

V.S.

Technology

Ethics Management

POLICY & PROCEDUR

VST-AK-EM-18



ANTI CORRUPTION

Effective Date : June 5, 2023

Revision : 2

Content Owner : Special Ethics Committee

Last Update : June 5, 2023

Prepared By	Approved By
	
Richard Sitohang	Mohamad Yusof

Anti Corruption / Fraud

1. Objective

The main purpose of this policy and procedure is to create awareness from all related parties to prioritize clean and responsible business in accordance with good corporate governance. So that it will prevent losses, both material and immaterial, that can affect the company's operations through acts of corruption/fraud.

2. Scope

2.1. These policies and procedures apply and are binding on all employees and management of PT VS Technology Indonesia, Business Partners, Suppliers, Customers, Communities, Public Institutions and Government.

2.2. These policies and procedures also prohibit any fraudulent or deliberate acts of omission to deceive, cheat, or manipulate the Company or other parties that occur within the Company's environment and/or using Company facilities, resulting in the Company or other parties suffering losses and/or the perpetrator of the fraud obtaining material or immaterial benefits directly or indirectly.

2.3. These policies and procedures are the minimum standard anti-corruption rules and are special regulations in the implementation of regulations at PT VS Technology Indonesia.

3. References and Legal Basis

- Law No. 31 of 1999, concerning the eradication of criminal acts of corruption
- Law No. 20 of 2001 concerning the eradication of criminal acts of corruption
- Company Code of Ethics
- Policy and Joint Working Agreement of PT VS Technology Indonesia

4. Definition

4.1. Corruption (fraud) is: misuse of official position for the purpose of enriching oneself illegally/fraudulently

4.2. Gift: is an object of acceptance, giving and request in a broad sense, namely including acceptance / giving / request for money / money equivalent, goods, discounts, commissions, interest-free loans, travel tickets, accommodation facilities, travel, free medical treatment, and other facilities. The gifts / souvenirs are received both domestically and abroad and are carried out using electronic means or without electronic means.

4.3. Entertainment: is anything in the form of words, places, objects, behavior that can be entertaining and pleasing. In general, entertainment can be in the form of meal invitations, music, films, operas, dramas, or even games, sports and tourism.

4.4. Souvenirs is the object of acceptance, giving and request in a broad sense, namely including acceptance / giving / request for money / equivalent money, goods, discounts,

commissions, interest-free loans, travel tickets, accommodation facilities, travel, free medical treatment, and other facilities. The gifts / souvenirs are received both domestically and abroad and are carried out using electronic means or without electronic means.

- 4.5. Superior is the direct leader of PT VSTI Employees at the manager level, up to the Main Commissioner and Main Director.
- 4.6. The highest leadership is the main commissioner and the main director. The highest leadership is required to appoint an official one level below him who is responsible for receiving, managing and making reports related to the implementation of receiving and giving, requesting gifts/souvenirs and *entertainment* .
- 4.7. Bribery: which is related to offering, giving, receiving, or collecting something of value, to influence a business decision.
- 4.8. Kickback: where a vendor or supplier makes illegal payments to employees who carry out purchasing activities (purchasing or procurement).
- 4.9. Bid-rigging, which is the illegal arrangement of tender results by employees related to the purchasing or procurement department to win over certain vendors or suppliers.
- 4.10. Levy or extortion (economic extortion), where employees associated with the purchasing or procurement department levy or extort fees on vendors or suppliers who win the tender process.
- 4.11. Illegal gratuity, in the form of giving or receiving something of value, in return for a business decision.

5. Policy

PT VS Technology Indonesia is committed to running its business in accordance with applicable laws and regulations. This is in line with the Company's objectives of prioritizing integrity and always acting in accordance with applicable ethical standards.

Actions categorized as corruption are actions by Company personnel, either individually or in groups, who intentionally violate the law, regulations and policies to enrich themselves or other people or groups that may harm the Company.

5.1. Receiving Gifts, Souvenirs and Entertainment

All employees of PT VS Technology Indonesia who due to their position, and their family members are prohibited from accepting or requesting directly or indirectly gifts/souvenirs and entertainment from any party that has a business relationship or is a competitor of PT . VS Technology Indonesia, in the form of money/equivalent to money, goods, discounts, commissions, interest-free loans, meal invitations, travel tickets, accommodation facilities, tours, free medical treatment, vouchers, travel checks, compensation, gifts that have high financial value, entertainment and others that provide personal benefits to themselves and their families received domestically or abroad and which are carried out using electronic

means or without electronic means. In its implementation, all employees of PT VS Technology Indonesia;

- 5.1.1. It is prohibited to accept anything in any form such as kickbacks, bid-rigging, economic extortion and illegal gratuities from providers of goods and services (suppliers) as well as competing companies, partners/work partners.
- 5.1.2. It is prohibited to accept goods/parcels/money/equivalents of money or anything in any form on religious holidays.
- 5.1.3. It is prohibited to allow work partners or third parties to provide anything in any form to a group of PT.VS Technology Indonesia employees and/or outside PT.VS Technology Indonesia employees.
- 5.1.4. It is prohibited to accept refunds and other personal benefits that exceed and/or are not one's rights from the hotel or any other party in the context of official duties or matters that may give rise to potential conflicts of interest.
- 5.1.5. It is prohibited to act in a discriminatory or unfair manner in favor of certain goods/service providers/work partners with the intention of receiving compensation for personal, family and/or group interests.
- 5.1.6. Employees of PT. VS Technology Indonesia if offered / given gifts / souvenirs and entertainment that do not comply with the provisions set out in this Guideline are required to politely and courteously reject the offer / gift in question by providing an explanation of this policy and rules to third parties and if necessary can convey this rule to third parties as part of and socialization of this rule.

5.2. Giving Gifts, Souvenirs and Entertainment (entertainment)

All employees of PT.VS Technology Indonesia are prohibited from directly or indirectly giving gifts/souvenirs and entertainment to any party that has a business relationship or is a competitor of PT. VS Technology Indonesia in the form of money/equivalent of money, goods, discounts , commissions, interest-free loans, meal invitations, travel tickets, accommodation facilities, tours, free medical treatment, vouchers, travel checks, compensation, gifts that have high financial value, entertainment and other things that aim to obtain information, or something that is not permitted by applicable laws and regulations or to influence the party in question to do and /or not do something related to their position/position. In its implementation, all employees of PT. VS Technology Indonesia;

- 5.2.1. It is prohibited to promise, offer or give a gift/souvenir and/or entertainment to a third party which will knowingly create a negative image effect on PT.VS Technology Indonesia ;
- 5.2.2. It is prohibited to give any gifts to superiors or officials of other agencies with a specific purpose that could influence decision making (bribery);
- 5.2.3. It is prohibited to provide anything in any form to work partners, goods and service providers and competing companies of work partners/partners except in accordance with applicable regulations;

- 5.2.4. It is prohibited to allow partners or third parties to provide anything in any form to other third parties for the benefit of PT. VS Technology Indonesia employees ;
- 5.2.5. It is prohibited to give goods / parcels / money / equivalent money or anything in any form on religious holidays;
- 5.2.6. It is prohibited to provide assistance using company funds/facilities for and in the name of an individual;
- 5.2.7. It is prohibited to give any gifts that are contrary to religious rules and moral norms;
- 5.2.8. It is prohibited to give any gift in any form belonging to the company without documents that cannot be accounted for.

5.3. Limitations on Accepting and Giving Gifts, Souvenirs and Entertainment (entertainment)

5.3.1. Limitations on Accepting Gifts, Souvenirs and Entertainment (entertainment)

Employees of PT. VS Technology Indonesia are prohibited from accepting gifts/souvenirs and entertainment in any form related to their position and/or work, except:

5.3.1.1. Receiving entertainment that is still within reasonable limits, by meeting the overall restrictions as follows:

- a) Entertainment is not provided continuously by the provider to PT. VS Technology Indonesia employees or their family members. If the refusal of the entertainment is feared to affect the institutional business relationship with the third party offering the entertainment, then approval must be obtained from the President Director.
- b) Does not interfere with the working hours of the employees of PT. VS Technology Indonesia concerned.
- c) Not to have any discussion regarding the provision of internal information of PT. VS Technology Indonesia that may cause fraud and conflict of interest.
- d) At least 2 (two) PT. VS Technology Indonesia employees will participate

5.3.1.2. Accepting gifts/souvenirs that include the logo/name of the giving company, with the following limitations that must be met in full :

- a) The logo/name of the company/party providing the gift in question is an inseparable part of the policy/promotion of the giving company.
- b) The prize in question does not have too high a financial value, prizes above IDR 500,000 must fill out a prize receipt report form and others.
- c) Not in the form of a gift that violates morality and law.

5.3.1.3. Accepting gifts/souvenirs with or without including the logo/ name of the giving company which is done because of an activity/event/program that

is official and/or in the context of promotion and sponsorship where PT. VS Technology Indonesia employees are present representing the company. In its implementation, the recipient of the above gifts/souvenirs must be reported to the relevant Direct Superior.

5.3.1.4. In certain conditions, where employees of PT. VS Technology Indonesia cannot avoid receiving gifts from third parties and/or in a position where goods/money/equivalent money or in any form, the gift is already in a place that is entrusted to or through another person without the knowledge of the employee of PT. VS Technology Indonesia, then the person concerned is obliged to immediately report to the Direct Superior in writing according to the mechanism that will be regulated in the company's provisions.

5.3.1.5. The procedures that must be carried out if PT. VS Technology Indonesia employees receive gifts/souvenirs and entertainment as referred to in points 5.3.1.1 to 5.3.1.4 above are as follows:

- a) Every receipt of gifts/souvenirs and entertainment must be reported as soon as possible to the Direct Superior or no later than 7 (seven) days from the date the gift/souvenir was received by filling out Form I in full and signing it.
- b) The Direct Superior shall immediately examine the value and nature of the receipt, and within a maximum of 14 days shall decide whether the receipt belongs to the recipient or is declared as belonging to PT. VS Technology Indonesia (to be written in the "Remarks" column and affixed with a signature in the "Acknowledged by Direct Superior" column in Form I), then forward it to the Special Ethics Committee (SEC) or the appointed official.
- c) The Special Ethics Committee (SEC) or appointed officials and Direct Superiors must keep this information limited and must report to the President Director every 3 (three) months regarding the recapitulation of receipt of gifts/souvenirs and entertainment using a Form IV memorandum.
- d) The Special Ethics Committee (SEC) or the appointed Official is required to keep gifts/souvenirs from the proceeds of receipts that have been declared as belonging to the company. While if the gift/souvenir is in the form of money/equivalent money/check, it must be submitted to the company through the Finance & Accounting Manager

- e) The Special Ethics Committee (SEC) or an appointed official may propose the allocation of gifts/souvenirs and proceeds of receipts that have been declared as belonging to the company to the President Director.
- f) Further decisions regarding the allocation of gifts/souvenirs from proceeds that have been declared as belonging to the company are determined by the President Director.

5.3.2. Limitations on Giving Gifts, Souvenirs and Entertainment

Employees of PT. VS Technology Indonesia are prohibited from giving gifts/souvenirs and entertainment in any form related to their position and/or work to other parties, unless they meet all of the following limitations:

- 5.3.2.1. The giving of gifts/souvenirs and entertainment supports the interests of the company and is not intended to bribe the relevant party to provide something to PT. VS Technology Indonesia that is not the right of PT. VS Technology Indonesia by law.
- 5.3.2.2. Giving gifts/souvenirs is not permitted in the form of money/cash equivalents (cash payments), or other forms equivalent to cash, except for promotions and sponsorships.
- 5.3.2.3. Giving gifts/souvenirs is not permitted in forms that violate morality and the law.
- 5.3.2.4. The provision of gifts/souvenirs and entertainment has been planned and budgeted by the company with a certain amount and must receive approval from the President Director.
- 5.3.2.5. Giving gifts/souvenirs in the form of goods must include the company logo which is an inseparable part of the goods in question (the company logo on the goods in question cannot be removed/deleted).
- 5.3.2.6. The giving of gifts/souvenirs and entertainment is not done continuously. The procedure that must be done if PT. VS Technology Indonesia employees give gifts/souvenirs and entertainment as referred to in points 5.3.2.1 to 5.3.2.5 above is as follows:
 - a) Every gift/souvenir and entertainment giver that has been planned and budgeted for must be reported to the Direct Superior at least 7 (seven) days before the gift/souvenir giving takes place, by filling out Form II completely and signing it.

- b) The Immediate Superior will examine the value and nature of the gift and immediately within a maximum of 3 days decide whether the gift is approved/disapproved. If approved, the Immediate Superior must fill out and sign Form II and forward it to the Special Ethics Committee (SEC) or an appointed official.
- c) The Special Ethics Committee (SEC) or appointed officials and Direct Superiors maintain this information in a limited manner and must report to the President Director every 3 (three) months regarding the recapitulation of gifts/souvenirs and entertainment.

5.4. Limitations on Requests from Third Parties to Obtain Gifts, Souvenirs and Entertainment that Do Not Conform to Company Provisions;

- 5.4.1. Employees of PT. VS Technology Indonesia, if asked to provide gifts/souvenirs and entertainment that are not in accordance with company regulations, should politely and courteously refuse the request by providing an explanation of this policy and regulation to a third party and if necessary can convey this regulation to a third party as part of the socialization of this regulation.
- 5.4.2. If the request leads to extortion and/or coercion related to the smooth running of the company's operational process, employees of PT. VS Technology Indonesia are required to immediately report the request to the relevant superior and at the same time fill out Form III in full, to be submitted to the Special Ethics Committee (SEC) or the appointed Official.
- 5.4.3. The Direct Superior of PT. VS Technology Indonesia who reported to immediately coordinate the problem with the Special Ethics Committee (SEC) or the appointed Official to get a decision and if facing doubts and cannot decide then report it to Management/President Director

6. Socialization of Anti-Corruption / Fraud Policies and Procedures

In order to ensure that this Policy can be known by all employees of PT. VS Technology Indonesia and all third parties related to PT. VSTI, so that all related parties in the environment of PT. VS Technology Indonesia to do the following:

- 6.1. Include provisions prohibiting the acceptance, giving of gifts/souvenirs and entertainment in every announcement in the procurement process of goods/services in the company.
- 6.2. Assign Purchasing & Procurement to continuously provide information to all workers and third/external parties regarding these guidelines.

- 6.3. Assign to Accounting & Finance Dept. who has a working relationship with a third party to deliver the Guidelines for Accepting and Giving Gifts/Souvenirs and Entertainment to all related parties in the supply chain within PT. VS Technology Indonesia (Providers of Goods/Services, Agents, Distributors, Consultants, Auditors/Assessors and Customers and other Stakeholders).
- 6.4. Provide clear information to any party regarding the provisions contained in these policies and procedures.
- 6.5. Human Resources Dept. monitors the implementation of the contents of this guideline and provides periodic reports (every 6 months) to the President Director regarding its implementation, including reports arising after the provisions of this regulation.

7. Prevention and Handling of Corruption in Companies

- 7.1. This policy prohibits corrupt offers, promises and payments made through partners, intermediary agents, joint venture partners or third parties. Therefore, it is important to conduct due diligence on suppliers and not to ignore or overlook facts that indicate the possibility that a corrupt payment may have occurred. The purpose of due diligence is to ensure, to the extent possible, that PT VS Technology uses only reputable and honest suppliers.
- 7.2. Create standard rules or agreements with suppliers or cooperation partners by implying strict rules to prevent corruption/fraud.
- 7.3. Conduct audits of processes with high fraud risk

This application is carried out on the company's internal and external activities: payroll cycle audits with the risk of phantom employees, vendor billing audits with the risk of overcharges, vendor data audits with employee data to find fictitious vendors, and conducting database reviews to detect duplicate transactions.

8. Sanctions Against Corruption Violators

The company is obliged to prioritize work ethics by eliminating all types of actions that allow corruption/fraud to occur in the company environment, by implementing sanctions for such violations.

a. Administrative Sanctions

This sanction is in the form of guidance for employees who commit non-serious violations in the form of issuing a warning letter up to termination of employment (PHK), in accordance with the Joint Work Agreement (PKB).

b. Legal Sanctions

If necessary, strict legal sanctions will be imposed on perpetrators of corruption/ fraud, in accordance with applicable regulations/laws.

9. Reporting or Complaint Procedure

- a. Employees can get advice on situations that have the potential to give rise to ethical dilemmas, for example whether a gift received from a supplier constitutes corruption or not, by reporting/complaining to the HR Department/special ethics committee.
- b. Every employee who reports/complains about acts of corruption/fraud will have their confidentiality maintained.
- c. Every employee who sees corruption/fraud in the workplace is obliged to report this to the HR Department/special ethics committee.
- d. The HR Dept/special ethics committee conducts interviews with employees who provide information and conducts investigations into all parties suspected of being involved to find out the correct information and collect supporting evidence.
- e. HR Dept/special ethics committee, summons the employee suspected of committing the violation at the workplace to ask for information regarding the accusations brought against him.
- f. The results of the analysis from both parties involved are analyzed carefully, prioritizing a sense of justice by considering evidence, witnesses, etc.
- g. Reporting and complaints can be made via the PT VS Technology Indonesia call center telephone number, 08816803939 or via email Komitekhususetik@vs-i.com



FORM I

REPORT ON RECEIPT OF PRIZES/SOUVENANTS
AND ENTERTAINMENT

To :

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In accordance with the Anti-Corruption Policy, I, the undersigned:

Name :
NIK :
Position :
Department :

I hereby submit a report on the receipt of gifts/souvenirs and entertainment that I received as follows:

No	Date	Accepted Types	Estimated Value (Rupiah)	Amount	The Giver	Information

Thus, the Acceptance of Gifts/Souvenirs and Entertainment as mentioned above, I have informed and acknowledged by my Superior on 20 and has been submitted to the company on 20

Jakarta,, – 20

Know
Reporting, Direct Supervisor

.....



FORM II

GIFT/SOUVENUE GIVING REPORT
AND ENTERTAINMENT

To:

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In accordance with the Anti-Corruption Policy, I, the undersigned:

Name :
NIK :
Position :
Department :

I hereby submit a report on the gifts/souvenirs and entertainment that I received as follows:

No	Date	Type Given	Estimated Value (Rupiah)	Amount Given	The Giver	Information

Thus, I have notified and acknowledged the receipt of gifts/souvenirs and entertainment as mentioned above by my superiors on 20 and was submitted to the company on 20
Jakarta,, – 20

Know
Reporting Person, Direct Superior

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FORM III

REPORT ON RECEIPT OF PRIZES/SOUVENANTS
AND ENTERTAINMENT FROM THIRD PARTIES PT.VSTI

To :

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In accordance with the Anti-Corruption Policy, I, the undersigned :

Name :
NIK :
Position :
Department :

I hereby submit a report on the receipt of gifts/souvenirs and entertainment that I received as follows:

No	No & Date of Issue	The Giver	the type given	Prize Amount	Value (Rupiah)	Information

Receiving Gifts/Souvenirs and Entertainment As mentioned above, I have notified and acknowledged this by my superiors on 20 and was submitted to the company on 20
Jakarta,, – 20

Knowing Who Reported, Direct Superior

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FORM IV

Bekasi, Date

No :

To :

.....

.....

Attachment :

Subject : Report on Giving, Requesting and Receiving Gifts/Souvenirs and Entertainment

In accordance with the Anti-Corruption Policy , the Special Ethics Committee hereby submits a summary of the report on the receipt of gifts/souvenirs and entertainment that I received as follows:

Reception

No	Date	Acceptable Forms/Types	Estimated Value (RP)	Prize Amount	Gift Giver	Information

Giving

No	Date	Form/Type Given	Estimated Value (RP)	Amount Given	Gift Recipient	Information

Request

No	No & Date of Request	Requester	The given form/type	Prize Amount	Value (Rp)	Request in order

Thus we submit this report, thank you.

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