

CONFLICT OF INTEREST HANDLING GUIDELINES

PT GARUDA INDONESIA (PERSERO) Tbk



CHAPTER I

INTRODUCTION

Article 1

Definition of Terms

In this Guideline, what is meant by:

1. **The company** is PT Garuda Indonesia (Persero) Tbk.
2. **The Guidelines** are Guidelines for Handling Conflicts of Interest of the Company.
3. **Garuda Indonesia personnel** are the Company's Board of Directors, Board of Commissioners, and employees who are legally bound by employment with the Company, or who are assigned to the Company's subsidiaries or other agencies.
4. **Conflict of Interest** is the difference between the economic interests of the Company and the economic interests of each Garuda Indonesia Personnel that may be detrimental to the Company.
5. **Personal/Group Interests** are the desires/needs of Garuda Indonesia personnel regarding something personal/group.
6. **Lead Employee** is an employee who occupies a leadership position in a work unit and has the authority to make decisions as determined by the Company.
7. **Gratification** is the giving or receiving in a broad sense which includes money, goods, commissions, rebates (*discounts*), interest-free loans, travel tickets, lodging facilities, tourist trips, free medical treatment and other facilities, both received domestically and abroad and carried out using electronic means or without electronic means.

Article 2

Purpose and Purpose

1. In order to create a work environment that upholds business ethics and work ethics, free from KKN practices, and free from Conflicts of Interest, the Company is committed to regulating the handling of Conflicts of Interest within the Company.

2. This guideline is a frame of reference for all Garuda Indonesia personnel to understand, prevent, and handle Conflicts of Interest within the Company, as well as a guideline for Leadership Employees to conduct guidance and supervision within the unit of each Leading Employee.

Article 3

Scope

This guideline applies to all Garuda Indonesia personnel in the Company, both at the head office and branch offices within and outside the territory of the Unitary State of the Republic of Indonesia.

CHAPTER II

CONFLICT OF INTEREST

Article 4

Forms of Conflict of Interest

The forms of a conflict of interest situation are as follows:

1. receive gratuities in any form related to the position;
2. use the Company's confidential assets and information for Personal/Group Interests;
3. concurrently holding positions in several companies that are prohibited based on the Company's internal provisions and applicable laws and regulations, which have a direct or indirect relationship, similar or non-similar, so as to cause the use of one position for the benefit of other positions;
4. provide certain access/treatment specifically to Garuda Indonesia Personnel or certain parties without following the applicable procedures and provisions of the Company;
5. conducting supervision not in accordance with applicable procedures due to the influence and expectations of the supervised party;
6. assessing an object or thing, where the object or something was previously the result / manufacture of the appraiser himself;
7. abuse positions such as using positions or positions in the Company for Personal/Group Profits or for certain interests that are not in accordance with duties and responsibilities;
8. exercising discretion that abuses authority such as making decisions taken not based on the Company's interests but based on personal judgment;
9. commercializing in providing services such as requesting additional payments to speed up the service process and/or opening unofficial services without the Company's knowledge;

10. working outside of their main job, unless they are in accordance with the provisions as stipulated in the applicable Business Ethics and Work Ethics Guidelines in the Company;
11. create a situation that allows to provide more information than has been determined by the Company, privileges or opportunities for prospective providers of goods and/or services to win in the procurement process of goods and/or services in the Company; and/or
12. a situation where there is an affiliation/kinship relationship between Garuda Indonesia Personnel and other parties who have an interest in the decisions and/or actions of Garuda Indonesia Personnel in connection with their position in the Company.

Article 5

Causes of Conflict of Interest

Conflict of Interest occurs for the following reasons:

1. abuse of power and authority such as using power and authority to obtain Personal/Group Profits or for certain interests that are not in accordance with their duties and responsibilities in the Company;
2. position capture, namely Garuda Indonesia personnel hold other positions that have a Conflict of Interest with their main duties and responsibilities to the Company, so that they cannot carry out their positions professionally, independently, and accountably, except for position capture that is allowed under the Company's provisions and/or applicable laws and regulations;
3. affiliate relationships, namely relationships owned by Garuda Indonesia Personnel with other parties related to the Company's business activities that may affect its decisions;
4. Gratification related to authority/position in the Company, so as to cause a Conflict of Interest that affects the independence, objectivity, and professionalism of Garuda Indonesia personnel;
5. weakness of the organizational system, which is an obstacle to the achievement of the objectives of implementing the authority of Garuda Indonesia personnel caused by the existing rules, structure, and culture of the Company; and/or
6. the existence of vested *interest* in something that benefits individuals/groups.

Article 6

Commitment

Every Garuda Indonesia employee has an obligation to comply with the Business Ethics and Work Ethics Guidelines, including but not limited to the statement that they do not have a Conflict of Interest and/or are involved in transactions that have a Conflict of Interest with the Company that may harm or reduce the Company's profits.

CHAPTER III

PREVENTION AND HANDLING OF CONFLICTS OF INTEREST

Article 7

Prevention of Conflicts of Interest

1. Things that can be done to prevent a Conflict of Interest from occurring:
 - a. avoid Conflicts of Interest in any form and personally always prioritize the interests of the Company over Personal/Group Interests;
 - b. not to make transactions and/or use the Company's assets for Personal/Group Interests;
 - c. not to receive and/or give gratuities in any form related to his authority/position in the Company;
 - d. not to use confidential information and the Company's business data for purposes outside of the Company;
 - e. not to exploit and use the intellectual property rights owned by the Company, including but not limited to copyrights or trademarks that may be detrimental to the interests or that may hinder the development of the Company;
 - f. not to make investments or business ties with other parties who have business relationships with the Company, either directly or indirectly, for Personal/Group Interests;
 - g. not hold any concurrent position in any other company/institution that wants to and or is conducting business relations with the Company or that wants to and or is competing with the Company, except for certain positions that are allowed to be concurrently based on the Company's internal provisions and/or applicable laws and regulations;
 - h. not to use the position to provide preferential treatment to family, relatives, groups, and/or other parties using the Company's budget burden; and/or
 - i. do not provide preferential treatment to customers, *suppliers*, business partners, the Government and/or other parties beyond the policies set by the Company.
2. In the event that there is doubt about transactions and/or activities involving Garuda Indonesia Personnel, Garuda Indonesia Personnel are required to assess the level of possibility of Conflict of Interest by completing the *Self Assessment Form* as stated in Attachment 1 of this Decree.
3. If the results *of the self assessment* as referred to in paragraph 2 of this Article show that there is a potential Conflict of Interest, then the Garuda Indonesia personnel are required to fill out a Statement of Potential Conflict of Interest as stated in Attachment 2 of this Decree.

Article 8

Handling Actions in the Event of a Conflict of Interest

Things to do in the event of a Conflict of Interest:

1. withdrawal from the decision-making process;

2. restrict Garuda Indonesia's access to certain information;
3. assign a mutation to Garuda Indonesia to another position that does not have a Conflict of Interest based on the request of the relevant or proposal from its leadership;
4. transfer the duties and responsibilities of the relevant Garuda Indonesia LLC;
5. increase supervision of the relevant Garuda Indonesia loans carried out by its leaders by coordinating with the units in charge of *the Human Capital Operation* function; and/or
6. providing strict sanctions for Garuda Indonesia personnel who are proven to be in violation, in accordance with the applicable procedures based on the Collective Labor Agreement and/or the provisions of applicable laws and regulations.

CHAPTER IV

CONFLICT OF INTEREST REPORTING

Article 9

Reporting

1. In the event of a Conflict of Interest situation, Garuda Indonesia personnel are required to report it with the following conditions:
 - a. reporting is carried out through the Leadership Employee if the complainant is a Garuda Indonesia Employee who is involved or has the potential to be directly involved in a Conflict of Interest situation;
 - b. reporting as referred to in letter a is carried out by submitting a Self Assessment *Form* and a Statement of Potential Conflict of Interest to the Leadership Employee in the format as intended in Attachments 1 and 2 of this Decree;
 - c. reporting as referred to in letter a is submitted by the Leadership Officer to the unit in charge of *the Human Capital Operation* function and the unit in charge of *the Corporate Secretary* function with a copy to the unit in charge of the *Internal Audit* function
2. Reporting of Conflict of Interest for the Company's Board of Directors and Board of Commissioners is carried out with the following provisions:
 - a. reporting to the Board of Directors if there is a Director who has a potential Conflict of Interest;
 - b. reporting to the Board of Commissioners if any members of the Commissioners or the entire Board of Directors have a potential Conflict of Interest;
 - c. reporting to the Shareholders of Series A Dwiwarna if all the Board of Directors and the Board of Commissioners have a potential Conflict of Interest.
3. Reporting through *the Whistle Blowing System* (WBS) is carried out if the whistleblower is a Garuda Indonesia employee or other parties who know of the existence or potential for a Conflict of Interest in the Company which is carried out based on the Decree of the President Director Number: JKTDZ/SKEP/50004/2024 concerning the *Whistleblowing System* within PT Garuda Indonesia (Persero) Tbk.

Article 10

Statement of Conflict of Interest

1. The Company's Board of Directors and Board of Commissioners are required to sign a Statement of Conflict of Interest as stipulated in the Company's applicable Business Ethics and Work Ethics Guidelines, which contain a statement that there is no Conflict of Interest between Personal/Group Interests, family, or other positions and the Company's interests at the beginning of the appointment which is updated at the beginning of each year.
2. The Board of Directors is required to sign a Statement of Conflict of Interest as stipulated in the Guidelines on Business Ethics and Work Ethics applicable in the Company for transactional actions that require approval and/or recommendations from the Board of Commissioners to then be attached to the proposed action document of the Board of Directors which must obtain approval and/or recommendation from the Board of Commissioners.
3. If it turns out that there are members of the Board of Directors who have the potential and/or experience a Conflict of Interest and do not sign a Statement of Conflict of Interest as referred to in paragraph 2 of this Article, then the member of the Board of Directors is obliged to submit in writing to the Board of Commissioners accompanied by the steps taken to avoid transactions that contain a Conflict of Interest.

CHAPTER V

SOCIALIZATION AND SANCTIONS

Article 11

Socialization

In order to ensure that the provisions stipulated in this Decree can be known by all Garuda Indonesia Personnel and all *stakeholders* related to the Company, the following provisions are regulated:

- a. Assigning all Leadership Employees within the Company to act as role *models* in enforcing the Guidelines for Handling Conflicts of Interest as stipulated in this Decree and conduct socialization and coaching and supervision of the implementation of these Guidelines for Handling Conflicts of Interest;
- b. Assign units within the Company that have a working relationship with third parties to notify or submit the Guidelines for Handling Conflicts of Interest as stipulated in this Decree to all relevant parties in the *supply* chain within the Company (including but not limited to goods/service providers, agents, distributors, consultants, *auditors/assessors*, and customers and *stakeholders* others);
- c. The unit in charge of the *Corporate Secretary* function is responsible for monitoring the implementation/implementation of the Guidelines for Handling

Conflicts of Interest as stipulated in this Decree and provides periodic reports, namely once every 6 (six) months to the Director in charge of *the Good Corporate Governance* function (GCG) regarding the implementation including reports arising after the issuance of this Decree; and

- d. The unit in charge of *the Internal Audit* function is responsible for reviewing the reports submitted by the unit in charge of *the Corporate Secretary* function and, if necessary, conducting an audit of the effectiveness of the implementation of this policy in accordance with the level of risk.

Article 12

Penalty

Violation of the provisions of this Guideline will be subject to applicable sanctions as stated in the Collective Labor Agreement and/or applicable laws and regulations.

CHAPTER VI

CLOSING

Article 13

Enforcement of Terms

This Decree is valid from the date this Decree is signed and if there is an error, it will be corrected as appropriate.

APPENDIX 1



SELF ASSESSMENT OF POTENTIAL CONFLICT OF INTEREST*)

Name :
Employee No. :
Work Unit :
Position :
Transactions/Activities :

Yes	The Interests of Garuda Indonesia People	Yes	Not
1	Do I have a blood and/or semen relationship up to the third degree with a third party?		
	If so, mention: Name: Relationship:		
2	Am I actively involved in membership of a professional affiliation, organization, or corps outside of employment e.g. alumni associations, religious organizations, social foundations, sports clubs, or arts/culture/hobby clubs etc. that deal with a third party in a transaction?		
	If so, mention: Organization Name : Affiliate Relationships: Information:		
3	Do I have a special friendship or personal closeness with one of the third parties that has a direct working relationship and has the potential to influence the objectivity of policies, decisions, determinations, and/or actions against the third party in the transaction?		
	If so, mention: Name: Relationship: Actions or decisions that could potentially be affected:		
4	Do I have certain tendencies that have the potential to affect policies, decisions, determinations and/or actions in the performance of my duties if they relate to a third party in the transaction? (For example: Certain political figures who are currently active, Certain Regional Heads, Prospective Participants Pemilu. dll.)		
	If so, mention: Name: Relationship:		
5	Have I ever accepted and/or refused and/or been offered prohibited gratuities from a third party in the transaction?		
	If so, explain: Have reported to the Gratification Control Unit or not:		

I declare that my above identification of my personal conflict of interest is correct to the best of my knowledge and am aware of my responsibility to take reasonable steps to avoid conflicts of interest in connection with my work.

Venue and Date
Position

Full Name

*) In the event that the results of the self-assessment show that there is a potential conflict of interest, the Garuda Personnel concerned must fill out a Statement of Potential Conflict of Interest as stated in Appendix II.

APPENDIX 2



Statement of Potential Conflict of Interest

I am the undersigned:

Name/No.Employee :

Position :

Work Unit :

Declaring that it actually has a potential conflict of interest related to
Implementation of duties as follows:

Transaction/Activity Type :

Transaction/Activity Value :

Forms of Conflict of Interest :

Therefore, I hereby declare the attitude to (choose one):

1. Withdraw from the decision-making process for the above transactions;
2. Mutation to another position that does not have a conflict of interest; or
3. Transferring my duties and responsibilities above;

Thus, I made this statement in a conscious and unforced state, so that it can be used in accordance with the standard operating procedures within Garuda Indonesia and applicable laws and regulations.

Jakarta_____

Sincerely,

[Name Clear]

