

# Anti-Bribery & Corruption

Awareness Material for Third Party and Business Partners Prudential Indonesia

# Zero Tolerance to Bribery & Corruption



Prudential Indonesia is fully committed to comply with all applicable Anti-Bribery & Corruption legislation and regulation.



Prudential Indonesia conduct its business in an honest and ethical behavior



Prudential Indonesia has **zero tolerance** policy towards bribery and corruption practices



Prudential Indonesia require all Prudential Indonesia's stakeholders (including but not limited to supplier, goods & service providers, Sponsorship & CSR partner, etc) to have and implement same standard on Anti-Bribery & Corruption practices.

# Background & Policy



Prudential Indonesia has obligation to ensure control and procedure existence to prevent and detect any bribery and corruption.

Bribery & corruption act is conflicting with Prudential Indonesia's values and ethics.

Prudential Indonesia's Policy is against and prohibit engagement with bribery or corruption in any form and situation, including Facilitation Payment. Firm actions will be given as consequence of bribery and corruption practices.



**Prudential Indonesia ABC Policy**



**Prudential Indonesia Supplier Code of Conduct**



**“Speak Out” Information**



# **Prudential Indonesia ABC Policy**



# Related Regulations



## International Regulations\*

- United Kingdom Bribery Act (2010)
- United States Foreign Corrupt Practices Act (1977)
- Hong Kong Prevention of Bribery Ordinance (1971)



## Prudential

- Prudential Group Anti-Bribery & Corruption Policy and Standards
- Prudential Indonesia Anti-Bribery & Corruption Policy



## Indonesia Regulations

- Law No. 11 Year 1980 regarding Criminal Act of Bribery
- Law No. 31 Year 1999 as amended by Law No. 20 Year 2001 regarding Eradication of Corruption Criminal Act
- Law No. 30 Year 2002 as amended by Law Number 10 Year 2015 and Law Number 19 Year 2019 regarding Corruption Eradication Commission
- KPK Circular Letter No. 19 Year 2021 regarding Gratification Control related to Financial Services Industry



## ISO 37001:2016 on Anti-Bribery Management System

Prudential Indonesia Anti-Bribery Management System Manual

\*which have extraterritorial application and applicable to Prudential Indonesia

# Definition



## Bribery

is defined as giving or receiving a financial or other advantage in connection with the “improper performance” of a position of trust, or a function that is expected to be performed impartially or in good faith. “Improper performance” is a performance that breaches an expectation that a person will act in good faith, impartially, or in accordance with a position of trust. Bribery does not have to involve cash or an actual payment exchanging hands and can take many forms such as a gift, lavish treatment during a business trip or tickets to an event. The definition includes both offering, promising or giving a bribe as well as requesting, agreeing to receive, or accepting a bribe. It also includes asking another person to offer or accept a bribe on the employee or the Prudential Indonesia’s behalf.



## Corruption

is the abuse of entrusted public power or office for personal gain and is a term used to describe a broad range of financial misconduct.



## Facilitation Payment

is any payments made (except where comprised in a lawful and publicly available tariff) as an inducement to secure or expedite the performance of a routine or necessary action to which the payer has a legal entitlement

This facilitation payment is the same as an informal “fast-track” payment. Facilitation payment is **prohibited and considered in the same manner as bribery.**

# Gift & Hospitality (G&H)



Prudential Indonesia is aware that within the culture and environment in Indonesia, the giving and receiving of G&H is both traditional, customary, and may foster goodwill in business relationships. However, We always encourage internal Prudential Indonesia to not receive or give G&H to stakeholders in order to ensure fair and transparent business.

**Prudential Indonesia does not receive any G&H to avoid potential risk of bribery and corruption.**

## What G&H is not acceptable?

- G&H that is indecent, inappropriate or would damage Prudential Indonesia's integrity or reputation
- G&H that breaches Anti-Bribery & Corruption law or regulation
- G&H that the recipient is not permitted to receive by their employer/principal
- Where Prudential Indonesia's employees personally pay for G&H (out of pocket expenditure), which is then provided in a business context
- G&H offered or accepted during business negotiations, such as contract awards, renewals, tenders, mergers and acquisitions

# Anti-Bribery & Corruption Contract Clause



There is Anti-Bribery & Corruption contract clause within Prudential Indonesia's standard contract with third parties and business partners.

The content & purpose of Anti-Bribery & Corruption clause is to :



The third party complies with the relevant legislation related ABC



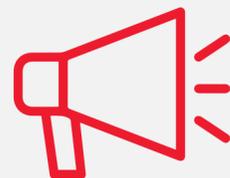
The business relationship will not cause Prudential Indonesia to be in breach of ABC regulations



Ensure that the third party has appropriate internal procedures in place for ABC practices



The existence of termination clause in case a party has breached ABC regulations



If third party (or its employees or related parties) becomes aware of bribery & corruption practices, the third party must immediately report the details of this to Prudential Indonesia



# ISO 37001: 2016 (Anti-Bribery Management System)



Prudential Indonesia has received ISO 37001:2016 Anti-Bribery Management System (ABMS) on 29 December 2023.

## What is ISO 37001:2016?

ISO 37001:2016 is an international standard which is designed to ensure the adequacy of ABMS to prevent, detect and respond to bribery and comply with anti-bribery laws.

## What is Prudential Indonesia's purpose to implement ISO 37001:2016?

1. Improve the image of Prudential Indonesia and create a professional business environment that has integrity and professionalism
2. Gain public trust and increase the reputation of Prudential Indonesia's stakeholders
3. Prevent, detect and have an adequate response to deal with the risk of bribery in the company.

In order to support ISO 37001:2016 implementation in Prudential Indonesia, then Third Party and Business Partner who cooperates with Prudential Indonesia is expected to:

1. Committed to prevent bribery which is conducted by Third Party & Business Partner, its employees and persons under their control
2. Agree to sign a document or contract which proves compliance with anti-bribery
3. Agree that Prudential Indonesia has authority to terminate a contract in the event of bribery committed in the course of implementing the working relationship with Prudential Indonesia



# Prudential Indonesia's Supplier Categorization

# Supplier Categorization in Prudential Indonesia



Type	Definition	Example	Remarks
 <p><b>Associated Party</b></p>	<p>A person who performs services for or on behalf of Prudential Indonesia. This person can be an individual or an incorporated or unincorporated body and may be capable of committing bribery on Prudential Indonesia's behalf</p>	<p>Supplier who provides administration/management for passport, visa, license, lawfirm, event organizer, Sponsorship partner, CSR partner and etc</p>	<p>Bribery risk for associated person is more likely higher since this person deal with managing and obtaining Prudential Indonesia's license and business</p>
 <p><b>Non - Associated Party</b></p>	<p>A party solely providing goods/ services to Prudential Indonesia and which does not act on Prudential Indonesia behalf</p>	<p>Supplier who supply stationery, laptop, printing, and etc</p>	<p>Although bribery risk for Non-Associated Third Party is lower, but it is not impossible that bribery &amp; corruption practices occurred in business relationship process.</p>



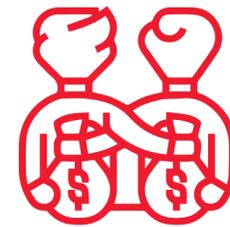
# **Prudential Indonesia Supplier Code of Conduct**



# Supplier Code of Conduct - Expectation from Suppliers



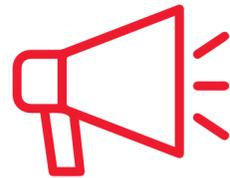
To behave ethically and with integrity in all business dealings and likewise to not tolerate any form of bribery or corruption



Must not offer or make facilitation payments, nor permit others to offer or make such payments on their behalf. Facilitation payments are bribes paid to public officials to speed up non-discretionary bureaucratic processes and access services to which the payer is lawfully entitled



Must not offer or accept hospitality or gifts that may improperly influence business decisions of Prudential Indonesia, our customers or others third parties



Must report to Prudential Indonesia if an employee of Prudential Indonesia requests any undue gifts and hospitality or advantage



Must comply with all applicable anti-bribery and corruption laws and regulations



Ensure all reports, records and invoices are complete and accurate and not false or misleading



Must be free from Conflict of Interest that may impact or impair Supplier's ability to honor the contractual obligations and disclose to Prudential Indonesia where Supplier's owners/partners, major shareholders, directors or key employees involved in business relationship with Prudential Indonesia are Prudential Indonesia employees/directors or have family relationship with Prudential Indonesia employees/directors



Must not request, accept, pay, offer or authorize bribes, either directly or indirectly, under any circumstances. This includes never seeking to improperly influence or bribe a Prudential Indonesia employee, customer, or public official (including foreign public officials) or any other individual or entity



**“Speak Out”  
Information**

# “Speak Out”



In Prudential Indonesia, we call whistleblowing as “Speak Out”



Speak Out is confidential reporting channel which employee, third party, business partner of Prudential Indonesia that has concern or aware of any breach in Prudential Indonesia, may report it to Prudential Indonesia.

Prudential Indonesia uses external & independent specialist to support the administration of Speak Out. Any report that made will be kept confidential to the fullest extent possible consistent with the law and good business practices.

Types of concern that may be raised through Speak Out:

- Bribery & Corruption
- Fraud
- Money Laundering & Terrorist Financing
- Deviation related accounting and audit
- Falsification of contracts, reports or records
- Discrimination and harassment
- Substance abuse
- Other misconduct or inappropriate behaviour

If you have any concern of potential or actual breach which occurred in Prudential Indonesia, then You can raise it through Speak Out channel:



[www.prudentialspeakout.ethicspoint.com](http://www.prudentialspeakout.ethicspoint.com)



**0800-1503177**



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# Thank You

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