

Modern Slavery Act Transparency Statement

This statement is being made pursuant to section 54(1) of the Modern Slavery Act 2015 (the “Act”). It sets out the steps taken by Saka Indonesia Pangkah Limited (“Saka UK”) or (the “Company”) to prevent modern slavery and human trafficking in its business and supply chains.

Company overview

Saka UK is a wholly owned subsidiary of Saka Indonesia Pangkah B.V, a company incorporated in the Netherlands, with the ultimate parent company being PT Saka Energi Indonesia, a company incorporated in Indonesia.

The principal activity of Saka UK is the exploration for and the production of oil, natural gas and natural gas liquids in Indonesia. The Company has a 65% interest in the Ujung Pangkah field which is being developed in a staged manner with initial gas production followed by liquids development. The operation of all of the oil and gas exploration, development and production activity are conducted through joint arrangements.

Principles

The Saka group is committed to ensuring that there is no modern slavery or human trafficking in its supply chains or in any part of its business and endeavors to act with integrity in all its business relationships by ensuring the implementation of the Business Ethics and Work Ethics policies for all employees in accordance with the Company’s espoused values.

The Company believes that its workers are central to achieving the Company’s vision and mission. Therefore, the Company commits to create working environments that are safe, healthy and free from any kind of bullying or intimidation. The Company commits to providing equal opportunities to all without discrimination regardless of ethnicity, religion, gender, age, disability, sexual orientation, marital status and national origin. All workers are treated equally according to their skills, abilities, qualifications and achievements. The Company prohibits harassment and / or violence at work and will not tolerate any violations of these principles.

Policies

All employees are required to sign the Integrity Pact and are required to understand and comply with the Business Ethics and Work Ethics policies. To ensure compliance with the Integrity Pact, the Saka group has established an Ethics Committee.

In addition to the Saka group’s Business Ethics and Work Ethics policies, Saka UK has adopted a Code of Conduct (the “Code”). The Code commits Saka UK to comply with all Laws and Regulations in the countries and regions in which we operate, in particular Modern Slavery, Manpower Laws, Human Rights Law and any other applicable law which relates to the Company’s activities.

Suppliers and Counterparties

Before Saka UK enters into a business relationship, bidders and contractors must be registered on the SKK MIGAS (Government Petroleum Regulatory Body) Centralised Integrated Vendor Database. The registration process requires a number of a contractor's legal and business credentials to be verified. In addition, all bidders are required to submit a statement letter signed off by the most senior officer of the company confirming that the bidder is not under court surveillance, subject to bankruptcy proceedings, under investigation or has any criminal sanctions imposed against them.

All contracts with suppliers, business partners or contractors include clauses which require compliance with the Saka group's Ethical Business Practices Requirements and a commitment to comply with all local laws and regulations, including labour laws. They must also commit to operate in a manner that is consistent with the principles of human rights and not use forced labour, whether in the form of prison labour, indentured labour, bonded labour or otherwise.

Risk Assessment

Due to the covid-19 pandemic, SAKA UK not able to perform any risk assessment since our office is still adapting to the new normal. In addition SAKA UK subject to the provision of the procurement governance guidelines for oil and gas companies in Indonesia. Such guidelines do not specifically regulate the provisions regarding the third-party employee(s). However, all provisions of employment in Indonesia is governed under the Law no. 13 of 2003 concerning the manpower and its derivatives and a new law no. 11 of 2020 concerning job creation issued recently in 2020.

Training

All employees of the Saka group have been subject to an awareness campaign of the group's principles as set out in its Code of Conduct and Business Ethics and Work Ethics policies. In terms of Modern Slavery, Saka Group also comply to Indonesian Regulations which are law no. 13 of 2003 concerning the manpower and its derivatives and law no. 39 of 1999 concerning Human Rights. Based on those regulations, the Saka Group's Code contains provisions regarding:

a. Treatment of Employees

Saka Group views that employees are an important asset in supporting the achievement of the company vision and mission, therefore:

- Saka group is committed to creating a safe, healthy, conducive work environment and free from all pressure, bullying or intimidation,
- Saka group is committed to providing equal employment opportunities without discrimination regardless of ethic, religion, gender, age, disability, sexual orientation, marital status and national origin,

- All the workers are treated according to their skills, abilities, qualification and achievements,
- Saka group prohibits acts of harassment in the workplace the company will not tolerate any form of violation above under any circumstance.

b. Compliance with laws and regulations

Saka Group is always committed to complying with all applicable laws and regulations wherever the company operates. All employees are required to understand and comply with all forms of applicable laws and regulations in carrying out their responsibilities and function. Such compliance includes but is not limited to the following laws and regulations:

- Corruption law & regulation
- Commission for the eradication of corruption law and regulation
- Tax law and regulation
- Competition law and regulation
- Labor law and regulation
- Environmental law and regulation
- Export and Import law and regulation
- human rights law and regulation
- and other laws related to company activities

If any employees suspect modern slavery or human trafficking, the process in which this can be reported is set out in the ethics reporting process.

The board of directors of Saka UK believes that its existing arrangements are effective in ensuring that slavery and human trafficking are not taking in its business or supply chains

This statement is made in relation to the financial year ended 31 December 2020 and was approved by the Board of Saka UK on 29 September 2021



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