMA or SEWATAMA Group (customer, supplier, the public or other stakeholders. A whistleblower should furnish evidence, information, or indications of the reported offense, allowing investigation or follow up action to be conducted. A Whistleblower may act as witness, but not all whistleblower can act in such capacity.
- n. **Witness** is a person who saw and heard or experience firsthand the offense committed by the complaine and willing to provide a statement before a tribunal or to an internal WBS investigative team.

III. PROCEDURE FOR FILING OF REPORT OF VIOLATION

a. Reporting person

Under the WBS, persons entitled to file a report are any SEWATAMA Member, SEWATAMA Grup member or third party external to SEWATAMA and SEWATAMA Group who feel to have been adversely affected or merely wishes to report a violation.

A report of a violation may be made anonymously or accompanied by the identity of the Whistleblower. Anonymous submission of a report will be accepted but must be supported by evidence or at least preliminary indications of the alleged violation.

Pursuant to the Whistleblower protection policy, a Whistleblower who files a complaint which constitutes slander or false report will be subject to sanction will not be given guarantee of confidentiality or Whistleblower protection. Sanctions which may be given refer to the Company's internal regulation and the criminal code.

b. Allegation of Reportable Violation

Allegation of violation that may be reported include actions that are defined in sub-section (g) on Reportable Violations of this policy.

Reports that can be followed up must meet the following requirements:

1. The Whistleblower submits such report directly to the WBS team; or
2. The Whistleblower (anonymous whistleblowers) submits supporting evidences or preliminary indications (such as photocopy of documents, original documents, audio or visual recording, etc.);

c. Time for complaint submission

A complaint of a Violation may be made at any time without any limitation of period, submitted through means as determined under this policy.

d. Means for filing a complaint

A complaint of a violation may be made by a Whistleblower through electronic mail (email) or in writing to the following addresses:

pengaduan@sewatama.com or

PT Sumberdaya
Sewatama

Gedung TMT II, 2nd floor
Jl. Cilandak KKO, No. 1, Cilandak, Jakarta Selatan
Attn.: Independent Commissioner/Audit Committee

Report of a violation committed by a WBS officer must be delivered directly to the SEWATAMA Independent Commissioner.

Pursuant to the Whistleblower protection policy, a Whistleblower who files a complaint which constitutes slander or false report will be subject to sanction will not be given guarantee of confidentiality or protection. Sanctions that may be given refer to the

provisions Company Regulation or the Collective Employment Contract or the Company's Code of Conduct and, where applicable, provisions of the Criminal Code.

e. Follow up action taken over a report of alleged violation:

Procedure with respect to general allocation of violation

1. All complaints will be received through reporting means under the auspices of the Independent Commissioner as Chairperson of the WBS Team.
2. The WBS Team will register and evaluate every report of alleged violation it receives. Upon consideration of the content and/or preliminary evidences/indications of the report, the WBS Team must, within no later than 10 (ten) business days, provide a recommendation on the report. The recommendation may advise that the report:
 - a) should be followed up through the taking of special action, namely the investigation state; or
 - b) should not be followed up/closed.
3. In conducting an investigation, the WBS Team must submit a progress report of the case to the Board of Commissioners at least once every month.
4. A report on the result of the completed investigation must be submitted to the Chairperson of the WBS Team who, within 7 (seven) calendar days, must recommend a follow up action or propose improvement to be made to the system to the Board of Commissioners.
5. Upon receiving a recommendation from the WBS Team Chairperson, the Board of Commissioners must, within (10) ten business days, follow up on the WBS recommendation by issuing any of the following resolutions:
 - a) A resolution addressed to the Board of Directors/Audit Internal Unit to take action/provide recommendation for the improvement of the system if it is established that a potential violation or actual violation was committed by staff outside the Board of Directors;
 - b) A resolution on action to be taken/improvement to be made to the system if it is established that a potential violation or actual violation was committed by member of the Board of Directors. The Commissioners Resolution can be in the form of a recommendation for the convening of an Extraordinary General Meeting of Shareholders.
 - c) A resolution which calls for the closing of the case.

The Board of Commissioners may require explanation to be given by the WBS Team as necessary before issuing a resolution.

6. The Commissioners Resolution issued based on the recommendation from the WBS Team on follow up action or proposed improvement to the system must be followed up by no later than 30 (thirty) days from the issuance of such resolution.
7. The Board of Commissioners, Board of Directors or Internal Audit Unit must report to the WBS Team on the progress of the follow up action to the proposed system improvement arising from the Violation or potential Violation to allow the case to be closed by the WBS Team. Report on the closing of the case must be supporting evidence that the recommended action/system improvement has been performed.

Violation allegedly committed by a member of the Board of Commissioners or a Committee of the Board of Commissioners

1. Complaints of a violation allegedly committed by a member of the Board of Commissioners who is not concurrently serving as Chairperson of the Audit Committee should be submitted to the Chairperson of the Audit Committee.
2. Complaints of a violation allegedly committed by a member of the Board of Commissioners concurrently serving as Chairperson of the Audit Committee should be submitted to the President Commissioner.
3. Complaints of a violation allegedly committed by the President Commissioner should be submitted to the Chairperson of the Audit Committee.
4. Complaints of a violation allegedly committed by a Committee member, whether or not concurrently serving as member of the Board of Directors, should be submitted through the process for reporting general violations.
5. The person receiving the report of the alleged Violation must, within no later than 10 (ten) days following such report, must assign the WBS Team or a third party to conduct an investigation.
6. The person receiving the report of the alleged Violation must, within no later than 7 (seven) calendar days upon receiving the report of the investigation, must issue a recommendation to the Board of Commissioners for follow up action to the investigation.
7. The Board of Commissioners, within 10 (ten) days upon receiving the recommendation, must issue a Commissioners Resolution to follow up on the recommendation. The resolution may be the following:
 - a) Commissioners Resolution for follow up action/system improvement if the alleged Violation is substantiated or there is a potential for Violation to be committed by a member of the Board of Commissioners. The Commissioners Resolution may also be in the form of a recommendation addressed to the Company's shareholders.
 - b) Commissioners Resolution for the closing of the case.

8. A Resolution for the follow up action/recommended system improvement must be followed up by no later than 30 (thirty) days from the date of such resolution.

IV. POLICY ON WHISTLEBLOWER

SEWATAMA will provide protection to Whistleblowers and their families who have acted in good faith, and the Company will abide by the applicable laws and regulations and best practices in implementing the WBS.

The Company provides protection to Whistleblowers from physical and psychological retaliations, including but not limited to:

- a) arbitrary termination of service;
- b) demotion;
- c) harassment and discrimination in any form;
- d) negative notes in the personal file record;
- e) allowing the giving of statements without having to meet personally with the complainee at every stage of the investigation of the violation or case, including during court hearings.

The Company will impose punitive measures against a Whistleblower who is found to have committed slander or made a false report. The Company in providing protection to a Whistleblower who have reported a criminal offense may collaborate with the appropriate government authority subject to the applicable laws and regulations on witness and complainant protection.

a. Confidentiality of and Protection for Whistleblowers

A Whistleblower who wishes to have his/her identity concealed will be given a guarantee of anonymity. Depending on the type of violation being reported, such anonymity may be revoked if the case is heard before a court of law and the ensuing proceeding require the Whistleblower to take the witness stand or provide as statement. The maximum legal protection that can be afforded would be the legal protection as provided under the Whistleblower protection policy, namely allowing a statement to be given without the Whistleblower having to meet face to face with the complainee at any level of the investigation. **If necessary, the Whistleblower may receive other form of protection.**

The identity of and any Information regarding the Whistleblower shall only be known by the Whistleblower Protection Officer, and the case file will be maintained in a secure location. The Whistleblower Protection Officer will verify that information regarding the alleged violation is being conveyed through the proper channels and require further investigation.

If the report of violation is deemed to have been improperly filed, the Whistleblower will be advised to submit the report through the proper channel. If the report is deemed to have been properly submitted, information pertaining to the violation or complaint will only be conveyed to the investigation officers. Delivery of information for the investigation process will be made without disclosing the source of the information.

b. Administrative Immunity

The Company may provide immunity from administrative action in order to promote willingness to report violations, and provide protection to Whistleblowers who have acted in good faith. Such administrative immunity shall only be applicable internally within the Company.

c. Communication With the Whistleblower

Communication with the Whistleblower may only be conducted through the Whistleblower Protection officer receiving the report. During such communication, the Whistleblower will also receive update on the case he/she reported, whether or not such report can be followed up.

If the Whistleblower is a SEWATAMA Member, the Company will provide updates on the handling of the report. Such updates shall be subject to the principle of confidentiality between the Whistleblower and the Company, including confidentiality with regard to what happens to the complainee. Breach of the confidentiality treatment afforded to the Whistleblower, in certain cases, may cause forfeiture of the protection afforded to the Whistleblower.

In the event the Whistleblower is an external person and not a SEWATAMA Member, policy governing communication with the Whistleblower must be informed to the Whistleblower after he/she agrees to sign a written agreement on confidentiality of information that he/she receives from the Company, as well as information he/she furnishes to the Company.

V. WHISTLEBLOWER SYSTEM MANAGEMENT STRUCTURE

The WBS is chaired and managed by an Independent Commissioner appointed by the Board of Commissioners and constitute a unit which is independent from the Company's operations. The Independent Commissioner in exercising his/her duties of managing the WBS may appoint a professional and independent third party to assist in the performance of such duties.

The WBS serves 2 (two) primary functions:

- a. **Whistleblower Protection Function:** to receive reports of violations, select violations reports for further action by investigation sub-units without disclosing the identity of the Whistleblower. This function is also responsible for implementation of the Whistleblower protection program in line with the established policy, particularly in terms of confidentiality and Whistleblower security guarantee. In order to perform this function, officers within the sub-unit must also have access to legal, financial and operational assistance as needed.
- b. **Investigative Function:** to conduct further investigation on the subject matter of the report. The aim is to find and collect the necessary evidences to determined that an actual violation was committed. If there is sufficient evidence, the result of the investigation and the consequent recommendation for sanction for such violation are given to the Board of Commissioners for determination. However, if no sufficient evidence is found, the investigation is concluded and the report will not be followed up further.

APPOINTMENT OF WBS MANAGEMENT

The WBS is managed by professional and independent personnel from within or external to the Company, thus allowing objective and accountable work to be achieved, free from personal interest. Where necessary, candidates can be selected to manage the WBS. Names of the candidates who pass the selection process will be submitted to the Board of Commissioners for approval. Criteria to be met by candidates to manage the WBS are, among others:

- a. Posses high integrity;
 - b. Able to conduct investigation;
 - c. Possess high analytical skill;
 - d. Able to make sound judgment;
 - e. Act objectively;
 - f. Has good communications skill; and g.
- Able to act tactfully.

Where necessary, the Board of Commissioners may appoint a third party to serve as officer or to carry out a WBS function.

VII. INVESTIGATION

a. Conduct of Investigation

Investigation on a reported Violation being followed up will be performed by Officers of the Investigative Sub-Unit or an appointed third party; additionally it is recommended that the Internal Audit Unit/Internal Control Unit be involved in investigations. Independence of the investigation officers is critical, as objectivity and fairness in providing an assessment of the findings will determined the credibility of the WBS. The investigation must also be free from bias and must be conducted without being affected by who made the report or who is target of the complaint. The complainee must be given the fullest opportunity to provide an explanation on the evidence found, including to give a defense where necessary.

With regard to cases involving serious and sensitive issues, the use of an external and independent investigator/auditor in the investigation to the reported allegation may be considered.

b. Principles governing the investigation:

Investigation should be conducted based upon the following principles:

- 1) Investigation should be conducted while bearing in mind the available resource allocation, thus project management principles with regard to objective, time and cost

must be applied. As such, the object and stages of the investigation process must be clearly stated.

- 2) An investigation must allow for the possibility of administrative, operational and judiciary

scrutiny, and must be well-documented in order to make it possible for the investigation process to be reviewed with respect to its intended objective and the critical decisions made during the process.

- 3) Management of the investigation process must be flexible. The communication method employed must be clear and unambiguous. A multi-disciplinary approach may be adopted where necessary. If any stages in the procedure cannot be performed, a policy should be issued which can be accepted by all parties concerned, without diverging from the original objective and purpose. In such a condition, the issuance of such policy may be done with the assistance of outside experts.

The WBS reporting method must ensure that:

- a. All verified violations are addressed properly;
- b. Repeat and systematic violations have been reported to the relevant officers having the authority to bring about improvements (for instance, violations relating to procurement of goods and services should be reported to the director in charge of procurement).

WBS officers (Whistleblower Protection and Investigation Officers) must be allowed to make direct reports to the Independent Commissioner, with copies of the report sent to the President Commissioner as Chairperson of the WBS Oversight Committee.

VIII. REGULAR COMMUNICATION

The Company must engage in regular communication with regard to the implementation of the WBS Program in order to gain the support of all SEWATAMA Members and the SEWATAMA Group, particularly the establishment of a "culture of honesty and transparency." Such regular communication can be conducted by means of:

- a. Regular publication once every three or six months on the Company's website and internal media (magazines, newsletter, etc.) of the activities being conducted, such as trainings, number cases handled and benefit gained, etc.;
- b. Posting a FAQ (Frequently Asked Questions) section on the Company's website;
- c. Publication of a ~~WBS Guidebook~~ for SEWATAMA Members;
- d. Regular meetings with the Labor Association to explain WBS and its benefit to the Company;
- e. Incorporation of WBS as an agenda of the Management Meetings;
- f. Other methods deemed effective to apply WBS.

IX. INCENTIVE FOR WHISTLEBLOWERS

Company may provide incentive, whether in the form of award and/or reduced sanction for a Whistleblower reporting a violation.

X. MONITORING OF PROGRAM EFFECTIVENESS AND ENHANCEMENT

The Board of Commissioners conducts regular audit and review at least once every year on the effectiveness of the WBS program. Audit may be carried out by internal staff with the relevant expertise for such purpose or through the engagement of an independent third party.

Such monitoring and review is conducted to ensure the effectiveness of the WBS implementation, to ensure that it meets the objectives set at the beginning of the program's inception and also to ensure that such achievement is in line with the Company's business needs.

XI. BENCHMARKING

Company may also perform benchmarking to measure the Company's performance in implementing its WBS program, through comparison with other companies who have adopted such program.

XII. COOPERATION BETWEEN THE WITNESS AND VICTIM PROTECTION AGENCY (LPSK) AND THE COMPANY

The Company in providing protection to a Whistleblower may work together with the Witness and Victim Protection Agency (LPSK) or other similar institution/agency.

XIII. IMPLEMENTING REGULATIONS

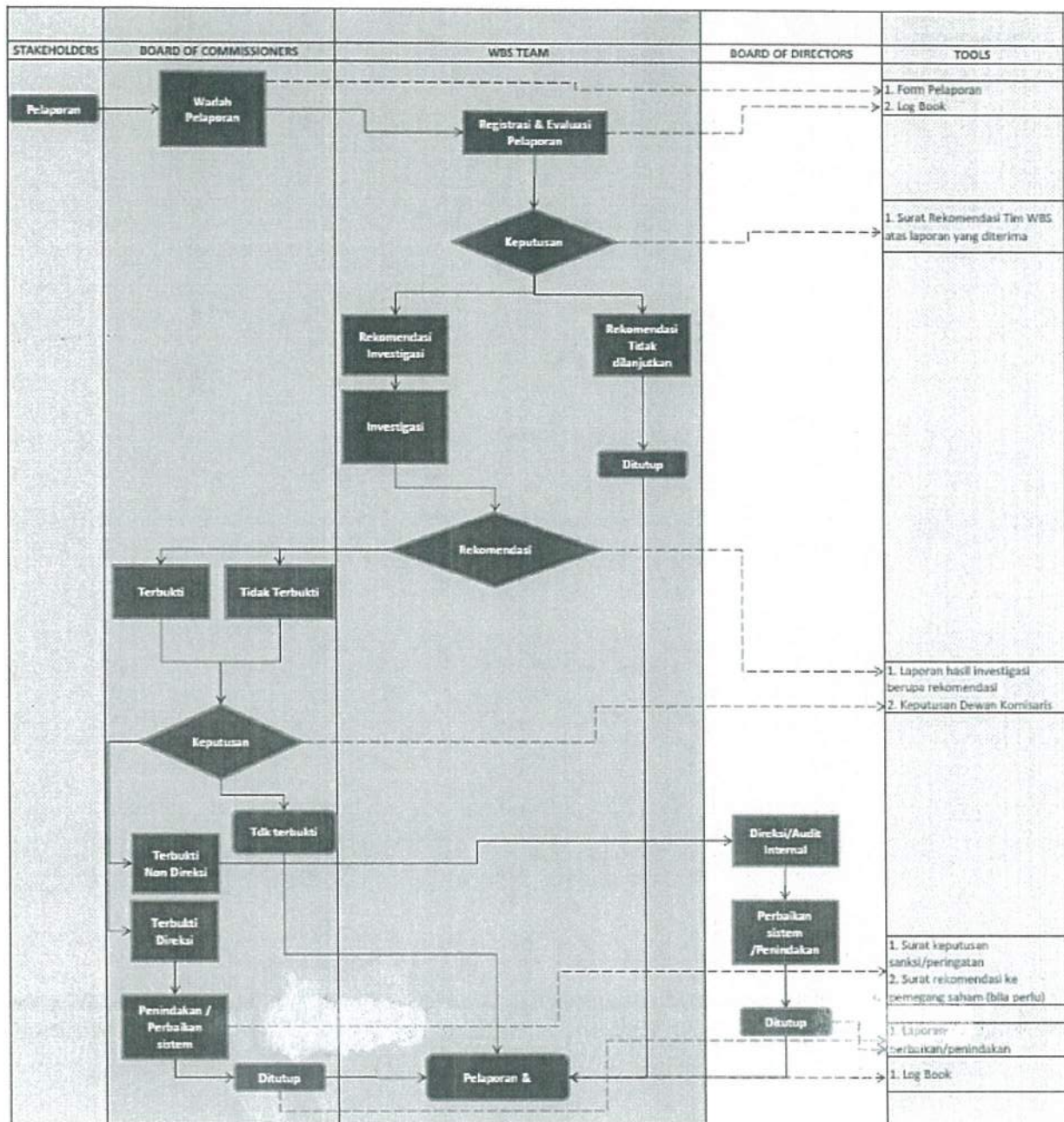
For the implementation of this policy, the WBS Team can issue procedures or technical regulations where necessary.

XIV. PROCEDURE FOR REPORT HANDLING BY THE WBS TEAM

Every report received through the available reporting means shall be processed according to the procedure as described in the exhibits to this policy.

EXHIBIT – REPORT HANDLING PROCESS

I. PROCESSING OF REPORTS OF VIOLATIONS COMMITTED BY GENERAL STAFF (INCLUDING BOARD OF DIRECTORS)



II. PROCESSING OF REPORTS OF VIOLATIONS COMMITTED BY MEMBERS OF THE BOARD OF DIRECTORS AND BOARD OF COMMISSIONERS COMMITTEES

