

## ANTI-CORRUPTION AND ANTI-FRAUD POLICY



## I. Introduction

PT OBM Drilchem Tbk (“the Company”) is committed to and complies with the prevailing laws and regulations and supports the Government of Indonesia’s programs related to the eradication of corruption. To ensure that the Company’s activities and business are free from actions that may cause losses to the Company, the Company establishes the Anti-Corruption and Anti-Fraud Policy.

The purpose of implementing this Policy is to prevent losses, both material and immaterial, improve regulatory compliance, discipline, and the Company’s ethics toward the law, and in carrying out the Company’s day-to-day operational activities related to external parties, business partners, and government institutions.

## II. Scope

This Policy covers all actions carried out by members of the Board of Commissioners, members of the Board of Directors, and all employees of the Company, both at the head office and the Company’s operational offices.

This Policy also prohibits any act of irregularity (fraud) intentionally committed to deceive, defraud, or manipulate the Company or other parties occurring within the Company’s environment and/or using the Company’s facilities, resulting in losses to the Company or other parties and/or enabling the perpetrator of fraud to obtain material or immaterial benefits directly or indirectly.

## III. General Policy

All employees, members of the Board of Directors, and members of the Board of Commissioners are required to ensure that the Company’s activities and business are free from corrupt practices as defined in Law Number 31 of 1999 in conjunction with Law Number 20 of 2001 concerning the Eradication of Criminal Acts of Corruption, namely activities related to:

1. Causing losses to state finances
2. Bribery
3. Embezzlement
4. Extortion
5. Fraudulent acts
6. Conflict of interest
7. Gratification.

To maintain independence in carrying out the roles/functions of each main organ within the Company, the following matters must be observed:

1. It is prohibited to conduct transactions that have conflicts of interest and to take personal benefits from the related Company activities;
2. It is prohibited to hold other positions that may give rise to conflicts of interest;
3. Not authorized to represent the Company if having interests that conflict with the interests of the Company; and
4. Prohibition of family relationships.

The fraud control system directs the Company in determining steps to prevent, detect, identify, and monitor fraud incidents.

Types of acts classified as fraud include but are not limited to the following:

1. Cheating,
2. Deception,
3. Asset misappropriation,
4. Information leakage.

The anti-fraud strategy, which in its implementation takes the form of a fraud control system, has 4 (four) pillars, as follows:

#### 1. Prevention

Contains tools aimed at reducing the potential risk of fraud, which at a minimum include anti-fraud awareness, identification of vulnerabilities, and the know your employee principle.

- Active supervision by the Board of Commissioners and the Board of Directors in the implementation of good corporate governance;
- Awareness campaigns regarding anti-fraud, including anti-bribery and anti-corruption, through various internal and external media;
- Continuous socialization through training for all employees and induction for new employees to continuously remind and ensure that Company employees have adequate knowledge of anti-corruption and anti-fraud;
- The principle of knowing employees.

#### 2. Detection

Contains tools aimed at identifying and discovering fraud incidents in the Company's business activities, which at a minimum include whistleblowing policies and mechanisms, audits, and monitoring systems.

- The Company has a whistleblowing system as a reporting channel and a secure and confidential means for conveying aspirations so that employees can actively participate in safeguarding and disclosing ethical issues and improper behavior, including but not limited to incidents of corruption and fraud.
- The Company monitors the implementation of the code of conduct.

#### 3. Investigation, Reporting, and Sanctions

Contains tools aimed at exploring information, reporting systems, and the imposition of sanctions for fraud incidents in the Company's business activities, which at a minimum include investigation standards, reporting mechanisms, and the imposition of sanctions.

- The Company has a system to conduct investigations into alleged corruption and fraud;
- The Internal Audit Unit periodically submits reports to the Board of Directors and provides recommendations for actions against related parties for proven violations.

#### 4. Monitoring, Evaluation, and Follow-up

Contains tools aimed at monitoring and evaluating fraud incidents and the necessary follow-up based on the evaluation results.

- The Company has a reporting system that records all incidents along with their follow-up actions;
- All such information/data are documented as material for periodic evaluation as an effort for future improvements.

## IV. Sanctions or Consequences

Violators proven to have committed acts of corruption or fraud will be subject to sanctions in accordance with the applicable Company regulations, including but not limited to termination or dismissal, imposition of fines, and/or bringing the case into the realm of civil or criminal law based on the applicable laws and regulations.

The Company's provision to third parties, including business partners or contractors, may only be made in the context of promotional activities, sponsorships, donations, and other forms of official and generally applicable giving in relation to business relationships as the Company's partners/contractors. Such giving is carried out based on an underlying transaction within a series of official and generally applicable business relationships with third parties and does not violate applicable provisions, and the giving has been budgeted by the Company. For every sponsorship and donation activity provided by the Company, it must fulfill complete documentation (submission proposal, proof of use, receipt).

Any giving or receiving by any member of the Board of Commissioners, member of the Board of Directors, and/or employee of the Company is not permitted in forms that violate decency and the laws applicable in the Republic of Indonesia. In the event that there is any giving or receiving of gratification to or from anyone that is not in accordance with the provisions above, all levels of the Company are required to report it to their superiors and/or the Company's management.

## V. Closing

1. This Policy is effective as of the date of its stipulation.
2. This Policy is reviewed periodically in accordance with needs and developments, both within and outside the Company.

Stipulated in Jakarta  
On 8 December 2021



**drilchem**

**Ryanto Husodo**  
President Director