

INTEGRASI KINERJA, TINGKATKAN NILAI BAGI PEMANGKU KEPENTINGAN

Integrating Performance, Increasing Values for Stakeholders

2017 LAPORAN TAHUNAN TERINTEGRASI
Integrated Annual Report



Peringatan dan Batasan Tanggung Jawab

Dalam Laporan ini terdapat pernyataan yang dapat dianggap sebagai pandangan masa depan (*forward looking statements*), untuk melihat pencapaian Perusahaan dapat berbeda dari hasil yang diperoleh. Hasil dari perubahan tersebut, antara lain perubahan ekonomi dan politik, perubahan nilai tukar valuta asing, perubahan harga, permintaan dan penawaran pasar komoditas, kompetisi Perusahaan, perubahan undang-undang atau peraturan dan prinsip-prinsip akuntansi, kebijakan dan pedoman, serta perubahan asumsi-asumsi yang digunakan dalam membuat pandangan masa depan (*forward looking statements*).

Pemberitahuan Tabel dan Grafik

Tabel dan grafik pada Laporan ini memaparkan data numerik dengan standar penulisan mengikuti kaidah bahasa Indonesia. Pemaparan numerik dalam teks menggunakan standar kaidah bahasa Inggris dan Indonesia, sesuai konteksnya.

Reminder and Responsibility Boundary

There is a statement in this Report that could be considered as forward looking statement so as to observe as the Company achievement could be different from the obtained results. Such results, among which are economic and politic changes, foreign exchange, changing prices, commodity market demands and offerings, competition, laws and regulations changes, and accounting policies and guidelines principles, as well as changing assumptions used in preparing the forward looking statement.

Notice on Table and Graph

Table and graph in this Report present numerical data which writing standards are in line with Indonesia norms. The numerical explanation stated in this text uses English and Indonesia norm standards, as per context.

Integrating Performance, Increasing Values for Stakeholders

Integrasi Kinerja, Tingkatkan Nilai Bagi Pemangku Kepentingan

Integrasi menunjukkan kinerja yang dijalankan dengan memperhatikan aspek ekonomi, sosial dan lingkungan. Aspek ekonomi dipertahankan, bahkan ditingkatkan melalui efisiensi dan komitmen yang tinggi. Aspek sosial ditingkatkan dengan memperhatikan kesejahteraan karyawan dan memandirikan masyarakat sekitar Perusahaan, serta aspek lingkungan dilestarikan melalui upaya penurunan emisi dan pemakaian energi. Capaian kinerja lingkungan melalui perolehan 3 PROPER Emas pada 2017 menjadi salah satu bukti komitmen PHE.

Integration shows the realized performance by considering economic, social, and environmental aspects. The economic aspect is maintained, in fact increased through high efficiency and commitment. The social aspect is amplified by reflecting on employees welfare and transforming the local community self-reliant, whereas the environmental aspect is preserved through emission reduction and energy use. Environmental performance achievement in obtaining 3 Gold PROPER in 2017 proves to be the embodiment of one of PHE commitments.

Daftar Isi

Table of Contents

- | | | | |
|-----------|-------------------------------------------------------------------------------|-----------|-----------------------------------------------------------------------------------------------------------------------------|
| 3 | MAKNA TEMA
Theme Background | 22 | INFORMASI KINERJA SAHAM
Share Performance Information |
| 4 | DAFTAR ISI
Table of Contents | 23 | AKSI KORPORASI
Corporate Action |
| 10 | PENCAPAIAN 2017
Achievements 2017 | 25 | PENGHENTIAN SEMENTARA DAN/ATAU
PENGHAPUSAN PENCATATAN SAHAM
Share Suspension and/or Delisting |
| 14 | IKHTISAR DATA KEUANGAN PENTING
Significant Financial Data Highlight | 25 | INFORMASI MENGENAI OBLIGASI, SUKUK
ATAU OBLIGASI KONVERSI
Information on Bonds, Sukuk or Convertible
Bonds |
| 19 | IKHTISAR DATA KINERJA OPERASIONAL
Operational Performance Highlight | | |

26 LAPORAN DEWAN KOMISARIS DAN DIREKSI Board of Commissioners and Directors Report

- | | | | |
|-----------|------------------------------------------------------------------|-----------|-------------------------------------------------------------------------------------------------------------------------------------|
| 28 | LAPORAN DEWAN KOMISARIS
Board of Commissioners' Report | 53 | TANDA TANGAN ANGGOTA DEWAN
KOMISARIS DAN ANGGOTA DIREKSI
Signature of Board of Commissioners and
Directors Members |
| 40 | LAPORAN DIREKSI
Board of Directors' Report | | |

54 TENTANG LAPORAN DAN PELIBATAN PEMANGKU KEPENTINGAN About Report and Stakeholder Engagement

- | | | | |
|-----------|---------------------------------------------------------------|-----------|--------------------------------------------------------------------------|
| 56 | TENTANG LAPORAN TAHUNAN
About Annual Report | 62 | PELIBATAN PARA PEMANGKU
KEPENTINGAN
Stakeholder Engagement |
| 62 | PENETAPAN TOPIK MATERIAL
Determining Material Topic | | |



70 PROFIL PERUSAHAAN

Company Profile

- | | |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>72 INFORMASI UMUM PERUSAHAAN
Company General Information</p> <p>77 RIWAYAT SINGKAT PERUSAHAAN
Brief History Of Company</p> <p>80 PERJALANAN DARI WAKTU KE WAKTU
Milestone</p> <p>82 PERISTIWA PENTING
Significant Events</p> <p>86 WILAYAH OPERASI
Area Operation</p> <p>90 VISI, MISI, DAN BUDAYA PERUSAHAAN
Company's Vision, Mission, and Culture</p> <p>93 KEGIATAN DAN BIDANG USAHA
Line of Business and Business Activities</p> <p>102 STRUKTUR ORGANISASI DAN PEJABAT SENIOR PERUSAHAAN
Company Organizational Structure and Senior Officials</p> <p>104 IDENTITAS DAN RIWAYAT HIDUP SINGKAT ANGGOTA DEWAN KOMISARIS
Identity and Brief Curriculum Vitae of Board of Commissioners Members</p> <p>114 IDENTITAS DAN RIWAYAT HIDUP SINGKAT ANGGOTA DIREKSI
Identity and Brief Curriculum Vitae of Board of Directors Members</p> | <p>126 PROFIL VICE PRESIDENT, GENERAL MANAGER DAN DIREKTUR PERUSAHAAN ASOSIASI
Profile of Vice President, General Manager and Director Associates</p> <p>134 JUMLAH KARYAWAN, PEKERJA LAIN DAN DATA PENGEMBANGAN KOMPETENSI KARYAWAN
Number of Employees, Other Workers, and Employees Competencies Development Data</p> <p>141 KOMPOSISI PEMEGANG SAHAM
Composition of Shareholders</p> <p>142 PEMEGANG SAHAM UTAMA DAN PENGENDALI
Major Shareholder and Controlling</p> <p>143 DAFTAR ENTITAS ANAK DAN/ATAU ENTITAS ASOSIASI
List of Subsidiary and/or Affiliate Associates</p> <p>167 STRUKTUR GRUP PERUSAHAAN
Corporate Group Structure</p> |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

- 168** KRONOLOGI PENERBITAN SAHAM (TERMASUK *PRIVATE PLACEMENT*) DAN/ATAU PENCATATAN SAHAM DARI AWAL PENERBITAN SAMPAI DENGAN AKHIR TAHUN BUKU
Chronology of Share Issuance (Including Private Placement) and/or Share Listing at The Beginning of Issuance Until The end of Fiscal Year
- 168** KRONOLOGI PENERBITAN DAN/ATAU PENCATATAN EFEK LAINNYA DARI AWAL PENERBITAN SAMPAI DENGAN AKHIR TAHUN BUKU
Chronology of Other Securities Listing and/or Issuance at The Beginning of Issuance Until The end of Fiscal Year
- 169** NAMA DAN ALAMAT LEMBAGA DAN/ATAU PROFESI PENUNJANG PASAR MODAL DAN KEGIATAN USAHA
Name and Address of Capital Market Institutions and/or Supporting Professions
- 172** PENGHARGAAN DAN SERTIFIKASI
Award and Certification
- 178** INFORMASI PADA WEBSITE PERUSAHAAN
Information on Company Website
- 181** PENDIDIKAN DAN/ATAU PELATIHAN DEWAN KOMISARIS, DIREKSI, KOMITE-KOMITE, SEKRETARIS PERUSAHAAN, DAN UNIT AUDIT INTERNAL
Education and Training For The Board of Commissioners, Board of Directors, Committees, Corporate Secretary, and Internal Audit Unit

183 ANALISA DAN PEMBAHASAN MANAJEMEN ATAS KINERJA PERUSAHAAN Management Analysis and Discussion Over Company Performance

- 184** TINJAUAN UMUM
General Overview
- 189** TINJAUAN OPERASI PER SEGMENT USAHA
Operational Review Per Business Segment
- 220** URAIAN ATAS KINERJA KEUANGAN PERUSAHAAN
Description over Company Financial Performance
- 239** KEMAMPUAN MEMBAYAR UTANG
Capability to Pay Debt
- 241** TINGKAT KOLEKTIBILITAS PIUTANG
Receivables Collectibility
- 241** STRUKTUR MODAL (*CAPITAL STRUCTURE*) DAN KEBIJAKAN MANAJEMEN ATAS STRUKTUR MODAL (*CAPITAL STRUCTURE POLICY*)
Capital Structure and Capital Structure Management Policy
- 243** IKATAN YANG MATERIAL UNTUK INVESTASI BARANG MODAL (BUKAN IKATAN PENDANAAN) PADA TAHUN BUKU
Material Commitment for Capital Goods Investment (Not Funding Binding) Within Fiscal Year

- 243** INVESTASI BARANG MODAL YANG DIREALISASIKAN PADA TAHUN BUKU
Capital Goods Investment Realized Within The Last Fiscal Year
- 247** INFORMASI DAN FAKTA MATERIAL YANG TERJADI SETELAH TANGGAL LAPORAN AKUNTAN
Material Information and Facts That Occurred After The Date of The Accountant's Report
- 248** INFORMASI PERBANDINGAN ANTARA TARGET PADA AWAL TAHUN BUKU DENGAN HASIL YANG DICAPAI (REALISASI)
Information on The Comparison Between The Target At The Beginning of The Fiscal Year With The Realization
- 250** TARGET ATAU PROYEKSI YANG INGIN DICAPAI UNTUK SATU TAHUN MENDATANG
Target or Projection to be Achieved for The Coming Year
- 252** URAIAN TENTANG PROSPEK USAHA PERUSAHAAN
Description on Company Business Prospect
- 256** URAIAN TENTANG ASPEK PEMASARAN
Description on Marketing Aspect
- 258** URAIAN MENGENAI KEBIJAKAN DIVIDEN DAN JUMLAH DIVIDEN KAS PER SAHAM DAN JUMLAH DIVIDEN PER TAHUN
Description on Dividend Policy and Cash Dividend Per Share and Total Dividend Per Year
- 259** REALISASI PENGGUNAAN DANA HASIL PENAWARAN UMUM
Realization of Public Offering Proceeds Fund Realization
- 260** INFORMASI MATERIAL MENGENAI INVESTASI, EKSPANSI, DIVESTASI, AKUISISI, RESTRUKTURISASI UTANG, TRANSAKSI AFILIASI DAN TRANSAKSI MENGANDUNG BENTURAN KEPENTINGAN
Material Information on Investment, Expansion, Divestitures, Acquisition, Debt Restructuring, Affiliated Party Transactions, and Transactions With Conflict of Interest
- 261** INFORMASI TRANSAKSI MATERIAL YANG MENGANDUNG BENTURAN KEPENTINGAN DAN/ATAU TRANSAKSI DENGAN PIHAK AFILIASI
Information of Material Transactions Which Has Conflict of Interest and/or With Its Affiliated Parties
- 266** PROGRAM KEPEMILIKAN SAHAM OLEH KARYAWAN DAN/ATAU MANAJEMEN YANG DILAKSANAKAN PERUSAHAAN (ESOP/MSOP)
Employee and/or Management Share Ownership Program Implemented by Company (ESOP/MSOP)
- 267** URAIAN MENGENAI PERUBAHAN PERATURAN PERUNDANG-UNDANGAN TERHADAP PERUSAHAAN PADA TAHUN BUKU
Description on Regulatory Legislations Changes to The Company Within The Fiscal Year
- 271** URAIAN MENGENAI PERUBAHAN KEBIJAKAN AKUNTANSI YANG DITERAPKAN PERUSAHAAN PADA TAHUN BUKU
Description on Accounting Policies Changes Applied by The Company Within The Fiscal Year
- 271** INFORMASI KELANGSUNGAN USAHA
Business Continuity Information

274 LAPORAN TATA KELOLA PERUSAHAAN

Good Corporate Governance Report

- | | | | |
|------------|------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 287 | RAPAT UMUM PEMEGANG SAHAM
General Meeting of Shareholders | 426 | BAHASAN MENGENAI KODE ETIK
Discussion on Code of Conduct |
| 294 | URAIAN DEWAN KOMISARIS
Description on Board of Commissioners | 432 | PENGUNGKAPAN MENGENAI
<i>WHISTLEBLOWING SYSTEM</i>
Disclosure on Whistleblowing System |
| 313 | KOMISARIS INDEPENDEN
Independent Commissioner | 438 | BUDAYA PERUSAHAAN
Company's Culture |
| 316 | URAIAN DIREKSI
Description on Board of Directors | 439 | PERKARA PENTING YANG SEDANG
DIHADAPI OLEH PERUSAHAAN, ENTITAS
ANAK, SERTA ANGGOTA DEWAN
KOMISARIS DAN ANGGOTA DIREKSI YANG
MENJABAT PADA PERIODE LAPORAN
TAHUNAN
Important Cases Faced by the Company,
Subsidiary, as well as Members of the Board of
Commissioners and Directors who are Serving in
Annual Report Period |
| 351 | PENILAIAN PENERAPAN GCG UNTUK TAHUN
BUKU 2017
GCG Implementation Assessment for Fiscal Year
2017 | 442 | AKSES INFORMASI DAN DATA
PERUSAHAAN
Company Information and Data Access |
| 355 | URAIAN MENGENAI KEBIJAKAN REMUNERASI
BAGI DEWAN KOMISARIS DAN DIREKSI
Description on Remuneration Policy for Board of
Commissioners and Directors | 443 | PENERAPAN ATAS PEDOMAN GCG BAGI
PERUSAHAAN PUBLIK PENERBIT EFEK
BERSIFAT EKUITAS
GCG Guidelines Implementation for Equity-
Based Publicly-Listed Issuers |
| 361 | KOMITE AUDIT
Audit Committee | 445 | KEBIJAKAN MENGENAI KEBERAGAMAN
KOMPOSISI DEWAN KOMISARIS DAN
DIREKSI
Policy on the Diversity of the Board of
Commissioners and Directors Composition |
| 371 | KOMITE MANAJEMEN RISIKO DAN SUMBER
DAYA MANUSIA (MRSDM)
Risk Management and Human Resources Committee | 446 | TINJAUAN OPERASIONAL PENDUKUNG
Supporting Operational Review |
| 383 | URAIAN TUGAS DAN FUNGSI SEKRETARIS
PERUSAHAAN
Description on Corporate Secretary Duties and
Functions | | |
| 389 | URAIAN MENGENAI UNIT AUDIT INTERNAL
Description on Internal Audit Unit | | |
| 407 | AKUNTAN PUBLIK
Public Accountant | | |
| 408 | URAIAN MENGENAI MANAJEMEN RISIKO
PERUSAHAAN
Description on Company Risk Management | | |
| 422 | URAIAN MENGENAI SISTEM PENGENDALIAN
INTERN
Description on Internal Control System | | |

462 TANGGUNG JAWAB SOSIAL DAN LINGKUNGAN

Corporate Social and Environmental Responsibility

467 KINERJA EKONOMI
Economic Performance

472 CORPORATE SOCIAL RESPONSIBILITY YANG TERKAIT DENGAN LINGKUNGAN HIDUP
Corporate Social Responsibility in Environment

512 CORPORATE SOCIAL RESPONSIBILITY YANG TERKAIT DENGAN PENGEMBANGAN SOSIAL DAN KEMASYARAKATAN
Corporate Social Responsibility in Social and Community Development

529 CORPORATE SOCIAL RESPONSIBILITY YANG TERKAIT DENGAN KETENAGAKERJAAN, KESEHATAN, DAN KESELAMATAN KERJA
Corporate Social Responsibility in Employment, Occupational Health and Safety

554 CORPORATE SOCIAL RESPONSIBILITY YANG TERKAIT DENGAN TANGGUNG JAWAB KEPADA KONSUMEN DAN PRODUK
Corporate Social Responsibility in Consumers and Products

563 SOSIALISASI DAN DUKUNGAN PADA ANTIKORUPSI
Socialization and Support to Anti-corruption

567 DAFTAR SINGKATAN
Abbreviation List

569 REFERENSI KRITERIA ANNUAL REPORT AWARD 2016
2016 Reference of Annual Report Award Criteria

586 INDIKATOR GRI
GRI Indicators

594 INDEKS INTEGRATED REPORT FRAMEWORK
Integrated Report Framework Index

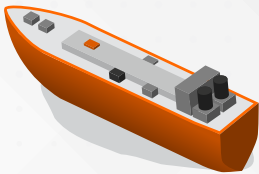
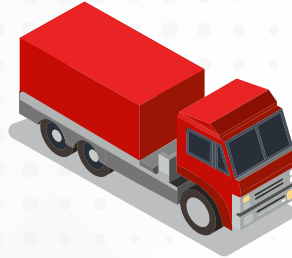
594 INDEKS TUJUAN PEMBANGUNAN BERKELANJUTAN
Sustainable Development Goals (SDGs) Index

595 LEMBAR UMPAN BALIK
Feedback Form

598 LAPORAN KEUANGAN AUDITED
Audited Financial Statements



Pencapaian 2017



04

Finansial

- Pendapatan Usaha USD1.999,08 juta
- Laba Setelah Pajak USD250,88 juta
- Laba Komprehensif USD245,65 juta
- Laba per Saham USD1,25
- EBITDA USD1.172 juta

03

Temuan Sumber daya

- Minyak 265 MMBO
- Gas 1.463 BSCF
- Migas 517 MMBOE

02

Pemboran

- Eksplorasi 8 Sumur (3 *unconventional*, 5 *conventional*)
- Eksploitasi 11 Sumur (8 operator, 3 non-operator)

01

Survei

- 2D (km) 3.950
- 3D (km²) 320



Quality, Health, Safety, Security and Environmental (QHSSSE)

- 34,5 juta jam kerja selamat, nihil kecelakaan kerja fatal
- PC Djenggo dalam kategori Kaizen-Continual Improvement & Innovation Symposium Competition 2017 (CIISC), Dubai, UAE

07



05

Lifting

Total Lifting

- Minyak: 25.215 MBO
- Gas: 205 BSCF
- Migas: 60.556 MBOE

Harian

- Minyak: 69,08 MBOPD
- Gas: 560,97 MMSCFD
- Migas: 165,91 MBOEPD

06

Pengelolaan Lingkungan

3 PROPER Emas

- PHE West Madura Offshore (WMO)
- PHE Offshore North West Java (ONWJ)
- JOB Pertamina Talisman Jambi Merang

10

Pengelolaan Sumber daya Manusia

- 38.262 jam pelatihan per karyawan
- Juara presenter terbaik dalam Pertamina EOR Meeting (PEM) 2017
- PHE meraih penghargaan 7 Platinum dan 1 Gold dalam Annual Pertamina Quality Award (APQA) 2017 dan penghargaan The Best Quality Board
- Best of The Best Upstream Innovation and Improvement Award (UIIA), Malang 2017

09

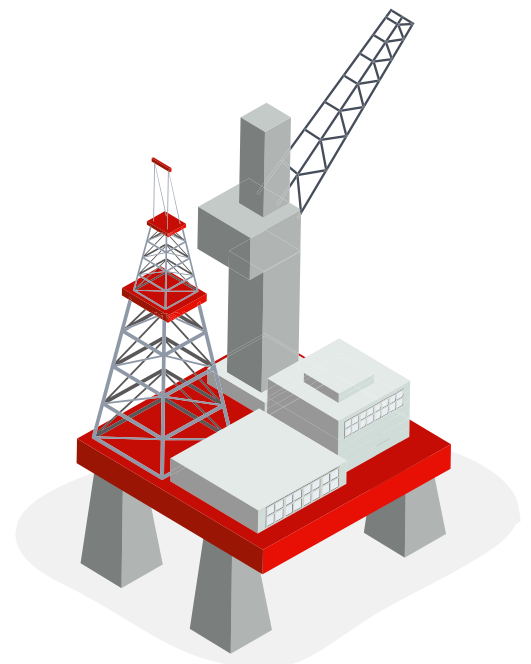
Tambahan Cadangan

- Minyak 118 MMBO
- Gas 335 BSCF
- Migas 176 MMBOE

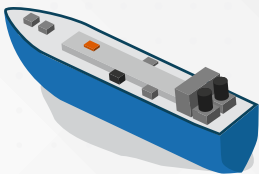
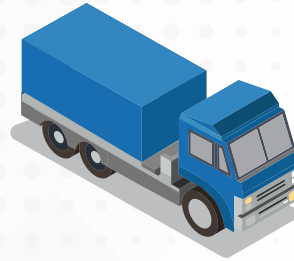
08

Tanggung Jawab Sosial Perusahaan

- Penghargaan TOP Leader on CSR Commitment kepada Direktur Utama PHE pada ajang TOP CSR oleh Indonesia CSR Society, Komite Nasional Kebijakan Governance dan Business News Indonesia.
- Juara TOP CSR 2017 kategori Sektor Energi, diselenggarakan oleh Indonesia CSR Society, Komite Nasional Kebijakan Governance dan Business News Indonesia.
- The Best Community Involvement & Development (CID) Implementation - Annual Pertamina Subsidiary Awards (APSA) 2017.
- Dua *local hero* PHE Group mitra binaan PHE ONWJ dan Pertamina-Medco E&P Tomori Sulawesi, meraih penghargaan anugerah *local hero* Pertamina Awards 2017.



Achievement 2017



04

Financial

- Revenue at USD1,999.08 million
- Income After Tax at USD250.88 million
- Comprehensive Income at USD245.65 million
- Earning per Share at USD1.25
- EBITDA at USD1,172 million

03

Contingency Resource Findings

- 265 MMBO of oil
- 1,463 BSCF of gas
- 517 MMBOE of oil and gas

02

Drilling

- 8 Well Explorations (3 unconventional, 5 conventional)
- 11 Well Exploitations (8 operator, 3 non-operator)

01

Survey

- 2D (km) 3,950
- 3D (km²) 320



Quality, Health, Safety, Security and Environmental (QHSSSE)

- 34.5 million safe working hours
- Zero fatal work accident
- PC Djenggo in the category of Kaizen-Continual Improvement & Innovation Symposium Competition 2017 (CIISC), Dubai, UAE

07

05

Lifting

Total Lifting

- 25,215 MBO of oil
- 205 BSCF of gas
- 60,556 MBOE of oil

Daily

- 69.08 MBOPD of oil
- 560.97 MMSCFD of gas
- 165.91 MBOEPD of oil and gas

08

Corporate Social Responsibility

- TOP Leader on CSR Commitment award to PHE President Director in TOP CSR event held by Indonesia CSR Society, National Committee on Corporate Governance Policy and Business News Indonesia.
- Winner of TOP CSR 2017 in the category of Energy Sector, held by Indonesia CSR Society, National Committee on Corporate Governance Policy and Business News Indonesia.
- The Best Community Involvement & Development (CID) Implementation - Annual Pertamina Subsidiary Awards (APSA) 2017.
- Two local heroes of PHE Group, fostered partners of PHE ONWJ and Pertamina-Medco E&P Tomori, Sulawesi, achieved local hero Pertamina Awards 2017.

06

Environmental Management

3 Gold PROPER

- PHE West Madura Offshore (WMO)
- PHE Offshore North West Java (ONWJ)
- JOB Pertamina Talisman Jambi Merang

09

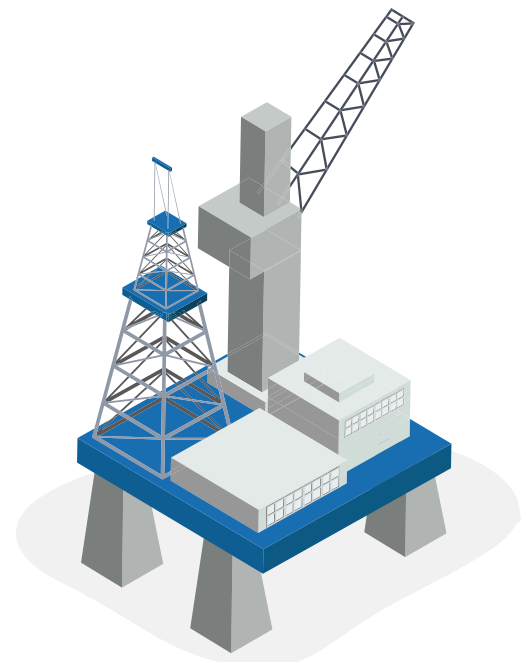
Additional Proven Reserves

- 118 MMBO of oil
- 335 BSCF of gas
- 176 MMBOE of oil and gas

10

Human Resources Management

- 38,262 training hours per employee
- Winner of the best presenter in Pertamina EOR Meeting (PEM) 2017
- PHE achieved 7 Platinum and 1 Gold awards in Annual Pertamina Quality Award (APQA) 2017 and The Best Quality Board
- Best of The Best Upstream Innovation and Improvement Award (UIIA), Malang 2017





Ikhtisar Data Keuangan Penting

Significant Financial Data Highlight

Skala Organisasi | Organization Scale

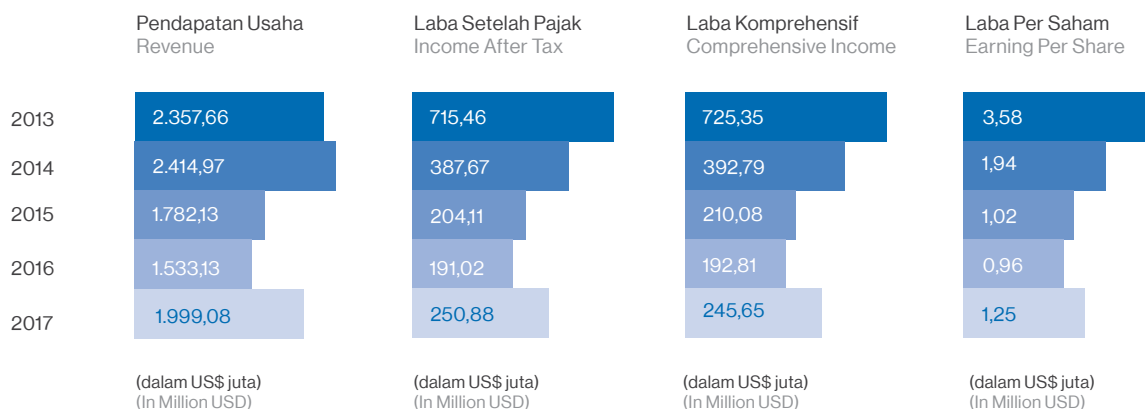
No	Uraian Description	Satuan Unit	2017	2016	2015
Jumlah Pekerja Total Employees					
1	Pegawai PHE PHE Employee	Orang People	1.754	501	496
	Pekerja Lain Other Employees		1.235	51	51
2	Jumlah Area Operasi Total Area of Operation	Wilayah Kerja Area of Operation	53 Blok Blocks	53 Blok Blocks	52 Blok Blocks
3	Pendapatan Revenue	Juta USD Million USD	1.999,08	1.533,13	1.782,13
4	Laba Profit		250,88	191,02	204,11
Total Kapitalisasi Total Capitalization					
5	Total Kewajiban Total Liability	Juta USD Million USD	2.712,44	2.968,05	3.421,53
	Total Ekuitas Total Equity		2.068,35	1.940,34	1.749,03
6	Total Aset Total Assets		4.780,79	4.908,39	5.170,56
Total Lifting					
7	Minyak Oil	MBO	25.215	22.557	23.816
	Gas Gas	BSCF	205	208	184
	Migas Oil and Gas	MBOE	60.556	22.593	23.844
Cadangan Terbukti Additional Proven Reserves					
8	Minyak Oil	MMBO	118	18	15
	Gas Gas	BSCF	335	142	127
	Migas Oil and Gas	MMBOE	176	43	36

Tabel Ikhtisar Laba Rugi Komprehensif (Juta USD)

Table of Comprehensive Income Highlight (Million USD)

Uraian Description	2017	2016	2015	2014	2013
Pendapatan Usaha Revenue	1.999,08	1.533,13	1.782,13	2.414,97	2.357,66
Biaya Produksi Production Expenses	703,81	590,22	757,89	731,59	710,39
Biaya Eksplorasi Exploration Expenses	44,20	23,61	57,84	117,62	55,73
Biaya Umum dan Administrasi General and Administration Expenses	110,29	35,75	20,08	12,25	17,24
Biaya Depresiasi dan Amortisasi Depreciation and Amortization Expenses	535,73	497,83	416,46	390,27	345,51
Jumlah Beban Usaha Total Operating Expenses	1.394,03	1.147,41	1.252,27	1.251,73	1.128,87
Labanya Usaha Operating Income	605,05	385,72	529,86	1.163,24	1.228,78
Labanya (Rugi) Bersih Lainnya Other Net-Income (Loss)	259,64	-132,26	-100,43	-170,83	21,63
Labanya Sebelum Pajak Income Before Tax	345,41	253,46	429,44	992,41	1.290,86
Beban Pajak Tax Expenses	94,53	62,44	225,33	604,75	569,42
Labanya Setelah Pajak Income After Tax	250,88	191,02	204,11	387,67	715,46
Pendapatan Komprehensif Comprehensive Revenue	-5,23	1,79	5,97	5,13	9,89
Labanya Komprehensif Comprehensive Income	245,65	192,81	210,08	392,79	725,35
Labanya (Rugi) yang Diatribusikan kepada Pemilik Entitas Induk/ Pengendali Income Attributable to Majority Interest	248,89	188,86	201,30	381,99	708,36
Labanya (Rugi) yang Diatribusikan kepada Kepentingan Non Pengendali Income Attributable to Minority Interest	1,99	2,16	2,82	5,68	7,1
Penghasilan Komprehensif Periode Berjalan yang Diatribusikan kepada Pemilik Entitas Induk/Pengendali Current Comprehensive Income Attributable to Majority Interest	243,66	190,65	207,27	387,11	718,36

Grafik Laporan Laba Rugi Komprehensif Graph of Comprehensive Income Statement





Tabel Ikhtisar Kinerja Saham dan Obligasi (dalam Satuan)

Table of Share and Bond Performance Highlight (in Unit)

Uraian Description	2017	2016	2015	2014	2013
Penghasilan Komprehensif Periode Berjalan yang Diatribusikan kepada Kepentingan Non Pengendali (juta USD) Comprehensive Income Attributable to Minority Interest (million USD)	1,99	2,16	2,82	5,58	7,10
Laba Setelah Pajak (juta USD) Income After Tax (million USD)	250,88	191,02	204,11	387,67	715,46
Jumlah Lembar Saham (dalam Satuan) Number of Shares (in Unit)	200.000.000	200.000.000	200.000.000	200.000.000	200.000.000
Laba (Rugi) Per Saham (juta USD) Profit (Loss) per Share (million USD)	1,25	0,96	1,02	1,94	3,58

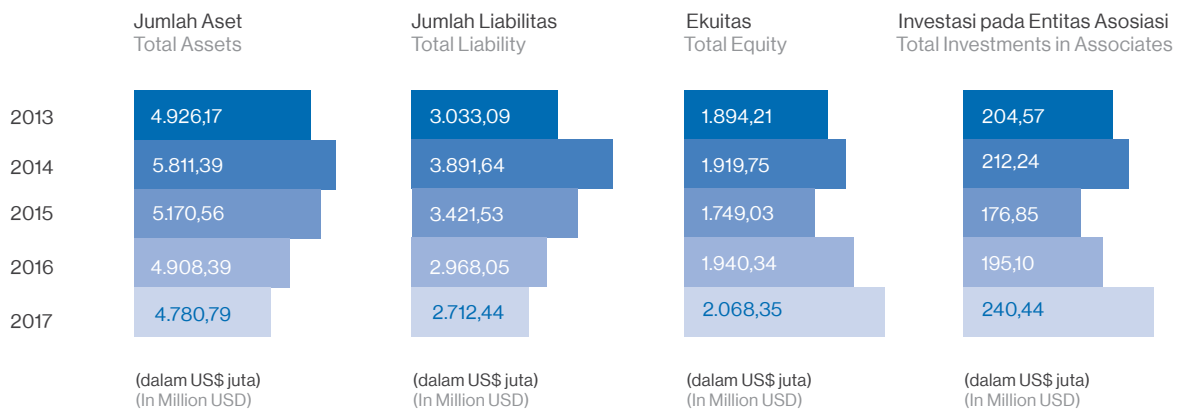
Tabel Informasi Posisi Keuangan Perusahaan dalam Bentuk Perbandingan (Juta USD)

Information Table of the Company Financial Position in Comparative Form (Million USD)

Uraian Description	2017	2016	2015	2014	2013
ASET ASSETS					
Aset Lancar Current Assets	841,53	811,67	892,42	1.435,95	1.488,53
Aset Tidak Lancar Non-Current Assets	3.939,26	4.096,72	4.278,14	4.375,45	3.437,64
Jumlah Aset Total Assets	4.780,79	4.908,39	5.170,56	5.811,39	4.926,17
LIABILITAS LIABILITY					
Liabilitas Jangka Pendek Short-term Liability	1.477,68	1.229,16	1.946,45	2.189,93	1.971,64
Liabilitas Jangka Panjang Long-term Liability	1.234,76	1.738,89	1.475,07	1.701,71	1.061,45
Jumlah Liabilitas Total Liabilities	2.712,44	2.968,05	3.421,53	3.891,64	3.033,09
EKUITAS EQUITY					
Jumlah Ekuitas Total Equity	2.068,35	1.940,34	1.749,03	1.919,75	1.894,21
Liabilitas dan Ekuitas Liability and Equity	4.780,79	4.908,39	5.170,56	5.811,39	4.926,17
Jumlah Investasi pada Entitas Asosiasi Total Investments in Associates	240,45	195,10	176,85	212,24	204,57



Grafik Laporan Posisi Keuangan Graph of Financial Position Statement



Tabel Rasio Keuangan dalam Bentuk Perbandingan

Table of Financial Ratios in Comparative Form

Uraian Description	2017	2016	2015	2014	2013
PROFITABILITAS PROFITABILITY					
Imbal Balik Atas Ekuitas Return on Equity	26,83	10,78	20,24	33,25	38,63
Imbal Balik Atas Investasi Return on Investment	29,23	20,66	13,01	24,84	59,79
Margin Laba Usaha Operating Profit Margin	30,27	25,16	29,73	48	52,50
Margin Laba Bersih Net Profit Margin	24,42	15,87	11,30	15,82	30,05
LIKUIDITAS LIQUIDITY					
Rasio Kas Cash Ratio	7,28	9,74	9,52	10,22	8,22
Rasio Lancar Current Ratio	56,95	66,03	45,85	65,57	75,50
EFISIENSI EFFICIENCY					
Periode Kolektibilitas Collection Period	45,76	43,41	5,98	33,52	58,42
Perputaran Total Aset Total Assets Turnover	51,72	36,93	40,81	48,79	58,71
SOLVABILITAS SOLVABILITY					
Rasio Modal Terhadap Total Aset Equity to Total Asset Ratio	43,26	39,53	33,83	33,03	38,43
Time Interest Earned Ratio	29,46	17,07	36,01	44,89	109,81



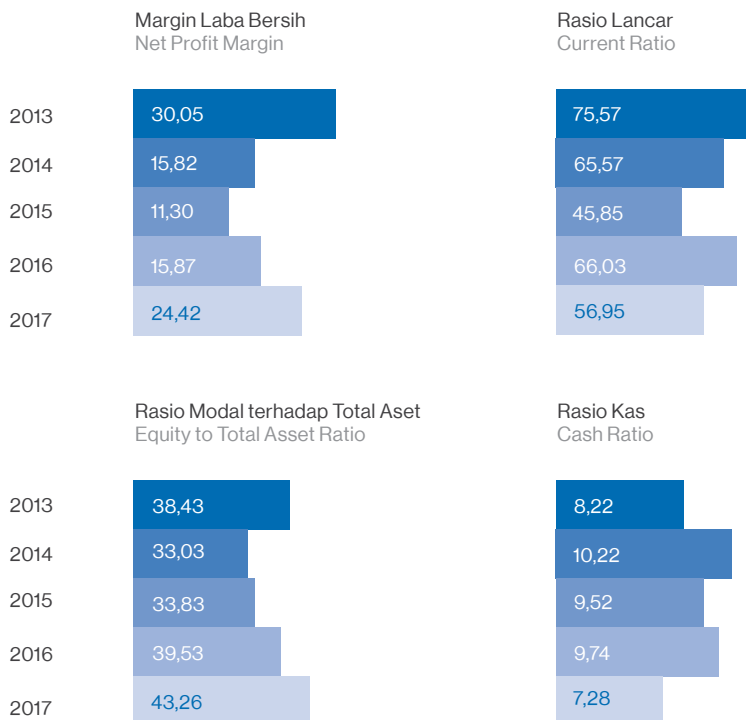
Tabel Ikhtisar Keuangan Lainnya

Highlight Table of Other Financial

Uraian Description	2017	2016	2015	2014	2013
Tahun Fiskal Fiscal Year	2016	2015	2014	2013	2012
Dividen yang Dibayarkan (USD) Dividend Paid (USD)	114.156.115	0	380.802.530	354.182.180	266.612.636
Tanggal Pembayaran Payment Date	21 Juli 2017	-	3 Nov 2015	30 Mei 2014	15 Mar 2013
Dividen Per Saham Dividend per Share	2,13	N/A	1,9	1,77	1,33
Rasio Pembayaran Dividen Dividend Payout Ratio	100%	N/A	98,20%	49,50%	39,70%

Grafik Rasio-rasio Keuangan Lainnya

Graph of Other Financial Ratios





Ikhtisar Data Kinerja Operasional

Operational Performance Highlight

Tabel Ikhtisar Kinerja Kegiatan Eksplorasi dan Eksploitasi

Table of Exploration and Exploitation Performance Highlight

Uraian Description	2017	2016	2015	2014	2013
SURVEI SEISMIK SEISMIC SURVEY					
2D (Km)	3.950	-	-	-	2.519
3D (Km ²)	320	146	-	1.646	842
PEMBORAN DRILLING					
Eksplorasi (Sumur) Exploration (Well)	8	17	15	27	27
Eksploitasi (Sumur) Exploitation (Well)	11	6	44	73	101
TEMUAN SUMBER DAYA (2C) CONTINGENCY RESOURCES FINDINGS (2C)					
Minyak (MMBO) Oil (MMBO)	265	26	26	51	37
Gas (BSCF) Gas (BSCF)	1.463	646	623	395	233
Migas (MMBOE) Oil and Gas (MMBOE)	517	138	133	119	77
TAMBAHAN CADANGAN (P1) ADDITIONAL PROVEN RESERVES (P1)					
Minyak (MMBO) Oil (MMBO)	118	18	15	30	17
Gas (BSCF) Gas (BSCF)	335	142	127	90	129
Migas (MMBOE) Oil and Gas (MMBOE)	176	43	36	45	39

Tabel Ikhtisar Kinerja Produksi Minyak Mentah dan Gas Bumi

Table of Crude Oil and Gas Production Performance Highlight

Uraian Description	2017	2016	2015	2014	2013
TOTAL PRODUKSI TOTAL PRODUCTION					
Minyak Mentah (MBO) Crude Oil (MBO)	25.274	22.907	24.200	25.642	24.105
Gas Bumi (BSCF) Gas (BSCF)	264	264	247	186	181
Migas (MMBOE) Oil and Gas (MMBOE)	70.874	22.953	24.243	25.674	24.136
PRODUKSI PER HARI PRODUCTION PER DAY					
Minyak Mentah (MBOPD) Crude Oil (MBOPD)	69	63	66	70	66
Gas Bumi (MMSCFD) Gas (MMSCFD)	723	722	678	509	497
Migas (MBOEPD) Oil and Gas (MBOEPD)	194	184	183	158	152



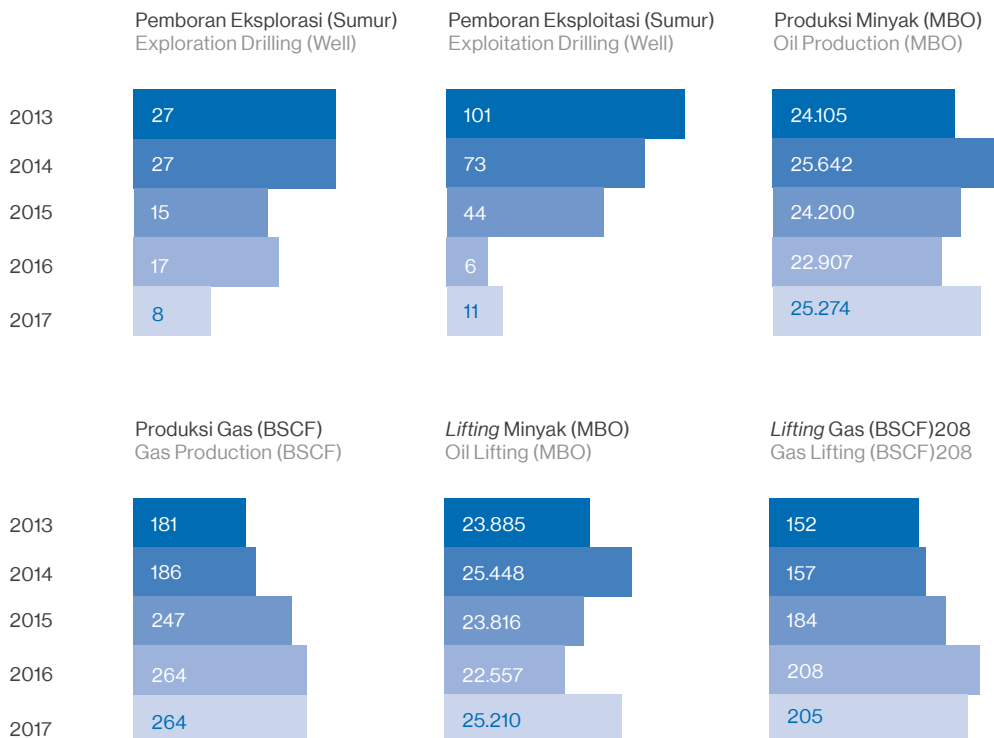
Tabel Kinerja *Lifting* Minyak Mentah dan Gas Bumi

Table of Crude Oil and Gas Lifting Performance

Uraian Description	2017	2016	2015	2014	2013
TOTAL LIFTING TOTAL LIFTING					
Minyak Mentah (MBO) Crude Oil (MBO)	25.215	22.557	23.816	25.448	23.885
Gas (BSCF) Gas (BSCF)	205	208	184	157	152
Migas (MMBOE) Oil and Gas (MMBOE)	60.556	22.593	23.844	25.475	23.911
LIFTING PER HARI LIFTING PER DAY					
Minyak Mentah (MBOPD) Crude Oil (MBOPD)	69,08	62	65	70	65
Gas (MMSCFD) Gas (MMSCFD)	560,97	568	505	430	416
Migas (MBOEPD) Oil and Gas (MBOEPD)	165,91	160	152	144	137

Grafik Kinerja Operasional Produksi Minyak Mentah dan Gas Bumi

Graph of Crude Oil and Gas Production Operational Performance





Kinerja Produksi Migas Anak Perusahaan Subsidiaries Oil and Gas Production Performance

Laporan ini menyertakan kinerja produksi minyak mentah dan gas bumi (migas) entitas Anak Perusahaan selama tahun 2017, namun tidak menyertakan pelaporan kinerja periode sebelumnya sebagai pembandingan. Informasi tentang hal tersebut disampaikan terpisah dalam laporan masing-masing Anak Perusahaan.

This report encloses crude oil and gas production performance of Subsidiaries throughout 2017, but does not provide previous performance reporting to be used as comparison. Information on such issue is presented separately in each Subsidiary report.

Tabel Kinerja Produksi Minyak dan Gas Anak Perusahaan Tahun 2017

Table of Subsidiaries' Oil and Gas Production Performance 2017

Anak Perusahaan Subsidiary	Minyak Oil	Gas Gas	Minyak Setara Gas Oil Equivalent to Gas
	BOPD	MMSCFD	BOEPD
JOINT OPERATOR			
PHE Raja Tempirai	287	0,18	425,08
PHE Salawati	1.119	2,27	1.510
PHE Gebang N Sumatra	0	0	0
PHE Jambi Merang	1.837	35,77	8.010,90
PHE Tomori Sulawesi	3.743	147,74	29.242,90
PHE Tuban East Java	1.517	2,24	1.903,62
PHE Tuban	759	1,12	952,31
PHE Ogan Komering	965	3,46	1.562,20
PHE CPP (BOB)	5.809	0	5.809
PHE Simenggaris	0	0,03	5,18
OPERATOR			
PHE WMO	5.923	93	21.974,80
PHE ONWJ	31.559	120	52.271
PHE Siak	1.995	0	1.995
PHE NSO & PHE NSB	2.116	112,38	21.513
PHE Kampar	1.293	0	1.293
NON OPERATOR			
PHE Corridor	716	97	17.383
PHE Jabung	1.935	36,4	8.217,64
PHE Makassar Strait	195	0,4	264



Anak Perusahaan Subsidiary	Minyak Oil	Gas Gas	Minyak Setara Gas Oil Equivalent to Gas
	BOPD	MMSCFD	BOEPD
PHE OSES	6.491	29	11.496
PHE Salawati Basin	419	2	764
PHE Tengah K	224	9,8	1.915
PHE Oil and Gas	133	27,3	4.848
JUMLAH TOTAL			
Total Produksi Entitas Anak Total Subsidiaries Production	69.035	720,71	193.429,50

Informasi Kinerja Saham Share Performance Information

PT Pertamina Hulu Energi (PHE) bukan merupakan Perseroan Terbatas Terbuka (Tbk). Oleh sebab itu, PHE tidak pernah mencatatkan maupun mendaftarkan saham Perusahaan pada bursa efek, sehingga Laporan ini tidak menyertakan informasi harga saham dalam bentuk tabel dan grafik, jumlah saham yang beredar, informasi dalam bentuk tabel yang memuat: kapitalisasi pasar berdasarkan harga pada bursa efek tempat saham dicatatkan, harga saham tertinggi, terendah, dan penutupan berdasarkan harga pada bursa efek tempat saham dicatatkan, volume perdagangan saham pada bursa efek tempat saham dicatatkan dan informasi dalam bentuk grafik yang memuat paling kurang harga penutupan berdasarkan harga pada bursa efek tempat saham dicatatkan dan volume perdagangan saham pada bursa efek tempat saham dicatatkan.

PT Pertamina Hulu Energi (PHE) is not a Limited Liability Company (Tbk). Hence, PHE never lists its shares on any stock exchanges, thereby this report does not provide information on share price in table and graph, number of outstanding shares, information in table containing, market capitalization based on price set by the Stock Exchange the shares are listed; highest, lowest, and closing share price based on price set by the Stock Exchange the shares are listed, trading volume on the Stock Exchange wherein the shares are listed and information in graph comprising of at least closing price according to price set by the Stock Exchange wherein the shares are listed and trading volume on the Stock Exchange wherein the shares are listed.



Aksi Korporasi

Dalam kurun waktu periode pelaporan, PHE tidak melakukan aksi korporasi yang berdampak terhadap komposisi kepemilikan saham Perusahaan. Meskipun demikian Perusahaan melaksanakan beberapa kebijakan yang berkaitan dengan kepemilikan saham PHE pada entitas anak.

PHE telah memproses penutupan/likuidasi PT PHE Karama, PT PHE Donggala, PHE Australia Ltd., dan PT Arun NGL yang merupakan Anak Perusahaan dan Perusahaan Afiliasi PHE berdasarkan keputusan sebagai berikut:

- Keputusan RUPS PT PHE tanggal 29 April 2016 tentang Ijin Prinsip Likuidasi/Penutupan Anak Perusahaan PT PHE;
- Keputusan RUPS Sirkuler PT PHE Donggala tentang Persetujuan Penutupan/Likuidasi Perseroan tanggal 31 Januari 2017;
- Keputusan RUPS Sirkuler PT PHE Karama tentang Persetujuan Penutupan/Likuidasi Perseroan tanggal 31 Januari 2017;
- Pemberitahuan dari Australian Securities & Investment Commission (ASIC) yang menjelaskan bahwa PHE Australia Ltd. telah tidak terdaftar pertanggal 4 Januari 2017; dan
- Keputusan PT Arun NGL tanggal 7 Juni 2017.

Corporate Action

During the reporting period, PHE did not carry out any corporate actions which had impacts to the Company ownership composition. Nevertheless, the Company administered a number of policies related to PHE ownership in its Subsidiaries.

PHE processed the closure/liquidation of PT PHE Karama, PT PHE Donggala, PHE Australia Ltd., and PT Arun NGL which are Subsidiaries and affiliated companies of PHE based on below decisions:

- GMS Decision of PT PHE of 29 April 2016 on Liquidation/Closure Principle Permit of PT PHE Subsidiaries;
- Circular GMS Decision of PT PHE Donggala on the Company Closure/Liquidation Approval of 31 January 2017;
- Circular GMS Decision of PT PHE Karama on the Company Closure/Liquidation Approval of 31 January 2017;
- Notification from Australian Securities & Investment Commission (ASIC) elucidating PHE Australia Ltd. had been disregistered on 4 January 2017; and
- PT Arun NGL Decision of 7 June 2017.



Di tahun 2017, PHE telah menginisiasi dan memproses pengalihan saham/*Participating Interest* (PI) Anak Perusahaan PHE, yaitu mengalihkan PI PHE Nunukan Company di Blok Nunukan dan PI PHE Ambalat Ltd. di Blok Ambalat kepada PT PHE Lepas Pantai Bunyu dan PT PHE Ambalat berdasarkan Keputusan RUPS PHE tentang Persetujuan atas Pengalihan Kepemilikan PI dari Anak Perusahaan PT PHE yang berkedudukan di Luar Negeri kepada Anak Perusahaan PHE yang berkedudukan di Indonesia tanggal 7 Maret 2017.

Setelah proses pengalihan PI tersebut selesai, akan ditindaklanjuti dengan penutupan PHE Nunukan Company dan PHE Ambalat Ltd.

Selama tahun 2017, PHE telah memproses pengalihan kepemilikan saham PHE di PT Pertamina Drilling Service Indonesia dan PT Pertamina Hulu Indonesia kepada PT Pertamina Dana Ventura berdasarkan RUPS PHE, RUPS PDSI, RUPS PHI dan akta jual beli antara PHE dan PDV dan kepemilikan saham PT Pertamina Gas di Anak Perusahaan PHE, yaitu PT PHE Arun kepada PT Pertamina Dana Ventura berdasarkan RUPS PHE, RUPS PHE Arun dan akta jual beli antara Pertamina dan PDV.

In 2017, PHE initiated and processed transfer of shares/*Participating Interest* ("PI") of PHE Subsidiaries, by transferring PI PHE Nunukan Company in Nunukan Block and PI PHE Ambalat Ltd. in Ambalat Block to PT PHE Lepas Pantai Bunyu and PT PHE Ambalat based on PHE GMS Decision concerning PI Ownership Transfer from PT PHE Subsidiaries Residing Overseas to the Subsidiaries of PHE Residing in Indonesia of 7 March 2017.

After completing the PI transfer, it was followed by the closing of PHE Nunukan Company and PHE Ambalat Ltd.

In 2017, PHE also processed PHE ownership transfer in PT Pertamina Drilling Service Indonesia and PT Pertamina Hulu Indonesia to PT Pertamina Dana Ventura based on PHE GMS, PDSI GMS, PHI GMS, and sale and purchase agreement between PHE and PDV, as well as PT Pertamina Gas ownership in PHE Subsidiaries, namely PT PHE Arun to PT Pertamina Dana Ventura according to PHE GMS, PHE Arun GMS, and sale and purchase agreement between Pertamina and PDV.





Penghentian Sementara dan/atau Penghapusan Pencatatan Saham

Perusahaan tidak pernah mencatatkan maupun mendaftarkan saham Perusahaan pada bursa efek. Dengan demikian Laporan ini tidak menyertakan informasi mengenai penghentian sementara maupun penghapusan pencatatan saham, yang terjadi dalam kurun waktu periode pelaporan.

Informasi Mengenai Obligasi, Sukuk atau Obligasi Konversi

PT Pertamina Hulu Energi (PHE) tidak pernah menerbitkan maupun memiliki obligasi, sukuk atau obligasi konversi selama kurun waktu periode pelaporan. Dengan demikian, Laporan ini tidak menyajikan informasi kinerja obligasi, sukuk atau obligasi konversi yang memuat jumlah obligasi/sukuk/obligasi konversi yang beredar (*outstanding*), tingkat bunga/imbalan, tanggal jatuh tempo dan peringkat obligasi/sukuk tahun 2016 dan 2017.

Share Suspension and/or Delisting

The Company never listed and registered its shares on stock exchange. Thus, this Report does not contain information on share suspension and delisting during the reporting period.

Information on Bonds, Sukuk or Convertible Bonds

PT Pertamina Hulu Energi (PHE) never issued and owned bonds, sukuk, or convertible bonds during the reporting period. Thus, this Report does not contain information on bonds, sukuk, or convertible bonds performance which contain a number of outstanding bonds/sukuk/convertible bonds, interest/benefit rate, due date, and bonds/sukuk rating in 2016 and 2017.

Laporan Dewan Komisaris dan Direksi

Board of Commissioners and Directors Report

Strategi bisnis dan prospek usaha yang disusun Direksi dan pengawasan yang dilakukan Dewan Komisaris, telah menjawab tantangan dan meraih peluang bagi PT Pertamina Hulu Energi (PHE) untuk terus bertumbuh.

Business strategies and business prospects prepared by the Board of Directors and supervising conducted by the Board of Commissioners have answered the challenges and attained opportunities for PT Pertamina Hulu Energi (PHE) to continue growing.



Laporan Dewan Komisaris ^[102-14]

Board of Commissioners' Report



Syamsu Alam

Komisaris Utama
President Commissioner

Para pemegang saham dan pemangku kepentingan yang terhormat.

Dear respected shareholders and stakeholders.

Puji dan syukur kita panjatkan bersama ke hadirat Tuhan Yang Maha Esa, karena berkat perkenan-Nya, Dewan Komisaris telah dapat menjalankan kinerja pengawasan terhadap pengelolaan PT Pertamina Hulu Energi (PHE) sepanjang tahun 2017. Sebelum menguraikan laporan kinerja, izinkan kami menyampaikan terima kasih kepada semua pihak dan segenap pemangku kepentingan atas dedikasi, serta dukungan yang diberikan kepada Perusahaan, sehingga bisa melalui tahun 2017 dengan kinerja yang baik.

We would like to express our praise and gratitude to Almighty God, as through His blessings, the Board of Commissioners could perform its duty in supervising PT Pertamina Hulu Energi (PHE) management throughout 2017. Prior to describing the performance report, allow us to voice our appreciation to all parties and stakeholders for the dedication, as well as support given to the Company that it managed to surpass 2017 with good performance.

Pelaksanaan Kinerja Pengawasan Oleh Dewan Komisaris

Sesuai Anggaran Dasar Perusahaan, lingkup tugas dan tanggung jawab Dewan Komisaris adalah fungsi pengawasan terhadap Direksi dalam mengurus Perusahaan. Dalam menjalankan tugas dan tanggung jawab tersebut, Dewan Komisaris dibantu organ pendukung, yakni Sekretaris Dewan Komisaris, Komite Audit serta Komite Manajemen Risiko dan Sumber Daya Manusia (MRSDM).

Dalam melaksanakan fungsi pengawasan selama tahun 2017, Dewan Komisaris mengacu pada:

- Pedoman Kerja Dewan Komisaris yang telah ditetapkan berdasarkan Charter Dewan Komisaris yang disahkan melalui Surat Keputusan Dewan Komisaris No. 059/DK-PHE/2016.
- Rencana Kerja dan Anggaran Perusahaan (RKAP) yang telah ditetapkan berdasarkan Keputusan RUPS PT PHE tanggal 16 Mei 2017 mengenai indikator kinerja utama (KPI) yang ditetapkan berdasarkan Surat Nomor: 028/DK-PHE/2017-S0 tanggal 17 Juli 2017.

Secara umum evaluasi atas pelaksanaan fungsi pengawasan oleh Dewan Komisaris dilakukan berdasarkan pencapaian atas indikator kinerja utama (KPI) yang ditetapkan di awal tahun berdasarkan Surat Dewan Komisaris Nomor: 005/DK-PHE/2017 tanggal 06 Januari 2017. Pelaporan hasil evaluasi kinerja Dewan Komisaris disampaikan kepada pemegang saham melalui Rapat Umum Pemegang Saham (RUPS).

Dari hasil penilaian KPI yang dilakukan diperoleh hasil 100% telah melaksanakan program kerja yang telah direncanakan, dengan demikian dapat dipastikan bahwa Dewan Komisaris telah melaksanakan tugas dan tanggung jawabnya dengan baik.

Supervising Performance by the Board of Commissioners

In accordance with the Company Articles of Association, the scope of the Board of Commissioners duties and responsibilities falls on supervising function to the Board of Directors in supervising the Company. In performing its duties and responsibilities, the Board of Commissioners are assisted by supporting organs, which are Secretary of Board of Commissioners, Audit Committee, as well as Risk Management and Human Resources Committee (MRSDM).

In performing its supervising function in 2017, the Board of Commissioners referred to:

- The Board of Commissioners Work Guidelines stipulated based on the Board Charter which was approved through the Board of Commissioners Decision Number 059/DK-PHE/2016.
- The Company Work Plan and Budget (RKAP) stipulated based on PT PHE GMS Decision of 16 May 2017 on Key Performance Indicators (KPI) which was determined according to Letter Number: 028/DK-PHE/2017-S0 of 17 July 2017.

In general evaluation over the Board of Commissioners supervising function was conducted according to key performance indicators (KPI) achievement which stipulated at the beginning of the year pursuant to the Board of Commissioners Letter Number: 005/DK-PHE/2017 of 6 January 2017. The reporting of Board of Commissioners performance evaluation results then were submitted to the shareholders through General Meeting of Shareholders (GMS).

Of the assessment results of the applied KPI, it shows 100% planned programs have been carried out, thereby the Board of Commissioners successfully carried out its duties and responsibilities.

Penilaian atas Kinerja Direksi mengenai Pengelolaan Perusahaan dan Dasar Penilaiannya

Sejalan pengembangan usaha PHE, maka lingkup pelaksanaan fungsi pengawasan oleh Dewan Komisaris, secara tidak langsung juga berkaitan dengan kedudukan Direksi yang mewakili PHE sebagai pemegang saham pada Anak Perusahaan. Sampai dengan akhir tahun 2017, PHE memiliki 59 Anak Perusahaan yang kinerjanya dapat mempengaruhi kinerja keuangan Perusahaan.

Dewan Komisaris memastikan bahwa Direksi menetapkan kebijakan kepada Anak Perusahaan, yang sejalan dengan visi, misi dan tujuan pendirian PHE.

Penilaian terhadap kinerja Direksi dilakukan berdasarkan keberhasilan Direksi merealisasikan RKAP yang telah ditetapkan sesuai Surat Keputusan Dewan Komisaris No. 059/DK-PHE/2016 tentang Charter Dewan Komisaris. Untuk melengkapi penilaian yang dilakukan, Dewan Komisaris juga telah menetapkan KPI yang menjadi acuan Direksi dalam realisasi RKAP selama tahun 2017.

KPI Direksi ditetapkan berdasarkan Surat Keputusan Dewan Komisaris No 028/DK-PHE/2017-S0 tanggal 17 Juli 2017 tentang Rekomendasi atas *Key Performance Indicator* (KPI) PT Pertamina Hulu Energi 2017

Dari penilaian yang dilakukan, realisasi KPI Direksi memperlihatkan hasil yang memuaskan. Total capaian KPI Direksi tahun 2017 sebesar 108,25%, meliputi indikator utama, yaitu antara lain aspek *Financial* sebesar 23,60%, aspek *Operational Excellence* 25,67%, aspek *Growth* 20,15% dan aspek *People & HSSE Management* sebesar 14,83%.

Assessment over the Board of Directors Performance on Company Management and its Assessment Basis

Aligning with PHE business development, the scope of supervising function of the Board of Commissioners are indirectly related with the Board of Directors position which represent PHE as a shareholder in the Subsidiary. As of the end of 2017, PHE has 59 Subsidiaries which performance could affect the Company financial performance.

The Board of Commissioners ensures the Board of Directors to establish policies for the Subsidiaries that are congruent with PHE vision, mission, and goals.

Assessment to the performance of Board of Directors are carried out based on the success of the Board in realizing RKAP which stipulated according to the Board of Commissioners Decision Number 059/DK-PHE/2016 on Board of Commissioners Charter. In order to complete the assessment, the Board of Commissioners also established KPI which becomes a reference for the Board of Directors in realizing RKAP during 2017.

The Board of Directors KPI was stipulated based on the Board of Commissioners Decision Number 028/DK-PHE/2017-S0 of 17 July 2017 on Recommendation over Key Performance Indicator (KPI) of PT Pertamina Hulu Energi 2017.

Of the conducted assessment, the Board of Directors KPI realization shows satisfying results. Total KPI achievement of the Board of Directors in 2017 reached 108.25%, including key indicators in Financial aspect at 23.60%, Operational Excellence aspect at 25.67%, Growth aspect at 20.15%, and People & HSSE Management aspect at 14.83%.

Selain pencapaian KPI, Dewan Komisaris juga melakukan penilaian kinerja Direksi melalui evaluasi kinerja Perusahaan selama tahun 2017, di antaranya kinerja keuangan yang memperlihatkan kondisi lebih baik dibanding tahun 2016. Hal ini ditandai dari perolehan pendapatan usaha pada tahun 2017 sebesar US\$1.999,08 lebih tinggi 130% dibanding tahun 2016 yang mencapai US\$1.533,13. Demikian pula dengan perolehan laba usaha sebesar US\$605,05 pada tahun 2017, meningkat 57% dibanding tahun 2016 senilai US\$385,72.

Pencapaian tersebut memang tidak bisa dilepaskan dari kenaikan harga minyak dunia. Namun Dewan Komisaris berpendapat, hal tersebut juga tidak bisa dilepaskan dari keberhasilan Direksi dalam menjaga tingkat produksi siap jual (lifting) minyak mentah dan gas bumi (migas).

Realisasi volume lifting minyak mentah pada tahun 2017 mencapai 25.215 MBO atau 110,5% dari target RKAP sebesar 22.823 MBO dan meningkat 111,7% dibanding tahun 2016 yang mencapai 22.557 MBO. Adapun realisasi volume lifting gas bumi pada tahun 2017 sebanyak 204,8 BSCF atau 94,9% dari target sebesar 215,8 BSCF dan sebesar 98,6% dibanding tahun 2016 sebanyak 207,8 BSCF.

Dalam mengelola keselamatan dan kesehatan kerja (K3), Dewan Komisaris menilai Direksi telah memastikan dipatuhinya aspek-aspek keselamatan kerja dan kesehatan kerja. Hal ini dibuktikan dari pencapaian nihil fatalitas oleh PHE dan anak perusahaan sepanjang tahun 2017.

Demikian pula dalam hal pengelolaan lingkungan, Dewan Komisaris menilai Direksi telah mengelola dengan baik dampak yang ditimbulkan dari kegiatan operasi dan secara bersamaan memberdayakan warga di sekitar Perusahaan. Pencapaiannya terbukti melalui penghargaan PROPER Emas untuk tiga anak perusahaan dari Kementerian Lingkungan Hidup dan Kehutanan.

Apart from the KPI achievement, the Board of Commissioners also carried out an assessment to the Board of Directors performance through Company performance throughout 2017, among which is financial performance depicting better condition to 2016. This is marked by 2017 revenue at US\$1,999.08, 130% higher than 2016 which amounted to US\$1,533.13. Similarly, operating income gained US\$605.05 in 2017, increasing by 57% compared to 2016 amounting to US\$385.72.

Such achievements could not occur by itself without the increase in world oil price. However, the Board of Commissioners also believes it was also due to the success made by the Board of Directors in keeping crude oil and gas lifting rate.

The 2017 crude oil lifting volume realization attained 25,215 MBO or 110.5% of the targeted in RKAP 22,823 MBO, increasing by 111.7% to 2016 which reached 22,557 MBO. Meanwhile, the realization of gas lifting in 2017 was 204.8 BSCF or 94.9% of the targeted 215.8 BSCF, and reached 98.6% compared to 2016 amounting to 207.8 BSCF.

In its efforts to manage occupational health and safety (OHS), the Board of Commissioners viewed the Board of Directors determination in ensuring the compliance in occupational health and safety. This is proven by zero fatality in PHE and its subsidiaries throughout 2017.

Furthermore in environmental management, the Board of Commissioners viewed the Board of Directors have managed impacts inflicted by operation activities well, and simultaneously empowered the locals around the Company. Its achievements are proven through Gold PROPER award for three subsidiaries from the Ministry of Environment and Forestry.

Pengawasan terhadap Implementasi Strategi Perusahaan

Direksi telah menetapkan 12 Langkah Strategis untuk mendukung pencapaian visi PHE: Menjadi Perusahaan minyak dan gas bumi hulu kelas dunia. Pada tahun 2017 ada dua langkah strategis yang mulai diterapkan Direksi 2017, yaitu Percepatan Status Eksplorasi dan Pengembangan Sumber Daya Manusia. Secara umum, Dewan Komisaris menilai Direksi telah berupaya dengan baik menerapkan langkah-langkah strategis.

Secara umum, Dewan Komisaris menilai Direksi telah berupaya dengan baik menerapkan langkah-langkah strategis. Namun demikian ada beberapa hal yang menjadi catatan dan harus menjadi perhatian Direksi terkait penerapan langkah-langkah strategis:

- Direksi agar melaksanakan RKAP 2017 dengan berpedoman kepada tata kelola Perusahaan yang baik, efektif, efisien, bersikap hati-hati, beritikad baik, wajar dan penuh rasa tanggung jawab untuk kepentingan Perusahaan sesuai dengan prosedur dan ketentuan yang berlaku.
- Direksi agar memastikan penyusunan analisis dampak aspek keekonomian terhadap pengelolaan portofolio PHE secara keseluruhan dan rencana pengembangan ke depan dari investasi yang dilakukan sesuai dengan Strategi Jangka Panjang PHE sebagai pengelola portofolio dan evaluasi dampak pada pertumbuhan PHE baik dari aspek produksi maupun keuangan.
- Direksi agar melaksanakan langkah-langkah efisiensi operasional dan peningkatan aspek strategis, sehingga performa Perusahaan dapat selalu terjaga dan berkesinambungan khususnya untuk menghadapi tantangan model kontrak *gross split*.
- Direksi harus melakukan langkah-langkah strategis agar wilayah kerja (terminasi) yang akan dikelola mendapat persetujuan Pemerintah, dan melaksanakan langkah-langkah transisional yang baik agar dapat mempertahankan kinerja dan pertumbuhan wilayah kerja tersebut.

Supervising to the Company Strategies Implementation

The Board of Directors established 12 Strategic Steps to support the achievement of PHE vision: To be a world class upstream oil and gas Company. In 2017, there were two strategic steps implemented by the 2017 Board of Directors, which are Exploration Status Acceleration and Human Capital Development. In general, the Board of Commissioners considers the Board of Directors has put its best efforts in realizing the strategic steps.

Generally, the Board of Commissioners considers the Board of Directors has exerted best efforts in implementing the strategic steps. However, there are several notes that need the Board of Directors attention related to the strategic steps implementation:

- The Board of Directors to perform the 2017 RKAP, orienting on good corporate governance that is effective, efficient, precautioned, well-intentioned, fair, and full of responsibility for the interest of the Company pursuant to the prevalent procedures and laws and regulations.
- The Board of Directors to ensure the impact analysis of economic aspect to PHE portfolio management as a whole and its future development of the investment realized is aligned with PHE Long Term Strategy as portfolio manager and impact evaluation on PHE growth in production and financial aspect.
- The Board of Directors to carry out operational efficiency measures and strategic aspect improvement that the Company performance continues to be maintained and sustainable, especially to cope with challenges in using gross split contract.
- The Board of Directors to perform strategic steps in order to obtain the Government approval for area of operation (termination) that will be managed, and carry out proper transitional measures to maintain the performance and growth of the area of operation.

Pandangan atas Prospek Usaha Perusahaan yang disusun oleh Direksi dan Dasar Pertimbangannya

Sesuai dengan prospek usaha yang disusun Direksi, dalam beberapa tahun mendatang kebutuhan energi di Indonesia masih akan tumbuh. Kondisi ini menjadi peluang bagi PHE untuk mengembangkan usaha, baik dengan mengelola blok migas baru, maupun blok migas terminasi yang dialihkan Pemerintah kepada PT Pertamina (Persero).

Dewan Komisaris berpendapat, PHE harus benar-benar memperhitungkan berbagai faktor guna menjamin keberlangsungan usaha pada masa mendatang. Terlebih sektor migas merupakan sumber energi tidak terbarukan dan akan habis dimanfaatkan, sehingga PHE dituntut terus mendapatkan cadangan baru yang potensial.

Selain itu, dinamika kebijakan Pemerintah memberikan pengaruh terhadap upaya yang dilakukan PHE dalam mengembangkan usaha. Salah satunya melalui pemberlakuan Peraturan Menteri (Permen) ESDM No.8 Tahun 2017 tentang Kontrak Bagi Hasil *Gross Split* yang diperbaharui dengan Permen ESDM No.52 Tahun 2017 tentang Perubahan Atas Permen ESDM No.08 Tahun 2017.

Dewan Komisaris menyambut baik langkah Direksi melaksanakan ketentuan mekanisme Kontrak Bagi Hasil *Gross Split* pada awal tahun 2017 dalam mengelola Blok Offshore North West Java (ONJW) oleh PT PHE ONWJ, terhitung sejak 19 Januari 2017 hingga 18 Januari 2038.

Dewan Komisaris berpendapat mekanisme *gross split* sejalan dengan kebijakan efisiensi biaya dan penerapan teknologi terbaik yang selama ini telah diterapkan berkelanjutan oleh PHE.

View on the Company Business Prospects prepared by the Board of Directors and its Basis of Consideration

In accordance with business prospects prepared by the Board of Directors, Indonesia needs in energy will continue to grow in upcoming years. Such condition becomes an opportunity for PHE to expand its business, in managing new oil and gas block, as well as termination oil and gas block transferred by the Government to PT Pertamina (Persero).

The Board of Commissioners believes PHE should calculate several factors so as to guarantee future business continuity. Moreover, oil and gas sector is an easily depleted renewable energy putting PHE to keep on striving for potential new reserves.

On the other hand, dynamic policies within the Government has its influence on the efforts conducted by PHE in expanding its business. One of which is through Minister of Energy and Mineral Resources Regulation Number 8 of 2017 on Gross Split Production Sharing Contract renewed in Minister of Energy and Mineral Resources Number 52 of 2017 on the Amendment in the Minister of Energy and Mineral Resources Number 8 of 2017.

The Board of Commissioners positively greeted the steps taken by the Board of Directors in deciding the provisions of gross split production sharing contract at the beginning of 2017 in managing Offshore North West Java (ONWJ) Block by PT PHE ONWJ, effectively since 19 January 2017 to 18 January 2038.

The Board of Commissioners opines gross split mechanism is in line with cost efficiency policy and the best technology implementation which have been applied sustainable by PHE.

Mekanisme *gross split* menuntut Perusahaan lebih teliti dan memperhitungkan berbagai faktor risiko dalam menyusun rencana kerja dan biaya, mengingat biaya produksi ditanggung sepenuhnya oleh PHE sebagai Kontraktor Kontrak Kerja Sama (KKKS). Hal yang kemudian telah ditindaklanjuti Direksi dengan penyusunan kajian komprehensif Blok ONWJ, sehingga kegiatan produksi bisa tetap memiliki nilai keekonomian dan menguntungkan Perusahaan.

Pandangan atas Penerapan/ Pengelolaan *Whistleblowing System* (WBS) di Perusahaan dan Peran Dewan Komisaris dalam WBS

PHE telah menerapkan *Whistleblowing System* atau WBS sejak tahun 2015 dan dikelola secara independen, terpisah dari WBS PT Pertamina (Persero) yang merupakan Induk Perusahaan.

Penerapan WBS ditetapkan melalui Keputusan Direksi No.RRD-027/PHE000/2014-S0 tanggal 26 September 2015 Tentang Pembuatan Sistem Pelaporan Pelanggaran atau *Whistleblowing System* (WBS) PT Pertamina Hulu Energi (PHE), yang ditindaklanjuti Surat Keputusan No.Kpts-117/PHE000/2015-S0 tanggal 31 Desember 2015 yang melakukan pengesahan terhadap Pedoman *Whistleblowing System* (WBS) PHE No.476/PHE040/2015-S0.

Dewan Komisaris berpendapat selama tahun 2017 Direksi telah menerapkan mekanisme WBS dengan baik. Berbagai kegiatan yang telah dilakukan juga memberikan dukungan bagi penerapan WBS.

The *gross split* mechanism demands the Company to be more thorough and calculate various risk factors in preparing work and cost plan, considering production cost is fully borne by PHE as Cooperation Contract (KKKS). This then followed up by the Board of Directors by organizing comprehensive study on ONWJ Block, thus production activities could still have economic value and beneficial for the Company.

View on the *Whistleblowing System* (WBS) Implementation/ Management in the Company and the Board of Commissioners Roles in WBS

PHE has implemented *Whistleblowing System* or WBS since 2015 and independently managed, separated from PT Pertamina (Persero) WBS which is the holding Company.

The WBS implementation is stipulated through Board of Directors Decision Number RRD-027/PHE000/2014-S0 of 26 September 2015 on *Whistleblowing System* (WBS) of PT Pertamina Hulu Energi (PHE), which followed by Decision Letter Number Kpts-117/PHE000/2015-S0 of 31 December 2015, approving PHE *Whistleblowing System* (WBS) Guidelines Number 476/PHE040/2015-S0.

The Board of Commissioners considers in 2017 the Board of Directors properly implemented WBS mechanism. Various activities were conducted to further support the WBS implementation.

Kesungguhan Direksi dan Manajemen dalam menerapkan WBS telah mendorong tumbuhnya kesadaran di kalangan pegawai PHE untuk melakukan kegiatan bisnis dengan beretika, sehingga mendorong penerapan tata kelola Perusahaan menjadi lebih baik. Hal ini nampak dari peningkatan hasil *assessment* tata kelola Perusahaan yang baik (GCG) pada tahun 2017.

Pencapaian tersebut tidak terlepas dari dukungan Dewan Komisaris pada setiap kebijakan yang dilakukan Direksi dalam mencegah pelanggaran. Dewan Komisaris memastikan bahwa Direksi telah melaksanakan langkah-langkah sebagai berikut:

- Memastikan sistem pelaporan melalui WBS berjalan dengan baik dan setiap pelaporan diproses dan ditindaklanjuti.
- Seluruh pegawai telah menandatangani pemahaman komitmen pelaksanaan *Good Corporate Governance* (GCG) dan *Code of Conduct* (COC).
- Seluruh manajemen telah menandatangani Pakta Integritas dan komitmen terhadap *Key Performance Indicators* (KPI).

Perubahan Komposisi Dewan Komisaris dan Latar Belakang Kompetensi Anggota Dewan Komisaris

Pada tahun 2017 terdapat perubahan komposisi keanggotaan Dewan Komisaris, yaitu adanya penambahan anggota Komisaris, Prahoro Yulijanto Nurtjahyo sebagai Komisaris yang diangkat pada tanggal 3 Januari 2017. Komposisi Dewan Komisaris selama tahun 2017 terdiri dari lima orang, yakni seorang Komisaris Utama, tiga orang Komisaris dan satu orang Komisaris Independen.

The tenacity shown by the Board of Directors and the Management in implementing WBS encouraged awareness growth among PHE employees to do ethical business activities, thus encouraging better implementation of corporate governance. This is shown in the improvement of (GCG) assessment results in 2017.

The achievements are also a result of the Board of Commissioners support in each policy administered by the Board of Directors in preventing any violations. The Board of Commissioners ensured the Board of Directors to firmly perform below steps:

- Ensuring reporting system through WBS operated effortlessly and each reporting is processed and followed up.
- All employees have signed Good Corporate Governance (GCG) and Code of Conduct (COC) understanding and commitment.
- All management levels have signed Integrity Pact and commitment to Key Performance Indicators (KPI).

Changes in the Composition of Board of Commissioners and Competencies Background of the Board of Commissioners' Members

In 2017, a change occurred in the composition of Board of Commissioners, wherein Prahoro Yulijanto Nurtjahyo was added to the members of Commissioners as Commissioner and appointed on 3 January 2017. The 2017 Board of Commissioners composition during 2017 consisted of five people, namely President Commissioner, three Commissioners, and one Independent Commissioner.

Keanggotaan Dewan Komisaris terdiri dari berbagai latar belakang keilmuan dan profesional. Komisaris Utama dijabat Ir. Syamsu Alam, MSc. PhD.; Komisaris Yudi Wahyudi, SE. MM; dan Mochamad Teguh Pamuji, SH, MH; dan Prahoro Nurtjahjo, M.S., Ph.D.; dan Drs. Mohammad Oemar, M.A. sebagai Komisaris Independen.

Kedudukan masing-masing anggota Dewan Komisaris termasuk Komisaris Utama adalah setara. Tugas Komisaris Utama adalah mengoordinasikan kegiatan Dewan Komisaris.

Latar belakang anggota Dewan Komisaris seperti diuraikan dalam bagian Profil Dewan Komisaris pada Laporan ini, menegaskan komposisi keanggotaan Dewan Komisaris memiliki keberagaman latar belakang pendidikan, pengalaman dan kompetensi. Selama tahun 2017, anggota Dewan Komisaris juga telah mengikuti berbagai bentuk kegiatan yang ditujukan untuk meningkatkan kompetensi mereka.

Kombinasi pendidikan, pengalaman dan kompetensi Dewan Komisaris menegaskan kematangan dan independensi Dewan Komisaris dalam memberikan pertimbangan dan nasihat kepada Direksi demi kesinambungan usaha PHE pada masa mendatang.

Frekuensi dan Cara Pemberian Nasihat

Dewan Komisaris memberikan nasihat kepada Direksi melalui mekanisme rapat, baik rapat internal maupun rapat gabungan dengan mengundang Direksi. Selama tahun 2017, Dewan Komisaris telah menyelenggarakan 11 rapat internal dengan rata-rata persentase kehadiran anggota Dewan Komisaris adalah 70% dan 12 rapat gabungan dengan Direksi.

The Board of Commissioners membership comprises of various background from scholars to professionals. The President Commissioner was served by Ir Syamsu Alam, MSc. PhD; Commissioner Yudi Wahyudi, SE. MM, and Mochamad Teguh Pamuji, SH, MH; and Prahoro Nurtjahjo, M.S., Ph.D.; and Drs. Mohammad Oemar, M.A. as Independent Commissioner.

Each position of the Board of Commissioner members hold, including President Commissioner is equal. The duty of President Commissioner is to coordinate the Board of Commissioners activities.

The background of the Board of Commissioners members as explained later in Profile of the Board of Commissioners in this Report, emphasizes the diverse background found in the composition of the Board of Commissioners, in education, experience, and competencies. Throughout 2017, members of the Board of Commissioners participated in various activities aimed to increase their competencies.

A combination of education, experience, and competencies, the Board of Commissioners stresses the maturity and independence within the Board in providing considerations and advice to the Board of Directors for PHE business continuity in the future.

Giving Advice and its Frequency

The Board of Commissioners give advice to the Board of Directors through internal and joint meetings by inviting the Directors. During 2017, the Board of Commissioners held 11 internal meetings with 70% average attendance from the Board of Commissioners members and 12 joint meetings with the Board of Directors.

Materi rapat yang diselenggarakan mengacu pada RKAP, Program Kerja Dewan Komisaris dan Laporan Manajemen. Selain itu, dibahas juga agenda lain yang bersifat khusus maupun hal-hal aktual yang sedang berkembang dan dihadapi Perusahaan. Dinamika dalam rapat menjadi salah satu cara bagi Dewan Komisaris dalam melaksanakan fungsi pengawasan dan memberikan nasihat.

Secara formal, Dewan Komisaris juga melakukan surat menyurat dalam melaksanakan fungsi pengawasan. Selama tahun 2017, Dewan Komisaris telah menerbitkan sembilan rekomendasi terkait dengan hal-hal yang sebelumnya disampaikan Direksi maupun manajemen.

Pemberian nasihat juga dilakukan melalui mekanisme kunjungan ke lapangan. Dalam kunjungan ke lapangan, Dewan Komisaris menggali informasi dari manajemen dan memberikan nasihat kepada Direksi, terkait dengan berbagai hal yang perlu diperhatikan.

Penutup

Para Pemegang Saham dan segenap Pemangku Kepentingan yang terhormat,

Demikianlah laporan yang disampaikan Dewan Komisaris terkait pelaksanaan tugas dan tanggung jawab fungsi pengawasan selama tahun 2017.

Dewan Komisaris menyadari, masih ada hal-hal yang harus menjadi perhatian demi pelaksanaan fungsi pengawasan yang lebih baik lagi pada masa mendatang. Hal tersebut tidak terlepas dari kompleksnya tantangan yang dihadapi PHE pada masa mendatang, mengingat pada beberapa tahun mendatang banyak wilayah kerja sektor hulu migas yang mengalami terminasi.

Sebagai bagian dari PT Pertamina (Persero), kondisi tersebut tentu saja akan berpengaruh langsung maupun tidak langsung terhadap PHE, karena sangat dimungkinkan Pemerintah akan menugaskan PT Pertamina (Persero) dan PHE sebagai pengelola blok migas yang diterminasi.

The material discussed in the meetings referred on RKAP, Board of Commissioners Work Plan, and Management Report. Other special and developing actual agendas faced by the Company also discussed in the meetings. The dynamic in the meetings became one of the ways for the Board of Commissioners in realizing its supervising function and giving advice.

Formally, the Board of Commissioners performs correspondences within its supervising function. In 2017, the Board of Commissioners issued nine recommendations related to matters previously conveyed by the Board of Directors and management.

Giving advice is also conducted through business visit to the field. While visiting the field, the Board of Commissioners extracted information from the management and gave advice to the Board of Directors related to several points important to note.

Closing

Dear respected Shareholders and Stakeholders,

This is the Report submitted by the Board of Commissioners regarding the implementation of duties and responsibilities of supervising function in 2017.

The Board of Commissioners are aware there are still areas that need attention for the betterment of supervising function in the future. It is also a result of the challenges complexity encountered by PHE in the future, considering there will be more upstream oil and gas sector that will go through termination.

As part of PT Pertamina (Persero), such condition has its direct and indirect effects to PHE due to the possibility of having PT Pertamina (Persero) and PHE as the terminated oil and gas block managers by the Government.

Dengan demikian dibutuhkan kesiapan semua pihak di lingkungan PHE termasuk Dewan Komisaris dan segenap Pemangku Kepentingan, sehingga penugasan tersebut dapat dilaksanakan dengan baik dan PHE tetap bisa mendapatkan nilai ekonomi yang menjamin keberlanjutan usaha.

Dewan Komisaris mengajak semua pihak dan Pemangku Kepentingan untuk bersama-sama membangun PHE menjadi Perusahaan migas kelas dunia. Akhir kata perkenankan kami menyampaikan terima kasih kepada semua pihak yang telah membantu pelaksanaan tugas dan tanggung jawab fungsi pengawasan selama tahun 2017. Semoga kerja sama yang sudah terjalin dan terbangun, bisa berlanjut serta ditingkatkan lagi, sehingga pelaksanaan fungsi pengawasan Dewan Komisaris bisa lebih baik lagi pada masa mendatang.

Jakarta, Februari 2018
Jakarta, February 2018

PT Pertamina Hulu Energi

Atas Nama Dewan Komisaris
On Behalf of the Board of Commissioner



Syamsu Alam
Komisaris Utama
President Commissioner

Thus it required all parties readiness in PHE including the Board of Commissioners and all Stakeholders to make the appointment executed well and for PHE in attaining economic value with a guarantee in business continuity.

The Board of Commissioners invites all parties and Stakeholders to collectively build PHE to become a world class oil and gas Company. Finally, we would like to express our gratitude to all parties who have helped in the implementation of duties and responsibilities of supervising function throughout 2017. We hope the cooperation established could continue and further improved that the Board of Commissioners supervising function could be better in the future.

Laporan Direksi ^[102-14]

Board of Directors' Report



**R. Gunung
Sardjono Hadi**

**Direktur Utama
President Director**

Para pemegang saham dan pemangku kepentingan yang terhormat.

Dear respected shareholders and stakeholders.

Sebelum menyampaikan pelaporan, perkenankan Direksi mengajak kita semua mengucapkan syukur kepada Tuhan Yang Maha Esa. Atas berkat dan rahmat yang diberikan-Nya, PT Pertamina Hulu Energi (PHE) mampu mencatatkan kinerja dan pencapaian lebih baik dibanding periode sebelumnya, serta mampu memenuhi target-target dalam Rencana Kerja dan Anggaran Perusahaan (RKAP) tahun 2017.

Prior to presenting this report, allow the Board of Directors to invite us all in expressing gratitude to the Almighty God. For His blessing and grace, PT Pertamina Hulu Energi (PHE) was able to record better performance and achievement compared to previous period, as well as to meet the targets in the Company 2017 Work Plan and Budget.

Analisis atas Kinerja Perusahaan: Strategi dan Kebijakan Strategis Perusahaan

Kinerja memuaskan yang dicapai pada tahun 2017 tidak terlepas dari strategi yang dicanangkan Direksi dalam mengelola operasional dan bisnis, yakni: Meningkatkan produksi migas; Pengawasan proyek; Peningkatan *lifting*; Monetisasi gas; Efisiensi di segala lini; Percepatan PIS/COR; *Zero impairment*; *Preventive action* untuk kasus hukum; *Continuous improvement* program; serta Optimalisasi dan percepatan realisasi ABI.

Sejalan dengan dinamika yang berlangsung, Direksi menambahkan dua strategi untuk mendukung kinerja Perusahaan lebih baik lagi, yakni: Percepatan penentuan status eksplorasi; serta *human capital development*.

Penambahan dua strategi ini merupakan jawaban atas dinamika yang berkembang pada sektor hulu minyak dan gas bumi (migas) serta tuntutan pengelolaan sumber daya manusia sebagai salah satu modal utama pengembangan PHE pada masa mendatang.

Direksi juga mendorong optimalisasi kerja para pegawai melalui kebijakan Empat Etos Kerja dan Nilai 6C PT Pertamina (Persero). Keempat Etos Kerja dimaksud adalah Menjadi Profesional; Kerja Terbaik; Kerja Tim; dan Integritas.

Direksi mendorong setiap pegawai untuk bersikap profesional, mulai dari jajaran pucuk manajemen sampai kepada mereka yang bertugas di garis depan.

Para pegawai juga harus menunjukkan dedikasi melalui kerja terbaik yang bisa dilakukan masing-masing, dalam kerja tim sebagai PHE dengan sikap integritas tinggi untuk mewujudkan visi: Menjadi perusahaan minyak dan gas bumi kelas dunia.

The Company Performance Analysis: The Company Strategies and Strategic Policies

The satisfying performance in 2017 was a result of strategies planned by the Board of Directors in managing operations and business, which are: Increasing oil and gas production; Project supervision; Lifting increase; Gas monetization; Efficiency in all business lines; PIC/COR acceleration; Zero impairment; Preventive action for legal case; Continuous improvement program; as well as, ABI realization optimization and acceleration.

Aligning with the current dynamic, the Board of Directors added two strategies to better support the Company performance, which are: Acceleration on Exploration Status Determination; as well as, human capital development.

These two strategies are an answer to the developed dynamic occurred in upstream oil and gas sector, and demands in human resources management are one of main assets of PHE development in upcoming years.

The Board of Directors also encourage employee's work optimization through Four Work Ethics and 6C Values of PT Pertamina (Persero). These Four Work Ethics are To be Professional; Excellent Work; Teamwork; and Integrity.

The Board of Directors inspires each employee to be a professional, starting from the highest management to those who serve in the front line.

The employees should show their dedication through their best work they could give respectively, in teamwork as PHE with high integrity to realize the vision: To be a world class oil and gas company.

Perbandingan antara Hasil yang dicapai dengan yang ditargetkan

Para Pemegang Saham dan Pemangku Kepentingan yang terhormat.

Pencapaian dan kinerja memuaskan sepanjang tahun 2017 tidak terlepas dari komitmen Direksi untuk mengelola Perusahaan dalam sebuah tim yang solid. Sebagai sebuah tim kerja, Direksi telah dapat menerapkan transformasi manajemen yang terbungkus dalam konsep Kaizen dengan memegang teguh prinsip bahwa hari ini harus lebih baik dari kemarin dan hari esok lebih baik lagi dari hari ini, serta menaklukkan musuh utama yakni kepuasan diri.

Kerja tim yang solid dan dukungan dari manajemen serta segenap pegawai PHE, menjadikan Perusahaan memperlihatkan kinerja sangat baik sepanjang tahun 2017. Meski demikian Direksi juga tidak menutup mata pada kondisi belum optimalnya kinerja beberapa anak perusahaan. Hal tersebut menjadi perhatian agar kinerja anak perusahaan tersebut dapat ditingkatkan pada masa mendatang.

Realisasi produksi siap jual atau lifting minyak mentah pada tahun 2017 mencapai 25.215 MBO atau 110,5% dari target RKAP sebesar 22.823 MBO dan bertambah 111,7% dari realisasi tahun 2016 sebanyak 22.566 MBO. Demikian pula dengan realisasi lifting gas bumi pada tahun 2017 sebanyak 204,8 BSCF atau 94,9% dari target RKAP sebesar 215,8 BSCF dan mencapai 98,6% dibanding realisasi tahun 2016 yang mencapai 207,8 BSCF.

Membaiknya kinerja keuangan PHE terlihat dari nilai EBITDA. Realisasi perolehan EBITDA pada tahun 2017 mencapai US\$1.172 juta atau 127% dari target sebesar US\$923 juta. Pencapaian tersebut tidak terlepas dari keberhasilan Direksi menjaga beban usaha pada kisaran angka 97%, tanpa mengurangi aspek-aspek yang berkaitan dengan HSSE dan operasional, seperti keandalan, integritas dan pengembangan.

Comparison Between the End Results with the Target

Dear respected Shareholders and Stakeholders.

The 2017 rewarding achievements and performance was a result of the Board of Directors commitment in managing the Company with a solid team. As a teamwork, the Board of Directors has administered management transformation using a concept called Kaizen with a firm belief that today should be better than yesterday and tomorrow will be better than today, as well as to conquer the main adversary, which is self-satisfaction.

Solid teamwork and support from the management and all PHE employees helped the Company to present its best performance throughout 2017. However, the Board of Directors is also aware of the condition of several subsidiaries which are not yet optimal. Such issue made into the spotlight so as to have its performance increased in the future.

The 2017 crude oil lifting realization reached 25,215 MBO or 110.5% of the targeted RKAP amounting to 22,823 MBO, increasing by 111.7% of the 2016 realization amounting to 22,566 MBO. Similarly, gas lifting realization in 2017 was 204.8 BSCF or 94.9% of the targeted RKAP amounting to 215.8 BSCF and reached 98.6% compared to the 2016 realization reaching 207.8 BSCF.

The improving financial performance in PHE is evident from EBITDA. The achieved EBITDA realization in 2017 reached US\$1,172 million or 127% of the targeted US\$923 million. The achievement is a result of the Board of Directors success in keeping operating expenses in the range of 97%, without reducing aspects relevant with HSSE and operations, such as reliability, integrity, and development.

Realisasi perolehan Pendapatan Usaha sebesar US\$1.999 juta atau 106% dari target senilai US\$1.894 juta. Perolehan Pendapatan Usaha tahun 2017 memperlihatkan peningkatan US\$465 juta atau 130% dibanding realisasi tahun 2016 yang mencapai US\$1.533 juta.

Peningkatan Pendapatan Usaha berpengaruh pada pencapaian Laba Bersih (Laba Komprehensif) PHE menjadi sebesar US\$250,88 juta pada tahun 2017 atau 148% dari target sebesar US\$170 juta. Jumlah tersebut juga memperlihatkan peningkatan 131% dibanding perolehan tahun 2016 yang mencapai US\$191 juta.

Direksi tak memungkiri bila pencapaian kinerja keuangan dipengaruhi kenaikan harga minyak dunia selama tahun 2017, sehingga tak ubahnya durian runtuh bagi PHE. Namun perlu dipahami pula, pencapaian tersebut tidak bisa dilepaskan dari keberhasilan Direksi dan manajemen dalam menerapkan efisiensi berkelanjutan sejalan dengan pola pikir untuk selalu menempatkan segala perhitungan biaya operasional PHE dalam simulasi harga minyak dunia rendah.

Dalam hal biaya produksi minyak mentah, Direksi dapat mempertahankan biaya produksi pada angka US\$27,1 per barrel, lebih rendah 14% dari target sebesar US\$31,4 per barrel. Demikian dengan biaya produksi gas bumi pada tahun 2017 senilai US\$2,4 per standar kaki kubik, lebih tinggi 55% dari target sebesar US\$1,5. Bila dibanding dengan rata-rata biaya produksi migas pada perusahaan lain, maka biaya produksi migas PHE terbilang sangat kompetitif.

Dengan kinerja keuangan yang membaik dibanding tahun sebelumnya, Tingkat Kesehatan PHE pun terbilang bagus dengan pencapaian 84%, melebihi target dalam RKAP sebesar 76% dan lebih tinggi dibanding kurun waktu sebelumnya yang masih berada di kisaran 70%. Sementara nilai Free Cash Flow, yang merupakan likuiditas Perusahaan dalam memastikan kegiatan PHE tetap berjalan mencapai US\$0,45 juta.

The achieved Revenue was US\$1,999 million or 106% of the targeted US\$1,894 million. The 2017 Revenue shows US\$465 million increase or 130% compared to the 2016 realization reaching US\$1,533 million.

The Revenue increase influenced Net Profit (Comprehensive Income) of PHE amounting US\$250.88 million in 2017 or 148% of the targeted US\$170 million. Such amount also illustrates 131% increase compared to the 2016 achievement reaching US\$191 million.

The Board of Directors is aware of the influence of world oil price surge to the financial performance in 2017, causing a windfall gain for PHE. It needs to be understood that the achievement would not happen without the success of the Board of Directors and management in implementing sustainable efficiency that aligns based on the mindset of constantly placing all PHE operating expenses calculation in a simulated low world oil price.

On crude oil production expenses, the Board of Directors could maintain its production expenses at US\$27.1 per barrel, 14% lower than the targeted US\$31.4 per barrel. Meanwhile, gas production expenses in 2017 was US\$2.4 per standard cubic feet, 55% higher of the targeted US\$1.5. Comparing the average oil and gas production expenses with other companies, PHE oil and gas production expenses is reckoned highly competitive.

With better financial performance to the previous year, PHE Health Level is regarded good with score 84%, exceeding the RKAP target at 76% and higher than the previous period which was approximately 70%. Free Cash Flow, constituting the Company liquidity in ensuring the operation of PHE, reached US\$0.45 million.

Pada kinerja keselamatan dan kesehatan kerja (K3), Direksi telah dapat memastikan semua pihak di internal maupun eksternal PHE mematuhi dan melaksanakan segala ketentuan terkait K3. Hasilnya, PHE kembali mencatatkan keberhasilan mencegah terjadinya kecelakaan kerja bersifat fatal (*no fatality*).

Kesungguhan komitmen terhadap aspek K3 membuahkan penghargaan dari berbagai pihak, di antaranya dari PT Pertamina (Persero), yakni Patra Adikriya Bhumi Utama serta Penghargaan dari Kementerian ESDM, yakni Patra Dharma Karya Madya.

Dalam pengelolaan lingkungan hidup, Direksi telah mendorong tumbuhnya kesadaran pada Anak Perusahaan untuk memperhatikan aspek-aspek keberlanjutan dalam mengelola lingkungan dengan memberdayakan masyarakat setempat.

Komitmen yang diwujudkan melalui pemenuhan tanggung jawab sosial dan lingkungan termasuk pelaksanaan tanggung jawab sosial perusahaan (CSR).

Kesungguhan dalam mengelola lingkungan dan pemenuhan TJSJ telah mendapatkan penghargaan tiga PROPER Emas untuk PHE West Madura Oil (WMO), PHE Offshore North West Java (ONWJ) dan Joint Operation Body Pertamina Talisman Jambi Merang (JOB PTJM).

Kendala-kendala yang Dihadapi Perusahaan dan Langkah-langkah Penyelesaiannya

Pencapaian dan kinerja optimal PHE selama tahun 2017 bukannya tanpa kendala. Direksi menyikapi kendala yang dihadapi dengan menjadikannya sebagai tantangan. Ada beberapa hal yang pada kurun waktu periode pelaporan menjadi tantangan untuk ditaklukkan PHE dan mengubahnya menjadi peluang:

On occupational health and safety (OHS), the Board of Directors has managed to assure all internal and external parties of PHE to comply and perform all regulations on OHS. As a result, PHE recorded another success in preventing fatality (*no fatality*).

Its serious commitment to the OHS aspect helped them obtaining awards from various parties, among which are PT Pertamina (Persero), Patra Adikriya Bhumi Utama as well as from Ministry of Energy and Mineral Resources, namely Patra Dharma Karya Madya.

In environmental management, the Board of Directors has emboldened awareness growth in Subsidiaries to take account sustainability aspects in managing environment by empowering local community.

The embodied commitment through social and environment responsibility includes corporate social responsibility (CSR).

Its commitment in managing environment and CSR compliance has attracted three Gold PROPER awards for PHE West Madura Oil (WMO), PHE Offshore North West Java (ONWJ) and Joint Operation Body Pertamina Talisman Jambi Merang (JOB PTJM).

Constraints Faced by the Company and its Resolutions

PHE optimal achievement and performance in 2017 had its own constraints. The Board of Directors addressed the constraints by transforming it into challenges. The following are challenges occurred within the reporting period, and for PHE to overcome and transform it into opportunities:

- Semakin sulit menemukan cadangan migas yang besar. Sampai akhir tahun 2017 total volume cadangan migas yang dimiliki PHE mencapai 597,53 MBOE dan diperkirakan akan efektif ditambang hingga 9,28 tahun mendatang. Dibutuhkan terobosan baik dalam hal pembiayaan investasi maupun pemilihan teknologi untuk mencari dan menemukan cadangan migas, terutama pada daerah-daerah potensial namun berada pada wilayah yang relatif lebih sulit.
- Penyamaan persepsi yang berbeda-beda, mengingat banyaknya Anak Perusahaan yang berada dalam kendali PHE, dengan wilayah kerja yang berbeda satu sama lain. Hingga akhir tahun 2017 PHE memiliki 59 Anak Perusahaan, dengan berbagai bentuk kontrak kerja sama.
- *Human Capital/Human Resources*, dengan jumlah pegawai yang cukup banyak dan sebaran kelompok usia beragam kerap berujung pada terjadinya kesenjangan keahlian dan pengetahuan pada kelompok umur tertentu.
- Harga minyak, yang sepenuhnya berada di luar kendali PHE karena ditentukan berdasarkan berbagai faktor. Harga minyak yang fluktuatif menuntut kemampuan penyesuaian berbagai hal, termasuk pola pikir di kalangan pegawai PHE untuk tetap menerapkan efisiensi berkelanjutan, meski harga minyak dunia mengalami kenaikan.
- Tuntutan dari para Pemangku Kepentingan dengan kebutuhan masing-masing. Tidak hanya Pemegang Saham, tetapi juga masyarakat sekitar PHE berkegiatan yang menuntut peningkatan kesejahteraan dan juga *participating interest* (PI) 10% kepada pemerintah daerah melalui badan usaha milik daerah (BUMD).
- More difficult in finding larger oil and gas reserves. Up to the end of 2017 total volume of oil and gas reserves owned by PHE reached 597.53 MBOE and it could be effectively mined until 9.28 years to come. A breakthrough was needed in investment financing and technology selection to search and find oil and gas reserves, chiefly in potential areas resided in relatively more complex regions.
- Harmonizing different perception, considering the amount of Subsidiaries under PHE control with different area of operation to another. Until the end of 2017 PHE owned 59 Subsidiaries with various cooperation contracts.
- Human Capital/Human Resources, with relatively high amount of employees and diverse age group distribution skills and knowledge gaps were often found in certain age groups.
- Oil price, which is fully out of PHE control as it is determined based on various factors. Fluctuated oil price demands frequent adjustments, including the mindset of PHE employees to keep implementing sustainable efficiency amidst the surging world oil price.
- Demands from the Stakeholders with respective needs. Not only Shareholders, but also local community around PHE area of operation demanded welfare increase and 10% participating interest (PI) to local government through regional owned enterprise (BUMD).

Direksi menjadikan kendala-kendala tersebut sebagai tantangan yang harus dapat diatasi dan menciptakan peluang, melalui upaya berikut:

The Board of Directors made the constraints into challenges that must be addressed and to create opportunities through such efforts below:

- Menerbitkan SSO (*Shared Service Organization*), yang berisi ketentuan standarisasi yang sama untuk seluruh fungsi dan berlaku pula untuk Anak Perusahaan, prosedur dan mekanisme pengambilan keputusan yang cepat namun tetap objektif sehingga tidak ada keputusan berbeda dan berjenjang, efisiensi biaya untuk mendapatkan *time sharing* serta alokasi waktu yang baik.
- PHE One System yang menjadikan pengelolaan keuangan Perusahaan menjadi lebih baik dan praktis.
- Replikasi, yakni upaya Perusahaan untuk menerapkan sistem maupun hal lain yang dinilai baik pada satu Anak Perusahaan atau wilayah kerja, ke Anak Perusahaan atau wilayah kerja lain. Pelaksanaan replikasi antara lain disampaikan melalui berbagi pengetahuan (*knowledge sharing*). Sepanjang tahun 2017, PHE telah menyelenggarakan 338 kali kegiatan berbagi pengetahuan.
- Membangun dialog dan komunikasi dengan segenap pegawai PHE, di antaranya melalui kegiatan *gathering* pegawai maupun manajemen *walk through*. Direksi memanfaatkan kedua kegiatan tersebut untuk menyampaikan pesan secara langsung agar tidak terjadi distorsi informasi dan juga mendapatkan masukan secara langsung dari para pegawai.
- Issued SSO (Shared Service Organization), consisting of similar standardization regulations for all functions and prevalent for Subsidiaries, swift and objective decision making procedure and mechanism to get zero different and tiered decisions, cost efficiency to obtain better time sharing and time allocation.
- PHE One System, turning the Company financial management to be more better and practical.
- Replication means part of the Company efforts in implementing system and other matters with good value on a Subsidiary or work area, to another Subsidiary or work area. The replication among which is utilized through knowledge sharing. Throughout 2017, PHE has held 338 knowledge sharing.
- Formed dialogue and communication with all PHE employees, among which is through employees gathering and walk through management. The Board of Directors made use of these two activities to deliver the intended messages directly so as to avoid distorted information and obtain direct feedback from the employees.

Gambaran dan Analisis tentang Prospek Usaha

Tahun 2017 menjadi titik balik dari pergerakan harga minyak dunia, yang sebelumnya sempat menyentuh titik terendah. Perlahan menjelang akhir tahun 2017 harga minyak dunia pun merangkak naik. Hal ini diperkirakan akan terus berlanjut, karena saat bersamaan negara-negara anggota Organisasi Negara Pengekspor Minyak (OPEC) menurunkan produksi hingga tahun 2018.

Overview and Analysis on Business Prospects

2017 was the turning point for world oil price, which previously touched the lowest point. Approaching the end of 2017 it climbed up gradually. This trend was estimated to continue, as countries of Organization of Petroleum Exporting Countries (OPEC) simultaneously lowered its production until 2018.

Peningkatan harga minyak dunia lebih memotivasi PHE untuk kian berkembang sehingga dapat memenuhi ekspektasi Pemegang Saham. Direksi berupaya terus meningkatkan produksi dan *revenue* dengan melakukan beberapa langkah.

Di antaranya mengevaluasi dan mengaktivasi proyek-proyek yang sebelumnya dihentikan karena tidak *visible* dengan tingkat harga minyak dunia saat itu. Direksi menargetkan pada tahun 2018 ada beberapa proyek yang sebelumnya tertunda bisa kembali dilanjutkan dan melakukan beberapa investasi pada kegiatan eksplorasi, pengembangan maupun lainnya.

Upaya lain adalah mengadopsi blok migas yang telah memasuki terminasi kontrak kerja dengan SKK Migas. Pada satu sisi kondisi tersebut akan meningkatkan produksi dan *revenue* portofolio PHE, namun di sisi lain juga bisa menjadi kontraproduktif bila tidak dikelola dengan baik mengingat ada beberapa hal yang harus diperhatikan.

Salah satunya pemberlakuan Peraturan Menteri (Permen) ESDM No.8 Tahun 2017 Tentang Kontrak bagi Hasil *Gross Split* yang diperbarui dengan Permen ESDM No.52 Tahun 2017 tentang Perubahan Atas Permen ESDM No.08 Tahun 2017. Mekanisme *Gross Split* menjadikan tantangan tersendiri bagi Direksi, untuk memperhitungkan benar-benar nilai keekonomian dari operasional blok migas yang akan dioperasikan. Beruntung bagi PHE, karena telah memiliki pengalaman dalam mengelola Blok Offshore North West Java (ONWJ) dengan mekanisme kontrak bagi hasil produksi (PSC) *gross split* yang dimulai pada awal tahun 2017.

Dengan memahami kelebihan dan kekurangan pelaksanaan yang telah dilakukan, PHE relatif lebih siap untuk menerapkan PSC *gross split* pada Anak Perusahaan lain maupun blok migas terminasi, seperti apa yang telah dilakukan pada PHE ONWJ.

The increase on world oil price further motivated PHE to vigorously grow in order to meet the Shareholders expectations. The Board of Directors continues to intensify its production and revenue by carrying out a number of measures.

Among which are evaluating and activating projects which previously terminated due to its non visibility to then world oil price rate. The Board of Directors targeted to resume several projects in 2018 which were previously delayed and perform several investments in exploration, development, and other activities.

Moreover, the Company adopted oil and gas block which has entered work contract termination with SKK Migas. This will in fact increase PHE production and revenue portfolio, but on the other hand it could be counterproductive if it is not managed well considering there are several circumstances need to be considered.

One of which is the enforcement of Minister of Energy and Mineral Resources Number 8 of 2017 on Gross Split Production Sharing Contract which was renewed in Minister of Energy and Mineral Resources Number 52 of 2017 on Amendment of the Minister of Energy and Mineral Resources Number 8 of 2017. Gross Split mechanism presents its own challenges for the Board of Directors, to calculate the actual economic value of operating oil and gas block. Fortunately for PHE as the Company has had experiences in managing Offshore North West Java (ONWJ) using gross split production sharing contract (PSC) starting early 2017.

By understanding the advantages and disadvantages of the implementation, PHE is relatively more prepared in implementing gross split PSC on other Subsidiaries and oil and gas block termination, as previously performed on PHE ONWJ.

Hal lain yang turut mempengaruhi prospek usaha PHE pada masa mendatang adalah monetisasi gas. Direksi memahami bahwa pelaksanaan hal tersebut bukanlah hal mudah untuk dilakukan, terutama pada wilayah kerja yang berada di *remote area* serta ketersediaan pembeli.

Secara bertahap Direksi berupaya untuk dapat mempercepat realisasi monetisasi gas melalui penerapan inovasi teknologi dan memaksimalkan fungsi komersial. Langkah lain yang menjadi perhatian Direksi untuk mendukung prospek usaha adalah meningkatkan status dari sumber daya kepada ketersediaan cadangan. Direksi terus mendorong pelaksanaan survei untuk memastikan ketersediaan cadangan migas, sehingga menjamin keberlanjutan usaha PHE dan menjaga pasokan energi nasional.

Perkembangan Penerapan Tata Kelola Perusahaan pada Tahun Buku

Kinerja optimal PHE selama tahun 2017 tidak bisa dilepaskan dari komitmen bersama untuk terus meningkatkan penerapan tata kelola perusahaan yang baik (GCG). Direksi melanjutkan kebijakan penilaian (*assessment*) penerapan GCG yang dilaksanakan setiap tahun.

Penilaian dilaksanakan secara mandiri (*self assessment*) oleh Fungsi Internal Audit, dengan menggunakan metode dan prosedur sesuai Keputusan Sekretaris Menteri BUMN No.SK-16/S.MBU/2012 tanggal 6 Juni 2012 Tentang Indikator/Parameter Penilaian dan Evaluasi Atas Penerapan Tata Kelola Perusahaan yang Baik (*Good Corporate Governance*) Pada Badan Usaha Milik Negara. Dari *assessment* yang dilakukan pada tahun 2018 diperoleh hasil skor penerapan nilai GCG untuk tahun buku 2017 sebesar 86,66 dengan kategori "Sangat Baik". Pencapaian tersebut mengalami peningkatan dibandingkan hasil *assessment* untuk tahun buku 2016 dengan skor 83,44 dengan kategori "Baik".

Gas monetization also influences PHE business prospects in the future. The Board of Directors understands such implementation is not straightforward, especially on work area residing remote area as well as buyers availability.

In stages the Board of Directors strives to accelerate gas monetization through technology innovation and maximize commercial function. Another step which the Board of Directors has been focusing on is to increase the status from resources to reserves availability. The Board of Directors continues to promote the implementation of survey in order to secure oil and gas reserves availability that PHE business continuity is guaranteed and national energy supply is maintained.

Corporate Governance Development within the Fiscal Year

PHE optimal performance in 2017 was a result of shared commitment to continue increasing the implementation of good corporate governance (GCG). The Board of Directors continues to apply assessment policy on GCG which conducted annually.

The assessment is conducted independently (*self-assessment*) by Internal Audit Function by using method and procedure pursuant to Minister Secretary of SOE Decree Number SK-16/S.MBU/2012 of 6 June 2012 on Assessment Indicator/Parameter and Evaluation of Good Corporate Governance on State Owned Enterprises. Of the assessment conducted in 2018 the GCG assessment results in fiscal year 2017 scored 86.66 with "Very Good" category. The achievement shows an increase compared to the assessment results in fiscal year 2016 scoring 83.44 with "Good" category.

PHE juga telah memiliki sistem pelaporan pelanggaran (WBS) yang berdiri sendiri dan dikelola secara independen, yang diberlakukan berdasarkan Keputusan Direksi No.RRD-027/PHE000/2014-S0 tanggal 26 September 2015 Tentang Pembuatan Sistem Pelaporan Pelanggaran atau *Whistleblowing System* (WBS) PT Pertamina Hulu Energi (PHE), yang ditindaklanjuti Surat Keputusan No.Kpts-117/PHE000/2015-S0 tanggal 31 Desember 2015 yang melakukan pengesahan terhadap Pedoman *Whistleblowing System* (WBS) PHE No.476/PHE040/2015-S0.

Sepanjang tahun 2017, terdapat 1 (satu) pengaduan/pelaporan yang disampaikan melalui WBS PHE dan tercatat ada 6 (enam) laporan yang sudah diselesaikan dan nihil laporan masih dalam penanganan.

Perubahan Komposisi Anggota Direksi

Sepanjang tahun 2017 terjadi perubahan komposisi keanggotaan Direksi. Sesuai dengan Keputusan RUPS Sirkuler tanggal 24 Juli 2017, Pemegang Saham memberhentikan Bapak Bambang Manumayoso dari jabatan sebagai Direktur Pengembangan. Putusan ini merupakan bagian kebijakan internal PT Pertamina (Persero) sebagai induk perusahaan dan Pemegang Saham, yang telah memberikan penugasan baru kepada beliau.

Direksi mengucapkan terima kasih atas sumbangsih Bapak Bambang Manuyoso atas dedikasinya selama ini, dalam membantu mengurus Perusahaan. Direksi juga mengucapkan selamat bertugas di tempat yang baru, semoga bisa menularkan etos kerja PHE demi kebaikan bersama dan kemajuan Pertamina.

Selanjutnya tugas dan tanggung jawab Direktorat Pengembangan, untuk sementara dirangkap oleh Direktur Utama sampai ada keputusan RUPS yang menunjuk pejabat baru Direktur Pengembangan.

PHE also has a self-established whistleblowing system (WBS) which is managed independently, and enforced based on the Board of Directors Decision Number RRD-027/PHE000/2014-S0 of 26 September 2015 on Establishment of Whistleblowing System (WBS) of PT Pertamina Hulu Energi (PHE), followed up in Decision Letter Number Kpts-117/PHE000/2015-S0 of 31 December 2015, approving PHE Whistleblowing System (WBS) Guidelines Number 476/PHE040/2015-S0.

In 2017, there was 1 (one) complaint/report submitted through WBS PHE and 6 (six) resolved reports and zero in-progress report.

Changes in the Composition of the Board of Directors Members

Throughout 2017 the composition of the Board of Directors membership changed. As per Circular GMS Decision of 24 July 2017, Shareholders dismissed Bambang Manumayoso from its position as Development Director. This decision is part of PT Pertamina (Persero) internal policy as holding company and Shareholder, which has given him new assignment.

The Board of Directors would like to express its appreciation for the contribution and dedication Bambang Manuyoso had put out in managing the Company. Moreover, the Board of Directors wishes the best for his future endeavors in the new career, hoping he could transfer PHE work ethic for the common good and Pertamina growth.

Hence, the duties and responsibilities of Development Director are temporarily handled by President Director concurrently until the next GMS decision which will appoint the new official for Development Director.

Penutup

Akhir kata, izinkan Direksi mengucapkan terima kasih kepada semua pihak di internal PHE atas kerja samanya untuk membuat PHE mencapai kinerja lebih baik sepanjang tahun 2017. Direksi juga mengucapkan terima kasih kepada Pemegang Saham maupun Pemangku Kepentingan lain, atas dukungannya bagi keberlangsungan operasi dan bisnis PHE.

Jakarta, Februari 2018

Jakarta, February 2018

PT Pertamina Hulu Energi

Atas Nama Direksi

On Behalf of Director



R. Gunung Sardjono Hadi

Direktur Utama

President Director

Closing

Finally, the Board of Directors would like to express its appreciation to all internal parties of PHE for its cooperation in assisting PHE achieving better performance throughout 2017. In addition, the Board of Directors would like to thank the Shareholders and other Stakeholders for its support given to PHE operations and business continuity.



Tanda Tangan Anggota Dewan Komisaris dan Anggota Direksi Signature of Board of Commissioners and Directors Members

Surat Pernyataan Anggota Direksi dan Anggota Dewan Komisaris Tentang Tanggung Jawab Atas Laporan Tahunan Terintegrasi 2017 PT Pertamina Hulu Energi

Statement of Board Director and Board of Commissioners Regarding the Responsibility for
PT Pertamina Hulu Energi Integrated Annual Report 2017

Kami yang bertanda tangan di bawah ini menyatakan bahwa semua informasi dalam Laporan Tahunan Terintegrasi PT Pertamina Hulu Energi, tahun 2017, telah dimuat secara lengkap dan bertanggung jawab penuh atas kebenaran isi Laporan Tahunan Perusahaan.

We, the undersigned, hereby declare that all information contain here in the Integrated Annual Report of PT Pertamina Hulu Energi, the year 2017, has been presented in their entirety, and we assume full responsibility for the trustworthiness of the content in this annual report.

Demikian pernyataan ini dibuat dengan sebenarnya.

This statement was duly prepared.

Jakarta, Februari 2018

Dewan Komisaris,
Board of Commissioners,



Syamsu Alam

Komisaris Utama
President Commissioner



Mohamad Oemar

Komisaris Independen
Independent Commissioner



Yudi Wahyudi

Komisaris
Commissioner



Mochamad Teguh Pamuji

Komisaris
Commissioner



Prahoru Nurtjahyo

Komisaris
Commissioner



R. Gunung Sardjono Hadi

Direktur Utama
President Director

Direksi,
Director,



Rudy Ryacudu

Direktur Eksplorasi
Director of Exploration



Bambang Manumayoso

Direktur Pengembangan
Director of Development



Beni Jaffilius Ibradi

Direktur Operasi & Produksi
Director of Operations & Production



Ari Budiarko

Direktur Keuangan & Business Support
Director of Financial and Business Support

Catatan | Note:

Sesuai dengan Keputusan RUPS PHE secara Sirkuler tanggal 24 Juli 2017 Sdr. Bambang Manumayoso tidak lagi menjabat sebagai Direktur Pengembangan. In accordance with Resolution of Circular GMS of PHE dated July 24, 2017, Mr. Bambang Manumayoso has no longer served as Director of Development.

Tentang Laporan dan Pelibatan Pemangku Kepentingan

About Report
and Stakeholder
Engagement



Basis of Preparation and Presentation & General Reporting Guidance (IRF)

Tentang Laporan Tahunan

About Annual Report



Laporan Tahunan Terintegrasi ini berisi informasi yang saling berkaitan antara strategi organisasi, tata kelola dan kinerja keuangan Perusahaan, dengan konteks ekonomi, sosial dan lingkungan di lokasi PT Pertamina Hulu Energi (PHE). Laporan ini memuat informasi pencapaian Perusahaan selama kurun waktu 1 Januari 2017 hingga 31 Desember 2017. Laporan ini diterbitkan setiap tahun dan berkesinambungan dengan informasi yang disampaikan pada laporan periode sebelumnya. Laporan Tahunan Terintegrasi 2016 PHE diterbitkan pada 1 Maret 2017, bersamaan dengan penyelenggaraan Rapat Umum Pemegang Saham (RUPS) tahun buku 2016 pada 1 Maret 2017.

[102-50][102-51][102-52][102-53]

This Integrated Annual Report contains interconnected information concerning organization strategies, Company governance and financial performance within the context of economy, social, and environment in PT Pertamina Hulu Energi (PHE) location. This report comprises of information on the Company achievements within the period of 1 January 2017 to 31 December 2017. This report is published annually and continuously to the information submitted in the previous report. The Integrated Annual Report 2016 of PHE was published on 1 March 2017, along with General Meeting of Shareholder (GMS) in fiscal year 2016 on 1 March 2017. [102-50][102-51][102-52][102-53]



Kesinambungan Tema Laporan

Tema Laporan Tahunan Terintegrasi 2017 PT Pertamina Hulu Energi adalah Integrasi Kinerja, Tingkatkan Nilai Bagi Pemangku Kepentingan. Tema ini menegaskan komitmen PHE dalam menjaga keberlanjutan bisnis dan memberikan nilai tambah kepada Pemangku Kepentingan. Berikut adalah tema dari empat Laporan Tahunan terakhir PHE.

Report Theme Continuity

The theme of PT Pertamina Hulu Energi Integrated Annual Report 2017 is Integrating Performance, Increasing Values for Stakeholders. This theme emphasizes PHE commitment in maintaining business continuity and giving added values to the Stakeholders. The following is themes of the last four PHE Integrated Annual Report.

Tema Laporan Tahunan PT Pertamina Hulu Energi

PT Pertamina Hulu Energi Annual Report Theme

2017

Integrasi Kinerja, Tingkatkan Nilai Bagi Pemangku Kepentingan.

Integrating Performance, Increasing Values for Stakeholders

Integrasi menunjukkan kinerja yang dijalankan dengan memperhatikan aspek ekonomi, sosial dan lingkungan. Aspek ekonomi dipertahankan, bahkan ditingkatkan melalui efisiensi dan komitmen yang tinggi. Aspek sosial ditingkatkan dengan memperhatikan kesejahteraan karyawan dan memandirikan masyarakat sekitar Perusahaan beroperasi, serta aspek lingkungan dilestarikan melalui upaya penurunan emisi dan pemakaian energi yang tidak terbarukan. Capaian kinerja lingkungan di 2017 menunjukkan komitmen PHE yang mampu menjadi terdepan dengan perolehan 3 PROPER Emas.

Integration shows the realized performance by considering economic, social, and environmental aspects. The economic aspect is maintained, in fact increased through high efficiency and commitment. The social aspect is amplified by reflecting on employees welfare and transforming the local community self-reliant, whereas the environmental aspect is preserved through emission reduction and energy use. Environmental performance achievement in obtaining 3 Gold PROPER in 2017 proves to be the embodiment of one of PHE commitments.



2016



Melesat Melampaui Batas **Striking Towards Success**

PHE sebagai Perusahaan energi nasional telah merumuskan strategi yakni pengembangan sektor hulu. Anjloknya harga minyak dunia mendorong Perusahaan mengoptimalkan aset, menciptakan nilai tambah melalui pengelolaan sumber daya yang efisien dan terintegrasi. Upaya ini sebagai solusi di tengah harga minyak dunia yang belum pulih sebagai upaya peningkatan pendapatan Perusahaan.

As a national energy Company PT Pertamina Hulu Energi (PHE) has conducted strategy to develop the upstream sector. As a result of crude oil price drop, PHE has been pushed to optimized assets, creating additional value through efficient and integrated resources management. In the midst of crude oil price that has not been well covered, this effort is done as a solution to improve Company's revenue.

2015



Mengatasi Tantangan untuk Masa Depan Lebih Baik **Overcoming Challenges for a Better Future**

Mengatasi tantangan berarti mengambil langkah strategis untuk menghadapi risiko dan memperkuat diri demi meraih manfaat jangka panjang. Melalui optimalisasi sumber daya dan inovasi, PHE terus beroperasi mencari sumber-sumber baru migas yang potensial.

Overcoming challenges means taking strategic actions to deal with risks and strengthening ourself in order to gain long term benefits. By optimizing resources and through innovation, we are continuously operating and exploring new potential oil and gas resources.

2014



Optimalisasi Sumber Daya, Menciptakan Nilai **Optimizing Resources, Creating Value**

Dalam menghadapi tantangan dan hambatan pada sektor hulu migas, PHE terus membangun model bisnis terbaik menuju Perusahaan migas kelas dunia. Tahun 2014 merupakan masa bagi PHE untuk meningkatkan optimalisasi sumber daya dalam rangka meningkatkan kinerja usaha dan menguatkan nilai-nilai Perusahaan bagi pemegang saham dan pemangku kepentingan lainnya.

In dealing with challenges and obstacles in the upstream oil and gas sector, PT Pertamina Hulu Energi continues to build the best business model to be the world-class oil and gas Company. The year 2014 was a time for PHE to increase optimization of resources in order to improve business performance and strengthening the Company's values for shareholders and stakeholders.

Dasar Penyusunan Laporan

PHE melakukan perubahan atas Laporan ini, karena tidak lagi menggunakan Peraturan Bapepam-LK No.X.K.6 Tentang Penyampaian Laporan Tahunan Emiten Atau Perusahaan Publik dan Sustainability Reporting Guidelines 4.0 yang diterbitkan Global Reporting Initiative (GRI) sebagai dasar penyusunan Laporan. Selanjutnya penyusunan Laporan merujuk pada: [102-49]

- Integrated Report Framework yang diterbitkan The International Integrated Reporting Council's (IIRC).
- Peraturan Otoritas Jasa Keuangan No.29/POJK.04/2016 Tentang Laporan Tahunan Emiten Atau Perusahaan Publik, yang telah disesuaikan dengan kondisi PHE yang bukan Perusahaan publik.
- Surat Edaran Otoritas Jasa Keuangan Nomor 30/SEOJK.04/2016 tentang Bentuk dan Isi Laporan Tahunan Emiten atau Perusahaan Publik.
- Peraturan Otoritas Jasa Keuangan Nomor 51/POJK.03/2017 tentang Penerapan Keuangan Berkelanjutan Bagi Lembaga Jasa Keuangan, Emiten dan Perusahaan Publik.
- GRI Standard dan Oil and Gas Sector Supplement (OGSS) yang diterbitkan GRI.
- Peraturan PT Pertamina (Persero) No.A-001/H00200/2011-S0 Revisi I, Tentang Pengelolaan Anak Perusahaan dan Perusahaan Patungan Pertamina, Mengenai Materi Laporan Tahunan.
- Pernyataan Standar Akuntansi Keuangan (PSAK) dan Interpretasi Standar Akuntansi Keuangan (ISAK) yang telah direvisi dan berlaku efektif tahun 2011.
- Surat Keputusan Sekretaris Menteri BUMN No.SK-16/S.MBU/2012 tentang Indikator Parameter Penilaian dan Evaluasi atas Penerapan Tata Kelola.
- Sustainability Accounting Standard Non-Renewable Resources Sector yang diterbitkan Sustainability Accounting Standard Board (SASB).
- AA1000 Stakeholder Engagement Standard 2015 yang diterbitkan Accountability.
- Sustainable Development Goals (SDGs).

Selain dasar penyusunan tersebut di atas, PHE menyatakan bahwa Laporan ini telah dibuat sesuai dengan GRI Standards: *Core Option*.

Basis of Report Preparation

PHE made adjustments to this Report as the Company no longer uses Bapepam-LK Regulation Number X.K.6 on Submission of Annual Report Issuers or Publicly-Listed Companies, and Sustainability Reporting Guidelines 4.0 which was published by Global Reporting Initiative (GRI) as basis of report preparation. Hence, the report preparation refers to: [102-49]

- Integrated Report Framework, published by The International Integrated Reporting Council's (IIRC).
- Financial Service Authority Regulation Number 29/POJK.04/2016 on Issuers or Publicly-Listed Companies Annual Report, which has been adjusted to PHE circumstance as a non-publicly-listed Company.
- Financial Service Authority Circular Number 30/SEOJK.04/2016 on Format and Content of Issuers and Publicly-Listed Companies Annual Report.
- Financial Services Authority Regulation Number 51/POJK.03/2017 on Implementation of Sustainable Financial for Financial Service Institution, Issuers and Publicly-Listed Companies.
- GRI Standard and Oil and Gas Sector Supplement (OGSS) which was published by GRI.
- PT Pertamina (Persero) Regulation Number A-001/H00200/2011-S0 First Revision on Management of Pertamina Subsidiaries and Joint Ventures concerning Annual Report Material.
- Statement of Financial Accounting Standards (SFAS) and Interpretation of Financial Accounting Standards (IFAS) which were revised and effective since 2011.
- Secretary of Minister of SOE Decree Number SK-16/S.MBU/2012 on Indicator Parameter of Assessment and Evaluation on Corporate Governance.
- Sustainability Accounting Standard Non-Renewable Resources Sector which was published by Sustainability Accounting Standard Board (SASB).
- AA1000 Stakeholder Engagement Standard 2015 which was published by Accountability.
- Sustainable Development Goals (SDGs).

Apart from the basis of preparation above, PHE stated this report has been prepared in accordance with GRI Standards: *Core Option*.

Tingkat Pemenuhan Informasi dan Penjaminan

Informasi dalam Laporan juga merujuk pada indikator dan topik material dalam GRI Standard serta OGSS, dengan tingkat pemenuhan informasi dalam Laporan ini adalah GRI Core. Pemenuhan indikator dan topik material ditandai dengan pencantuman kode angka dalam kurung berwarna merah pada bagian akhir paragraf tertentu. Laporan ini juga dilengkapi Indeks GRI pada halaman 586 sebagai navigasi untuk memudahkan Pemangku Kepentingan mendapatkan informasi yang diperlukan. [102-54][102-55]

Pada pelaporan kali ini, kami belum menunjuk pihak independen untuk melakukan assurance atau penjaminan pada Laporan Terintegrasi PHE. Meski demikian, PHE memiliki keyakinan bahwa Laporan ini memiliki kualitas dan keandalan yang cukup karena disusun bersama dengan pihak konsultan independen yang memiliki kemampuan dan pengalaman dalam penyusunan laporan perusahaan. [102-56]

Information and Assurance Fulfillment Level

Information stated in this Report also refers to indicator and material topic in GRI Standard and OGSS, whereas information fulfillment level is based on GRI core option. Indicator and material topic fulfillment is marked with number code in red brackets at the end of certain paragraph. This report is also supplied with GRI Index on page 586 as navigation to facilitate Stakeholders in acquiring necessary information. [102-54][102-55]

In this reporting, we have yet appointed an independent party to perform assurance on PHE Integrated Report. Nevertheless, PHE is certain this report has sufficient quality and reliability as it was collectively prepared with abled and experienced independent consultants in company report preparation. [102-56]



Penetapan Topik Material

Determining Material Topic

Laporan ini memiliki cakupan dan batasan yang sama dengan Laporan pada periode sebelumnya. Laporan Keuangan dalam Laporan ini merupakan laporan konsolidasi dan telah diaudit Kantor Akuntan Publik. [102-45]

Informasi lain yang merupakan bagian dari kinerja keberlanjutan ekonomi, sosial dan lingkungan, mencakup pula Anak Perusahaan sesuai indikator maupun topik dalam pelaporan. Materi berupa data pendukung diperoleh dari Fungsi Relations di Kantor Pusat PHE di Jakarta, sebagai pelaksana pengumpulan data. [102-45]

This report has similar scope and boundary with the previous Report. Financial Statement in this Report is a consolidated report that has been audited by Public Accountant Firm. [102-45]

Other informations serve as part of economic, social, and environmental sustainability performance, also include the Subsidiaries based on the indicator and topic in the reporting. Materials in the form of supporting data were acquired from Relations Function located at PHE Head Office in Jakarta, as data collection executor. [102-45]

Penentuan Isi dan Batasan Laporan

Proses penyusunan Laporan dilakukan dengan memperhatikan prinsip-prinsip yang berlaku dan melalui tahapan berjenjang. Dengan demikian informasi yang disampaikan benar-benar memberikan gambaran atas pelaksanaan kinerja keberlanjutan PHE selama kurun waktu periode pelaporan.

Determining the Content and Boundary of Report

The preparation process of the Report was conducted based on prevalent principles through tiered stages. Hence, the information conveyed completely describes PHE sustainability performance throughout the reporting period.

Prinsip-prinsip Penyusunan Laporan / Principles of Report Preparation

Keterlibatan Pemangku Kepentingan Stakeholders Inclusiveness	Komparabilitas Comparability
Materialitas Materiality	Keseimbangan Balance
Konteks Keberlanjutan Sustainability Context	Akurasi Accuracy
Kelengkapan Completeness	Keandalan Reliability
Kejelasan Clarity	Ketepatan Waktu Timeliness

Tahapan Penyusunan Laporan / Stages of Report Preparation

1	Identifikasi topik-topik keberlanjutan Identification of sustainability topics	Penetapan GRI Standard Determining GRI Standard
		Penetapan kategori dan penentuan topik Determining category and topic
2	Prioritas atas topik-topik keberlanjutan Priorities on sustainability topics	Penetapan Grup Diskusi Terfokus (FGD) Determining Focus Group Discussion (FGD)
3	Validasi atas topik prioritas Validation on priority topic	Penghitungan nilai setiap topik prioritas Calculation of value of each priority topic
4	Kajian ulang atas laporan tahun sebelumnya Review on previous annual report	Keterlibatan Pemangku Kepentingan Stakeholders inclusiveness
		Konteks keberlanjutan Sustainability context

Topik-topik keberlanjutan dalam Laporan ini disusun melalui diskusi terfokus yang dilaksanakan di Perkantoran Hijau Arkadia Tower D Lantai 9 Ruang Training 01-02 pada Jumat, 12 Januari 2018. Berdasarkan hasil diskusi ditetapkan 6 (enam) topik material dalam Laporan ini dan tidak ada pernyataan kembali sebagai perbaikan atas informasi yang disampaikan sebelumnya. [102-46][102-47][102-48]

Sustainability topics in this Report were prepared through focused discussion held at Perkantoran Hijau Arkadia Tower D, 9th floor, Training Room 01-02 on Friday, 12 January 2018. Based on the discussion results, 6 (six) material topics were selected for this Report and there was no return statement as a revision to the submitted information in prior.

[102-46][102-47][102-48]

Topik-topik Bersifat Material dalam Laporan [102-47]

Material Topics in the Report [102-47]

No	Topik/Topic
1	Kinerja Ekonomi Economic Performance
2	Emisi Emission
3	Energi Energy
4	Keanekaragaman Hayati Biodiversity
5	Masyarakat Lokal Local Community
6	Kesehatan dan Keselamatan Kerja Occupational Health and Safety

Grafis Topik-topik Bersifat Material Material Topics Graphic



Batasan Topik-topik Bersifat Material Dalam Laporan [103-1]

Boundary of Material Topics in the Report [103-1]

No	Topik Keberlanjutan/Sustainability Topic	Wilayah Terdampak/Impacted Area
1	Kinerja Ekonomi Economic Performance	Internal
2	Emisi Emission	Internal & External
3	Energi Energy	Internal & External
4	Keanekaragaman Hayati Biodiversity	External
5	Masyarakat Lokal Local Community	External
6	Kesehatan dan Keselamatan Kerja Occupational Health and Safety	Internal

Laporan ini memiliki cakupan dan batasan yang sama dengan Laporan Keuangan dan Laporan Terintegrasi periode sebelumnya. Meski demikian, tidak semua entitas memiliki kontribusi data dan informasi yang sama pada Laporan ini. Informasi lain yang merupakan bagian dari kinerja keberlanjutan ekonomi, sosial dan lingkungan, mencakup pula Anak Perusahaan sesuai indikator maupun topik dalam pelaporan. Materi berupa data pendukung diperoleh dari Fungsi Relations di Kantor Pusat PHE di Jakarta, sebagai pelaksana pengumpulan data. [102-45]

Tabel berikut ini menggambarkan entitas yang tercakup dalam Laporan Keuangan Konsolidasi dan perbedaannya dengan Laporan Terintegrasi.

This report has similar scope and boundary with the previous Financial Statement and Integrated Report. However, not all entities share exact data contribution and information in this report. Other information, which take part in economic, social, and environmental sustainability performance, also include the Subsidiaries according to the indicator and topic stated in the reporting. Materials such as supporting data was acquired from Relations Function located at PHE Head Office in Jakarta, as data collection executor. [102-45]

The table below depicts entities included in Consolidated Financial Statement and the differences with the Integrated Report.

Tabel Entitas yang Tercakup dalam Laporan Keuangan Konsolidasi dan Laporan Terintegrasi Tahun 2017 ^[102-45]

Table of Entities Included in the 2017 Consolidated Financial Statement and Integrated Report ^[102-45]

No.	Nama Entitas yang Tercakup dalam Laporan Keuangan Konsolidasi Name of Subsidiaries Included in the Consolidated Financial Statement	Tercakup dalam Laporan Terintegrasi berdasarkan Topik Material Included in the Integrated Report based on Material Topic					
		Kinerja Ekonomi Economic Performance	Emisi Emission	Energi Energy	Keanekaragaman hayati Biodiversity	Masyarakat Lokal Local Community	Kesehatan dan Keselamatan Kerja Occupational Health and Safety
1	PT Pertamina Hulu Energi	v	v	v	v	v	v
2	PHE Raja Temprai	v	v	v	v	v	v
3	PHE Salawati	v	v	v	v	v	v
4	PHE Jambi Merang	v	v	v	v	v	v
5	PHE Tomori Sulawesi	v	v	v	v	v	v
6	PHE Tuban East Java	v	v	v	v	v	v
7	PHE Ogan Komering	v	v	v	v	v	v
8	PHE CPP (BOB)	v	v	v	v	v	v
9	PHE Simenggaris	v	v	v	v	v	v
10	PHE WMO	v	v	v	v	v	v
11	PHE Siak	v	v	v	v	v	v
12	PHE NSO & PHE NSB	v	v	v	v	v	v
13	PHE Kampar	v	v	v	v	v	v

No.	Nama Entitas yang Tercakup dalam Laporan Keuangan Konsolidasi Name of Subsidiaries Included in the Consolidated Financial Statement	Tercakup dalam Laporan Terintegrasi berdasarkan Topik Material Included in the Integrated Report based on Material Topic					
		Kinerja Ekonomi Economic Performance	Emisi Emission	Energi Energy	Keanekaragaman hayati Biodiversity	Masyarakat Lokal Local Community	Kesehatan dan Keselamatan Kerja Occupational Health and Safety
14	PHE Corridor	v	v	v	v	v	v
15	PHE Jabung	v	v	v	v	v	v
16	PHE Makassar Strait	v	v	v	v	v	v
17	PHE OSES	v	v	v	v	v	v
18	PHE Salawati Basin	v	v	v	v	v	v
19	PHE Tengah K	v	v	v	v	v	v
20	PHE Oil and Gas	v	v	v	v	v	v

Pelibatan Para Pemangku Kepentingan Stakeholder Engagement

PT Pertamina Hulu Energi (PHE) telah mengidentifikasi para Pemangku Kepentingan, baik internal maupun eksternal, yang memiliki peran signifikan dalam Perusahaan. Terdapat 9 Pemangku Kepentingan yang diidentifikasi berdasarkan pola interaksi dan sifat keterlibatannya dengan kegiatan operasi maupun bisnis Perusahaan. [102-40][102-42]

PT Pertamina Hulu Energi (PHE) has identified internal and external Stakeholders with significant roles in the Company. There are 9 Stakeholders identified based on interaction pattern and its inclusiveness in the Company operations and business. [102-40][102-42]

Pendekatan Identifikasi Pemangku Kepentingan [102-42]
Approach to Stakeholders Identification [102-42]

Pihak-pihak yang secara langsung menerima dampak dari kegiatan operasi dan bisnis Perusahaan
Parties whom directly exposed to impacts of the Company operations and business

Pihak-pihak yang memiliki kepentingan atau pengaruh signifikan terhadap jalannya Perusahaan
Parties who have interests or significant influence to the Company operations

Pihak-pihak yang memiliki otoritas hukum pada semua tingkatan
Parties which have legal authority on all levels

Pemangku Kepentingan PHE [102-40]
PHE Stakeholders [102-40]

1	Pemegang Saham Shareholders
2	Karyawan Employees
3	Pemerintah dan Regulator (Kementerian ESDM, Kementerian BUMN, SKK Migas dan Pemerintah Daerah) Government and Regulator (Ministry of Energy and Mineral Resources, Ministry of SOE, SKK Migas and Local Government)
4	Mitra Usaha/Bisnis Business Partners
5	Pemasok Supplier
6	Pemasok Supplier
7	Pemasok Supplier
8	Perguruan Tinggi dan Institusi Kependidikan Universities and Educational Institutions
9	Media Massa Mass Media

Perusahaan menyadari bahwa masing-masing Pemangku Kepentingan memiliki kebutuhan yang harus dipenuhi. Untuk itu PHE selalu melibatkan Pemangku Kepentingan, melalui komunikasi rutin dan metode lain sesuai sifat Pemangku Kepentingan. [102-44] [413-1][413-2]

Kebijakan pelibatan pemangku kepentingan menjadikan PHE tidak pernah dihadapkan pada perselisihan lahan dengan penduduk asli di area operasi Perusahaan. Selama periode pelaporan, PHE juga tidak pernah dihadapkan pada penundaan operasi karena adanya dampak merugikan terhadap masyarakat sekitar. [G4-OG10][G4-OG11]

The Company realizes each Stakeholders has its own needs that must be fulfilled. Therefore, PHE constantly includes Stakeholders through regular communication and other methods in accordance with the Stakeholders' characteristics. [102-44] [413-1][413-2]

The Stakeholders inclusiveness policy causes PHE never dealt with land dispute cases against native inhabitants residing the Company working area. During the reporting period, PHE also never had to face operational delay due to its adverse impacts towards local community.

[G4-OG10][G4-OG11]

Kebutuhan dan Pelibatan Pemangku Kepentingan [102-43] [413-1] [413-2]

Stakeholders Inclusiveness and Needs [102-43] [413-1] [413-2]

Pemangku Kepentingan Stakeholder	Kebutuhan Pemangku Kepentingan Stakeholders Needs	Pelibatan Pemangku Kepentingan Stakeholders Inclusiveness
Pemegang Saham Shareholders	Pemenuhan target operasional dan <i>lifting</i> migas Fulfilling operational target and oil and gas lifting	Penyusunan dan pengesahan RKAP RKAP preparation and approval
	Pelaporan kinerja, (kinerja ekonomi) Performance reporting, (economic performance)	Rapat Umum Pemegang Saham (RUPS) General Meeting of Shareholders (GMS)
		RUPS Tahunan Annual GMS
		Laporan kinerja berkala Periodical performance report
		Laporan Keuangan Tahunan Annual Financial Statement
Laporan Tahunan Annual Report		
Karyawan Employees	Pemenuhan hak-hak normatif Fulfilling normative rights	Penyusunan Perjanjian Kerja Bersama (PKB) melalui perwakilan dalam serikat pekerja Collective Labor Agreement (CLA) preparation through representatives in the labor union
	Kebebasan berserikat Freedom of association	Pembentukan dan dukungan terhadap serikat pekerja Establishment and support to labor union
	Penyampaian pendapat pada manajemen dan sosialisasi peraturan Expressing opinions to management and socializing regulations	<i>Town Hall meeting</i> <i>Gathering</i> <i>Management walk through</i>
	Peningkatan kompetensi Increasing competencies	Pendidikan dan pelatihan Education and training
Pemerintah dan Regulator <ul style="list-style-type: none">Kementerian ESDMKementerian BUMNSKK MigasPemerintah Daerah Government and Regulator <ul style="list-style-type: none">Ministry of Energy and Mineral ResourcesMinistry of SOESKK MigasLocal Government	Pembayaran pajak, Penerimaan Negara Bukan Pajak (PNBP) dan kewajiban lain Tax payment, Non-Tax State Revenue (PNBP) and other obligations	Setoran pajak tahunan Annual tax payment Setoran PNBP dan kewajiban lain PNBP payment and other obligations
	Tata kelola yang baik (GCG) dan kepatuhan Good corporate governance (GCG) and compliance	<i>Assessment</i> oleh pihak independen Assessment by an independent party
Mitra Usaha/Bisnis Business Partners	Kepastian hukum Legal certainties	Perumusan dan pengesahan kontrak kerja Work contract formation and approval
	Laporan kinerja dan operasional Performance and operational report	Pertemuan koordinasi berkala Regular coordination meeting Pelaporan kinerja dan operasional Performance and operational reporting
	Kepatuhan Compliances	<i>Assessment</i> dan evaluasi berkala Regular assessment and evaluation
Pemasok Suppliers	Keterbukaan tender pengadaan Transparency in procurement tender	E-procurement
	Kepastian hukum Legal certainties	Perumusan dan pengesahan kontrak kerja Work contract formulation and approval
	Kepatuhan Compliances	<i>Assessment</i> dan evaluasi berkala Regular assessment and evaluation
Pelanggan Customers	Kepastian hukum Legal certainties	Perumusan dan pengesahan kontrak jual beli migas Oil and gas sale purchase agreement formulation and approval
	Pelayanan dan jaminan pasokan migas Oil and gas service and warranted supply	Mekanisme pengaduan Complaint mechanism
		Survei kepuasan pelanggan Customer satisfaction survey

Pemangku Kepentingan Stakeholder	Kebutuhan Pemangku Kepentingan Stakeholders Needs	Pelibatan Pemangku Kepentingan Stakeholders Inclusiveness
Masyarakat Communities	Peningkatan kesejahteraan, (masyarakat lokal) Welfare increase, (local community)	Program pengembangan masyarakat (<i>community development</i>) Community development programs Pemantauan dan evaluasi secara partisipatif penerapan program pengembangan masyarakat Participative monitoring and evaluation on community development program implementation
	Penanganan dampak sosial dan lingkungan Social and environmental impacts handling	Studi Analisis Dampak Sosial Program Analysis Study on Social Impact Program Survei Indeks Kepuasan Masyarakat (IKM) Community Satisfaction Survey Index (IKM)
Perguruan Tinggi dan Institusi Pendidikan Universities and Educational Institutions	Penelitian, kajian dan konsultasi Research, study and consultation	Kerja sama terkait kegiatan operasional Perusahaan, pengembangan masyarakat, dan pengelolaan lingkungan Cooperation on the Company operational activities, community development, and environmental management
Media Media	Informasi kinerja dan informasi lain terkait Perusahaan Performance information and other information on the Company	Penyampaian berkala materi pemberitaan melalui jumpa pers maupun <i>press release</i> Periodical submission on news material through press conference and press release
		<i>Press tour</i> dan kunjungan ke lokasi Press tour and visit to location

Alamat Kontak Terkait Laporan

Sebagai upaya untuk perbaikan Laporan Tahunan Terintegrasi pada periode mendatang, PHE menerima saran dan umpan balik yang dapat disampaikan melalui alamat berikut: [\[102-53\]](tel:+622129547000)

PT Pertamina Hulu Energi
Aji Prayudi
Vice President Relations
Email: aprayudi@pertamina.com

PHE Tower lantai 25
Jl. TB Simatupang Kav 99
Jakarta Selatan 12520, Indonesia
Telp.: (+62) (21) 29547000
Faks.: (+62) (21) 29527086

Contact Information on the Report

As an effort to the improvement of future Integrated Annual Report, PHE welcomes any suggestions and feedback through below address: [\[102-53\]](tel:+622129547000)

PT Pertamina Hulu Energi
Aji Prayudi
Vice President Relations
Email: aprayudi@pertamina.com

PHE Tower 25th floor
Jl. TB Simatupang Kav 99
Jakarta Selatan 12520, Indonesia
Telp.: (+62) (21) 29547000
Fax.: (+62) (21) 29527086

Profil Perusahaan

Company Profile

Sejak beroperasi pada tahun 2008, PT Pertamina Hulu Energi (PHE) sebagai anak usaha PT Pertamina (Persero) di sektor hulu minyak mentah dan gas bumi (migas), terus mencatatkan pertumbuhan kinerja produksi migas rata-rata 14%.

Since its first operation in 2008, PT Pertamina Hulu Energi (PHE) as a subsidiary to PT Pertamina (Persero) in upstream crude oil and gas sector, continues to record average oil and gas production performance of 14%.



Integrating Performance, Increasing Values for Stakeholders

Integrasi Kinerja, Tingkatkan Nilai
Bagi Pemangku Kepentingan

**Business Model & Strategy And
Resource Allocation (IRF)**

Informasi Umum Perusahaan

Nama Perusahaan [102-1]	PT Pertamina Hulu Energi (PHE) Tidak ada perubahan nama Perusahaan pada tahun buku 2017
Alamat Kantor Pusat [102-3]	PHE Tower, Lantai 21 – 25 Jl. TB. Simatupang Kav 99 Jakarta Selatan 12520 Indonesia
Telepon	+62 21 29547000
Faksimili	+62 21 29529076
Pusat Informasi	+62 21 29527086
Email	aprayudi@pertamina.com
Website	www.phe.pertamina.com
Jumlah Kantor	1 Kantor (Kantor Pusat)
Jenis Perusahaan	Perseroan Terbatas
Kegiatan, Produk, Jasa dan Merek [102-2]	Produk: <ul style="list-style-type: none"> • Minyak Mentah • Gas Bumi • Gas Metana Batubara/Energi lainnya
	Jasa: <ul style="list-style-type: none"> • Eksplorasi • Pengembangan • Produksi Migas • Manajemen Portofolio
	PHE tidak memiliki merek dagang
Tanggal Pendirian	17 November 1989
Tanggal Operasional	1 Januari 2008
Badan Hukum [102-3]	Perseroan Terbatas
Kepemilikan Saham [102-5]	PT Pertamina (Persero): 98,72%
	PT Pertamina Dana Ventura: 1,28%
NPWP	01.069.258.0081.000
TDP	09.031.06.81228 (sd 1 Agustus 2020)

Modal Dasar	Rp1.000.000.000.000 (satu triliun rupiah)
Modal Ditempatkan dan Disetor Penuh	Rp500.000.000.000 (lima ratus miliar rupiah)
Dasar Hukum Pendirian dan Perubahan Terakhir	<p>Berdasarkan hukum negara Republik Indonesia dan Anggaran Dasar yang dimuat dalam Berita Negara Republik Indonesia No.62 tanggal 3 Agustus 1990 Tambahan No.2749, yang telah diubah seluruhnya sesuai Undang-Undang Negara Republik Indonesia No.40 tahun 2007. Perubahan ini dimuat dalam akta No.5 tanggal 04 Agustus 2008 yang dibuat di hadapan MarianneVincenia Hamdani, SH, Notaris di Jakarta. Perubahan tersebut telah mendapat persetujuan dari Menteri Hukum dan Hak Asasi Manusia Republik Indonesia dalam Surat Keputusan No.AHU-69995.AH.01.02 Tahun 2008 tanggal 26 September 2008.</p> <p>Anggaran dasar telah mengalami beberapa kali perubahan sebagaimana dimuat dalam akta No.4 tanggal 5 November 2012 dan telah mendapat persetujuan dari Menteri Hukum dan Hak Asasi Manusia Republik Indonesia dalam Surat Keputusan No.AHU-61643.AH.01.02 Tahun 2012 tanggal 3 Desember 2012. Akta No.14 tanggal 10 Juli 2013 dan pemberitahuan telah diterima oleh Kementerian Hukum dan Hak Asasi Manusia Republik Indonesia dalam surat No.AHU-AH.01.10-34801 tanggal 23 Agustus 2013. Perubahan terakhir Akta No.39 tanggal 21 April 2016 dan pemberitahuan telah diterima oleh Kementerian Hukum dan Hak Asasi Manusia Republik Indonesia dalam surat No.AHU-0009155.AH.01.02 Tahun 2016 tanggal 15 Mei 2016.</p>
Skala Organisasi [102-7]	<p>Anak Perusahaan (AP) PT Pertamina Hulu Energi 2017: 59 (Dalam Negeri 53, Luar Negeri 6) 2016: 57 (Dalam Negeri 51, Luar Negeri 6) 2015: 56 (Dalam Negeri 50, Luar Negeri 6) 2014: 52 (Dalam Negeri 46, Luar Negeri 6) 2013: 47 (Dalam Negeri 41, Luar Negeri 6) 2008 sd 2012: (Dalam Negeri 40, Luar Negeri 1)</p> <p>8 Perusahaan Patungan (kepemilikan PHE di bawah 50%):</p> <ul style="list-style-type: none"> • PT Pertamina Drilling Service Indonesia (Saham PHE: 0,11%) • PT Pertagas Niaga (Saham PHE: 1%) • PT Pertamina Dana Ventura (Saham PHE: 0,07%) • PT Donggi Senoro LNG (Saham PHE: 29%) • PT Pertamina Hulu Energi Mahakam (Saham PHE: 0,07%) • PT Patra Drilling Contractor (Saham 0,14%) • PT Pertamina Geothermal Energy Lawu (Saham 1%) • PCPP Operating Company SDN.BHD. mengelola Blok SK 305 Serawak, Malaysia (Saham PHE: 30%) • PT Pertamina Hulu Indonesia (Saham PHE: 0,07%) <p>2 Perusahaan Afiliasi (kepemilikan PHE melalui Anak Perusahaan PHE):</p> <ul style="list-style-type: none"> • Natuna 2 BV • Arun NGL <p>*Data mengenai Anak Perusahaan, Perusahaan Patungan dan Perusahaan Afiliasi PHE dapat dilihat pada sub bab Daftar Entitas Anak dan/atau Asosiasi</p>
Total Aset	2017: US\$ 4.780.786.790 2016: US\$ 4.908.390.395 2015: US\$ 5.170.562.088 2014: US\$ 5.811.394.027 2013: US\$ 4.926.169.514
Jumlah Karyawan	2017: 1.779 orang (termasuk PHE dan AP yang bergabung dalam SSO) 2016: 501 orang 2015: 506 orang 2014: 478 orang 2013: 393 orang
Segmen Pasar yang Dilayani [102-6]	PT Pertamina (Persero), Pemerintah, dan Pihak Ketiga, sebagian besar ke dalam negeri
Serikat Pekerja	<ul style="list-style-type: none"> • Organisasi Karyawan PHE (OK PHE) • Lembaga Kerja Sama Bipartit PHE (LKS PHE)

Company General Information

Name of Company [102-1]	PT Pertamina Hulu Energi (PHE) No changes on the Company name in fiscal year 2017.
Head Office Address [102-3]	PHE Tower, Lantai 21 – 25 Jl. TB. Simatupang Kav 99 Jakarta Selatan 12520 Indonesia
Telephone	+62 21 29547000
Facsimile	+62 21 29529076
Information Center	+62 21 29527086
Email	aprayudi@pertamina.com
Website	www.phe.pertamina.com
Number of Office	1 Office (Head Office)
Type of Company	Limited Company
Activities, Products, Services, and Brands [102-2]	Products: <ul style="list-style-type: none"> • Crude Oil • Gas • Coal Bed Methane Gas/Other energies
	Services: <ul style="list-style-type: none"> • Exploration • Development • Oil and gas production • Portfolio management
	PHE does not have a trademark
Date of Establishment	17 November 1989
Date of Operation	1 January 2008
Legal Entity [102-3]	Limited Liability Company
Ownership [102-5]	PT Pertamina (Persero): 98,72%
	PT Pertamina Dana Ventura: 1,28%
Tax ID Number	01.069.258.0081.000
Certificate of Company Registration	09.031.06.81228 (up to 1 August 2020)

Authorized Capital	Rp1.000.000.000.000 (one trillion rupiah)
Capital Paid/issued	Rp500.000.000.000 (five hundred billion rupiah)
Legal Basis of Establishment and Latest Changes	<p>Under the laws of the Republic of Indonesia and Articles of Association stated in the State Gazette of the Republic of Indonesia Number 62 of 3 August 1990 , Supplement Number 2749, which has been changed entirely in accordance with Law of the Republic of Indonesia Number 40 of 2007. The amendment was stated in Deed Number 5 of 4 August 2008, which was made in the presence of Marianne Vincentia Hamdani, SH, Notary in Jakarta. The amendment was approved by Minister of Justice and Human Rights of the Republic of Indonesia in Decree Number AHU-69995.AH.01.02 of 2008 dated 26 September 2008.</p> <p>The Articles of Association have undergone several amendments as published in Deed Number 4 of 5 November 2012, and were approved by Minister of Justice and Human Rights of the Republic of Indonesia in Decree Number AHU-61643.AH.01.02 of 2012 dated 3 December 2012. Deed Number 14 of 10 July 2013 and notification were received by Ministry of Justice and Human Rights of the Republic of Indonesia in letter number AHU-AH.01.10-34801 of 23 August 2013. The latest amendment was Deed Number 39 of 21 April 2016 and notification was received by Ministry of Justice and Human Rights of the Republic of Indonesia in letter Number AHU-0009155.AH.01.02 of 2016 dated 15 May 2016.</p>
Organization Scale <small>[102-7]</small>	<p>Subsidiaries of PT Pertamina Hulu Energy:</p> <p>2017: 59 (Domestic 53, Overseas 6) 2016: 57 (Domestic 51, Overseas 6) 2015: 56 (Domestic 50, Overseas 6) 2014: 52 (Domestic 46, Overseas 6) 2013: 47 (Domestic 41, Overseas 6) 2008 to 2012: (Domestic 40, Overseas 1)</p> <p>8 Joint Ventures (PHE ownership below 50%):</p> <ul style="list-style-type: none"> • PT Pertamina Drilling Service Indonesia (PHE shares: 0,11%) • PT Pertagas Niaga (PHE Shares: 1%) • PT Pertamina Dana Ventura (PHE Shares: 0,07%) • PT Donggi Senoro LNG (PHE Shares: 29%) • PT Pertamina Hulu Energi Mahakam (PHE Shares: 0,07%) • PT Patra Drilling Contractor (Shares: 0,14%) • PT Pertamina Geothermal Energy Lawu (Shares: 1%) • PCPP Operating Company SDN.BHD. mengelola Blok SK 305 Serawak, Malaysia (Saham PHE: 30%) • PT Pertamina Hulu Indonesia (PHE Shares: 0,07%) <p>2 Affiliated Companies (PHE ownership through its Subsidiaries):</p> <ul style="list-style-type: none"> • Natuna 2 BV • Arun NGL <p>*Data on Subsidiaries, Joint Ventures, and Affiliated Companies of PHE is presented in subsection chapter of List of Subsidiaries and/or Associates</p>
Total Assets	<p>2017: US\$ 4,780,786,790 2016: US\$ 4,908,390,395 2015: US\$ 5,170,562,088 2014: US\$ 5,811,394,027 2013: US\$ 4,926,169,514</p>
Total Employees	<p>2017: 1,799 people (including PHE and its Subsidiaries joined in SSO) 2016: 501 people 2015: 506 people 2014: 478 people 2013: 393 people</p>
Market Segment Served <small>[102-6]</small>	PT Pertamina (Persero), Government, and Third Parties, mostly to domestic
Labor Union	<ul style="list-style-type: none"> • PHE Employees Organization (OK PHE) • PHE Bipartite Cooperation Institution (LKS PHE)

Informasi lebih lanjut mengenai PHE dan Laporan ini dapat menghubungi: [102-53]
Further information on PHE and this Report may contact below details: [102-53]

Aji Prayudi
Vice President Relations
PT Pertamina Hulu Energi
PHE Tower, Lantai 21-25
Jl. TB Simatupang Kav 99
Jakarta Selatan 12520, Indonesia
Telepon : +62 21 2954 7000
Faksimili : +62 21 2952 9076



www.phe.pertamina.com



Riwayat Singkat Perusahaan

Brief History of Company



PHE adalah Anak Perusahaan PT Pertamina (Persero) yang ditugaskan sebagai pengelola wilayah kerja PT Pertamina (Persero) melalui Anak Perusahaan yang dibentuk sebagai *special purpose vehicle* (SPV) untuk memenuhi peraturan perundang-undangan. PHE bertindak sebagai *sub holding* dari Anak Perusahaan.

PHE is a Subsidiary of PT Pertamina (Persero) which assigned as PT Pertamina (Persero) working area manager through a Subsidiary established as special purpose vehicle (SPV) in order to comply laws and regulations. PHE acts as a sub holding of the Subsidiaries.



PT Pertamina Hulu Energi (PHE) pertama kali berdiri dengan nama PT Aroma Operations Services (AOS) yang ditugaskan untuk mendukung operasi kilang petrokimia di Cilacap, Jawa Tengah. PT AOS didirikan berdasarkan akta No.245 tanggal 17 November 1989.

Pada tahun 2002, PT AOS berubah nama menjadi PT Pertamina Hulu Energi. Lima tahun kemudian, tepatnya tahun 2007 PT Pertamina Hulu Energi berganti nama menjadi PT Pertamina Hulu Energi. Perubahan tersebut berdasarkan akta Nomor 5 tanggal 4 Agustus 2008.

PT Pertamina Hulu Energi (PHE) was firstly founded under the name of PT Aroma Operations Services (AOS) which was assigned to support petrochemical refinery operations in Cilacap, Central Java. PT AOS was established based on Deed Number 245 of 17 November 1989.

In 2002, PT AOS changed its name into PT Pertamina Hulu Energi. Five years later, in 2007 PT Pertamina Hulu Energi changed its name into PT Pertamina Hulu Energi. The change was based on Deed Number 5 of 4 August 2008.

Pendirian dan pengoperasian PHE didasarkan pada Undang-undang No.22 Tahun 2001 tentang Minyak dan Gas Bumi. Berdasarkan ketentuan tersebut, PT Pertamina (Persero) harus memisahkan kegiatan usaha hulu dan hilir migas.

Pengelolaan wilayah kerja hulu yang semula dikelola PT Pertamina (Persero) melalui kerja sama dengan pihak ketiga, baik *joint operating body* (JOB) maupun *participating interest* diserahkan kepada PHE. Penyerahan diikuti dengan pengalihan operasional blok-blok migas kepada Anak Perusahaan PHE. Pelaksanaan hal tersebut didasarkan persetujuan Direksi PT Pertamina (Persero) pada 18 September 2007 dan Dewan Komisaris PT Pertamina (Persero) pada 6 November 2007.

Sejak 1 Januari 2008, PHE secara resmi ditugaskan untuk bertindak selaku *strategic operating arm* PT Pertamina (Persero) melalui berbagai kerja sama dengan pihak ketiga, baik di dalam maupun luar negeri. Skema kerja sama meliputi:

- Kontrak Kerja sama Bagi Hasil JOB (PSC-JOB & BOB)
- Kontrak Kerja sama Bagi Hasil JOA (PSC-JOA)
- Kontrak Kerja sama PT Pertamina (Persero) yang sebelumnya bertindak selaku pemegang *Indonesian Participating Interest/Pertamina Participating Interest* (IPI/PPI)
- Bentuk kerja sama kemitraan lainnya dalam pengelolaan wilayah kerja di dalam maupun di luar negeri

Sejak memulai operasi sebagai *strategic operating arm* PT Pertamina (Persero), PHE telah berkembang signifikan. Hingga akhir tahun 2017, PHE melalui Anak Perusahaan mengelola 53 wilayah kerja di dalam maupun di luar negeri.

[102-4]

Memasuki tahun 2017, PHE dipercaya pemerintah untuk menerapkan kontrak bagi hasil *Gross Split*, yang diterapkan pada wilayah kerja Offshore North West Java (WK ONWJ) pada 19 Januari 2017.

The establishment and operations of PHE are based on Law Number 22 of 2001 on Oil and Gas. Aligning with the regulation, PT Pertamina (Persero) should separate the activities of upstream and downstream oil and gas.

The upstream working area management was initially managed by PT Pertamina (Persero) through cooperation with third parties, wherein joint operating body (JOB) and participating interest (PI) are handed to PHE. The handover was followed by operational transfer of oil and gas blocks to PHE Subsidiaries. This was based on the approval of PT Pertamina (Persero) Board of Directors on 18 September 2007 and Board of Commissioners of PT Pertamina (Persero) on 6 November 2007.

Since 1 January 2008, PHE was officially assigned to act as PT Pertamina (Persero) strategic operating arm through various cooperations with third parties, domestic and overseas. The following are the cooperation schemes:

- JOB Production Sharing Contract (PSC-JOB & BOB)
- JOA Production Sharing Contract (PSC-JOA)
- PT Pertamina (Persero) Cooperation Contract which previously assigned the Company as Indonesian Participating Interest/Pertamina Participating Interest (IPI/PPI)
- Other partnership forms in domestic and overseas working area management

Since its operation as PT Pertamina (Persero) strategic operating arm, PHE has been growing significantly. Up to the end of 2017, PHE through the Subsidiaries managed 53 working areas in domestic and overseas.

[102-4]

Embracing 2017, PHE was entrusted by government to implement *Gross Split* production sharing contract, which was applied in Offshore North West Java working area (WK ONWJ) on 19 January 2017.

Perjalanan dari Waktu ke Waktu

Milestone

1989

Pendirian PT Aroma Operations Services (AOS). Bergerak di bidang pengadaan jasa untuk mendukung operasi kilang petrokimia di Cilacap.

Establishment of PT Aroma Operations Service (AOS). Operated in services procurement to support petrochemical refinery operations in Cilacap.

2001

Pemberlakuan Undang-Undang No.22 Tahun 2001 Tentang Minyak dan Gas Bumi.

Enforcement of Law Number 22 of 2001 on Oil and Gas.

2002

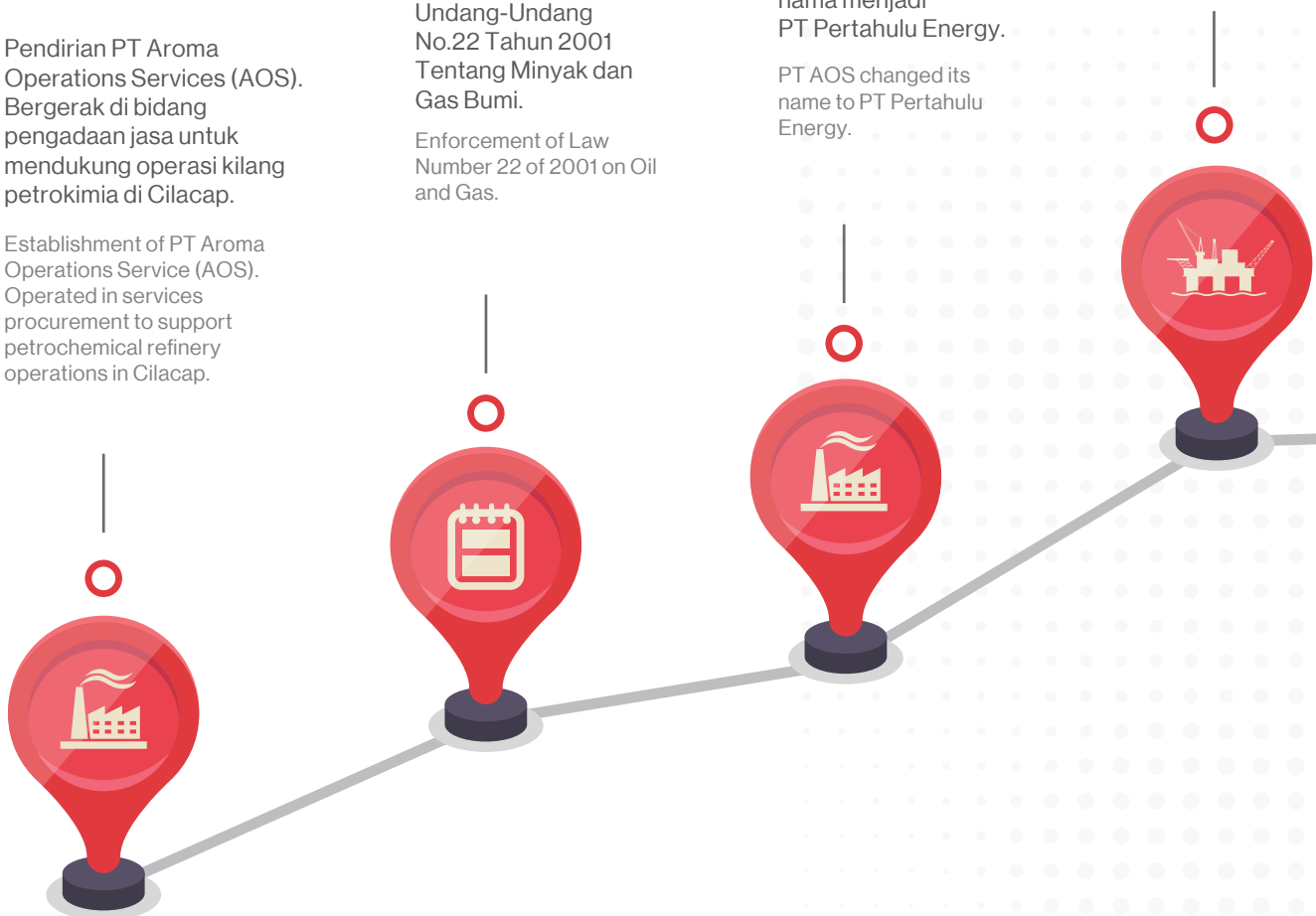
PT AOS berubah nama menjadi PT Pertamina Energi.

PT AOS changed its name to PT Pertamina Energi.

2007

PT Pertamina Energi beganti nama menjadi PT Pertamina Hulu Energi.

PT Pertamina Energi changed its name to PT Pertamina Hulu Energi.



2017

Menerapkan kontrak bagi hasil *Gross Split* pertama di Indonesia pada wilayah kerja ONWJ

Implemented the first *Gross Split* production sharing contract in Indonesia within ONWJ working area

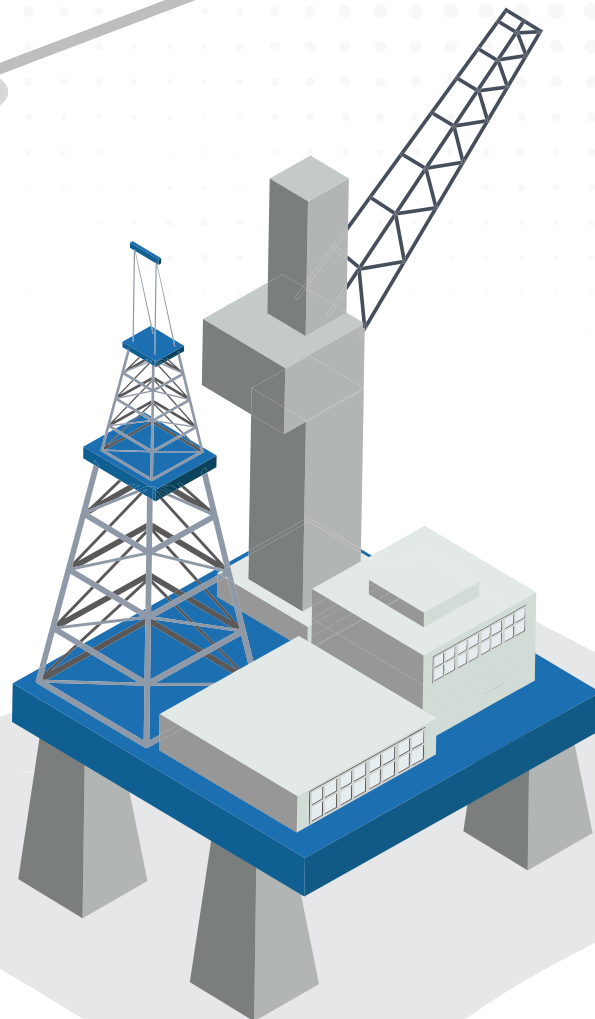
2016

- PHE melakukan akuisisi wilayah kerja di Ambalat Timur dan ONWJ.
- PHE melakukan akuisisi kepemilikan saham PT Pertamina Geothermal Energy Lawu dan PT Patra Drilling Contractor.
- PHE acquired the working area in East Ambalat and ONWJ.
- PHE acquired ownership in PT Pertamina Geothermal Energy Lawu and PT Patra Drilling Contractor.

2008

PT Pertamina Hulu Energi (PHE) efektif beroperasi di bidang usaha hulu minyak dan gas di dalam dan luar negeri.

PT Pertamina Hulu Energi (PHE) effectively operated in upstream oil and gas sector, domestic and overseas.



Peristiwa Penting Significant Events

Januari

January

28

Penandatanganan perpanjangan kontrak dan pemberlakuan Production Sharing Contract Gross Split PHE ONJW

Sharing Contract Gross Split PHE ONJW Signing of contract extension and enforcement of PHE ONJW Gross Split Production Sharing Contract

29

Bergabungnya pekerja eks PHE ONWJ ke PHE

Joining of former PHE ONWJ workers to PHE

30

Town Hall Meeting awal tahun PHE

Town Hall Meeting of PHE at the beginning of year

Penemuan Gas dan Kondensat di Sumur RGT-2, PHE Randugunting
Gas and Condensate Discovery at RGT-2 Well, PHE Randugunting

Februari

February

1

Implementasi tahap 1 konsep Shared Services Organization, dengan

menggabungkan SDM di PHE dan Anak Perusahaan ke dalam fungsi yang sama ataupun proses bisnis yang sama. Hal ini didukung oleh surat keputusan nomor: SK No.15 th 2017 tentang penempatan pekerja di organisasi SSO.

First stage implementation of Shared Services Organization by combining HR of PHE and its Subdiaries into a similar function or business process. This was supported by Decree Number 15 of 2017 on workers assignment in SSO.

Maret

March

1

Pelaksanaan Rapat Umum Pemegang Saham (RUPS) Tahun Buku 2016

General Meeting of Shareholders (GMS) of Fiscal Year 2016

13-15

APQA PHE: Best Quality Board Dewan Mutu PHE: 7 CIP Platinum, 1 CIP Gold

APQA PHE: Best Quality Board Dewan Mutu PHE: 7 CIP Platinum, 1 CIP Gold

April

April

5

PHE memenangkan Award TOP CSR untuk Kategori TOP Leader on CSR Commitment dan TOP CSR Kategori Sektor Energi

PHE won TOP CSR Award for the Category TOP Leader CSR Commitment and TOP CSR for the Category Energy Sector.

Juni

June

6

Implementasi secara penuh konsep Shared Services Organization di PHE dan Anak Perusahaan melalui Surat Keputusan No. Kpts. 055/PHE000/2016-SO tanggal 6 Juni 2016 tentang Proses Bisnis dan Perubahan Organisasi PT PHE yang sudah disetujui oleh SKK Migas
Full implementation of Shared Services Organization at PHE and its Subsidiaries through Decree Number Kpts.055/PHE000/2016-SO of 6 June 2016 on PT PHE Business Process and Organization Changes, which was approved by SKK Migas.

Juli

July

29

Rangkaian HUT PHE: 1 Dekade PHE
PHE Anniversary: 1 Decade of PHE

7 – 10

Forum CIP PHE
CIP PHE Forum

29

Town Hall Meeting Kinerja Semester I 2017 dan Implementasi RPTI SSO
Town Hall Meeting of 2017 First Semester Performance and RPTI SSO Implementation

29

PHE meraih penghargaan Patranibaya; PHE WMO, JOB PTJM, BOB BSP, JOB PMTS, JOB PPEJ, JOB PPS, JOB PGSIL
PHE received Patranibaya award; PHE WMO, JOB PTJM, BOB BSP, JOB PMTS, JOB PPEJ, JOB PPS. And JOB PGSIL

Agustus

August

29

Implementasi SSO secara penuh
Full SSO implementation

29

PHE ONWJ menerima Penghargaan ASEAN Energy Awards, ASEAN Ministers of Energy Meeting
PHE ONWJ received ASEAN Energy Awards at ASEAN Ministers of Energy Meeting

September

September

26

s/d 1 Okt

FT Prove Sentris (PHE ONWJ) meraih Gold Medal Award, Taipei International Inventions Show & Technomart
FT Prove Sentris (PHE ONWJ) won Gold Medal Award at Taipei International Inventions Show & Technomart

Peristiwa Penting

Significant Events

26 Sep s/d 1

FT Prove Sentris (PHE ONWJ) meraih Gold Medal Award, Taipei International Inventions Show & Technomart
FT Prove Sentris (PHE ONWJ) won Gold Medal Award at Taipei International Inventions Show & Technomart

2

PHE ONWJ raih Penghargaan Subroto Award
PHE ONWJ won Subroto Award

12

BOB BSP – Pertamina Hulu Raih Penghargaan Bupati Siak Untuk Kontribusi CSR
BOB BSP - Pertamina Hulu won Siak Regent Award for CSR Contribution

20

Peresmian Shorebase PHE Abar Anggursi, Cirebon
Inauguration of Shorebase PHE Abar Anggursi, Cirebon

20

Spud In Sumur Karunia 1X PHE Abar
Spud In Karunia 1X Well, PHE Abar

20-26

PC PROVE Hi-Five (PHE WMO) raih 3 stars & The Best Overall Team (The Best Presentation) di Asia Pacific Quality Organization Conference Manila, Philippines
PC PROVE Hi-Five (PHE WMO) won 3 stars & The Best Overall Team (The Best Presentation) at Asia Pacific Quality Organization Conference, Manila, Phillipines

23-28

PC Prove Relokasi (PHE WMO) & PC PROVE Rencong Emas (PHE NSB NSO) meraih Gold Medal Award di International Conventions on Quality Control Circles, Manila, Philippines
PC Prove Relocation (PHE WMO) & PC PROVE Rencong Emas (PHE NSB NSO) won Gold Medal Award at International Conventions on Quality Control Circles, Manila, Phillipines

26

PHE ONWJ Launching Hutan Kapal Kehati Greenthink
PHE ONWJ Launched Hutan Kapal Kehati Greenthink

Oktober

October

November

November

9-15

PC Prove Djenggo (PHE WMO) raih juara ke-3 Kategori KAIZEN di Continual Improvement & Innovation Symposium & Competition Dubai UAE
PC Prove Djenggo (PHE WMO) won third Kaizen category at Continual Improvement & Innovation Symposium & Competition Dubai UAE

13

PHE WMO melakukan tajak sumur PHE N-7 di Rig ENSCO 67
PHE WMO performed spud in on PHE N-7 at Rig ENSCO 67

28 s/d 4 Des

FT Prove Divergent (PHE ONWJ) meraih Gold Medal Award di Seoul International Invention Fair, Seoul, Korea Selatan
FT Prove Divergent (PHE ONWJ) won Gold Medal Award at Seoul International Invention Fair, Seoul, South Korea

28 Nov s/d 4

FT Prove Divergent (PHE ONWJ) meraih Gold Medal Award di Seoul International Invention Fair, Seoul, Korea Selatan
FT Prove Divergent (PHE ONWJ) won Gold Medal Award at Seoul International Invention Fair, Seoul, South Korea

4-8

Survey implementasi SSO yang dilakukan oleh Manajemen PHE kepada pekerja, untuk mendapatkan gambaran kondisi terkini terkait implementasinya.
SSO implementation survey was conducted by PHE Management on employees in order to gain overview of the latest condition concerning the implementation

Desember

December

13

Local Hero PHE raih penghargaan di Malam Anugerah Pertamina
1. Watni, mitra binaan PHE ONWJ
2. Firnawati Labihi, mitra binaan JOB Tomori
Local Hero PHE won an award at Malam Anugerah Pertamina
1. Watni, PHE ONWJ fostered partner
2. Firnawati Labihi, JOB Tomori fostered partner

18

Penghargaan PROPER Emas dari Kementerian Lingkungan Hidup dan Kehutanan
Gold PROPER from Ministry of Environment and Forestry

19

Penandatanganan Perjanjian Pengalihan dan Pengelolaan 10% PI pada WK ONWJ
Signing of Transfer and Management Agreement of 10% PI to WK ONWJ

Wilayah Operasi Area Operation

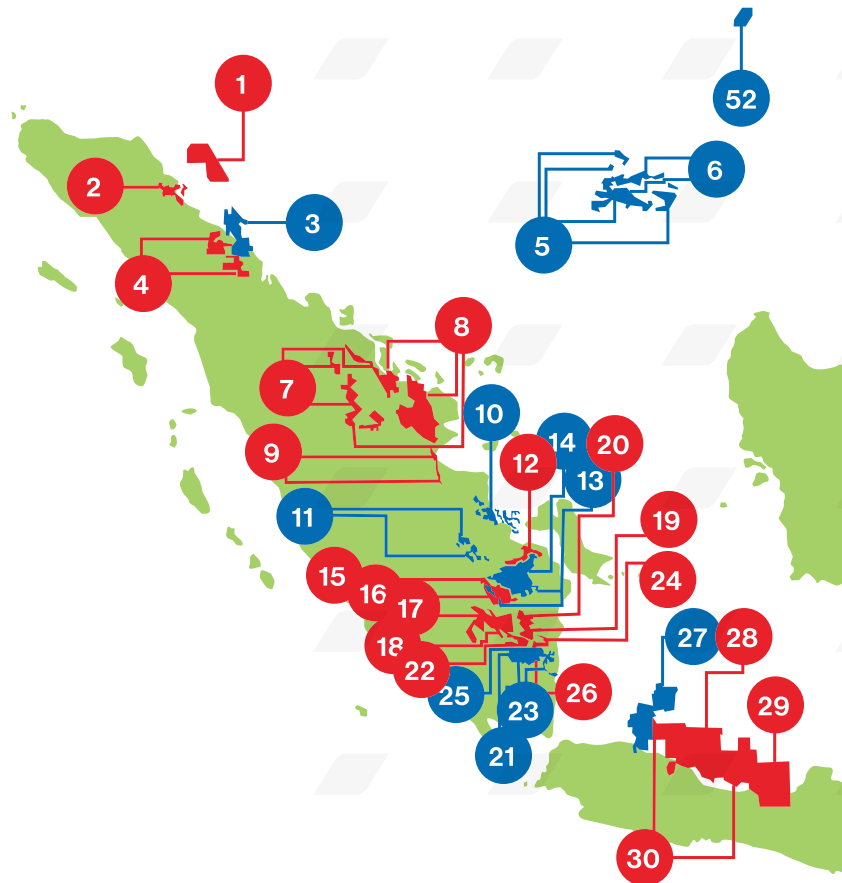
PT Pertamina Hulu Energi (PHE) memiliki wilayah operasi di Indonesia dan di luar negeri. Seluruh wilayah operasi dikelola oleh Anak Perusahaan melalui skema kerja sama yang telah disepakati dengan pihak ketiga.

[102-4]

PT Pertamina Hulu Energi (PHE) owns areas of operation in Indonesia and overseas. The entire areas of operation are managed by Subsidiaries through cooperation scheme mutually agreed by third parties.

[102-4]

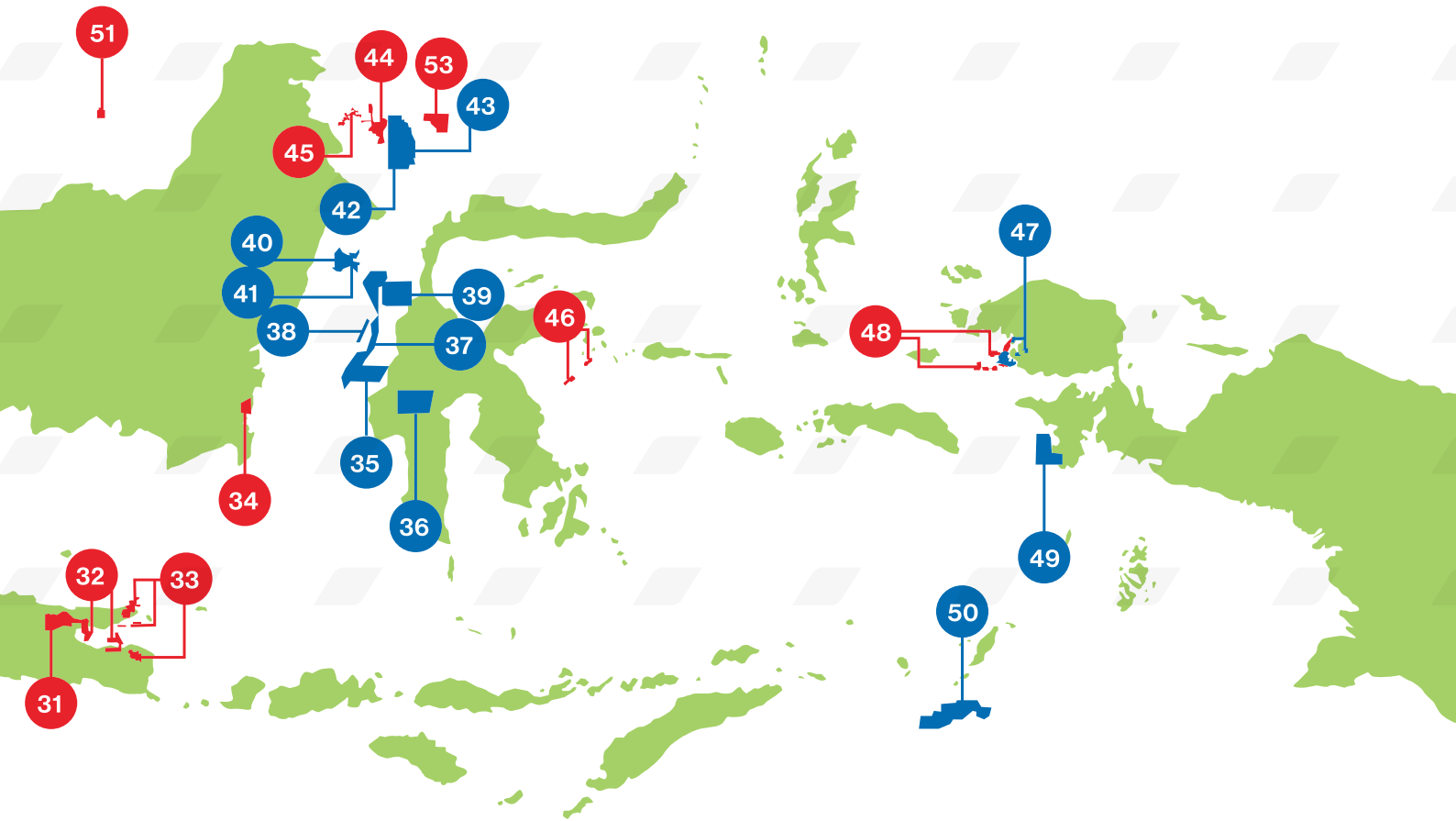
Wilayah Kerja di Dalam Negeri Domestic Working Area



Keterangan Blok PHE

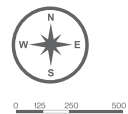
Description of PHE Blocks

1 NSO	12 JAMBI MERANG	23 GMB MUARA ENIM II	34 GMB TANJUNG II
2 B BLOK	13 CORRIDOR	24 GMB MUARA ENIM III	35 EAST SEPINGGAN
3 WEST GLAGAH KAMBUNA	14 MNK SAKAKEMANG	25 TANJUNG ENIM	36 KARAMA
4 MNK SUMBAGUT	15 GMB SUBAN I	26 OGAN KOMERING	37 MAKASAR STRAIT
5 BLOK A NATUNA SEA	16 GMB SUBAN II	27 OSES	38 TENGAH K
6 KAKAP NATUNA	17 GMB AIR BENAkat I	28 ABAR	39 DONGGALA
7 SIAK	18 GMB AIR BENAkat II	29 ANGGURSI	40 GMB SANGATTA I
8 CPP	19 GMB AIR BENAkat III	30 ONWJ	41 GMB SANGATTA II
9 KAMPAR	20 RAJA TEMPIRAI	31 RANDUGUNTING	42 BUKAT
10 JABUNG	21 GMB MUARA ENIM	32 TUBAN	43 AMBALAT
11 SOUTH JAMBI	22 GMB MUARA ENIM I	33 WMO	44 NUNUKAN



- | | | | | | |
|----|----------------------|----|-------------------|----|-------------------|
| 45 | SIMENGGARIS | 49 | SEMAI II | 51 | SK 305 MALAYSIA |
| 46 | TOMORI | 50 | BABAR SELARU | 52 | 10.1 & 11 VIETNAM |
| 47 | SALAWATI BASIN | 53 | BLOK EAST AMBALAT | | |
| 48 | SALAWATI KEP. BURUNG | ● | OVERSEAS | | |

PERTAMINA
PERTAMINA HULU
UPSTREAM TECHNOLOGY CENTER
DATA & GEOMATRICS



Legenda
■ Non Operator
■ Operator

Alamat File :
 Tanggal Cetak : 03 Mei 2016
 Sistem Koordinat : GCS WGS 1984
 Datum : WGS 1984

Wilayah Kerja PT Pertamina Hulu Energi Hingga 31 Desember 2017

PT Pertamina Hulu Energi Working Area as of 31 December 2017

Uraian	Jumlah
Joint Operating Body/Badan Operasi Bersama	8
Operator	20
Non-operator	23
Luar Negeri Overseas	2

**Wilayah Kerja di
Luar Negeri**

**Overseas
Working Area**



Block 10 & 11.1 Vietnam

Block SK-305 Malaysia

**● PT Pertamina
Persero**

● PT PHE

Block	PT Pertamina/ PHE	Partner	Status
SK-305 Malaysia	30%	<ul style="list-style-type: none"> • Petronas Carigali (MALAYSIA) 40% • PVEP (VIETNAM) 30% 	Production & Exploration
10 & 11.1 Vietnam	10%	<ul style="list-style-type: none"> • PVEP (VIETNAM) 50% • Petronas Carigali (MALAYSIA) 40% 	Exploration



Visi, Misi, dan Budaya Perusahaan ^[102-16]

Company's Vision, Mission, and Culture ^[102-16]

Visi Perusahaan

Company Vision

Menjadi Perusahaan minyak dan gas bumi kelas dunia.

To be a world class oil and gas company.

Visi tersebut didefinisikan sesuai dengan konteks PHE yang beroperasi pada sektor hulu dan sekaligus sebagai pengelola berbagai portofolio di sektor hulu dan hilir. Dengan demikian PHE memiliki visi ke depan untuk menjadi Perusahaan kelas dunia yang bergerak di sektor hulu dan portofolio hilir minyak mentah, gas bumi dan energi.

The vision is identified accordingly with PHE which operates in upstream sector as well as manages various portfolios in upstream and downstream sectors. Hence, PHE envisions itself to be a world class Company which operates in upstream sector and portfolio of downstream oil, gas, and energy.

Misi Perusahaan

Company Mission

Melaksanakan pengelolaan operasi dan portofolio usaha sektor minyak dan gas bumi dan energi secara profesional dan berdaya laba tinggi yang memberikan nilai tambah bagi Pemangku Kepentingan.

To perform the management of operations and business portfolio in oil and gas and energy sector professionally, as well as profitably providing added values for Stakeholders.

Sejalan dengan visinya, maka misi PHE juga menekankan pada pengelolaan operasi dan portofolio usaha sektor hulu minyak mentah dan gas bumi. Visi dan Misi PHE telah disetujui oleh Pemegang Saham, Dewan Komisaris, dan Direksi berdasarkan Keputusan Rapat Umum Pemegang Saham (RUPS) secara sirkuler tanggal 22 April 2008. Berdasarkan tinjauan yang telah dilakukan, RUPS menyatakan bahwa visi dan misi PHE masih relevan dengan maksud dan tujuan pendirian Perusahaan.

Aligning with the vision, PHE mission also stresses on operational management and portfolio of upstream oil and gas business sectors. The Vision and Mission of PHE were approved by the Shareholders, Board of Commissioners, and Board of Directors based on Circular General Meeting of Shareholders (GMS) Decision of 22 April 2008. According to the completed review, the GMS stated PHE vision and mission were still relevant to the Company objectives.

Budaya Perusahaan Company's Culture

PHE membangun budaya Perusahaan sejalan dengan Tata Nilai Korporat yang telah ditetapkan PT Pertamina (Persero): Clean, Competitive, Confident, Customer Focused, Commercial, dan Capable, atau 6C.

PHE established the Company cultures in accordance with the Corporate Values stipulated by PT Pertamina (Persero): Clean, Competitive, Confident, Customer Focused, Commercial, and Capable, or 6C.

Tata Nilai Values

6C



Clean

Dikelola secara profesional, menghindari benturan kepentingan, tidak menoleransi suap, menjunjung tinggi kepercayaan dan integritas. Berpedoman pada asas-asas tata kelola korporasi yang baik.

Professionally managed, avoid conflict of interest, never tolerate bribery, respect trust and integrity based on good corporate governance principles.



Competitive

Mampu berkompetisi dalam skala regional maupun internasional, mendorong pertumbuhan melalui investasi, membangun budaya sadar biaya dan menghargai kinerja.

Able to compete both regionally and internationally, support growth through investment, build a cost effective and performance oriented culture.



Confident

Berperan dalam pembangunan ekonomi nasional, menjadi pelopor dalam reformasi BUMN dan membangun kebanggaan bangsa.

Involvement in national economic development, as a pioneer in State-owned Enterprise reform, and to build national pride.



Customer Focused

Berorientasi pada kepentingan pelanggan dan berkomitmen untuk memberikan pelayanan terbaik kepada pelanggan.

Focus on customers interests, and committed to providing the best service to customers.



Commercial

Menciptakan nilai tambah dengan orientasi komersial, mengambil keputusan berdasarkan prinsip-prinsip bisnis yang sehat.

Creating added value based on commercial orientation and make decisions based on fair business principles.



Capable

Dikelola oleh pemimpin dan pekerja yang profesional dan memiliki talenta dan penguasaan teknis tinggi, berkomitmen dalam membangun.

Managed by professional, skilled, and highly qualified leaders and workers, committed to building research and development capabilities.

PHE menjadikan Tata Nilai Korporat sebagai pedoman perilaku untuk patuh pada ketentuan hukum dan standar etika tertinggi dalam melakukan kegiatan bisnis atau operasionalnya.

PHE has the Corporate Values as guidance for the Company to conduct and comply to laws and the highest ethic standards in performing its business or operational activities.

Strategi Perusahaan Company Strategies

Pertumbuhan yang fokus pada bisnis migas di dalam negeri dan selektif di luar negeri
Growth that focuses on oil and gas business in domestic and selectively overseas

12 Langkah Strategis 12 Strategic Steps

1

Efisiensi di segala lini
Efficiency in all business lines

7

Zero Impairment

2

Menaikkan produksi minyak dan gas bumi
Increase oil and gas production

8

Preventive action untuk kasus hukum
Preventive action for legal case

3

Pengawasan project
Supervising project

9

CIP (Continuous Improvement Program)

4

Peningkatan lifting
Increasing lifting

10

Optimalisasi dan percepatan realisasi ABI (Anggaran Biaya Investasi)
Optimization and acceleration of ABI realization (Investment Cost Budget)

5

Monetisasi gas
Gas monetization

11

Percepatan Penentuan Status Eksplorasi (PSE)
Acceleration on Exploration Status Determination (PSE)

6

Percepatan PIS (Place Into Service)
PIS (Place Into Service) acceleration

12

Pengembangan Sumber Daya Manusia
Human Resources Development

Kegiatan dan Bidang Usaha

Kegiatan Usaha Perusahaan menurut Anggaran Dasar Terakhir

Berdasar pada Anggaran Dasar Perusahaan No.39 tanggal 21 April 2016, dinyatakan bahwa kegiatan usaha PHE adalah pengelolaan sektor hulu migas, meliputi:

- Menjalankan usaha pertambangan minyak mentah dan gas bumi;
- Menjalankan usaha di bidang energi baik yang terkait langsung maupun tidak langsung dengan minyak mentah dan gas bumi;
- Melakukan penyertaan saham dan kepemilikan *Participating Interest* di dalam dan di luar negeri;
- Menyelenggarakan kegiatan jasa konsultasi pengembangan bisnis dan manajemen portofolio;
- Menyelenggarakan kegiatan usaha penunjang lain yang secara langsung maupun tidak langsung menunjang kegiatan usaha tersebut.

Kegiatan Usaha yang Dijalankan

Sampai dengan akhir periode pelaporan, bidang usaha yang dijalankan PHE mencakup eksplorasi, pengembangan, produksi, serta jasa konsultasi bisnis dan manajemen portofolio.

Line of Business and Business Activities

Company Business Activities according to the Latest Articles of Association

According to the Company Articles of Association Number 39 of 21 April 2016, PHE business activities focus on upstream oil and gas sector management, which are as follows:

- Performing business in crude oil and gas mining;
- Performing business in energy sector which related directly and indirectly to crude oil and gas;
- Investing in shares and Participating Interest in domestic and overseas;
- Organizing consulting services in business development and portfolio management; and
- Organizing other supporting business activities which directly and indirectly enhance the activities.

Business Activities Conducted

Up to the end of the reporting period, business activities conducted by PHE includes exploration, development, production, as well as business consulting and portfolio management.

Kegiatan Usaha yang Dijalankan | Business Activities Conducted

Bidang Usaha Line of Business	Uraian Description
Eksplorasi Exploration	PHE melakukan kegiatan eksplorasi untuk mencari dan meningkatkan cadangan minyak dan gas baru baik di dalam maupun luar negeri. Kegiatan eksplorasi didukung oleh pengaplikasian konsep baru, teknologi mutakhir dan tepat guna, serta mengadakan kerja sama dengan mitra strategis yang menguasai <i>advance exploration technology</i> dengan tetap mempertimbangkan keberlanjutan usaha, lingkungan dan sosial. PHE performs exploration activities to search and increase new oil and gas reserves in domestic and overseas. The exploration activities are supported by applying new concept, cutting-edge and appropriate technology, as well as cooperating with strategic partners with the capability in advance exploration technology by considering business, environment, and social sustainability.

Kegiatan Usaha yang Dijalankan | Business Activities Conducted

Bidang Usaha Line of Business	Uraian Description
Pengembangan Development	PHE melakukan proses pengembangan blok migas dalam rangka peningkatan cadangan minyak dan gas, serta pengelolaan proyek yang sudah ada. Direktorat Pengembangan terus berupaya untuk menjaga kapabilitas operasional dengan mengutamakan kualitas produksi, keselamatan kerja dan lingkungan. PHE performs oil and gas block development process in order to increase oil and gas reserves, as well as to manage the existing projects. Development Director continues to maintain operational capability by emphasizing production quality, occupational safety and environment.
Produksi Production	PHE mengelola dan mengembangkan operasi dan portofolio usaha sektor hulu migas dalam bentuk kerja sama, seperti JOBPSC, BOB, IP/PPI dan skema lainnya. PHE manages and develops business portfolio of upstream oil and gas in the form of cooperation, such as JOBPSC, BOB, IP/PPI, and other schemes.
Konsultasi Bisnis dan Manajemen Portofolio Business Consulting and Portfolio Management	PHE mengelola dan mengembangkan portofolio atas seluruh Anak Perusahaan, Perusahaan Patungan dan Perusahaan Afiliasi yang bergerak di dalam usaha hulu dan kegiatan usaha hilir. PHE manages and develops portfolio of all Subsidiaries, Joint Ventures and Affiliated Companies operating in upstream business and downstream business activities.

Produk dan/atau Jasa yang Dihasilkan [102-2] [102-6] Products and/or Services Produced [102-2] [102-6]

Produksi minyak mentah dimanfaatkan pelanggan di dalam negeri dan diekspor. Sementara produksi gas bumi digunakan untuk memasok kebutuhan dalam negeri. PHE tidak memiliki nama/merek dagang atas produk-produk yang dihasilkan.

Crude oil production is utilized by domestic customers for export. Meanwhile, gas production is used to supply domestic needs. PHE does not have any trademarks/brands for the products manufactured.

Produk Product	Pelanggan Customer	
Minyak Oil	<ul style="list-style-type: none"> Unit Pengilangan Pertamina PPT Migas Ekspor 	<ul style="list-style-type: none"> Pertamina Refinery Unit PPT Migas Export
Gas Gas	<ul style="list-style-type: none"> PT Perusahaan Gas Negara (Persero) Tbk. PT PLN (Persero) Industri petrokimia Kelompok industri lain 	<ul style="list-style-type: none"> PT Perusahaan Gas Negara (Persero) Tbk. PT PLN (Persero) Petrochemical Industry Other Industrial Groups

Proses dan Model Bisnis [102-9, 102-10]

Business Process and its Model [102-9, 102-10]

Berdasarkan Surat Perintah Direktur Utama PHE No.Print-020/PHE000/2015-S0 tanggal 21 September 2015 Tentang Tim Penyusunan Shared Service Organization (SSO), Tim SSO telah membuat Proses Bisnis PHE yang menggambarkan karakteristik alami dari aktivitas bisnis PHE bersama Anak Perusahaan dan hubungannya dengan Direktorat Hulu PT Pertamina (Persero).

Dari proses bisnis yang berlangsung selanjutnya disusun model bisnis PHE yang didesain berdasarkan kebutuhan operasional perusahaan pada sektor hulu migas dan sesuai strategi PT Pertamina (Persero) sebagai induk perusahaan. Di dalam model bisnisnya, PHE memiliki empat segmen operasi inti, yaitu:

Eksplorasi

Kegiatan mencari dan memperoleh cadangan migas baru di dalam maupun di luar negeri, dalam rangka meningkatkan jumlah aset migas.

Pengembangan

Kegiatan mengoptimalkan produktivitas wilayah kerja migas yang sedang beroperasi dengan tujuan untuk meningkatkan produksi dan mengidentifikasi berbagai cara memaksimalkan produktivitas.

Operasi & Produksi

Kegiatan produksi sektor hulu migas dalam bentuk kerja sama seperti *Joint Operating Body - Production Share Contract* (JOB-PSC), Badan Operasi Bersama (BOB), *Interesting Participant/Pertamina Participating Interest* (IP/PPI), dan skema lainnya, baik di dalam maupun luar negeri.

In accordance with PHE President Director Order Number Print-020/PHE000/2015-S0 of 21 September 2015 on Shared Service Organization (SSO) Preparation Team, SSO Team has developed PHE Business Process depicting natural characteristics of PHE business activities together with its Subsidiaries and its relation to Upstream Director of PT Pertamina (Persero).

Of the business process currently applied at PHE, business model is, then, could be designed based on the company operational needs in upstream oil and gas sector and aligns with PT Pertamina (Persero) strategies as holding company. In its business model, PHE has four core operations segments, which are:

Exploration

An activity of seeking and obtaining new oil and gas reserves in domestic and overseas in order to increase total oil and gas assets.

Development

An activity of optimizing the productivity of oil and gas working area which is in operation so as to increase production and identify various means to maximize productivity.

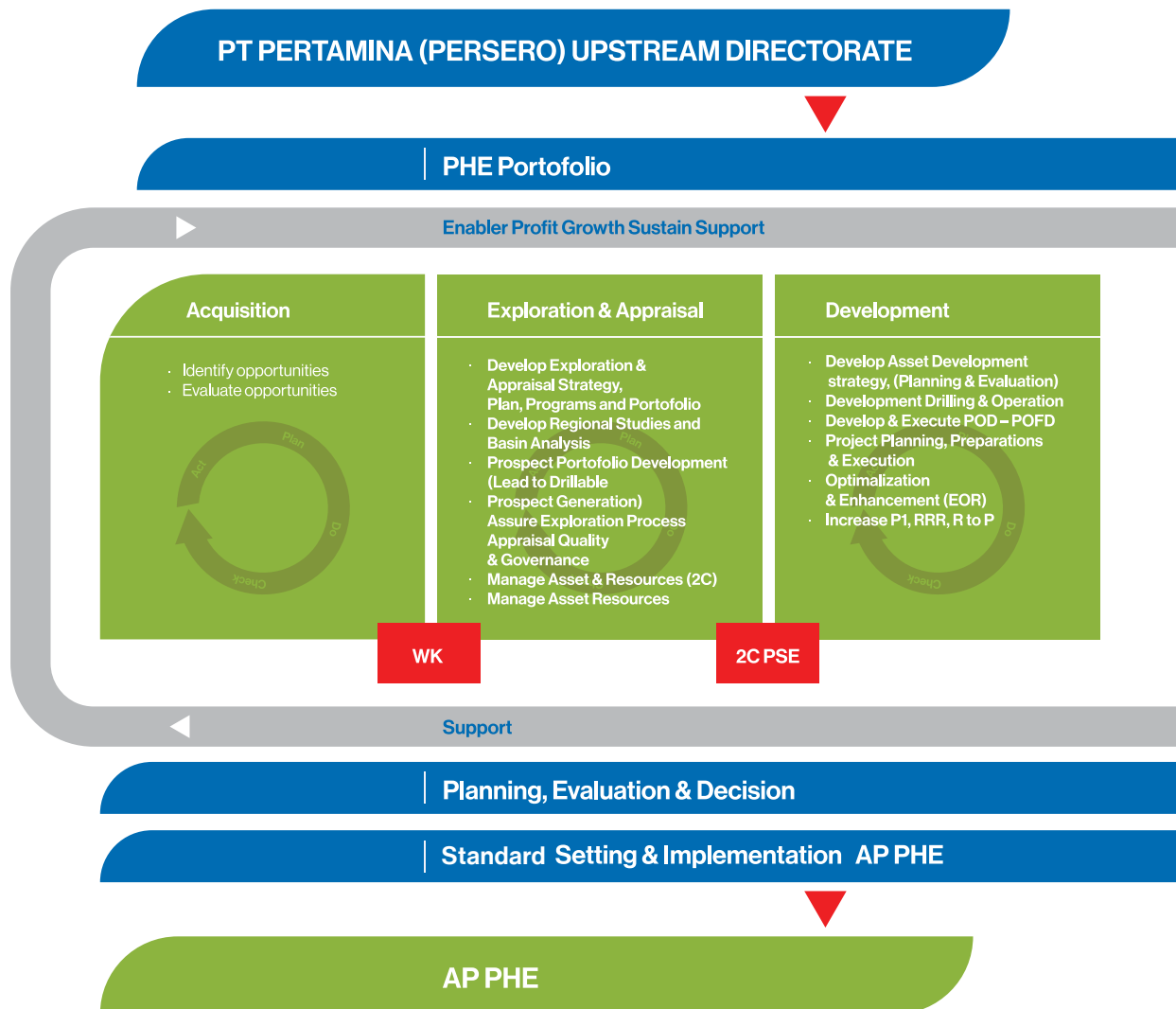
Operation & Production

An activity of upstream oil and gas production in the form of cooperation, such as *Joint Operating Body - Production Share Contract* (JOB-PSC), *Joint Operating Entity* (BOB), *Interesting Participant/Pertamina Participating Interest* (IP/PPI), and other schemes, in domestic and overseas.

Komersial

Lifting minyak dan gas bumi sebagai langkah lanjut dari kegiatan operasi dan produksi. Komersial selalu memonitor dan menjaga persyaratan pelanggan dan kepedulian pelanggan sesuai yang ditetapkan dalam Perjanjian Jual Beli Minyak/Kondensat (PJB/M/K) dan Perjanjian Jual Beli Gas (PJB/G).

Untuk menunjang operasi inti, PHE memiliki Fungsi Project Planning Risk Management (PPRM), Finance; Legal; Supply Chain Management (SCM); Quality, Health, Safety, Security and Environmental (QHSSE); Information Communication Technology & Data Management (ICT & DM); Commercial; Human Resources & General Affair (HR & GA); yang menjadi pihak berwenang (*enablers*) Perusahaan. Kemudian *Enablers process* tersebut menjadi faktor pendukung yang menopang operasi inti bersama *Technical Shared Services*. AP PHE menjadi profit generator yang hampir seluruhnya bergerak dalam bidang hulu minyak dan gas bumi dan mewakili jumlah share PHE yang terdapat di dalam suatu blok migas.



Commercial

Oil and gas lifting as a step further from operation and production activities. The commercial segment constantly monitors and maintain customers' requirements and customer care aligning with the stipulations in Oil/Condensate Purchase Agreement (PBJM/K) and Gas Sale and Purchase Agreement (PJBG).

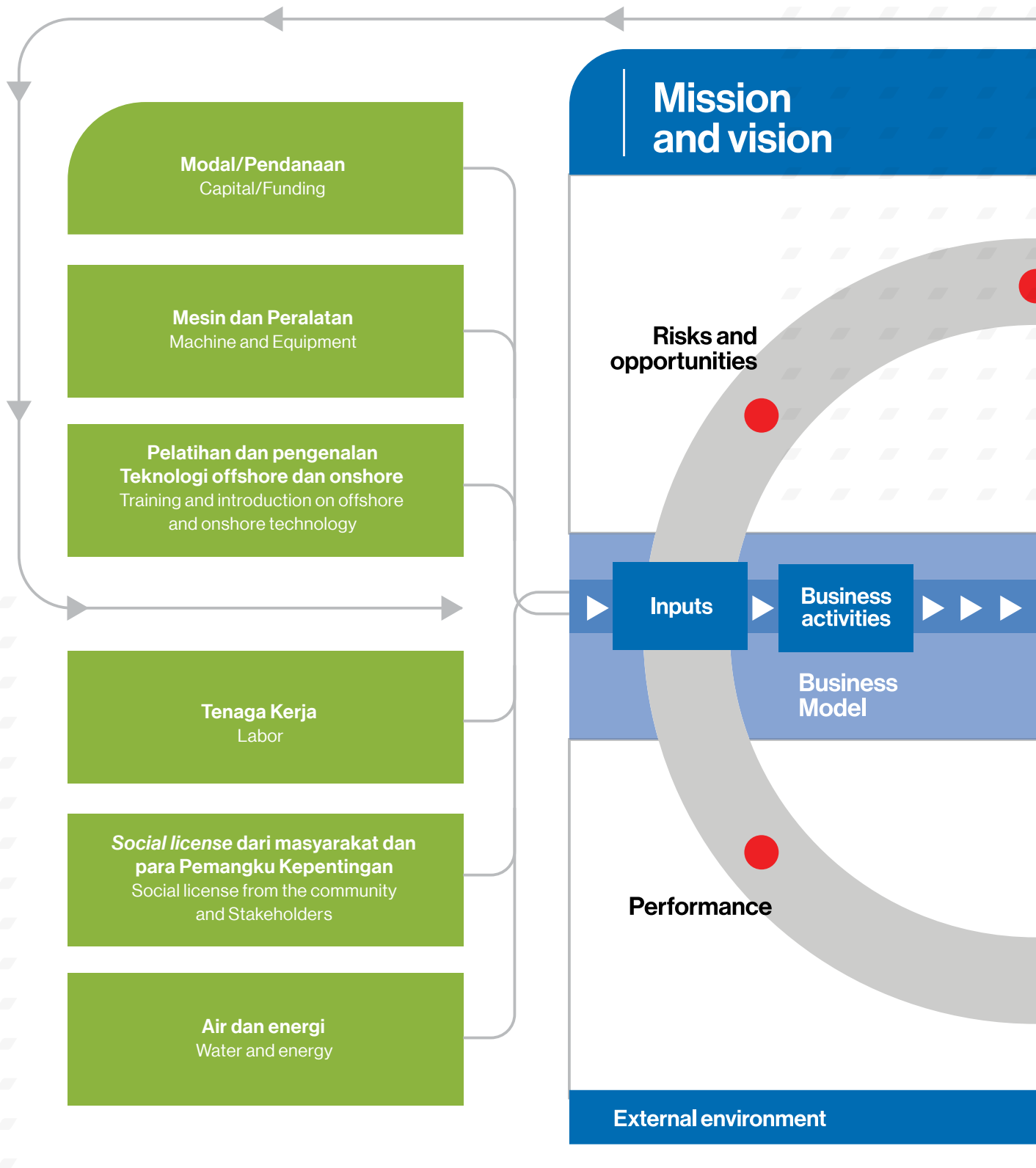
In order to support the core operation, PHE has Project Planning Risk Management (PPRM), Finance; Legal; Supply Chain Management (SCM); Quality, Health, Safety, Security, and Environmental (QHSSE); Information Communication Technology & Data Management (ICT & DM); Commercial; Human Resources & General Affair (HR & GA); which become the enablers for the Company. The Enablers process become the supporting factor that holds up the core operation and Technical Shared Services. AP PHE turns into profit generator which almost of its entirely operates in upstream oil and gas sector and represents an amount of PHE shares owned in one oil and gas block.

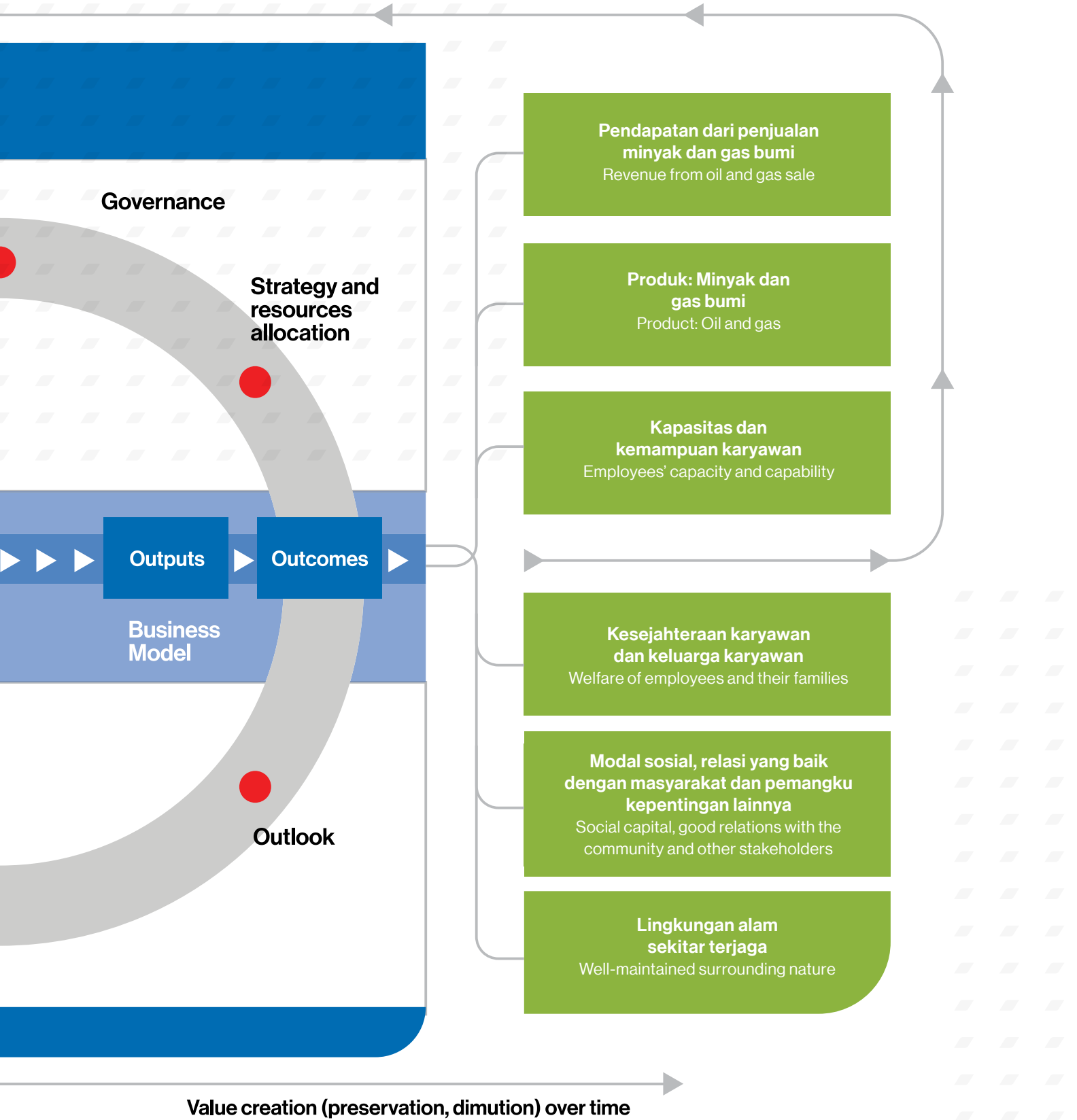


Grafis Model Bisnis PHE

PHE Business Model Graphic

Skema Scheme





Selain model bisnis yang telah dijelaskan sebelumnya, PHE juga memiliki model *input-process-output* yang menciptakan value bagi para Pemangku Kepentingan, yaitu:

Financial

- *Financial input* yang dimaksud adalah seluruh modal atau pendanaan yang dikeluarkan oleh Perusahaan selama proses bisnis atau operasional.
- *Financial output* yang diperoleh Perusahaan adalah seluruh pendapatan dari penjualan minyak bumi dan gas.

Manufacture

- *Manufacture input* yang dimaksudkan adalah seluruh mesin dan peralatan yang digunakan selama proses produksi minyak dan gas.
- *Manufacture output* yang dihasilkan oleh Perusahaan adalah produk berupa minyak bumi dan gas.

Intellectual

- *Intellectual input* yang dimaksud adalah pelatihan dan pengenalan teknologi untuk operasional *offshore* dan *onshore* kepada karyawan sesuai dengan kebutuhan Perusahaan.
- *Intellectual output* yang diperoleh, yaitu kapasitas dan kemampuan yang dimiliki karyawan untuk menggunakan teknologi *offshore* dan *onshore* yang memiliki kesulitan tinggi.

Human

- *Human input* yang telah diberikan Perusahaan kepada karyawan, di antaranya upah sesuai dengan level organisasi, tunjangan, remunerasi, dan fasilitas lainnya untuk meningkatkan kesejahteraan karyawan dan keluarga.
- *Human output* diperoleh karyawan dan keluarga adalah kesejahteraan yang didukung oleh Perusahaan.

In addition to the previously explained business model, PHE also has input-process-output model which creates value for the Stakeholders, which are as follows:

Financial

- Financial input is all of the capital or funding disbursed by the Company during the process of business investment and operation.
- Financial output acquired by the Company means all revenues from oil and gas sale.

Manufacture

- Manufacture input is all machines and equipments used during the process of oil and gas production
- Manufacture output manufactured by the Company is a product in the form of oil and gas.

Intellectual

- Intellectual input is training and technology introduction for offshore and onshore operations for employees in accordance with the Company needs.
- Intellectual output acquired is capacity and capability owned by employees to use high difficulty offshore and onshore technology.

Human

- Human input is human capital managed by the Company, including various points that have been given to employees, among which are wage that is paid correspondingly to organization level, benefits, remuneration, and other facilities to increase employees and family welfare.
- Human output acquired by employees and the families is welfare that is supported by the Company.

Social and relationship

- *Social and relationship input* yang diberikan Perusahaan, yaitu *social license* yang diperoleh melalui pelaksanaan kegiatan tanggung jawab sosial (CSR) terhadap masyarakat sekitar perusahaan.
- *Sosial and relationship output* yang diperoleh Perusahaan terlihat dari hubungan baik yang terjalin antara Perusahaan dan masyarakat sekitar.

Natural

- *Natural input* yang dimaksudkan adalah seluruh sumber daya alam yang digunakan oleh perusahaan selama proses operasional sesuai kebutuhan Perusahaan, seperti air dan energi.
- *Natural output* yang telah diusahakan oleh Perusahaan dilakukan dengan berbagai kegiatan tanggung jawab sosial terhadap lingkungan untuk menjaga kelestarian lingkungan hidup.

Social and relationship

- Social and relationship input given by the Company is social license acquired through implementation of corporate social responsibility (CSR) to the community and Stakeholders around the Company.
- Social and relationship output acquired by the Company is seen from the good relationship between the Company and local community.

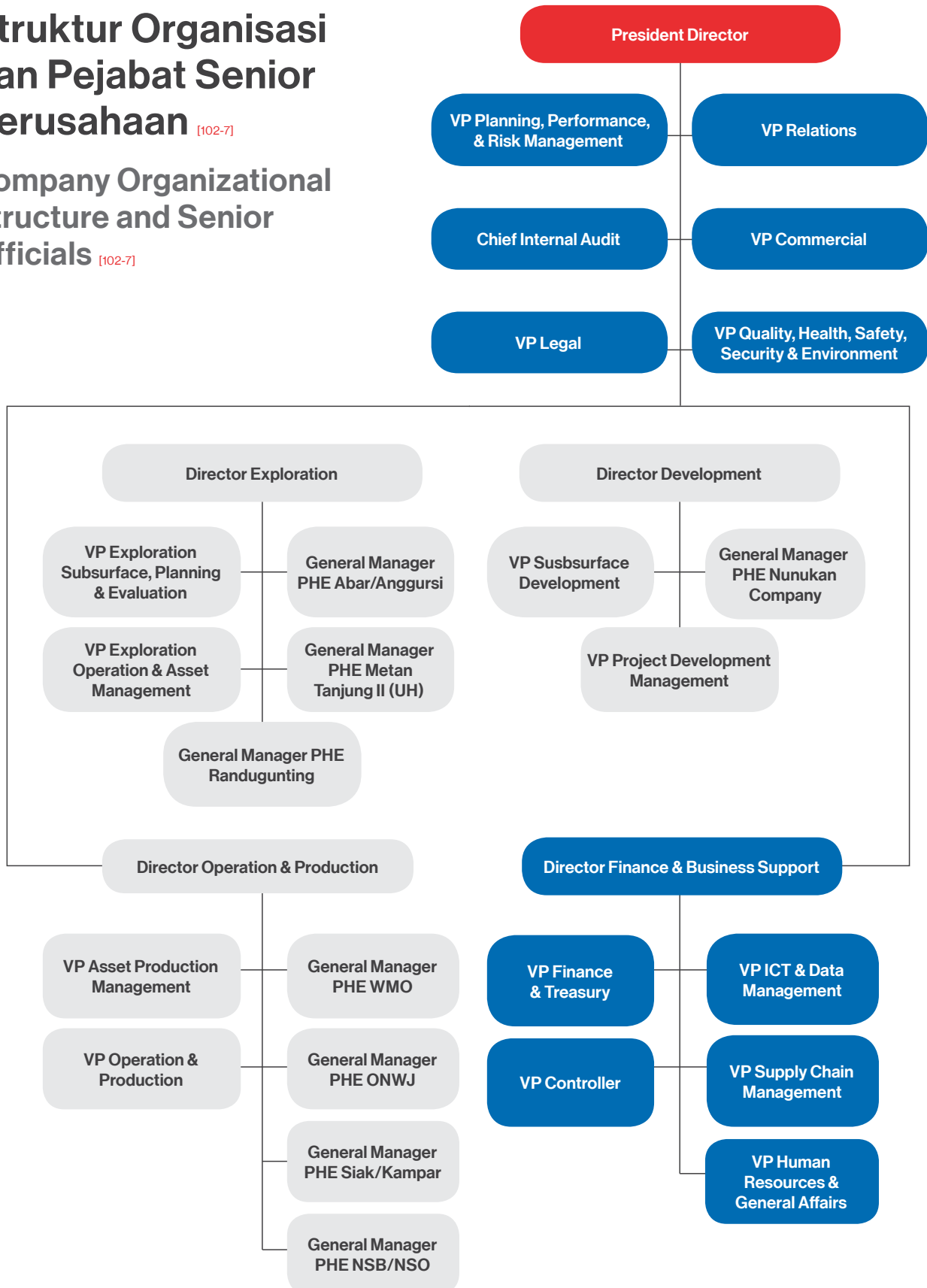
Natural

- Natural input is all natural resources used by the company during operational process that corresponds with the Company needs, such as water and energy.
- Natural output that has been realized by the Company is conducted with diverse social responsibility activities to the environment to maintain environmental preservation.



Struktur Organisasi dan Pejabat Senior Perusahaan ^[102-7]

Company Organizational Structure and Senior Officials ^[102-7]

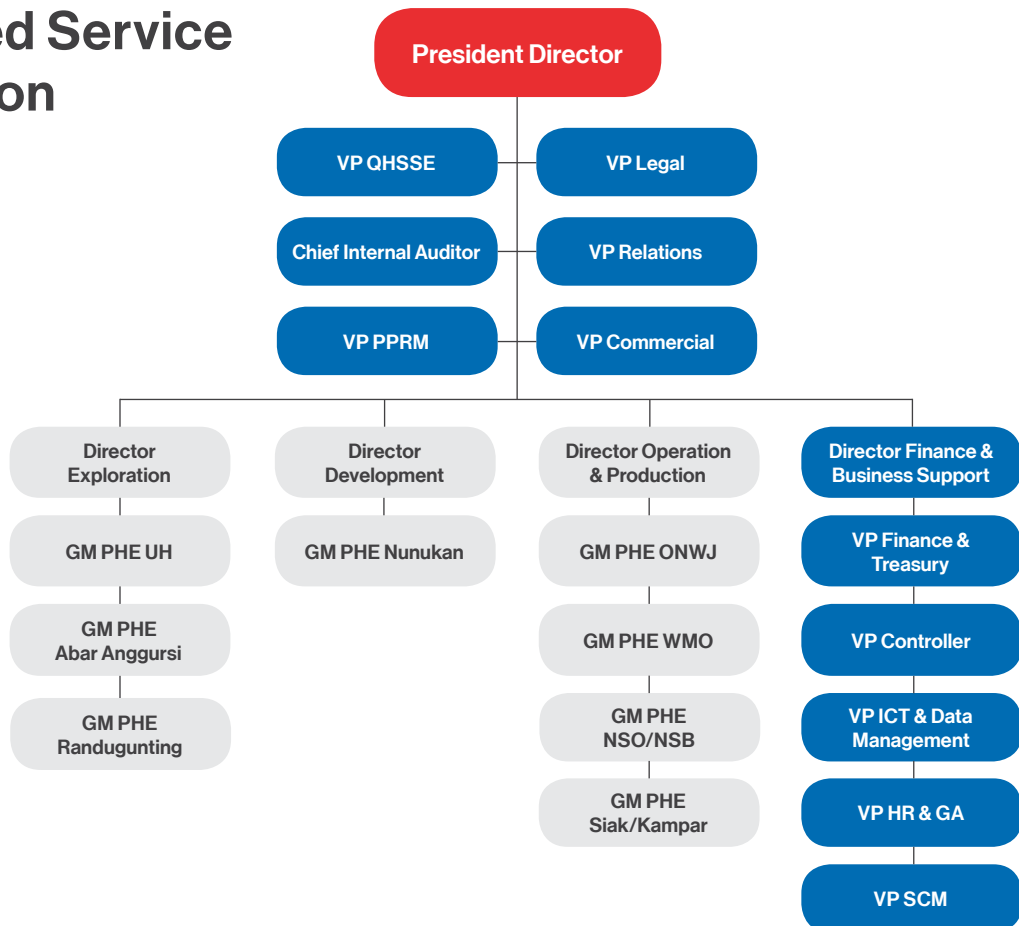


Keberagaman Pejabat Tata Kelola Berdasarkan Gender dan Kelompok Usia ^[405-1]

Diversity of Governance Officials Based on Gender and Age Group ^[405-1]

Jabatan Position	Gender Gender		Kelompok Usia Age Group			
	Pria Male	Wanita Female	<30	31-40	41-50	>51
Direksi Board of Directors	4	0	0	0	0	4
Vice President	15	2	0	0	1	16
General Manager	17	0	0	0	0	17
Senior Manager	25	1	0	0	5	21
Manager	70	16	0	6	38	42
Junior Manager	208	38	0	66	125	65
Staf Senior Senior Staff	170	61	5	118	76	32
Staf Staff	935	191	269	470	220	167
Jumlah Total	1,445	309	274	660	465	355

PHE Shared Service Organization



Identitas dan Riwayat Hidup Singkat Anggota Dewan Komisaris

Identity and Brief Curriculum Vitae of Board of Commissioners Members



Syamsu Alam

Komisaris Utama
President Commissioner

Syamsu Alam merupakan warga negara Indonesia yang lahir di Purworejo pada 2 April 1963, umur 54 tahun, dan saat ini berdomisili di Tangerang. Pada tahun 1987, beliau memperoleh gelar Sarjana Geologi di Institut Teknologi Bandung dan meraih gelar Master of Science Geofisika di Institut Teknologi Bandung tahun 1994. Pada tahun 2001, beliau mendapatkan gelar Ph.D, di Texas A&M University USA.

Beliau menjabat sebagai Komisaris Utama di Perusahaan sejak pertama kali ditunjuk pada tanggal 12 Maret 2015 untuk masa jabatan 1 periode (3 tahun) atau sampai dengan RUPS Perusahaan memutuskan lain. Hal ini sesuai dengan Keputusan Pemegang Saham secara sirkuler tanggal 12 Maret 2015 tentang Pergantian Komisaris.

Syamsu Alam is an Indonesian citizen who was born in Purworejo on 2 April 1963, aged 54, and currently domiciled in Tangerang. In 1987, he obtained Bachelor of Science in Geology at Bandung Institute of Technology and achieved Master of Science in Geophysics at Bandung Institute of Technology in 1994. In 2001, he received his Ph.D in Texas A&M University, USA.

He has served as President Commissioner since first appointed on 12 March 2015 for the term of office of 1 period (3 years) or until the Company GMS states otherwise. This is in line with circular Shareholder Decision of 12 March 2015 on Commissioner Replacement.

Beliau memulai karir di PT Pertamina (Persero) sejak tahun 1989 sebagai Asisten Operasi Dit. Hulu di Cirebon. Beberapa jabatan penting yang pernah dijabat, di antaranya General Manager JOB Pertamina-Medco Tomori Jakarta (2007-2008), Direktur Eksplorasi dan Pengembangan Pertamina EP (2008-2011), Presiden Direktur Pertamina EP (2011-2013), Senior Vice President Eksplorasi Dit. Hulu PT Pertamina (Persero) (2013-2014), Desember 2014 sampai sekarang menjabat sebagai Direktur Hulu PT Pertamina (Persero).

He started his career at PT Pertamina (Persero) in 1989 as Operation Assistant of Upstream Directorate in Cirebon. Some important positions he had assumed, among of which are General Manager of JOB Pertamina-Medco Tomori Jakarta (2007-2008), Exploration and Development Director of Pertamina EP (2008-2011), President Director of Pertamina EP (2011-2013), and Senior Vice President for Exploration of Upstream Directorate of PT Pertamina (Persero) (2013-2014). In December 2014 until now, he has occupied the position of Upstream Director of PT Pertamina (Persero).



Yudi Wahyudi

Komisaris
Commissioner

Yudi Wahyudi merupakan warga negara Indonesia, umur 55 tahun yang lahir di Sukabumi pada 9 Oktober 1962, dan saat ini berdomisili di Bandung. Beliau memperoleh gelar Ekonomi Akuntansi dari Universitas Padjajaran tahun 1987 dan mendapatkan gelar Magister Manajemen dari Universitas Indonesia tahun 1997.

Yudi Wahyudi is an Indonesian citizen, aged 55 years who was born in Sukabumi on 9 October 1962, and currently domiciled in Bandung. He obtained his Bachelor of Economy in Accountancy from Padjajaran University in 1987 and Master of Management from University of Indonesia in 1997.

Beliau diangkat sebagai Komisaris di Perusahaan sejak pertama kali ditunjuk pada tanggal 4 Agustus 2015 untuk masa jabatan 1 periode (3 tahun) atau sampai dengan RUPS Perusahaan memutuskan lain. Hal ini sesuai dengan Keputusan Pemegang Saham secara sirkuler tanggal 4 Agustus 2015 tentang Pengangkatan Kembali Komisaris Perusahaan.

He has held the position of Commissioner at the Company since first appointed on 4 August 2015 for the term of office of 1 period (3 years) or until the GMS of the Company states otherwise. This is in accordance with circular GMS Decision of 4 August 2015 on Reappointment of Commissioner of the Company.

Memulai karir di PT Pertamina (Persero) sebagai Kepala Akuntansi Minyak UPPDN III Jakarta (1998-2001) dan menjabat sebagai Komisaris PT Pertamina Geothermal Energy (2010-2012) sekaligus menjabat sebagai Ketua Komite Investasi. Sejumlah jabatan penting lainnya selama berkarir di Pertamina antara lain Kepala Akuntansi UPMS I Medan (2001-2002), Manajer Keuangan DOH Kalimantan (2002-2005), Manajer Keuangan DOH Sumbangsel (2005), Manajer Kontroler PT Pertamina EP (2006-2007), Manajer Keuangan UPMS III Jakarta (2007-2008), Manajer Akuntansi Manajemen Direktorat Keuangan (2008), Vice President Controller, Direktorat Keuangan (2008-2010), Vice President Financial Accounting & Reporting Direktorat Keuangan (2010-2012) dan Senior Vice President Controller Direktorat Keuangan PT Pertamina (Persero) (2012-sekarang).

He started his career at PT Pertamina (Persero) as Oil Accountancy Head of UPPDN III Jakarta (1998-2001) and assumed the position of Commissioner of PT Pertamina Geothermal Energy (2010-2012) as well as Investment Committee Head. A number of other important positions he has held throughout his career at Pertamina are Accounting Head of UPMS I Medan (2001-2002), Financial Manager of DOH Kalimantan (2002-2005), Financial Manager of DOH Sumbangsel (2005), Controller Manager of PT Pertamina EP (2006-2007), Financial Manager of UPMS III Jakarta (2007-2008), Accounting Manager of Finance Management Directorate (2008-2010), Vice President Controller of Finance Directorate (2010-2012), and Senior Vice President Controller of Finance Directorate of PT Pertamina (Persero) (2012-now).



Mohamad Oemar

Komisaris Independen
Independent Commissioner

Mohamad Oemar lahir di Semarang pada 29 November 1961, umur 56 tahun, warga negara Indonesia yang saat ini berdomisili di Depok. Beliau meraih gelar Sarjana Hubungan Internasional, FISIPOL di Universitas Gajah Mada tahun 1986 dan memperoleh gelar Magister Centre d'Etudes des Relations International et Strategie, Brussels, Belgia tahun 1993.

Mohamad Oemar was born in Semarang on 29 November 1961, aged 56 years, Indonesian citizen who is currently domiciled in Depok. He obtained his Bachelor of International Relations from FISIPOL, Gajah Mada University in 1986 and Master Degree from Centre d'Etudes des Relations International et Strategie, Brussels, Belgium in 1993.

Beliau menjabat sebagai Komisaris Independen PT Pertamina Hulu Energi terhitung sejak tanggal 7 Mei 2013 untuk masa jabatan 1 periode (3 tahun) atau sampai dengan RUPS Perusahaan memutuskan lain, sesuai dengan Keputusan Pemegang Saham secara sirkuler tanggal 7 Mei 2016 tentang Penetapan Komisaris Independen.

Beberapa karir dan penugasan di dalam dan luar negeri, di antaranya Direktorat Kerja sama Ekonomi Multilateral, Ditjen HELN (2000-2003), Direktur Perdagangan dan Perindustrian multilateral pada Ditjen Multilateral (2004-2006), Sekretaris III Pensosbud, KBRI Brussels, Belgia (1990-1994), Sekretaris I Ekonomi (WTO), PTRI Jenewa (1996-2000), Minister, Deputy Chief of Mission/DCM, KBRI Beijing (2006-2009), Duta Besar LBBP RI untuk Italia merangkap Malta dan Siprus berkedudukan di Roma, Wakil Tetap RI pada FAO, WFP dan IFAD, Wakil RI di UNIDROIT (2009-2011), Sekretaris Wakil Presiden (2011-sekarang), serta anggota maupun Ketua Delegasi RI ke berbagai KTT dan Pertemuan/perundingan bilateral, regional dan multilateral dalam Kerangka kerjasama bilateral, PBB, WTO, Konferensi Asia-Afrika, APEC dan ASEAN (1998-2010).

He has held the position of Independent Commissioner at PT Pertamina Hulu Enerhgi since 7 May 2013 for the term of office of 1 period (3 years) or until the Company GMS states otherwise. His appointment was aligned with circular GMS Decision of 7 May 2016 on Independent Commissioner Appointment.

His career and several assignments in the country and overseas, among which are Multilateral Economic Cooperation Directorate, Directorate General of HELN (2000-2003), Multilateral Trade and Industry Director at Multilateral Directorate General (2004-2006), Secretary III of Pensosbud at Embassy of Republic of Indonesia in Brussels, Belgium (1990-1994), Secretay I of Economy (WTO), PTRI Geneva (1996-2000), Minister, Deputy Chief of Mission/DCM at Embassy of the Republic of Indonesia in Beijing (2006-2009), Ambassador of LBBP RI for Italy, Malta, and Cyprus based in Rome, RI Permanent Representative to FAO, WFP, and IFAD, RI Representative at UNIDROIT (2009-2011), Vice President Secretary (2011-now), as well as a member and Delegation Head of the Republic of Indonesia to various high level conferences and bilateral, regional, and multilateral talks/meetings in the framework of bilateral cooperation, UN, WTO, Asian-African Conference, APEC, and ASEAN (1998-2010).



Mochamad Teguh Pamuji

Komisaris
Commissioner

Mochamad Teguh Pamuji merupakan warga negara Indonesia, lahir di Purbalingga pada 12 November 1957, umur 60 tahun dan saat ini berdomisili di Jakarta. Beliau meraih gelar Sarjana Hukum Internasional Publik, dari Universitas Indonesia tahun 1979 dan mendapatkan gelar Magister Hukum dari Universitas Indonesia tahun 2002.

Beliau diangkat sebagai Komisaris di Perusahaan sejak pertama kali ditunjuk pada tanggal 4 Maret 2016 untuk masa jabatan 1 periode (3 tahun) atau sampai dengan RUPS Perusahaan memutuskan lain. Hal ini sesuai dengan Keputusan RUPS Sirkuler tanggal 4 Maret 2016.

Beberapa karir dan penugasan yang pernah beliau terima, antara lain sebagai Sekretaris Jenderal Kementerian ESDM (2014-2017), Kepala Badan Diklat ESDM (2011-2014), Staf Ahli Menteri ESDM Bidang dan Kelembagaan (2009-2011), Komisaris PT Pertagas (2009-2011), Sekretaris Direktorat Jenderal Migas (2009-2011), Kepala Bagian Perundang-undangan Direktorat Jenderal Migas (2001-2005) dan Kepala Sub Bagian Perumusan Perundang-undangan Direktorat Jenderal Migas (1990-1999).

Mochamad Teguh Pamuji is an Indonesian citizen, born in Purbalingga on 12 November 1957, aged 60 years and currently domiciled in Jakarta. He obtained Bachelor of Public International Law from University of Indonesia in 1979 and Master of Law from University of Indonesia in 2002.

He was appointed as Commissioner at the Company since first appointed on 4 March 2016 for the term of office of 1 period (3 years) or until the Company GMS states otherwise. This is in line with Circular GMS Decision of 4 March 2016.

His career and several assignments he has held, among which are Secretary to Ministry of Energy and Mineral Resources (2014-2017), Head of Energy and Mineral Resources Training Agency (2011-2014), Advisor to the Minister of Energy and Mineral Resources in Institutional Affairs (2009-2011), Commissioner of PT Pertagas (2009-2011), Secretary to Directorate General of Oil and Gas (2009-2011), Head of Legislation of Directorate General of Oil and Gas (2001-2005), Sub-Division Head of Legislation Formulation of Directorate General of Oil and Gas (1990-1999).



Prahoro Nurtjahyo

Komisaris
Commissioner

Prahoro Nurtjahyo lahir di Kediri pada 30 Juli 1970, umur 47 tahun, warga negara Indonesia yang saat ini berdomisili di Jakarta. Beliau meraih gelar Sarjana Matematika Terapan, di Institut Teknologi Sepuluh Nopember, tahun 1994 dan memperoleh gelar Magister Ocean Engineering, Texas A&M University, College Station, tahun 1998. Beliau mendapatkan gelar Doctor Ocean Engineering, Texas A&M University, College Station, tahun 2003.

Beliau menjabat sebagai Komisaris di Perusahaan terhitung sejak pertama kali ditunjuk tanggal 3 Januari 2017 untuk masa jabatan 1 periode (3 tahun) atau sampai dengan RUPS Perusahaan memutuskan lain, sesuai dengan Keputusan RUPS Sirkuler Tanggal 3 Januari 2017.

Beberapa karir dan penugasan beliau, di antaranya Staf Khusus Kementerian ESDM (2016-sekarang), VP Operations and Managing Consultant Petroneering, LLC, Houston, Texas (2013-2016), Principal Lead Engineer SBM Offshore, Inc., Houston, Texas (2006 – 2013), Staff Specialist Technip USA, Inc., Houston, Texas (2004-2006), Naval Architect J. Ray McDermott, Inc., Houston, Texas (2004), Analysis Engineer SparTEC, Inc., a Subsidiary of J. Ray McDermott, Houston, Texas (2003), Research Assistant Texas Transportation Institute (TTI), Texas A&M University, College Station, Texas (1999-2003), Research Assistant Ocean Engineering Program, Texas A&M University, College Station, Texas (1996-1998) dan Researcher Indonesian Aircraft Industries, Ltd., Bandung, Indonesia (1994-1996).

Prahoro Nurtjahyo was born in Kediri on 30 July 1970, aged 47 years, Indonesian citizen who currently domiciled in Jakarta. He obtained his Bachelor in Applied Mathematics at Sepuluh Nopember Institute of Technology in 1994, and Master in Ocean Engineering, Texas A&M University, College Station in 1998. He received his Doctor Ocean Engineering at Texas A&M University, College Station in 2003.

He has served as Commissioner at the Company since first appointed on 3 January 2017 for the term of office of 1 period (3 years) or until the Company GMS states otherwise. This is in line with Circular GMS Decision of 3 January 2017.

His career and several assignments he has held, among which are Special Staff to Ministry of Energy and Mineral Resources (2016-now), VP Operations and Managing Consultant Petroneering, LLC, Houston, Texas (2013-2016), Principal Lead Engineer SBM Offshore, Inc., Houston, Texas (2006-2013), Staff Specialist Technip USA, Inc., Houston, Texas (2004-2006), Naval Architect J. Ray McDermott, Inc., Houston, Texas (2004), Analysis Engineer SparTEC, Inc., a Subsidiary of J. Ray McDermott, Houston, Texas (2003), Research Assistant to Texas Transportation Institute (TTI), Texas A&M University, College Station, Texas (1999-2003), Research Assistant to Ocean Engineering Program, Texas A&M University, College Station, Texas (1996-1998), and Researcher to Indonesian Aircraft Industries, Ltd., Bandung, Indonesia (1994-1996).

Perubahan Anggota Dewan Komisaris

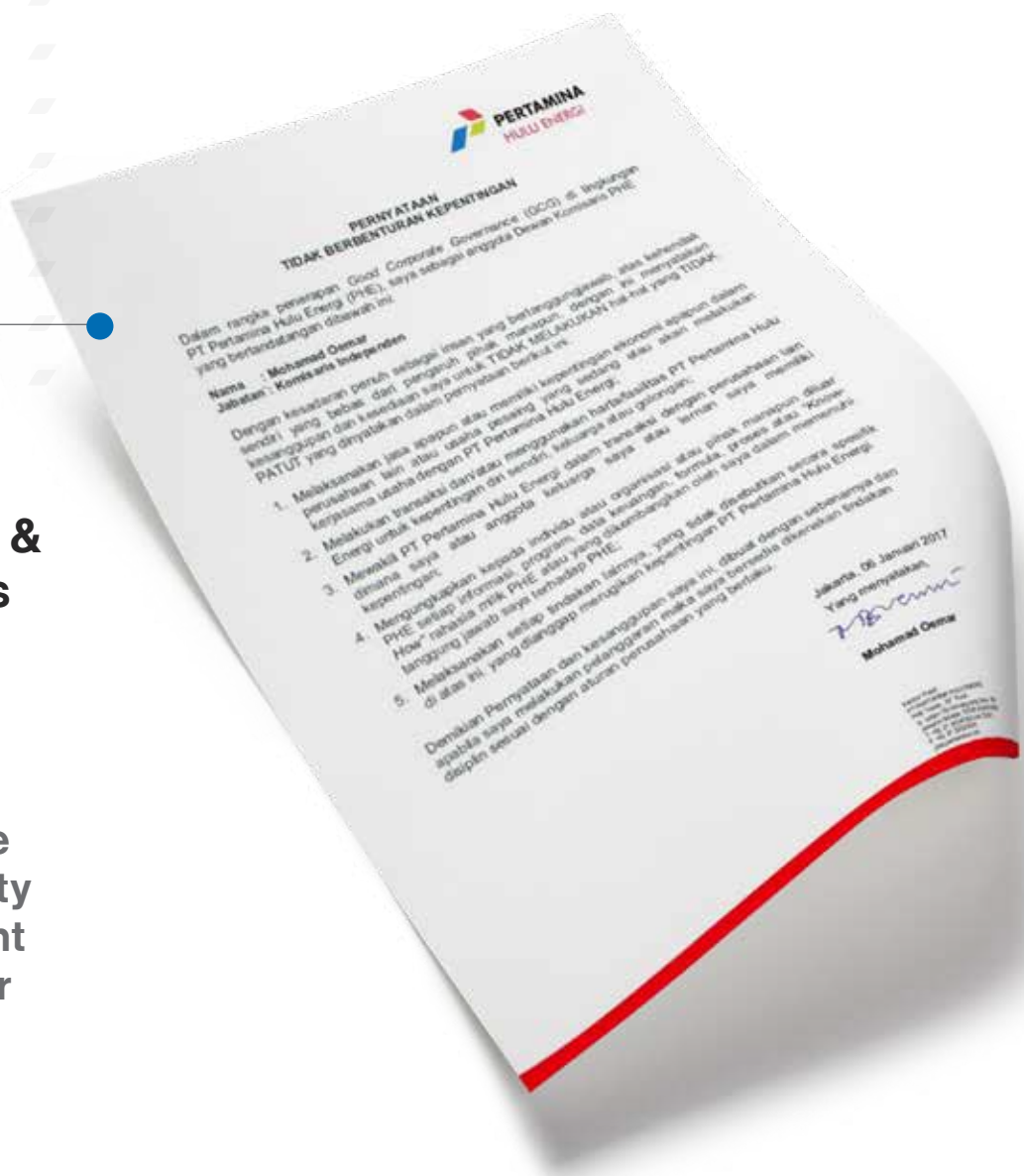
Pada tanggal 3 Januari 2017 terdapat perubahan komposisi keanggotaan Dewan Komisaris, yaitu adanya penambahan anggota Komisaris, Prahoro Yulijanto Nurtjahyo sebagai Komisaris.

Changes in the Board of Commissioners' Members

On 3 January 2017, a change occurred in the composition of the Board of Commissioners membership, which is the additional member of Commissioner, Prahoro Yulijanto Nurtjahyo.

Pernyataan tentang Independensi & Imparsialitas Komisaris Independen

Statement of Independence and Impartiality of Independent Commissioner



Rangkap Jabatan

Rangkap jabatan hanya dapat dilakukan selama tidak bertentangan dengan peraturan perundang-undangan lainnya. Anggota Dewan Komisaris dilarang memangku jabatan rangkap, sebagai:

- Anggota Direksi pada Badan Usaha Milik Daerah, Badan Usaha Milik Swasta;
- Pengurus partai politik dan/atau anggota legislatif;
- Jabatan lainnya sesuai dengan ketentuan dalam peraturan perundang-undangan;
- Jabatan lainnya yang dapat menimbulkan benturan kepentingan secara langsung atau tidak langsung dengan Perseroan sesuai dengan ketentuan peraturan perundang-undangan yang berlaku.

Concurrent Positions

Concurrent positions could only be applied as long as it is not conflicted with other laws and regulations. Members of the Board of Commissioners are prohibited to hold concurrent positions as:

- A member of Board of Directors of Regional Owned Enterprise, Private Owned Enterprise;
- Organization member of political party and/or legislation;
- Other positions that align with stipulations in laws and regulations;
- Other positions that could inflict direct or indirect conflict of interest with the Company in accordance with the prevalent laws and regulations.

Rangkap Jabatan Anggota Dewan Komisaris

Concurrent Positions of Members of the Board of Commissioners

Nama Name	Jabatan pada PHE Position at PHE	Jabatan pada Perusahaan Lain Position at Other Companies
Syamsu Alam	Komisaris Utama President Commissioner	Direktur Hulu PT Pertamina (Persero) Upstream Director of PT Pertamina (Persero)
Yudi Wahyudi	Komisaris Commissioner	Senior Vice President Controller Direktorat Keuangan PT Pertamina (Persero) Senior Vice President Controller of Finance Directorate of PT Pertamina (Persero)
Mohamad Oemar	Komisaris Independen Independent Commissioner	Sekretaris Wakil Presiden Secretary to Vice President
Mochamad Teguh Pamuji	Komisaris Commissioner	Sekretaris Jenderal Kementerian ESDM Secretary General of Ministry of Energy and Mineral Resources
Prahoro Nurtjahyo	Komisaris Commissioner	Staff Ahli Menteri ESDM Advisor to Minister of Energy and Mineral Resources

Pengungkapan Hubungan Afiliasi antara anggota Direksi, Dewan Komisaris dan Pemegang Saham Utama

Dewan Komisaris tidak memiliki hubungan afiliasi baik secara keuangan maupun kekeluargaan di antara mereka, serta dengan Direksi dan dengan Pemegang Saham Utama maupun Pemegang Saham Pengendali.

Disclosure of Affiliations between Members of the Board of Directors, Board of Commissioners and Major Shareholders

The Board of Commissioners does not have any affiliations financially and familiarly among them, as well as with the Board of Directors, Major Shareholders, and Controlling Shareholders.

Tabel Hubungan Afiliasi Dewan Komisaris, Direksi dan Pemegang Saham Pengendali

Table of Affiliations of the Board of Commissioners, Board of Directors, and Controlling Shareholders

Nama Anggota Dewan Komisaris Name of Board of Commissioners Member	Hubungan Keluarga Dengan Familial Relations with					
	Dewan Komisaris Board of Commissioners		Direksi Board of Directors		Pemegang Saham Pengendali Controlling Shareholders	
	Ya Yes	Tidak No	Ya Yes	Tidak No	Ya Yes	Tidak No
Syamsu Alam		√		√		√
Yudi Wahyudi		√		√		√
Mohamad Oemar		√		√		√
Mochamad Teguh Pamuji		√		√		√
Prahoru Nurtjahyo		√		√		√

Pendidikan dan Pelatihan Anggota Dewan Komisaris

Pendidikan dan pelatihan bagi anggota Dewan Komisaris merupakan salah satu upaya PHE untuk meningkatkan modal intelektual Perusahaan. Keahlian dan kompetensi kolektif Dewan Komisaris akan membantu pelaksanaan tugas pengawasan dan memberikan nasihat kepada Direksi.

Education and Training for the Board of Commissioners

Education and training for members of the Board of Commissioners are one of PHE efforts to increase the Company intellectual capital. Collective skills and competencies of the Board of Commissioners are essential in facilitating supervision duty and giving advice to the Board of Directors.

Pendidikan dan/atau Pelatihan untuk Dewan Komisaris [102-27]

Education and/or Training for the Board of Commissioners [102-27]

Nama Kegiatan Name of Activity	Waktu Pelaksanaan Time of Event	Anggota Dewan Komisaris Peserta Participants of the Board of Commissioners Members
Workshop Pengelolaan & Manajemen Resiko Dana Pensiun Pertamina, Jakarta Risks Management of Pertamina Pension Fund Workshop, Jakarta	14-15 November 2017	Yudi Wahyudi
Seminar on Opportunity in a New Era on Enhanced Japan-ASEAN Partnership, Bangkok – Thailand	27 September 2017	Mohamad Oemar
Seminar 2nd EAS Regulatory Roundtable II: "On Structural Reform", di Jakarta – Indonesia	29 September 2017	Mohamad Oemar

Identitas dan Riwayat Hidup Singkat Anggota Direksi

Identity and Brief Curriculum Vitae
of Board of Directors Members







R. Gunung Sardjono Hadi

Direktur Utama
President Director

R. Gunung Sardjono Hadi merupakan warga negara Indonesia yang lahir pada 23 Januari 1963 di Semarang, umur 54 tahun dan berdomisili di Jakarta. Beliau memperoleh gelar Sarjana Teknik Kimia di Universitas Diponegoro Semarang pada tahun 1987 dan memperoleh jenjang S2 Jurusan Teknik Mesin di Universitas Indonesia Jakarta, pada tahun 2000.

Beliau memulai karir di PT Pertamina (Persero) sejak tahun 1989 sebagai Trainee. Beberapa jabatan penting yang pernah dipegang, di antaranya Manajer Perencanaan dan Portofolio Direktorat Hulu PT Pertamina (Persero) (2005), Manajer Perencanaan & Anggaran PT Pertamina EP (2006-2007), Vice President Perencanaan & Portofolio di Pertamina EP (2007-2008), Senior Vice President Business Development di Direktorat Hulu PT Pertamina (Persero) (2009), Senior Vice President Planning & Evaluation di Direktorat Hulu PT Pertamina (Persero) (2009-2010), Direktur Utama PT Pertamina Gas (2011-2013), Senior Vice President Corporate Shared Service di Pertamina (Persero) (2013), serta Senior Vice President Development & Technology di Pertamina (Persero) (2013-2015).

Beliau menjabat sebagai Direktur Utama di Pertamina Hulu Energi terhitung sejak pertama kali ditunjuk pada tanggal 1 Juni 2015 untuk masa jabatan 1 periode (3 tahun) atau sampai dengan RUPS Perusahaan memutuskan lain, sesuai dengan Keputusan Pemegang Saham secara sirkuler tanggal 1 Juni 2015 tentang Pengangkatan Direktur Utama.

R. Gunung Sardjono Hadi is an Indonesian citizen who was born on 23 January 1963 in Semarang, aged 54 years and domiciled in Jakarta. His educational background shows his Bachelor in Chemical Engineering was obtained at Diponegoro University, Semarang in 1987, and Master in Mechanical Engineering at University of Indonesia, Jakarta in 2000.

He started his career at PT Pertamina (Persero) since 1989 as Trainee. A number of important positions he has assumed, among which are Planning and Portfolio Manager of Upstream Directorate of PT Pertamina (Persero) (2005), Planning & Budget Manager of PT Pertamina EP (2006-2007), Vice President of Planning & Portfolio at Pertamina EP (2007-2008), Senior Vice President of Business Development at Upstream Director of PT Pertamina (Persero) (2009), Senior Vice President of Planning & Evaluation at Upstream Directorate of PT Pertamina (Persero) (2009-2010), President Director of PT Pertamina Gas (2011-2013), Senior Vice President of Corporate Shared Service at Pertamina (Persero) (2013), as well as Senior Vice President of Development & Technology at Pertamina (Persero) (2013-2015).

He has served as President Director at Pertamina Hulu Energi since first appointed on 1 June 2015 for the term of office of 1 period (3 years) or until the Company GMS states otherwise. This is in line with circular GMS Decision of 1 June 2015 on Appointment of President Director.



Beni Jaffilius Ibradi

Direktur Operasi dan Produksi
Director of Operations & Production

Beni Jaffilius Ibradi merupakan warga negara Indonesia, umur 57 tahun yang lahir pada 21 Juli 1960, di Lahat dan saat ini berdomisili di Jakarta. Beliau memperoleh gelar Sarjana tahun 1987 pada jurusan Tambang Institut Teknologi Bandung.

Beberapa pengalaman kerja beliau, di antaranya Vice President Drilling PEP (2008 – 2012), GM Region Jawa PEP (2012 – 2013), GM Aset 3, PEP (2013), Direktur Pengembangan PEP (2013), dan Direktur Operasi dan Produksi PEP (2013 – 2014).

Beliau menjabat sebagai Direktur Operasi dan Produksi di Pertamina Hulu Energi terhitung sejak pertama kali ditunjuk pada tanggal 23 April 2015 untuk masa jabatan 1 periode (3 tahun) atau sampai dengan RUPS Perusahaan memutuskan lain, sesuai dengan Keputusan Pemegang Saham secara sirkuler tanggal 23 April 2015 tentang Pergantian Direksi.

Beni Jaffilius Ibradi is an Indonesian citizen, aged 57 years who was born on 21 July 1960 in Lahat, and currently domiciled in Jakarta. He obtained his Bachelor of Mining in 1987 at Bandung Institute of Technology.

Several working experiences he had, among which are Vice President of Drilling of PEP (2008-2012), GM of Java Region of PEP (2012-2013), GM of Assets 3 of PEP (2013), Development Director of PEP (2013), and Operation and Production Director of PEP (2013-2014).

He has held the position of Operation and Production Director at Pertamina Hulu Energi since first appointed on 23 April 2015 for the term of office of 1 period (3 years) or until the Company GMS stats otherwise. This is in line with circular GMS Decision of 23 April 2015 on Replacement of the Board of Directors.



Bambang Manumayoso

Direktur Pengembangan
Director of Development

Bambang Manumayoso lahir di Solo pada 17 April 1963, umur 54 tahun, warga negara Indonesia dan berdomisili di Jakarta. Beliau memperoleh gelar Sarjana Teknik Geologi Minyak di UPN Veteran Yogyakarta tahun 1989.

Beliau memulai karir di PT Pertamina (Persero) Cirebon sebagai Trainee pada tahun 1990. Beberapa jabatan penting yang pernah dipegang, di antaranya Manajer Overseas New Ventures di Direktorat Hulu PT Pertamina (Persero) tahun 2007-2008, Manajer New Ventures di Direktorat Hulu PT Pertamina (Persero) tahun 2008, Manajer New Ventures di PT Pertamina (Persero) tahun 2009-2010, Vice President Asia-Amerika Selatan di PHE tahun 2010, Vice President Aset Overseas di PHE tahun 2010-2013 dan General Manager di PHE tahun 2013-2015.

Beliau menjabat sebagai Direktur Pengembangan di PT Pertamina Hulu Energi terhitung sejak pertama kali ditunjuk tanggal 23 April 2015 untuk masa jabatan 1 periode (3 tahun) atau sampai dengan RUPS Perusahaan memutuskan lain, sesuai dengan Keputusan Pemegang Saham secara sirkuler tanggal 23 April 2015 tentang Pergantian Direksi. Sesuai dengan Keputusan RUPS PHE secara Sirkuler tanggal 24 Juli 2017 Sdr. Bambang Manumayoso tidak lagi menjabat sebagai PJ. Direktur Pengembangan.

Bambang Manumayoso was born in Solo on 17 April 1963, aged 54 years, Indonesian citizen who domiciled in Jakarta. His educational background shows he obtain his Bachelor of Science in Petroleum Geology at UPN Veteran Yogyakarta in 1989.

He started his career at PT Pertamina (Persero) Cirebon as Trainee in 1990. A series of important positions he has assumed, among which are Overseas New Ventures Manager at Upstream Directorate of PT Pertamina (Persero) in 2007-2008, New Ventures Manager at Upstream Directorate of PT Pertamina (Persero) in 2008, New Ventures Manager at PT Pertamina (Persero) in 2009-2010, Vice President for Asia-South America at PHE in 2010, Vice President of Assets Overseas at PHE in 2010-2013, and General Manager at PHE in 2013-2015.

He has held the position of Development Director at PT Pertamina Hulu Energi since first appointed on 23 April 2015 for the term of office of 1 period (3 years) or until the Company GMS states otherwise. This is in line with circular GMS Decision of 23 April 2015 on Appointment of the Board of Directors. In accordance with Circular GMS Decision of 24 July 2017, Bambang Manumayoso was no longer in service as Acting Development Director.



Rudy Ryacudu

Direktur Eksplorasi
Director of Exploration

Rudy Ryacudu merupakan warga negara Indonesia yang lahir di Karawang pada 25 Desember 1961, umur 56 tahun dan berdomisili di Jakarta. Beliau memperoleh gelar Sarjana Teknik Geologi dari Universitas Padjadjaran (1986), Master of Petroleum Geoscience dari Norwegian University of Science and Technology (1996), Doktor Teknik Geologi dari Institut Teknologi Bandung (2005) dan gelar Master of Business Administration dari Universitas Gadjah Mada (2009).

Beliau mengawali karir di Pertamina sejak 1989 sebagai Ahli Eksplorasi di UEP-I Pangkalan Brandan. Jabatan lain di lingkungan Pertamina, di antaranya Manager Domestic New Venture Direktorat Hulu (2006-2007), General Manager JOB Pertamina-ConocoPhillips Blok Sakakemang (2007-2008), Vice President Penyertaan PHE (2008-2010), Vice President Aset Sumatra (2010-2013) dan Vice President Aset Overseas (2013).

Beliau menjabat sebagai Direktur Eksplorasi di PT Pertamina Hulu Energi terhitung sejak pertama kali ditunjuk tanggal 29 September 2013 untuk masa jabatan 1 periode (3 tahun) atau sampai dengan RUPS Perusahaan memutuskan lain, sesuai dengan Keputusan Pemegang Saham secara sirkuler tanggal 29 September 2013 tentang Pergantian Direksi dan diangkat kembali sebagai PJ Direktur Eksplorasi sesuai dengan Keputusan RUPS PHE terhitung mulai sejak tanggal 29 November 2016.

Rudy Ryacudu is an Indonesian citizen who was born in Karawang on 25 December 1961, aged 56, and domiciled in Jakarta. He obtained his Bachelor of Science in Geology from Padjajaran University (1986), Master of Petroleum Geoscience from Norwegian University of Science and Technology (1996), Doctoral in Geological Engineering from Bandung Institute of Technology (2005) and Master of Business Administration degree from Gadjah Mada University (2009).

He began his career at Pertamina since 1989 as Exploration Expert at UEP-1, Pangkalan Brandan. Other positions at Pertamina, among which are Domestic New Venture Manager of Upstream Directorate (2006-2007), General Manager of JOB Pertamina-ConocoPhillips of Sakakemang Block (2007-2008), Vice President of Participating Interest of PHE (2008-2010), Vice President of Assets of Sumatra (2010-2013), and Vice President Assets of Overseas (2013).

He has served as Exploration Director at PT Pertamina Hulu Energi since first appointed on 29 September 2013 for the term of office of 1 period (3 years) or until the Company GMS states otherwise. This is in line with circular GMS Decision of 29 September 2013 on Appointment of the Board of Directors. He was reappointed as Acting Exploration Director pursuant to PHE GMS Decision since 29 November 2016.



Ari Budiarko

Direktur Keuangan dan Business Support
Director of Financial and Business Support

Ari Budiarko lahir di Karanganyar pada 6 Januari 1960, umur 57 tahun, warga negara Indonesia dan berdomisili di Bekasi. Beliau memperoleh gelar Sarjana Ekonomi Akuntansi di Universitas Gadjah Mada Yogyakarta tahun 1987 dan mendapatkan gelar S2 Jurusan Ekonomi Manajemen di Universitas Gadjah Mada Yogyakarta tahun 2000.

Beliau mengawali karir di UPPDN I sebagai KA. Akuntan Utang Piutang/Keuangan tahun 1987. Beberapa jabatan penting yang pernah diduduki di Pertamina, di antaranya Manajer General Accounting di PT Pertamina (Persero) tahun 2009, Manajer Utang Piutang di PT Pertamina (Persero) tahun 2009-2010, Manajer Account Receivables di PT Pertamina (Persero) tahun 2011, Vice President Kontroler di PHE tahun 2011-2012, dan Vice President Financial Accounting & Reporting di PT Pertamina (Persero) tahun 2012-2015.

Beliau menjabat sebagai Direktur Keuangan & Business Support di PT Pertamina Hulu Energi terhitung sejak pertama kali ditunjuk tanggal 23 September 2015 untuk masa jabatan 1 periode (3 tahun) atau sampai dengan RUPS Perusahaan memutuskan lain, sesuai dengan Keputusan Pemegang Saham secara sirkuler tanggal 23 September 2015 tentang Pergantian Direksi.

Ari Budiarko was born in Karanganyar on 6 January 1960, aged 57 years, Indonesian citizen and domiciled in Bekasi. His educational background shows his Bachelor of Accounting at Gadjah Mada University, Yogyakarta in 1987, and Master of Economic Management at Gadjah Mada University, Yogyakarta in 2000.

He began his career at UPPDN I as Head Accountant for Debts/Finance in 1987. Several important positions he has served at Pertamina, among which are General Accounting Manager at PT Pertamina (Persero) in 2009, Debts Manager at PT Pertamina (Persero) in 2009-2010, Account Receivables Manager at PT Pertamina (Persero) in 2011, Vice President Controller at PHE in 2011-2012, and Vice President of Financial Accounting & Reporting at PT Pertamina (Persero) in 2012-2015.

He has served as Finance & Business Support Director at PT Pertamina Hulu Energi since first appointed on 23 September 2015 for the term of office of 1 period (3 years) or until the Company GMS states otherwise. This aligns with circular GMS Decision of 23 September 2015 on Appointment of the Board of Directors.

Perubahan Anggota Direksi

Sesuai dengan Keputusan RUPS PHE secara Sirkuler tanggal 24 Juli 2017 Pemberhentian Sdr. Bambang Manumayoso sebagai PJ. Direktur Pengembangan Perseroan karena yang bersangkutan mendapat exposure ke PT Pertamina Hulu Indonesia.

Dengan demikian Susunan Direksi Perseroan per 31 Desember 2017 menjadi:

PJ. Direktur Utama

President Director
R. Gunung Sardjono Hadi

PJ. Direktur Eksplorasi

Director of Exploration
Rudy Ryacudu

PJ. Direktur Keuangan dan Business Support

Director of Financial and Business Support
Ari Budiarko

Rangkap Jabatan

Sesuai dengan Pedoman GCG No. 1141/PHE040/2014-SO, tanggal 21 Oktober 2014 para anggota Direksi tidak boleh merangkap jabatan sebagaimana tersebut di bawah ini:

- Anggota Direksi pada Badan Usaha Milik Negara dan Badan Usaha Milik Daerah dan Badan Usaha Milik Swasta;
- Anggota Dewan Komisaris pada Badan Usaha Milik Negara;
- Jabatan struktural dan fungsional lainnya pada instansi/ lembaga pemerintah pusat dan/atau daerah;
- Pengurus partai politik atau anggota legislatif.

Jabatan lainnya yang dapat menimbulkan benturan kepentingan secara langsung atau tidak langsung dengan perusahaan sesuai dengan peraturan perundang-undangan.

Changes in Members of the Board of Directors

In accordance with PHE circular GMS Decision of 24 July 2017, the Shareholders have respectfully dismissed Bambang Manumayoso as Acting Development Director at PHE. The dismissal was carried out due to the concerned's new assignment at PT Pertamina Hulu Indonesia.

Thus, below are the Composition of the Board of Directors of the Company as of 31 December 2017:

PJ. Direktur Operasi dan Produksi

Director of Operations & Production
Beni Jaffilius Ibradi

PJ. Direktur Pengembangan

Director of Development
Kosong | Vacant

Concurrent Positions

As per GCG Guidelines Number 1141/PHE040/2014-SO of 21 October 2014, members of the Board of Directors are prohibited to have concurrent positions as stated as follows:

- Member of Board of Directors at State Owned Enterprise, Regional Owned Enterprise, and Private Owned Enterprise;
- Member of Board of Commissioners at State Owned Enterprise;
- Other structural and functional positions at central and/ or local government institution/agency;
- Organizing member of political party or a legislative member.

Other positions that could inflict direct or indirect conflict of interest with the company in accordance with laws and regulations.

Tabel Rangkap Jabatan Anggota Direksi

Table of Concurrent Positions of Member of Board of Directors

No.		Anak Perusahaan Subsidiary	Direktur Utama President Director	Direktur Director	Komisaris Commissioner
1	PT PHE	ABAR	Rudy Ryacudu	Bambang Manumayoso	Ari Budiarko
2	PT PHE	AMBALAT TIMUR	Rudy Ryacudu	Bambang Manumayoso	Ari Budiarko
3	PT PHE	ANGGURSI	Rudy Ryacudu	Bambang Manumayoso	Ari Budiarko
4	PT PHE	ARUN	R. Gunung Sardjono Hadi	Bambang Manumayoso	Ari Budiarko
5	PT PHE	BABAR SELARU	Rudy Ryacudu	Bambang Manumayoso	Ari Budiarko
6	PT PHE	COASTAL PLAIN PEKANBARU	Beni Jaffilius Ibradi	Bambang Manumayoso	Ari Budiarko
7	PT PHE	CORRIDOR	Beni Jaffilius Ibradi	Bambang Manumayoso	Ari Budiarko
8	PT PHE	DONGGALA	Bambang Manumayoso	Rudy Ryacudu	Ari Budiarko
9	PT PHE	EAST SEPINGGAN	Rudy Ryacudu	Bambang Manumayoso	Beni Jaffilius Ibradi
10	PT PHE	GEBANG N SUMATERA	Bambang Manumayoso	Rudy Ryacudu	Ari Budiarko
11	PT PHE	JABUNG	Beni Jaffilius Ibradi	Bambang Manumayoso	Ari Budiarko
12	PT PHE	JAMBI MERANG	Beni Jaffilius Ibradi	Bambang Manumayoso	Ari Budiarko
13	PT PHE	KAKAP	Beni Jaffilius Ibradi	Bambang Manumayoso	Ari Budiarko
14	PT PHE	KAMPAR	Beni Jaffilius Ibradi	Rudy Ryacudu	Yayok T. Wisanggo
15	PT PHE	KARAMA	Rudy Ryacudu	Bambang Manumayoso	Ari Budiarko
16	PT PHE	MAKASSAR STRAIT	Beni Jaffilius Ibradi	Bambang Manumayoso	Rudy Ryacudu
17	PT PHE	METAN TANJUNG II	Rudy Ryacudu	Bambang Manumayoso	Ari Budiarko
18	PT PHE	METAN TANJUNG IV	Rudy Ryacudu	Bambang Manumayoso	Ari Budiarko

No.		Anak Perusahaan Subsidiary	Direktur Utama President Director	Direktur Director	Komisaris Commissioner
19	PT PHE	METANA KALIMANTAN A	Rudy Ryacudu	Bambang Manumayoso	Ari Budiarko
20	PT PHE	METANA KALIMANTAN B	Rudy Ryacudu	Bambang Manumayoso	Ari Budiarko
21	PT PHE	METANA SUBAN I	Rudy Ryacudu	Bambang Manumayoso	Ari Budiarko
22	PT PHE	METANA SUBAN II	Rudy Ryacudu	Bambang Manumayoso	Ari Budiarko
23	PT PHE	METANA SUMATERA 1	Rudy Ryacudu	Bambang Manumayoso	Ari Budiarko
24	PT PHE	METANA SUMATERA 2	Rudy Ryacudu	Bambang Manumayoso	Ari Budiarko
25	PT PHE	METANA SUMATERA 3	Rudy Ryacudu	Bambang Manumayoso	Ari Budiarko
26	PT PHE	METANA SUMATERA 4	Rudy Ryacudu	Bambang Manumayoso	Ari Budiarko
27	PT PHE	METANA SUMATERA 5	Rudy Ryacudu	Bambang Manumayoso	Ari Budiarko
28	PT PHE	METANA SUMATERA 6	Rudy Ryacudu	Bambang Manumayoso	Ari Budiarko
29	PT PHE	METANA SUMATERA 7	Rudy Ryacudu	Bambang Manumayoso	Ari Budiarko
30	PT PHE	METANA SUMATERA TANJUNG ENIM	Rudy Ryacudu	Bambang Manumayoso	Beni Jaffilius Ibradi
31	PT PHE	MNK SAKAKEMANG	Rudy Ryacudu	Beni Jaffilius Ibradi	Yayok T. Wisanggo
32	PT PHE	MNK SUMATERA UTARA	Rudy Ryacudu	Bambang Manumayoso	Ari Budiarko
33	PT PHE	NSB	R. Gunung Sardjono Hadi	Bambang Manumayoso	Ari Budiarko
34	PT PHE	NSO	R. Gunung Sardjono Hadi	Bambang Manumayoso	Ari Budiarko
35	PT PHE	OSES	Beni Jaffilius Ibradi	Bambang Manumayoso	Ari Budiarko
36	PT PHE	OGAN KOMERING	Beni Jaffilius Ibradi	Bambang Manumayoso	Ari Budiarko
37	PT PHE	ONSHORE NORTH WEST JAVA	Beni Jaffilius Ibradi	Bambang Manumayoso	Rudy Ryacudu
38	PT PHE	RAJA TEMPIRAI	Beni Jaffilius Ibradi	Bambang Manumayoso	Rudy Ryacudu

Tabel Rangkap Jabatan Anggota Direksi

Table of Concurrent Positions of Member of Board of Directors

No.		Anak Perusahaan Subsidiary	Direktur Utama President Director	Direktur Director	Komisaris Commissioner
39	PT PHE	RANDUGUNTING	Rudy Ryacudu	Bambang Manumayoso	Ari Budiarko
40	PT PHE	SALAWATI	Beni Jaffilius Ibradi	Bambang Manumayoso	Ari Budiarko
41	PT PHE	SALAWATI BASIN	Beni Jaffilius Ibradi	Bambang Manumayoso	Ari Budiarko
42	PT PHE	SEMAI II	Rudy Ryacudu	Bambang Manumayoso	Beni Jaffilius Ibradi
43	PT PHE	SIAK	Beni Jaffilius Ibradi	Rudy Ryacudu	Bambang Manumayoso
44	PT PHE	SIMENGGARIS	Bambang Manumayoso	Beni Jaffilius Ibradi	Rudy Ryacudu
45	PT PHE	SOUTH JAMBI B	Beni Jaffilius Ibradi	Bambang Manumayoso	Ari Budiarko
46	PT PHE	TENGAH K	Beni Jaffilius Ibradi	Bambang Manumayoso	Ari Budiarko
47	PT PHE	TOMORI SULAWESI	Bambang Manumayoso	Beni Jaffilius Ibradi	Rudy Ryacudu
48	PT PHE	TUBAN	Beni Jaffilius Ibradi	Bambang Manumayoso	Ari Budiarko
49	PT PHE	TUBAN EAST JAVA	Beni Jaffilius Ibradi	Bambang Manumayoso	Ari Budiarko
50	PT PHE	WEST GLAGAH KAMBUNA	Rudy Ryacudu	Bambang Manumayoso	Ari Budiarko
51	PT PHE	WEST MADURA OFFSHORE	Beni Jaffilius Ibradi	Bambang Manumayoso	Ari Budiarko
52	PT PHE	LEPAS PANTAI BUNYU		Rudy Ryacudu	Ari Budiarko
53	PT PHE	AMBALAT		Rudy Ryacudu	Ari Budiarko
54	PT PHE	PHE NUNUKAN COMPANY	-	Rudy Ryacudu	-
				Beni J. Ibradi	
				Ari Budiarko	
55	PT PHE	PHE BUKAT	-	Rudy Ryacudu	-
				Beni J. Ibradi	
				Ari Budiarko	
56	PT PHE	PHE AMBALAT	-	Rudy Ryacudu	-
				Bambang Manumayoso	
57	PT PHE	PHE OIL & GAS	-	Beni Jaffilius Ibradi	-
				Bambang Manumayoso	
58	PT PHE	PHE ONWJ LLC	-	Ari Budiarko	-
				Arif Syamsul Hadi	
59	PT PHE	PHE AUSTRALIA PTY. LTD.	-	Beni J. Ibradi	-

Pengungkapan Hubungan Afiliasi antara Anggota Direksi, Dewan Komisaris dan Pemegang Saham Utama

Disclosure of Affiliations between Members of the Board of Directors, Board of Commissioners, and Major Shareholders

Tabel Hubungan Afiliasi Anggota Direksi, Dewan Komisaris dan Pemegang Saham Pengendali

Table of Affiliations of Members of Board of Directors, Board of Commissioners, and Controlling Shareholders

Nama Anggota Direksi Name of Board of Directors Members	Hubungan Keluarga Dengan Familial Relations with					
	Dewan Komisaris Board of Commissioners		Direksi Board of Directors		Pemegang Saham Pengendali Controlling Shareholders	
	Ya Yes	Tidak No	Ya Yes	Tidak No	Ya Yes	Tidak No
R. Gunung Sardjono Hadi		✓		✓		✓
Beni Jaffilius Ibradi		✓		✓		✓
Bambang Manumayoso		✓		✓		✓
Rudy Ryacudu		✓		✓		✓
Ari Budiarko		✓		✓		✓

Pendidikan dan/atau Pelatihan untuk Direksi ^[102-27]

Pendidikan dan pelatihan bagi anggota Direksi merupakan salah satu upaya PHE untuk meningkatkan modal intelektual Perusahaan. Keahlian dan kompetensi kolektif Direksi akan membantu pelaksanaan tugas dan tanggung jawab mengurus Perusahaan.

Education and/or Training for the Board of Directors ^[102-27]

Education and training for members of the Board of Directors are one of PHE efforts to increase the Company intellectual capital. Collective skills and competencies found in the Board of Directors will help them in implementing the duties and responsibilities at the Company.

Pendidikan dan Pelatihan Bagi Anggota Direksi ^[102-27]

Education and Training for Members of the Board of Directors ^[102-27]

Nama Kegiatan Name of Activity	Waktu Pelaksanaan Time of Event	Anggota Direksi Peserta Participants from the Board of Directors Members
Expand Leadership Program for BOD/BOC Expand Leadership Program for BOD/BOC	3-6 Mei 2017 3-6 May 2017	Ari Budiarko
Forum IPA 2017 IPA Forum 2017	17-19 Mei 2017 17-19 May 2017	R. Gunung Sardjono Hadi
		Ari Budiarko
		Beni Jaffilius Ibradi AD.
		Rudy Ryacudu
Gastech Conference and Exhibition 2017 Gastech Conference and Exhibition 2017	4-7 April 2017 4-7 April 2017	R. Gunung Sardjono Hadi

Profil Vice President, General Manager dan Direktur Perusahaan Asosiasi

Profile of Vice President, General Manager and Director Associates

Profil Vice President

Vice President Profiles



Artono

- Umur: 53 Tahun
- Pendidikan: S1 Teknik Tambang Minyak ITB
- Jabatan: VP Operasi dan Produksi
- Masa Kerja: 28 Tahun

- Age: 53 years old
- Education: Bachelor of Petroleum Mining, ITB
- Position: VP of Production & Operations
- Years of service: 28 years



Supriyadi

- Umur: 55 Tahun
- Pendidikan: S1: Bahasa Inggris, IKIP Surabaya, S1: Fakultas Hukum, Universitas Airlangga Surabaya dan S2: Faculty of Law, Southampton University, UK
- Jabatan: VP Legal
- Masa Kerja: 16 tahun

- Age: 55 years old
- Education: Bachelor of Education in English, IKIP Surabaya; Bachelor of Law, Airlangga University, Surabaya; and Master of Law, Southampton University, UK
- Position: VP of Legal
- Years of service: 16 years



Budi Tamtomo

- Umur: 55 Tahun
- Pendidikan: S1 Geologi Umum UPN Veteran Yogyakarta
- Jabatan: VP Operation Exploration & Asset Management Operator/Non Operator.
- Masa Jabatan: 28 Tahun
- Age: 55 years old
- Education: Bachelor of General Geology, UPN Veteran Yogyakarta
- Position: VP of Operation Exploration & Asset Management Operator/Non Operator
- Years of service: 28 years



Muhammad Denis

- Umur: 53 Tahun
- Pendidikan: S1 Fakultas Hukum Univ. Andalas Padang
- Jabatan: VP Human Resource & General Affair
- Masa Kerja: 26 Tahun
- Age: 53 years old
- Education: Bachelor of Law of Andalas University, Padang
- Position: VP of Human Resources & General Affairs
- Years of service: 26 years



Aji Prayudi

- Usia: 53 tahun
- Pendidikan: S1 Fakultas Hukum UI S2 Magister Management UGM, Magister Hukum UI
- Jabatan: VP Relations
- Masa Kerja: 26 Tahun
- Age: 53 years old
- Education: Bachelor of Law, UI; Master of Management, UGM, Master of Law, UI
- Position: VP of Relations
- Years of service: 26 years



Afif Saifudin

- Umur: 53 Tahun
- Pendidikan: S1 Teknik Kimia ITS
- Jabatan: VP Production Asset Management
- Masa Kerja: 26 tahun
- Age: 53 years old
- Education: Bachelor of Chemical Engineering, ITS
- Position: VP of Production Asset Management
- Years of service: 26 years



Iceu Cahyani

- Umur: 51 Tahun
- Pendidikan: S2 Magister Teknik Mesin
- Jabatan: VP PPRM
- Masa Kerja: 25 Tahun

- Age: 51 years old
- Education: Master of Mechanical Engineering
- Position: VP of PPRM
- Years of service: 25 years



Rahmat Wijaya

- Umur: 54 Tahun
- Pendidikan: S2 Teknik Perminyakan ITB
- Jabatan: VP Subsurface Development
- Masa Kerja: 28 Tahun

- Age: 54 years old
- Education: Master of Petroleum Engineering, ITB
- Position: VP of Subsurface Development
- Years of service: 28 years



Anton Trienda

- Umur: 49 Tahun
- Pendidikan: DIII Akuntansi STAN, S1/DIV Akuntansi STAN, S2 Magister Manajemen Universitas Widyatama Bandung Program
- Jabatan: Chief Internal Auditor
- Masa Kerja: 27 Tahun

- Age: 49 years old
- Education: Associate Degree of Accounting, STAN; Bachelor of Accounting, STAN; Master of Management, Widyatama University of Bandung Program
- Position: Chief Internal Auditor
- Years of service: 27 years



Ari Samodra

- Umur: 53 Tahun
- Pendidikan: S3 Applied Geophysics ITB
- Jabatan: VP Exploration Subsurface, Planning & Evaluation
- Masa Kerja: 28 tahun

- Age: 53 years old
- Education: Doctoral of Applied Geophysics, ITB
- Position: VP of Exploration Subsurface, Planning & Evaluation
- Years of service: 28 years



Tatang Suryana

- Umur: 53 Tahun
- Pendidikan: S1, Ekonomi Akuntansi Universitas Padjadjaran Bandung dan S2, Magister Manajemen Universitas Indonesia Jakarta
- Jabatan: VP Finance and Treasury
- Masa Kerja: 27 Tahun

- Age: 53 years old
- Education: Bachelor of Accounting, Padjadjaran University, Bandung, Master of Management, University of Indonesia, Jakarta
- Position: VP of Finance and Treasury
- Years of service: 27 years



Bambang Rudi Prasetyo

- Umur: 53 Tahun
- Pendidikan: S2 Magister Manajemen UGM
- Jabatan: VP ICT Data Management
- Masa Kerja: 27 Tahun

- Age: 53 years old
- Education: Master of Management, UGM
- Position: VP of ICT Data Management
- Years of service: 27 years



Iwan Jatmika

- Umur: 52 Tahun
 - Pendidikan: Teknik Elektro FT- UGM
 - Jabatan: VP QHSSE
 - Masa Kerja: 26 Tahun
-
- Age: 52 years old
 - Education: Bachelor of Electrical Engineering, UGM
 - Position: VP of QHSSE
 - Years of service: 26 years



Eko Agus Sardjono

- Umur: 52 tahun
 - Pendidikan: S1 Geologi UGM, S2 Geologi ITB
 - Jabatan: VP Commercial
 - Masa Kerja: 25 Tahun
-
- Age: 52 years old
 - Education: Bachelor of Science in Geology, UGM, Master of Science in Geology, ITB
 - Position: VP of Commercial
 - Years of service: 25 years



Yelly Hesnety

- Umur: 53 Tahun
 - Pendidikan: S2
 - Jabatan: VP Controller
 - Masa Kerja: 25 tahun
-
- Age: 53 years old
 - Education: Master Degree
 - Position: VP Controller
 - Years of service: 25 years



Iman Bastari

- Umur: 54 Tahun
 - Pendidikan: S2 STIE IBII
 - Jabatan: VP SCM
 - Masa Kerja: 28 Tahun
-
- Age: 54 years old
 - Education: Master Degree of STIE IBII
 - Position: VP of SCM
 - Years of service: 28 years



Slamet Susilo

- Umur: 52 Tahun
 - Pendidikan: S1 Teknik Elektro UI
 - Jabatan: VP PSDM
 - Masa Kerja: 26 Tahun
-
- Age: 52 years old
 - Education: Bachelor of Electrical Engineering, University of Indonesia
 - Position: VP of PSDM
 - Years of service: 26 years

Profil General Manager

General Manager Profiles



Indra Shahab

- Umur: 54 Tahun
- Pendidikan: S1 Geologi Universitas Padjadjaran
- Jabatan: GM Pertamina-Talisman Jambi Merang
- Masa Kerja: 28 Tahun
- Age: 54 years old
- Education: Bachelor of Science in Geology, Padjadjaran University
- Position: GM of Pertamina-Talisman, Jambi, Merang
- Years of service: 28 years



Amrullah Muiz

- Umur: 54 Tahun
- Pendidikan: S1 Teknik Tambang Universitas Sriwijaya Palembang
- Jabatan: GM JOB PJOK
- Masa Kerja: 28 Tahun
- Age: 54 years old
- Education: Bachelor of Mining Engineering, Sriwijaya University, Palembang
- Position: GM of JOB PJOK
- Years of service: 28 years



Adi Harianto

- Umur: 55 Tahun
- Pendidikan: S2 MBA Universitas Gadjah Mada dan S1 Teknik Kimia Universitas Sumatera Utara
- Jabatan: GM PHE NSB & PHE NSO
- Masa Kerja: 28 Tahun
- Age: 55 years old
- Education: Master of Business Administration, Gadjah Mada University, and Bachelor of Chemical Engineering, Sumatera Utara University
- Position: GM of PHE NSB & PHE NSO
- Years of service: 28 years



Zul Akhyar Martabaya

- Umur: 54 Tahun
- Pendidikan: S1 Teknik Pertambangan Universitas Sriwijaya Palembang
- Jabatan: GM JOB PGSIL
- Masa Kerja: 28 Tahun
- Age: 54 years old
- Education: Bachelor of Mining Engineering, Sriwijaya University, Palembang
- Position: GM of JOB PGSIL
- Years of service: 28 years



Theodorus Duma

- Umur: 55 Tahun
- Pendidikan: S1 Geologi Universitas Hasanudin
- Jabatan: GM Abar, Anggursi dan Ambalat Timur
- Masa Kerja: 29 Tahun
- Age: 55 years old
- Education: Bachelor of Science in Geology, Hasanuddin University
- Position: GM for Abar, Anngursi, and East Ambalat
- Years of service: 29 years



Siswantoro M Prasodjo

- Umur: 54 tahun
- Pendidikan: S1 Kimia UGM, S2 Bisnis Administrasi UGM
- Jabatan: GM PHE Offshore North West Java
- Masa Kerja: 27 Tahun
- Age: 54 years old
- Education: Bachelor of Chemical Engineering, UGM; Master of Business Administration, UGM
- Position: GM of PHE Offshore North West Java
- Years of service: 27 years



Abdul Mutalib Masdar

- Umur: 51 Tahun
- Pendidikan: Geofisika ITB
- Jabatan: General Manager PHE Randugunting
- Masa Kerja: 27 Tahun
- Age: 51 years old
- Education: Geophysics, ITB
- Position: GM of PHE Randugunting
- Years of service: 27 years



Darwin Tangkalalo

- Umur: 53 Tahun
- Pendidikan: S1 Geologi/Magister Geofisika Reservoir
- Jabatan: GM PCPPOC Block SK-305 Malaysia
- Masa Kerja: 26 Tahun
- Age: 53 years old
- Education: Bachelor of Science in Geology/Master of Reservoir Geophysics
- Position: GM of PCPPOC of SK-305 Block Malaysia
- Years of service: 26 years



Kuncoro Kukuh

- Umur: 54 Tahun
- Pendidikan: S1 Geologi ITB, S2 Geofisika ITB
- Jabatan: GM PHE- West Madura Offshore
- Masa Kerja: 26 Tahun
- Age: 54 years old
- Education: Bachelor of Science in Geology, ITB; Master of Geophysics, ITB
- Position: GM of PHE-West Madura Offshore
- Years of service: 26 years



Sugeng Haryanto

- Umur: 53 Tahun
- Pendidikan: S1 Geologi, UPN Veteran Yogya dan S2 Geologi ITB Bandung
- Jabatan: GM JOB PMEPS
- Masa Kerja: 26 Tahun
- Age: 53 years old
- Education: Bachelor of Science in Geology, UPN Veteran Yogyakarta; Master of Science in Geology, ITB Bandung
- Position: GM of JOB PMEPS
- Years of service: 26 years



Nana Heriana

- Umur: 55 Tahun
- Pendidikan: S1 Teknik Geologi Umum Universitas Padjadjaran
- Jabatan: GM Phe Siak-Kampar
- Masa Kerja: 27 Tahun
- Age: 55 years old
- Education: Bachelor of Science in General Geology, Padjadjaran University
- Position: GM of PHE Siak-Kampar
- Years of service: 27 years



Achmad Zailani

- Umur: 54 Tahun
- Pendidikan: S1 Teknik Perminyakan Trisakti
- Jabatan: GM PHE Nunukan Company
- Masa Kerja: 28 Tahun
- Age: 54 years old
- Education: Bachelor of Petroleum Engineering, Trisakti
- Position: GM of PHE Nunukan Company
- Years of service: 28 years



Tonny S Priantono

- Umur: 55 Tahun
- Pendidikan: S1 Teknik Geologi ITB dan S2 Geofisika Terapan ITB
- Jabatan: GM PHE UH
- Masa Kerja: 27 tahun
- Age: 55 years old
- Education: Bachelor of Geological Engineering, ITB; Master of Applied Geophysics, ITB
- Position: GM of PHE UH
- Years of service: 27 years



Akhmad Tri Budi Prabowo

- Umur: 53 Tahun
- Pendidikan: S1 Teknik Perminyakan ITB
- Jabatan: GM JOB Pertamina - Petrochina Salawati
- Masa Kerja: 28 Tahun
- Age: 53 years old
- Education: Bachelor of Petroleum Engineering, ITB
- Position: GM of JOB Pertamina - Petrochina Salawati
- Years of service: 28 years



Susanto Budi Nugroho

- Umur: 56 Tahun
- Pendidikan: S1 Teknik Perminyakan UPN Veteran Yogyakarta
- Jabatan: General Manager BOB PT BSP-Pertamina Hulu
- Masa Kerja: 28 Tahun
- Age: 56 years old
- Education: Bachelor of Petroleum, UPN "Veteran", Yogyakarta
- Position: GM of BOB at PT BSP-Pertamina Hulu
- Years of service: 28 years



Achmad Zaidy

- Umur: 54 Tahun
- Pendidikan: S1 Teknik Pertambangan Universitas Sriwijaya
- Jabatan: GM JOB Tomori
- Masa Kerja: 26 Tahun
- Age: 54 years old
- Education: Bachelor of Mining, Sriwijaya University
- Position: GM of JOB Tomori
- Years of service: 26 years



Akbarsyah

- Umur: 56 tahun
- Pendidikan: S1 Teknik Pertambangan Universitas Sriwijaya
- Jabatan: GM JOB PPEJ
- Masa Kerja: 28 tahun
- Age: 56 years old
- Education: Bachelor of Mining, Sriwijaya University
- Position: GM of JOB PPEJ
- Years of service: 28 years

Profil Direktur Perusahaan Asosiasi

Director Profile of Associates



Kurniawan Rahardjo

- Umur: 54 Tahun
- Pendidikan: S2 Teknik Industri Double Degree UI - QUT
- Jabatan: Direktur Operasi PT DSLNG
- Masa Kerja: 26 Tahun
- Age: 54 years old
- Education: Master of Industrial Engineering, Double Degree Program, UI-QUT
- Position: Operation Director of PT DSLNG
- Years of service: 26 years

Jumlah Karyawan, Pekerja lain dan Data Pengembangan Kompetensi Karyawan [102-8]

Uraian mengenai jumlah karyawan atau yang selanjutnya disebut pekerja dalam lingkungan PHE menyertakan kriteria GRI Standard, dengan penjelasan mengenai pekerja lain yang bukan pekerja PHE. Data terkait pekerja diperoleh dari Fungsi Human Resources & General Affair dan hanya mencakup jumlah pekerja dan pekerja lain di PHE maupun pegawai PHE yang diperbantukan pada Anak Perusahaan. Data tidak termasuk jumlah pekerja maupun pekerja lain pada entitas anak dan dikompilasi, serta diasumsikan berdasarkan organisasi SSO yang berbeda dari tahun-tahun sebelumnya. [102-8]

Sampai dengan akhir periode pelaporan, jumlah pekerja PHE ada 1.754 orang. Jumlah tersebut bertambah 1.253 orang atau 250% dibanding tahun 2016 sebanyak 501 orang. Hal ini dipengaruhi perubahan organisasi yang berubah menjadi Shared Services Organization dan status hubungan kerja pekerja dari wilayah kerja Operasi PHE ONWJ yang telah berakhir jangka waktu operasinya, dan kemudian menjadi pekerja Perusahaan.

Selain itu, terdapat pekerja lain sebanyak 1.235 orang yang bekerja di lingkungan PHE. Jumlah tersebut mencakup 71% dari total pegawai PHE. Pekerja lain tersebut meliputi mayoritas di bidang administrasi, kemudian support dan teknisi, *associate* dan beberapa tenaga ahli. Jumlah pekerja lain di tahun 2017 pun juga bertambah bila dibandingkan dengan tahun sebelumnya, disebabkan oleh pendistribusian kembali terkait restrukturisasi organisasi SSO.

Number of Employees, Other Workers, and Employees Competencies Development Data [102-8]

Description on number of employees or hereinafter referred to workers in PHE environment encloses GRI Standard criteria, with explanation on other non PHE workers. Data concerning workers is acquired Human Resources & General Affair Function and only covers number of workers and other workers in PHE as well as PHE employees seconded to Subsidiaries. The data excludes a number of workers and other workers in Subsidiaries and compiled as well as assumed based on different SSO from the previous years. [102-8]

Up to the end of the reporting period, number of PHE workers amounting 1,754 people. Such numbers added by 1,253 people or 250% compared to 2016 amounting 501 people. This was affected by the changes in the organization which turned into Shared Services Organization, and PHE ONWJ workers' status which operating period has ended, becoming the Company workers.

Moreover, there were 1,235 other workers working in PHE environment. The amount itself encompassed 71% of the total PHE employees. These other workers include the majority in administration, support and technician, associate, and several experts. Total other workers in 2017 also increased if compared to the previous year, an effect from redistribution related to the restructuring of SSO organization.

Tabel Jumlah Karyawan PHE dan Pekerja Lain di PHE [102-8]

Table of Number of PHE Employees and Other Workers at PHE [102-8]

Uraian Description	2017		2016		2015	
	Pria Male	Wanita Female	Pria Male	Wanita Female	Pria Male	Wanita Female
Pegawai PHE PHE Employees	1.446	308	403	98	399	97
Pekerja Lain Other Workers	1.064	171	30	21	30	21
Jumlah Total	2.509	480	433	119	429	118
	2.989		552		547	

Tabel Jumlah Karyawan PHE Berdasarkan Kontrak Kerja [102-8]

Table of Number of PHE Employees Based on Work Contract [102-8]

Uraian Description	2017		2016		2015	
	Pria Male	Wanita Female	Pria Male	Wanita Female	Pria Male	Wanita Female
Waktu Tidak Menentu Indefinite Time Period	1.363	307	396	91	345	90
Waktu Tertentu Definite Time Period	83	1	14	0	60	1
Jumlah Total	1.446	308	410	91	405	91
	1.754		501		496	

Tabel Jumlah Pekerja Lain Di PHE Berdasarkan Kontrak Kerja [102-8]

Table of Number of Other Workers at PHE Based on Work Contract [102-8]

Uraian Description	2017		2016		2015	
	Pria Male	Wanita Female	Pria Male	Wanita Female	Pria Male	Wanita Female
Waktu Tidak Menentu Indefinite Time Period	0	0	0	0	0	0
Waktu Tertentu Definite Time Period	1.064	171	30	21	30	21
Jumlah Total	1.064	171	30	21	30	21
	1.235		51		51	

Tabel Jumlah Karyawan PHE Berdasarkan Tipe Kepegawaian ^[102-8]Table of Number of Employees Based on Employment Type ^[102-8]

Uraian Description	2017		2016		2015	
	Pria Male	Wanita Female	Pria Male	Wanita Female	Pria Male	Wanita Female
Penuh Waktu Full-time	1.446	308	403	98	399	97
Paruh Waktu Part-time	0	0	0	0	0	0
Jumlah Total	1.446	308	403	98	399	97
	1.754		501		496	

Keterangan: Pengertian penuh waktu (*full time*) adalah pekerja yang datang minimal lima hari per minggu atau 40 jam per minggu.
Note: Full-time refers to an employee who comes to work five days per week at minimum or 40 hours per week.

Tabel Jumlah Pekerja Lain Di PHE Berdasarkan Tipe Kepegawaian ^[102-8]Table of Number of Other Workers at PHE Based on Employment Type ^[102-8]

Uraian Description	2017		2016		2015	
	Pria Male	Wanita Female	Pria Male	Wanita Female	Pria Male	Wanita Female
Penuh Waktu Full-time	922	313	30	21	30	21
Paruh Waktu Part-time	0	0	0	0	0	0
Jumlah Total	922	313	30	21	30	21
	1.235		51		51	

Keterangan: Pengertian penuh waktu (*full time*) adalah pekerja yang datang minimal lima hari per minggu atau 40 jam per minggu.
Note: Full-time refers to an employee who comes to work five days per week at minimum or 40 hours per week.

Tabel Jumlah Karyawan untuk Masing-masing Level Organisasi

Table of Number of Employees for Each Organization Level

Level Organisasi Organization Level	2017		2016		2015	
	Pria Male	Wanita Female	Pria Male	Wanita Female	Pria Male	Wanita Female
Direksi BOD	4	0	5	0	5	0
GM GM	17	0	17	0	15	0
VP VP	15	2	6	3	7	2
Advisor Advisor	24	1	0	0	0	0
Manager/Setara Manager/Equivalent	88	17	30	6	31	4
Ass. Manager/Setara Manager/Equivalent	157	42	0	0	0	0
Senior Staff Senior Staff	547	96	0	0	0	0
Staf Staff	603	150	345	89	339	91
Jumlah Total	1.446	308	403	98	399	97
	1.754		501		496	

Tabel Jumlah Karyawan untuk Masing-masing Tingkat Pendidikan [102-8]

Table of Number of Employees for Each Education Level [102-8]

Tingkat Pendidikan Education Level	2017		2016		2015	
	Pria Male	Wanita Female	Pria Male	Wanita Female	Pria Male	Wanita Female
Doktor (S3) Doctorate Degree	1	0	2	0	3	0
Pascasarjana (S2) Master Degree	243	49	93	12	95	0
Sarjana (S1) Bachelor Degree	829	228	285	77	284	81
Diploma 3 Associate Degree	198	25	18	1	12	2
SLTA Senior High School	175	6	13	0	16	0
SLTP Junior High School	-	-	-	-	-	-
SD Elementary	-	-	-	-	-	-
Jumlah Total	1.446	308	411	90	413	83
	1.754		501		496	

Tabel Jumlah Pekerja Lain di PHE Berdasarkan Tingkat Pendidikan [102-8]

Table of Number of Other Workers at PHE Based on Education Level [102-8]

Tingkat Pendidikan Education Level	2017		2016		2015	
	Pria Male	Wanita Female	Pria Male	Wanita Female	Pria Male	Wanita Female
Doktor (S3) Doctorate Degree	0	0	0	0	0	0
Pascasarjana (S2) Master Degree	24	11	2	0	2	0
Sarjana (S1) Bachelor Degree	394	126	12	18	12	18
Diploma 3 Associate Degree	150	27	8	8	8	8
SLTA Senior High School	483	4	2	1	2	1
SLTP Junior High School	10	0	0	0	0	0
SD Elementary	6	0	0	0	0	0
Jumlah Total	1.067	168	24	27	24	27
	1.235		51		51	

Tabel Jumlah Karyawan PHE Berdasarkan Kelompok Usia [102-8]

Table of Number of PHE Employees Based on Age Group [102-8]

Kelompok Usia Group Age	2017		2016		2015	
	Pria Male	Wanita Female	Pria Male	Wanita Female	Pria Male	Wanita Female
<30	158	39	38	27	33	27
31-40	567	158	120	30	120	30
41-50	413	78	124	18	124	18
>51	308	33	129	15	129	15
Jumlah Total	1.446	308	411	90	406	90
	1.754		501		496	

Tabel Jumlah Pekerja Lain di PHE Berdasarkan Kelompok Usia [102-8]

Table of Number of Other Workers at PHE Based of Age Group [102-8]

Kelompok Usia Group Age	2017		2016		2015	
	Pria Male	Wanita Female	Pria Male	Wanita Female	Pria Male	Wanita Female
<30	182	86	7	16	7	16
31-40	418	66	11	8	11	8
41-50	309	12	6	1	6	1
>51	158	4	2	0	2	0
Jumlah Total	1.058	166	26	25	26	25
	1.235		51		51	

Tabel Jumlah Karyawan PHE Berdasarkan Wilayah Kerja [102-8]

Table of Number of PHE Employees Based on Working Area [102-8]

Kelompok Usia Group Age	2017		2016		2015	
	Pria Male	Wanita Female	Pria Male	Wanita Female	Pria Male	Wanita Female
PHE ONWJ	475	53	0	0	0	0
PHE WMO	343	33	0	0	0	0
PHE SIAK/KAMPAR	44	1	0	0	0	0
PHE ABAR ANGGURSI	12	0	0	0	0	0
PHE UH	11	0	0	0	0	0
PHE NSO NSB	108	2	0	0	0	0
PHE NUNUKAN C	14	4	0	0	0	0
PHE RANDU GUNTING	9	3	0	0	0	0
PHE	63	13	409	98	399	97
PHE SSO	367	199	0	0	0	0
Jumlah Total	1.446	308	409	98	399	97
	1.754		501		496	

Data Pengembangan Kompetensi Karyawan yang telah Dilakukan pada Tahun Buku

PHE secara berkesinambungan menyelenggarakan pelatihan bagi para pekerja. Perusahaan memberikan kesempatan setara kepada setiap pekerja untuk mengikuti pelatihan, dengan tetap memperhatikan kebutuhan organisasi. Pelaksanaan pelatihan pekerja menjadi tanggung jawab Fungsi HR & GA PHE. Selama tahun 2017, PHE menyediakan biaya pengembangan kompetensi pekerja sebesar Rp24.004.496.745 (untuk PHE dan AP PHE). Sesuai dengan implementasi SSO, jumlah tersebut naik 800% dibanding biaya pelatihan tahun 2016 sebelum SSO sebanyak Rp3.000.000.000.

Total jam pelatihan selama kurun waktu periode pelaporan mencapai 38.262 jam pelatihan, naik dibanding tahun 2016 sebanyak 4.056 jam pelatihan untuk pekerja pria dan 824 jam pelatihan bagi pekerja wanita. Jumlah pekerja yang menjadi peserta pelatihan sebanyak 1.789 peserta. Dengan demikian rerata jam pelatihan untuk setiap pekerja PHE pada tahun 2017 adalah 21,38 jam pelatihan/peserta. [404-1]

Employees' Competencies Development Data Conducted within the Fiscal Year

PHE continuously holds training for the workers. The Company provides equal opportunities for each worker to participate with due regard to organization needs. Training for workers is the responsibility of HR & GA Function of PHE. In 2017, PHE provided employees competencies development cost that was disbursed in the fiscal year amounting Rp24,004,496,745 (for PHE and AP PHE). Corresponding to SSO implementation, the amount increased by 800% compared to the training in 2016 before SSO amounted to Rp3,000,000,000.

Total training hours during the reporting period reached 38,262 hours, increasing compared to 2016 which reached 4,056 training hours for male workers and 824 training hours for female workers. Total workers joining as training participants amounting 1,789 people. Thus, the average training hours of each PHE worker in 2017 was 21.38 training hours/participant. [404-1]

Level Organisasi Organization Level	Total Jam Training Total Training Hours					
	2017		2016		2015	
	Pria Male	Wanita Female	Pria Male	Wanita Female	Pria Male	Wanita Female
PHE	3.692	1.288	4.056	824	6.176	1.288
PHE Abar Anggursi	200	0	0	0	0	0
PHE NSB NSO	832	152	0	0	0	0
PHE NUNUKAN	480	56	0	0	0	0
PHE ONWJ	6.264	704	0	0	0	0
PHE SIAK KAMPAR	1.272	36	0	0	0	0
PHE UH	728	0	0	0	0	0
PHE WMO	20.571	1.854	0	0	0	0

Pelatihan dan pengembangan kompetensi pekerja di PHE dan AP juga dilakukan untuk menyeimbangkan kebutuhan pengembangan teknikal dan juga non teknikal.

Education and competencies development for PHE and AP workers are also conducted to balance the needs of technical and non-technical development.

Tabel Jenis Pelatihan dan Tujuan Pelatihan Bagi Karyawan PHE Tahun 2017

Table of Training Type and Training Objective for PHE Employees in 2017

Level Jabatan Position Level	Jenis Pelatihan Type of Training	Tujuan Pelatihan Training Objective	Total Jam Pelatihan Total Training Hours
Staf dan Manajerial Staff and Managerial	Technical Skills	Meningkatkan kompetensi dibidang keahlian/pekerjaan masing-masing Pekerja To increase competencies in each Worker's field of expertise/ job	31.015
Staf dan Manajerial Staff and Managerial	Non Technical Skills/Soft Skills	Meningkatkan keluasan pemahaman serta kreatifitas Pekerja To increase the depth of knowledge as well as creativity of the Worker	7.114

Perjanjian Kerja Bersama/ Peraturan Perusahaan ^[102-41]

Relasi PHE dengan pekerja didasari prinsip saling menghargai. Manajemen dan pekerja melalui serikat pekerja telah menandatangani Peraturan Perusahaan (PP) untuk masa berlaku 2016-2017.

PP menjadi pedoman bersama antara manajemen dengan para pekerja, dalam penyelesaian setiap permasalahan ketenagakerjaan dan perselisihan hubungan industrial. Dengan demikian PP bersifat melindungi semua pekerja dan pekerja lain di PHE, baik anggota maupun bukan anggota serikat pekerja. Untuk Anak Perusahaan lain yang belum memiliki PP ataupun PKB merujuk kepada PP yang dimiliki oleh PHE selaku perusahaan induk. Sementara itu, WMO masih memberlakukan Perjanjian Kerja Bersama (PKB) di tahun 2017.

Sampai dengan akhir periode pelaporan, serikat pekerja yang ada di PHE dan Anak Perusahaan, bernama Organisasi Karyawan PHE yang beranggotakan 197 orang dan Serikat Pekerja WMO yang beranggotakan 370 orang.

Collective Labor Agreement/ Company Regulations ^[102-41]

The relations the Company has with its workers are based on the principle of mutual respect. The management and workers through labor union have signed Company Regulations (PP) for the period of 2016-2017.

PP becomes the shared guidelines between the management and workers used in resolving each problem of employment and industrial relations dispute. Therefore, PP has the quality to protect all workers and other workers at PHE, either member or non-member of the labor union. For other Subsidiaries which have yet to own PP or CLA may have to refer to PP owned by PHE as holding company. Meanwhile, WMO still enforced Collective Labor Agreement (CLA) in 2017.

Up to the end of the reporting period, the labor union at PHE and its Subsidiaries, which is known as Organisasi Karyawan PHE (Organization of PHE Employees) consists of 197 members and Serikat Pekerja WMO (WMO Labor Union) joined by 370 members.

Komposisi Pemegang Saham

Composition of Shareholders

PT Pertamina Hulu Energi (PHE) berbentuk Perseroan Terbatas. Sepanjang tahun 2017 tidak ada perubahan struktur dan komposisi pemegang saham. Laporan ini tidak menyertakan informasi mengenai rincian nama pemegang saham yang meliputi 20 pemegang saham terbesar dan persentase kepemilikannya, rincian pemegang saham dan persentase kepemilikannya meliputi nama pemegang saham yang memiliki 5% atau lebih saham dan kelompok pemegang saham masyarakat dengan kepemilikan saham masing-masing kurang dari 5% dan nama Direktur dan Komisaris serta persentase kepemilikan sahamnya secara langsung dan tidak langsung.

PT Pertamina Hulu Energi (PHE) is Limited Liability Company. Throughout 2017, there were no changes in the structure and composition of shareholders. This report does not include information on detailed names of shareholders which encompass 20 largest shareholders and their ownership percentage, the details of shareholders and their ownership percentage include names of shareholders with 5% or more shares and public shareholder groups with ownership of each less than 5%, as well as names of Director and Commissioner along with their direct and indirect ownership percentage.

Tabel Pemegang Saham dan Komposisi Kepemilikan Saham ^[102-5]

Table of Shareholders and Composition of Ownership ^[102-5]

Pemegang Saham Shareholder	Jumlah Lembar Number of Shares	Nilai Per Lembar Saham (Rp) Value per Share (Rp)	Persentase Kepemilikan Ownership Percentage	Jumlah Modal Disetor Total Paid Capital
PT Pertamina (Persero)	197.440.000	2.500	98,72%	493.600.000.000
PT Pertamina Dana Ventura	2.560.000	2.500	1,28%	6.400.000.000
Jumlah	200.000.000		100%	500.000.000.000

Tabel Klarifikasi Pemegang Saham

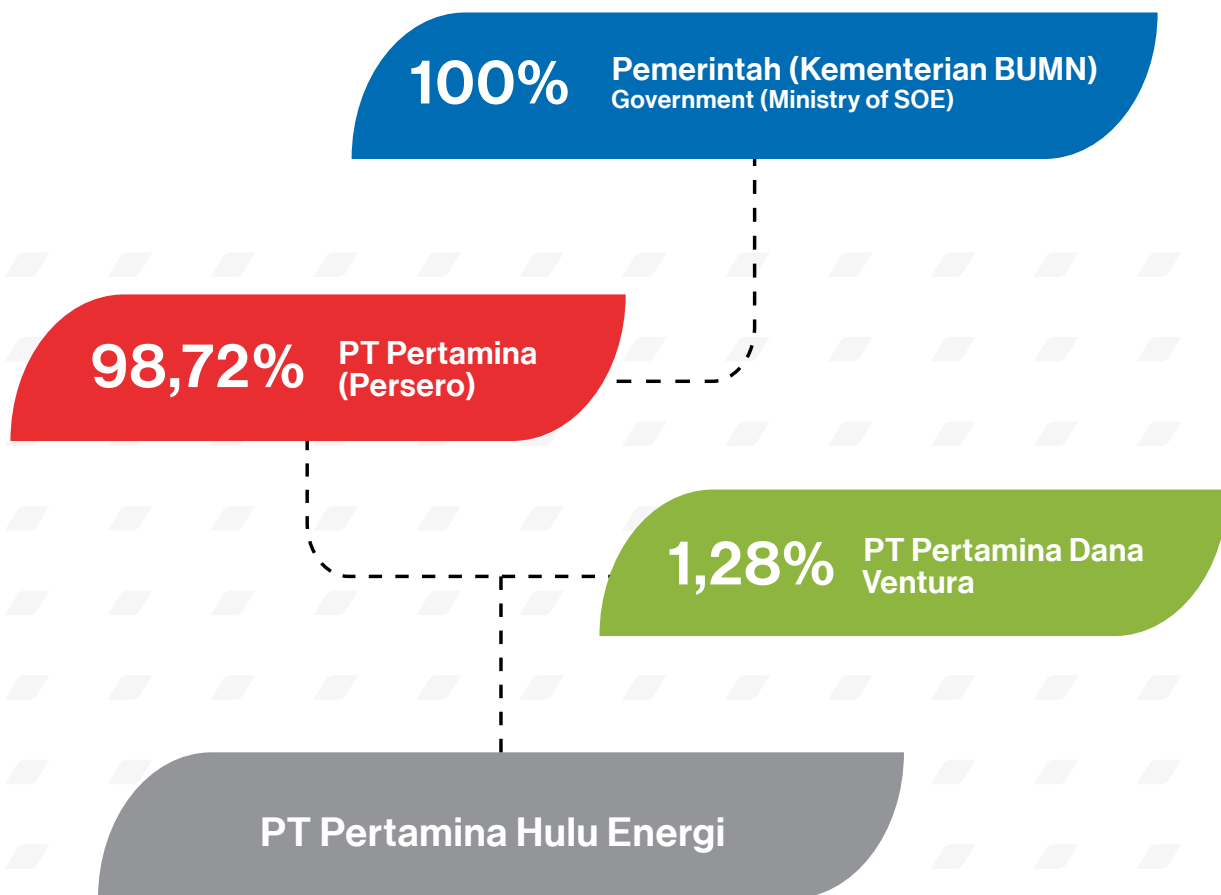
Table of Shareholders Clarification

Pemegang Saham Shareholder	Klarifikasi Clarification
PT Pertamina (Persero)	Institusi Lokal (Badan Usaha Milik Negara) Local Institution (State Owned Enterprise)
PT Pertamina Dana Ventura	Institusi Lokal, Anak Usaha PT Pertamina (Persero) Local Institution, Subsidiary of PT Pertamina (Persero)

Pemegang Saham Utama dan Pengendali Major Shareholder and Controlling

Pemegang saham pengendali PT Pertamina Hulu Energi (PHE) adalah PT Pertamina (Persero).

Controlling shareholder of PT Pertamina Hulu Energi (PHE) is PT Pertamina (Persero).



Daftar Entitas Anak dan/atau Entitas Asosiasi

List of Subsidiary and/or Affiliate Associates



Anak Perusahaan Subsidiary Company

No.	Nama Anak Perusahaan Subsidiary Name	Persentase Kepemilikan Saham Ownership Percentage	Mitra Partner	Luas Wilayah Working Area	Bidang Usaha Line of Business
1	PT Pertamina Hulu Energi Tomori Sulawesi (PHE Tomori Sulawesi)	PHE: 99%	PT Medco E&P Tomori Sulawesi PI 30%	451,1 km ²	Menjalankan usaha hulu migas di wilayah kerja Blok Senoro Toili Running the upstream oil and gas business in the working area block of Senoro Toili
		PT Pertamina Geothermal Energi: 1%	Tomori E&P Ltd. PI 20%		
2	PT Pertamina Hulu Energi Karama (PHE Karama)	PHE: 99%	Stat Oil Indonesia Karama AS PI 51%	-	Menjalankan usaha hulu migas di wilayah kerja Blok Karama Running the upstream oil and gas business in the working area Karama Block
		PT Pertamina Geothermal Energi: 1%			
3	PT Pertamina Hulu Energi Donggala (PHE Donggala)	PHE: 99%	-	-	-
		PT Pertamina Geothermal Energi: 1%			
4	PT Pertamina Hulu Energi Salawati (PHE Salawati)	PHE: 99%	Petrochina Int. Kepala Burung LTD PI 16,79%	1.072,8 km ²	Menjalankan usaha hulu migas di wilayah kerja Blok Salawati Running the upstream oil and gas business in the working area block of Salawati
		PT Pertamina Geothermal Energi: 1%	Salawati Island BV PI 14.51% Petrogas (Island) Ltd. PI 18.70%		
5	PT Pertamina Hulu Energi Salawati Basin (PHE Salawati Basin)	PHE: 99%	Petrochina International (Bermuda) PI 30%	884,63 km ²	Menjalankan usaha hulu migas di wilayah kerja Blok Salawati Basin Running the upstream oil and gas business in the working area block of Salawati Basin
		PT Pertamina Geothermal Energi: 1%	RH Petrogas Salawati Basin Limited PI 25.94% Petrogas (Basin) Ltd. PI 34.064%		
6	PT Pertamina Hulu Energi Simenggaris (PHE Simenggaris)	PHE: 99%	Medco Simenggaris Pty Ltd PI 41,5%	546 km ²	Menjalankan usaha hulu migas di wilayah kerja Blok Simenggaris Running the upstream oil and gas business in the working area block of Simenggaris
		PT Pertamina Geothermal Energi: 1%	Salamander Energy (Simenggaris) Ltd. PI 21%		

	Total Aset Total Assets	Status Operasional Operational Status	Masa Kontrak Wilayah Kerja Working Area Contract Term	Alamat Address
	USD1.195.582.339	Beroperasi, Pengembangan Operating, Development.	1 Desember 1997 – 30 November 2027 December 01, 1997 - November 30, 2027	<p>Kantor Pusat Head Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p> <p>Kantor Operasi Operational Office Joint Operating Body Pertamina Medco E&P Tomori Sulawesi Menara Bidakara Lt.18 Jl Gatot Subroto Kav. 71-73 Jakarta 12870 Phone: 021 8379 3101, 021 8379 3102, 021 8379 3345 Fax: 021 8379 3101</p>
	USD2.237	(Proses Likuidasi) Non Aktif (Liquidation Process) Non-Active	Non aktif Non-Active	<p>Kantor Pusat Head Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 021 2954 7000, Fax: 021 2952 7086</p>
	(USD171.385)	(Proses Likuidasi) Non Aktif (Liquidation Process) Non-Active	Non aktif Non-Active	<p>Kantor Pusat Head Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 021 2954 7000, Fax: 021 2952 7086</p>
	USD398.218.508	Beroperasi, Produksi. Operating, Production.	23 April 1990 – 23 April 2020 April 23, 1990- April 22, 2020	<p>Kantor Pusat Head Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 021 2954 7000, Fax: 021 2952 7086</p> <p>Kantor Operasi Operational Office Joint Operating Body Pertamina Petrochina Salawati Menara Kuningan Lt.17 Jl. HR Rasuna Said Blok X-7, Kav.5 Phone: 021 525 5491, Fax: 021 525 4915</p>
	USD91.028.119	Beroperasi, Produksi. Operating, Production.	13 Oktober 2000 – 14 Oktober 2020 October 13, 2000 - October 14, 2020	<p>Kantor Pusat Head Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 021 2954 7000, Fax: 021 2952 7086</p> <p>Kantor Operasi Operational Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 021 2954 7000, Fax: 021 2952 708</p>
	USD35.706.441	Beroperasi, Pengembangan Operating, Development.	24 Februari 1998 – 23 Februari 2028 February 24, 1998- February 23, 2028	<p>Kantor Pusat Head Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 021 2954 7000, Fax: 021 2952 7086</p> <p>Kantor Operasi Operational Office Joint Operating Body Pertamina Medco E&P Sumenggaris Gedung The Energy Lt.26 SCBD Lot A 11A Jl. Jend. Sudirman Kav.52-53 Jakarta12190 Phone: 021 2995 4000, 021 2995 4506 Fax: 021 2995 4983, 021 2996 5030</p>

Anak Perusahaan Subsidiary Company

No.	Nama Anak Perusahaan Subsidiary Name	Persentase Kepemilikan Saham Ownership Percentage	Mitra Partner	Luas Wilayah Working Area	Bidang Usaha Line of Business
7	PT Pertamina Hulu Energi Tengah K (PHE Tengah K)	PHE: 99%	Total Tengah PI 22,5 % Inpex Tengah Ltd. 22,5%	-	Menjalankan usaha hulu migas di wilayah kerja Blok Tengah Kalimantan Running the upstream oil and gas business in the working area block of Central Kalimantan
		PT Pertamina Geothermal Energi: 1%			
8	PT Pertamina Hulu Energi Makassar Strait (PHE Makassar Strait)	PHE: 99%	Chevron Makassar Strait PI 72% Tiptop SINOPEC PI 18%	-	Menjalankan usaha hulu migas di wilayah kerja Blok Makassar Strait Running the upstream oil and gas business in the working area Makasar Strait Block
		PT Pertamina Geothermal Energi: 1%			
9	PT Pertamina Hulu Energi Semai II (PHE Semai II)	PHE: 99%	Murphy Semai Oil Co. Ltd. PI 28,33% PTTEP SEMAI II LIMITED PI 28,33%	-	Menjalankan usaha hulu migas di wilayah kerja Blok Semai II Running the upstream oil and gas business in the working area block of Semai II
		PT Pertamina Geothermal Energi: 1%	INPEX SERAM SEA, Ltd. PI 28,33%		
10	PT Pertamina Hulu Energi Tuban East Java (PHE Tuban East Java)	PHE: 99%	Petrochina International Java LTD PI 25% PHE Tuban PI 25%	1.478 km ²	Menjalankan usaha hulu migas di wilayah kerja Blok Tuban East Java Running the upstream oil and gas business in the working area Tuban East Java Block
		PT Pertamina Geothermal Energi: 1%			
11	PT Pertamina Hulu Energi Tuban (PHE Tuban)	PHE: 99,99%	Petrochina International Java LTD PI 25% PHE Tuban East Java PI 50%	-	Menjalankan usaha hulu migas di wilayah kerja Blok Tuban Running the upstream oil and gas business in the working area Tuban Block
		PT Pertamina Hulu Energi Arun: 0,01%			
12	PT Pertamina Hulu Energi Offshore South East Sumatera (PHE OSES)	PHE: 99,99%	CNOOC SES Ltd. PI 65,54% PT Saka Energy Sumatera PI 8,91%	5.851 km ²	Menjalankan usaha hulu migas di wilayah kerja Blok OSES Running the upstream oil and gas business in the working area OSES Block
		PT Pertamina Hulu Energi Arun: 0,01%	GHJ. SES Indonesia PI 5%		

	Total Aset Total Assets	Status Operasional Operational Status	Masa Kontrak Wilayah Kerja Working Area Contract Term	Alamat Address
	USD512.123.548	Beroperasi, Produksi. Operating, Production.	5 Oktober 1988 – 4 Oktober 2018 October 5, 1988- October 4, 2018	<p>Kantor Pusat Head Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p> <p>Kantor Operasi Operational Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p>
	USD143.442.106	Beroperasi, Produksi. Operating, Production.	26 Januari 1990 – 25 Januari 2020 January 26, 1990- January 25, 2020	<p>Kantor Pusat Head Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p> <p>Kantor Operasi Operational Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p>
	USD55.874	Beroperasi, Eksplorasi. Operating, Exploration.	13 November 2009 – 12 November 2039 November 13, 2009- November 12, 2039	<p>Kantor Pusat Head Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p> <p>Kantor Operasi Operational Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p>
	USD1.122.105.069	Beroperasi, Produksi. Operating, Production.	29 Februari 1988 – 28 Februari 2018 February 29, 1988- February 28, 2018	<p>Kantor Pusat Head Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p> <p>Kantor Operasi Operational Office Joint Operating Body Pertamina Petrochina East Java Gedung Menara Kuningan Lt.20 Jl. HR Rasuna Said Blok.X-7 Kav.5 Jakarta 12950 Phone: 0212932 1607, Fax: 0212952 9990</p>
	USD231.327.720	Beroperasi, Produksi. Operating, Production.	29 Februari 1988 – 28 Februari 2018 February 29, 1988- February 28, 2018	<p>Kantor Pusat Head Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p> <p>Kantor Operasi Operational Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p>
	USD801.411.119	Beroperasi, Produksi. Operating, Production.	6 September 1998 – 5 September 2018 September 6, 1998 - September 5, 2018	<p>Kantor Pusat Head Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p> <p>Kantor Operasi Operational Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p>

Anak Perusahaan Subsidiary Company

No.	Nama Anak Perusahaan Subsidiary Name	Persentase Kepemilikan Saham Ownership Percentage	Mitra Partner	Luas Wilayah Working Area	Bidang Usaha Line of Business
13	PT Pertamina Hulu Energi West Madura Offshore (PHE WMO)	PHE: 99%	Kodeco Energy Co LTD. PI 10%	1.615 km ²	Menjalankan usaha hulu migas di wilayah kerja Blok WMO Running the upstream oil and gas business in the working area WMO Block
		PT Pertamina Geothermal Energi: 1%	Mandiri Madura Barat PI 10%		
14	PT Pertamina Hulu Energi Jambi Merang (PHE Jambi Merang)	PHE: 99%	Talisman Jambi Merang Ltd. PI 25%	972,9 km ² & 55 km ²	Menjalankan usaha hulu migas di wilayah kerja Blok Jambi Merang Running the upstream oil and gas business in the working area Jambi Merang Block
		PT Pertamina Geothermal Energi: 1%	Pacific Oil & Gas PI 25%		
15	PT Pertamina Hulu Energi Jabung (PHE Jabung)	PHE: 99%	Petrochina International Jabung LTD PI 27,86%	2.120 km ²	Menjalankan usaha hulu migas di wilayah kerja Blok Jabung Running the upstream oil and gas business in the working area Jabung Block
		PT Pertamina Geothermal Energi: 1%	Petronas Carigali Indonesia PI 27,86% PP Oil & Gas (Indonesia) PI 30%		
16	PT Pertamina Hulu Energi Gebang N Sumatera (PHE Gebang N. Sumatera)	PHE: 99%	-	-	Non Aktif Non-Active
		PT Pertamina Geothermal Energi: 1%	-		
17	PT Pertamina Hulu Energi Raja Tempirai (PHE Raja Tempirai)	PHE: 99%	Petrochina International Java LTD PI 25%	-	Menjalankan usaha hulu migas di wilayah kerja Blok Raja Tempirai Running the upstream oil and gas business in the working area Raja Tempirai Block
		PT Pertamina Geothermal Energi: 1%	PHE Tuban East Java PI 50%		

	Total Aset Total Assets	Status Operasional Operational Status	Masa Kontrak Wilayah Kerja Working Area Contract Term	Alamat Address
	USD4.993.893.838	Beroperasi, Produksi. Operating, Production.	7 Mei 2011 – 6 Mei 2031 May 7, 2011 - May 6, 2031	<p>Kantor Pusat Head Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p> <p>Kantor Operasi Operational Office Pertamina Hulu Energi West Madura Offshore PHE Tower Lt.17, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7598, Fax: 0212935 2277</p>
	USD1.441.134.633	Beroperasi, Produksi. Operating, Production.	10 Februari 1989 – 9 Februari 2019 February 10, 1989 - February 9, 2019	<p>Kantor Pusat Head Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p> <p>Kantor Operasi Operational Office Joint Operating Body Pertamina Talisman Jambi Merang PHE Tower Lt.15, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000</p>
	USD1.286.510.669	Beroperasi, Produksi. Operating, Production.	13 September 1996 – 12 September 2026 September 13, 1996 - September 12, 2026	<p>Kantor Pusat Head Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p> <p>Kantor Operasi Operational Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p>
	USD85.600	Non Aktif Non-Active	Non aktif Non-Active	<p>Kantor Pusat Head Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p> <p>Kantor Operasi Operational Office Joint Operating Body Pertamina EMP Gebang Ltd. Bakri Tower Lt.27, Komplek Rasuna Epicentrum Jl.HR. rasuna Said - Jakarta Telp: 02129941530 Fax: 02129941534 phe.pertamina.com</p>
	USD118.821.982	Beroperasi, Produksi. Operating, Production.	6 Juli 1989 - 5 Juli 2019 July 6, 1989 - July 5, 2019	<p>Kantor Pusat Head Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p> <p>Kantor Operasi Operational Office Joint Operating Body Pertamina Golden Spike Indonesia, Ltd. Menara Rajawali, Lt.20, Jl. Mega Kuningan Lot.5.1 Kawasan Mega Kuningan, Jakarta 12950, Telp: 0215761333 Faks: 0215761737 phe.pertamina.com</p>

Anak Perusahaan Subsidiary Company

No.	Nama Anak Perusahaan Subsidiary Name	Persentase Kepemilikan Saham Ownership Percentage	Mitra Partner	Luas Wilayah Working Area	Bidang Usaha Line of Business
18	PT Pertamina Hulu Energi Ogan Komering (PHE Ogan Komering)	PHE: 99%	Jadestone Energi (Ogan Komering) Ltd. PI 50%	1.155 km ²	Menjalankan usaha hulu Migas di wilayah kerja/ Blok Ogan Komering Running the upstream oil and gas business in the working area Ogan Komering Block
		PT Pertamina Geothermal Energi: 1%			
19	PT Pertamina Hulu Energi Kakap (PHE Kakap)	PHE: 99%	Star Energy Kakap Ltd. PI 56,25%	2.000 km ²	Menjalankan usaha hulu Migas di wilayah kerja/ Blok Kakap Running the upstream oil and gas business in the working area Kakap Block
		PT Pertamina Geothermal Energi: 1%	Singapore Petroleum Co.Ltd PI 15% Premier Oil Kakap BV PI 19%		
20	PT Pertamina Hulu Energi South Jambi (PHE South Jambi B)	PHE: 99%	ConocoPhillips (South Jambi)Ltd. PI 45%	1.538 km ²	Menjalankan usaha hulu Migas di wilayah kerja/ Blok South Jambi B Running the upstream oil and gas business in the working area South Jambi B Block
		PT Pertamina Geothermal Energi: 1%	PetroChina International Jambi B Ltd. PI 30%		
21	PT Pertamina Hulu Energi Coastal Plain Pekanbaru (PHE CPP)	PHE: 99%	PT Bumi Siak Pusako PI 50%	9.996 km ²	Menjalankan usaha hulu Migas di wilayah kerja/ Blok CPP Running the upstream oil and gas business in the working area CPP Block
		PT Pertamina Geothermal Energi: 1%			
22	PT Pertamina Hulu Energi Corridor (PHE Corridor)	PHE: 99%	Conoco Phillips (Corridor) Ltd PI 54%	2.360 km ²	Menjalankan usaha hulu Migas di wilayah kerja/ Blok Grissik Running the upstream oil and gas business in the working area Grissik Block
		PT Pertamina Geothermal Energi: 1%	Talisman Corridor Ltd. PI 36%		

	Total Aset Total Assets	Status Operasional Operational Status	Masa Kontrak Wilayah Kerja Working Area Contract Term	Alamat Address
	USD460.261.824	Beroperasi, Produksi. Operating, Production.	28 Februari 1988 - 28 Februari 2018 February 28, 1988 - February 28, 2018	<p>Kantor Pusat Head Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p> <p>Kantor Operasi Operational Office Joint Operating Body Pertamina - Talisman Ogan Koming Setiabudi Atrium Building Lt.7 Suite 706, Jl.HR. Rasuna Said Kav.62, Kuningan, Jakarta 12920, Telp: 021252 1810, 021252 0909 Faks: 0215289 9925, 021252 1810 www.job-ptok.com</p>
	USD202.776.334	Beroperasi, Produksi. Operating, Production.	22 Maret 2005 – 21 Maret 2028 March 22, 2005 - March 21, 2028	<p>Kantor Pusat Head Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p> <p>Kantor Operasi Operational Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p>
	USD24.429.527	Beroperasi, Produksi. Operating, Production.	26 Juli 1990 - 25 Juli 2020 July 26, 1990 - July 25, 2020	<p>Kantor Pusat Head Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p> <p>Kantor Operasi Operational Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p>
	USD982.992.762	Beroperasi, Produksi. Operating, Production.	6 Agustus 2002 - 5 Agustus 2022 August 6, 2002 - August 5, 2022	<p>Kantor Pusat Head Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p> <p>Kantor Operasi Operational Office BOB Bumi Siak Pusako Menara Bank Danamon Lt. 20, Jl.Prof.Dr.Satrio Kav.E1V/6 Mega Kuningan, Jakarta 12950, Telp: 0215799 1552 Faks: 0215799 1553 www.bobcpp.co.id</p>
	USD1.952.743.643	Beroperasi, Produksi. Operating, Production.	22 Agustus 1983 - 21 Agustus 2013 August 22, 1983 - August 21, 2013	<p>Kantor Pusat Head Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p> <p>Kantor Operasi Operational Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p>

Anak Perusahaan Subsidiary Company

No.	Nama Anak Perusahaan Subsidiary Name	Persentase Kepemilikan Saham Ownership Percentage	Mitra Partner	Luas Wilayah Working Area	Bidang Usaha Line of Business
23	PT Pertamina Hulu Energi NSO (PHE NSO) ex. PT Pertamina Hulu Energi Pasiriaman (PHE Pasiriaman)	PHE: 99%	-	-	Menjalankan usaha hulu Migas di wilayah kerja/ Blok NSO Running the upstream oil and gas business in the working area/NSO Block
		PT Pertamina Geothermal Energi: 1%			
24	PT Pertamina Hulu Energi West Glagah Kambuna (PHE WGK)	PHE: 99%	Petronas Carigali Sdn.Bhd (PCSB) PI 60%	3.265 km ²	Menjalankan usaha hulu Migas di wilayah kerja/Blok West Glagah Kambuna Running the upstream oil and gas business in the working area/West Glagah Kambuna Block
		PT Pertamina Hulu Energi Arun: 1%			
25	PT Pertamina Hulu Energi Offshore North West Java (PHE ONWJ)	PHE: 99%	Migas Hulu Jabar (10%)	8.300 km ²	Menjalankan usaha hulu Migas di wilayah kerja/ Blok Offshore North West Java Running the upstream oil and gas business in the working area/Onshore North West Java Block
		PT Pertamina Hulu Energi Arun: 1%			
26	PT Pertamina Hulu Energi Randugunting (PHE Randugunting)	PHE: 99%	-	2.365 km ²	Menjalankan usaha hulu Migas di wilayah kerja/ Blok Randugunting Running the upstream oil and gas business in the working area/Block Randugunting
		PT Pertamina Hulu Energi Arun: 1%			
27	PT Pertamina Hulu Energi Metana Kalimantan A (PHE Metan A)	PHE: 99%	Sanggatta West CBM, Inc PI 48%	1.168,27 km ²	Menjalankan usaha hulu Migas di wilayah kerja/ Blok Sanggatta I Running the upstream oil and gas business in the working area/Sanggatta I Block
		PT Pertamina Hulu Energi Arun: 1%			
28	PT Pertamina Hulu Energi Metana Kalimantan B (PHE Metan B)	PHE: 99%	Visi Multi Artha PI 60%	-	Menjalankan usaha hulu Migas di wilayah kerja/ Blok Sanggatta II Running the upstream oil and gas business in the working area/Sanggatta II Block
		PT Pertamina Hulu Energi Arun: 1%			

	Total Aset Total Assets	Status Operasional Operational Status	Masa Kontrak Wilayah Kerja Working Area Contract Term	Alamat Address
	Tidak diketahui Unknown	Beroperasi, Produksi. Operating, Production.	16 Oktober 1998- 15 Oktober 2018 October 16, 1998 - October 15, 2018	<p>Kantor Pusat Head Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p> <p>Kantor Operasi Operational Office Pertamina Hulu Energi NSO & NSB PHE Tower, Lt. 23 Jl. TB Simatupang Kav. 99 Jakarta 12520, Telp: 0212954 7000 Fax: 0212935 2277</p>
	USD28.139	Beroperasi, Eksplorasi. Operating, Exploration.	30 November 2009 – 29 November 2039 November 30, 2009 - November 29, 2039	<p>Kantor Pusat Head Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p> <p>Kantor Operasi Operational Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p>
	USD5.607.423.642	Beroperasi, Produksi. Operating, Production.	-	<p>Kantor Pusat Head Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p> <p>Kantor Operasi Operational Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p>
	USD4.731.191	Beroperasi, Eksplorasi. Operating, Exploration.	9 Agustus 2007 - 8 Agustus 2037 August 9, 2007 - August 8, 2037	<p>Kantor Pusat Head Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p> <p>Kantor Operasi Operational Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p>
	USD1.355.567	Beroperasi, Eksplorasi. Operating, Exploration.	13 November 2008 – 12 November 2038 November 13, 2008 - November 12, 2038	<p>Kantor Pusat Head Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p> <p>Kantor Operasi Operational Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p>
	USD454.186	Beroperasi, Eksplorasi. Operating, Exploration.	5 Mei 2009 - 4 Mei 2039 May 5, 2009 - May 4 2039	<p>Kantor Pusat Head Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p> <p>Kantor Operasi Operational Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p>

Anak Perusahaan Subsidiary Company

No.	Nama Anak Perusahaan Subsidiary Name	Persentase Kepemilikan Saham Ownership Percentage	Mitra Partner	Luas Wilayah Working Area	Bidang Usaha Line of Business
29	PT Pertamina Hulu Energi Metana Sumatera 2 (PHE Metra 2)	PHE: 99,9%	PT Trisula CBM Energi PI 40%	-	Menjalankan usaha hulu Migas di wilayah kerja/ Blok Muara Enim Running the upstream oil and gas business in the working area/Muara Enim Block
		PT Pertamina Hulu Energi Arun: 0,1%			
30	PT Pertamina Hulu Energi Metana Sumatera Tanjung Enim (PHE Metra Enim)	PHE: 99,9%	PT Bukit Asam PI 27,5%	309,531 km ²	Menjalankan usaha hulu Migas di wilayah kerja/ Blok Tanjung Enim Running the upstream oil and gas business in the working area/Tanjung Enim Block
		PT Pertamina Hulu Energi Arun: 0,1%	Arrow Energy Holding Pte. Ltd PI 45%		
31	PT Pertamina Hulu Energi Metana Sumatera 1 (PHE Metra 1)	PHE: 99,9%	PT Indo Gas Methan PI 35%	1.005,68 km ²	Menjalankan usaha hulu Migas di wilayah kerja/ Blok Muara Enim I Running the upstream oil and gas business in the working area/ Muara Enim I Block
		PT Pertamina Hulu Energi Arun: 0,1%			
32	PT Pertamina Hulu Energi Metana Sumatera 5 (PHE Metra 5)	PHE: 99,9%	Indo CBM Sumbagsel 2 Pte. Ltd PI 30%	1.175,55 km ²	Menjalankan usaha hulu Migas di wilayah kerja/ Blok Muara Enim II Running the upstream oil and gas business in the working area/Muara Enim II Block
		PT Pertamina Hulu Energi Arun: 0,1%	Metana Enim Energi PI 30%		
33	PT Pertamina Hulu Energi Metan Tanjung II (PHE Metan Tanjung II)	PHE: 99,9%	-	1.029 km ²	Menjalankan usaha hulu Migas di wilayah kerja/ Blok Tanjung II Running the upstream oil and gas business in the working area/Tanjung II Block
		PT Pertamina Hulu Energi Arun: 0,1%			
34	PT Pertamina Hulu Energi Metan Tanjung IV (PHE Metan Tanjung IV)	PHE: 99,9%	BP Exploration Indonesia Ltd. PI 44%	1.600 km ²	Menjalankan usaha hulu Migas di wilayah kerja/ Blok Tanjung IV Running the upstream oil and gas business in the working area/Tanjung IV Block
		PT Pertamina Hulu Energi Arun: 0,1%			

	Total Aset Total Assets	Status Operasional Operational Status	Masa Kontrak Wilayah Kerja Working Area Contract Term	Alamat Address
	USD20.200	Beroperasi, Eksplorasi. Operating, Exploration.	30 November 2009 – 29 November 2039 November 30, 2009 - November 29, 2039	<p>Kantor Pusat Head Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p> <p>Kantor Operasi Operational Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p>
	USD195.267	Beroperasi, Eksplorasi. Operating, Exploration.	4 Agustus 2009 - 3 Agustus 2039 August 4, 2009 - August 3, 2039	<p>Kantor Pusat Head Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p> <p>Kantor Operasi Operational Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p>
	USD448.391	Beroperasi, Eksplorasi. Operating, Exploration.	3 Desember 2010 - 2 Desember 2040 December 3, 2010 - December 2, 2040	<p>Kantor Pusat Head Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p> <p>Kantor Operasi Operational Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p>
	USD19.316	Beroperasi, Eksplorasi. Operating, Exploration.	23 April 2011 - 31 Maret 2041 April 23, 2011 - March 31, 2041	<p>Kantor Pusat Head Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p> <p>Kantor Operasi Operational Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p>
	USD1.504.152	Beroperasi, Eksplorasi. Operating, Exploration.	3 Desember 2010 - 2 Desember 2040 December 3, 2010 - December 2, 2040	<p>Kantor Pusat Head Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p> <p>Kantor Operasi Operational Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p>
	USD99.417	Beroperasi, Eksplorasi. Operating, Exploration.	1 April 2011 - 31 Maret 2041 April 1, 2011 - March 31, 2041	<p>Kantor Pusat Head Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p> <p>Kantor Operasi Operational Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p>

Anak Perusahaan Subsidiary Company

No.	Nama Anak Perusahaan Subsidiary Name	Persentase Kepemilikan Saham Ownership Percentage	Mitra Partner	Luas Wilayah Working Area	Bidang Usaha Line of Business
35	PT Pertamina Hulu Energi Metana Sumatera 4 (PHE Metra 4)	PHE: 99%	PT Baturaja Metana Indonesia PI 27%	1320,71 km ²	Menjalankan usaha hulu Migas di wilayah kerja/ Blok Muara Enim III
		PT Pertamina Hulu Energi Arun: 1%			Running the upstream oil and gas business in the working area/Muara Enim III Block
36	PT Pertamina Hulu Energi Metana Suban I (PHE Metana Suban I)	PHE: 99,9%	Suban Energi PI 42%	1.113 km ²	Menjalankan usaha hulu Migas di wilayah kerja/ Blok Suban I
		PT Pertamina Hulu Energi Arun: 0,1%			Running the upstream oil and gas business in the working area/Suban I Block
37	PT Pertamina Hulu Energi Metana Suban II (PHE Metana Suban II)	PHE: 99,9%	Suban Methan Gas PI 50%	1.010 km ²	Menjalankan usaha hulu Migas di wilayah kerja/ Blok Suban II
		PT Pertamina Hulu Energi Arun: 0,1%			Running the upstream oil and gas business in the working area/Suban II Block
38	PT Pertamina Hulu Energi Metana Sumatera 3 (PHE Metra 3)	PHE: 99,5%	PT Petrobara Sentosa PI 20,5%	1.628,3 km ²	Menjalankan usaha hulu Migas di wilayah kerja/ Blok Air Benakat 1
		PT Pertamina Hulu Energi Arun: 0,5%			Running the upstream oil and gas business in the working area/Air Benakat 1 Block
39	PT Pertamina Hulu Energi Metana Sumatera 6 (PHE Metra 6)	PHE: 99,5%	PT Prima Gas Sejahtera PI 30,3%	1.696 km ²	Menjalankan usaha hulu Migas di wilayah kerja/ Blok Air Benakat 2
		PT Pertamina Hulu Energi Arun: 0,5%			Running the upstream oil and gas business in the working area/Air Benakat 2 Block
40	PT Pertamina Hulu Energi Metana Sumatera 7 (PHE Metra 7)	PHE: 99,5%	PT Unigas Geosinklinal Makmur PI 26,5%	964,8 km ²	Menjalankan usaha hulu Migas di wilayah kerja/ Blok Air Benakat 3
		PT Pertamina Hulu Energi Arun: 0,5%			Running the upstream oil and gas business in the working area/Air Benakat 3 Block

	Total Aset Total Assets	Status Operasional Operational Status	Masa Kontrak Wilayah Kerja Working Area Contract Term	Alamat Address
	USD585.868	Beroperasi, Eksplorasi. Operating, Exploration.	1 April 2011 - 31 Maret 2041 April 1, 2011 - March 31, 2041	<p>Kantor Pusat Head Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p> <p>Kantor Operasi Operational Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p>
	USD737.086	Beroperasi, Eksplorasi. Operating, Exploration.	1 Agustus 2011 - 31 Juli 2041 August 1, 2011 - July 31, 2041	<p>Kantor Pusat Head Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p> <p>Kantor Operasi Operational Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p>
	USD1.077.131	Beroperasi, Eksplorasi. Operating, Exploration.	1 Agustus 2011 - 31 Juli 2041 August 1, 2011 - July 31, 2041	<p>Kantor Pusat Head Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p> <p>Kantor Operasi Operational Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p>
	USD1.850.748	Beroperasi, Eksplorasi. Operating, Exploration.	18 April 2012 - 18 April 2042 April 18, 2012 - April 18, 2042	<p>Kantor Pusat Head Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p> <p>Kantor Operasi Operational Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p>
	USD1.712.440	Beroperasi, Eksplorasi. Operating, Exploration.	18 April 2012 - 18 April 2042 April 18, 2012 - April 18, 2042	<p>Kantor Pusat Head Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p> <p>Kantor Operasi Operational Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p>
	USD1.388.647	Beroperasi, Eksplorasi. Operating, Exploration.	18 April 2012 - 18 April 2042 April 18, 2012 - April 18, 2042	<p>Kantor Pusat Head Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p> <p>Kantor Operasi Operational Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p>

Anak Perusahaan Subsidiary Company

No.	Nama Anak Perusahaan Subsidiary Name	Persentase Kepemilikan Saham Ownership Percentage	Mitra Partner	Luas Wilayah Working Area	Bidang Usaha Line of Business
41	PT Pertamina Hulu Energi Babar Selaru (PHE Babar Selaru)	PHE: 99,5%	Inpex Babar Selaru Ltd PI 85%	-	Menjalankan usaha hulu Migas di wilayah kerja/Blok Babar Selaru
		PT Pertamina Hulu Energi Arun: 0,5%			Running the upstream oil and gas business in the working area/Babar Selaru Block
42	PT Pertamina Hulu Energi MNK Sumatera Utara (PHE MNK Sumut)	PHE: 99,5%	-	-	Menjalankan usaha hulu Migas di wilayah kerja/ Blok MNK Sumut
		PT Pertamina Hulu Energi Arun: 0,5%			Running the upstream oil and gas business in the working area/MNK Sumut Block
43	PT Pertamina Hulu Energi NSB (PHE NSB) ex.PT Pertamina Hulu Energi Kalyani (PHE Kalyani)	PHE: 99,5%	-	-	Menjalankan usaha hulu Migas di wilayah kerja/ Blok Jambi & South Sumatera
		PT Pertamina Hulu Energi Arun: 0,5%			Running the upstream oil and gas business in the working area/Jambi and South Sumatra Block
44	PT Pertamina Hulu Energi Siak (PHE Siak)	PHE: 99%	-	Siak Area I (600km ²), Siak Area II (284 km ²) & Siak Area III (1600 km ²).	Menjalankan usaha hulu Migas di wilayah kerja/ Blok Siak
		PT Pertamina Hulu Energi Arun: 1%			Running the upstream oil and gas business in the working area/Siak Block
45	PT Pertamina Hulu Energi East Sepinggan (PHE East Sepinggan)	PHE: 99%	ENI East Sepinggan Ltd. PI 85%	-	Menjalankan usaha hulu Migas di wilayah kerja/ Blok East Sepinggan
		PT Pertamina Hulu Energi Arun: 1%			Running the upstream oil and gas business in the working area/East Sepinggan Block
46	PT Pertamina Hulu Energi Abar (PHE Abar)	PHE: 99%	-	-	Menjalankan usaha hulu Migas di wilayah kerja/ Blok Abar
		PT Pertamina Hulu Energi Arun: 1%			Running the upstream oil and gas business in the working area/Abar Block

	Total Aset Total Assets	Status Operasional Operational Status	Masa Kontrak Wilayah Kerja Working Area Contract Term	Alamat Address
	USD82.300	Beroperasi, Eksplorasi. Operating, Exploration.	15 Mei 2013 - 14 Mei 2043 May 15, 2013 - May 14, 2043	<p>Kantor Pusat Head Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p> <p>Kantor Operasi Operational Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p>
	USD5.819.332	Beroperasi, Eksplorasi. Operating, Exploration.	15 Mei 2013 - 14 Mei 2043 May 15, 2013 - May 14, 2043	<p>Kantor Pusat Head Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p> <p>Kantor Operasi Operational Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p>
	Tidak diketahui Tidak diketahui	Beroperasi, Produksi. Operating, Production.	16 Oktober 1998 - 16 Oktober 2018 October 4, 1998 - October 4, 2018	<p>Kantor Pusat Head Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p> <p>Kantor Operasi Operational Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p>
	USD89.762.052	Beroperasi, Produksi. Operating, Production.	26 Mei 2014 – 25 Mei 2034 May 26, 2014 - May 25, 2034	<p>Kantor Pusat Head Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p> <p>Kantor Operasi Operational Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p>
	USD14.466.768	Beroperasi, Eksplorasi. Operating, Exploration.	20 Juli 2012 - 20 Juli 2042 July 20, 2012 - July 20, 2042	<p>Kantor Pusat Head Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p> <p>Kantor Operasi Operational Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p>
	USD16.867.936	Beroperasi, Eksplorasi. Operating, Exploration.	22 Mei 2015- 22 Mei 2045 May 22, 2015 - May 22, 2045	<p>Kantor Pusat Head Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p> <p>Kantor Operasi Operational Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p>

Anak Perusahaan Subsidiary Company

No.	Nama Anak Perusahaan Subsidiary Name	Persentase Kepemilikan Saham Ownership Percentage	Mitra Partner	Luas Wilayah Working Area	Bidang Usaha Line of Business
47	PT Pertamina Hulu Energi Anggursi (PHE Anggursi)	PHE: 99%	-	-	Menjalankan usaha hulu Migas di wilayah kerja Blok Anggursi
		PT Pertamina Hulu Energi Arun: 1%			Running the upstream oil and gas business in the working area Anggursi Block
48	PHE NUNUKAN COMPANY	PHE: 100%	Videocon Indonesia Nunukan PI 23% BPRL Vnetures Indonesia BV PI 12,5%	546 km ²	Menjalankan usaha hulu Migas di wilayah kerja/ Blok Nunukan Running the upstream oil and gas business in the working area/Nunukan
49	PHE AMBALAT LTD	PHE: 100%	Eni Ambalat Ltd. PI 66,25%	-	Menjalankan usaha hulu Migas di wilayah kerja/ Blok Bermuda. Running the upstream oil and gas business in the working area/ Bermuda Block
50	PHE BUKAT LTD	PHE: 100%	Eni Bukat Ltd. PI 66,25%	3.355 km ²	Menjalankan usaha hulu Migas di wilayah kerja/ Blok Bermuda. Running the upstream oil and gas business in the working area/ Bermuda Block
51	PHE OIL & GAS	PHE: 100%	Premier Oil Natuna Sea B.V. PI 29% KUFPEC Indonesia (Natuna) B.V. PI 33% Natuna 1 B.V. PI 15% PTTEP PI 11,5%	-	Pemegang saham Natuna 2 BV yang menjalankan usaha hulu Migas di wilayah kerja/ Blok Natuna 2 BV Running the upstream oil and gas business in the working area/Natuna 2 BV Block
52	PHE AUSTRALIA	-	-	-	-

	Total Aset Total Assets	Status Operasional Operational Status	Masa Kontrak Wilayah Kerja Working Area Contract Term	Alamat Address
	USD2.155.210	Beroperasi, Eksplorasi. Operating, Exploration.	22 Mei 2015 - 22 Mei 2045 May 22, 2015 - May 22, 2045	<p>Kantor Pusat Head Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p> <p>Kantor Operasi Operational Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p>
	USD181.977.207	Beroperasi, Eksplorasi. Operating, Exploration.	12 Desember 2004 – 11 Desember 2034 December 12, 2004 - December 11, 2034	<p>Kantor Pusat Head Office PHE Nunukan Company Antam Office Park Tower B, Level 17-18 Jl. Letjend TB Simatupang No. 1 Jakarta Selatan- 12530 Telp. 021-29712200 Fax: 021-29634977</p> <p>Kantor Operasi Operational Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p>
	USD25.099	Beroperasi, Eksplorasi. Operating, Exploration.	27 September 1999 - 26 September 2029 September 27, 1999 - September 26, 2029	<p>Corporate Agent PO Box 309 Ugland House Grand Cayman KY1-1104 Cayman Islands</p> <p>Kantor Operasi Operational Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p>
	-	Beroperasi, Eksplorasi. Operating, Exploration.	24 Februari 1998 – 23 Februari 2008 February 24, 1998 - February 23, 2008	<p>Corporate Agent PO Box 309 Ugland House Grand Cayman KY1-1104 Cayman Islands</p> <p>Kantor Operasi Operational Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p>
	USD279.889.002	Beroperasi, Produksi. Operating, Production.	15 Oktober 1999 - 16 Oktober 2029 October 15, 1999 - October 16, 2029	<p>Corporate Agent Maples & Calder PO BOX 309 Ugland House, Grand Cayman KY1-1104, Cayman Island</p> <p>Kantor Operasi Operational Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p>
	-	Non-Aktif/ Proses Disregistration Non-Active/ Deregistration Process	Telah dilakukan with drawal Has been withdrawn	<p>Corporate Agent Baker & McKenzie AMP Centre, Level 27, 50 Bridge Street Sydney NSW 2000 Australia</p> <p>Kantor Operasi Operational Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086</p>

Anak Perusahaan Subsidiary Company

No.	Nama Anak Perusahaan Subsidiary Name	Persentase Kepemilikan Saham Ownership Percentage	Mitra Partner	Luas Wilayah Working Area	Bidang Usaha Line of Business
53	PHE ONWJ LLC	-	-	-	-
54	PT Pertamina Hulu Energi MNK Sakakemang (PHE Sakakemang)	PHE: 99%	Bukit Energy Resources Sakakemang Deep Pte.Ltd. PI 50%	-	Menjalankan usaha hulu Migas di wilayah kerja/ Blok Sakakemang
		PGE: 1%			Running the upstream oil and gas business in the working area/ Sakakemang Block
55	PT Pertamina Hulu Energi Kampar (PHE Kampar)	PHE: 99%	-	469 km ²	Menjalankan usaha hulu Migas di wilayah kerja/ Blok Kampar
		PGE: 1%			Running the upstream oil and gas business in the working area/ Kampar Block
56	PT Pertamina Hulu Energi Arun (PHE Arun)	PHE: 99%	-	-	Kepemilikan saham atas PT Arun NGL
		Pertamina Dana Ventura: 1%			Share ownership on PT Arun NGL and 27 PHE Subsidiaries
57	PT Pertamina Hulu Energi Ambalat Timur (PHE Ambalat Timur)	PHE: 99%	-	-	Menjalankan usaha hulu Migas di wilayah kerja/ Blok East Ambalat
		PGE: 1%			Running the oil and gas upstream business in the work area/Block East Ambalat
58	PT Pertamina Lepas Pantai Bunyu	PHE: 99%	-	-	Menjalankan usaha hulu Migas di wilayah kerja Lepas Pantai Bunyu
		PHE Arun: 1%			Running the oil and gas upstream business in the work area offshore Bunyu
59	PT PHE Ambalat	PHE: 99%	-	-	Menjalankan usaha hulu Migas di wilayah kerja Ambalat
		PHE Arun: 1%			Running the oil and gas upstream business in the work area/Block Ambalat

	Total Aset Total Assets	Status Operasional Operational Status	Masa Kontrak Wilayah Kerja Working Area Contract Term	Alamat Address
	USD220.634.836	Non-Aktif Non-Active	Telah dilakukan <i>with drawal</i> Has been withdrawn	Corporate Agent: 1209 Orange street Wilmington Delaware USA 19801 Kantor Operasi Operational Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086
	USD592.830	Beroperasi, Eksplorasi. Operating, Exploration.	22 Mei 2015 – 22 Mei 2045 May 22, 2015 - May 22, 2045	Kantor Pusat Head Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086 Kantor Operasi Operational Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086
	USD47.482.773	Beroperasi, Produksi. Operating, Production.	1 Januari 2016- 31 Desember 2036 January 1, 2016 - December 31, 2036	Kantor Pusat Head Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086 Kantor Operasi Operational Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086
	USD67.870	-	Bukan pemegang wilayah kerja Hulu Migas Not owner of oil-and-gas upstream working area	Kantor Pusat Head Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086 Kantor Operasi Operational Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086
	USD9.226	Beroperasi, Eksplorasi. Operating, Exploration.	25 Mei 2016- 24 Mei 2046 May 25 2016 - May 24 2046	Kantor Pusat Head Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086 Kantor Operasi Operational Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086
	USD11.075	-	-	Kantor Pusat Head Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Kantor Operasi Operational Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086
	USD11.075	-	-	Kantor Pusat Head Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Kantor Operasi Operational Office PHE Tower Lantai 25, Jl. TB Simatupang Kav.99 Jakarta Selatan 12520 Phone: 0212954 7000, Fax: 0212952 7086

Perusahaan Patungan Joint Venture

No.	Nama Anak Perusahaan Subsidiary Name	Persentase Kepemilikan Saham PHE PHE Ownership Percentage	Bidang Usaha Line of Business
1	PT Pertamina Drilling Service Indonesia	0,11%	Drilling Services
2	PT Pertagas Niaga	1%	Downstream
3	PT Donggi Senoro LNG	29%	Downstream
4	PT Pertamina Hulu Indonesia	0,07%	-
5	PCPP Operating Company Sdn.Bhd. (Blok SK 305 Sarawak, Malaysia)	30%	Oil and gas
6	PT Pertamina Hulu Mahakam	0,07%	Upstream
7	PT Pertamina Geothermal Energy Lawu	1%	Geothermal
8	PT Pertamina Drilling Contractor	0,14%	Drilling & Services

	Total Aset Total Assets	Status Operasional Operational Status	Alamat Address
	Tidak diketahui Unknown	Aktif Active	GRAHA PDSI, Jalan Matraman Raya, No. 87, RT.1/RW.5, Palmeriam, Matraman, Kota Jakarta Timur, Daerah Khusus Ibukota Jakarta 13140
	Tidak diketahui Unknown	Aktif Active	Kantor Pusat Head Office Gedung Oil Center JL. MH Thamrin Kav.55 Jakarta Pusat 10350 Phone: 021 3190 6825 Fax: 21390 3630
	Tidak diketahui Unknown	Aktif Active	Kantor Pusat Head Office Sentral Selayan II Lt.13 Jalan Asia Afrika No.8 Senayan, Jakarta 10270 Phone: 021 5795 4140 Fax: 021 5795 4141
	Tidak diketahui Unknown	Aktif Active	-
	Tidak diketahui Unknown	-	Suita A.16-1 Level 16 Hampshire Place Office 157 Hampshire 1 Jalan Mayang Sari 50450 Kuala Lumpur
	Tidak diketahui Unknown	-	Suite 12.03 Lantai 13 Menara Tan&Tan 207 Jalan Tun Razak 50400 Kuala Lumpur
	Tidak diketahui Unknown	Aktif Active	Jalan Yos Sudarso No.1, Karang Jati, Mekar Sari, Balikpapan Tengah, Mekar Sari, Balikpapan Tengah, Kota Balikpapan, Kalimantan Timur 76111
	Tidak diketahui Unknown	Aktif Active	Menara Cakrawala Lantai 11 Jalan MH Thamrin No.9 Jakarta Pusat 10340
	Tidak diketahui Unknown	Aktif Active	Graha PDSI Jalan Matraman Raya No.87 Jakarta Timur 13140 Phone: 021 2995 5399 – 400 Fax: 021 2956 3148

Perusahaan Afiliasi Affiliated Companies

No	Deskripsi Description	Penjelasan Explanation
1	Nama Name	Natuna 2 BV
	Persentase Kepemilikan Saham PHE PHE Ownership Percentage	50%
	Bidang Usaha Line of Business	Minyak dan Gas Oil and Gas
	Status Operasional Operational Status	Beroperasi Operating
	Alamat Address	Strawinskylaan 3127 8th Floor, 1077 ZX Amsterdam, Netherlands
2	Nama Name	Arun NGL
	Persentase Kepemilikan Saham PHE PHE Ownership Percentage	45%
	Bidang Usaha Line of Business	Minyak dan Gas Oil and Gas
	Status Operasional Operational Status	Beroperasi Operating
	Alamat Address	Wisma Nusantara, Jl. M.H. Thamrin No.59, RT.9/RW.5, Menteng, Kota Jakarta Pusat, Daerah Khusus Ibukota Jakarta 10350

Kantor Cabang atau Kantor Perwakilan

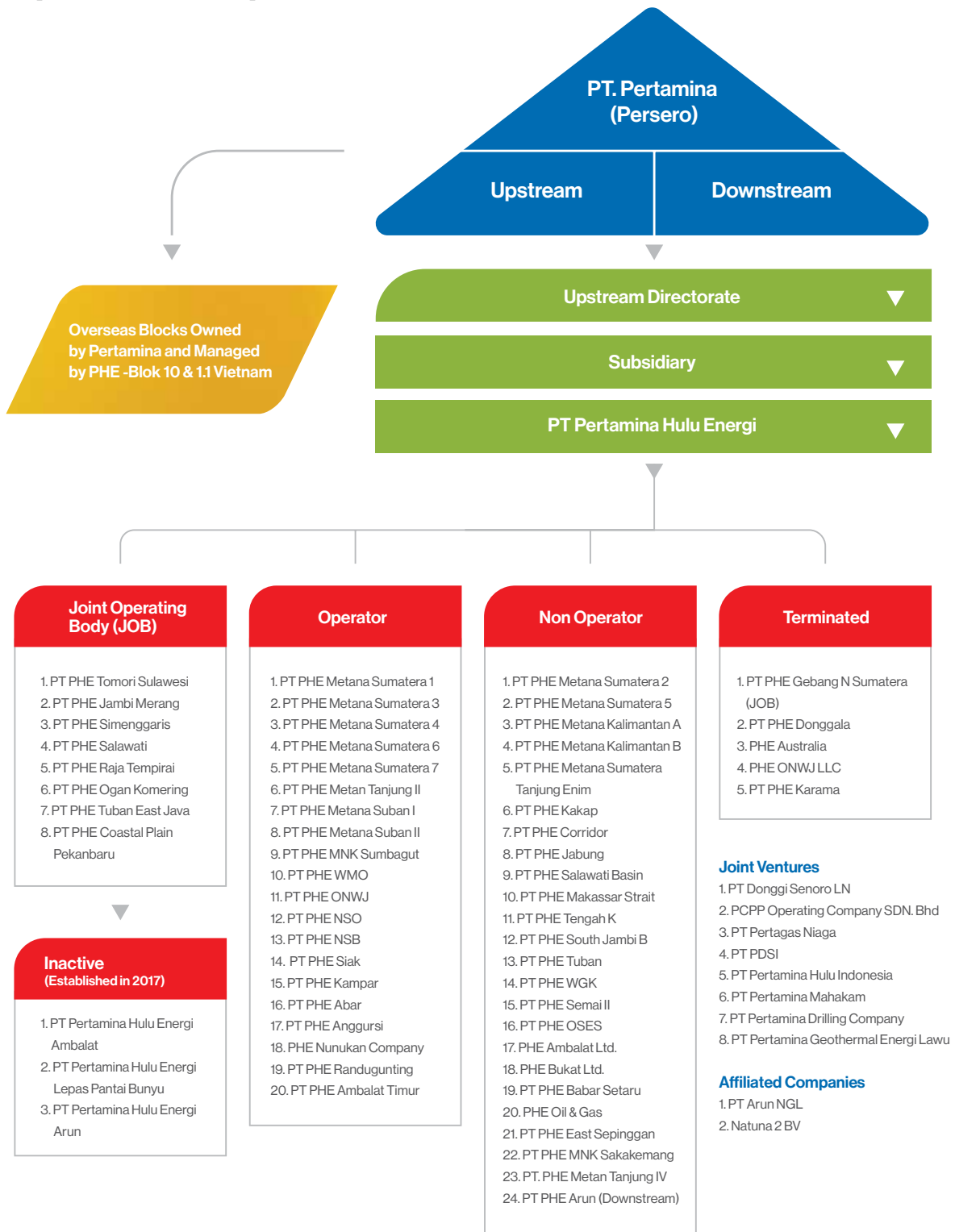
Sampai dengan 31 Desember 2017, PT Pertamina Hulu Energi (PHE) tidak memiliki kantor cabang atau kantor perwakilan. Dengan demikian Laporan ini tidak menyertakan informasi terkait nama dan alamat kantor cabang/perwakilan.

Branch Office or Representative Office

As of 31 December 2017, PT Pertamina Hulu Energi (PHE) did not have branch office or representative office. Hence, this Report does not include any information concerning name and address of branch/representative office.

Struktur Grup Perusahaan

Corporate Group Structure



Kronologi Penerbitan Saham (termasuk *Private Placement*) dan/atau Pencatatan Saham dari awal Penerbitan sampai dengan akhir Tahun Buku

Chronology of Share Issuance (including Private Placement) and/or Share Listing at the Beginning of Issuance until the End of Fiscal Year

Sampai dengan 31 Desember 2017, PT Pertamina Hulu Energi (PHE) tidak memiliki kronologi pencatatan saham. Dengan demikian Laporan ini tidak menyertakan informasi terkait kronologi penerbitan saham (termasuk *private placement*) dan/atau pencatatan saham dari awal penerbitan sampai dengan akhir tahun buku, tahun penerbitan saham, jumlah saham, nilai nominal saham dan harga penawaran saham untuk masing-masing tindakan korporasi (*corporate action*) jumlah saham tercatat setelah masing-masing tindakan korporasi (*corporate action*) dan nama bursa di mana saham perusahaan dicatitkan maupun didaftarkan.

As of 31 December 2017, PT Pertamina Hulu Energi (PHE) did not have chronology of share listing. Hence, this Report does not include information concerning chronology of share issuance (including private placement) and/or share listing at the beginning of issuance until the end of fiscal year, year of share issuance, number of shares, par value of share, stock price of each corporate action, the total shares listed after each corporate action and name of stock exchange where the company shares are listed and registered.

Kronologi Penerbitan dan/atau Pencatatan Efek Lainnya dari Awal Penerbitan sampai dengan Akhir Tahun Buku

Chronology of Other Securities Listing and/or Issuance at the Beginning of Issuance until the End of Fiscal Year

Selama kurun waktu periode pelaporan, PT Pertamina Hulu Energi (PHE) tidak memiliki kronologi penerbitan dan pencatatan efek lainnya. Dengan demikian Laporan ini tidak menyajikan informasi terkait kronologi pencatatan efek lainnya, meliputi nama efek lainnya, tahun penerbitan efek lainnya, tingkat bunga/imbalance efek lainnya, dan tanggal jatuh tempo efek lainnya, nilai penawaran efek lainnya, nama bursa di mana efek lainnya dicatitkan dan peringkat efek.

During the reporting period, PT Pertamina Hulu Energi (PHE) did not have chronology of other securities listing and issuance. Hence, this Report does not provide any information concerning other securities listing chronology, including other securities listing, year of issuance other securities, interest rate/reward of other securities, and validity period of other securities, value of other securities, name of stock exchange where the other securities are listed, and securities rating.

Nama dan Alamat Lembaga dan/atau Profesi Penunjang Pasar Modal dan Kegiatan Usaha

Name and Address of Capital Market Institutions and/or Supporting Professions

PT Pertamina Hulu Energi (PHE) adalah Perseroan Terbatas yang tidak mencatatkan saham maupun menerbitkan efek lainnya pada bursa efek. Dengan demikian Perusahaan tidak memiliki Nama dan alamat BAE/pihak yang mengadministrasikan saham perusahaan dan nama dan alamat perusahaan peneringkat efek. Namun demikian PHE memiliki kerjasama dengan lembaga profesi yang menunjang kegiatan usaha Perusahaan.

PT Pertamina Hulu Energi (PHE) is Limited Liability Company that does not list its shares and issue other securities at stock exchange. Hence, the Company does not have any names and Addresses of Share Registrar/ parties administering the company name, as well as Names and addresses of securities rating company. However, PHE cooperates with professions that support the Company business activities.

Notaris Notary

	Jasa Diberikan:	Services Provided:
Marianne Vincentia Hamdani, SH Jl. Boulevard Raya Blok K4 No.3 Kelapa Gading Permai Jakarta Utara 14240	<ul style="list-style-type: none"> • Pembuatan akta pendirian perseroan terbatas termasuk pengurusan SK Dephum & HAM RI dan BNRI • Pembuatan Akta Risalah Acara Rapat (PKR) tentang perubahan Anggaran Dasar, termasuk pengurusan SK Menhum & HAM RI dan BNRI 	<ul style="list-style-type: none"> • Prepared establishment deed of limited liability company including Decree of Ministry of Law and Human Rights of the Republic of Indonesia and State Gazette of the Republic of Indonesia (BNRI) • Prepared Minutes of Meeting Deed (PKR) on changes in the Articles of Association, including Decree of Ministry of Law and Human Rights of the Republic of Indonesia and State Gazette of the Republic of Indonesia (BNRI)
Lenny Janis Ishak, SH Jl. Hanglekir IX No. 1 Kebayoran Baru Jakarta Selatan 12120	<ul style="list-style-type: none"> • Pembuatan Akta Berita Acara RUPS Tahunan • Pembuatan Akta Risalah Rapat • Akta Jual Beli/Hibah Saham • Pengecekan Nama Perseroan yang akan didirikan • Legalisasi 	<ul style="list-style-type: none"> • Prepared Minutes of Meeting Deed of Annual GMS • Prepared Minutes of Meeting Deed • Sale and Purchase/Stock Grants Deed • Verified Name of Company that will be established • Legalization
Yulkhaizar Panuh, SH Jl. AIPDA KS Tubun No. 130 B Slipi Jakarta Barat 11410		

Kantor Akuntan Publik Public Accountant Firm

<p>Tanudiredja, Wibisana & Rekan (Member of Price Waterhouse Coopers) Plaza 89, Jl. HR Rasuna Said Kav X-7 No.6 Jakarta 12940 T: +62 21 5212901, F: +62 21 52905555 www.pwc.com/id</p> <p>Purwantono, Sungkono, dan Surja (Member of Ernst & Young) Indonesia Stock Exchange Building, Tower 2, 7th Floor, Jl. Jend. Sudirman Kav. 52-53, DKI Jakarta 12190, Indonesia T: +62 21 52895000 www.ey.com</p>	<p>Jasa Diberikan:</p> <ul style="list-style-type: none"> • Atestasi • <i>Advisory</i> 	<p>Services Provided:</p> <ul style="list-style-type: none"> • Attestation • Advisory
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Konsultan Hukum Legal Consultant

<p>Remy & Partners Mangala Wanabakti Building Block IV, 8th Floor, Wing B Jl. Jend Gatot Subroto, Senayan, Jakarta Phone: 62.21.5746720-22 Fax:62.21.5746719 Email: info@remyandpartners.com</p> <p>SJD – Soebagjo Jatim Djarot Jl. Taman Pinang Nikel Blok PR No.35 Pondok Indah, Jakarta 12310 T: 62.21759 09097 Fax: 62.21 765.8879 Email: thefirm@sjdlawfirm.com</p> <p>Adnan Buyung Nasution & Partners Plaza Alstom Lt. 3, Jl. TB. Simatupang Kav. IS-1, Jakarta 12310,</p> <p>Soesilo Aribowo & Rekan Graha Deka Jl. TB Simatupang Kav. 8 Kebagusan, Jakarta Indonesia 12520 T: 021-78840647; Fax: 021-78840638</p> <p>Nita-Diah-Patuan Intiland Tower lantai 5, Jalan Jenderal Sudirman kavling 32, Jakarta 10220</p> <p>Baker & McKenzie.Wong & Leow 8 Marina Boulevrd #05-01 Marina Bay Financial Centre Tower 1, Singapore 018981 www.bakermckenzie.com/australia</p> <p>Wiriadinata & Saleh Graha CIMB Niaga, 26th Floor Jl. Jend. Sudirman Kav. 58 Jakarta 12190, Indonesia T: +62-21-250 5175; Fax: +62-21-250 5185 Email: indo@wands-law.com</p>	<p>Jasa Diberikan:</p> <ul style="list-style-type: none"> • <i>Legal Opinion</i> • Penanganan Perkara 	<p>Services Provided:</p> <ul style="list-style-type: none"> • Legal Opinion • Case Handling
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Badan Pengawasan Keuangan dan Pembangunan Financial and Development Supervisory Board

<p>Badan Pengawas Keuangan dan Pembangunan Bidang Akuntan Negara Jalan Pramuka Nomor 33 Jakarta 13120 Phone: 021 858 4867, Fax: 021 859 06404</p>	<p>Jasa Diberikan:</p> <ul style="list-style-type: none"> • <i>Assessment</i> Penarapan Good Corporate Governance (GCG) PT PHE Tahun 2016 • <i>Review</i> atas Perjanjian jual beli gas antara AP PHE dengan salah satu customer 	<p>Services Provided:</p> <ul style="list-style-type: none"> • Good Corporate Governance (GCG) Assessment of PT PHE in 2016 • Review on Gas Purchase Agreement between PHE Subsidiaries and one of the customers
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Corporate Agent Corporate Agent

<p>Mapples Maples and Calder PO Box 309 Ugland House Grand Cayman KY1-1104 Cayman Islands T: +1 345 949 8066 Fax: +1 345 949 8080 www.maplesandcalder.com</p> <p>Estera Services (Bermuda) Canon's Court, 22 Victoria Street PO Box HM 1179, Hamilton HM EX Bermuda T: +1 441 295 1443; Fax: +1 441 292 8666 applebyglobal.com</p> <p>Delaware The Corporation Trust Company 1209 Orange Street Wilmington, DE 19801</p> <p>Vistra Netherlands Atrium Building, 8th Floor Strawinskylaan 3127 1077 ZX Amsterdam T: +31 88 560 9262</p>	<p>Jasa Diberikan:</p> <ul style="list-style-type: none"> • Administrasi Korporasi 	<p>Services Provided:</p> <ul style="list-style-type: none"> • Corporation Administration
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Keanggotaan Asosiasi ^[102-13]

Association Membership ^[102-13]

Nama Asosiasi Name of Association	Status dan Posisi Keanggotaan Status and Position of Membership	Lingkup Scope
Indonesia Petroleum Association	Anggota Member	Nasional National
Indonesia Gas Society		

Penghargaan dan Sertifikasi

Award and Certification

Berikut penghargaan yang diterima dalam tahun buku terakhir dan/atau sertifikasi yang masih berlaku dalam tahun buku terakhir baik yang berskala nasional maupun internasional:

The following are awards received in the last fiscal year and/or national and international certifications that are still valid within the latest fiscal year:

Penghargaan 2017 | Awards in 2017

Nama Penghargaan Name of Award	Tahun Perolehan Year of Achievement	Penerima Beneficiary	Badan Pemberi atau Acara Penghargaan Authorized Agency or Award Event
Penghargaan TOP <i>Leader on CSR Commitment</i> TOP Leader on CSR Commitment	2017	Direktur Utama PHE	Indonesia CSR Society, Komite Nasional Kebijakan Governance dan Business News Indonesia Indonesia CSR Society, National Committee on Corporate Governance Policy, and Business News Indonesia
TOP CSR 2017 kategori Sektor Energi TOP CSR 2017 in the category of Energy Sector	2017	PHE	Indonesia CSR Society, Komite Nasional Kebijakan Governance dan Business News Indonesia Indonesia CSR Society, National Committee on Corporate Governance Policy, and Business News Indonesia
The Best Community Involvement & Development (CID) Implementation	2017	PHE	Annual Pertamina Subsidiary Awards (APSA)
Penghargaan PROPER 2017 PROPER Award 2017	2017	Emas I Gold PHE WMO PHE ONWJ JOB PTJM Hijau I Green JOB PMEPTS JOB PJOK JOB PPEJ Biru I Blue JOB PGSIL BOB PBSP PHE NSB PHE NSO JOB PPS PHE KAMPAR	Kementerian Lingkungan Hidup dan Kehutanan Ministry of Environment and Forestry
Penghargaan Anugerah Local Hero Local Hero Award	2017	Dua Local Hero PHE Group mitra binaan PHE ONWJ dan Pertamina-Medco E&P Tomori Sulawesi Two PHE Local Hero of fostered partner group of PHE ONWJ and Pertamina-Medco E&P Tomori Sulawesi	Pertamina Awards 2017
Penghargaan Bupati Siak Untuk Kontribusi CSR Siak Regent Award for CSR Contribution	2017	BOB BSP	Bupati Siak Siak Regent
Penghargaan Asean Energy Awards Asean Energy Award	2017	PHE ONWJ	Asean Ministers of Energy Meeting
Patra Nirbhaya Karya Utama Adinugraha I	2017	BOB PBSP	Penghargaan K3 Kementerian ESDM OHS Award from Ministry of Energy and Mineral Resources
Patra Nirbhaya Karya Utama	2017	JOB PTJM	Penghargaan K3 Kementerian ESDM OHS Award from Ministry of Energy and Mineral Resources
Patra Nirbhaya Karya Utama	2017	JOB PMEPTS	Penghargaan K3 Kementerian ESDM OHS Award from Ministry of Energy and Mineral Resources

Nama Penghargaan Name of Award	Tahun Perolehan Year of Achievement	Penerima Beneficiary	Badan Pemberi atau Acara Penghargaan Authorized Agency or Award Event
Patra Nirbhaya Karya Utama	2017	JOB PPEJ	Penghargaan K3 Kementerian ESDM OHS Award from Ministry of Energy and Mineral Resources
Patra Nirbhaya Karya Utama	2017	PHE WMO	Penghargaan K3 Kementerian ESDM OHS Award from Ministry of Energy and Mineral Resources
Patra Nirbhaya Karya Madya	2017	JOB PPS	Penghargaan K3 Kementerian ESDM OHS Award from Ministry of Energy and Mineral Resources
Patra Nirbhaya Karya Pratama	2017	JOB PGSIL	Penghargaan K3 Kementerian ESDM OHS Award from Ministry of Energy and Mineral Resources
Patra Dharma Karya Madya	2017	PHE ONWJ	Penghargaan K3 Kementerian ESDM OHS Award from Ministry of Energy and Mineral Resources
Patra Dharma Karya Muda	2017	PHE WMO	Penghargaan K3 Kementerian ESDM OHS Award from Ministry of Energy and Mineral Resources
Patra Adhikarya Bhumi Utama	2017	PHE ONWJ	Penghargaan HSSE Pertamina Pertamina HSSE Award
Patra Adhikarya Bhumi Utama	2017	PHE WMO	Penghargaan HSSE Pertamina Pertamina HSSE Award
Patra Adhikarya Bhumi Utama	2017	JOB PTJM	Penghargaan HSSE Pertamina Pertamina HSSE Award
Best of The Best	2017	PHE	Upstream Inovation and Improvement Award (UIIA)
Penghargaan The Best Quality Board The Best Quality Board Award	2017	PHE	Annual Pertamina Quality Award (APQA)
Penghargaan Wirausaha Baru Terbaik The Best New Entrepreneur	2017	Kelompok Tani Green Think dari Cilamaya Girang, Subang. Mitra binaan PHE ONWJ, Green Think Farmer Group from Cilamaya Girang, Subang. Fostered partner of PHE ONWJ	Gubernur Jawa Barat West Java Governor
Juara Presenter Terbaik Winner of the Best Presenter	2017	PHE	Pertamina EOR Meeting (PEM)
Gold Medal Award untuk FT Prove Divergent Gold Medal Award for FT Prove Divergent	2017	PHE ONWJ	Seoul International Invention Fair
PC Djenggo dalam kategori Kaizen PC Djenggo in Kaizen category	2017	PHE WMO	Continual Improvement & Innovation Symposium Competition
The Best Overall Team (The Best Presentation) & 3 Stars untuk PC PROVE Hi-Five The Best Overall Team (The Best Presentation) & 3 Stars for PC PROVE Hi-Five	2017	PHE WMO	Asia Pacific Quality Organization Conference
Gold Medal Award untuk PC Prove Relokasi Gold Medal Award for PC Prove Relocation	2017	PHE WMO	International Conventions on Quality Control Circles
Gold Medal Award untuk PC PROVE Rencong Emas PHE NSB-NSO Gold Medal Award for PC PROVE Rencong Gold PHE NSB NSO	2017	PHE NSB NSO	International Conventions on Quality Control Circles
Gold Medal Award untuk FT – Prove Sentris Gold Medal Award for FT - Prove Sentris	2017	PHE ONWJ	International Invention Taipei International Invention Show & Technomart Invention Contest (TIIS&TIC)
Patra Dharma Karya Madya	2017	PHE ONWJ	Penghargaan K3 Kementerian ESDM OHS Award from Ministry of Energy and Mineral Resources

Sertifikasi ^[102-12]

Sampai dengan akhir periode pelaporan, PHE dan Anak Perusahaan telah mendapatkan sertifikasi. Hal ini merupakan bentuk kepatuhan dan adopsi pada berbagai inisiatif eksternal yang mendukung pencapaian visi Perusahaan untuk menjadi perusahaan migas kelas dunia.

Certification ^[102-12]

Over the course of the reporting period, PHE and the Subsidiaries obtained certifications. This displays compliance and adoption to various external initiatives that support the Company vision to become a world class oil and gas company.

Sertifikasi ^[102-12]

Certification ^[102-12]

Perusahaan Company	Sertifikat Certificate	Tahun Perolehan Year of Achievement	Lembaga Pemberi Authorized Agencies	Berlaku Validity Period
Technical Document Management PHE ONWJ	ISO9001:2008	2016	TUV NORD INDONESIA	2019
Project Quality Management Services, Certifications and Permits (QA-QC DePT Project) PHE ONWJ	ISO9001:2008	2015	TUV NORD INDONESIA	2018
PHE ONWJ Provision of Fabrication, Installation & Maintenance Services (DePT E&I)	ISO9001:2008	2015	TUV NORD INDONESIA	2018
Produksi Gas dan Kondensat Gas and Condensate Production/Jakarta Office & Field JOB Pertamina Talisman Jambi Merang	ISO9001:2008	2015	TUV NORD INDONESIA	2018
Drilling activities, Production of Crude Oil and Natural Gas covering PHE WMO Field, PPP and Marine Terminal, Gresik Onshore Receiving Facilities, Lamongan Shorebase and Jakarta Office PHE WMO	ISO9001:2008	2017	SGS	2020
Produksi Gas dan Kondensat Gas and Condensate Production/Jakarta Office & Field JOB Pertamina Talisman Jambi Merang	ISO14001:2004	2012	TUV NORD INDONESIA	2018
Extraction of Crude Petroleum and Natural Gas covering PHE WMO area, Poleng Field, Gresik Onshore Receiving Facility, Lamongan Shorebase and Jakarta Office PE WMO	ISO14001:2004	2017	SGS	2020
Production of Crude Oil & Gas JOB Pertamina Petrochina East Java	ISO14001:2004	2016	TUV NORD INDONESIA	2019
Senoro Field JOB Pertamina Medco E&P Tomori Sulawesi	ISO14001:2004	2017	DNV-GL	2019

Perusahaan Company	Sertifikat Certificate	Tahun Perolehan Year of Achievement	Lembaga Pemberi Authorized Agencies	Berlaku Validity Period
BOB Bumi Siak Pusako - Pertamina Hulu (Zamrud, Pedada, West Area)	ISO14001:2004	2014	SUCOFINDO INTERNATIONAL	2017
JOB Pertamina Talisman Ogan Komering LTD	ISO14001:2004	2017	BUREAU VERITAS	2020
Produksi Gas dan Kondensat Gas and Condensate Production/Jakarta Office & Field JOB Pertamina Talisman Jambi Merang	OHSAS 18001:2007	2012	TUV NORD INDONESIA	2018
Drilling activities, Production of Crude Oil and Natural Gas covering PHE WMO Field, PPP and Marine Terminal, Gresik Onshore Receiving Facilities, Lamongan Shorebase and Jakarta Office PHE WMO	OHSAS 18001:2007	2013	SGS	2019
1. East Operation Area of Offshore Oil & Gas Production and Processing Facilities and Floating Storage Oil 2. West Operation Area of Offshore Oil and Gas Production and Processing Facilities, Onshore Base and Onshore Receiving Facilities 3. Warehouse and Supply Base in Support of Offshore Oil and Gas Operations in PT PHE ONWJ. 4. Provision of Internal Office Managemet Services and The Provision of Land Transportation Services for Employees. 5. Well Service Activities Which Comprise of Well Intervention, Well Integrity and Hydraulic Workover Operation PHE ONWJ	OHSAS 18001:2007	2016	DNV-GL	2019
JOB Pertamina Talisman Ogan Komering LTD	OHSAS 18001:2007	2017	BUREAU VERITAS	2020
Production of Crude Oil & Gas JOB Pertamina Petrochina East Java	OHSAS 18001:2007	2016	TUV NORD INDONESIA	2019
Mike-Mike F/S & FSO Arco Ardjuna.PHE ONWJ	ISO50001:2011	2018	NQA	2019
ORF Muara Karang PHE ONWJ	ISO50001:2011	2018	NQA	2019
ORF Tanjung Priok & ORF Cilamaya PHE ONWJ	ISO50001:2011	2018	NQA	2019
Laboratorium Penguji JOB Pertamina Talisman Jambi Merang Testing Laboratory of JOB Pertamina Talisman Jambi Merang	ISO50001:2011	2016	KOMITE AKREDITASI NASIONAL (KAN) National Accreditation Committee	2019

Pencegahan dan Pengelolaan Dampak ^[102-11]

Strategi pencegahan dan pengelolaan dampak terhadap lingkungan, dilakukan PHE melalui mekanisme: Kebijakan Quality, Health, Safety, Security and Environment (QHSSE).

PHE juga memiliki mekanisme internal untuk mencegah dan mengelola dampak kegiatan operasi terhadap masyarakat maupun lingkungan. Dalam hal pencegahan dan pengelolaan dampak terhadap masyarakat, mekanisme yang dimiliki PHE antara lain:

- Kebijakan tertulis dan formal *Corporate Social Responsibility* (CSR)/Tanggung Jawab Sosial Lingkungan (TJSL) yang ditandatangani Direktur Utama PHE
- Kebijakan Operasional CSR/TJSL sebagai pedoman dalam implementasi Kebijakan CSR/TJSL PT PHE
- Sistem Manajemen Terpadu Community Involvement and Development (CID) – CSR untuk menjalankan CID – CSR dengan tata kelola yang baik
- Rencana Strategis CID – CSR 2016 – 2020

Pengelolaan dampak terhadap masyarakat merupakan bagian dari pemenuhan tanggung jawab sosial perusahaan /CSR dan telah diselaraskan dengan visi misi CSR PHE.

Visi

Menjadi pengelola CID-CSR terpadang dan profesional di sektor usaha hulu minyak dan gas bumi Indonesia

Misi

- Mengembangkan sistem tata kelola CID-CSR yang akuntabel di PHE Group
- Membangun model CID-CSR yang sesuai dengan karakteristik kegiatan dan usaha hulu minyak dan gas bumi
- Meningkatkan kemampuan organisasi dan pengelola CID-CSR PHE Group
- Meningkatkan sinergi dengan para Pemangku Kepentingan dalam pengelolaan dan pelaksanaan CID-CSR baik tingkat pusat maupun daerah

Prevention and Management of Impact ^[102-11]

Strategies of impact prevention and management to environment are conducted by PHE through these mechanisms: Quality, Health, Safety, Security and Environment (QHSSE) Policy.

PHE also has internal mechanism to prevent and manage impact inflicted by operational activities towards community and environment. In preventing and managing the impact to the community, below are the mechanisms cultivated by PHE:

- Written formal policy of CSR/TJSL signed by PHE President Director
- Operational policy of CSR/TJSL as a guideline in implementing CSR/TJSL Policy of PT PHE
- Integrated Management System of Community Involvement and Development (CID) - CSR to realize CID-CSR with good governance
- Strategic Plan of CID - CSR 2016 - 2020

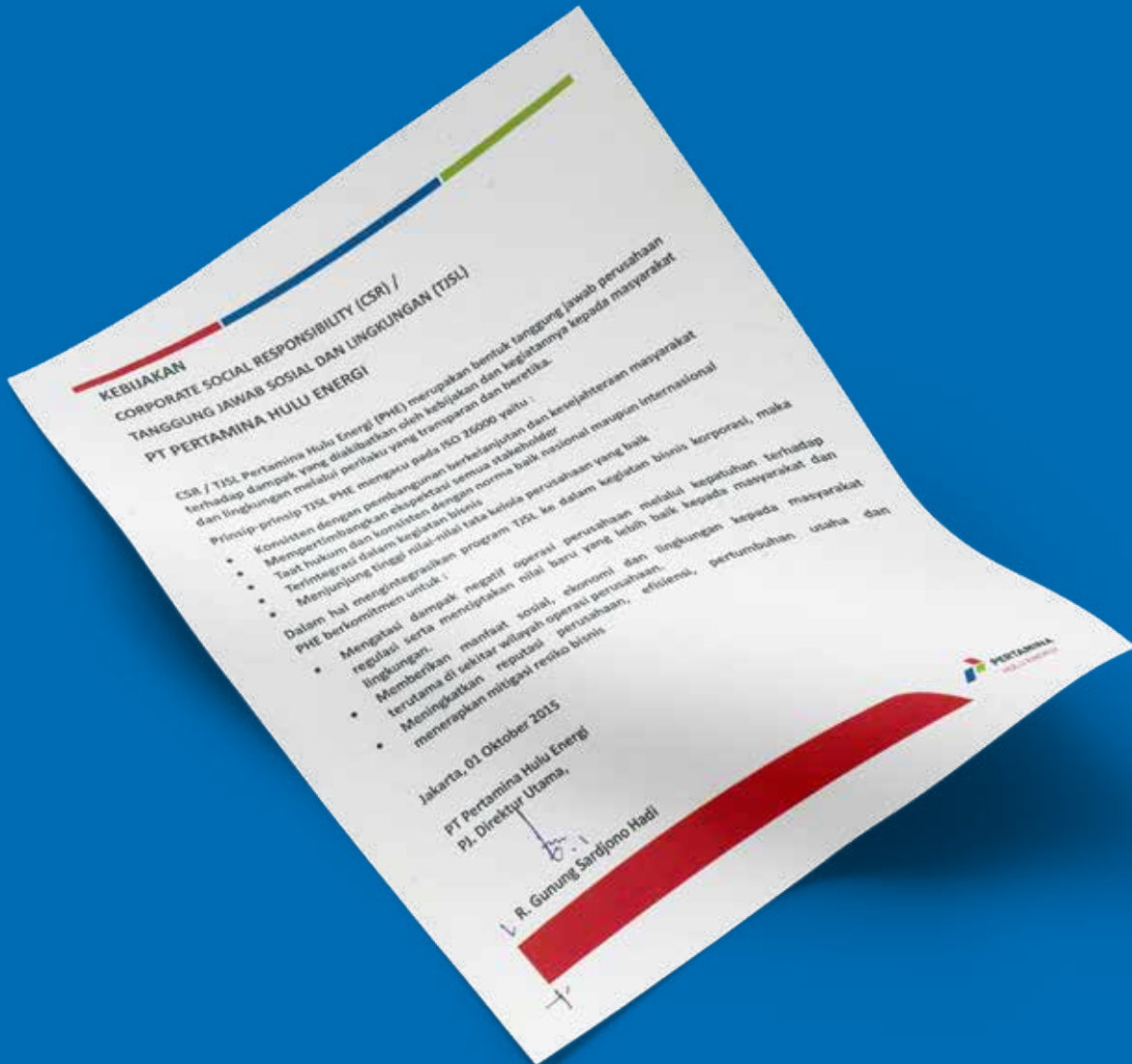
The impact management towards community is a part of the fulfillment of corporate social responsibility/CSR and has been adjusted to PHE CSR vision and mission.

Vision

To be a reputable and professional CSD-CSR Manager in Indonesia upstream oil and gas business sector

Mission

- To develop an accountable CID-CSR governance system at PHE Group
- To establish CID-CSR model that conforms to the characteristics of activities and business of upstream oil and gas
- To increase the competence of the organization and CID-CSR PHE Group manager
- To increase the synergy with the Stakeholders in managing and implementing central and local CID-CSR



Informasi pada Website Perusahaan

Information on Company Website

PT Pertamina Hulu Energi (PHE) telah memiliki situs (*website*) yang dikelola Perusahaan, yaitu www.phe.pertamina.com, yang dapat diakses oleh Pemangku Kepentingan untuk mendapatkan informasi tentang berbagai hal terkait Perusahaan.

PT Pertamina Hulu Energi (PHE) has developed its own website managed by the Company, which is www.phe.pertamina.com, it can be accessed by Stakeholders to obtain information on various topics of the Company.

Peta Situs

Profil Perusahaan Company Profile	Siapa Kami	About Us
	Visi, Misi dan Nilai-nilai Kami	Our Vision, Mission, and Values
	Strategi Perusahaan	Company Strategies
	Kegiatan Kami Upstream (Eksplorasi, Pengembangan, Operasi dan Produksi)	Our Activities Upstream (Exploration, Development, Operations and Production)
	Pimpinan Kami • Dewan Komisaris • Direksi	Our Leaders • Board of Commissioners • Board of Directors
	Grup Perusahaan Kami	Our Company Group
	Proyek-proyek besar Kami	Our Projects
Bisnis Kami Our Business	Produksi Minyak	Oil Production
	Produksi Gas	Gas Production
	Daftar Pembeli	Customers
	Pensuplai Kami • eProcurement • Buletin SCM	Suppliers • eProcurement • SCM Bulletin

Relasi Investor Investor Relations	Portofolio PHE	PHE Portfolio
	Pola Bisnis PHE	PHE Business Scheme
	Laporan Tahunan Terintegrasi	Integrated Annual Report
Teknologi dan Inovasi Technology and Innovation	Teknologi Hulu Migas	Upstream Oil and Gas Technology
	CIP Program dan Paten	CIP Program and Patent
Tanggung Jawab Sosial Perusahaan Corporate Social Responsibility	Tata Kelola Perusahaan yang Baik <ul style="list-style-type: none"> Hak Asasi Manusia Hubungan Industrial Perlindungan Lingkungan Kesetaraan Perlakuan Isu Pelanggan Pelibatan dan Pengembangan Masyarakat Kebijakan dan Program CID 	Good Corporate Governance <ul style="list-style-type: none"> Human Rights Industrial Relations Environmental Protection Equal Treatment Customer Issues Community Engagement and Development CID Policy and Program
	Program Antikorupsi PHE <ul style="list-style-type: none"> Pertamina Clean Sistem <i>Whistleblowing</i> 	PHE Anti corruption Program <ul style="list-style-type: none"> Pertamina Clean Whistleblowing System
	QHSSE <ul style="list-style-type: none"> Pesan Direktur Kebijakan QHSSE Kegiatan QHSSE Laporan Tips 	QHSSE <ul style="list-style-type: none"> Message from President Director QHSSE Policy QHSSE Activities Report Tips
Berita News	Berita PHE	PHE News
	Seputar Energi	About Energy
	Media Digital	Digital Media
	Pidato dan Artikel	Speech and Article
	Perpustakaan Ibnu Sutowo	Ibnu Sutowo Library
Karir Career	Pekerja Kami	Our Employees
	Benefit and Rewards	Benefit and Rewards
	Program Pra-Kerja	Pre-Employment Program
	Karir di PHE	Career at PHE
	Recruitment	Recruitment

Sampai dengan akhir periode pelaporan, PHE terus mengembangkan website Perusahaan selaras, sehingga dengan Peraturan Otoritas Jasa Keuangan No. 8/POJK.4/2015 tertanggal 25 Juni 2015 tentang Situs Web Emiten Atau Perusahaan Publik. Beberapa ketentuan mendasar telah ada di dalam website PHE dan dapat diakses melalui navigasi yang ada.

Over the course of the reporting period, PHE continues to develop the Company website aligning with Financial Services Authority Regulation Number 8/POJK.4/2015 of 25 June 2015 on Website of Issuers or Public Company. Several basic stipulations are displayed on PHE website and can be accessed through the provided navigation.

Tabel Kesesuaian Informasi Website Perusahaan

Table of Adjustment of the Company Website Information

Informasi yang Diminta Requested Information	Kesesuaian dan Navigasi Pencarian Adjustment and Search Navigation
Informasi pemegang saham sampai dengan pemilik akhir individu Information on shareholders up to the latest individual ownership	Ada Menu: Profil Perusahaan – Siapa Kami – Struktur Grup Perusahaan Available Menu: Company Profile - About Us - Company Group Structure
Kode Etik Code of Conduct	Ada Menu: Profil Perusahaan – Siapa Kami - GCG Available Menu: Company Profile - About Us - GCG
Informasi Rapat Umum Pemegang Saham (RUPS) paling kurang meliputi bahan mata acara yang dibahas dalam RUPS, ringkasan risalah RUPS, dan informasi tanggal penting yaitu tanggal pengumuman RUPS, tanggal pemanggilan RUPS, tanggal RUPS, tanggal ringkasan risalah RUPS diumumkan. Information on General Meeting of Shareholders (GMS) at the least includes agenda in GMS, summary of GMS minutes, and important dates, namely GMS announcement date, GMS notification date, GMS date, and date of the GMS minutes of meeting announced.	Ada Menu: Relasi Investor – Laporan Tahunan Terintegrasi (Materi RUPS menjadi bagian dari Laporan Tahunan Terintegrasi) Available Menu: Investor Relations - Integrated Annual Report (GMS materials are part of Integrated Annual Report)
Laporan Keuangan Tahunan terpisah (5 tahun terakhir) Separated Yearly Financial Statement (the last 5 years)	Ada Menu: Relasi Investor – Laporan Tahunan Terintegrasi (Materi Laporan Keuangan Tahunan menjadi bagian dari Laporan Tahunan Terintegrasi) Available Menu: Investor Relations - Integrated Annual Report (GMS materials are part of Integrated Annual Report)
Profil Dewan Komisaris dan Direksi Profile of Board of Commissioners and Board of Directors	Ada Menu: Profil Perusahaan – Pimpinan Kami. Available Menu: Company Profile - Our Leaders
Piagam/Charter Dewan Komisaris, Direksi, Komite-komite, dan Unit Audit Internal. Charters of Board of Commissioners, Board of Directors, Committees, and Internal Audit Unit.	Ada Menu: Profil Perusahaan – Siapa Kami - GCG Available Menu: Company Profile - About Us - GCG

Pendidikan dan/atau Pelatihan Dewan Komisaris, Direksi, Komite-Komite, Sekretaris Perusahaan dan Unit Audit Internal

Education and/or Training for the Board of Commissioners, Board of Directors, Committees, Corporate Secretary and Internal Audit Unit

Kelompok Organisasi Organization Group	Jenis Pelatihan Type of Training
Dewan Komisaris Board of Commissioners	<ul style="list-style-type: none"> • Seminar on Opportunity in a New Era on Enhanced Japan-ASEAN Partnership, Bangkok -Thailand; • Workshop pengelolaan & manajemen resiko dana pensiun pertamina, Jakarta. • Seminar on Opportunity in a New Era on Enhanced Japan-ASEAN Partnership, Bangkok -Thailand; • Risk management of Pertamina pension fund workshop, Jakarta
Direksi Board of Directors	<ul style="list-style-type: none"> • Expand Leadership Program for BOD/BOC • Forum IPA 2017 • Gastech Conference and Exhibition 2017
Sekretaris Perusahaan Corporate Secretary	<ul style="list-style-type: none"> • Intervensi Pemegang Saham Pengendali dalam Pelaksanaan GCG, Lembaga Komisaris dan Direktur Indonesia (LKDI) • Controlling Shareholder Intervention in GCG Implementation, Indonesian Institute for Commissioners and Directors
Komite Audit Audit Committee	<ul style="list-style-type: none"> • CFO Academy, Bali • Seminar on Opportunity in a New Era on Enhanced Japan-ASEAN Partnership, Bangkok – Thailand • Seminar 2nd EAS Regulatory Roundtable II : "On Structural Reform", Jakarta – Indonesia
Komite MRSDM MRSDM Committee	<ul style="list-style-type: none"> • Master Class Risk Governance, Yogyakarta; • International conference on ERM, Enterprise Risk Management Academy (ERMA); • Pertamina CFO Academy, Bali.
Audit Internal Internal Audit	<ul style="list-style-type: none"> • Training & workshop FQA (Flow Quantity Assurance) Operasi Produksi; • Training & workshop on FQA (Flow Quality Assurance) of Production Operation; • Seminar: Enterprise Risk Management 2017; • Training: Senior Management Development Program 2017; • Training: PSAK terkini sesuai Konvergensi IFRS & Gross Split; • Training: Protecting and Enhancing Organization Values in Disruptive Innovation Era; • Workshop: Investigative Interview Skill; • Workshop: Teknik Investigasi & Pengawasan SOT; • Workshop: SOT Investigation & Supervision Techniques; • Workshop: Optimasi Tata Kelola Untuk Efisiensi Proses Kerja Yang Cepat dan Akuntabel; • Training: Senior Management Development Program 2017; • Workshop: Digital Forensic Investigation; • Certification: Risk Management ISO 31000; • Mobile Forensic.



Analisa dan Pembahasan Manajemen Atas Kinerja Perusahaan

Management Analysis and Discussion over Company Performance

Selama tahun 2017 PT Pertamina Hulu Energi (PHE) memperlihatkan kinerja positif. Hal ini menegaskan keandalan Perusahaan dalam mengoperasikan lapangan migas lepas pantai.

Over the course of 2017, PT Pertamina Hulu Energi (PHE) demonstrates positive performance. This confirms the Company reliability in operating offshore oil and gas field.

Organizational Overview and External Environment, Performance & Outlook (IRF)

Tinjauan Umum General Overview

Tinjauan Ekonomi Nasional

Setelah menyentuh titik terendah pada tahun 2016, tren perekonomian Indonesia pada tahun 2017 memperlihatkan pemulihan dan berjalan ke arah positif. Kementerian Keuangan Republik Indonesia menyebut, indikator membaiknya ekonomi nasional terlihat dari semua mesin ekonomi mulai berjalan normal.

Pulihnya ekonomi nasional tidak terlepas dari serangkaian paket ekonomi yang digagas Pemerintah dan menjadi stimulus bagi bergeraknya sektor-sektor industri dan sektor lainnya. Kondisi ini mendorong bertumbuhnya ekonomi nasional pada tahun 2017, meski peningkatan yang terjadi belum signifikan bila dibanding tahun 2016.

Badan Pusat Statistik (BPS) menyebut, pertumbuhan ekonomi Indonesia tahun 2017 mencapai 5,06%. Angka tersebut tidak berbeda jauh dengan Bank Dunia yang menyebut pertumbuhan Produk Domestik Bruto (PDB) riil Indonesia pada 2017 mencapai 5,1%.

National Economic Overview

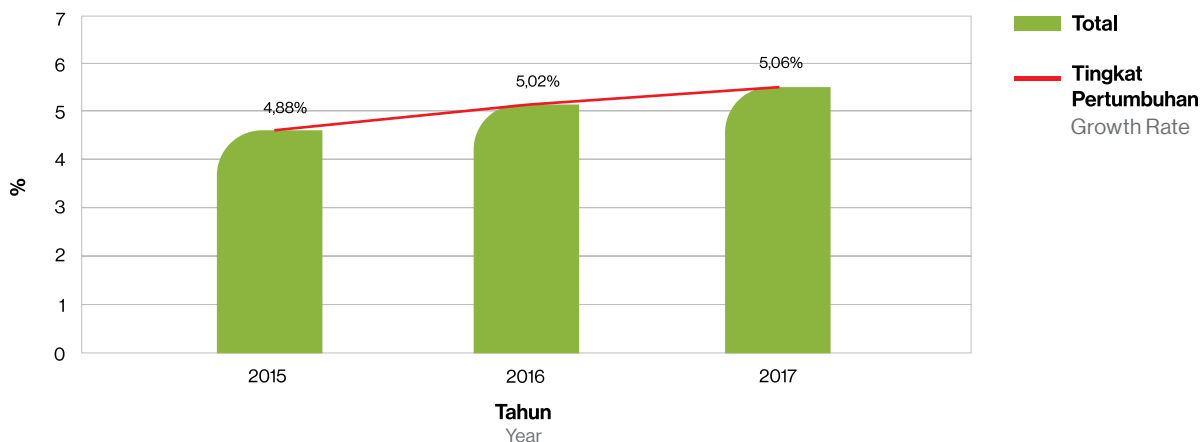
After falling to the lowest point in 2016, Indonesia economic trend in 2017 displayed its recovery and shifted to a more positive trend. The Ministry of Finance of the Republic of Indonesia stated the indicator of bettering national economy was evident in all economic machine that started to function normally.

The improving national economy was a result of economic packages planned by the Government which in turn become a stimulus to the operation of industrial sectors and other sectors. This condition encouraged the growth of national economy in 2017 despite the minimal improvement compared to 2016.

The Central Bureau of Statistics (BPS) stated Indonesia economic growth in 2017 reached 5.06%. This percentage is slightly similar to Bank Indonesia which stated Indonesia real Gross Domestic Product (GDP) in 2017 reached 5.1%.

Tingkat Pertumbuhan Ekonomi Indonesia

Indonesia Economic Growth Rate



Tinjauan Industri Migas Nasional

Tingginya konsumsi energi nasional seharusnya menjadi peluang bagi industri hulu migas. Namun kenyataan investasi di sektor hulu migas relatif tidak bertumbuh signifikan. Akibatnya sebagian kebutuhan migas nasional masih perlu diimpor.

Kondisi cukup kontras karena berdasarkan data SKK Migas, Indonesia memiliki 128 potensi cekungan hidrokarbon, namun sampai tahun 2017 hanya sekitar 40% yang telah dieksplorasi. Hal ini tidak terlepas dari karakteristik industri hulu migas yang membutuhkan teknologi dan biaya tinggi untuk melakukan eksplorasi. Ditambah lagi lokasi potensi cadangan baru kebanyakan berada di kawasan timur Indonesia dan cenderung di laut dalam.

Pemerintah Indonesia terus mendorong tumbuhnya industri hulu migas melalui berbagai kemudahan dan insentif. Terbaru, Pemerintah memberlakukan ketentuan kontrak bagi hasil produksi (*Production Sharing Contract* atau PSC) yang mengubah mekanisme kontrak migas yang semula berbasis pembayaran *cost recovery* menjadi PSC *gross split*.

Skema *gross split* merupakan skema dengan menghitung perkiraan *budget*, biaya operasi pada awal kegiatan. Skema ini menjadikan negara tidak lagi perlu membayar atau mengganti biaya produksi melalui pembayaran *cost recovery*, seperti skema dengan kontraktor kontrak kerja sama (KKKS). Sebaliknya melalui skema PSC *gross split*, investor bisa langsung menentukan bagian yang akan didapat berdasarkan penghitungan di awal komitmen investasi.

National Oil and Gas Industry Overview

The high national energy consumption should come as a window of an opportunity for the upstream oil and gas industry. However, the investment in that sector is relatively not growing significantly. Hence, some of the national oil and gas needs still needs to be imported.

The circumstance is actually contrast, as based on SKK Migas, Indonesia has 128 hydrocarbon basin, but as of 2017 there were only around 40% that has been explored. This was due to the characteristics of upstream oil and gas industry that requires both high technology and cost in performing exploration. Moreover, the potential location of new reserves are mostly found in eastern region of Indonesia and leaning to the deep sea.

The Government of Indonesia continues to promote growth in upstream oil and gas industry through various facilities and incentives. Most recently the Government enforced gross split production sharing contract (PSC) which initially was based on cost recovery.

The gross split scheme calculates budget estimation, operating cost at the beginning of an activity. Such scheme helps the country to no longer have to pay or reimburse production cost that occurs upon using cost recovery scheme, such as cooperation contract contractors (KKKS). Conversely, through gross split PSC, investors could directly determine their targeted shares based on the preliminary calculation of the investment.

PHE melalui Anak Perusahaan PT PHE ONWJ menjadi pelopor pelaksanaan skema gross split dalam pengelolaan Blok Offshore North West Java (ONWJ). Dalam kontrak bagi hasil produksi gross split Blok ONWJ, ditetapkan split dasar untuk gas bumi bagian Pemerintah 37,5% dan kontraktor 62,5%, sedangkan untuk minyak mentah sebanyak 42,5% pemerintah dan 57,5% kontraktor.

Kemudian Pemerintah menambah bagi hasil PT PHE ONWJ sebagai operator Blok ONWJ dengan porsi *split* sebesar 73,5% untuk minyak mentah dan 81% untuk gas bumi. Total *split* ini berlaku sampai akhir tahun 2017. Tambahan bagi hasil tersebut diperoleh dari bagi hasil progresif yang dikaitkan dengan faktor harga minyak dan kumulatif produksi.

Selain insentif dari Pemerintah Indonesia melalui skema *gross split*, investasi pada industri hulu migas juga tidak terlepas dari harga minyak dunia. Rendahnya harga minyak dunia membuat banyak investor menunda menanamkan modal. Namun membaiknya harga minyak dunia diharapkan akan menumbuhkan investasi di sektor hulu migas.

Setelah sempat menyentuh titik terendah, secara perlahan harga minyak dunia mengalami penguatan signifikan bahkan mencapai level tertinggi sejak tahun 2014. Kondisi ini tidak terlepas dari berlanjutnya pemotongan produksi yang dipimpin oleh Organisasi Negara-negara Pengekspor Minyak (OPEC) hingga akhir tahun 2018, situasi geopolitik dan bertumbuhnya permintaan.

Kenaikan harga minyak dunia, tentu saja berpengaruh pada harga minyak Indonesia. Kementerian ESDM menyebut rata-rata *Indonesia Crude Price* (ICP) naik menjadi USD60,9 per barel pada bulan Desember 2017. Harga tersebut naik USD1,56 per barel dari USD59,34 per barel pada bulan sebelumnya, sekaligus mencetak rekor harga minyak mentah Indonesia tertinggi sepanjang tahun 2017.

PHE through its Subsidiary PT PHW ONWJ pioneered gross split scheme in managing Offshore North West Java (ONWJ) Block. In the ONWJ Block gross split PSC, basic split was determined for Government-owned gas at 37.5% and contractor at 62.5%, while oil was at 42.5% for the government and 57.5% for the contractor.

Then the Government added PT PHE ONWJ production sharing, as ONWJ Block operator, with 73.5% split portion for oil and 81% for gas. The total split was valid until the end of 2017. The additional production sharing was a result of progressive production sharing influenced by oil price and cumulative production.

In addition to incentive from the Government of Indonesia through gross split scheme, investment in the upstream oil and gas industry was influenced by world oil price. The low world oil price caused many investors to delay investing, yet the improving world oil price is expected to trigger investments in the upstream oil and gas.

After dropping to the lowest point, the world oil price strengthened significantly gradually reaching its highest level since 2014. Such condition was a product of the continuing production cutback led by Organization of Petroleum Exporting Countries (OPEC) until the end of 2018, geopolitical situation and growing demand.

The world oil price increase has surely impacted on Indonesia oil price. The Ministry of Energy and Mineral Resources mentioned the average Indonesia Crude Price (ICP) surged to USD60.9 per barrel in December 2017. This price increased by USD1.56 per barrel from USD59.34 per barrel in the previous month, and Indonesia recorded its highest crude oil price throughout 2017.

Posisi PHE Dalam Industri Hulu Migas Nasional

PHE sebagai Anak Perusahaan PT Pertamina (Persero) memiliki posisi strategis dalam industri hulu migas nasional. Sebagian besar produksi minyak mentah PHE dipasok untuk memenuhi kebutuhan PT Pertamina (Persero), guna dijadikan bahan baku produksi bahan bakar minyak (BBM) maupun produk strategis lainnya di dalam negeri. Dengan kontribusi yang cukup signifikan, posisi PHE dalam industri hulu migas cukup strategis dalam rantai pasok energi nasional yang memastikan tetap terjaganya ketahanan energi Indonesia. [102-9]

Kinerja PHE dalam rantai pasok energi nasional didukung oleh keberadaan 59 Anak Perusahaan, delapan perusahaan patungan dan tiga perusahaan afiliasi, yang memiliki 53 wilayah kerja di dalam dan 6 di luar negeri. Secara berkala Perusahaan melakukan evaluasi pada setiap Anak Perusahaan untuk memastikan terjaganya realisasi produksi migas sesuai target dalam Rencana Kerja dan Anggaran Perusahaan (RKAP). Evaluasi meliputi berbagai aspek yang mendukung operasional, seperti kepatuhan terhadap praktik-praktik ketenagakerjaan dan pengelolaan lingkungan. [414-1]

Hingga akhir periode pelaporan, realisasi produksi minyak mentah PHE mencapai 69.298 barrel minyak per hari (BOPD). Volume tersebut mencapai 20,3% dari realisasi produksi minyak mentah PT Pertamina (Persero) sebesar 341.695 BOPD dan 8,6% dari realisasi produksi minyak mentah nasional sebesar 803.800 BOPD.

Adapun realisasi produksi gas bumi PHE pada kurun waktu periode pelaporan mencapai 723,5 juta meter standar kaki kubik (MMSCFD). Volume tersebut mencapai 35,5% dari realisasi produksi gas bumi PT Pertamina (Persero) sebesar 2.035,3 MMSCFD dan 9,5% dari realisasi produksi gas bumi nasional sebanyak 7.620 MMSCFD.

PHE Position in the National Upstream Oil and Gas Industry

PHE as PT Pertamina (PHE) Subsidiary has strategic position in national upstream oil and gas industry. The majority of PHE oil production is supplied to meet PT Pertamina (Persero) needs, to be used as raw material for fuel production (BBM) as well as other strategic products in the country. With significant contribution, PHE position in the upstream oil and gas industry is sufficiently strategic within the national energy supply chain, safeguarding Indonesia energy security. [102-9]

PHE performance in the national energy supply chain is backed by the existence of 59 Subsidiaries, eight joint ventures and three affiliated companies, which have 53 working areas in domestic and 6 overseas. The Company routinely performs evaluation on each Subsidiary to ensure oil and gas production realization aligning with the Company Work Plan and Budget (RKAP). Such evaluation includes various aspects that support operations, which are compliance to employment practices and environmental management. [414-1]

Up to the end of the reporting period, PHE oil production realization reached 69,298 barrel of oil per day (BOPD). The volume was 20.3% of PT Pertamina (Persero) oil production realization which was 341,695 BOPD and 8.6% of the national oil production realization which was 803,800 BOPD.

On the other hand, PHE gas production realization within the reporting period was 723.5 million standard cubic feet per day (MMSCFD). The volume reached 35.5% of PT Pertamina (Persero) gas production realization amounting 2,035.3 MMSCFD and 9.5% of the national gas production realization amounting 7,620 MMSCFD.

Perusahaan terus berupaya meningkatkan produksi migas melalui berbagai kegiatan operasional Anak-anak Perusahaan, seperti memanfaatkan teknologi mengingat sebagian sumur produksi yang dikelola terbilang matang dan berada di lepas pantai. Pemanfaatan teknologi memastikan terjaganya tingkat produksi dengan menekan penurunan alamiah dan melakukan pengeboran sumur-sumur baru. Selama tahun 2017, PHE telah menginvestasikan USD484 juta untuk keperluan teknologi pendukung kegiatan eksplorasi, pengembangan dan produksi migas.

The Company strives to increase oil and gas production through several operational activities in the Subsidiaries, such as utilizing technology considering the managed production well is qualified and located offshore. Utilizing technology means ensuring the level of production by eliminating natural decline and drilling new wells. In 2017, PHE invested USD484 million for technology utilization in exploration activities, oil and gas development and production.



Tinjauan Operasi per Segmen Usaha

Operational Review per Business Segment

Dasar Penetapan Segmen Operasi

Berdasarkan Anggaran Dasar Perusahaan No. 39 tanggal 21 April 2016, kegiatan usaha PHE adalah pengelolaan sektor hulu migas. Sampai dengan akhir periode pelaporan, bidang usaha yang dijalankan Perusahaan mencakup eksplorasi, pengembangan, produksi, serta jasa konsultasi bisnis dan manajemen portofolio.

Secara umum kinerja operasional PHE selama tahun 2017 mampu mencapai target yang telah ditetapkan dalam RKAP. Penguatan harga minyak dunia juga berimbas pada kinerja keuangan dengan meningkatnya perolehan pendapatan usaha maupun laba. Berikut penjelasan masing-masing segmen usaha dan kinerja per segmen usaha:

Segmen Operasi: Eksplorasi

PHE melakukan kegiatan eksplorasi untuk mencari dan meningkatkan sumberdaya migas baru, baik di dalam maupun luar negeri. Kegiatan eksplorasi didukung pengaplikasian konsep baru, teknologi mutakhir dan tepat guna, serta mengadakan kerja sama dengan mitra strategis yang menguasai *advance exploration technology*. Kegiatan eksplorasi dilaksanakan melalui Anak Perusahaan, terdiri dari *study G* dan *G*, survei seismik dan pengeboran eksplorasi.

Target dan Realisasi Survei Seismik

Sesuai RKAP, pada tahun 2017 PHE menargetkan kegiatan survei seismik sebagai berikut:

Stipulation Basis for Operating Segment

In accordance with the Company Articles of Association Number 39 of 21 April 2016, PHE business activities constitute upstream oil and gas sector management. Up to the end of the reporting period, the implemented business activities of the Company include exploration, development, production, as well as business consulting service and portfolio management.

In general, PHE operational activities in 2017 could reach the target set in RKAP. The strengthening world oil price also impacted on the financial performance with the increasing proceeds in revenue and profit. Below are the explanation to each business segment and its performances:

Operating Segment: Exploration

PHE performs exploration activities to seek and increase new oil and gas reserves in the country and overseas. The exploration activities are supported by applying new concept, cutting-edge and efficient technology, as well as establishing cooperation with strategic partners who has a grip on *advance exploration technology*. The exploration activities are carried out through Subsidiaries, consisting of *G and G study*, seismic survey, and exploration drilling.

Seismic Survey Target and Realization

In accordance with RKAP, in 2017 PHE targeted seismic survey activities such as follows:

Seismik 2D

- 2.000 km di Blok Abar
- 1.000 km di Blok Anggursi
- 2.000 km di Blok ONWJ

Seismik 3D

- 850 km² di Blok Natuna A
- 240 km² di Blok Jabung
- 200 km² di Blok Senoro-Toili
- 100 km² di Blok ONWJ
- 15 km² di Blok WMO

Sampai dengan akhir tahun 2017, realisasi kegiatan survei seismik adalah:

Seismik 2D

- 1.990 km di Blok Abar
- 1.960 km di Blok Anggursi

Seismik 3D

- 174 km² (Total seismik Tiung-Bejo di Blok Jabung seluas 320 km², 144 km² telah dikerjakan tahun 2016 dan 174 km² dikerjakan tahun 2017).
- Kegiatan seismik seluas 850 km² di Blok Natuna A dibatalkan karena berdasarkan hasil kajian pengembangan lapangan kurang menarik secara keekonomian, besarnya *resources* dari Prospect Ratu Gajah East tidak terlalu besar sementara berlokasi jauh dari fasilitas produksi eksisting.

Target dan Realisasi Pemboran Eksplorasi

Pada tahun 2017 PHE merealisasikan 8 (delapan) pemboran sumur eksplorasi. Jumlah tersebut mencapai 100% dari target RKAP 2017 atau turun 53% dibanding realisasi tahun 2016 sebanyak 17 sumur. Pencapaian realisasi kegiatan pemboran eksplorasi tidak terlepas dari beberapa faktor, di antaranya:

- Persiapan pemboran Sumur Parang-1 (Blok Nunukan) telah dilakukan sejak pertengahan 2016, sehingga bisa dibor di awal tahun 2017

2D Seismic

- 2,000 km at Abar Block
- 1,000 km at Anggursi Block
- 2,000 km at ONWJ Block

3D Seismic

- 850 km² at Natuna A Block
- 240 km² at Jabung Block
- 200 km² at Senoro-Toili Block
- 100 km² at ONWJ Block
- 15 km² at WMO Block

Up to the end of 2017, the realization of seismic survey activities are as follows:

2D Seismic

- 1,990 km at Abar Block
- 1,960 km at Anggursi Block

3D Seismic

- 174 km² (Total Tiung-Bejo seismic at Jabung Block was 320 km², 144 km² post work in 2016, and 174 km² post work in 2017).
- Seismic activity of 850 km² at Natuna A Block was cancelled as it was uninviting economically based on field development study, the amount of resources of Ratu Gajah East Prospect was meager and it was located far from existing production facilities.

Exploration Drilling Target and Realization

In 2017, PHE realized 8 (eight) exploration well drilling. The amount reached 100% of the 2017 RKAP or decreased by 53% compared to 17 wells in the 2016 realization. The achievement of exploration drilling activities was due to several factors, among which are:

- Preparation of Parang-1 Well drilling (Nunukan Block) was carried out since mid-2016 so that drilling was possible to be realized at the beginning of 2017

- Sumur NEB-Extention-1 (Blok Jabung) dan Sumur SE-Sembakung (Blok Simenggaris) merupakan sumur carry over 2016 yang persiapannya telah dilakukan sejak 2016
- Realisasi 5 sumur CBM di Blok Sangatta-I dan Sangatta-II merupakan carry over dari tahun sebelumnya (sumur-sumur komitmen perpanjangan jangka waktu eksplorasi)

Target dan Realisasi Temuan Sumber Daya ^[OG1]

Realisasi temuan sumber daya 2C minyak dan kondesat sampai dengan akhir tahun 2017 mencapai 264,8 MMBO. Jumlah tersebut mencapai 404% dari target RKAP 2017 sebanyak 65,45 MMBO dan 1.000% dibanding realisasi tahun 2016 yang mencapai 26,46 MMBO.

Realisasi temuan sumber daya gas 2C sampai dengan akhir periode pelaporan sebesar 1.462,7 BSCF. Jumlah tersebut mencapai 209% dari target RKAP 2017 sebanyak 697,05 BSCF dan 226% dibanding realisasi tahun 2016 sebesar 645,71 BSCF. Realisasi temuan sumber daya 2C migas selama tahun 2017 mencapai 517,2 MMBOE. Jumlah tersebut mencapai 278% dari target RKAP 2017 sebanyak 185,6 MMBOE dan 375% dibanding realisasi tahun 2016 yang mencapai 137,91 MMBOE.

Pencapaian temuan sumber daya 2C berasal dari:

- Pemboran Sumur Parang-1 (Blok Nunukan) sebesar 143 MMBOE
- Pemboran Struktur Meraksa (Blok Ogan Komering) sebesar 7,31 MMBOE
- Pemboran Sumur RGT-2 (Blok Randugunting) sebesar 1,93 MMBOE
- *Study G&G Re-assessment Senoro Field* (Blok Senoro-Toili) sebesar 65,92 MMBOE
- *Tail Production* dari Blok NSO/B, Blok ONWJ, Blok Siak dan Blok Jabung sebesar 18,54 MMBOE
- *Gross up Participating Interest ONWJ* sebesar 280 MMBOE



Budi Tamtomo

VP Operation Exploration & Asset Management Operator / Non Operator

- NEB-Extention-1 Well (Jabung Block) and SE-Sembakung Well (Simenggaris Block) are 2016 carry over wells which preparations have been conducted since 2016
- The realized five CBM wells at Sangatta-I Block and Sangatta-II Block are carry over from the previous year (commitment wells for exploration extension)

Resources Findings Target and Realization ^[OG1]

Resources findings of 2C oil and condensate up to the end of 2017 were realized at 264.8 MMBO. The amount reached 404% of the 2017 RKAP which was set at 65.45 MMBO and 1,000% compared to the 2016 realization which reached 26.46 MMBO.

The realization of 2C gas resources findings up to the end of the reporting period amounting 1,462.7 BSCF. Such amount attained 209% of the 2017 RKAP which amounted to 697.05 BSCF and 226% compared to the 2016 realization which was 645.71 BSCF. The realization of 2C oil and gas resources findings throughout 2017 arrived at 517.2 MMBOE. The amount reached 278% of the 2017 RKAP which was 185.6 MMBOE and 375% compared to the 2016 realization which reached 137.91 MMBOE.

The 2C resources findings derived from:

- Parang-1 Well drilling (Nunukan Block) amounting 143 MMBOE
- Meraksa Structure drilling (Ogan Komering Block) amounting 7.31 MMBOE
- RGT-2 Well drilling (Randugunting Block) amounting 1.93 MMBOE
- G&G Re-assessment Study on Senoro Field (Senoro-Toili Block) amounting 65.92 MMBOE
- Tail Production of NSO/B Block, ONWJ Block, Siak Block, and Jabung Block amounting 18.54 MMBOE
- Gross up Participating Interest ONWJ amounting 280 MMBOE



Ari Samodra

VP Exploration Subsurface, Planning & Evaluation

Tabel Kinerja Segmen Operasi Eksplorasi PHE ^[OG1] (Survei Seismik, Pemboran dan Temuan Sumber Daya)

Table of Operating Segment Performance on PHE Exploration ^[OG1]
(Seismic Survey, Drilling, and Resources Findings)

Uraian Description	Satuan Unit	2017			Realisasi 2016 Realization 2016	Δ% Terhadap Realisasi 2017 Δ% to 2017 Realization
		Target RKAP RKAP Target	Realisasi Realization	Δ%		
SURVEI SEISMIK SEISMIC SURVEY						
2D	Km	5.000	3.950	79	-	-
3D	Km ²	1.405	320	12	146	119
PEMBORAN DRILLING						
Eksplorasi Exploration	Sumur Well	8	8	100	17	47
TEMUAN SUMBER DAYA (2C) RESOURCES FINDINGS (2C)						
Minyak Oil	MMBO	65,45	264,8	404	26,46	1.000
Gas	BSCF	697,05	1.462,7	209	645,71	226
Total Migas Total Oil and Gas	MMBOE	185,76	517,2	278	137,91	375

Segmen Operasi: Pengembangan

PHE melakukan proses pengembangan blok migas dalam rangka peningkatan produksi dan cadangan minyak dan gas bumi, serta pengelolaan proyek yang sudah ada. Direktorat Pengembangan terus berupaya menjaga kapabilitas operasional dengan mengutamakan kualitas produksi, keselamatan kerja dan lingkungan.

Operating Segment: Development

PHE performs oil and gas block development in the event of multiplying production of oil and gas reserves, as well as managing the existing projects. Development Director continues to maintain operational capability by emphasizing production quality, occupational safety and environment.



Rahmat Wijaya

VP Subsurface Development

Kegiatan pada segmen operasi pengembangan blok migas di antaranya pemboran eksploitasi. Selama tahun 2017 PHE telah merealisasikan pemboran eksploitasi sebanyak 11 sumur. Jumlah sumur tersebut mencapai 79% dari target RKAP 2017 sebanyak 14 sumur dan 183% dari realisasi tahun 2016 sebanyak 6 sumur.

Sedangkan untuk pekerjaan KUPL, selama tahun 2017 PHE telah merealisasikan pekerjaan KUPL sebanyak 22 sumur. Jumlah sumur tersebut mencapai 39% dari target RKAP 2017 sebanyak 57 sumur, sebagian besar sumur yang telah dieksekusi dalam KUPL RKAP 2017 merupakan pekerjaan well service dan recompletion. Jika dibandingkan tahun 2016 adalah sebesar 59% sebanyak 37 sumur.

Pencapaian tersebut tak terlepas dari pengaruh beberapa faktor:

- Implementasi *subsurface Field Depletion Plan* secara menyeluruh (GGRP) untuk percepatan POD dari PSE;
- *Integrated Funneling (Development Portfolio Management)* untuk prioritas program *development* dalam mereview usulan kandidat sumur pemboran maupun sumur KUPL;
- Re-evaluasi *subsurface* sesegera mungkin setelah adanya *update data/study* untuk mendapatkan *contingency wells*;
- *Review post drill* secara komprehensif dan terintegrasi untuk perencanaan ke depan yg lebih baik;
- Implementasi PUDW untuk setiap usulan *project development*.

Kegiatan segmen operasi pengembangan pada tahun 2017 telah menambah cadangan P1 untuk minyak sebesar 118,29 MMBO, dengan pencapaian 263% dari target RKAP 2017 sebanyak 45 MMBO. Adapun tambahan cadangan P1 untuk gas hingga akhir periode pelaporan mencapai 335,32 BSCF, atau pencapaian 112% dari target RKAP 2017 sebanyak 298,9 BSCF. [OG1]

Activities in operating segment of oil and gas block development, among which is exploitation drilling. During 2017 PHE realized 11 wells of exploitation drilling. Such amount achieved 79% of the 2017 RKAP which amounted to 14 wells and 183% of the 2016 realization which amounted to 6 wells.

Moreover for KUPL work, in 2017 PHE realized 22 wells. The amount achieved 39% of the 2017 RKAP amounting 57 wells, and 59% of the 2016 realization amounting 37 wells KUPL target in the 2017 RKAP still included well services and recompletion work.

The aforementioned achievements were also influenced by these factors:

- Comprehensive implementation of *subsurface Field Depletion Plan* (GGRP) for POD acceleration from PSE;
- *Integrated Funneling (Development Portfolio Management)* for development program prioritization in reviewing proposals on drilling well and KUPL well candidates;
- *Subsurface reevaluation* as soon after updated data/study is obtained to get contingency wells;
- Comprehensive and integrated post drill review for better future planning;
- PUDW implementation for each development project proposal.

Activities in operating segment of development in 2017 have increased P1 reserves for oil amounting 118.29 MMBO, achieving 263% of the 2017 RKAP which was set at 45 MMBO. The additional P1 reserves for gas until the end of the reporting period reached 335.32 BSCF, or 112% of the 2017 RKAP which amounted to 298.9 BSCF. [OG1]

Tambahan cadangan yang diperoleh berasal dari:

- PHE ONWJ *share-up* (58,28% menjadi 100%)
- PHE ONWJ: POFD Zulu & MRA
- PHE Siak: POFD Batang dan Lindai
- PHE WMO: *update performance* lapangan PHE-38B dan PHE-39 Reef B

The achieved additional reserves derived from:

- PHE ONWJ *share-up* (58.28% to 100%)
- PHE ONWJ: POFD Zulu & MRA
- PHE Siak: POFD Batang and Lindai
- PHE WMO: updated field performance of PHE-38B and PHE-39 Reef B

Tabel Kinerja Segmen Operasi Pengembangan PHE (Tambahan Cadangan) [OG1]

Table of Operating Segment Performance on PHE Development (Additional Reserves) [OG1]

Uraian Description	Satuan Unit	2017			Realisasi 2016 Realization 2016	Δ% Terhadap Realisasi 2017 Δ% to 2017 Realization
		Target RKAP RKAP Target	Realisasi Realization	Δ%	1:2	2:3
TAMBAHAN CADANGAN (P1) ADDITIONAL RESERVES (P1)						
Minyak Oil	MMBO	45	118,29	263	18,32	646
Gas	BSCF	298,9	335,32	112	142,20	236
Total Migas Total Oil and Gas	MMBOE	96,5	176,17	183	42,86	411

Project Strategic Development Management

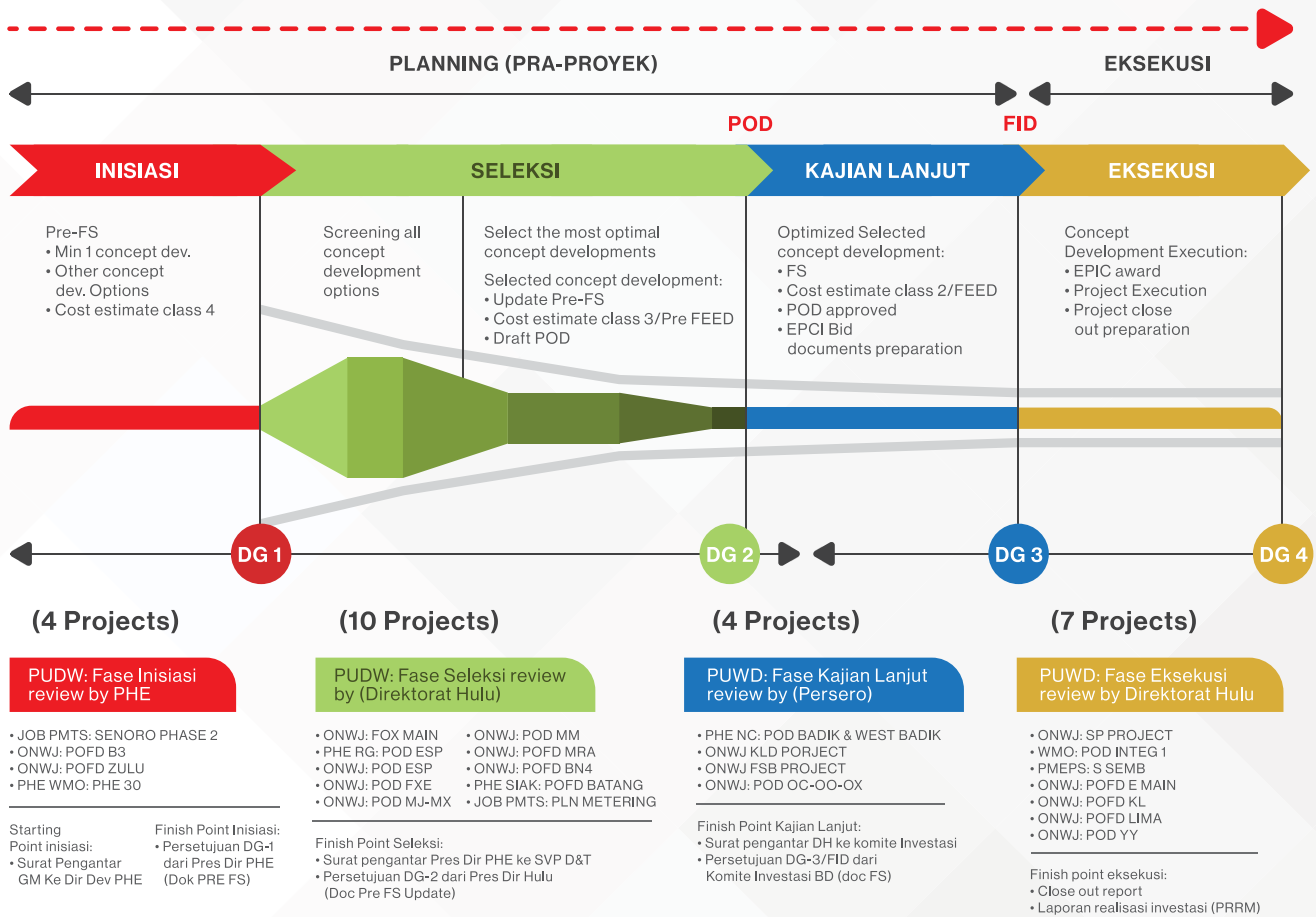
Project Strategic Development Management

Tahun 2017 PHE membentuk Fungsi Project Strategic Development Management (PSDM). Fungsi PSDM terdiri dari tiga sub fungsi yakni Project Strategic Plan; Project Compliance & Performance; dan Project Surface Facilities. Keberadaan Fungsi PSDM menegaskan komitmen Perusahaan untuk melaksanakan proyek investasi PHE dengan mengedepankan *target on time on budget on scope* (OTOBOS).

In 2017, PHE established the Function of Project Strategic Development Management (PSDM). The PSDM function consists of three sub-functions namely Project Strategic Plan; Project Compliance & Performance; and Project Surface Facilities. The establishment of PSDM Function confirms the Company's commitment to implement PHE's investment projects by prioritizing on-time on budget on scope (OTOBOS) target.

Skema PSDM untuk mencapai target OTOBOS Scheme of PSDM to achieve OTOBOS target

To Deliver the Project Right (PUDW)



By: IDCC Implementation (PUDW web-base system) DEVELOPMENT PHASE

status Desember 2017 | December 2017 status

Strategi PSDM mengembangkan empat koridor di wilayah kerja PHE, yakni Koridor Sumatra, Koridor Jawa, Koridor Kaltara serta Koridor Sulawesi dan Papua. Pada masing-masing Koridor PHE menetapkan sasaran prioritas.

PSDM strategy develops four corridors in the working area of PHE, namely Sumatra Corridor, Java Corridor, North Kalimantan (Kaltara) Corridor, and Sulawesi & Papua Corridor. PHE established priority targets in each Corridor.

Koridor Corridor	Blok Migas dan AP Oil & Gas Blocks and Subsidiaries	Prioritas Priority
Koridor Sumatra Sumatra Corridor	PHE Jambi Merang	<p>Meningkatkan Pengembangan Aset Paling Berharga (<i>Most Valuable Assets</i>) yang Ada Increase Develop Existing Most Valuable Assets</p> <ul style="list-style-type: none"> Upaya agresif dalam mencari pembeli baru untuk cadangan lapangan gas SKN & PGD. Negosiasi harga jual gas. Meningkatkan monetisasi gas. Aggressive seeking new buyer for SKN & PGD gas field reserves. Negotiation gas selling price. Increase gas monetization.
	PHE NSO & NSB	
Koridor Jawa Java Corridor	PHE ONWJ	<p>Meningkatkan Pengembangan Aset Paling Berharga (<i>Most Valuable Assets</i>) Increase Develop Existing Most Valuable Assets</p> <ul style="list-style-type: none"> Pengembangan gas terpadu. Menjamin keamanan pasokan gas ke pembeli. Meningkatkan tingkat pengambilan minyak oleh I/EOR (<i>pressure maintenance & miscible solution</i>/EOR). Integrated gas development. Secure gas supply to valuable buyer. Increase oil withdrawal rate by I/EOR (<i>pressure maintenance & miscible solution</i>/EOR).
	PHE WMO	
	PHE Tuban	
Koridor Kaltara North Kalimantan (Kaltara) Corridor	PHE Nunukan	<p>Monetisasi & Keamanan Gas Terpadu - <i>Lighted on the Border</i>. Integrated Gas Monetization & Security – Lighted on The Border.</p> <ul style="list-style-type: none"> Percepatan pengembangan sumber daya yang sangat besar untuk produksi (10 BBOE). Terintegrasi berkembang antara PSC. Pengembangan kawasan ekonomi baru. Accelerated develop huge resources to production (10 BBOE Resources). Integrated develop between PSC. New economic area development.
	PHE Simenggaris	
	PEP Bunyu	
Koridor Sulawesi & Papua Sulawesi & Papua Corridor.	JOB PMTS	<p>Meningkatkan Pengembangan <i>Most Valuable Assets</i> yang ada Increase Develop Existing Most Valuable Assets</p> <ul style="list-style-type: none"> Monetisasi yang agresif terhadap cadangan gas untuk 1 TFC. Mempercepat negosiasi gas untuk harga jual gas yang ada. Pengembangan kawasan ekonomi baru. Aggressive monetization gas reserves for 1 TFC. Accelerate gas negotiation for existing gas price selling. New economic area development.
	Donggi – Senoro - Matindok	

Inisiatif PSDM

PSDM telah merumuskan 10 Program Utama untuk mendukung Fungsi PSDM menjalankan tugas dan tanggung jawabnya.

PSDM Initiative

PSDM has formulated 10 Main Programs to support PSDM Function in carrying out its duties and responsibilities.

Tabel 10 Program Utama Inisiatif Fungsi PSDM | Table of 10 Main Program of PSDM Function Initiative

Eksekusi Execution	1	<i>Launching & Implementation IDCC (PUDW 100%: how to deliver the project right)</i> Launching & Implementation of IDCC (PUDW 100%: how to deliver the project right)
	2	<i>Implementasi Project Portfolio Management (how to deliver the right project)</i> Implementation of Project Portfolio Management (how to deliver the right project)
Perencanaan Planning	3	<i>Membangun Project Portfolio Management (Concept, Tool & Procedure)</i> Develop Project Portfolio Management (Concept, Tool & Procedure)
	4	<i>Membangun data bank untuk Facility Asset Integrity & Management System PHE</i> Develop data bank for Facility Asset Integrity & Management System of PHE
	5	<i>Bersama fungsi terkait menyusun proses bisnis (charter hulu & STK Internal PHE) yang mengatur hubungan antara PSDM PHE dengan fungsi-fungsi Dit. Hulu</i> Together with related functions establish business processes (upstream charter & PHE Internal STK) that governs the relationship between PSDM of PHE with functions at Upstream Directorate
Produk Products	6	<i>Standarisasi project procedures, document, design & technology untuk digunakan sebagai acuan AP</i> Standardization of project procedures, document, design & technology to be used as reference for subsidiaries

Tabel 10 Program Utama Inisiatif Fungsi PSDM | Table of 10 Main Program of PSDM Function Initiative

Orang People	7	Pengisian posisi <i>vacant</i> di PSDM melalui mekanisme <i>Talent Management</i> Filling vacant position in PSDM through Talent Management mechanism
	8	<i>Alignment Project Management Organization</i> antara PHE dan AP Alignment of Project Management Organization between PHE and Subsidiaries
	9	Bersama HR, menyusun program peningkatan kompetensi (<i>hard & soft</i>) SDM Fungsi PSDM Together with HR, develop a program of competence (<i>hard & soft</i>) development of PSDM Function HR
Proses Process	10	Pengusulan revisi STK Investasi (<i>check list</i> TKO) kepada Fungsi CSG Korporate via Fungsi D&T Dit. Hulu Proposed revision of STK for Investment (TKO check list) to CSG Corporate Function via D&T Function of Upstream Directorate

Pencapaian 2017

- Mampu mengelola 100% tercapai biaya investasi ABI *Project BD* sebesar USD115 juta sesuai RKAP revisi 2017.
- Mampu menyelesaikan secara OTOBOS, proyek pengembangan berupa tiga offshore platform, satu *processing platform*, 12 km RRP & Inland Harbor dan 30 km *subsea interconnection*.
- Mampu membangun secara *in-house, web-based cross function management tools system*, yaitu IDCC (*Integrated Development Command Center*) untuk mengelola proses PUDW *full cycle, project execution, Subsurface & Surface Databank, AIMS (Asset Integrity Management System)*.



Slamet Susilo
VP PSDM

Achievements in 2017

- Ability to manage 100% achieved on investment cost of ABI *Project BD* amounted to USD115 million according to Revised RKAP 2017.
- Ability to complete development projects under OTOBOS, in the form of three offshore platforms, one *processing platform*, 12 km of RRP & Inland Harbor, and 30 km *subsea interconnection*.
- Ability to build *in-house, web-based cross function management tools system*, ie IDCC (*Integrated Development Command Center*) to manage full-cycle PUDW process, project execution, *Subsurface & Surface Databank, AIMS (Asset Integrity Management System)*.

Subsurface Development

Subsurface Development merupakan fungsi inti PHE. Salah satu tugas fungsi ini adalah mengembangkan temuan eksplorasi berupa Sumberdaya Kontijensi (*Contingent Resources*) yang sudah PSE untuk dapat diproduksi dan dimonetisasi menjadi Cadangan (*Reserves*).

Subsurface Development is a core function of PHE. One of the tasks of this function is to develop exploration discoveries in the form of Contingent Resources that have been PSE to be produced and monetized into Reserves.

Strategi yang dilakukan sampai dengan akhir tahun 2017:

- Fokus penambahan P1 dari kegiatan organik.
- Mempercepat *review subsurface* untuk proses pengajuan POD/POFD/Pre-FS/FS dan monitoring persetujuannya.
- Berinisiatif untuk melakukan *study subsurface* untuk menaikkan RRR (*Reserves Replacement Ratio*) dan R/P PHE.
- Melaksanakan *post drill review* sebagai *lesson learn* untuk menaikkan sukses rasio sumur pengembangan agar rencana produksi tahunan di RKAP tercapai.

Inisiatif baru:

Mengadakan workshop RJPP dan *Field Depletion Plan* (FDP) untuk memetakan potensi dan percepatan POD/POFD.

Prestasi/Capaian pada tahun 2017:

- Penambahan *reserves* sebesar 176,17 dari target 96,5 MMBOE.
- *Funneling subsurface* untuk mematangkan rencana kerja yang diajukan.
- Mereview bagian *Subsurface* untuk percepatan POD/POFD dan Pre-FS/FS.
- Berperan aktif dalam pengembangan IDCC bersama fungsi PSDM.

Tantangan:

- Percepatan POD dari struktur yang sudah PSE.
- Menaikkan sukses rasio pemboran *development*.
- Mengembangkan lapangan gas yang *stranded* secara terintegrasi.
- Studi IOR / EOR yang cukup mahal.

Segmen Operasi: Produksi

Selama kurun waktu periode pelaporan, PHE dapat mempertahankan kinerja produksi migas. Berbagai upaya yang dilakukan mampu meningkatkan produksi migas dan memenuhi target yang ditetapkan dalam RKAP sekaligus berkontribusi pada ketahanan energi nasional.

Strategies undertaken until the end of 2017:

- Focus of addition of P1 from organic activities.
- Accelerated subsurface review to apply for POD/POFD/Pre-FS/FS and monitoring the approval.
- Initiate to conduct subsurface study to increase RRR (*Reserves Replacement Ratio*) and R/P of PHE.
- Implementation of post drill review as a lesson learn to raise success ratio of development well in order to achieve annual production plan set in RKAP.

New initiative:

Holds an RJPP and Field Depletion Plan (FDP) workshop to map potential and accelerated POD/POFD.

Accomplishment/Achievements in 2017:

- Additional reserves of 176.17 from target at 96.5 MMBOE.
- Funneling subsurface to finalize the proposed work plan.
- Review the Subsurface section for acceleration of POD/POFD and Pre-FS/FS.
- Take an active role in IDCC development with PSDM function.

Challenges:

- Acceleration of POD from the structure that has been PSE.
- Increasing the success ratio of development drilling.
- Developing an integrated stranded gas field.
- The IOR/EOR study is quite expensive.

Operating Segment: Production

Within the reporting period, PHE managed to maintain oil and gas production performance. Various efforts were exerted to intensify oil and gas production and meet the set target in the RKAP as well as to contribute to national energy security.

Total realisasi produksi minyak mentah PHE pada tahun 2017 mencapai 25.274 MBO, atau 104,9% dari target RKAP 2017 sebesar 24.106 MBO. Realisasi volume produksi minyak mentah tahun 2017 meningkat 110% dibanding realisasi produksi pada tahun 2016 sebesar 22.907 MBO. Peningkatan ini dipengaruhi:

- Penambahan PI di blok ONWJ menjadi 100%
- Peningkatan produksi kondensat di blok Tomori dan NSB karena meningkatnya penyerapan gas dari *buyer* dan strategi memaksimalkan ekstraksi kondensat
- Upaya *well service* di BOB BSP-Pertamina Hulu, JOB P-JOK dan Blok OSES sehingga mampu menahan tingkat penurunan produksi tahunan

Realisasi produksi gas bumi pada tahun 2017 mencapai 264,08 BSCF, atau 96,7% dari target RKAP 2017 sebesar 273 BSCF. Realisasi volume gas bumi pada tahun 2017 99,97% dibanding realisasi produksi tahun 2016 sebanyak 264 BSCF. Hal ini dipengaruhi oleh:

- Rendahnya serapan pembeli gas untuk blok Jambi Merang dan JOB P-PS
- Performa Produksi sumur pengembangan, *workover* dan *well service* di bawah target
- Penurunan tingkat produksi gas yang lebih besar dari yang diperkirakan di awal

Seluruh produksi migas PHE dilaporkan kepada Direktorat Hulu PT Pertamina (Persero), sesuai dengan skema bagi hasil kemitraan, baik *Indonesia Participating/Pertamina Participating Interest (IP/PPI)*, *Joint Operating Body Production Share Contract (JOB PSC)* maupun Badan Operasi Bersama (BOB).

Selanjutnya bagian produksi migas yang telah dilaporkan kepada Direktorat Hulu PT Pertamina (Persero) menjadi bagian dari realisasi *lifting* migas PT Pertamina (Persero).

Total oil production realization of PHE in 2017 was 25,274 MBO, or 104.9% of the 2017 RKAP which was 24,106 MBO. The realization of 2017 oil production volume increased by 110% compared to the 2016 production realization which amounted to 22,907 MBO. These increases were influenced by:

- Additional PI at ONWJ block to 100%
- Condensate production increase at Tomori and NSB block due to the increasing gas absorption from *buyer* and implemented strategy in maximizing condensate extraction
- Well service attempt at BOB BSP-Pertamina Hulu, JOB P-JOK and OSES Block that it could withstand the declining rate of annual production

The realization of gas production in 2017 reached 264.08 BSCF, or 96.7% of the RKAP target which amounted to 273 BSCF. Meanwhile, the gas volume realization in 2017 was 99.97% compared to the 2016 production realization which was 264 BSCF. This was affected by:

- The low absorption of gas *buyer* for Jambi Merang Block and JOB P-PS
- Under par production performance in development well, *work over*, and *well service*
- Greater decline in gas production of the preliminary estimation

All PHE oil and gas production is reported to PT Pertamina (Persero) Upstream Director, in accordance with partnership production sharing scheme, including *Indonesia Participating/Pertamina Participating Interest (IP/PPI)*, *Joint Operating Body Production Share Contract (JOB PSC)* as well as *Joint Operating Body (JOB)*.

After reporting to PT Pertamina (Persero), it becomes the holding company's oil and gas lifting realization.

Tabel Produksi Migas PHE 2017 dan Perbandingan dengan Tahun 2016

Table of Oil and Gas Production of PHE 2017 and its Comparison to 2016

Uraian Description	Satuan Unit	2017			Realisasi 2016 Realization 2016	Δ% Realisasi 2017 Terhadap Realisasi 2016 Δ% of 2017 Realization to 2016 Realization
		Target RKAP RKAP Target	Realisasi Realization	Δ%		
PRODUKSI TOTAL TOTAL PRODUCTION						
Minyak Mentah Oil						
Operator Domestik Domestic Operator	MBO	18.669,2	21.337,5	114	18.888,3	113
Non-operator Domestik Domestic Non-Operator		5.437,04	3.956,2	73	3.962,75	100
Luar Negeri Overseas		-	-	-	-	-
Akuisisi Acquisition		1.555,82	4.735,76	309	488,23	969
Total		25.662,06	30.029,46	496	22.907,14	1181
Gas Bumi Gas						
Operator Domestik Domestic Operator	BSCF	197,83	189	96	185,97	101
Non-operator Domestik Domestic Non-Operator		75,5	74,99	99	78,20	96
Luar Negeri Overseas		-	-	-	-	-
Akuisisi Acquisition		7,92	18,32	231	-	-
Total		281,23	264,08	94	264,17	197
PRODUKSI PER HARI PRODUCTION PER DAY						
Minyak Mentah Oil						
Operator Domestik Domestic Operator	MBOPD	51,148	58,46	114	51,75	113
Non-operator Domestik Domestic Non-Operator		14,90	10,84	73	10,83	100
Luar Negeri Overseas		-	-	-	-	-
Akuisisi Acquisition		4,26	13,0	309	1,33	989,4
Total		70,30	82,3	496	62,59	1.205,4
Gas Bumi Gas						
Operator Domestik Domestic Operator	MMSCFD	542	518	96	508,1	101
Non-operator Domestik Domestic Non-Operator		207	205,4	99	213,7	96
Luar Negeri Overseas		-	-	-	-	-
Akuisisi Acquisition		21,7	50,19	231	-	-
Total		770,7	773,9	426	721,8	197

Di tahun 2017, terdapat tambahan produksi minyak sebesar 13,16 MBOPD dan produksi gas 50,1 MMSCFD berasal dari kenaikan *participating interest* (PI) dari 58,28% menjadi 100% di blok ONWJ, sedangkan di tahun 2016, terdapat tambahan produksi minyak sebesar 1,33 MBOPD berasal dari akuisisi blok Kampar.

Sebagaimana karakteristik operasional pada sektor hulu migas, produksi migas tidak dapat dipisah-pisahkan dari sumber dan proses pengelolaannya. Uraian pada bagian ini menyertakan tinjauan segmen operasi produksi berdasarkan blok migas:

- Blok migas dengan status sebagai Joint Operator
- Blok migas dengan status sebagai Operator
- Blok migas dengan status Non Operator

In 2017, there was 13.16 MBOPD additional oil production and 50.1 MMSCFD gas production which resulted from the participating interest (PI) increase from 58.28% to 100% at ONWJ Block, meanwhile, in 2016 the 1.33 MBOPD additional oil production was from Kampar Block acquisition.

Such are operational characteristics in the upstream oil and gas sector, oil and gas production cannot be separated from its sources and management. Description of this part includes operating segment overview on production based on oil and gas block, as follows:

- Oil and gas block with Joint Operator status
- Oil and gas block with Operator status
- Oil and gas block with Non-Operator status

Tabel Kinerja Segmen Operasi Produksi Blok Migas Joint Operator

Table of Operating Segment Performance on Joint Operator Oil and Gas Block Production

Blok Migas Joint Operator Joint Operator Oil and Gas Block	2017			Realisasi 2016 Realization 2016	Δ% Realisasi 2017 Terhadap Realisasi 2016 Δ% of 2017 Realization to 2016 Realization
	Target RKAP RKAP Target	Realisasi Realization	Δ%		
Blok Migas Joint Operator JOB Pertamina-Jadestone (Ogan Komering) Ltd.					
Produksi Minyak Mentah (MBOPD) Oil Production (MBOPD)	0,81	0,96	119	1,07	90
Produksi Gas Bumi (MMSCFD) Gas Production (MMSCFD)	3	3	123	4	0,75
JOB Pertamina-GSIL Raja Tempirai					
Produksi Minyak Mentah (MBOPD) Oil Production (MBOPD)	0,18	0,29	155	0,24	121
Produksi Gas Bumi (MMSCFD) Gas Production (MMSCFD)	0,2	0,2	94	0	100

Tabel Kinerja Segmen Operasi Produksi Blok Migas Joint Operator

Table of Operating Segment Performance on Joint Operator Oil and Gas Block Production

Blok Migas Joint Operator Joint Operator Oil and Gas Block	2017			Realisasi 2016 Realization 2016	Δ% Realisasi 2017 Terhadap Realisasi 2016 Δ% of 2017 Realization to 2016 Realization
	Target RKAP RKAP Target	Realisasi Realization	Δ%		
JOB Pertamina-Talisman Jambi Merang					
Produksi Minyak Mentah dan Kondensat (MBOPD) Oil Production and condensate (MBOPD)	2,08	1,84	88	2,05	90
Produksi Gas Bumi (MMSCFD) Gas Production (MMSCFD)	43,7	35,8	82	41,2	87
JOB Pertamina-Petrochina East Java					
Produksi Minyak Mentah (MBOPD) Oil Production (MBOPD)	1,84	2,28	124	2,89	79
Produksi Gas Bumi (MMSCFD) Gas Production (MMSCFD)	2	3	154	4	75
BOB Bumi Siak Pusako-Pertamina Hulu (PHE Rokan CPP)					
Produksi Minyak Mentah (MBOPD) Oil Production (MBOPD)	5,66	5,81	103	6,44	90
Produksi Gas Bumi (MMSCFD) Gas Production (MMSCFD)	0	0	-	Tidak ada produksi gas No gas production	-
JOB Pertamina-Medco E&P Tomori Sulawesi					
Produksi Minyak Mentah (MBOPD) Oil Production (MBOPD)	3,35	3,74	112	4,20	89
Produksi Gas Bumi (MMSCFD) Gas Production (MMSCFD)	134,1	147,7	110	160,20	92
JOB Pertamina-Petrochina Salawati					
Produksi Minyak Mentah (MBOPD) Oil Production (MBOPD)	1,49	1,12	75	1,43	78
Produksi Gas Bumi (MMSCFD) Gas Production (MMSCFD)	2	2	103	3	66

Tabel Kinerja Segmen Operasi Produksi Blok Migas Operator

Table of Operating Segment Performance on Operator Oil and Gas Block Production

Blok Migas Joint Operator Joint Operator Oil and Gas Block	2017			Realisasi 2016 Realization 2016	Δ% Realisasi 2017 Terhadap Realisasi 2016 Δ% of 2017 Realization to 2016 Realization
	Target RKAP RKAP Target	Realisasi Realization	Δ%		
PHE ONWJ					
Produksi Minyak Mentah (MBOPD) Oil Production (MBOPD)	31	31,56	101	20,85	151
Produksi Gas Bumi (MMSCFD) Gas Production (MMSCFD)	123	120,1	98	98,0	126
PHE WMO					
Produksi Minyak Mentah (MBOPD) Oil Production (MBOPD)	5,21	5,92	114	7,54	78
Produksi Gas Bumi (MMSCFD) Gas Production (MMSCFD)	92,2	92,7	101	83	112
Blok Siak					
Produksi Minyak Mentah (MBOPD) Oil Production (MBOPD)	1,70	1,99	117	1,88	106
Produksi Gas Bumi (MMSCFD) Gas Production (MMSCFD)	0	0	-	Tidak ada produksi gas No gas production	-
Blok Kampar					
Produksi Minyak Mentah (MBOPD) Oil Production (MBOPD)	1,33	1,29	97	1,33	97
Produksi Gas Bumi (MMSCFD) Gas Production (MMSCFD)	0	0	-	Tidak ada produksi gas No gas production	-
Blok NSB					
Produksi Minyak Mentah (MBOPD) Oil Production (MBOPD)	0,95	2,05	216	1,69	121
Produksi Gas Bumi (MMSCFD) Gas Production (MMSCFD)	43,3	65,6	152	58,7	112
Blok NSO					
Produksi Minyak Mentah (MBOPD) Oil Production (MBOPD)	0,11	0,06	54	0,11	54
Produksi Gas Bumi (MMSCFD) Gas Production (MMSCFD)	98,6	46,8	47	56,8	82

Tabel Kinerja Segmen Operasi Produksi Blok Migas Non-Operator

Table of Operating Segment Performance on Non-Operator Oil and Gas Block Production

Blok Migas Joint Operator Joint Operator Oil and Gas Block	2017			Realisasi 2016 Realization 2016	Δ% Realisasi 2017 Terhadap Realisasi 2016 Δ% of 2017 Realization to 2016 Realization
	Target RKAP RKAP Target	Realisasi Realization	Δ%		
Blok Kakap					
Produksi Minyak Mentah (MBOPD) Oil Production (MBOPD)	0,31	0,26	85	0,28	92
Produksi Gas Bumi (MMSCFD) Gas Production (MMSCFD)	5	4,0	87	4,0	100
Blok Corridor					
Produksi Minyak Mentah (MBOPD) Oil Production (MBOPD)	0,63	0,72	113	0,73	99
Produksi Gas Bumi (MMSCFD) Gas Production (MMSCFD)	95,9	97	101	97,4	100
Blok Jabung					
Produksi Minyak Mentah (MBOPD) Oil Production (MBOPD)	1,89	1,94	102	1,92	101
Produksi Gas Bumi (MMSCFD) Gas Production (MMSCFD)	38	36	97	37	98
Blok South Jambi					
Produksi Minyak Mentah (MBOPD) Oil Production (MBOPD)	-	-	-	Tidak berproduksi No gas production	-
Produksi Gas Bumi (MMSCFD) Gas Production (MMSCFD)	-	-	-	Tidak berproduksi No gas production	-
Blok OSES					
Produksi Minyak Mentah (MBOPD) Oil Production (MBOPD)	6,07	6,49	107	6,56	99
Produksi Gas Bumi (MMSCFD) Gas Production (MMSCFD)	27,4	28,9	106	31,9	91
Blok Salawati Basin					
Produksi Minyak Mentah (MBOPD) Oil Production (MBOPD)	0,43	0,42	96	0,45	93
Produksi Gas Bumi (MMSCFD) Gas Production (MMSCFD)	1,9	2,0	103	2,0	100
Blok Tengah Kalimantan					
Produksi Minyak Mentah (MBOPD) Oil Production (MBOPD)	0,18	0,22	78	0,32	69
Produksi Gas Bumi (MMSCFD) Gas Production (MMSCFD)	12,4	9,8	79	13,3	177
Blok Makassar Strait					
Produksi Minyak Mentah (MBOPD) Oil Production (MBOPD)	0,39	0,19	49	0,37	53
Produksi Gas Bumi (MMSCFD) Gas Production (MMSCFD)	1	0,4	74	1	44
Blok Natuna A					
Produksi Minyak Mentah (MBOPD) Oil Production (MBOPD)	0,11	0,13	115	0,16	81
Produksi Gas Bumi (MMSCFD) Gas Production (MMSCFD)	26,1	27,3	104	27,50	99

Kegiatan *Lifting* Migas

Kelanjutan dari kegiatan produksi pada hulu migas adalah kegiatan komersial berupa *lifting* minyak mentah dan gas bumi. Realisasi total *lifting* minyak mentah PHE pada tahun 2017 sebanyak 25.215 MBO, atau 110,5% dari target RKAP tahun 2017 yang mencapai 22.823 MBO.

Total *lifting* minyak mentah pada tahun 2017 naik 2.649 MBO atau 111,7% dibanding realisasi tahun 2016 sebesar 22.557,17 MBO. Hal ini dipengaruhi:

- Bertambahnya produksi minyak mentah.
- Optimalisasi *lifting* dan stok pada tiap-tiap Wilayah Kerja, terutama WK dimana PHE sebagai Operator.

Realisasi *lifting* gas bumi PHE pada tahun 2017 sebanyak 204,8 BSCF, atau 94,9% dari target RKAP tahun 2017 yang mencapai 215,8 BSCF. Total *lifting* gas bumi pada tahun 2017 turun 3 BSCF atau 98,6% dibanding realisasi tahun 2016 sebanyak 207,8 BSCF.

Hal tersebut dipengaruhi:

- Rendahnya penyerapan gas bumi oleh beberapa Pembeli gas bumi meskipun secara *deliverability* dari sisi produksi masih mampu dan tidak ada kendala.
- Terjadi beberapa kali *shut down* pada fasilitas pembeli yang berpengaruh pada penyaluran gas bumi.
- Menyesuaikan dengan produksi gas bumi.



Artono
VP Operasi & Produksi

Oil and Gas Lifting Activities

The continuation of upstream oil and gas production activities is commercial action, such as oil and gas lifting. The 2017 total oil lifting realization at PHE was 25,215 MBO, or 110.5% of the 2017 RKAP target which reached 22,823 MBO.

Total oil lifting in 2017 increased by 2,649 MBO or 111.7% compared to the 2016 realization amounting 22,557.17 MBO. This was influenced by:

- The increasing oil production.
- Lifting and stock optimization in each working area, mainly working areas where PHE functions as Operator.

The 2017 gas lifting realization was 204.8 BSCF, or 94.9% of the 2017 RKAP which was set at 215.8 BSCF. Meanwhile the gas lifting realization in 2017 experienced 3 BSCF decline or 98.6% compared to the 2016 realization which was 207.8 BSCF.

This was influenced by:

- The low gas absorption by several gas buyers despite the production ability and zero obstacles in terms of deliverability.
- A number of shut downs occurring at buyers' facilities which affected gas distribution.
- The adjustment to gas production.



Afif Saifudin
VP Production Asset Management

Tabel Lifting Migas PHE 2017 dan Perbandingan dengan Tahun 2016

Table of PHE Oil and Gas Lifting in 2017 and its Comparison to 2016

Uraian Description	Satuan Unit	2017			Realisasi 2016 Realization 2016	Δ% Realisasi 2017 Terhadap Realisasi 2016 Δ% of 2017 Realization to 2016 Realization
		Target RKAP RKAP Target	Realisasi Realization	Δ%		
LIFTING TOTAL TOTAL LIFTING						
Minyak Mentah Oil						
Operator Domestik Domestic Operator	MBO	19.286	21.361	110,8	18.602,14	114,8
Non-operator Domestik Domestic Non-Operator		3.538	3.855	109,0	3.963,95	97,2
Luar Negeri Overseas		-	-	-	-	-
Akuisisi Acquisition		-	-	-	-	-
Total		22.823,43	25.215,48	110,5	22.566,09	111,7
Gas Bumi Gas						
Operator Domestik Domestic Operator	BSCF	156,63	147,25	94,0	143,79	102,4
Non-operator Domestik Domestic Non-Operator		59,21	57,51	97,1	63,96	89,9
Luar Negeri Overseas		-	-	-	-	-
Akuisisi Acquisition		-	-	-	-	-
Total		215,84	204,75	94,9	207,75	98,6
LIFTING TOTAL TOTAL LIFTING						
Minyak Mentah Oil						
Operator Domestik Domestic Operator	MBO	52,84	58,52	110,8	50,83	115,1
Non-operator Domestik Domestic Non-Operator		9,69	10,56	109,0	10,83	97,5
Luar Negeri Overseas		-	-	-	-	-
Akuisisi Acquisition		-	-	-	-	-
Total		62,53	69,08	110,5	61,66	112,0
Gas Bumi Gas						
Operator Domestik Domestic Operator	BSCF	429,12	403,41	94,0	392,88	102,7
Non-operator Domestik Domestic Non-Operator		162,22	157,55	97,1	174,74	90,2
Luar Negeri Overseas		-	-	-	-	-
Akuisisi Acquisition		-	-	-	-	-
Total		591,34	560,97	94,9	567,62	98,8

Catatan:

Angka *lifting* minyak yang dimaksud adalah *gross lifting* dari produksi PHE, belum dibagi antara *actual lifting* PHE dan *lifting* minyak bagian Pemerintah.

Note:

The mentioned oil lifting amount is *gross lifting* of PHE production, which has not been divided between PHE *actual lifting* and the Government share of oil lifting.

Tujuan Operasi & Produksi adalah mempertahankan dan meningkatkan produksi migas, efisiensi pengelolaan produksi eksisting (*maintain base production*) dan efisiensi biaya pengangkatan migas dengan parameter utama kinerja produksi migas, biaya produksi, sisa cadangan P1 migas.

Proses bisnis utama operasi & produksi, terdiri dari:

- Pengelolaan setiap kegiatan perawatan, perbaikan dan modifikasi fasilitas, optimasi produksi, operasional pengembangan (*infill development drilling dan wellworks*), kegiatan *shut down* terencana, minimalisir *shut down* tidak terencana dan penentuan profil produksi melalui *Quarterly Production Improvement Forum* (QPIF) dan proses *tracking* setiap mingguan.
- Pengelolaan kompetensi pekerja operasi & produksi guna memastikan kompetensi teknis setiap pekerja melalui serangkaian proses penentuan *job profile*, program pelatihan, pengembangan kompetensi, penilaian kompetensi dan evaluasi umpan balik.
- Penerapan *Enterprise Asset Management System* (EAMS) untuk mengatur kegiatan *preventive* dan *corrective actions* dalam merawat peralatan di lapangan.
- Sistem Sinergi Optimalisasi Produksi (SSOP) dan *Maximize Oil Recovery Effort* (MORE).
- Penyelenggaraan Rapat TCM-OCM dan special workshop dengan partner.

Fungsi Operasi dan Produksi sebagai holding berkontribusi dalam:

- Melakukan perencanaan produksi terintegrasi pada AP produksi baik dalam RKAP maupun RJPP.
- Melakukan pengelolaan asset management pada AP IP/PPI agar dapat memberikan profit yang tinggi kepada PHE.
- Monitoring terhadap AP Produksi untuk pencapaian target RKAP & RJPP.
- Memberikan *assistance* terhadap AP PHE untuk melakukan sinergi operasi bersama, baik antar AP PHE maupun dengan *Subsidiary* Pertamina yang lain seperti Pertamina EP & PDSI.

The Operation & Production aims to maintain and increase oil and gas production, existing production management (*maintain base production*), and cost efficiency in oil and gas lifting with oil and gas production performance as main parameter, production cost, and the remaining oil and gas P1 reserves.

The operation & production main business process consists of:

- Management to each activity of maintenance, improvement, and facilities modification, production optimization, operational development (*infill development drilling and well works*), planned shut down, minimizing unplanned shut down, and determining production profile through *Quarterly Production Improvement Forum* (QPIF) and weekly tracking.
- Management to the operation & production workers' competencies in order to ensure technical competencies within each worker through a series of job profile selection, training program, competency development, competency assessment, and feedback evaluation.
- Enterprise Asset Management System (EAMS) implementation to organize preventive and corrective actions in keeping up equipments in the field.
- Synergy System of Production Optimization (SSOP) and *Maximize Oil Recovery Effort* (MORE).
- TCM-OCM meetings and special workshop with partners.

Below are the contributions of Operation & Production function as a holding:

- Planning an integrated production for Subsidiaries production either in RKAP and RJPP.
- Performing asset management on Subsidiaries IP/PPI so as to present high profit to PHE.
- Supervising Subsidiaries production to achieve the target in RKAP & RJPP.
- Providing assistance for PHE Subsidiaries to gain shared operation synergy, either among the Subsidiaries and with other Pertamina Subsidiaries, such as Pertamina EP & PDSI.

- › Penggunaan Rig bersama PHE WMO & PEP Poleng.
 - › Penggunaan Rig service bersama PHE Kampar & PEP Lirik.
 - › Operasi produksi bersama PHE WMO & PEP Poleng, PHE Kampar & PEP Lirik.
 - Pengelolaan Aset bersama melalui *Material Transfer Agreement* (MTA) & *farm in contract* untuk optimasi produksi. (MTA JOB PTOK & JOB PGSIL, MTA BOB & PHE Kampar).
 - Pemanfaatan alokasi gas bersama untuk pemenuhan *buyer gas*. (PHE Tomori dan PEP Matindok untuk pemenuhan kebutuhan DSLNG).
 - Memberikan kontrol untuk kegiatan operasi pada kegiatan pemboran pada AP Eksplorasi untuk menunjang pencapaian target 2C dan Operasi Pemboran sumur Pengembangan pada AP Eksploitasi.
 - Melakukan pembinaan pekerja fungsi Operasi & Produksi secara berkesinambungan melalui *Talent Management Meeting* (TMM), bekerja sama dengan Team HR & GA PHE.
- › Sharing Rig with PHE WMO & PEP Poleng.
 - › Sharing Rig service with PHE Kampar & PEP Lirik.
 - › Production operation with PHE WMO & PEP Poleng, PHE Kampar & PEP Lirik.
 - Shared asset management through Material Transfer Agreement (MTA) & farm in contract for production optimization. (MTA JOB PTOK & JOB PGSIL, MTA BOB & PHE Kampar).
 - Shared gas allocation utilization for gas buyer fulfillment. (PHE Tomori and PEP Matindok for DSLNG needs fulfillment).
 - Providing control for operations in drilling activities in Subsidiaries exploration to enhance 2C target achievement and development well drilling in Subsidiaries exploitation.
 - Performing continuous development for Operation & Production function workers through Talent Management Meeting (TMM), collaborating with PHE HR & GA Team.

Tugas dan tanggung jawab utama Fungsi Production Asset Management adalah mengelola Aset/Anak Perusahaan (AP) PHE Non-Operator yang berada dalam fase produksi, selain juga merupakan perangkat di bawah Direktur Operasi dan Produksi secara umum untuk mengelola dan mengawasi kegiatan Operasi dan Produksi AP PHE baik Operator maupun Non-Operator pada Aset/AP PHE yang berada dalam fase produksi. Untuk semua AP PHE yang masuk fase eksplorasi dan pengembangan, terpisah dan masing-masing dikelola oleh Direktorat Eksplorasi dan Direktorat Pengembangan.

Pengelolaan Aset/AP Non-Operator yang dilakukan berbasis *partnerships* dalam rangka memaksimalkan nilai Aset dan menuju *Operational Excellence* yang berkesinambungan.

The main duties and responsibilities of Production Asset Management Function are to maintain PHE Non-Operator Assets/Subsidiaries (AP) which are in production phase, aside from being an instrument under Operation and Production Director to maintain and supervise the activities of Operation and Production at PHE Subsidiaries, including production-phase Operator and Non-Operator at PHE Assets/Subsidiaries. For all PHE Subsidiaries in exploration and development phase, it is separated and respectively managed by Exploration Directorate and Development Directorate.

Non-Operator Assets/Subsidiaries management is conducted based on partnerships in order to maximize Assets value and achieve continuous Operational Excellence.

Meskipun Organisasi PHE berbasis fungsional, namun dalam mengelola Aset dan memaksimalkan nilai Aset harus dilihat dan dievaluasi secara komprehensif dan lintas fungsi. Untuk itu diperlukan koordinasi yang kuat, dalam hal ini fungsi *Production Assets Management (PAM)* bertindak sebagai koordinator (*Assets Holder*) pada aset-aset Non-Operator yang berada dalam fase produksi.

Segmen Operasi: Konsultasi Bisnis dan Manajemen Portofolio

PHE mengelola dan mengembangkan portofolio atas seluruh Anak Perusahaan, Perusahaan Patungan dan Perusahaan Afiliasi yang bergerak di dalam usaha hulu dan kegiatan usaha hilir di dalam dan luar negeri.

PT Pertamina Hulu Energi mengelola 59 Anak Perusahaan dengan berbagai kriteria bisnis yaitu *Various Partnership, PSC Timing, PSC Terms dan Resources*. Dengan adanya dua karakteristik yang unik, yaitu banyaknya jumlah Anak Perusahaan dan berbagai macam kriteria bisnis, maka dibutuhkan adanya bentuk Portofolio PHE yang terintegrasi untuk menjawab kebutuhan akan:

- Strategi & Optimalisasi Kinerja Perusahaan (Anak Perusahaan & PHE).
- *Planning* terintegrasi antara Portofolio, Aspirasi, RJPP dan RKAP.
- Pemetaan masing-masing aset Anak Perusahaan berdasarkan paradigma baru Portofolio PHE.

Dalam mengelola portofolio, PHE telah merumuskan dan menjalankan paradigma baru, yaitu upaya optimalisasi produksi, dengan mengacu pada “*value creation*” dengan mempertahankan keekonomian setiap aset, dengan cara mendiversifikasi aset, yang fokus pada pendapatan dan *profit*.

Despite its functional-based, in maintaining Assets and maximizing Assets value PHE Organization must be observed and evaluated in a comprehensive and crossfunction manner. Therefore, solid coordination is essential wherein the Production Assets Management Function (PAM) acts as coordinator (Assets Holder) in Non-Operator assets which are still in production phase.

Operating Segment: Business Consulting and Portfolio Management

PHE manages and develops portfolio on all Subsidiaries, joint ventures, and affiliated companies which operate in upstream and downstream business activities in the country and overseas.

PT. Pertamina Hulu Energi manages 59 Subsidiaries with various business criteria, namely Various Partnership, PSC Timing, PSC Terms, and Resources. Having two unique characteristics, the total Subsidiaries and business criteria, hence there is a need to form an integrated PHE Portfolio to address below needs:

- Company Performance Strategies & Optimization (Subsidiaries & PHE).
- Integrated planning between Portfolio, Aspiration, RJPP, RKAP.
- Mapping assets of respective Subsidiary based on the new paradigm of PHE Portfolio.

In managing its portfolio, PHE has composed and realized newparadigm, which is production optimization by referring to “*value creation*” through economic maintenance of each asset, by means of assets diversification, focusing on revenue and profit.

Paradigma baru ini berbeda dengan paradigma sebelumnya, ketika harga minyak masih tinggi (90-100 USD/barel), yaitu hanya fokus menggenjot produksi (*production at any cost*).

Pengelolaan portofolio bertujuan memaksimalkan *value* setiap aset, mencari keseimbangan setiap proyek, memastikan pengelolaan portofolio setiap aset selaras dengan strategi utama korporasi dan memastikan terjadinya optimalisasi proyek meskipun dengan sumber daya yang terbatas.

Manajemen portofolio untuk setiap aset di PHE merupakan kegiatan penting dalam proses pengambilan keputusan untuk menjaga *sustainability* perusahaan ke depan, yaitu: aset yang harus dipertahankan dan dikembangkan, aset yang harus ditambahkan *participating interest* (PI) nya, dan aset yang perlu didivestasi.

Untuk menghasilkan penentuan strategi portofolio, maka dilakukan serangkaian proses, yaitu perencanaan keekonomian dan integrasi, manajemen ekonomi aset. Setelah dilakukan evaluasi menyeluruh atas seluruh aset PHE, maka ditentukan kategori aset ke dalam tiga skenario, yaitu: *low case, mid case dan high case*. Setiap skenario memiliki dampak, yaitu: *low impact, mid impact dan high impact*. Dengan megimplementasikan model portofolio ini, Perusahaan diharapkan dapat memetakan setiap aset, berikut penentuan strategi yang akan diterapkan, yaitu *growth strategy, sustain strategy, terminate strategy* dan perlu penambahan *participating interest* di aset eksisting atau akuisisi aset-aset baru yang prospektif.

Sesuai dengan proses bisnisnya, PHE memiliki 5 (lima) bidang usaha mengelola industri hulu minyak dan gas (migas), sebagai berikut:

- Menjalankan usaha pertambangan minyak dan gas bumi;
- Menjalankan usaha di bidang energi baik yang terkait langsung maupun tidak langsung dengan minyak dan gas bumi;

This new paradigm is different to the previous one when oil price was considered high (90-100 USD/barrel), only focusing on boosting the production (*production at any cost*).

Portfolio management aims to maximize value of each asset, seek the balance of each project, ensure assets' portfolio management to correspond with corporate main strategies, and confirm project optimization despite the limited resources.

PHE portfolio management of each asset constitutes a significant activity in decision making for maintaining future company sustainability, which are: assets that must be maintained and developed, assets that must be added with participating interest (PI), and those that need to be divested.

In order to generate portfolio strategies, a series of process should be in place, such as economic planning and integration, and economic assets management. After a comprehensive evaluation on all PHE assets, three categories of assets were determined, which are low case, mid case, and high case. Each scenario has an impact, namely: low impact, mid impact and high impact. By implementing the portfolio model, Company is expected to map each asset, including future strategies, such as growth strategy, sustain strategy, terminate strategy and additional participating interest at existing assets or new prospective assets acquisition.

In accordance with the business process, PHE has 5 (five) business lines in maintaining upstream oil and gas, such as follows:

- Performing oil and gas mining business;
- Conducting energy business related to directly and non-directly oil and gas;

- Melakukan penyertaan saham dan kepemilikan *participating interest* di dalam dan di luar negeri;
- Menyelenggarakan kegiatan jasa konsultasi pengembangan bisnis dan manajemen portofolio;
- Menyelenggarakan kegiatan usaha penunjang lain yang secara langsung maupun tidak langsung;
- Menunjang kegiatan usaha tersebut.

Kegiatan utama PHE untuk mendukung 5 (lima) bidang usaha di atas dengan melakukan:

- Kegiatan Eksplorasi untuk mendapatkan cadangan baru;
- Kegiatan Pengembangan untuk menunjang kesinambungan produksi;
- Kegiatan Eksploitasi, terbagi menjadi segmen minyak mentah dan segmen gas bumi;
- Kegiatan Operasi dan Produksi untuk mengelola dan mengembangkan operasi dan portofolio dalam bentuk kerja sama JOB-PSC, BOB dan PI/PPI;
- Kegiatan Komersial untuk proses Perjanjian Jual Beli dan *lifting* dalam mendistribusikan produk ke pelanggan.

Manajemen PHE melihat tantangan utama operasi produksi adalah:

Organic Growth

- Pelaksanaan kegiatan eksplorasi, pemboran pengembangan, kerja ulang dan perawatan sumur dalam mengimbangi penurunan produksi alami dari lapangan bahkan untuk peningkatan produksi
- Pengembangan lapangan baru dengan pemilihan kontraktor dan teknologi yang handal untuk peningkatan produksi sesuai dengan jadwal yang direncanakan
- Kegiatan operasional produksi dalam menunjang keselamatan operasi, kehandalan fasilitas, kualitas produk serta pengelolaan optimasi kegiatan kehilangan produksi terencana dan tak terencana

- Performing investment and participating interest ownership in the country and overseas;
- Providing consulting service for business and development and portfolio management;
- Organizing other supporting business activities which directly or indirectly;
- Supporting the business activities itself.

PHE main activities to support 5 (five) business lines above are by way of:

- Exploration Activity to gain new reserves;
- Development Activity to support production sustainability;
- Exploitation Activity is divided into oil segment and gas segment;
- Operation & Production Activity to maintain and develop operations and portfolio in the form of JOB-PSC, BOB, and PI/PPI;
- Commercial Activity for Sale Purchase Agreement and *lifting* in distributing product to customer.

PHE management sees the main challenges of operations production into below explanations:

Organic Growth

- Implementing exploration, development drilling, rework and well maintenance to balance natural production decline in the field and even production increase
- New field development with reliable contractor selection and reliable technology for production increase aligning with the scheduled plan
- Operational production activity in enhancing operational safety, facilities reliability, product quality as well as activities optimization in planned and unplanned production loss

Non Organic Growth

- Kinerja aset yang dibeli sebagian sahamnya oleh Pertamina (Persero) Direktorat PIMR (Pengelolaan Investasi dan Manajemen Risiko) yang kemudian dikelola oleh PHE.

Tantangan Utama Operasional

- Rasio keberhasilan kegiatan eksplorasi, pemboran pengembangan, kerja ulang dan perawatan sumur
- Pengembangan fasilitas produksi dari sisi teknologi dan biaya semakin tinggi
- Keamanan dan keselamatan operasi atas pekerja, lingkungan dan fasilitas
- Keandalan dan integritas peralatan dan fasilitas
- Persetujuan dan dukungan atas kegiatan kerja dari Pertamina (Persero), mitra dan SKK Migas serta persetujuan perijinan terkait
- Kondisi lingkungan dan sosial masyarakat

Tantangan Utama Pengembangan/Inovasi Sistem

- Dukungan dari pekerja untuk melakukan pengembangan/ inovasi/perubahan sistem yang sudah biasa dilakukan
- Dukungan dari mitra untuk melakukan pengembangan/ inovasi, termasuk perbedaan strategi bisnis dan/atau nilai keekonomian dari kegiatan tersebut
- Ketersediaan teknologi tepat guna yang mendukung pengembangan/ inovasi sistem yang layak secara keekonomian

Non Organic Growth

- Assets performance bought are partially owned by Pertamina (Persero) PIMR Directorate (Investment Management and Risk Management) which then managed by PHE.

The Main Challenges of the Operational

- Success ratio on exploration, development drilling, work over and well maintenance
- Production facilities development is seen from its technology and increasing cost
- Operational security and safety over workers, environment, and facilities
- Reliability and integrity of the machines and facilities
- Approval and support over work activities given by Pertamina (Persero), partners and SKK Migas with the approval of related permit
- Environmental condition and social community

The Main Challenges of System Development/Innovation

- Support given by the workers in system development/ innovation/adjustment was considered common
- Support from partners in development/innovation, including differences in business strategies and/or economic value of the activities
- Availability of appropriate technology that supports economically feasible system development/innovation

Kontribusi Operasi Produksi PHE sebagai Holding:

- Perencanaan produksi terintegrasi pada AP produksi baik dalam RKAP maupun RJPP
- Pengelolaan aset management pada AP IP/PPI agar dapat memberikan profit yang tinggi kepada PHE
- Monitoring terhadap AP Produksi untuk pencapaian target RKAP & RJPP
- Memberikan *assistance* terhadap AP PHE untuk melakukan sinergi operasi bersama, baik antar AP PHE maupun dengan *Subsidiary* Pertamina yang lain seperti Pertamina EP & PDSI.
 - › Penggunaan Rig bersama PHE WMO & PEP Poleng
 - › Penggunaan Rig *service* bersama PHE Kampar & PEP Lirik
 - › Operasi produksi bersama PHE WMO & PEP Poleng, PHE Kampar & PEP Lirik
- Pengelolaan Aset bersama melalui *Material Transfer Asset (MTA) & farm in contract* untuk optimasi produksi. (MTA JOB PTOK & JOB PGSIL, MTA BOB & PHE Kampar)
- Pemanfaatan alokasi gas bersama untuk pemenuhan buyer gas. (PHE Tomori dan PEP Matindok untuk pemenuhan kebutuhan DSLNG)
- Memberikan kontrol untuk kegiatan operasi pada kegiatan pemboran pada AP Eksplorasi untuk menunjang pencapaian target 2C dan Operasi Pemboran sumur Pengembangan pada AP Eksploitasi
- Melakukan pembinaan pekerja fungsi Operasi & Produksi secara berkesinambungan melalui Talent Management Meeting (TMM), bekerja sama dengan Team HR & GA PHE

PHE Operation Production Contributions made by as a Holding:

- Planning an integrated production for Subsidiaries production either in RKAP and RJPP
- Performing asset management on Subsidiaries IP/PPI so as to present high profit to PHE
- Supervising Subsidiaries production to achieve the target in RKAP & RJPP
- Providing assistance for PHE Subsidiaries to gain shared operation synergy, either among the Subsidiaries and with other Pertamina Subsidiaries, such as Pertamina EP & PDSI
 - › Sharing Rig with PHE WMO & PEP Poleng
 - › Sharing Rig service with PHE Kampar & PEP Lirik
 - › Production operation with PHE WMO & PEP Poleng, PHE Kampar & PEP Lirik
- Shared asset management through Material Transfer Asset (MTA) & farm in contract for production optimization. (MTA JOB PTOK & JOB PGSIL, MTA BOB & PHE Kampar)
- Shared gas allocation utilization for gas buyer fulfillment. (PHE Tomori and PEP Matindok for DSLNG needs fulfillment)
- Providing control for operations in drilling activities in Subsidiaries exploration to enhance 2C target achievement and development well drilling in Subsidiaries exploitation
- Performing continuous development for Operation & Production function workers through Talent Management Meeting (TMM), collaborating with PHE HR & GA Team

PT Pertamina Hulu Energi mengelola 59 Anak Perusahaan dengan berbagai kriteria bisnis yaitu *Various Partnership, PSC Timing, PSC Terms dan Resources*. Dengan adanya dua karakteristik yang unik, yaitu banyaknya jumlah Anak Perusahaan dan berbagai macam kriteria bisnis, maka dibutuhkan adanya bentuk Portofolio PHE yang terintegrasi untuk menjawab kebutuhan akan:

- Strategi & Optimalisasi Kinerja Perusahaan (Anak Perusahaan & PHE);
- Planning terintegrasi antara Portofolio, Aspirasi, RJPP dan RKAP; dan
- Pemetaan masing-masing aset Anak Perusahaan berdasarkan paradigma baru Portofolio PHE.

Profitabilitas dan Pendapatan Usaha

Pengungkapan informasi pendapatan usaha dan profitabilitas diuraikan berdasarkan pengelompokan blok migas yang kini berlangsung di PHE, yakni:

- Blok migas dengan status sebagai *Joint Operator*
- Blok migas dengan status sebagai *Operator*
- Blok migas dengan status *Non-Operator*

Pendapatan dan Profitabilitas Blok Migas *Joint Operator*

Realisasi total Pendapatan dari blok migas *Joint Operator* pada kurun waktu periode pelaporan sebesar USD418,52 juta naik USD35,36 juta atau 9,23% dibanding tahun 2016 yang mencapai USD383,16 juta. Realisasi Beban pada tahun 2017 sebesar USD232,40 juta bertambah USD21,72 juta atau 10,31% dari tahun 2016 yang mencapai USD210,68 juta.

PT. Pertamina Hulu Energi manages 59 Subsidiaries with various business criteria, namely *Various Partnership, PSC Timing, PSC Terms, and Resources*. Having two unique characteristics, the total Subsidiaries and business criteria, hence there is a need to form an integrated PHE Portfolio to address below needs:

- Company Performance Strategies & Optimization (Subsidiaries & PHE);
- Integrated planning between Portfolio, Aspiration, RJPP, RKAP; and
- Mapping assets of respective Subsidiary based on the new paradigm of PHE Portfolio.

Profitability and Revenue

Disclosure of information on revenue and profitability is elucidated based on oil and gas block grouping that is currently happening at PHE, which are:

- Oil and gas block with *Joint Operator* status
- Oil and gas block with *Operator* status
- Oil and gas block with *Non-Operator* status

Revenue and Profitability of *Joint Operator* Oil and Gas Block

The realization of total Revenue from *Joint Operator* oil and gas block within the reporting period amounting USD418.52 million, increasing by USD35.36 million or 9.23% compared to USD383.16 million in 2016. Expenses in 2017 was realized at USD232.40 million, surging by USD21.72 million or 10.31% of the 2016 which arrived at USD210.68 million.

Realisasi Pendapatan/Beban lainnya pada tahun 2017 mengalami penurunan USD20,46 juta atau 982,38% dibanding tahun 2016 yang mencapai USD2,08 Juta, menjadi rugi sebesar USD18,38 juta.

Realisasi perolehan Laba segmen dari blok migas *Joint Operator* pada tahun 2017 mencapai USD80,79 juta turun USD48,19 juta atau 37,36% dibanding tahun 2016 sebesar USD128,98 juta. Kontribusi perolehan Laba dari blok migas *Joint Operator* pada tahun 2017 mencapai 26,20% terhadap perolehan laba seluruh segmen blok migas pada tahun 2017. Persentase ini turun dibanding nilai kontribusi pada tahun 2016 sebesar 57%.

The realization of Other Revenues/Expenses in 2017 decreased by USD20.46 million or 982.38% compared to USD2.08 million in 2016, causing a loss at USD18.38 million.

The realization of segment Profit from *Joint Operator* oil and gas block in 2017 reached USD80.79 million, decreasing by USD48.19 million or 37.36% compared to USD128.98 million in 2016. The contribution of Profit from *Joint Operator* oil and gas block in 2017 achieved 26.20% to the profit gained from all segments in oil and gas block 2017. This percentage decreased compared to the 2016 contribution value which was 57%.

Tabel Pendapatan dan Profitabilitas Blok Migas *Joint Operator*

Table of Revenue and Profitability of *Joint Operator* Oil and Gas Block

Uraian (Dalam US\$Ribu) Description (In US\$ thousands)	2017	2016	2015	Δ%	
	1	2	3	1:2	2:3
Pendapatan Revenues	418,52	383,16	368,64	9,23	3,94
Pendapatan Minyak Mentah Crude Oil Revenues	175,53	158,19	172,83	10,96	-8,47
Pendapatan Gas Bumi Natural Gas Revenues	216,46	197,39	177,47	9,66	11,23
DMO fees-Minyak Mentah DMO fees-Crude Oil	26,53	27,57	18,38	-3,78	49,99
Beban Expenses	-232,40	-210,68	-246,54	10,31	-14,55
Pendapatan/Beban Lainnya Other Income/Expense	-18,38	2,08	-1,55	982,38	-234,56
Beban Pajak Penghasilan Income tax Expense	-86,95	-45,59	-16,07	90,74	183,75
Laba Tahun Berjalan Profit for the Year	80,79	128,98	104,45	-37,36	23,48

Pendapatan dan Profitabilitas Blok Migas Operator

Realisasi total perolehan Pendapatan Blok Migas Operator selama tahun 2017 sebesar USD1.131,79 juta naik USD337,97 juta atau 42,58% dibanding tahun 2016 yang mencapai USD793,81 juta. Realisasi Beban pada tahun 2017 sebesar USD819,03 juta bertambah USD215,42 atau 35,69 % dari tahun 2016 yang mencapai USD603,61 juta. Realisasi Beban Lainnya pada tahun 2017 mengalami kenaikan USD166,27 juta atau 242,68% dibanding tahun 2016 yang mencapai USD48,52 juta.

Realisasi perolehan Laba segmen dari Blok Migas Operator pada tahun 2017 mencapai USD185,59 juta naik USD32,70 juta atau 21,39% dibanding tahun 2016 sebesar USD152,89 juta. Kontribusi perolehan Laba dari Blok Migas Operator pada tahun 2017 mencapai 60,18% terhadap perolehan laba seluruh segmen blok migas pada tahun 2017. Persentase ini turun dibanding nilai kontribusi pada tahun 2016 sebesar 68%.

Revenue and Profitability of Operator Oil and Gas Block

The total proceeds realization of Revenue from Operator Oil and Gas Block in 2017 was USD1,131.79 million, surging by USD337.97 million or 42.58% compared to USD793.81 million in 2016. Expenses in 2017 was realized at USD819.03 million, gaining by USD215.42 or 35.69% of the 2016 which arrived at USD603.61 million. Meanwhile the 2017 realization of Other Expenses experienced an increase of USD166.27 million or 242.68% compared to USD48.52 million in 2016.

The total proceeds realization of segment Profit from Operator Oil and Gas Block in 2017 reached USD185.59 million, increasing by USD32.70 million or 21.39% compared to USD152.89 million in 2016. The Profit proceeds of all segments in Oil and Gas Block contributed 60.18% to the profit proceeds of all segments in oil and gas block in 2017. This percentage dropped compared to the 2016 contribution value which was 68%.

Tabel Pendapatan dan Profitabilitas Blok Migas Operator

Table of Revenue and Profitability of Operator Oil and Gas Block

Uraian (Dalam US\$Ribu) Description (In US\$ Thousands)	2017	2016	2015	Δ%	
	1	2	3	1:2	2:3
Pendapatan Revenues	1,131,79	793,81	919,98	42,58	-13,71
Pendapatan Minyak Mentah Crude Oil Revenues	573,91	272,83	430,08	110,36	-36,56
Pendapatan Gas Bumi Natural Gas Revenues	542,91	504,82	461,06	7,54	9,49
DMO fees-Minyak Mentah DMO fees-Crude Oil	14,96	16,16	28,83	-7,42	-43,95
Beban Expenses	819,03	-603,61	-626,45	35,69	-3,67
Pendapatan/Beban Lainnya Other Revenues/Expense	166,27	-48,52	-36,94	242,68	31,36
Beban Pajak Penghasilan Income Tax Expense	39,10	-139,63	-139,63	248,86	-108,03
Laba Tahun Berjalan Profit of the Year	185,59	152,88	116,95	21,39	30,73

Pendapatan dan Profitabilitas Blok Migas Non-Operator

Realisasi total perolehan Pendapatan Blok Migas Non-Operator selama tahun 2017 sebesar USD448,78 juta naik USD92,83 juta atau 26,08% dibanding tahun 2016 yang mencapai USD355,94 juta. Realisasi Beban pada tahun 2017 sebesar USD243,40 juta berkurang USD56,03 atau 18,71% dari tahun 2016 yang mencapai USD299,43 juta. Realisasi Beban Lainnya pada tahun 2017 mengalami kenaikan USD9,03 juta atau 11,20% dibanding tahun 2016 yang mencapai USD80,62 juta.

Realisasi perolehan Laba (Rugi) segmen dari Blok Migas Non-Operator pada tahun 2017 mencapai USD41,99 juta, naik USD99,45 juta atau 173,09% dibanding tahun 2016 sebesar -USD57,46 juta. Kontribusi perolehan Laba dari Blok Migas Non-Operator pada tahun 2017 mencapai 13,62% terhadap perolehan laba seluruh segmen blok migas pada tahun 2017. Persentase ini naik dibanding nilai kontribusi pada tahun 2016 sebesar -25,60%.

Revenue and Profitability of Non-Operator Oil and Gas Block

The total Revenue proceeds of Non-Operator Oil and Gas Block in 2017 was realized at USD448.78 million, gaining by USD92.83 million or 26.08% compared to USD355.94 million in 2016. Expenses in 2017 was realized at USD243.40 million, depleting by USD56.03 or 18.71% of the 2016 which reached USD299.43 million. Other Expenses in 2017 increased by USD9.03 million or 11.20% compared to USD80.62 million in 2016.

The segment Profit (Loss) proceeds realization of Non-Operator Oil and Gas Block in 2017 reached USD41.99 million, increasing by USD99.45 million or 173.09% compared to -USD57.46 million in 2016. Profit proceeds of the Non-Operator Oil and Gas Block in 2017 contributed 13.62% to the profit proceeds of all segments in oil and gas block in 2017. This percentage increased compared to the 2016 contribution value which was -25.60%.

Tabel Pendapatan dan Profitabilitas Blok Migas Non-Operator

Table of Revenue and Profitability of Non-Operator Oil and Gas Block

Uraian (Dalam US\$Ribu) Description (In US\$ Thousands)	2017	2016	2015	Δ%	
	1	2	3	1:2	2:3
Pendapatan Revenues	448,78	355,94	492,92	26,08	-27,79
Pendapatan Minyak Mentah Oil Revenues	114,34	101,59	161,87	12,55	-37,24
Pendapatan Gas Bumi Gas Revenues	334,26	252,87	330,20	32,19	-23,42
DMO fees-Minyak Mentah DMO fees-Oil	0,17	1,48	0,84	-88,37	76,10
Beban Expenses	-243,40	-299,43	-356,86	-18,71	-16,09
Pendapatan/Beban Lainnya Other Revenues/Expense	-89,64	-80,61	-49,36	11,20	63,31
Beban Pajak Penghasilan Income Tax Expense	-73,72	-33,34	-71,62	121,08	-53,44
Laba Tahun Berjalan Profit of the Year	41,99	-57,45	15,07	-173,09	-481,15

Uraian Khusus Pendapatan (Beban) Lain

Manajemen melakukan pengujian penurunan nilai pada tahun 2017 untuk semua blok karena terdapat indikasi eksternal dari perkembangan harga minyak. Manajemen telah mengevaluasi aspek komersial dan teknis berdasarkan hasil dari produksi terkini. Selama tahun 2017 Perusahaan mengakui kerugian akibat penurunan nilai aset minyak dan gas bumi untuk 23 blok sebesar US\$239,34 juta.

Gangguan produksi yang terjadi pada tahun 2017 lebih disebabkan faktor teknis, di antaranya pada anjungan lepas pantai (*platform*) PHE 12 Blok West Madura Offshore karena adanya subsidi (penurunan), sehingga membuat posisi anjungan miring.

Special Description on Other Revenues (Expenses)

The management carried out impairment test in 2017 for all blocks due to external indication from oil price development. Moreover, the management has evaluated commercial and technical aspects based on the latest production results. Over the course of 2017 the Company claimed loss as a consequence of oil and gas assets value decline for 23 blocks at US\$239.34 million.

Production disruption occurred in 2017 was more likely caused by technical factor, among which is a subsidy (decline) at offshore platform PHE 12 West Madura Offshore Block, causing a tilted platform.



Uraian atas Kinerja Keuangan Perusahaan

Description over Company Financial Performance

Uraian mengenai kinerja keuangan PT Pertamina Hulu Energi (PHE) dalam Laporan ini disusun berdasarkan Laporan Keuangan yang disajikan sesuai prinsip-prinsip akuntansi keuangan (PSAK) yang berlaku umum di Indonesia. Laporan Keuangan meliputi dua tahun buku terakhir, yakni tahun buku yang berakhir pada 31 Desember 2017 dan tahun buku yang berakhir pada 31 Desember 2016 sebagai pembandingan. Bahasan kinerja keuangan disampaikan dengan memperhatikan penjelasan pada catatan Laporan Keuangan, sebagai bagian yang tidak terpisahkan dari Laporan Tahunan ini.

Laporan keuangan yang berakhir pada 31 Desember 2017 telah diaudit oleh Kantor Akuntan Publik (KAP) Purwanto, Sungkoro & Surja (Ernst & Young). Opini atas Laporan Keuangan menyatakan Wajar Tanpa Pengecualian, posisi keuangan PT Pertamina Hulu Energi pada tanggal 31 Desember 2017, serta kinerja keuangan dan arus kasnya untuk tahun yang berakhir pada tanggal tersebut, sesuai dengan Standar Akuntansi Keuangan di Indonesia.

Analisis Kinerja Keuangan Konsolidasian

Secara umum kinerja keuangan Perusahaan selama tahun 2017 memperlihatkan pencapaian lebih baik dibanding tahun 2016. Namun demikian pada beberapa instrumen keuangan ditemukan adanya penurunan. Hal ini tidak terlepas dari beberapa faktor yang turut mempengaruhi:

- Terjaganya tingkat produksi dan *lifting* minyak mentah maupun gas bumi;
- Penguatan signifikan harga minyak dunia yang sempat menyentuh level tertinggi sejak tahun 2014;
- Pemberlakuan ketentuan skema produksi bagi hasil *gross split*, menggantikan skema sebelumnya dan meniadakan pembayaran *cost recovery*; dan
- Tetap berlanjutnya upaya efisiensi yang dijalankan Perusahaan.

Description concerning PT Pertamina Hulu Energi (PHE) financial performance in this Report is prepared based on the Financial Statement presented in accordance with the generally accepted Statement of Financial Accounting Standards (SFAS) in Indonesia. The Financial Statement includes the last two fiscal years, which are fiscal year ended on 31 December 2017 and fiscal year ended on 31 December 2016 as a comparison. Discussion on the financial performance is conveyed by considering the elucidation in notes to the financial statement as an inseparable part of this Annual Report.

The financial statement ended on 31 December 2017 was audited by Public Accountant Firm (KAP) Purwanto, Sungkoro & Surja (Ernst & Young). Opinion on the Financial Statement stated Unqualified Opinion, PT Pertamina Hulu Energi financial position on 31 December 2017, as well as financial performance and its cash flow for year ended on that date, as per Statement of Financial Accounting Standards in Indonesia.

Consolidated Financial Performance Analysis

The Company financial performance in 2017, in general, shows better achievement compared to 2016. However, declining was evident in several financial instruments. This happened due to these several influencing factors:

- The maintained oil and gas production and lifting level;
- The strengthening world oil price significantly, touching the highest level since 2014;
- The enforcement of gross split production sharing contract, replacing the previous scheme and negating cost recovery method; and
- The continuation of efficiency efforts conducted by the Company.

Laporan Laba Rugi Komprehensif Konsolidasian

PHE membukukan kinerja laba rugi keuangan pada tahun buku 2017 dengan mencatatkan perolehan Pendapatan Usaha sebesar USD1.999,08 juta atau 130,39% terhadap perolehan Pendapatan Usaha tahun buku 2016 sebesar USD1.533,13 juta. Perusahaan mencatatkan perolehan Laba Tahun Berjalan Setelah Pajak pada tahun buku 2017 sebesar USD250,88 juta atau 131,34% terhadap perolehan tahun buku 2016 sebesar USD191,02 juta.

Pendapatan Usaha

Realisasi perolehan Pendapatan Usaha PHE pada kurun waktu periode pelaporan tercatat USD1.999,08 juta. Jumlah tersebut meningkat USD465,95 juta atau 30,39% dibanding perolehan pada tahun buku 2016 sebesar USD1.533,13 juta. Peningkatan disebabkan oleh tercapainya realisasi target produksi dan *lifting* minyak, serta penguatan harga minyak dunia yang turut meningkatkan harga jual berdasar Indonesia *crude price* (ICP).

Perolehan Pendapatan Usaha PHE pada tahun 2017 yang terbesar berasal dari perolehan Pendapatan Gas Bumi, yakni 54,71% dari total perolehan pendapatan Perusahaan. Kontribusi terbesar perolehan Pendapatan Usaha berasal dari Pendapatan Blok Migas Operator, yakni 56,62% dari total perolehan pendapatan Perusahaan.

Consolidated Comprehensive Income Report

PHE recorded its financial income performance in fiscal year 2017 by recording its Revenue proceeds at USD1,999.08 million or 130.39% to the 2016 Revenue proceeds which was USD1,533.13 million. The Company recorded Profit for the Year After Tax in fiscal year 2017 at USD250.88 million or 131.34% to USD191.02 million in the fiscal year 2016 proceeds.

Revenues

The realization of PHE Revenues proceeds within the reporting period was recorded at USD1,999.08 million. This amount increased by USD465.95 million or 30.39% compared to USD1,533.13 million in fiscal year 2016. The increase occurred due to the achieved target in oil production and lifting, as well as the strengthening world oil price which had a role in increasing sale price based on Indonesia crude price (ICP).

The 2017 PHE Revenues proceeds largely derived from Gas Revenues, 54.71% of the Company total revenue. The most tremendous contribution of Revenues originated from Operator Oil and Gas Block Revenues which was 56.62% of the Company total revenues.

Tabel Komposisi Perolehan Pendapatan Usaha Tahun 2017 Berdasar Produk

Table of Revenue Proceeds Composition in 2017 Based on Product

Jenis Produk Type of Product	Satuan Unit	Pendapatan Produk Product Revenue	Total Pendapatan PHE Total PHE Revenue	%
Minyak Mentah Oil	Juta USD Million USD	863,78	1.999,08	43,21%
Gas Bumi Gas		1.093,63	1.999,08	54,71%
Lainnya Other		41,66	1.999,08	2,08%
Jumlah Total		1.999,08	1.999,08	100,00%

Tabel Komposisi Perolehan Pendapatan Usaha Tahun 2017 Berdasar Blok Migas

Table of Revenue Proceeds Composition in 2017 Based on Oil and Gas Block

Jenis Produk Type of Product	Satuan Unit	Pendapatan Blok Migas Oil and Gas Block Revenue	Total Pendapatan PHE Total PHE Revenue	%
Blok Migas Joint Operator Joint Operator Oil and Gas Block	Juta USD Million USD	418,51	1.999,08	20,94
Blok Migas Operator Operator Oil and Gas Block		1.131,78	1.999,08	56,62
Blok Migas Non-Operator Non-Operator Oil and Gas Block		448,77	1.999,08	22,45
Jumlah Total		1.999,08	1.999,08	100,00

Beban Usaha

Realisasi jumlah Beban Usaha pada kurun waktu periode pelaporan mencapai USD1.394,03 juta. Jumlah tersebut naik USD246,62 juta atau 21,49% dibanding jumlah Beban Usaha pada tahun 2016 sebesar USD1.147,41 juta.

Komponen Beban Usaha yang mengalami peningkatan signifikan selama tahun 2017 adalah:

- Beban eksplorasi naik diakibatkan pengakuan *penalty* atas tidak terpenuhinya komitmen pasti pada blok-blok CBM.
- Kenaikan Beban produksi dipengaruhi oleh kenaikan biaya depresiasi dan sewa aset sebagai imbas dari bertambahnya aset PHE ONWJ yang berasal dari perubahan partisipasi interest dari 58,27% menjadi 100,00% di tahun 2017.

Operating Expenses

The realization of Operating Expenses within the reporting period reached USD1,394.03 million. The amount increased by USD246.62 million or 21.49% compared to the 2016 Operating Expenses which was USD1,147.41 million.

Below are the components of Operating Expenses with significant increase in 2017:

- Exploration expenses increased due to penalty over the failing commitment in CBM blocks.
- Production Expenses were influenced by depreciation expenses rise and assets rent as a consequence of PHE ONWJ multiplying assets, deriving from the changes in participating interest from 58.27% to 100.00% in 2017.

Laba (Rugi) Usaha

Pada tahun buku 2017, PHE mencatatkan perolehan Laba Usaha sebesar USD605,05 juta, Jumlah tersebut mengalami peningkatan USD219,33 juta atau 56,86% dibanding perolehan Laba tahun 2016 sebesar USD385,72 juta. Perolehan Laba Usaha pada tahun buku 2017 dipengaruhi oleh tercapainya realisasi target produksi dan *lifting* migas, serta penguatan harga minyak dunia yang turut meningkatkan harga jual berdasar Indonesia *crude price* (ICP).

Laba Tahun Berjalan

Realisasi perolehan Laba Tahun Berjalan pada kurun waktu periode pelaporan mencapai USD250,88 juta. Perolehan tersebut naik USD59,86 juta atau 31,34% dibanding perolehan tahun 2016 sebesar USD191,02 juta.

Profit (Loss)

In fiscal year 2017, PHE recorded its Profit proceeds at USD605.05 million. Such amount experienced an increase of USD219.33 million or 56.86% compared to USD385.72 million in the 2016 Profit proceeds. The Profit proceeds in fiscal year 2017 were a result of the realization of oil and gas production and lifting target, as well as strengthening world oil price which also contributed to Indonesia crude price (ICP) based sale price.

Profit for the Year

The realization of Profit for the Year proceeds within the reporting period reached USD250.88 million. Such proceeds increased by USD59.86 million or 31.34% compared to USD191.02 million in the 2016 proceeds.

Ikhtisar Laporan Laba (Rugi) Komprehensif (Dalam Juta USD)

Comprehensive Profit (Loss) Report Highlight (In Million USD)

Uraian Description	2017	2016	Δ		Pencapaian % Achievement %
			Nominal Nominal	%	
Pendapatan Usaha Revenues	1.999,08	1.533,13	465,95	30,39	130,39
Biaya Produksi Production Expenses	703,81	590,22	113,59	19,25	119,25
Biaya Eksplorasi Exploration Expenses	44,20	23,61	20,59	87,18	187,18
Biaya Umum dan Administrasi General and Administration Expenses	110,29	33,57	76,72	228,51	328,51
Biaya Depresiasi dan Amortisasi Depreciation and Amortization Expenses	535,73	497,83	37,90	7,61	107,61
Jumlah Beban Usaha Total Operating Expenses	1.394,03	1.147,41	246,62	21,49	121,49



Tatang Suryana
VP Finance and Treasury

Uraian Description	2017	2016	Δ		Pencapaian % Achievement %
			Nominal Nominal	%	
Laba Kotor Gross Profit	605,05	385,72	219,33	56,86	156,86
Pendapatan/(Beban) Lainnya – Bersih Other Income/(Expense)-Net	-259,64	-132,26	-127,38	96,31	196,31
Laba Sebelum Pajak Income Before Tax	345,41	253,46	91,95	36,28	136,28
Beban Pajak Tax Expenses	94,53	62,44	32,09	51,40	151,40
Laba Setelah Pajak Income After Tax	250,88	191,02	59,86	31,34	131,34
Penghasilan Komprehensif periode berjalan Comprehensive Income for the Year	-5,23	1,79	-7,02	-392,18	-292,18
Laba Komprehensif Comprehensive Income	245,65	192,81	52,84	27,41	127,41
Laba yang Diatribusikan Ke Entitas Induk/Pengelola Income Attributable to Majority Interest	248,89	188,86	60,03	31,78	131,78
Laba yang Diatribusikan Ke Entitas Non-Pengendali Income Attributable to Minority Interest	1,99	2,16	-0,17	-7,70	92,30
Laba Komprehensif yang Diatribusikan ke Pemilik Induk Comprehensive Income Attributable to Owner of the Parent	243,66	190,65	53,01	27,80	127,80
Laba Komprehensif yang Diatribusikan Ke Entitas Non-Pengendali Comprehensive Income Attributable to non-controlling interest	1,99	2,16	-0,17	-7,70	92,30
Jumlah Lebar Saham (satuan) Number of Share (unit)	200.000.000,00	200.000.000,00	-	0,00	100,00
Laba (Rugi) per Saham (Dalam USD) Profit (Loss) per Share (In USD)	1,25	0,96	0,30	27,41	131,34

Laporan Posisi Keuangan Konsolidasian

Berdasar pada laporan posisi keuangan konsolidasian, kinerja keuangan Perusahaan memperlihatkan pencapaian yang lebih baik dibanding periode sebelumnya. Kondisi ini menandakan keberhasilan PHE dalam mengelola modal investasi demi mendukung kesinambungan operasi dan bisnis.

Consolidated Financial Position Report

According to the consolidated financial position report, the Company financial performance shows improving achievement compared to the previous period. This condition marks PHE success in managing its capital investment for operation and business sustainability.

Tabel Laporan Posisi Keuangan Konsolidasian PHE (Dalam Juta USD)

Table of PHE Consolidated Financial Position Report (In Million USD)

Uraian Description	2017	2016	Perubahan Changes		Pencapaian % Achievement %
			Nominal Nominal	%	
ASET ASSETS					
Aset Lancar Current Assets	841,53	811,67	29,86	3,68	103,68
Aset Tidak Lancar Non-Current Assets	3.939,26	4.096,72	-157,46	-3,84	96,16
Total Aset Total Assets	4.780,79	4.908,39	-127,60	-2,60	97,40
LIABILITAS LIABILITIES					
Liabilitas Jangka Pendek Current Liabilities	1.477,68	1.229,16	248,52	20,22	120,22
Liabilitas Jangka Panjang Non-Current Liabilities	1.234,76	1.738,89	-504,13	-28,99	71,01
Total Liabilitas Total Liabilities	2.712,44	2.968,05	-255,61	-8,61	91,39
EKUITAS EQUITY					
Modal Saham Capital Share	53,58	53,58	0	0,00	100,00
Tambahan Modal Disetor Additional Paid in Capital	-18,18	-18,18	0	0,00	100,00
Selisih Kurs karena penjabaran laporan keuangan konsolidasian dalam mata uang asing Differences Arising from Translation of Foreign Currency Consolidated Financial Statement	16,56	21,53	-4,97	-23,08	76,92
Pengukuran Kembali Atas Liabilitas Imbalan Pasti Neto Remeasurement on Net Definite Rewards Liability	-2,99	-2,74	-0,25	9,28	109,28
Cadangan Penyesuaian Nilai Wajar – Setelah Pajak Reserves for Fair Value Adjustment of Tax	0	2,47	-2,47	-100,00	0,00
Saldo Laba Retained Earnings					
Ditentukan Penggunaannya Appropriated	1.385,71	1.425,16	-39,45	-2,77	97,23
Belum Ditentukan Penggunaannya Unappropriated	614,03	439,85	174,18	39,60	139,60
Jumlah Ekuitas yang Didistribusikan Kepada Pemilik Entitas Induk Total Equity attributable to the Owner of the Parent	2.048,71	1.921,68	127,03	6,61	100,61
Kepentingan Non-Pengendali Non-controlling Interest	19,64	18,67	0,98	5,22	105,22
Jumlah Ekuitas Total Equity	2.068,35	1.940,34	128,01	6,60	106,60
Jumlah Liabilitas dan Ekuitas Total Equities and Liabilities	4.780,79	4.908,39	-127,60	-2,60	97,40

Aset

Nilai Aset PHE per 31 Desember 2017 tercatat USD4.780,79 juta. Jumlah tersebut mencapai 97,40% terhadap jumlah Aset tahun 2016 sebesar USD4.908,39 juta. Hal ini dipengaruhi oleh penurunan nilai aset tidak lancar pada tahun buku 2017.

Assets

PHE Assets value as of 31 December 2017 was recorded at USD4,780.79 million. The amount reached 97.40% to the 2016 Assets which was USD4,908.39 million. This was influenced by a shortfall in non-current assets value in fiscal year 2017.

Tabel Nilai Aset PHE (Dalam Juta USD) | Table of PHE Assets Value (In Million USD)

Uraian Uraian	2017	2016	Perubahan Changes		Pencapaian % Achievement %
			Nominal Nominal	%	
Aset Lancar Current Assets	841,53	811,67	29,86	3,68	103,68
Aset Tidak Lancar Non-Current Assets	3.939,26	4.096,72	-157,46	-3,84	96,16
Total Aset Total Assets	4.780,79	4.908,39	-127,60	-2,60	97,40

Aset Lancar

Nilai Aset Lancar per 31 Desember 2017 sebesar USD841,53 juta, naik USD29,86 juta atau 3,68% dibanding tahun 2016 yang mencapai USD811,67 juta. Penyebabnya adalah kenaikan saldo piutang usaha kepada entitas yang berelasi dengan pemerintah dan kepada Anak Perusahaan Pertamina (Persero).

Current Assets

The value of Current Assets as of 31 December 2017 was USD841.53 million, increasing by USD29.86 million or 3.68% compared to USD811.67 in 2016. The cause was the increase in trade receivables balance in entities with relations with government and Pertamina Subsidiaries (Persero).

Kas dan Setara Kas

Nilai Kas dan Setara Kas per 31 Desember 2017 mengalami penurunan sebesar USD12,18 juta atau 10,18% menjadi USD107,50 juta dari nilai pada tahun 2016 sebesar USD119,68 juta. Hal ini dipengaruhi oleh arus kas masuk dari aktivitas operasi lebih kecil dari arus kas keluar aktivitas investasi dan pendanaan. Aktivitas arus kas signifikan berasal dari transaksi pembayaran pokok pinjaman ke Pertamina (Persero).

Cash and Cash Equivalents

The Cash and Cash Equivalents value as of 31 December 2017 faced a downturn of USD12.18 million or 10.18% to USD107.50 million of the 2016 value which amounted to USD119.68 million. This was a result of lower cash inflows from operations than cash outflows from investing and funding activities. The significant cash flow activities derived from loan principal payment to Pertamina (Persero).

Piutang Usaha

Nilai Piutang Usaha per 31 Desember 2017 mengalami kenaikan sebesar USD52,96 juta atau 42,26% menjadi USD178,29 juta, dari nilai pada tahun 2016 sebesar USD125,33 juta. Hal ini disebabkan terutama karena kenaikan saldo Piutang Usaha kepada entitas yang berelasi dengan pemerintah dan Pertamina sebesar USD28,48 juta dan kenaikan saldo Piutang Usaha kepada pihak ketiga sebesar USD25,05 juta.

Trade Receivables

The value of Trade Receivables as of 31 December 2017 increased by USD52.96 million or 42.26% to USD178.29 million, from the 2016 value which amounted to USD125.33 million. Chiefly, this was a result of the increase in Trade Receivables balance to entities related to government and Pertamina which amounted to USD28.48 million and increase in Trade Receivables balance to third parties amounting USD25.05 million.

Piutang Lain-lain

Nilai Piutang Lain-lain per 31 Desember mengalami penurunan sebesar USD7,52 juta atau 3,01% menjadi USD242,27 juta dibandingkan pada tahun 2016 sebesar USD249,79 juta. Penyebabnya adalah penurunan saldo Piutang Lain-lain pihak ketiga sebesar USD27,76 juta di-offset dengan kenaikan saldo piutang kepada entitas asosiasi dan Anak Perusahaan Pertamina (Persero) sebesar USD20,24 juta.

Persediaan

Nilai Persediaan per 31 Desember mengalami kenaikan sebesar USD7,15 juta atau 7,17% menjadi USD106,86 juta, dibandingkan pada tahun 2016 sebesar USD99,71 juta. Penyebabnya adalah terdapat pembelian persediaan di akhir tahun yang dipersiapkan untuk kegiatan di tahun 2018.

Other Receivables

Other Receivables value as of 31 December 2017 decreased by USD7.52 million or 3.01% to USD242.27 million from the 2016 value which was USD249.79 million. The cause was a downturn in other receivables balance to third parties of USD27.76 million which was offset by an increase in receivables balance to associates and Pertamina Subsidiaries (Persero) at USD20.24 million.

Inventories

Inventories value as of 31 December increased by USD7.15 million or 7.17% to USD106.86 million, from the 2016 value which amounted to USD99.71 million. The cause was inventories purchasing at year end which was prepared for 2018 activities.

Tabel Aset Lancar (Dalam Juta USD)

Table of Current Assets (In Million USD)

Uraian Description	2017	2016	Perubahan Changes		Pencapaian % Achievement %
			Nominal Nominal	%	
Kas dan Setara Kas Cash and Cash Equivalents	107,50	119,68	-12,18	-10,18	89,82
Dana yang Dibatasi Penggunaannya – Bagian Lancar Restricted cash-Current Portion	21,31	17,67	3,64	20,60	120,60
Piutang Usaha Trade Receivables	178,29	125,33	52,96	42,26	142,26
Piutang Kepada Pemerintah – Bagian Lancar Due from Government - Current Portion	72,34	57,01	15,33	26,89	126,89
Piutang Lain-lain Other Receivables	242,27	249,79	-7,52	-3,01	96,99
Persediaan Inventories	106,86	99,71	7,15	7,17	107,17
Pajak Dibayar Dimuka – Bagian Lancar Prepaid Tax - Current Portion	18,56	25,98	-7,42	-28,56	71,44
Biaya Dibayar Dimuka – Bagian Lancar Prepaid Expenses - Current Portion	94,40	116,50	-22,10	-18,97	81,03
Total Aset Lancar Total Current Assets	841,53	811,67	29,86	3,68	103,68

Aset Tidak Lancar

Nilai Aset Tidak Lancar per 31 Desember 2017 mengalami penurunan sebesar USD157,46 juta atau 3,84% menjadi USD3.939,26 juta dibandingkan pada tahun 2016 sebesar USD4.096,72 juta. Penyebabnya adalah terutama disebabkan penurunan aset tetap akibat pengakuan kerugian penurunan nilai yang diakui Perusahaan di tahun 2017.

Kas yang Dibatasi Penggunaannya

Nilai Kas yang Dibatasi Penggunaannya per 31 Desember 2017 sebesar USD34,26 juta. Jumlah tersebut naik USD11,20 juta atau 48,57% dibanding tahun 2016 sebesar USD23,06 juta. Hal ini dipengaruhi penambahan pembiayaan dana *Abandonment Site Restoration (ASR)*, penerbitan *performance bond* dan terdapat penerimaan gas yang belum didistribusikan.

Aset Pajak Tangguhan

Aset Pajak Tangguhan per 31 Desember 2017 mencapai sebesar USD134,77 juta. Nilai tersebut memperlihatkan peningkatan USD30,14 juta atau 28,81% dibanding tahun 2016 sebesar USD104,63 juta. Hal ini dipengaruhi terutama oleh penurunan nilai aset tetap komersial yang lebih besar dibandingkan dengan nilai aset tetap fiskal.

Investasi Jangka Panjang

Nilai Investasi Jangka Panjang per 31 Desember mencapai USD240,52 juta. Jumlah tersebut naik sebesar USD41,96 juta atau 21,13% dari nilai tahun 2016 sebesar USD198,56 juta. Realisasi ini dipengaruhi oleh penambahan porsi laba dari DSLNG (entitas asosiasi).

Aset Tetap

Nilai Aset Tetap per 31 Desember 2017 sebesar USD3.407,04 juta. Jumlah tersebut turun sebesar USD207,42 juta atau 5,74% dibanding nilai tahun 2016 sebesar USD 3.614,46 juta. Realisasi ini dipengaruhi oleh pengakuan kerugian penurunan nilai (*impairment*) yang diakui perusahaan di-offset dengan kenaikan aset PHE ONWJ akibat kenaikan partisipasi interest dari 58,27% menjadi 100,00% di tahun 2017.

Non-Current Assets

The value of Non-Current Assets as of 31 December 2017 decreased by USD157.46 million or 3.84% to USD3,939.26 million from the 2016 value which was USD4,096.72 million. The cause was mainly due to current assets decrease as a consequence of impairment value loss recognition by the Company in 2017.

Restricted Cash

The value of Restricted Cash as of 31 December 2017 was USD34.26 million. The amount increased by USD11.20 million or 48.57% compared to USD23.06 million in 2016. This was influenced by additional financing to Abandonment Site Restoration (ASR), bond performance issuance, and non-distributed gas receipts.

Deferred Tax Assets

Deferred Tax Assets as of 31 December 2017 reached USD134.77 million value. This value shows USD30.14 million increase or 28.81% compared to USD104.63 million in 2016. This was mainly affected by a larger impairment value of commercial current assets than fiscal current assets value.

Long-Term Investment

The value of Long-Term Investment as of 31 December reached USD240.52 million. This amount increased by USD41.96 million or 21.13% of the 2016 value which was USD198.56 million. Such realization was influenced by additional profit from DSLNG (associates).

Current Assets

The value of Current Assets as of 31 December 2017 was USD3,407.04 million. The amount decreased by USD207.42 million or 5.74% compared to the 2016 value which was USD3,614.46 million. This realization was influenced by impairment loss recognition by the Company which was offset by an increase in PHE ONWJ assets due to participating interest increase from 58.27% to 100.00% in 2017.

Goodwill

Nilai *Goodwill* per 31 Desember 2017 sebesar USD53,75 juta. Jumlah tersebut turun sebesar USD6,89 juta atau 11,36% dibanding nilai tahun 2016 sebesar USD60,64 juta. Hal ini dipengaruhi oleh rugi penurunan yang diakui perusahaan pada tahun 2017.

Aset Lain-lain

Nilai Aset Lain-lain per 31 Desember 2017 sebesar USD68,92 juta. Jumlah tersebut turun sebesar USD26,45 juta atau 27,73% dibanding nilai tahun 2016 sebesar USD95,37 juta. Realisasi ini dipengaruhi oleh penurunan piutang lainnya bagian tidak lancar akibat provisi piutang pajak pada PHE Oil and Gas sebesar USD30,37 juta di-offset dengan kenaikan hutang jangka panjang pegawai sebesar USD4,67 juta.

Goodwill

The value of *Goodwill* as of 31 December 2017 was USD53.75 million. The amount decreased by USD6.89 millino or 11.36% compared to USD60.64 million in 2016. This was affected by impairment loss recognized by the Company in 2017.

Other Assets

The value of *Other Assets* as of 31 December 2017 was USD68.92 million. The amount decreased by USD26.45 million or 27.73% compared to USD95.37 million value in 2016. This realization was a result of a decrease in other receivables non-current portion due to provision for tax receivables in PHE Oil and Gas amounting USD30.37 million which was offset by the increase in employees long-term debts amounting USD4.67 million.

Tabel Total Aset Tidak Lancar (Dalam Juta USD)

Table of Total Non-Current Assets (In Million USD)

Uraian Description	2017	2016	Perubahan Changes		Pencapaian % Achievement %
			Nominal Nominal	%	
Kas yang Dibatasi Penggunaannya – Bagian Tidak Lancar Restricted Cash - Non-Current Portion	34,26	23,06	11,20	48,57	148,57
Aset Pajak Tangguhan – Bersih Deferred Tax Assets - Net	134,77	104,63	30,14	28,81	128,81
Investasi Jangka Panjang Long-Term Investment	240,52	198,56	41,96	21,13	121,13
Aset Tetap Bersih Net Current Assets	3.407,04	3.614,46	-207,42	-5,74	94,26
Goodwill Bersih Goodwill - Net	53,75	60,64	-6,89	-11,36	88,64
Aset Lain-lain Bersih Other Assets - Net	68,92	95,37	-26,45	-27,73	72,27
Total Aset Tidak Lancar Total Non-Current Assets	3.939,26	4.096,72	-157,46	-3,84	96,16

Liabilitas

Jumlah Liabilitas PHE per 31 Desember 2017 tercatat sebesar USD2.712,44 juta. Jumlah tersebut turun USD255,61 juta atau 8,61% dibanding nilai pada tahun 2016 yang mencapai USD2.968.05 juta. Hal ini disebabkan terutama oleh pembayaran liabilitas jangka panjang ke Pertamina (Persero).

Liabilities

Total PHE Liabilities as of 31 December 2017 was recorded at USD2,712.44 million. This total decreased by USD255.61 million or 8.61% compared to USD2,968.05 million in 2016. This was mainly caused by long-term liabilities payment to Pertamina (Persero).

Liabilitas Jangka Pendek

Nilai Liabilitas Jangka Pendek mengalami kenaikan sebesar USD248,52 juta atau 20,22% menjadi USD1.477,68 juta, dari nilai pada tahun 2016 sebesar USD1.229,16 juta. Hal ini disebabkan terutama oleh kenaikan utang usaha ke Pertamina (Persero) terkait penambahan *cash call* di tahun berjalan.

Current Liabilities

The value of Current Liabilities experienced an increase of USD248.52 million or 20.22% to USD1,477.68 million, from USD1,229.16 million value in 2016. This was chiefly caused by Trade Payable increase to Pertamina (Persero).

Tabel Nilai Liabilitas PHE (Dalam Juta USD) | Table of PHE Liability Value (In Million USD)

Uraian Description	2017	2016	Perubahan Changes		Pencapaian % Achievement %
			Nominal Nominal	%	
Liabilitas Jangka Pendek Current Liabilities	1.477,68	1.229,16	248,52	20,22	120,22
Liabilitas Jangka Panjang Non-Current Liabilities	1.234,76	1.738,89	-504,13	-28,99	71,01
Total Liabilitas Total Liability	2.712,44	2.968,05	-255,61	-8,61	91,39

Utang Usaha

Nilai Utang Usaha per 31 Desember 2017 sebesar USD653,52 juta nilai tersebut naik USD188,82 juta atau 40,63% dibanding nilai tahun 2016 yang mencapai USD464,70 ribu. Realisasi ini menunjukkan kenaikan utang pihak berelasi terutama oleh kenaikan utang usaha ke Pertamina (Persero) terkait penambahan *cash call* di tahun berjalan, *di-offset* dengan penurunan utang pihak ketiga terkait utang *overlift* migas.

Trade Payables

The value of Trade Payable as of 31 December 2017 was USD653.52 million. This value increased by USD188.82 million or 40.63% compared to USD464.70 thousand value in 2016. This realization demonstrates related parties debt increase mainly by trade payables increase to Pertamina (Persero) which related to additional cash call for the year, and offset by a decrease in third parties debts concerning oil and gas *overlift* debts.

Utang Pemerintah

Nilai Utang Pemerintah per 31 Desember 2017 sebesar USD59,68 juta nilai tersebut naik USD0,33 juta atau 0,56% dibanding nilai tahun 2016 sebesar USD59,35 juta. Realisasi ini memperlihatkan tidak terdapat perubahan signifikan dibandingkan dengan tahun lalu.

Due to the Government

The value of Due to the Government as of 31 December 2017 was USD59.68 million. The value increased by USD0.33 million or 0.56% compared to USD59.35 million value in 2016. This realization shows no significant changes compared to last year.

Utang Pajak Lainnya

Nilai Utang Pajak Lainnya per 31 Desember 2017 mencapai USD16,59 juta nilai tersebut naik USD8,66 juta atau 109,21% dibanding nilai pada tahun 2016 sebesar USD7,93 juta. Realisasi ini menunjukkan terdapat kenaikan signifikan pada utang pajak PPN di entitas anak sebesar USD7,32 juta dibandingkan dengan tahun lalu.

Other Taxes Payable

The value of Other Taxes Payable as of 31 December 2017 reached USD16.59 million. The value increased by USD8.66 million or 109.21% compared to USD7.93 million value in 2016. This realization shows significant increase in VAT tax payables in Subsidiaries of USD7.32 million compared to last year.

Utang Pajak Penghasilan dan Dividen

Nilai Utang Pajak Penghasilan dan Dividen per 31 Desember 2017 sebesar USD56,73 juta. Realisasi ini menunjukkan penurunan USD11,19 juta atau 16,48% dibanding nilai tahun 2016 sebesar USD67,92 juta. Realisasi ini menunjukkan terdapat peningkatan PPH 25 yang *di-offset* dengan Utang Pajak Penghasilan dan Dividen sehingga nilai utang pajak menjadi lebih kecil.

Utang Lain-lain

Nilai Utang Lain-lain per 31 Desember 2017 sebesar USD305,62 juta, naik USD146,77 juta atau 92,40% dibanding nilai tahun 2016 sebesar USD158,85 juta. Realisasi ini terutama disebabkan kenaikan Utang Lain-lain pihak ketiga karena kenaikan hutang kepada *ex partner* PHE ONWJ akibat pengakuan *settlement right & obligation* atas kenaikan *participating interest* PHE ONWJ dari 58,27% menjadi 100% di tahun 2017.

Beban yang Masih Harus Dibayar

Besaran nilai Beban yang Masih Harus Dibayar per 31 Desember 2017 mencapai USD272,11 juta, naik USD97,69 juta atau 56,01% dibanding nilai tahun 2016 sebesar USD174,42 juta. Realisasi ini menunjukkan terutama karena kenaikan biaya kontrak sebesar USD34,14 juta dan biaya bonus/insentif sebesar USD39,10 juta.

Pendapatan yang Ditangguhkan

Nilai Pendapatan yang Ditangguhkan per 31 Desember 2017 sebesar USD21,19 juta. Nilai tersebut naik USD3,42 juta atau 19,25% dibanding pada tahun 2016 sebesar USD17,77 juta. Hal ini menunjukkan terutama disebabkan karena adanya kenaikan *take or pay gas* pada blok Jambi Merang.

Pinjaman Jangka Pendek-Pihak Berelasi

Nilai Pinjaman Jangka Pendek-Pihak Berelasi mencapai USD92,24 juta. Nilai tersebut turun USD185,98 juta atau 66,85% dibanding tahun 2016 sebesar USD278,22 juta. Realisasi ini menunjukkan terdapat penurunan pada tahun berjalan diakibatkan penurunan jumlah terhutang akibat pelunasan dan *offsetting* yang dilakukan perusahaan kepada Pertamina (Persero).

Corporate and Dividend Taxes Payable

The value of Corporate and Dividend Taxes Payable as of 31 December 2017 was USD56.73 million. This realization illustrates USD11.19 million decrease or 16.48% compared to USD67.92 million value in 2016. Moreover, it shows an increase of Withholding Tax 25 which was offset by the Corporate and Dividend Taxes Payable resulting smaller tax payables value.

Other Payables

The value of Other Payables as of 31 December 2017 was USD305.62 million, increasing by USD146.77 million or 92.40% compared to USD158.85 million value in 2016. This realization was mainly caused by an increase in third parties Other Payables due to increase in debt to former partner of PHE ONWJ as a consequence of settlement right & obligation recognition over PHE ONWJ Participating Interest from 58.27% to 100% in 2017.

Accrued Expenses

The amount of Accrued Expenses value as of 31 December 2017 reached USD272.11 million, increasing by USD97.69 million or 56.01% compared to the 2016 value amounting USD174.42 million. This realization mainly shows contract cost increase of USD34.14 million and bonus/incentive cost at USD39.10 million.

Deferred Revenue

The value of Deferred Revenue as of 31 December 2017 was USD21.19 million. The value increased by USD3.42 million or 19.25% compared to USD17.77 million in 2016. This demonstrates an increase in take or pay gas at Jambi Merang Block.

Short-Term Loans - Related Parties

The value of Short-Term Loans - Related Parties reached USD92.24 million. The value decreased by USD185.98 million or 66.85% compared to USD278.22 million in 2016. This realization shows an increase for the year which was inflicted by a decrease to total payable as a result of repayment and offsetting conducted by the company to Pertamina (Persero).

Tabel Total Liabilitas Jangka Pendek (Dalam Juta USD)

Table of Total Short-Term Liability (In Million USD)

Uraian Description	2017	2016	Perubahan Changes		Pencapaian % Achievement %
			Nominal Nominal	%	
Utang Usaha Trade Payables	653,52	464,70	188,82	40,63	140,63
Utang Pemerintah Due to the Government	59,68	59,35	0,33	0,56	100,56
Utang Pajak Lainnya Other Taxes Payable	16,59	7,93	8,66	109,21	209,21
Utang Pajak Penghasilan dan Dividen Corporate and Dividend Taxes Payable	56,73	67,92	-11,19	-16,48	83,52
Utang Lain-lain Other Payables	305,62	158,85	146,77	92,40	192,40
Beban yang Masih Harus Dibayar Accrued Revenue	272,11	174,42	97,69	56,01	156,01
Pendapatan yang Ditangguhkan Deferred Income	21,19	17,77	3,42	19,25	119,25
Pinjaman Jangka Pendek – Pihak Berelasi Short-Term Loan - Related Party	92,94	278,22	185,98	-66,85	33,15
Jumlah Liabilitas Jangka Pendek Total Current Liability	1.477,68	1.229,16	248,52	20,22	120,22

Liabilitas Jangka Panjang

Nilai Liabilitas Jangka Panjang per 31 Desember 2017 mencapai USD1.234,76 juta nilai tersebut turun USD504,13 juta atau 28,99% dibanding nilai tahun 2016 sebesar USD1.738,89 juta. Kondisi ini disebabkan oleh pembayaran Utang Jangka Panjang Pihak-Berelasi ke Pertamina (Persero) di tahun berjalan.

Liabilitas Pajak Tangguhan

Nilai Liabilitas Pajak Tangguhan per 31 Desember 2017 mencapai USD310,84 juta nilai tersebut memperlihatkan penurunan dibanding tahun 2016 sebesar USD484,94 juta. Realisasi ini menunjukkan penurunan diakibatkan pengakuan penurunan nilai pada *excess fair value* pada aset tetap pada blok Natuna dan Ambalat.

Pinjaman Jangka Panjang-Pihak Berelasi

Nilai Pinjaman Jangka Panjang-Pihak Berelasi per 31 Desember 2017 sebesar USD172,50 juta turun USD464,21 atau 72,91% dibanding nilai pada tahun 2016 sebesar USD636,71 juta. Realisasi ini menunjukkan penurunan disebabkan oleh pembayaran Utang Jangka Panjang-Pihak Berelasi ke Pertamina (Persero) di tahun berjalan.

Non-Current Liabilities

The value of Non-Current Liabilities as of 31 December 2017 attained USD1,234.76 million. The value decreased by USD504.13 million or 28.99% compared to USD1,738.89 million value in 2016. This condition was caused by the repayment of Long-Term Payable-Related Parties to Pertamina (Persero) for the year.

Deferred Tax Liabilities

The value of Deferred Tax Liabilities as of 31 December 2017 attained USD310.84 million. The value shows a decrease compared to USD484.94 million in 2016. This realization depicts a decrease caused by impairment value recognition on excess fair value in current assets of Natuna and Ambalat Blocks.

Long-Term Loans - Related Parties

The value of Long-Term Loans - Related Parties as of 31 December 2017 amounting USD172.50 million, decreasing by USD464.21 or 72.91% compared to the 2016 value amounting USD636.71 million. This realization illustrates a decrease caused by the repayment of Long-Term Payable - Related Parties to Pertamina (Persero) for the year.

Penyisihan untuk Biaya Restorasi dan Reklamasi Lingkungan Hidup

Nilai Penyisihan untuk Biaya Restorasi dan Reklamasi Lingkungan Hidup per 31 Desember 2017 mencapai USD696,92 juta. Jumlah tersebut naik USD118,82 juta atau 20,55% dibanding pada tahun 2016 sebesar USD578,10 juta. Realisasi ini menunjukkan kenaikan terutama diakibatkan oleh *gross up* Penyisihan untuk Biaya Restorasi dan Reklamasi Lingkungan Hidup akibat kenaikan partisipasi interest PHE ONWJ dari 58,27% menjadi 100% di tahun 2017.

Provision for Environmental Restoration and Reclamation Cost

The value of Provision for Environmental Restoration and Reclamation Cost as of 31 December 2017 reached USD696.92 million. The amount increased by USD118.82 million or 20.55% compared to USD578.10 million in 2016. This realization shows an increase due to the gross up of Provision for Environmental Restoration and Reclamation Cost as a result of participating interest increase at PHE ONWJ from 58.27% to 100% in 2017.

Tabel Total Liabilitas Jangka Panjang (Dalam Juta USD)

Table of Total Non-Current Liabilities (In Million USD)

Uraian Description	2017	2016	Perubahan Changes		Pencapaian % Achievement %
			Nominal Nominal	%	
Liabilitas Pajak Tangguhan Deferred Tax Liabilities	310,84	484,94	-174,10	-35,90	64,10
Pinjaman Jangka Pendek – Pihak Berelasi Short-Term Loans - Related Parties	172,50	636,71	-464,21	-72,91	27,09
Penyisihan Untuk Biaya Restorasi dan Reklamasi Lingkungan Hidup Provision for Environmental Restoration and Reclamation Cost	696,92	578,10	118,82	20,55	120,55
Taksiran Kewajiban Imbalan Kerja Karyawan Estimated Employee Benefit Obligations	54,50	39,14	15,36	39,24	139,24
Jumlah Liabilitas Jangka Panjang Total Non-Current Liabilities	1.234,76	1.738,89	-504,13	-28,99	71,01

Ekuitas

Realisasi nilai Ekuitas per 31 Desember 2017 mengalami kenaikan sebesar 6,60% dibandingkan realisasi per 31 Desember 2016. Kondisi ini terutama didukung oleh performa perusahaan yang baik dimana perusahaan dapat kembali membukukan laba ditahun berjalan sebesar USD250,88 juta.

Equity

The realization of Equity value as of 31 December 2017 had 6.60% increase compared to the realization as of 31 December 2016. This condition was mainly supported by good corporate performance wherein the company could recorded its profit for the year amounting USD250.88 million.

Modal Saham

Sampai dengan 31 Desember 2017, Modal Saham Perusahaan sebesar USD53,58 juta. Kondisi ini menandakan tidak ada perubahan atau posisi yang sama pada tahun sebelumnya. Secara posisi, Modal Saham sebesar 2,59% terhadap jumlah Ekuitas Perusahaan.

Tambahan Modal Disetor

Hingga 31 Desember 2017 terjadi Tambahan Modal Disetor sebesar USD18,18 juta. Realisasi ini menunjukkan tidak adanya perubahan dibanding tahun 2016. Secara posisi, Tambahan Modal Disetor sebesar -0,88% terhadap Ekuitas Perusahaan.

Selisih Kurs

Nilai selisih kurs per 31 Desember 2017 mencapai USD16,56 juta. Jumlah tersebut memperlihatkan penurunan USD4,97 juta atau 23,08% dibanding posisi pada tahun sebelumnya sebesar USD21,53 juta. Secara posisi, selisih kurs sebesar 0,80% terhadap Ekuitas Perusahaan.

Saldo Laba

Nilai Saldo Laba per 31 Desember 2017 sebesar USD1.999,74 juta. Jumlah tersebut memperlihatkan peningkatan sebesar USD134,73 juta atau 7,22% dibanding posisi yang sama pada tahun sebelumnya. Secara posisi, Saldo Laba sebesar 96,68% terhadap Ekuitas Perusahaan.

Share Capital

Up to 31 December 2017, the Company Share Capital amounted to USD53.58 million. This condition denotes no changes or similar positions from previous year. In terms of position, the Share Capital was 2.59% to the Company total Equity.

Additional Paid-In Capital

Up to 31 December 2017, there was Additional Paid-In Capital of USD18.18 million. This realization shows no changes compared to 2016. In terms of position, the Additional Paid-In Capital was -0.88% to the Company Equity.

Exchange Difference

The value of Exchange Difference as of 31 December 2017 reached USD16.56 million. The amount shows USD4.97 million decrease, or 23.08% compared to the similar position of the previous year amounting USD21.53 million. In terms of position, the exchange difference was 0.80% to the Company Equity.

Retained Earnings

The value of Retained Earnings as of 31 December 2017 was USD1,999.74 million. The amount shows USD134.73 million increase or 7.22% compared to similar position in previous year. In terms of position, the Retained Earnings was 96.68% to the Company Equity.

Tabel Total Ekuitas (Dalam Juta USD) | Table of Total Equity (In Million USD)

Uraian Description	2017	2016	Perubahan Changes		Pencapaian % Achievement %
			Nominal Nominal	%	
Modal Saham Share Capital	53,58	53,58	-	0,00	100,00
Tambahan Modal Disetor Additional Paid-In Capital	-18,18	-18,18	-	0,00	100,00
Selisih Kurs karena Penjabaran Laporan Keuangan Konsolidasian dalam Mata Uang Asing Differences Arising from Consolidated Financial Statement	16,56	21,53	-4,97	-23,08	76,92
Pengukuran Kembali atas Liabilitas Imbalan Pasti – Neto Remeasurement of Net Defined Benefit Liabilities	-2,99	-2,73	0,26	9,52	109,52

Uraian Description	2017	2016	Perubahan Changes		Pencapaian % Achievement %
			Nominal Nominal	%	
Cadangan Penyesuaian Nilai Wajar – Setelah Pajak Reserve for Fair Value Adjustment - Net of Tax	-	2,47	-2,47	-100,00	0,00
Saldo Laba Retained Earnings					
Ditentukan Penggunaannya Appropriated	1.385,71	1.425,16	-39,45	-2,77	97,23
Belum Ditentukan Penggunaannya Not appropriated form	614,03	439,85	174,18	39,60	139,60
Jumlah Ekuitas yang Diatribusikan Kepada Pemilik Entitas Induk Total Equity Attributable to Owners of the Parent	2.048,71	1.921,68	127,03	6,61	106,61
Kepentingan Non-Pengendali Non-Controlling Interests	19,64	18,67	0,98	5,25	105,25
Jumlah Ekuitas Total Equity	2.068,35	1.940,34	128,01	6,60	106,60

Laporan Arus Kas Konsolidasian

Pada tanggal 31 Desember 2017, nilai Kas dan Setara Kas tercatat sebesar USD107,50 juta. Nilai tersebut turun USD12,18 juta atau 10,18% dibanding nilai kas dan setara kas tahun 2016 sebesar USD119,68 juta. Hal ini dipengaruhi terutama oleh arus kas masuk dari aktivitas operasi lebih kecil dari pada arus kas keluar aktivitas investasi dan pendanaan. Aktivitas arus kas signifikan berasal dari transaksi pembayaran pokok pinjaman ke Pertamina (Persero).

Consolidated Cash Flow Statement

On 31 December 2017, the value of Cash and Cash Equivalents was recorded at USD107.50 million. The value decreased by USD12.18 million or 10.18% compared to USD119.68 million value of cash and cash equivalents in 2016. This was chiefly affected by fewer cash inflows from operating activities than cash outflows from investing and financing activities. The significant cash flow activities derived from principal loans payment to Pertamina (Persero).

Tabel Arus Kas (Dalam Juta USD) | Table of Cash Flow (In Million USD)

Uraian Description	2017	2016	Perubahan Changes		Pencapaian % Achievement %
			Nominal Nominal	%	
Kas Neto yang Diperoleh dari Aktivitas Operasi Cash Flow from Operating Activities - Net	595,71	391,52	204,19	52,15	152,19
Kas Neto yang Digunakan untuk Aktivitas Investasi Cash Flow from Investing Activities - Net	-166,5	-285,3	118,8	-41,64	58,36
Kas Neto (yang Digunakan)/yang Diperoleh dari Aktivitas Pendanaan Cash Flow from Financing Activities - Net	-440,88	171,68	-269,2	156,80	256,80
(Penurunan)/Kenaikan Neto Kas dan Setara Kas Net Increase in Cash and Cash Equivalents	-11,67	-65,46	53,79	-82,17	17,83
Efek Perubahan Nilai Kurs Effect of Exchange on Cash and Cash Equivalents	-0,51	-0,178	-0,33	186,52	286,52
Saldo Kas dan Setara Kas Pada Awal Tahun Cash and Cash Equivalents at Beginning of the year	119,68	185,32	-65,64	-35,42	64,58
Saldo Kas dan Setara Kas Pada Akhir Tahun Cash and Cash Equivalents at the End of the Year	107,50	119,68	-12,18	-10,18	89,82

Arus Kas dari Aktivitas Operasi

Pada tahun 2017 PHE mencatat Arus Kas dari Aktivitas Operasi mencapai USD595,71 juta. Realisasi ini menunjukkan peningkatan USD204,19 juta atau 52,15% dari nilai tahun 2016 sebesar USD391,52 juta. Hal ini dipengaruhi terutama disebabkan oleh kenaikan penyediaan dana dari Pertamina (*cash call*) untuk menunjang kegiatan operasi PHE dibandingkan dengan tahun lalu.

Cash Flow from Operating Activities

In 2017 PHE recorded its Cash Flow from Operating Activities at USD595.71 million. This realization shows USD204.19 million increase or 52.15% of the 2016 value which was USD391.52 million. This was mainly affected by fund provisions increase from Pertamina (cash call) to support PHE operating activities compared to last year.

Tabel Arus Kas dari Aktivitas Operasi (Dalam Juta USD)

Table of Cash Flow from Operating Activities (In Million USD)

Uraian Description	2017	2016	Perubahan Changes		Pencapaian % Achievement %
			Nominal Nominal	%	
Penerimaan Kas dari Pelanggan Cash Receipts from Customers	1.066,43	985,59	80,84	8,20	108,20
Pembayaran Kas kepada Pemasok Cash Payment to Suppliers	-633,78	-647,68	13,90%	-2,15	97,85
Penyediaan Dana dari Pertamina Fund Provisions from Pertamina	719,2	357,1	362,10	101,40	201,40
Pembayaran Kas untuk Pajak Penghasilan dan Pajak Lainnya Cash Payments for Income Tax and Other Taxes	-440,57	-259,62	-180,95	69,70	169,70
Penerimaan Kas dari Pemerintah Cash Receipts from the Government	63,22	76,99	-13,77	-17,89	82,11
Pembayaran Kas untuk Aktivitas Operasi Lainnya Cash Payments for Other Operating Activities	-59,99	-69,46	9,47	-13,63	86,37
Pembayaran Kas ke Pemerintah Cash Payments to the Government	-116,25	-47,68	-68,57	143,81	243,81
Pembayaran Manfaat Pensiun Payment of Pension Benefits	-2,54	-3,72	1,18	-31,72	68,28
Kas Neto yang Diperoleh dari Aktivitas Operasi Net Cash from Operating	595,72	391,52	264,20	52,16	152,16

Arus Kas untuk Aktivitas Investasi

Pada tahun 2017 PHE mencatat Arus Kas dari Aktivitas Investasi mencapai USD166,50 juta. Realisasi ini menunjukkan penurunan sebesar USD118,8 atau 41,64% dari nilai tahun 2016 sebesar USD285,30 juta. Faktor yang mempengaruhi hal ini adalah terutama tidak adanya pinjaman ke entitas asosiasi perusahaan (DSLNG) dibandingkan dengan tahun 2016.

Cash Flow for Investing Activities

In 2017 PHE recorded its Cash Flow for Investing Activities at USD166.50 million. This realization shows USD118.8 decrease or 41.64% compared to USD285.30 value in 2016. This was influenced by the absence of loans to associates (DSLNG) compared to last year in 2016.

Tabel Arus Kas dari Aktivitas Investasi (Dalam Juta USD)

Table of Cash Flow from Investing Activities (In Million USD)

Uraian Description	2017	2016	Perubahan Changes		Pencapaian % Achievement %
			Nominal Nominal	%	
Pembelian Aset Minyak Mentah dan Gas Bumi Purchase of Oil and Gas Assets	-166,57	-255,27	88,17	34,75	69,25
Pinjaman ke PT Donggi Senoro LNG Loans to PT Donggi Senoro LNG	0	-28,74	28,74	-100,00	0,00
Penambahan Investasi di Entitas Anak dan Perusahaan Asosiasi Additional Investment in Subsidiaries and Associates	0,07	-1,42	1,49	-104,93	-4,93
Penerimaan Dividen Dividends Received	-	0,13	-0,13	100	53,85
Kas Neto yang Digunakan untuk Aktivitas Investasi Net Cash from Investing Activities	-166,50	-285,30	118,8	-41,64	58,36

Arus Kas dari Aktivitas Pendanaan

Pada tahun 2017 PHE mencatat Arus Kas dari Aktivitas Pendanaan dengan arus pengeluaran mencapai USD440,88 juta. Realisasi ini menunjukkan peningkatan USD239,69 juta atau 119% dibanding tahun 2016 sebanyak USD201,19 juta. Keadaan ini dipengaruhi kenaikan transaksi pembayaran pokok pinjaman *di-offset* dengan penurunan pembayaran dividen ke Pertamina (Persero).

Cash Flow from Financing Activities

In 2017, PHE recorded its Cash Flow from Financing Activities with expenditure flow reaching USD440.88 million. This realization shows USD239.69 million increase or 119% compared to USD201.19 million in 2016. This condition was affected by an increase in principal loans payment transaction which was offset by a decrease in dividends payout to Pertamina (Persero).

Tabel Arus Kas dari Aktivitas Pendanaan (Dalam Juta USD)

Table of Cash Flow from Financing Activities (In Million USD)

Uraian Description	2017	2016	Perubahan Changes		Pencapaian % Achievement %
			Nominal Nominal	%	
Pembayaran Pinjaman kepada Pertamina Loans Payment to Pertamina	-425,46	-44,14	-381,32	864	964
Pembayaran Dividen Dividends Payout	-14,33	-125,03	110,7	-89	11
Penambahan Dana yang Dibatasi Penggunaannya Additional Restricted Funds	-14,84	-11,76	-3,01	26	126
Pembayaran Pinjaman Jangka Panjang Long-Term Loans Payment	13,75	9,25	4,5	49	149
Pinjaman dari Pertamina Loans from Pertamina	-	-	-	0	0
Kas Neto (yang Digunakan)/yang Diperoleh dari Aktivitas Pendanaan Net Cash from Financing Activities	-440,88	-171,68	-269,2	157	257

Laporan Rasio Keuangan Konsolidasian

Consolidated Financial Ratio Statement

Tabel Rasio PHE

Table of PHE Ratio

Uraian Description	2017	2016	Perubahan Changes		Pencapaian % Achievement %
			Nominal Nominal	%	
Rasio Profitabilitas (%) Profitability Ratio (%)					
Imbalan Balik atas Ekuitas Return on Equity	26,83	10,78	16,50	148,89	248,89
Imbal Balik atas Modal Return on Investment	29,23	20,66	8,57	41,48	141,48
Margin Laba Usaha Operating Profit Margin	30,27	25,16	5,11	20,31	120,31
Margin Laba Bersih Net Profit Margin	24,42	15,87	8,55	53,88	153,88
Rasio Likuiditas (%) Liquidity Ratio (%)					
Rasio Kas Cash Ratio	7,28	9,74	-2,46	-25,26	74,74
Rasio Lancar Current Ratio	56,95	66,03	-9,08	-13,75	86,25
Rasio Solvabilitas (%) Solvability Ratio (%)					
Rasio Modal Terhadap Total Aset Equity to Total Asset Ratio	43,26	39,53	3,73	9,44	109,44
Time Interest Earned Ratio	29,46	17,07	12,39	72,58	172,58
Rasio Perputaran (Hari) Turnover Ratio (Day)					
Periode Kolektibilitas Collection Period	45,76	43,41	2,35	5,41	105,41
Perputaran Total Aset Total Assets Turnover	51,7	36,93	14,79	40,05	140,05

Kemampuan Membayar Utang

Capability to Pay Debt

Kemampuan membayar hutang, baik jangka pendek maupun jangka panjang dapat dilihat melalui nilai rasio likuiditas dan rasio solvabilitas. Nilai rasio likuiditas menunjukkan kemampuan Perusahaan dalam memenuhi liabilitas jangka pendek, yang diukur melalui rasio kas dan rasio lancar.

Rasio kas dihitung dengan cara membandingkan kas yang dimiliki dengan jumlah liabilitas jangka pendek. Rasio lancar dihitung dengan cara membandingkan jumlah aset lancar dengan jumlah liabilitas jangka pendek.

Rasio Likuiditas

Nilai Rasio Likuiditas pada tahun 2017 memperlihatkan penurunan dibandingkan dengan nilai pada tahun 2016. Nilai Rasio Kas pada tahun 2017 adalah 7,28% dan nilai Rasio Lancar sebesar 56,95%. Berdasarkan nilai tersebut dapat diketahui bahwa kemampuan Perusahaan dalam membayar utang dalam kurun waktu periode pelaporan relatif baik.

Both short-term and long-term capability to pay debt could be seen through liquidity ratio and solvency ratio. The liquidity ratio demonstrates the Company ability in meeting short-term liability which measured by cash ratio and current ratio.

The cash ratio is calculated by comparing cash held to short-term liability. The current ratio is calculated by comparing the total current assets to the total short-term liability.

Liquidity Ratio

The Liquidity Ratio in 2017 had a shortfall compared to the value in 2016. The Cash Ratio in 2017 was 7.28% and Current Ratio was 56.95%. According to these values, the Company capability in paying debt was relatively well within the reporting period.

Tabel Rasio Likuiditas PHE (%) | Table of PHE Liquidity Ratio (%)

Uraian Description	2017	2016	Perubahan Changes		Pencapaian % Achievement %
			Nominal Nominal	%	
Rasio Kas Liquidity Ratio	7,28	9,74	-2,46	-25,26	-74,74
Rasio Lancar Current Ratio	56,95	66,03	-9,08	-13,75	86,25

Rasio Solvabilitas

Rasio Solvabilitas menunjukkan kemampuan Perusahaan dalam membayar kewajiban-kewajibannya, dan diukur melalui:

- Rasio liabilitas terhadap ekuitas yang dihitung dengan cara membandingkan jumlah liabilitas dengan jumlah ekuitas.
- Rasio liabilitas terhadap aset yang dihitung dengan cara membandingkan jumlah liabilitas dengan jumlah aset.

Solvency Ratio

Solvency Ratio demonstrates the Company ability in paying its obligations which measured through:

- Liability ratio to equity which measured by comparing the total liability to the total equity.
- Liability ratio to assets which measured by comparing the total liability to the total assets.

Nilai Solvabilitas Perusahaan pada tahun 2017 menunjukkan adanya penurunan, dan dipengaruhi oleh adanya penurunan liabilitas, di sisi lain terdapat peningkatan ekuitas. Secara umum kemampuan Perusahaan dalam membayar kewajiban-kewajibannya masih relatif baik.

In 2017 the Company Solvency Ratio had a shortfall which was influenced by liability decline, yet the equity increased. In general, the Company ability in paying its obligations was shown as relatively good.

Tabel Rasio Solvabilitas PHE (%) | Table of PHE Solvency Ratio (%)

Uraian Description	2017	2016	Perubahan Changes		Pencapaian % Achievement %
			Nominal Nominal	%	
Rasio Liabilitas Terhadap Ekuitas Liability Ratio to Equity	131,14	152,97	-21,83	-14,27	85,73
Rasio Liabilitas Terhadap Aset Liability Ratio to Assets	56,74	60,47	-3,73	-6,17	93,83



Tingkat Kolektibilitas Piutang

Receivables Collectibility

Kolektibilitas Piutang PHE pada tahun 2017 tercatat sebesar 45,76 hari. Lamanya perputaran piutang Perusahaan tersebut mengalami peningkatan bila dibandingkan dengan tahun 2016 yakni selama 43,41 hari.

In 2017 Receivables Collectibility of PHE was recorded at 45.76 days. The duration of receivables turnover of the Company increased compared to 2016 which was recorded at 43.41 days.

Tabel Kolektibilitas Piutang PHE (Hari) | Table of PHE Receivables Collectibility (Day)

Uraian Description	2017	2016	Perubahan Changes		Pencapaian % Achievement %
			Nominal Nominal	%	
Collection Period	45,76	43,41	2,35	5,41	105,41
Perputaran Total Aset Total Assets Turnover	51,7	36,93	14,79	40,05	140,05

Struktur Modal (*Capital Structure*) dan Kebijakan Manajemen atas Struktur Modal (*Capital Structure Policy*)

Capital Structure and Capital Structure Management Policy

Rincian Struktur Modal (*Capital Structure*)

Pada tahun 2017 komposisi struktur modal PHE terdiri atas 56,74% berasal dari Liabilitas dan 43,26% berupa Ekuitas. Komposisi tersebut mengalami perubahan dibanding struktur modal tahun 2016 yang terdiri atas 60,47% berasal dari Liabilitas dan 39,53% berupa Ekuitas. Hal ini disebabkan pembayaran pokok pinjaman ke Pertamina (Persero) diimbangi dengan *performance* laba PHE yang melebihi target.

Details of Capital Structure

In 2017 the composition of PHE capital structure consisted of 56.74% Liability and 43.26% Equity. The composition had changes compared to the 2016 capital structure which consisted of 60.47% Liability and 39.53% Equity. This was caused by principal loans payment to Pertamina (Persero) was offset by PHE profit which exceeded the target.

Tabel Struktur Modal PHE (Dalam Juta IDR)

Table of PHE Capital Structure (In Million IDR)

Uraian Description	2017		2016		Perubahan Changes	
	Nominal Nominal	Kontribusi (%) Contribution (%)	Nominal Nominal	Kontribusi (%) Contribution (%)	Nominal Nominal	%
Liabilitas Liability						
Liabilitas Liability	2.712,44	56,74	2.968,05	60,47	-255,61	-8,61
Jangka Pendek Short-Term	1.477,68	54,48	1.229,16	41,41	248,52	20,22
Jangka Panjang Long-Term	1.234,76	45,52	1.738,89	58,59	-504,13	-28,99
Ekuitas Equity						
Ekuitas Equity	2.068,35	43,26	1.940,34	39,53	128,01	6,60
Total Modal yang Diinvestasikan Total Invested Capital	4.780,79	100,00	4.908,39	100,00	-127,60	-2,60

Kebijakan Manajemen atas Struktur Modal (*Capital Structure Policies*)

PHE menerapkan kebijakan struktur modal dengan memperkuat Ekuitas Perusahaan. Perubahan struktur modal dilakukan guna mendukung pengembangan usaha. Tidak ada dasar pemilihan kebijakan manajemen atas struktur modal.

Perusahaan juga memperkuat komponen modal sendiri dengan menambah nilai Ekuitas menjadi USD2.068,35 juta. Hingga 31 Desember 2017 perbandingan antara Likuiditas dan Ekuitas adalah 1:0,76 dari sebelumnya pada tahun 2016 adalah 1:0,65.

Capital Structure Management Policies

PHE implements capital structure policies by bolstering the Company Equity. The changes in capital structure is used to enhance business development. There is no basis in selecting capital structure management policies.

The Company also strengthens its capital component by adding the value of Equity to USD2,068.35 million. As of 31 December 2017 the comparison between Liquidity and Equity was 1:0.76 from previously 1:0.65 in 2016.

Ikatan yang Material untuk Investasi Barang Modal (bukan Ikatan Pendanaan) pada Tahun Buku

Material Commitment for Capital Goods Investment (not Funding Binding) within Fiscal Year

Selama kurun waktu periode pelaporan, PHE tidak melakukan ikatan material atas investasi barang modal. Dengan demikian, Laporan ini tidak memberikan informasi terkait nama pihak yang melakukan ikatan, tujuan dari ikatan tersebut, sumber dana yang diharapkan untuk memenuhi ikatan-ikatan tersebut, mata uang yang menjadi denominasi & langkah-langkah yang direncanakan perusahaan untuk melindungi risiko dari posisi mata uang asing yang terkait.

Over the course of the reporting period, PHE did not have any material commitments over capital goods investment. Hence, this Report does not provide any information on the name of the related parties, objective of the commitment, expected resources to fulfill the commitment, denominated currency, and steps taken by the Company to protect the position of related foreign currency against risks.

Investasi Barang Modal yang Direalisasikan pada Tahun Buku

Capital Goods Investment Realized within the Last Fiscal Year

Selama tahun 2017, Perusahaan tidak memiliki kegiatan investasi barang modal. Oleh karena itu, tidak terdapat informasi mengenai:

- Jenis investasi barang modal
- Tujuan investasi barang modal
- Nilai investasi barang modal yang dikeluarkan pada tahun buku terakhir

In 2017, the Company did not have capital goods investment activities. Hence, there are no any information concerning:

- Types of capital goods investment
- Objective of capital goods investment
- Capital goods investment disbursed within the last fiscal year

Perjanjian Pasokan Gas

Pada tanggal 31 Desember 2017, Entitas Anak memiliki kontrak-kontrak perjanjian jual beli gas yang signifikan kepada beberapa pelanggan, dengan volume gas masing-masing kontrak sebesar antara 0,8 TBTU hingga 1.418 TBTU. Kontrak-kontrak tersebut akan berakhir antara tahun 2018 sampai tahun 2027.

Gas Supply Agreement

On 31 December 2017, Subsidiaries had transferred significant gas sales agreements to various customers, with gas volume stated in each contract worth between 0.8 TBTU to 1,418 TBTU. These contracts will due between 2018 to 2027.

Berdasarkan Peraturan Presiden Republik Indonesia No.40 Tahun 2016 tentang Penetapan Harga Gas Bumi dan Peraturan Menteri Energi dan Sumber Daya Mineral Republik Indonesia No.40 Tahun 2016 tentang Harga Gas Bumi untuk Industri Tertentu, Perusahaan melakukan amandemen penurunan kontrak harga gas dalam perjanjian jual beli gas dengan industri tertentu dan berlaku efektif sejak 30 Januari 2017.

Komitmen Eksplorasi

Pada tanggal 31 Desember 2017, beberapa Entitas Anak masih dalam tahap eksplorasi. Komitmen eksplorasi (komitmen pasti dan komitmen kerja) pada Entitas Anak (nilai Gross PSC) tersebut pada tanggal 31 Desember 2017 adalah sebagai berikut:

Based on Presidential Regulation of the Republic of Indonesia Number 40 of 2016 on Natural Gas Pricing and Minister of Energy and Mineral Resources Regulation Number 40 of 2016 on Natural Gas Pricing for Specific Industries, the Company amended contract gas prices in gas sales agreement with particular industries and was effective from 30 January 2017.

Exploration Commitments

On 31 December 2017, a number of Subsidiaries were still in the exploratory stage. The exploration commitments (firm commitment and working commitment) of the Subsidiaries (Gross PSC value) as of 31 December 2017 are as follows:

No	Nama Entitas Anak dan Wilayah Kerja Name of Subsidiaries and Working Area	Komitmen Program Kerja dan Pengeluaran Work Program and Expenditure Commitment (USD)
1	PT Pertamina Hulu Energi Metana Kalimantan A Blok Sangatta I Sangatta I Block	9.164.350
2	PT Pertamina Hulu Energi Metana Kalimantan B Blok Sangatta II Sangatta II Block	20.128.179
3	PT Pertamina Hulu Energi Metana Sumatera Tanjung Enim Blok Tanjung Enim Tanjung Enim Block	14.483.863
4	PT Pertamina Hulu Energi Metana Sumatera 2 Blok Muara Enim Muara Enim Block	11.750.000
5.	PT Pertamina Hulu Energi Metana Sumatera 1 Blok Muara Enim I Muara Enim I Block	28.150.000
6.	PT Pertamina Hulu Energi Metana Sumatera 5 Blok Muara Enim II Muara Enim II Block	23.850.000
7.	PT Pertamina Hulu Energi Metan Tanjung II Blok Tanjung II Tanjung II Block	10.161.900

No	Nama Entitas Anak dan Wilayah Kerja Name of Subsidiaries and Working Area	Komitmen Program Kerja dan Pengeluaran Work Program and Expenditure Commitment (USD)
8.	PT Pertamina Hulu Energi Metan Tanjung IV Blok Tanjung IV Tanjung IV Block	8.000.000
9.	PT Pertamina Hulu Energi Metana Sumatera 3 Blok Air Benakat I Air Benakat I Block	9.350.000
10.	PT Pertamina Hulu Energi Metana Sumatera 6 Blok Air Benakat II Air Benakat II Block	9.350.000
11.	PT Pertamina Hulu Energi Metana Sumatera 7 Blok Air Benakat III Air Benakat III Block	9.350.000
12.	PT Pertamina Hulu Energi West Glagah Kambuna Blok West Glagah Kambuna West Glagah Kambuna Block	55.000.000
13.	PT Pertamina Hulu Energi Semai Blok Semai II Semai II Block	214.000.000
14.	PT Pertamina Hulu Energi Randugunting Blok Randugunting Randugunting Block	14.100.000
15.	Pertamina Hulu Energi Nunukan Company Blok Nunukan Nunukan Block	16.400.000
16.	Pertamina Hulu Energi Ambalat Ltd. Blok Ambalat Ambalat Block	16.500.000
17.	PT Pertamina Hulu Energi Karama Blok Karama Karama Block	126.300.000
18.	Pertamina Hulu Energi Bukat Ltd. Blok Bukat Bukat Block	48.000.000
19.	PT Pertamina Hulu Energi MNK Sumatera Utara Blok MNK Sumatera Utara MNK Sumatera Utara Block	84.800.000
20.	PT Pertamina Hulu Energi Babar Selaru Blok Babar Selaru Babar Selaru Block	173.000.000
21.	PT Pertamina Hulu Energi Abar Blok Abar Abar Block	23.800.000
22.	PT Pertamina Hulu Energi Anggursi Blok Anggursi Anggursi Block	15.800.000
23.	PT Pertamina Hulu Energi MNK Sakakemang Blok MNK Sakakemang MNK Sakakemang Block	35.850.000
24.	PT Pertamina Hulu Energi Ambalat Timur Blok East Ambalat East Ambalat Block	225.000.000

Audit Pemerintah

Sesuai dasar hukum pemeriksaan yakni (1) Peraturan Presiden No.9 tahun 2013 tentang Penyelenggaraan Pengelolaan Kegiatan Usaha Hulu Minyak dan Gas Bumi; (2) Peraturan Presiden No.95 tahun 2012 tentang Pengalihan Pelaksanaan Tugas dan Fungsi Kegiatan Usaha Hulu Minyak dan Gas Bumi; serta (3) Keputusan Menteri Energi dan Sumber Daya Mineral Republik Indonesia No. 3135 tahun 2012 tentang Pengalihan Tugas, Fungsi dan Organisasi dalam Pelaksanaan Kegiatan Usaha Hulu Minyak dan Gas Bumi, Pemerintah melalui SKK Migas melakukan pengujian terkait kebijakan akuntansi dan informasi keuangan dari operator KBH yang harus sesuai dengan ketentuan KBH dan ketentuan lainnya yang ditetapkan oleh SKK Migas.

Klaim-klaim yang timbul dari audit oleh SKK Migas dan Pemerintah akan disetujui oleh operator KBH dan dicatat dalam pembukuan secara akuntansi dari KBH atau didiskusikan lebih lanjut dengan SKK Migas dan/atau Pemerintah.

Government Audit

In accordance with the legal basis for the investigation, namely (1) Presidential Regulation Number 9 of 2013 on Implementation of Upstream Oil and Gas Management; (2) Presidential Regulation Number 95 of 2012 on Transfer of Duties and Functions of the Upstream Oil and Gas; and (3) Minister of Energy and Mineral Resources Decree of the Republic of Indonesia Number 3135 of 2012 on Transfer of Duties, Functions, and Organization in the Implementation of Upstream Oil and Gas, the Government through SKK Migas performs audit related to accounting policies and financial information of PSC operators which must comply with the PSC and other terms stipulated by SKK Migas.

Claims arising from the audits conducted by SKK Migas and Government will be approved by PSC operators and recorded in the PSC accounting records or discussed further with SKK Migas and/or the Government.



Informasi dan Fakta Material yang Terjadi Setelah Tanggal Laporan Akuntan

Material Information and Facts that Occurred After the Date of the Accountant's Report

Berdasarkan Rapat Umum Pemegang Saham Sirkuler Perusahaan tertanggal 6 Februari 2018, susunan Direksi Perusahaan adalah sebagai berikut:

In accordance with the Company Circular General Meeting of Shareholders dated 6 February 2018, below are the composition of the Board of Directors:

Direksi:

Direktur Utama

President Director

R. Gunung Sardjono Hadi

Direktur Operasi dan Produksi

Director of Operations & Production

Ekariza

Direktur Eksplorasi

Director of Exploration

Abdul Mutalib

Direktur Keuangan dan Layanan Bisnis

Director of Financial and Business Support

Huddie Dewanto

Direktur Pengembangan

Director of Development

Afif Saifudin

Tidak ada dampak terhadap kinerja dan risiko di masa mendatang terkait pergantian susunan Direksi Perusahaan. Pergantian anggota Direksi diyakini Pemegang Saham akan meningkatkan kinerja Perusahaan menjadi lebih baik lagi.

There are no any impacts to performance and risks in the future related to changes in the composition of the Company Board of Directors. Such changes of in members of the Board of Directors are deemed by Shareholders will increase the Company performance to be better.

Informasi Perbandingan antara Target pada Awal Tahun Buku dengan Hasil yang Dicapai (Realisasi)

Information on the Comparison between the Target at the Beginning of the Fiscal Year with the Realization

Perbandingan antara Target pada Awal Tahun Buku dengan Hasil yang Dicapai Pendapatan Usaha

Sesuai RKAP 2017, PHE menargetkan perolehan Pendapatan Usaha sebesar USD1.894 juta. Proyeksi tersebut bertambah USD361 juta atau 124% dari realisasi perolehan Pendapatan Usaha tahun 2016 sebesar USD1.533 juta.

Realisasi perolehan Pendapatan Usaha pada tahun 2017 mencapai USD1.999 juta atau 106% dari target. Jumlah tersebut lebih besar USD466 juta atau 130% dibanding realisasi perolehan Pendapatan Usaha tahun 2016.

Perbandingan Antara Target pada Awal Tahun Buku dengan Hasil yang Dicapai Beban Usaha

Beban Usaha sesuai target RKAP 2017 adalah USD1.434 juta atau naik USD286 juta dari realisasi Beban Usaha tahun 2016 sebesar USD1.148. Realisasi Beban Usaha pada tahun 2017 mencapai USD1.394 juta lebih kecil USD40 juta atau 97% dari target tahun 2017.

Perbandingan Antara Target pada Awal Tahun Buku dengan Hasil yang Dicapai Laba Usaha

Target perolehan Laba Usaha pada tahun 2017 sesuai RKAP sebesar USD460 juta, naik USD75 juta atau 119% dari realisasi perolehan Laba Usaha tahun 2016 sebesar USD385 juta. Realisasi perolehan Laba Usaha pada tahun 2017 mencapai USD651 juta, lebih besar USD145 juta atau 132% dari target yang telah ditetapkan.

Comparison Between Target at the Beginning of the Fiscal Year with Revenue Realization

As per the 2017 RKAP, PHE targeted its Revenue at USD1,894 million. The projection increased by USD361 million or 124% of the 2016 Revenue realization which reached USD1,533 million.

The realization of Revenue in 2017 attained USD1,999 million or 106% of the target. The amount increased by USD466 million or 130% compared to the 2016 Revenue realization.

Comparison Between Target at the Beginning of the Year with Operating Expenses Realization

Operating Expenses aligning with the 2017 RKAP was USD1,434 million or increase USD286 million of the 2016 Operating Expenses realization which was USD1,148. The 2017 Operating Expenses realization reached USD1,394 million, lower by USD40 million or 97% of the 2017 target.

Comparison Between Target at the Beginning of the Year with Operating Income Realization

The Operating Income target in 2017 aligning with the RKAP was USD460 million, increasing by USD75 million or 119% of the 2016 Operating Income realization which was USD385 million. The 2017 Operating Income realization reached USD651 million, gained by USD145 million or 132% of the set target.

RKAP tahun 2017 juga menargetkan pencapaian EBITDA sebesar USD923 juta, lebih banyak USD74 juta atau 109% dari realisasi pencapaian EBITDA tahun 2016 sebesar USD848 juta. Realisasi pencapaian EBITDA tahun 2017 adalah USD1.172 juta lebih besar USD250 juta dari target yang telah ditetapkan. Berikut tabel perbandingan antara target pada awal tahun buku dengan hasil yang dicapai (realisasi):

The 2017 RKAP also targeted EBITDA at USD923 million, greater by USD74 million or 109% of the 2016 EBITDA realization which was USD848 million. The 2017 EBITDA realization was USD1,172 million, greater by USD250 million of the set target. Below are tables of comparison between target at the beginning of the year with the realization:

Tabel Perbandingan Laba (Rugi) Target dan Realisasi 2017 dan Perbandingan Realisasi 2016

Table of Comparison of Profit (Loss) Target and Realization in 2017 and Realization Comparison in 2016

Uraian Description	2017			Realisasi 2016 Realization 2016	Δ% Realisasi 2017 Terhadap Realisasi 2016 Δ% Realization 2017 to Realization 2016
	Proyeksi RKAP RKAP Projection	Realisasi Realization	Δ%		
Pendapatan Usaha Revenue	1.894	1.999	106%	1.533	130
Beban Usaha Operating Expenses	1.434	1.394	97%	1.148	121
Laba Bersih Net Profit	170	251	148%	191	131
EBITDA	923	1.172	127%	848	138

Keterangan : Dalam Juta USD | Note: In Million USD

Tabel Posisi Keuangan: Target dan Realisasi 2017 dan Perbandingan Realisasi 2016

Table of Financial Position: Target and Realization in 2017 and Realization Comparison in 2016

Uraian Description	2017			Realisasi 2016 Realization 2016	Δ% Realisasi 2017 Terhadap Realisasi 2016 Δ% Realization 2017 to Realization 2016
	Proyeksi RKAP RKAP Projection	Realisasi Realization	Δ%		
Aktiva Assets					
Aktiva Lancar Current Assets	874	842	96	811	104
Aktiva Tidak Lancar Non-Current Assets	4.366	3.939	90	4.097	96
Total Aktiva Total Assets	5.240	4.781	91	4.908	97
Liabilitas Liability					
Liabilitas Lancar Current Liability	1.014	1.478	146	1.229	120
Liabilitas Tidak Lancar Non-Current Liability	2.071	1.235	60	1.738	71
Total Liabilitas Total Liability	3.085	2.712	88	2.968	91
Ekuitas Equity					
Ekuitas Equity	2.155	2.068	96	1.940	107
Total Liabilitas dan Ekuitas Total Liabilities and Equity	5.240	4.781	91	4.908	97

Keterangan : Dalam Juta USD | Note: In Million USD

Target atau Proyeksi yang Ingin Dicapai untuk Satu Tahun Mendatang

Target or Projections to be Achieved for the Coming Year

PHE telah menetapkan RKAP tahun 2018 yang disusun dengan mempertimbangkan berbagai faktor internal dan eksternal yang diperkirakan dapat mempengaruhi kinerja keuangan dan operasional dalam satu tahun mendatang.

Proyeksi perolehan Pendapatan Usaha sesuai RKAP 2018 adalah USD1.978 juta. Target tersebut lebih kecil USD21 juta atau 99% dari realisasi perolehan Pendapatan Usaha tahun 2017 sebesar USD1.999 juta.

Proyeksi Beban Usaha sesuai RKAP 2018 adalah USD1.515 juta. Jumlah tersebut bertambah USD121 juta atau 109% dari realisasi Beban Usaha tahun 2017 sebesar USD1.394 juta.

PHE menargetkan perolehan Laba Usaha pada tahun 2018 sebesar USD462 juta. Jumlah tersebut berkurang USD189 juta atau 71% dari realisasi perolehan Laba Usaha tahun 2017 sebesar USD651 juta.

Untuk pencapaian EBITDA, sesuai RKAP 2018 ditargetkan mencapai USD910 juta. Proyeksi tersebut lebih kecil USD262 juta atau 78% dari realisasi pencapaian EBITDA pada tahun 2017 sebesar USD1.172 juta. Berikut tabel target atau proyeksi yang ingin dicapai dalam 1 (satu) tahun mendatang:

PHE has set 2018 RKAP which was prepared by considering various internal and external factors which are expected to affect financial and operational performance for the coming year.

Based on the 2018 RKAP, the projected Revenue is USD1,978. The target is lower by USD21 million or 99% compared to the 2017 Revenue realization which reached USD1,999 million.

The projected Operating Expenses in the 2018 RKAP is USD1,515 million. The amount increased by USD121 million or 109% of the 2017 Operating Expenses which reached USD1,394million.

PHE targeted Operating Income in 2018 at USD462 million. The amount decreased by USD189 million or 71% of the 2017 Operating Income realization which reached USD651 million.

In terms of EBITDA achievement, based on RKAP 2018 it was targeted at USD910 million. The projection was lower by USD262 million or 78% of the 2017 EBITDA realization which reached USD1,172 million. Below are tables of target or projection to be achieved for the coming year:

Tabel Perbandingan Laba (Rugi) Target RKAP 2018 dan Realisasi 2017

Table of Comparison of Profit (Loss) of Target in 2018 RKAP and Realization Comparison in 2017

Uraian Description	Proyeksi RKAP 2018 RKAP Projection 2018	Realisasi 2017 Realization 2017	Δ% Proyeksi 2018 Terhadap Realisasi 2017 Δ% RKAP 2018 to Realization 2017
Pendapatan Usaha Revenue	1.978	1.999	99
Beban Usaha Operating Expenses	1.584	1.394	114
Laba Bersih Net Profit	212	251	84
EBITDA	910	1.172	78

Keterangan : Dalam Juta USD | Note: In Million USD

Tabel Posisi Keuangan: Perbandingan Target RKAP 2018 dan Realisasi 2017

Table of Financial Position: Target and Realization in 2017 and Realization Comparison in 2018

Uraian Description	Proyeksi RKAP 2018 RKAP Projection 2018	Realisasi 2017 Realization 2017	Δ% Proyeksi 2018 Terhadap Realisasi 2017 Δ% RKAP 2018 to Realization 2017
Aktiva Assets			
Aktiva Lancar Current Assets	905	842	107
Aktiva Tidak Lancar Non-Current Assets	4.578	3.939	116
Total Aktiva Total Assets	5.483	4.780	115
Liabilitas Liability			
Liabilitas Lancar Current Liability	939	1.477	64
Liabilitas Tidak Lancar Non-Current Liability	2.381	1.234	193
Total Liabilitas Total Liabilities	3.319	2.712	122
Ekuitas Equity			
Ekuitas Equity	2.163	2.068	105
Total Liabilitas dan Ekuitas Total Liabilities and Equity	5.483	4.780	115

Keterangan : Dalam Juta USD | Note: In Million USD

Uraian tentang Prospek Usaha Perusahaan

Description on Company Business Prospect

Berbeda dengan sektor industri lain, industri migas memiliki karakteristik unik. Migas sebagai sumber energi menjadi kebutuhan sektor industri lain, baik sebagai sumber energi maupun bahan baku.

Kebutuhan migas juga berbanding lurus dengan pertumbuhan ekonomi yang terjadi, baik di tataran global, regional maupun nasional. Melambatnya pertumbuhan ekonomi dua tahun terakhir, berimbas pada rendahnya permintaan migas. Ditambah fluktuasi harga minyak dunia yang sempat menyentuh titik terendah, membuat prospek industri migas tidak lagi menjanjikan. Ditambah lagi saat dunia mulai memikirkan alternatif energi baru dan terbarukan (EBT), serta energi fosil nonkonvensional.

Kondisi tersebut mempengaruhi banyak perusahaan hulu migas, tidak terkecuali PT Pertamina Hulu Energi (PHE). Tidak sedikit yang kemudian menghentikan kegiatan operasi dan menunda kelanjutan investasi. Satuan Kerja Khusus Pelaksana Kegiatan Hulu Migas (SKK) migas mencatat, realisasi investasi sektor hulu migas pada tahun 2016 sebesar USD10,43 miliar. Jumlah tersebut turun dibanding nilai investasi pada tahun 2015 sebesar USD15,34 miliar.

Namun, tidak demikian dengan PHE yang tetap dituntut menjaga tingkat produksi maupun lifting migas karena menjadi bagian dari rantai pasok dan ketahanan energi nasional. Efisiensi dan inovasi berkelanjutan menjadi kata kunci untuk bisa bertahan dan tetap meraih keuntungan, serta memberikan kontribusi untuk meningkatkan kesejahteraan dan menjaga kelestarian lingkungan.

Ketika banyak perusahaan hulu migas menghentikan kegiatan operasional, PHE tetap eksis. Bahkan PHE memastikan, bisnis hulu migas memiliki prospek usaha yang berkelanjutan. Seiring membaiknya keadaan ekonomi nasional, kebutuhan migas juga mengalami peningkatan, sehingga memberikan pengaruh positif bagi industri migas.

Unlike other industrial sectors, oil and gas industry has unique characteristics. Oil and gas as energy source has become a need for other industrial sectors, either as energy source or raw material.

The needs in oil and gas is also directly proportional to the occurring economic growth at global, regional, and national level. The slowing economic growth in the last two years resulted in low oil and gas demand. Moreover, a fluctuate world oil price which had touched the lowest point caused the prospect in oil and gas industry no longer promising. At the same time the world just started to consider alternative new and renewable energy, as well as nonconventional fossil energy.

Such condition affected many upstream oil and gas companies, including PT Pertamina Hulu Energi (PHE). The companies then terminated its operating activities and delayed any investment continuation. Special Task Force for Upstream Oil and Gas Business Activities (SKK Migas) recorded USD10.43 billion for investments realized in upstream oil and gas sector. The amount decreased compared to the 2015 investment value which reached USD15.34 billion.

However, PHE was still demanded to maintain its oil and gas production and lifting due to being part in the supply chain and national energy security. Sustainable efficiency and innovation are the keywords to survive and continue gaining profits, as well as give contribution in order to increase welfare and maintain environmental preservation.

While many upstream oil and gas companies terminating its operating activities, PHE maintains to exist. In fact PHE ensures the upstream oil and gas business has sustainable business prospects. As national economy improved, the needs of oil and gas also increased that it given positive influence to oil and gas industry.

SKK Migas menyebut, nilai investasi sektor hulu migas pada tahun 2017 mengalami peningkatan 5% menjadi sekitar USD12 miliar–USD13 miliar, lebih tinggi dari perkiraan lembaga Wood MacKenzie Asia Pasific yang menyebut hanya 3%.

Sementara Badan Pengkajian dan Penerapan Teknologi (BPPT) mencatat permintaan energi di Indonesia akan terus bertumbuh dengan rata-rata pertumbuhan 4,3% per tahun. Permintaan energi diperkirakan akan bertambah terus hingga 3,2 juta BOE pada tahun 2035, termasuk energi yang bersumber dari minyak mentah dan gas bumi.

Pertumbuhan permintaan energi menjadikan sektor hulu migas memiliki prospek pada masa mendatang, ditambah harga minyak mentah dunia yang terus menguat dan mencapai titik tertinggi sejak tahun 2014. Di sisi lain, PHE tetap melanjutkan pendekatan efisiensi, sehingga biaya produksi migas tetap efisien, yakni USD14,8 per barel minyak dan USD0,9 per MSCF gas.

Tantangan dan Kendala

Namun untuk memastikan kesinambungan produksi dan *lifting* migas, PHE harus menjaga ketersediaan cadangan migas. Hal ini tidak terlepas dari kondisi sumur-sumur produksi yang relatif telah matang sehingga dihadapkan pada laju penurunan alamiah.

Langkah strategis yang dilakukan PHE adalah berupaya menemukan sumber cadangan baru dengan melakukan survei seismik 2D dan 3D untuk menemukan potensi kandungan hidrokarbon. Perusahaan juga melakukan pengeboran eksplorasi di blok migas yang ada di wilayah kerja PHE, serta pengeboran sumur pengembangan dan *workover*. Pengeboran sumur pengembangan dan *workover*, mampu menambah cadangan terbukti menjadi 176,15 juta barel setara minyak (MMBOE) pada kurun waktu periode pelaporan.



Iceu Cahyani
VP PPRM

SKK Migas stated in 2017 investments in oil and gas industry increased by 5% to around USD12 billion - USD13 billion, higher than the expected 3% by Wood MacKenzie Asia Pacific.

Agency for Assessment and Application of Technology (BPPT) recorded Indonesia energy demand would continue to grow with an average growth 4.3% per annum. The energy demand is expected to keep increasing up to 3.2 million BOE in 2035, including energy deriving from oil and gas.

The growth in energy demand makes upstream oil and gas sector has prospects in the future, world oil price also keeps strengthening and arrived at the highest point since 2014. On the other hand, PHE still continued applying efficiency approach in order to achieve efficient oil and gas production cost, USD14.8 per oil barrel and USD0.9 per MSCF gas.

Challenges and Obstacles

In order to ensure the continuity of oil and gas production and lifting, PHE must maintain the availability of oil and gas reserves. This was a result of the condition of production wells which were relatively ready that it was faced with natural decline.

PHE performed a strategic step by seeking new reserves source through 2D and 3D seismic so as to discover potential hydrocarbon. The Company also carried out exploration drilling in existing oil and gas blocks located in PHE working areas, as well as development and workover well drilling. The development and workover wells drilling could increase proved reserves to 176.15 million barrels of oil equivalent (MMBOE) within the reporting period.

Memasuki tahun 2018, jumlah cadangan terbukti akan semakin bertambah dengan terlaksananya pengeboran sumur eksplorasi, sumur pengembangan dan *workover*. Sesuai RKAP 2018, Perusahaan menargetkan penambahan cadangan migas terbukti menjadi 71,42 MMBOE.

Dengan tingkat cadangan yang diupayakan terus bertambah, PHE akan mampu menjaga tingkat produksi migas. Sejak memulai kegiatan produksi pertama pada tahun 2008, tingkat produksi migas terus mengalami pertumbuhan rata-rata 14% per tahun.

Terjaganya jumlah cadangan terbukti dan tingkat produksi maupun *lifting* migas, menjadikan prospek usaha PHE akan terus berkelanjutan. Perusahaan tetap dapat memastikan pasokan kebutuhan migas demi menjaga ketahanan energi nasional dan juga tetap memastikan kesinambungan usaha di masa mendatang.

Tantangan lain adalah aspek regulasi yang kerap mengalami penyesuaian, di antaranya pembaruan kebijakan kontrak bagi hasil (*production sharing contract/PSC*) yang kini berbasis *gross split*. PHE tercatat menjadi perusahaan pertama sektor hulu migas yang menerapkan skema *PSC gross split*. Penerapan skema baru ini menuntut PHE untuk merancang kegiatan yang mengedepankan efisiensi dan memastikan percepatan produksi dari tahap penemuan ke produksi.

Strategi Usaha

PHE menerapkan tiga strategi utama untuk memastikan keberlanjutan bisnis di masa mendatang, sekaligus menciptakan keunggulan dan siap menghadapi persaingan global. Tiga strategi utama dijabarkan dalam tiga langkah strategis sehingga kesinambungan bisnis akan meningkatkan nilai tambah bagi Pemegang Saham dan pemangku kepentingan lain.

At the beginning of 2018, number of proved reserves will increase abundantly with the conducted drilling of exploration, development, and workover wells. In accordance with the 2018 RKAP, the Company targeted additional proved oil and gas reserves to 71.42 MMBOE.

By maintaining the efforts to increase the number of reserves, PHE will be able to safeguard the oil and gas production level. Since the first production activities in 2008, the oil and gas production level continues to grow by average 14% per annum.

Having protected the proved reserves and oil and gas production as well as lifting level, it could help shaping the sustainable business prospects at PHE. Moreover, the Company still holds its role in ensuring oil and gas needs supply for national energy security and to secure business continuity in the future.

Another challenge lies in regulation aspect which often faced with adjustments, among which are production sharing contract policy renewal, which now changed to gross split. PHE is recorded as the first upstream oil and gas company that applies gross split PSC scheme. This new scheme application demands PHE to design activities, emphasizing on efficiency and accelerating production from discovery to production stage.

Business Strategy

PHE implements three main strategies to ensure business continuity in the coming years, as well as to create excellence and be ready with global competition. These three main strategies are translated into three strategic steps so that the business continuity will increase added value for Shareholders and other stakeholders.

Strategi Utama | Main Strategies

Fokus Operasi Domestik Secara Selektif
Focus on Domestic Operation Selectively

Membangun Kemampuan Spesifik Internal
Establish Internal Specific Capabilities

Aliansi Strategis
Strategic Alliances

Strategi Korporasi

Pertumbuhan yang fokus pada bisnis migas di dalam negeri dan selektif di luar negeri.

Strategi Bisnis

Meningkatkan keuntungan Perusahaan melalui:

- Penambahan produksi melalui optimalisasi aset eksisting, pengembangan lapangan, kegiatan EOR, dan kegiatan eksplorasi;
- Optimalisasi biaya dengan melakukan evaluasi struktur biaya setiap aset dan mengurangi biaya produksi;
- Pertumbuhan cadangan melalui kegiatan eksplorasi;
- Menerapkan HSSE Excellence.

Corporate Strategy

Growth focusing on oil and gas business in the country and selectively overseas.

Business Strategies

Increase the Company profits through:

- Intensifying production through existing assets optimization, field development, EOR activities, and exploration activities;
- Cost optimization by evaluating cost structure on each asset and reducing production cost;
- Reserves growth through exploration activities;
- Implementing HSSE Excellence.

12 Langkah Strategis | 12 Langkah Strategis

1

Efisiensi di segala lini
Efficiency in all business lines

2

Menaikkan produksi minyak dan gas bumi
Increase oil and gas production

3

Pengawasan project
Supervising project

4

Peningkatan lifting
Increasing lifting

5

Monetisasi gas
Gas monetization

6

Percepatan PIS (Place Into Service)
PIS (Place Into Service) acceleration

7

Zero Impairment

8

Preventive action untuk kasus hukum
Preventive action for legal case

9

CIP (Improvement Program)

10

Optimalisasi dan percepatan realisasi ABI (Anggaran Biaya Investasi)
Optimization and acceleration of ABI realization (Investment Cost Budget)

11

Percepatan Penentuan Status Eksplorasi (PSE)
Acceleration on Exploration Status Determination (PSE)

12

Pengembangan Sumber Daya Manusia
Human Resources Development

Uraian tentang Aspek Pemasaran

Description on Marketing Aspect

Strategi Pemasaran

Produk PHE adalah minyak mentah dan gas bumi, sehingga pemanfaatannya bersifat khusus. Dalam memasarkan produk yang dihasilkan, Perusahaan menerapkan strategi pemasaran, yakni berfokus pada *reliable buyers*, mengembangkan lapangan-lapangan baru di remote area melalui pemilihan teknologi yang sesuai dengan kondisi area tersebut.

Dalam memasarkan produksi migas, PHE memprioritaskan pemenuhan kebutuhan energi nasional.

- **Minyak Mentah**

PHE memprioritaskan penjualan untuk memenuhi kebutuhan Kilang PT Pertamina (Persero). Apabila terdapat minyak mentah yang tidak dapat diolah pada kilang PT Pertamina (Persero), maka akan dipasarkan kepada pembeli selain PT Pertamina (Persero).

- **Gas**

PHE memprioritaskan penjualan gas untuk memenuhi kebutuhan gas di area sekitar lapangan kerja dengan mengacu kepada Peraturan Pemerintah terutama terkait alokasi gas.

Sesuai dengan Permen ESDM No.06 Tahun 2016, tentang Ketentuan dan Tata Cara Penetapan Alokasi dan Pemanfaatan serta Harga Gas Bumi, pemanfaatan gas bumi untuk kebutuhan dalam negeri, dilaksanakan dengan prioritas alokasi dan pemanfaatan gas bumi, sebagai berikut:

- Mendukung program Pemerintah untuk penyediaan gas bumi bagi transportasi, rumah tangga, dan pelanggan kecil;
- Peningkatan produksi minyak dan gas bumi nasional;
- Industri pupuk;
- Industri berbasis gas bumi;
- Penyediaan tenaga listrik; dan
- Industri yang menggunakan gas bumi sebagai bahan bakar.

Marketing Strategies

PHE product is oil and gas, and its utilization is special. In advertising the products produced, the Company implements marketing strategies, which are focusing on reliable buyers, and developing new fields in remote area through technology selection that meets the area condition.

In marketing oil and gas production, PHE prioritizes the compliance of national energy needs.

- **Oil**

PHE prioritizes sales to meet the needs of PT Pertamina (Persero) Refinery. If there is oil that cannot be processed at PT Pertamina (Persero) refinery, it will be marketed to buyers besides PT Pertamina (Persero).

- **Gas**

PHE prioritizes gas sales to meet gas needs in areas around working field by referring to Government Regulation especially concerning gas allocation.

Pursuant to Minister of Energy and Mineral Resources Regulation Number 6 of 2016 on Provisions and Determination of Allocation and Utilization as well as Gas Prices, gas utilization for domestic needs is conducted with priorities gas allocation and utilization, which are as follows:

- Support Government program for gas supply for transportation, household, and small customers;
- Increase national oil and gas production;
- Fertilizer industry;
- Gas-based industry;
- Electricity provision; and
- Industry using gas as fuel.

Pangsa Pasar [102-6]

Produksi migas PHE secara langsung menjadi bagian dari produksi migas PT Pertamina (Persero) dan nasional. Perusahaan telah melakukan pemetaan dan pengukuran pangsa pasar atas produk migas. Pengukuran pangsa pasar dilakukan berdasarkan penghitungan jumlah *lifting* minyak mentah maupun gas bumi yang dikelola oleh PHE, terhadap jumlah *lifting* minyak mentah maupun gas bumi nasional.

Total *lifting* minyak mentah PHE pada tahun 2017 mencapai 25.215 MBO. Volume tersebut mencapai 8,59% dari total *lifting* minyak mentah nasional pada tahun 2017 yang mencapai 293.387 MBO, naik dibanding tahun 2016 yang mencapai 7,44% dari total *lifting* minyak mentah nasional.

Market Share [102-6]

PHE oil and gas production is directly part of PT Pertamina (Persero) and national oil and gas production. The Company has carried out market share mapping and measurement over the oil and gas products. The market share measurement is conducted based on the calculation of total oil and gas lifting managed by PHE to total national oil and gas lifting.

Total oil lifting of PHE in 2017 reached 25,215 MBO. The volume reached 8.59% of the 2017 total national oil lifting which reached 293,387 MBO, increasing compared to 7.44% in 2016 towards the total national oil lifting.

Tabel Pangsa Pasar *Lifting* Minyak Mentah PHE Terhadap Total *Lifting* Minyak Mentah Nasional

Table of Market Share of PHE Oil Lifting Towards Total National Oil Lifting

Uraian Description	2017			2016		
	Volume Volume	Total <i>Lifting</i> Nasional Total National Lifting	%	Volume Volume	Total <i>Lifting</i> Nasional Total National Lifting	%
<i>Lifting</i> PHE	25.215,5	293.387,0	8,59	22.566,1	303.479,9	7,44
<i>Lifting</i> Non-PHE	268.171,5		91,41	280.913,8		92,56
Total	293.387,0		100,00	303.479,9		100,00

Keterangan: Satuan dalam MBO | Note: Unit in MBO

Total *lifting* gas bumi PHE pada tahun 2017 sebesar 204,8 BSCF. Volume tersebut mencapai 8,78% dari total *lifting* gas bumi nasional pada tahun 2017 sebesar 2.331 BSCF, naik dibanding tahun 2016 yang mencapai 8,59% dari total *lifting* gas bumi nasional.

Total PHE gas lifting in 2017 attained 204.8 BSCF. The volume reached 8.78% of the 2017 total national gas lifting which attained 2,331 BSCF, increasing compared to 8.59% in 2016 towards the total national gas lifting.

Tabel Pangsa Pasar *Lifting* Gas Bumi PHE Terhadap Total *Lifting* Gas Bumi Nasional

Table of Market Share of PHE Gas Lifting Towards Total National Gas Lifting

Uraian Description	2017			2016		
	Volume Volume	Total <i>Lifting</i> Nasional Total National Lifting	%	Volume Volume	Total <i>Lifting</i> Nasional Total National Lifting	%
<i>Lifting</i> PHE	204,8	2.330,9	8,78	207,2	2.411,2	8,59
<i>Lifting</i> Non-PHE	2.126,1		91,22	2.204,0		91,41
Total	2.330,9		100,00	2.411,2		100,00

Keterangan: Satuan dalam BSCF | Note: Unit in BSCF

Uraian Mengenai Kebijakan Dividen dan Jumlah Dividen Kas Per Saham dan Jumlah Dividen Per Tahun

Description on Dividend Policy and Cash Dividend Per Share and Total Dividend Per Year

Kebijakan Pembagian Dividen

Kebijakan pengambilan keputusan terkait dengan pembagian dividen diputuskan berdasarkan Rapat Umum Pemegang Saham (RUPS). Penentuan pembagian dividen diatur berdasarkan Pedoman PT Pertamina (Persero) No.A-001/H00200/2011-S0 tentang Pengelolaan Anak Perusahaan dan Perusahaan Patungan Pertamina.

Keputusan pembagian dividen Perusahaan dikaitkan dengan, antara lain: laba bersih yang didapat pada tahun fiskal, kewajiban Perusahaan untuk mengalokasikan dana cadangan sesuai dengan aturan yang berlaku dan kondisi keuangan Perusahaan. Pertimbangan lain adalah tingkat pertumbuhan ke depan dan rencana ekspansi.

Total Dividen yang Dibagikan

Berdasarkan hasil RUPS Tahunan tanggal 1 Maret 2017 ditetapkan bahwa ada pembagian dividen atas laba bersih untuk tahun buku 2016 kepada Pemegang Saham. Total nilai dividen yang harus dibayarkan sebesar USD114.156.115, dengan ketentuan pembayaran dengan *cash settlement* sebesar USD14.461.198 dan offsetting dengan piutang pihak berelasi Pertamina sebesar USD99.694.917.

Untuk tahun buku 2015, RUPS tanggal 14 April 2016 menetapkan tidak ada pembagian dividen atas laba bersih Perusahaan dengan catatan utang dividen tahun buku 2014 kepada PT Pertamina (Persero) harus dibayarkan seluruhnya pada tahun 2016.

Policy on Provision of Dividends

Decision making policy concerning provision of dividends is established based on General Meeting of Shareholders (GMS). Provision of dividends determination is stipulated based on PT Pertamina (Persero) Guidelines Number A-001/H00200/2011-S0 on Management of Pertamina Subsidiaries and Joint Ventures.

Decision of the Company provision of dividends considers, among which: net profit achieved in fiscal year, the Company obligations for fund reserves in accordance with prevalent laws and regulations, and the Company financial condition. Other considerations are future growth level and expansion plan.

Total Dividends Distributed

According to the results of Annual GMS of 1 March 2017, it is determined there was dividends distributed out of net profit in fiscal year 2016 to the Shareholders. Total dividends to be paid amounting USD114,156,115 with cash settlement at USD14,461,198, and by offsetting USD99,694,917 against Pertamina related parties receivables.

In terms of fiscal year 2015, GMS of 14 April 2016 stipulates no dividends distributed out of the Company net profit, and that the outstanding in fiscal year 2014 dividends to be settled in full in 2016 to PT Pertamina (Persero).

Sedangkan untuk tahun buku 2014, RUPS tanggal 3 November 2015 menetapkan pembagian dividen sebesar USD380.802.530.

Semua utang dividen kepada Pertamina telah diselesaikan melalui *cash settlement* sebesar USD195.608.035 dan offsetting dengan piutang pihak berelasi Pertamina sebesar USD185.194.495 pada tahun 2016.

In fiscal year 2014, GMS of 3 November 2015 stipulates USD380,802,530 dividends distributed.

All dividends due to Pertamina were settled through cash settlement at USD195,608,035 and by offsetting USD185,194,495 against Pertamina related parties receivables in 2016.

Tabel Pembagian Dividen Kepada Pemegang Saham

Table of Dividends Distribution to Shareholders

Tahun Buku Fiscal Year	Total Dividen yang Dibagikan (USD) Total Dividends Distributed (USD)	Jumlah Dividen Kas Per Saham Total Dividends Cash per Share	Payout Ratio (%)	Tanggal Pengumuman Penetapan RUPS Date of Announcement of GMS Stipulation	Tanggal Pengumuman dan Pembayaran Dividen Kas Date of Announcement and Cash Dividends Payout
2016	114.156.115	2,13	100	1 Maret 2017 1 March 2017	22 Juni 2017 dan 21 Juli 2017 22 June 2017 and 21 July 2017
2015	-	-	-	14 April 2016 14 April 2016	-
2014	380.802.530	1,9	98,2	11 Maret 2015 11 March 2015	3 November 2015 3 November 2015

Realisasi Penggunaan Dana Hasil Penawaran Umum

Realization of Public Offering Proceeds Fund Realization

Hingga akhir periode pelaporan, PT Pertamina Hulu Energi (PHE) belum pernah melakukan penawaran umum saham ke publik melalui bursa efek. Dengan demikian, Laporan ini tidak menyertakan informasi terkait total perolehan dana, rencana penggunaan dana, rincian penggunaan dana, saldo dana dan tanggal persetujuan RUPS/RUPO atas perubahan penggunaan dana.

Up to the end of the reporting period, PT Pertamina Hulu Energi (PHE) has never performed public offering shares to the public through stock exchange. Hence, this Report does not provide information on total proceeds, funds use plan, funds use details, funds balance, and approval date of GMS/GMB on changes in funds use.

Informasi Material mengenai Investasi, Ekspansi, Divestasi, Akuisisi, Restrukturisasi Utang, Transaksi Afiliasi dan Transaksi Mengandung Benturan Kepentingan

Material Information on Investment, Expansion, Divestitures, Acquisition, Debt Restructuring, Affiliated Party Transactions, and Transactions with Conflict of Interest

Investasi

Keputusan Pemegang Saham Perusahaan secara sirkuler tanggal 29 Desember 2016, menyetujui pengalihan saham yang dimiliki oleh PT Pertagas di 27 entitas anak PT PHE kepada PT PHE Arun. Disetujui pula peningkatan penyertaan modal Perusahaan pada PT PHE Arun sebesar nilai yang diperlukan oleh PT PHE Arun untuk membeli saham tersebut dengan harga sesuai hasil penilaian.

Ekspansi

Selama kurun waktu periode pelaporan, PHE tidak melakukan ekspansi yang dimaksudkan untuk memperluas wilayah kerja, terutama di luar negeri. Perusahaan memusatkan kegiatan untuk mengoptimalkan wilayah kerja eksisting.

Divestasi

Pada tanggal 14 Desember 2017, Perusahaan mengalihkan saham sebesar 0,11% di PT Pertamina Drilling Services Indonesia dan 0,07% di PT Pertamina Hulu Indonesia kepada PT Pertamina Dana Ventura.

Akuisisi

Berdasarkan Keputusan Menteri Energi dan Sumber Daya Mineral tanggal 12 Mei 2016, Pertamina telah ditunjuk sebagai pengelola Wilayah Kerja East Ambalat. Pada tanggal 25 Mei 2016, PT PHE Ambalat Timur dan SKK Migas menandatangani kontrak bagi hasil (KBH) atas Blok East Ambalat untuk jangka waktu kontrak 30 tahun.

Investment

The Company circular Shareholders Decision of 29 December 2016 agreed the transfer of shares owned by PT Pertagas in 27 Subsidiaries of PHE to PT PHE Arun. An increase to PT PHE Arun capital was approved to the extent of the amount required by PT PHE Arun to acquire such shares based on appraised values.

Expansion

Within the reporting period, PHE did not perform any expansion intended to expand its working areas, especially in overseas. The Company focused all of its activities to optimize the existing working areas.

Divestitures

On 14 December 2017, the Company transferred 0.11% shares in PT Pertamina Drilling Services Indonesia and 0.07% shares in PT Pertamina Hulu Indonesia to PT Pertamina Dana Ventura.

Acquisition

Based on Minister of Energy and Mineral Resources Decree of 12 May 2016, Pertamina was appointed as the manager of East Ambalat Working Area. On 25 May 2016, PT PHE Ambalat Timur and SKK Migas signed a PSC for the East Ambalat Block for a period of 30 years.

Restrukturisasi Utang/Modal

Pada tahun 2017, PHE tidak melakukan kebijakan terkait restrukturisasi Utang/Modal.

Debt/Capital Restructuring

In 2017, PHE did not perform any policies related on Debt/Capital restructuring.

Informasi Transaksi Material yang Mengandung Benturan Kepentingan dan/atau Transaksi dengan Pihak Afiliasi

Information of Material Transactions which has Conflict of Interest and/or with its Affiliated Parties

Selama kurun waktu periode pelaporan PT Pertamina Hulu Energi (PHE) tercatat melakukan transaksi dengan pihak berelasi, yakni PT Pertamina (Persero) dan entitas anaknya. Transaksi meliputi pembiayaan, pembelian bahan bakar, pembebanan imbalan kerja karyawan perbantuan, pembebanan biaya bunga dan biaya asuransi, dividen, dan transaksi penyerahan barang/jasa lainnya. Selain itu, terdapat transaksi lain dengan pihak asosiasi maupun afiliasi.

During the reporting period, PT Pertamina Hulu Energi (PHE) was recorded performing transactions with related parties, among which are PT Pertamina (Persero) as holding company, other Pertamina Subsidiaries, and companies with relations to the Government. Such transactions involve financing, fuel purchase, allocation of seconded employees' past-service costs, interest and insurance expenses, dividends and other goods/services transactions. Furthermore, there were other transactions with associates and affiliated parties.

Penjelasan mengenai Kewajaran Transaksi

PHE memastikan transaksi yang terjadi bersifat wajar dan dilaksanakan melalui mekanisme yang transparan. Transaksi yang berlangsung mengedepankan pemenuhan peraturan dan ketentuan terkait. Sampai dengan akhir periode pelaporan, Perusahaan tidak pernah mendapatkan sanksi terkait dugaan ketidakwajaran atas transaksi yang terjadi maupun dugaan adanya benturan kepentingan.

Description on the Fairness of the Transactions

PHE assures transactions that occurs are fair and conducted through transparent mechanism. These transactions prioritize compliance to relevant regulations and stipulations. Up to the end of the reporting period, the Company never received any sanctions related to allegation of irregularities on the occurred transactions and any conflict of interests.

Tabel Nama Pihak yang Bertransaksi dan Sifat Hubungan Afiliasi

Table of Name of the Transacting Parties and Nature of the Affiliations

Hubungan Relations	Pihak Berelasi Related Parties
Pemegang Saham Shareholders	PT Pertamina (Persero)
	PT Pertamina Dana Ventura
	PT Pertamina Drilling Contractor
	PT Pertamina Hulu Indonesia
	PT Pertamina Hulu Mahakam
Perusahaan Asosiasi Associate	PT Donggi Senoro LNG (DSLNG)
	Natuna 2BV
Entitas Sepengendali Entities under Common Control	Pertamina Energy Trading Ltd (PETRAL)
	PT Pertamina EP (PEP)
	PT Pertamina Gas (Pertagas)
	PT Pertagas Niaga
	PT Pertamina Drilling Services Indonesia (PDSI)
	PT Pelita Air Service (PAS)
	PT Pertamina Tongkang / PT Pertamina Trans Kontinental (PTK)
	PT Pertamina Retail
	PT Pertamina Bina Medika (Pertamedika)
	PT Tugu Pratama Indonesia (TPI)
	PT Mitra Tours and Travel (Mitra Tours)
	PT Pertamina EP Cepu (EP Cepu)
	PT Patra Jasa (Patra Jasa)
	PT Patra Niaga
	PT Pertamina Training and Consulting (PTC)
	PT Pertamina Geothermal Energi (PGE)
	PT Nusantara Regas
PT Elnusa (Elnusa)	
PT Pertamina International Shipping (PIS)	
Entitas yang Berelasi dengan Pemerintah Entities Related with Government	PT Perusahaan Listrik Negara (Persero) (PLN)
	PT Perusahaan Gas Negara (Persero) (PGN)
	PT Pupuk Indonesia (Persero)
	PT Petrokimia Gresik
	PT Gresik Migas
	Perusahaan Daerah Pertambangan dan Energi (PDPE)
	PT Bank Mandiri (Persero) Tbk.
	PT Bank Negara Indonesia (Persero) Tbk.
PT Bank Rakyat Indonesia (Persero) Tbk	

Hasil audit menyatakan bahwa transaksi material dengan pihak afiliasi masih dalam batas kewajaran. Kebijakan perusahaan terkait dengan mekanisme review atas transaksi, di antaranya:

- Penjualan minyak mentah ke pihak berelasi ditetapkan berdasarkan Indonesian *Crude Price* (ICP) bulanan yang ditetapkan Direktorat Jenderal Migas Kementerian ESDM.
- Penjualan gas ke pihak berelasi ditetapkan berdasarkan kontrak-kontrak penjualan gas yang disetujui oleh Peraturan Menteri ESDM.
- Jasa transportasi gas dari Pertagas berdasarkan tarif yang ditetapkan oleh Badan Pengatur Hilir Minyak dan Gas Bumi (BPH Migas).
- Beban usaha dari pihak berelasi lainnya berdasarkan harga yang disepakati kedua belah pihak.

Alasan dilakukannya transaksi dengan pihak afiliasi di antaranya:

- PHE merupakan bagian dari industri energi terintegrasi yang lebih besar di bawah Perusahaan induk PT Pertamina (Persero);
- Transaksi dengan pihak berelasi terjadi karena sifat transaksi terkait operasional perusahaan.

Transaksi material ini dilakukan untuk pemenuhan peraturan dan ketentuan terkait Pengungkapan Pihak-pihak Berelasi yang diatur pada PSAK 7. Berikut tabel realisasi transaksi pada periode tahun buku terakhir dan sebelumnya.

Audit results stated material transactions with affiliated parties are still within the limit of fairness. The Company policies on review mechanism of transactions, among which are:

- Oil sales to related parties are determined based on monthly Indonesian Crude Price (ICP) which stipulated by Directorate General of Oil and Gas, Ministry of Energy and Mineral Resources.
- Gas sales to related parties are determined based on gas sales contracts approved by Minister of EMR Regulation.
- Gas transportation services from Pertagas based on the stipulated tariff by Regulatory Agency for Upstream Oil and Gas (BPH Migas).
- Operating expenses from other related parties based on the prices agreed by both parties.

The following are the reasons underlying the transactions with affiliated parties:

- PHE is part of a larger integrated energy industry under a holding company, PT Pertamina (Persero);
- Transactions with related parties took place due to the nature of the transaction concerning the company operations.

The material transactions were conducted to comply to regulations and stipulations related to Related Parties Disclosure regulated in SFAS 7. Below is table of transaction realizations for the last and previous fiscal year.

Tabel Realisasi Transaksi Pada Periode dengan Pihak Berelasi Tahun 2016 dan 2017

Table of Transaction Realization with Related Parties in the Period of 2016 and 2017

No	Nama Name	Hubungan Relations		Transaksi 2017 (USD) Transaction 2017 (USD)	Transaksi 2016 (USD) Transaction 2016 (USD)
Piutang Usaha Trade Receivables					
1	PLN	Berelasi dengan Pemerintah	Entities related to Government	40.203.522	19.893.632
2	PT Pupuk Indonesia (Persero)	Berelasi dengan Pemerintah	Entities related to Government	14.816.752	8.474.975
3	PGN	Berelasi dengan Pemerintah	Entities related to Government	6.097.991	10.335.365
4	PT Gresik Migas	Berelasi dengan Pemerintah	Entities related to Government	1.767.369	835.584
5	PEP	Entitas sepengendali	Entities under common control	574.429	276.094
6	DSLNG	Perusahaan asosiasi	Associates	14.788.954	12.030.675
7	Lainnya Others			2.098.230	583.248
Piutang Lain-lain - Pihak Berelasi Other Receivables - Related Parties					
1	DSLNG	Perusahaan asosiasi	Associates	109.457.599	105.285.910
2	Natuna 2BV	Perusahaan asosiasi	Associates	7.463.557	4.186.278
3	PEP	Entitas sepengendali	Entities under common control	12.589.098	1.973.090
4	Lain-lain Others			2.411.138	238.676
Utang Usaha - Pihak Berelasi Trade Payables - Related Parties					
1	PT Pertamina (Persero) - neto	Pemegang saham	Shareholders	557.981.076	345.971.716
2	Pertagas	Entitas sepengendali	Entities under common control	11.613.037	13.560
3	PIS	Entitas sepengendali	Entities under common control	6.561.437	-
4	Elnusa	Entitas sepengendali	Entities under common control	2.261.906	2.751.754
5	PEP	Entitas sepengendali	Entities under common control	2.512.286	801.552
6	PAS	Entitas sepengendali	Entities under common control	559.947	264.148
7	TPI	Entitas sepengendali	Entities under common control	153.323	189.842
8	PTK	Entitas sepengendali	Entities under common control	166.415	119.526
9	PDSI	Entitas sepengendali	Entities under common control	392.196	-
10	PGC	Entitas sepengendali	Entities under common control	865.321	-
11	Lain-lain Others	Entitas sepengendali	Entities under common control	253.900	185.876

No	Nama Nama	Hubungan Hubungan		Transaksi 2017 (USD) Transaksi 2017 (USD)	Transaksi 2016 (USD) Transaksi 2016 (USD)
Utang Lain-lain - Pihak Berelasi Other Payables - Related Parties					
1	PEP	Entitas sepengendali	Entities under common control	2.092.389	26.139
2	Elnusa Tbk	Entitas sepengendali	Entities under common control	87.673	443.483
3	Pertagas	Entitas sepengendali	Entities under common control	477.528	4.544.514
4	Lain-lain (masing-masing di bawah USD1.000.000) Others (each below USD1000,000)	Entitas sepengendali	Entities under common control	183.066	949.986
Pinjaman - Pihak Berelasi Loan - Related Parties					
1	PT Pertamina (Persero)	Pemegang saham	Shareholders	172.495.226	636.711.451
Pendapatan Usaha - Pihak Berelasi Income - Related Parties					
1	PT Pertamina (Persero)	Pemegang saham	Shareholders	831.066.307	550.118.009
2	PLN	Berelasi dengan Pemerintah	Entities related to Government	294.312.999	329.353.437
3	PT Pupuk Indonesia (Persero)	Entitas yang berelasi dengan Pemerintah	Entities related to Government	152.643.375	135.962.824
4	PGN	Entitas sepengendali	Entities under common control	121.930.252	114.234.919
5	DSLNG	Perusahaan asosiasi	Associates	141.249.072	120.719.177
6	PDPDE	Entitas yang berelasi dengan Pemerintah	Entities related to Government	6.842.081	7.674.577
7	PT Pertagas	Entitas sepengendali	Entities under common control	33.375.245	5.920.667
8	PT Gresik Migas	Entitas yang berelasi dengan Pemerintah	Entities related to Government	9.503.055	1.082.563
9	Lainnya Others			9.687.268	-
Pendapatan Bunga - Pihak Berelasi Interest Income - Related Parties					
1	PT Bank Mandiri (Persero) Tbk.	Entitas yang berelasi dengan Pemerintah	Entities related to Government	100.883	107.746
2	PT Bank Negara Indonesia (Persero) Tbk.	Entitas yang berelasi dengan Pemerintah	Entities related to Government	116.031	166.110
3	PT Bank Rakyat Indonesia (Persero) Tbk.	Entitas yang berelasi dengan Pemerintah	Entities related to Government	537.170	286.092
4	PT Bank Tabungan Negara (Persero) Tbk.	Entitas yang berelasi dengan Pemerintah	Entities related to Government	292.602	146

Program Kepemilikan Saham oleh Karyawan dan/atau Manajemen yang dilaksanakan Perusahaan (ESOP/MSOP)

Employee and/or Management Share Ownership Program Implemented by Company (ESOP/MSOP)

Sampai dengan akhir tahun 2017, PHE belum memiliki kebijakan atau program kepemilikan saham oleh karyawan maupun manajemen (ESOP/MSOP). Dengan demikian, Laporan ini tidak menyertakan informasi mengenai jumlah saham ESOP/MSOP dan realisasinya, jangka waktu, persyaratan karyawan dan/atau manajemen yang berhak, serta harga *exercise* dari saham yang ditawarkan dalam program tersebut.

Kepemilikan Saham Dewan Komisaris dan Direksi

PT Pertamina Hulu Energi kepemilikan sahamnya dikuasai oleh PT Pertamina (Persero) dan PT Pertamina Dana Ventura. Tidak ada Dewan Komisaris dan Direksi maupun anggota keluarga yang memiliki saham di PT Pertamina Hulu Energi. Meski bukan perusahaan terbuka, namun PHE menyatakan ini karena memperhatikan prinsip transparansi dengan standar yang tinggi, sesuai dengan POJK No.11/POJK.04/2017 tentang Laporan Kepemilikan atau Setiap Perubahan Kepemilikan Perusahaan Terbuka.

Up to the end of 2017, PHE has yet to have employee and/or management share ownership program or policy. Hence, this Report does not provide information on number of ESOP/MSOP shares and its realization, duration, entitled employee and/or management requirements, as well as exercise prices of the offered shares in the program.

Share Ownership of the Board of Commissioners and Board of Directors

PT Pertamina Hulu Energi share ownership is controlled by PT Pertamina (Persero) and PT Pertamina Dana Ventura. There are no members of the Board of Commissioners and Directors nor family that has ownership in PT Pertamina Hulu Energi. Although it is not publicly listed, PT PHE stated this due to its consideration towards highly-standard transparency principle in accordance with Financial Service Authority Regulation Number 11/POJK.04/2017 on Report of Ownership or Every Change of Ownership in Publicly-Listed Company.

Uraian Mengenai Perubahan Peraturan Perundang-undangan terhadap Perusahaan pada Tahun Buku

Description on Regulatory Legislations Changes to the Company within the Fiscal Year

Nama Peraturan Perundang-undangan yang Mengalami Perubahan

The Name of the Amended Legislations

Ketentuan Tentang Skema *Gross Split*

Stipulations on Gross Split Scheme

Memasuki tahun 2017, Pemerintah menerbitkan ketentuan yang mengatur tentang skema gross split, yakni:

Upon the beginning of 2017, the Government issued stipulations that regulate gross split scheme, which are as follows:

- Peraturan Menteri ESDM No.08 Tahun 2017 tentang Kontrak Bagi Hasil Gross Split, tertanggal 13 Januari 2017 ("Permen ESDM 8/2017").
- Peraturan Menteri ESDM No.52 Tahun 2017 tentang Perubahan Atas Permen ESDM No.8 Tahun 2017 Tentang Kontrak Bagi Hasil Gross Split, tertanggal 29 Agustus 2017 ("Permen ESDM 52/2017").
- Peraturan Pemerintah No.53 Tahun 2017 tentang Perlakuan Perpajakan Pada Kegiatan Usaha Hulu Minyak dan Gas Bumi dengan Kontrak Bagi Hasil Gross Split, tertanggal 27 Desember 2017.

- Minister of Energy and Mineral Resources Regulation Number 8 of 2017 on Gross Split Production Sharing Contract dated 13 January 2017 ("Permen ESDM 8/2017").
- Minister of Energy and Mineral Resources Regulation Number 52 of 2017 on Amendment of Minister of Energy and Mineral Resources Regulation Number 8 of 2017 on Gross Split Scheme, dated 29 August 2017 ("Permen ESDM 52/2017").
- Government Regulation Number 53 of 2017 on Tax Treatment on Upstream Oil and Gas Business Activities using Gross Split Production Sharing Contract, dated 27 December 2017.

- Peraturan Menteri ESDM No.26 Tahun 2017 tentang Mekanisme Pengembalian Biaya Investasi Pada Usaha Hulu Minyak dan Gas Bumi ("Permen ESDM 26/2017") juncto Peraturan Menteri ESDM No. 47 Tahun 2017 tentang Perubahan atas Peraturan Menteri ESDM No.26 Tahun 2017 tentang Mekanisme Pengembalian Biaya Investasi Pada Usaha Hulu Minyak dan Gas Bumi ("Permen ESDM 47/2017").

Dampaknya (Kuantitatif dan/atau Kualitatif) terhadap Perusahaan

Perubahan peraturan perundang-undangan di atas dibuat untuk tetap menjaga iklim investasi hulu migas. Perubahan tersebut di antaranya adalah terkait dengan penambahan prosentase split pada beberapa aspek sebagai berikut:

- POD-II: Tambahan split sebesar 3%;
- Ketersediaan infrastruktur penunjang Migas (*Onshore*): Tambahan split sampai dengan 4%;
- Kandungan hidrogen-sufida (H^2S): Tambahan split sampai dengan 5%;
- Fase Produksi: Tambahan split sampai dengan 10%; dan
- Kumulatif Produksi Migas: Tambahan Split sampai dengan 10%.

Permen ESDM 52/2017 menyebutkan bahwa Menteri ESDM diberikan diskresi untuk dapat memberikan tambahan prosentase kepada KKKS yang mengelola lapangan yang tidak mencapai keekonomian tertentu (tidak ekonomis) hingga lebih dari 5% dengan Penetapan Menteri dimana sebelumnya dalam Permen ESDM 8/2017, Menteri ESDM hanya boleh memberi tambahan split paling banyak sebesar 5%.

- Minister of Energy and Mineral Resources Regulation Number 26/2017 on Recovery of Investment Costs Mechanism in Upstream Oil and Gas Business ("Permen ESDM 26/2017") juncto Minister of Energy and Mineral Resources Regulation Number 47 of 2017 on Amendment of Minister of Energy and Mineral Resources Number 26 of 2017 on Recovery of Investment Costs Mechanism in Upstream Oil and Gas Business ("Permen ESDM 47/2017").

Impacts (Quantitative and/or Qualitative) to the Company

The above changes in legislations were made to maintain the investment climate of upstream oil and gas. Such changes among which is related to additional split percentage in several aspects below:

- POD-II: 3% additional split;
- Availability of oil and gas supporting infrastructure (*Onshore*): Additional split up to 4%.
- Hydrogen-sulfide content (H^2S): Additional split up to 5%.
- Production Phase: Additional split up to 10%; and
- Cumulative Oil and Gas Production: Additional split up to 10%.

Permen ESDM 52/2017 stated that Minister of Energy and Mineral Resources was given the discretion to give additional percentage to KKKS which manages fields with no specific economy (not economic) up to more than 5% wherein the previous Minister Determination in Permen ESDM 8/2017, the Minister of Energy and Mineral Resources could only give additional split up to 5%.

Namun sebaliknya, dalam hal perhitungan komersialisasi lapangan atau beberapa lapangan melebihi keekonomian tertentu bagi Kontraktor, Menteri ESDM dapat menetapkan tambahan prosentase bagi hasil untuk Negara. Hal ini akan berdampak bagi hasil untuk Kontraktor dapat menjadi berkurang.

Kontrak Bagi Hasil *Gross Split* menggunakan mekanisme bagi hasil awal (*base split*) yang disesuaikan berdasarkan komponen variabel dan komponen progresif. Besaran bagi hasil awal (*base split*) yang dimaksud adalah untuk minyak bumi sebesar 57% bagian Negara dan 43% bagian Kontraktor, untuk gas bumi sebesar 52% bagian Negara dan 48% bagian Kontraktor. Adapun *base split* ini nantinya digunakan sebagai acuan dasar dalam penetapan bagi hasil pada saat persetujuan rencana pengembangan lapangan. Adapun untuk penerimaan Kontraktor dihitung berdasarkan prosentase gross produksi setelah dikurangi pajak penghasilan.

Ketentuan skema gross split ini diberlakukan pertama kali di Indonesia, khususnya di lingkungan Perseroan melalui penandatanganan kontrak kerja sama bagi hasil untuk wilayah kerja Onshore North West Java (ONWJ) oleh PT Pertamina Hulu Energi Onshore North West Java (PHE ONWJ).

Dampak lain bagi Perseroan dengan adanya mekanisme gross split ini di antaranya sebagai berikut:

- Perseroan (Kontraktor) dapat melakukan pengadaan atas barang dan jasa secara mandiri tanpa melalui mekanisme persetujuan dari SKK Migas sehingga pelaksanaan operasi migas lebih cepat, efektif, dan efisien, namun tetap terkendali.

Meanwhile, in calculating the commercialization of one or several fields that exceed specific economy for Contractor, Minister of Energy and Mineral Resources could set additional percentage of production sharing for the Nation. This will diminish the Contractor's production sharing.

Gross Split Production Sharing Contract uses base split mechanism which adjusted to variable and progressive components. The amount of base split mentioned for oil was 57% the Nation and 43% Contractor, whilst for gas was 52% the Nation and 48% Contractor. These base splits then be used as baseline in production sharing determination upon approving field development plan. The Contractor receipts is calculated based on gross production percentage after deducted by income tax.

This gross split scheme stipulation is enforced for the first time in Indonesia, especially in the environment of the Company through production sharing cooperation contract signing for Onshore North West Java working area (ONWJ) by PT Pertamina Hulu Energi Onshore North West Java (PHE ONWJ).

The following are the other impacts endured by the Company by implementing the gross split mechanism:

- The Company (Contractor) could perform goods and services procurement independently without obtaining approval from SKK Migas causing the oil and gas operations swifter, more effective, and efficient, yet still under control.

- Terdapat kewajiban sewa atas barang operasi dan tanah yang telah menjadi milik negara (BMN) yang secara langsung digunakan dalam kegiatan usaha hulu migas, sehingga mempengaruhi komposisi pembagian split untuk bagian Kontraktor.
- Perubahan pola hubungan antara Perusahaan (Kontraktor) dan SKK Migas di mana pengusulan dan monitoring anggaran operasi (WP&B) tidak lagi memerlukan persetujuan dari SKK Migas, namun untuk program kegiatannya tetap memerlukan persetujuan SKK Migas. Disamping itu, Kontraktor tidak wajib mengajukan persetujuan untuk AFE kepada SKK Migas.
- Rent due on operational goods and land which has become the state property (BMN) which used directly in upstream oil and gas business activities, influencing the composition of split distribution for Contractor.
- Changes in relationship between the Company (Contractor) and SKK Migas wherein operating budget proposal and supervising (WP&B) no longer needed SKK Migas approval, except in activity programs. Additionally, the Contractor was not obligated to propose an approval for AFE to SKK Migas.

Selain hal di atas, terdapat pengaturan yang juga dapat mempengaruhi perhitungan keekonomian Kontraktor (Perseroan) di antaranya:

- Ketentuan mengenai pengalihan *participating interest* 10% kepada BUMD sesuai dengan Peraturan Menteri ESDM Nomor 37 Tahun 2016 tentang Ketentuan Penawaran *Participating Interest* 10% (Sepuluh Persen) Pada Wilayah Kerja Minyak dan Gas Bumi ("Permen ESDM 37/2016"). Sesuai dengan Permen ESDM 37/2016 tersebut Kontraktor wajib menanggung sepenuhnya terlebih dahulu biaya-biaya yang seharusnya ditanggung oleh BUMD secara proporsional.
- Ketentuan untuk membayar biaya-biaya investasi yang belum dikembalikan pada PSC sebelumnya (*undepreciated balance*) dan wajib dikembalikan oleh Perseroan (dalam hal ini PHE ONWJ) kepada kontraktor lama tersebut sebagaimana diatur dalam Permen ESDM 26/2017 juncto Permen ESDM 47/2017.
- Stipulation on the 10% participating interest transfer to ROE in accordance with Minister of Energy and Mineral Resources Regulation Number 37 of 2016 on Stipulation of 10% Participating Interest Offering (ten percent) in Oil and Gas Working Area ("Permen ESDM 37/2016). According to the Permen ESDM 37/2016, the Contractor is obliged to fully borne in advance by costs which are supposed to be borne by ROE proportionally.
- Stipulation on paying investment costs that have yet to be returned in the previous PSC (undepreciated balance) and must be returned by the Company (in this case PHE ONWJ) to the existing Contractor as regulated in Permen ESDM 26/2017 juncto Permen ESDM 47/2017.

Apart from the above, there were arrangements that could affect the Contractor (Company) calculation of economy, among which are:

Uraian Mengenai Perubahan Kebijakan Akuntansi yang Diterapkan Perusahaan Pada Tahun Buku

Description on Accounting Policies Changes Applied by the Company within the Fiscal Year

Perubahan Kebijakan

Pada tahun 2017, tidak terdapat perubahan kebijakan akuntansi yang dilaksanakan dalam rangka pembuatan laporan keuangan sehingga tidak ada alasan perubahan kebijakan akuntansi dan dampaknya secara kuantitatif terhadap laporan keuangan.



Yelly Hesnety

VP Controller

Changes of Policies

In 2017, there were no changes in accounting policies during the preparation of financial statement, therefore there are no reasons for changes in accounting policies and its effects quantitatively to the financial statement.

Informasi Kelangsungan Usaha

Business Continuity Information

Sebagai industri migas di sektor hulu, hal-hal yang berpotensi memiliki pengaruh signifikan terhadap kelangsungan usaha Perusahaan pada tahun buku terakhir:

Faktor Eksternal

- Fluktuasi harga minyak dunia
Tingkat harga minyak dunia menjadi acuan penetapan harga jual Indonesia *Crude Price* (IPC) oleh Direktorat Jenderal Migas Kementerian ESDM. Tingkat harga IPC menentukan keekonomian lapangan dan berpengaruh langsung pada perolehan Pendapatan Usaha dan Laba Usaha PHE.

As oil and gas industry in upstream sector, these are points that have the potential to significantly affect the Company business continuity in the last fiscal year:

External Factor

- World oil price fluctuations
The level of world oil prices became the baseline of Indonesia *Crude Price* (IPC) retail pricing by Directorate General Oil and Gas, Ministry of Energy and Mineral Resources. The IPC price level determined field economics and directly affected PHE Revenue and Operating Income.

- Jumlah cadangan terbukti migas
Migas termasuk energi fosil yang ketersediaannya sangat terbatas sehingga dapat habis ditambang. Untuk itu, ketersediaan cadangan harus senantiasa terjaga agar kelangsungan usaha PHE dapat terjamin.
- Regulasi dan perizinan
Perubahan regulasi yang kerap terjadi dan rumitnya perizinan memberikan ketidakpastian bagi kelangsungan usaha karena berpengaruh bagi kelanjutan tahapan pengembangan operasi dan usaha PHE.

- Total oil and gas proved reserves
Oil and gas is viewed as fossil energy with overly limited availability that eventually it will be reached exhaustion. Therefore, supply availability must be maintained in order to guarantee the business continuity of PHE.
- Regulations and permits
The recurring changes in regulations and complexities in permits contributed uncertainties for the business continuity, as it affected PHE operational and business development continuity.



Faktor Internal

- Dukungan dari PT Pertamina (Persero) sebagai Pemegang Saham mayoritas;
- Wilayah kerja yang meliputi 50 *participating interest* (PI) yang berpotensi memiliki kandungan migas, dan tersebar di dalam serta luar negeri;
- Kinerja produksi yang cukup tinggi;
- Risiko eksplorasi yang cukup tinggi, dengan semakin sulitnya menemukan cadangan migas baru;
- Kinerja finansial yang sehat;
- Reputasi yang diakui oleh partner bisnis;
- SDM berpengalaman dan berkompeten;
- Optimalnya pengendalian kinerja operator/*partner*;
- *Improvement* harga jual gas di atas *market price* Indonesia;
- Penguasaan teknologi *offshore*; dan
- Diversifikasi produk.

Internal Factor

- Support from PT Pertamina (Persero) as the majority Shareholder;
- Working area encompassing 50 *participating interest* (PI) with potential oil and gas, and spread in the country and overseas;
- Relatively high production performance;
- Relatively high exploration risks while increasingly difficult in obtaining new oil and gas reserves;
- Sound financial performance;
- Recognized reputation by business partner;
- Experienced and competent HR;
- Optimized operator/*partner* performance control;
- Improved gas retail prices above Indonesia market price;
- Understanding offshore technology; and
- Product diversification.

Peluang Perusahaan

- Konsumsi migas cenderung meningkat, seiring dengan pertumbuhan ekonomi jangka panjang;
- Potensi untuk melakukan *secondary oil recovery*;
- Besarnya cadangan masih dimungkinkan untuk dieksploitasi;
- Tersedianya dana dan teknologi di luar dan dalam negeri;
- Potensi optimalisasi pengelolaan lapangan *unconventional* dan *conventional* hidrocarbon di Indonesia terkait dengan perubahan regulasi pemerintah;
- Prioritas mendapatkan lapangan-lapangan terminasi;
- Sinergi internal Pertamina (Persero) dan AP PHE dalam pengelolaan lapangan migas;
- Peluang penyesuaian biaya jasa dan material akibat penurunan harga minyak; dan
- Globalisasi dan pasar bebas di sektor non migas akan menyebabkan unit cost menjadi lebih rendah.

Assessment manajemen atas hal-hal yang berpotensi berpengaruh signifikan terhadap kelangsungan usaha Perusahaan dilakukan melalui mekanisme forum BOD dan BOD-BOC. Di awal tahun 2018, jajaran manajemen melaksanakan workshop evaluasi kinerja 2017 dan penyusunan langkah strategi mencapai target 2018.

Asumsi yang digunakan manajemen dalam melakukan *assessment* adalah indikator yang digunakan dalam menyusun target RKAP 2017, antara lain harga Indonesia *Crude Price* (ICP) dan nilai tukar rupiah terhadap kurs dollar. Target RKAP, sendiri yaitu: kinerja operasi-produksi, investasi, pendapatan, laba bersih, dan tingkat kesehatan perusahaan.

Company Opportunities

- Oil and gas consumption tends to increase along with the long-term economic growth;
- The potential for secondary oil recovery;
- The amount of possible reserves for exploitation;
- Funds and technology availability in the country and overseas;
- The potential in optimizing unconventional and conventional hydrocarbon field management in Indonesia in relation to changes in government regulations;
- Priority in acquiring termination fields;
- Internal synergy of Pertamina (Persero) and PHE Subsidiaries in oil and gas field management;
- Opportunities to adjust service and material costs due to lowering oil prices; and
- Globalization and free market in non-oil and gas sector will cause unit cost to be lower.

The management assessment on potential issues which have significant influence to the Company business continuity is conducted through BOD and BOD-BOC forum mechanism. In the beginning of 2018, the management level performed the 2017 performance evaluation workshop and prepared strategic steps to achieve 2018 target.

The assumption used by the management in performing assessment was indicator used in preparing the 2017 RKAP target, among which are Indonesia Crude Price (ICP) and rupiah exchange rate to dollar. RKAP target, which are: operation-production performance, investment, income, net profit, and company health level.

Laporan Tata Kelola Perusahaan

Good Corporate Governance Report

Risks and Opportunities & Governance (IRF)

PT Pertamina Hulu Energi (PHE) berkomitmen menerapkan prinsip-prinsip terbaik dalam tata kelola Perusahaan untuk menciptakan proses pengambilan keputusan yang baik, peningkatan kinerja dan akuntabilitas, serta peningkatan pelayanan kepada para pemangku kepentingan.

PT Pertamina Hulu Energi (PHE) is committed to the implementation of the best principles in Corporate governance to create a sound decision-making process, performance improvement, accountability, and improvement of services to stakeholders.



Shared Service Organization dan PHE One System

Memasuki tahun 2017, PHE melakukan langkah strategis dalam pelaksanaan tata kelola dan operasional perusahaan dengan memberlakukan Shared Service Organization (SSO). Melalui SSO, PHE dan Anak Perusahaan menyeragamkan penerapan seluruh aspek dalam pelaksanaan tata kelola dan operasional. Sebelumnya PHE dan Anak Perusahaan menerapkan aspek-aspek tata kelola dan operasional yang berbeda satu sama lain. Setelah mendapatkan persetujuan dari SKK Migas, pada 1 Februari 2017 PHE dan Anak Perusahaan menerapkan SSO, yang pelaksanaannya didasarkan pada *time sharing/job sharing* untuk masing-masing aset sehingga mampu meningkatkan kinerja PHE maupun Anak Perusahaan.

SSO mengubah fungsi pihak-pihak berwenang pada PHE dan setiap AP yang semula memiliki kebijakan serta sistem berbeda dan berdiri sendiri, menjadi terintegrasi dalam standar sistem yang sama. SSO menjadikan integrasi pengelolaan kegiatan, sehingga tidak ada pengulangan. Selain itu penggunaan SDM menjadi lebih optimal, meningkatkan efisiensi, memperkuat posisi tawar, menyederhanakan birokrasi dan memudahkan kontrol. Penerapan SSO memiliki tiga sasaran utama yakni standarisasi, kecepatan dan efisiensi.

Shared Service Organization and PHE One System

Entering 2017, PHE made a strategic move in the implementation of corporate governance and operations by applying Shared Service Organization (SSO). Through SSO, PHE and Subsidiaries have standardized the implementation of all aspects of governance and operations. Previously, PHE and Subsidiaries applied different aspects of governance and operations from each other. After obtaining approval from SKK Migas, on February 1, 2017, PHE and Subsidiaries have been implementing SSO, which is based on time sharing/job sharing for each asset to improve their performance.

SSO changed the functions of the authorities at PHE and each subsidiary (AP) that initially had separate and autonomous policies and systems, into an integrated system with the same standard. SSO integrates the management of activities so that there is no repetition. In addition, the utilization of human resources becomes optimized, improves efficiency, strengthens bargaining position, streamlines the bureaucracy and eases control. The implementation of SSO has three main objectives: standardization, speed and efficiency.

PHE Sebelum Penerapan SSO

- PHE dan AP memiliki kebijakan serta sistem tersendiri
- Kegiatan dikelola masing-masing AP
 - Berpotensi pengulangan.
 - Penggunaan SDM tidak efisien dan cenderung besar.
 - Potensi biaya lebih besar.
 - Posisi tawar kurang.

PHE Before SSO Implementation

- PHE and Subsidiaries have their own policies and systems.
- Activities managed by each Subsidiary
 - Potential repetition.
 - Inefficient HR utilization and likely to be large.
 - Higher cost potential.
 - Lack of bargaining position.



PHE Setelah Penerapan SSO

- PHE dan AP memiliki standar kebijakan serta sistem yang sama dan terintegrasi.
- Kegiatan dikelola masing-masing AP
 - Meniadakan pengulangan.
 - Meningkatkan posisi tawar.
 - Penggunaan SDM optimal.
 - Potensi memangkas birokrasi.
 - Potensi Efisiensi biaya.

PHE After SSO Implementation

- PHE and Subsidiaries have the same policy and integrated system standards.
- Activities managed by each Subsidiary
 - Eliminate repetition.
 - Increase bargaining position.
 - Optimized HR utilization.
 - Streamline the bureaucracy.
 - Cost efficiency.

Sasaran Utama SSO Pihak Berwenang | Main Objectives of Authorities' SSO

Standarisasi Standardization	Proses Bisnis & Organisasi	Business & Organizational Process
	Pedoman/SOP/Sistem Pengelolaan SDM	Guidelines/SOP/System Human of Resource Management
	Fasilitas Kerja	Working Facilities
Kecepatan Speed	Data Terintegrasi	Integrated Data
	Anggaran Terintegrasi	Integrated Budget
	Setiap Fungsi Satu Pimpinan	One Leader for Each Function
Efisiensi Efficiency	Integrasi Proses Pengadaan	Integrated Procurement Process.
	Alignment Kegiatan	Alignment of Activities
	Penggunaan SDM Optimal	Optimized HR Utilization

Tahapan selanjutnya dari pemberlakuan SSO adalah penyelenggaraan sistem baru: PHE One System. Melalui sistem ini, maka PHE dan Anak Perusahaan harus menggunakan sistem yang sama, sehingga semua bisa tumbuh bersama-sama.

PHE One System menjadi pedoman bagi seluruh Anak Perusahaan untuk mengarah pada koridor yang sama, sehingga tujuan utama perusahaan bisa direngkuh bersama-sama juga. Pada 2017, pelaksanaan PHE One System memasuki tahapan proses sosialisasi dan migrasi data. PHE menargetkan tahun depan seluruh Anak Perusahaan telah menggunakan sistem ini.

Program PHE One System sangat membantu perusahaan karena ketika sudah mempunyai satu sistem yang sama, *monitoring* dan kontrol akan sangat mudah dan cepat. Di sisi lain, informasi kondisi lapangan dan pengambilan keputusan cepat merupakan kiat utama dalam kegiatan operasi dan produksi tanpa harus mengabaikan pelaksanaan tata kelola perusahaan yang baik (GCG).

The next stage of SSO application is the implementation of a new system: PHE One System. Through this system, PHE and Subsidiaries must use the same system, so that all can grow together.

PHE One System becomes a kind of guidance for all Subsidiaries to lead to the same corridor, to achieve the main goal of the company together as well. In 2017, the implementation of PHE One System entered the stage of the process of dissemination and data migration. PHE set a target that all Subsidiaries will have adopted this system next year.

PHE One System program is very beneficial for the company because with the application of the same system, monitoring and control will be very easy and fast. On the other hand, information on field conditions and quick decision-making are key in operations and production without neglecting the implementation of good corporate governance (GCG).

Dasar Hukum, Prinsip-prinsip Dan Tujuan Penerapan GCG

Dasar Hukum Penerapan CGC

Penerapan tata kelola perusahaan yang baik (GCG) di lingkungan PHE dilandasi pada kepatuhan terhadap ketentuan hukum dan peraturan perundang-undangan yang berlaku. Penerapan GCG diatur dalam beberapa perangkat hukum dan perundang-undangan.

Legal Basis, Principles and Objectives of GCG Implementation

Legal Basis of CGC Implementation

The good corporate governance (GCG) implementation within PHE is based on compliance with applicable laws and regulations. The GCG implementation is stipulated in several laws and regulations.

Undang-Undang (UU) Laws
UU No.14 Tahun 2008 tentang Keterbukaan Informasi Publik Law No.14 Year 2008 on Public Information Disclosure
UU No.40 Tahun 2007 tentang Perseroan Terbatas Law No.40 Year 2007 on Limited Liability Company
UU No.19 Tahun 2003 tentang Badan Usaha Milik Negara Law No.19 Year 2003 on State-Owned Enterprises
UU No.22 Tahun 2001 tentang Minyak dan Gas Bumi Law No.22 Year 2001 on Oil and Gas
UU No.20 Tahun 2001 tentang Perubahan UU No.31 Tahun 1999 tentang Pemberantasan Tipikor Law No.20 Year 2001 on the Amendment of Law No.31 Year 1999 on the Corruption Eradication
UU No.28 Tahun 1999 tentang Penyelenggaraan Negara yang Bersih dan Bebas dari KKN Law No.28 Year 1999 on Clean State Governance free from Corruption, Collusion and Nepotism
UU No.5 Tahun 1999 tentang Larangan Praktik Monopoli dan Persaingan Usaha Tidak Sehat Law No.5 Year 1999 on Prohibition of Monopolistic Practices and Unfair Business Competition
UU No.7 Tahun 2011 tentang Mata Uang RI Law No.7 Year 2011 on Currency of Republic of Indonesia
UU No.24 Tahun 2009 tentang Bendera, Bahasa, dan Lambang Negara, serta Lagu Kebangsaan Law No.24 Year 2009 on National Flag, Language, State Symbol and National Anthem.
Peraturan Pemerintah (PP) Government Regulations
PP No.45 Tahun 2005 tentang Pendirian, Pengawasan dan Pembubaran BUMN Government Regulation No.45 Year 2005 on the Establishment, Supervision and Liquidation of SOEs
PP No. 35 Tahun 2004 yang telah diubah dengan No.55 Tahun 2009 tentang Kegiatan Usaha Hulu Minyak dan Gas bumi Government Regulation No.35 year 2004, as amended by No.55 Year 2009 on Upstream Oil and Gas Business Activities

Peraturan Menteri Negara Badan Usaha Milik Negara (Permeneg BUMN) Regulation of the State Minister of SOEs

<p>Permeneg BUMN No.PER-12/MBU/2014 tentang Organ Pendukung Dewan Komisaris/Dewan Pengawas BUMN Regulation of the State Minister of SOEs No.PER-12/MBU/2014 on the Supporting Organs of Board of Commissioners and SOEs Supervisory Board</p>
<p>Permeneg BUMN No.PER-01/MBU/2011 tentang Penerapan Tata Kelola Perusahaan yang Baik (Good Corporate Governance) Pada BUMN yang Telah Diubah dengan Peraturan Menteri Negara BUMN No.PER-09/MBU/2014 Regulation of the State Minister of SOEs No.PER-01/MBU/2011 on the Implementation of Good Corporate Governance in SOEs, as amended by Regulation of the State Minister of SOEs No.PER-09/MBU/2014</p>
<p>Permeneg BUMN No.PER-01/MBU/2014 tentang Persyaratan dan Tata Cara Pengangkatan dan Pemberhentian Anggota Direksi BUMN yang telah Diubah dengan Peraturan Menteri Negara BUMN No.PER-06/MBU/2014 Regulation of the State Minister of SOEs No.PER-01/MBU/2014 on the Requirements and Procedures for Appointment and Dismissal of SOEs' Board of Directors, as amended by Regulation of the State Minister No.PER-06/MBU/2014</p>
<p>Permeneg BUMN No.PER-03/MBU/2014 tentang Pedoman Pengangkatan Anggota Direksi dan Anggota Dewan Komisaris Anak Perusahaan BUMN Regulation of the State Minister of SOEs No.PER-03/MBU/2014 on the Guidelines for Appointment of Board of Directors and Board of Commissioners of the SOEs' subsidiaries</p>
<p>Permeneg BUMN No.PER-09/MBU/2011 tentang Pendayagunaan Aktiva Tetap BUMN Regulation of the State Minister of SOEs No.PER-09/MBU/2011 on the Utilization of BUMN SOEs' Fixed Assets</p>
<p>Permeneg BUMN No.PER-02/MBU/2010 tentang Tata Cara Penghapusbukuan dan Pemindahtanganan Aset BUMN Regulation of the State Minister of SOEs No.PER-02/MBU/2010 on the Procedure for the Write-off and Transfer of SOEs' assets</p>
<p>Permen BUMN No.PER-09/MBU/07/2015 tentang Program Kemitraan dan Program Bina Lingkungan Badan Usaha Milik Negara Regulation of the State Minister of SOEs No.PER-09/MBU/07/2015 on SOEs' Partnership and Community Development Programs</p>

Keputusan Menteri Negara (Kepmeneg) BUMN Decree of the State Minister of SOEs

<p>Keputusan Menteri BUMN No.Kep-102/MBU/2002 tentang Penyusunan Rencana Jangka Panjang Perusahaan (RJPP) Decree of the State Minister of SOEs No.KEP-102/MBU/2002 on the Preparation of the Company's Long Term Plan</p>
<p>Keputusan Menteri BUMN No.Kep-101/MBU/2002 tentang Penyusunan Rencana Kerja dan Anggaran Perusahaan (RKAP) Decree of the State Minister of SOEs No.KEP-101/MBU/2002 on the preparation of the Company's Work Plan and Budget</p>
<p>Keputusan Menteri BUMN No.Kep-100/MBU/2002 tentang Penilaian Tingkat Kesehatan BUMN Decree of the State Minister of SOEs No.KEP-100/MBU/2002 on SOEs' Health Evaluation</p>

Ketentuan Lain Other Rules

<p>Surat Edaran Menteri Negara BUMN No.S-375/MBU.Wk/2011 tentang Kebijakan Menteri Negara BUMN dalam Pengurusan dan Pengawasan BUMN The State Minister of SOEs' Circular Letter No.S-375/MBU.Wk/2011 on State Minister of SOEs' Policy in the management and supervision of SOEs</p>
<p>Peraturan Menteri Energi dan Sumber Daya Mineral Regulation of Minister of Energy and Mineral Resources:</p> <ul style="list-style-type: none"> • No.38 Tahun 2015 tentang Percepatan Pengusahaan Minyak dan Gas Bumi Non Konvensional No.38 Year 2015 on Acceleration in Non-Conventional Oil and Gas Business Operation • No.39 Tahun 2015 tentang Perubahan Kedua Atas Peraturan Menteri ESDM No.39 Tahun 2014 tentang Perhitungan Harga Jual Eceran Bahan Bakar Minyak No.39 Year 2015 on Second Amendment of Minister of Energy and Mineral Resources Regulation No.39 Year 2014 on Calculation of Fuel Retail Prices • No.37 Tahun 2015 tentang Ketentuan dan Tata Cara Penetapan Alokasi dan Pemanfaatan serta Harga Gas Bumi No.37 Year 2015 on Provisions and Procedures for Determining the Allocation, Utilization, and Price of Natural Gas

Ketentuan Lain Other Rules

- Permen ESDM No.23 Tahun 2015 tentang Pendelegasian Wewenang Pemberian Perizinan Bidang Minyak dan Gas Bumi dalam Rangka Pelaksanaan Pelayanan Terpadu Satu Pintu Kepada Kepala Badan Koordinasi Penanaman Modal
Regulation of Minister of Energy and Mineral Resources No.23 Year 2015 on Delegation of Authority to the Investment Coordination Board (BKPM) to Grant Oil and Gas License in the Implementation of One-stop Integrated Service
- Permen ESDM No.15 tahun 2015 tentang Pengelolaan Wilayah Kerja Minyak dan Gas Bumi yang akan Berakhir Kontrak Kerjasamanya
Regulation of Minister of Energy and Mineral Resources No.15 Year 2015 on Management of Oil and Gas Working Area with Expiring Contract

Peraturan Presiden No.38 Tahun 2015 tentang Kerjasama Pemerintah dengan Badan Usaha dalam Penyediaan Infrastruktur
Presidential Regulation No.38 of 2015 on Cooperation between the Government and Business Entities in Providing Infrastructure

Peraturan Bank Indonesia No.17/3/PBI/2015 Tahun 2015 tentang Kewajiban Penggunaan Rupiah di Wilayah Negara Kesatuan Republik Indonesia
Bank Indonesia (BI) Regulation No.17/3/PBI/2015 on Mandatory Use of Rupiah within the territory of the Unitary State of the Republic of Indonesia

Surat Edaran Bank Indonesia No.17/11/DKSP tentang Kewajiban Penggunaan Rupiah di Wilayah Negara Kesatuan Republik Indonesia
Bank Indonesia (BI) Circular No.17/11/DKSP on Mandatory Use of Rupiah within the territory of the Unitary State of the Republic of Indonesia

Siaran Pers Bank Indonesia No.17/52/DKSP tentang Kewajiban Penggunaan Rupiah di Wilayah NKRI
Bank Indonesia (BI) Press Release No.17/52/DKSP on Mandatory Use of Rupiah within the territory of the Unitary State of the Republic of Indonesia

Permendag No.03/M-Dag/Per/1/2015 tentang Ketentuan Ekspor dan Impor Minyak Bumi, Gas Bumi dan Bahan bakar Lain
Minister of Trade Regulation No.03/M-Dag/Per/1/2015 on Rules of Exports and Imports of Oil, Gas and other Fuels

Permen ATR/Ka BPN No.4 Tahun 2015 tentang Program Nasional Agraria (Prona)
Minister of Agrarian Affairs and Spatial Planning/Head of National Land Agency Regulation No.4 Year 2015 on Agrarian National Program (Prona)

Permendag No.26/M-DAG/PER/3/2015 tentang Ketentuan Khusus Pelaksanaan Penggunaan *Letter of Credit* untuk Ekspor Barang Tertentu
Minister of Trade Regulation No.26/M-DAG/PER/3/2015 on Special Provisions in using Letter of Credit for Specific Goods Export

Anggaran Dasar PT Pertamina Hulu Energi dan Perubahannya
Articles of Association of PT Pertamina Hulu Energi and its Amendments

Pedoman Umum GCG yang Diterbitkan oleh Komite Nasional Kebijakan Governance Tahun 2006
GCG General Guidelines issued by the National Committee on Governance in 2006

Prinsip-prinsip GCG | GCG Principles

Transparansi Transparency	Keterbukaan dalam proses pengambilan keputusan serta pengungkapan informasi materil dan relevan mengenai Perusahaan. Transparansi juga mencakup pemberian informasi yang dibutuhkan publik berkaitan dengan produk dan aktivitas operasional Perusahaan yang secara potensial dapat mempengaruhi perilaku pemangku kepentingan. Transparency in the process of decision making and disclosure of the Company's material and relevant information. Transparency also includes the disclosure of information required by public regarding the Company's products and operational activities that may potentially affect the behavior of the stakeholders.
Akuntabilitas Accountability	Kejelasan fungsi, pelaksanaan dan pertanggungjawaban organisasi yang memungkinkan pengelolaan Perusahaan terlaksana secara efektif. Akuntabilitas berkaitan dengan pelaksanaan tugas dan wewenang yang dimiliki seseorang atau satuan kerja dalam melaksanakan tanggung jawab yang dibebankan Perusahaan. The clarity of function, implementation and accountability of the organization that enables the Company's management is implemented effectively. The accountability relates to the duties and authorities of a person or working unit in carrying out responsibilities assigned by the Company.
Pertanggungjawaban Responsibility	Kesesuaian dalam pengelolaan Perusahaan terhadap peraturan perundangan yang berlaku dan prinsip-prinsip korporasi yang sehat. Perusahaan akan memastikan pengelolaan, meliputi kepatuhan terhadap peraturan perundang-undangan serta ketentuan yang berlaku sebagai cerminan tanggung jawab korporasi yang baik. The Company's management complies with the prevailing laws and regulations as well as sound business principles. The Company shall assure its management, including compliance with the prevailing laws and regulations, as well as other provisions, to become a reflection of good corporate responsibility.

<p>Independen Independency</p>	<p>Pengelolaan Perusahaan secara profesional tanpa benturan kepentingan dan pengaruh atau tekanan dari pihak manapun yang tidak sesuai dengan peraturan perundangan yang berlaku dan prinsip-prinsip korporasi yang sehat. Kemandirian merupakan keharusan agar organ Perusahaan dapat bertugas dengan baik, serta mampu membuat keputusan yang baik bagi Perusahaan. The Company is professionally managed, without any conflict of interest, influence or pressure from any parties that are not in compliance with the prevailing laws and regulations and sound corporate business practices. The independency is a must for the Company's organs to perform their duties properly and to make good decisions for the Company.</p>
<p>Keadilan dan Kewajaran Fairness</p>	<p>Perlakuan yang sama dalam memenuhi hak-hak pemangku kepentingan berdasarkan ketentuan dan peraturan perundangan yang berlaku. Perusahaan menjamin perlindungan hak-hak para pemegang saham, termasuk hak-hak pemegang saham minoritas dan pemangku kepentingan, sehingga senantiasa mendapatkan perlakuan setara tanpa diskriminasi. Equal treatment to fulfill the rights of all stakeholders in accordance with the prevailing laws and regulations. The Company assures the protection of shareholders' rights including the rights of minority shareholders and other stakeholders who will always receive equal treatment without any discrimination in accordance with the prevailing laws and regulations.</p>

Tujuan Penerapan GCG

Pengelolaan berdasarkan prinsip-prinsip GCG bertujuan untuk:

- Meningkatkan kinerja dan akuntabilitas Perusahaan, dalam rangka mewujudkan nilai tambah jangka panjang bagi para pemangku kepentingan dengan tetap memperhatikan kepentingan pemangku kepentingan.
- Terciptanya pengambilan keputusan oleh seluruh organ Perusahaan yang didasarkan pada nilai moral yang tinggi dan kepatuhan terhadap peraturan perundang-undangan yang berlaku.
- Terlaksananya tanggung jawab sosial Perusahaan terhadap pemangku kepentingan.
- Meningkatkan iklim investasi nasional yang kondusif, khususnya di bidang migas dan energi lainnya.

Objectives of GCG Implementation

Management based on GCG principles aims to:

- Improve the performance and accountability of the Company, in order to realize long-term value for the stakeholders while taking into account the interests of stakeholders.
- The decision-making by all organs of the Company is based on high moral values and compliance with applicable laws and regulations.
- Implementation of the Company's social responsibility to the stakeholders.
- Improving the conducive climate of national investment, particularly in oil & gas and other energy sectors.

Peta Jalan dan Pengembangan Penerapan GCG

GCG Implementation Roadmap and Development

2008-2016	2017-2018
<p>Implementasi tata kelola Perusahaan Corporate governance implementation</p> <p>Indikator Kinerja Kunci:</p> <ul style="list-style-type: none"> Pemberlakuan Pedoman GCG & COC PHE; Internalisasi dan penandatanganan Pakta Integritas dan Etika Kerja Bisnis; Terbentuknya sistem pengendalian intern yang berbasis teknologi informasi dan manajemen risiko; Pemberdayaan dan optimalisasi Komite Etika GCG dan Pengawas Etika PHE; Pemutakhiran Pedoman GCG dan COC. <p>Key Performance Indicators:</p> <ul style="list-style-type: none"> Enforcement of PHE Guidelines on GCG & COC (Code of Conduct) Internalization and signing of Integrity Pact and Code of Business Ethics Establishment of internal control system, based on information technology and risk management Empowerment and optimization of the GCG Ethic Committee and PHE Ethics Supervisor Updating guidelines on GCG and COC. 	<p>Optimalisasi Implementasi tata kelola Perusahaan Optimizing the Good Corporate Governance Implementation</p> <p>Indikator Kinerja Kunci:</p> <ul style="list-style-type: none"> Implementasi seluruh aplikasi GCG manual menjadi eGCG; Menyusun kebijakan dan penyempurnaan GCG; <ul style="list-style-type: none"> Plagam Komite Kebijakan manajemen risiko Kebijakan teknologi informasi Memonitor, mengevaluasi dan menyempurnakan struktur Komite Etika GCG dan Pengawas Etika sesuai dengan kondisi perkembangan Perusahaan. <p>Key Performance Indicators:</p> <ul style="list-style-type: none"> Implementation of the converting GCG manual application into eGCG To prepare GCG policies and improvement including: <ul style="list-style-type: none"> Committee Charter Policies on Risk Management Policies on Information Technology To monitor, evaluate and improve structure on PHE Ethics Committee and Ethics Supervisor in line with Company development.

Pengembangan Penerapan GCG

Dalam dua tahun terakhir, Perusahaan telah melakukan pengembangan untuk mendukung penerapan GCG, meliputi:

- Penerapan Gratifikasi Online di lingkungan PHE & AP PHE SSO;
- Pendalaman penerapan kepatuhan GCG melalui sosialisasi kepada seluruh pekerja;
- Pedoman Tata Kelola Rapat Direksi dan Risalah Rapat Direksi secara Sirkuler PT Pertamina Hulu Energi berdasarkan No.312/PHE040/2016-S0 tanggal 20 Mei 2016 dan Surat Keputusan Direksi No.Kpts-050/PHE000/2016-S0 tanggal 20 Mei 2016;
- Pedoman Code of Conduct PT Pertamina (Persero) dan Tambahan Penjelasan PT Pertamina Hulu Energi yang diberlakukan kepada Anak Perusahaan PT Pertamina Hulu Energi di November 2016;
- Pedoman Kewajiban Penyampaian Laporan Harta Kekayaan Penyelenggara Negara (LHKPN) di lingkungan PHE dan JOB/BOB PT Pertamina Hulu Energi berdasarkan No.333/PHE040/2016-S0 tanggal 3 Juni 2016;

GCG Implementation Development

During the past two years, the Company has been developing to support the GCG implementation, including:

- Application of Online Gratification within PHE & AP PHE SSO;
- In depth implementation of GCG compliance through dissemination to all employees;
- The guidelines of the Board of Directors' Meeting and Minutes of Circular Meeting of PT Pertamina Hulu Energi based on No.312/PHE040/2016-S0 dated May 20, 2016 and Board of Directors' Decree No.Kpts-050/PHE000/2016-S0 dated May 20, 2016;
- Code of Conduct Guidelines of PT Pertamina (Persero) and Additional Explanation of PT Pertamina Hulu Energi which is applied to a Subsidiary of PT Pertamina Hulu Energi in November 2016;
- Guidelines on Obligation to submit Wealth Report of State Official (LHKPN) within PHE and JOB/BOB of PT Pertamina Hulu Energi based on No.333/PHE040/2016-S0 dated June 3, 2016;

- Penerapan kepada wajib lapor di lingkungan group PHE sesuai surat edaran KPK No. 8 Tahun 2016;
- Pencapaian kepatuhan GCG secara *online* dengan perbandingan pada tahun 2016 89% meningkat di tahun 2017 sebesar 95% dari target 87%; dan
- Pencapaian hasil assesment GCG Tahun 2017 untuk Tahun Buku 2016 sebesar 83,4% dengan kategori Baik dan meningkat di Tahun 2018 untuk Tahun Buku 2017 sebesar 86,66% dengan Kategori Sangat Baik.

Sepanjang tahun 2017, PHE juga melakukan beberapa kegiatan terkait pelaksanaan GCG, di antaranya:

- PHE saat ini dalam proses melaksanakan pemutakhiran terkait Pedoman GCG, sesuai revisi dari PT Pertamina (Persero) dan selanjutnya akan distandarisasi di lingkungan Anak Perusahaan;
- Pengisian *Code of Conduct* dan *Conflict of Interest* bagi seluruh pekerja;
- Pelaporan gratifikasi *online* yang dilakukan setiap bulan oleh seluruh pekerja;
- Penunjukan *Person In Charge* (PIC) dari setiap fungsi di PHE dan Anak Perusahaan;
- Pengelolaan pelaporan *Whistleblowing System* (WBS);
- Pelaksanaan penerapan kepatuhan/*Assessment* GCG oleh tim independen PHE dengan pencapaian skor 86,66% dengan kategori Sangat Baik.

Aturan dan Kebijakan Tata Kelola

Penerapan GCG di lingkungan PHE diwujudkan, antara lain dengan pemberlakuan peraturan-peraturan di internal Perusahaan. PHE telah memiliki Anggaran Dasar yang menjadi aturan utama Perusahaan. Secara berjenjang terdapat aturan-aturan lain, misalnya Keputusan RUPS, Keputusan Dewan Komisaris, Keputusan Direksi.

- Application to compulsory report within PHE group according to circular letter of KPK No. 8 of 2016;
- Achievements of online GCG compliance with comparison in 2016, 89% increase in 2017 by 95% of target 87%; and
- Achievement of GCG assessment results in 2017 for the Fiscal Year 2016 was 83.4% with Good category and increased in 2018 for the Fiscal Year 2017 at 86.66% with Excellent Category.

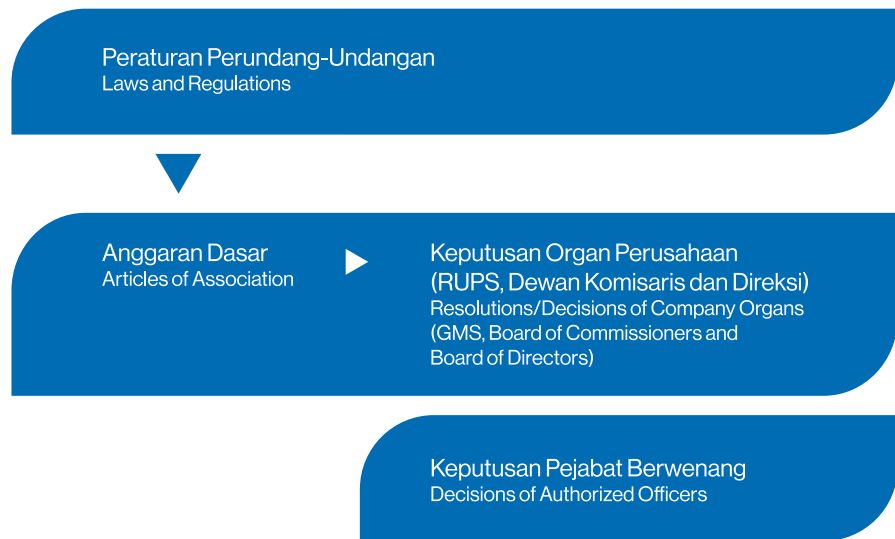
Throughout 2017, PHE also conducted several activities related to the implementation of GCG, including:

- PHE currently has been in the process of updating the GCG Guidelines following the revision made by PT Pertamina (Persero) and subsequently to be standardized within the Subsidiaries;
- Filling in the Code of Conduct and Conflict of Interest forms for all employees;
- Online gratification monthly reporting by all employees;
- Appointment of Person In Charge (PIC) of every function at PHE and Subsidiaries;
- Whistleblowing System (WBS) management;
- Implementation of GCG compliance/*Assessment* by PHE's independent team with score of 86,66% in the Excellent category.

Governance Rules and Policies

The GCG implementation within PHE environment is realized, among others, by the application of internal regulations of the Company. PHE already has Articles of Association which are the main rules of the Company. There are other rules, which in hierarchical order include GMS Resolutions, Decisions of the Board of Commissioners, Decisions of the Board of Directors.

Hirarki Peraturan di PHE Hierarchy of Regulations at PHE



PHE juga memiliki kebijakan untuk mendukung penerapan GCG. Kebijakan utama di PHE yang berkaitan dengan penerapan GCG dan menjadi dasar bagi kebijakan-kebijakan lain, yaitu *Code of Conduct*, *Conflict of Interest*, *Whistleblower*, *Gratifikasi Online* dan *Code of Corporate Government (CoCG)*. Pada jenjang yang lebih rendah terdapat pedoman, pakta/piagam serta standar prosedur prosedur dan instruksi kerja.

PHE also has policies to support GCG implementation. The main policy on GCG implementation and the basis for other policies at PHE, are *Code of Conduct*, *Conflict of Interest*, *Whistleblower*, *Online Gratification* and *Code of Corporate Government (CoCG)*. At lower levels there are guidelines, pacts/charters as well as standard operating procedures and work instructions.

Hirarki Kebijakan Tata Kelola PHE PHE Governance Policy Hierarchy



Struktur Tata Kelola PHE

PHE merupakan badan usaha yang dibentuk berdasarkan hukum yang berlaku di Indonesia, yakni Undang-Undang (UU) No. 40 tahun 2007 tentang Perseroan Terbatas (UU PT). Sesuai dengan ketentuan tersebut, maka struktur tata kelola Perusahaan terdiri atas Rapat Umum Pemegang Saham (RUPS), Dewan Komisaris dan Direksi sebagai organ Perusahaan. [102-18]

Dewan Komisaris berwenang melakukan pengawasan atas jalannya Perusahaan dan memberikan rekomendasi bagi Direksi terkait pengelolaan Perusahaan. Dewan Komisaris dibantu Komite Audit dan Komite Manajemen Risiko dan Sumber Daya Manusia (MRSDM). [102-22]

Direksi melakukan fungsi pengurusan Perusahaan serta mengambil kebijakan-kebijakan manajemen dan operasional. Direksi mewakili Perusahaan dalam melakukan kerjasama serta menyelesaikan hambatan-hambatan strategis yang mengganggu pencapaian visi dan misi Perusahaan.

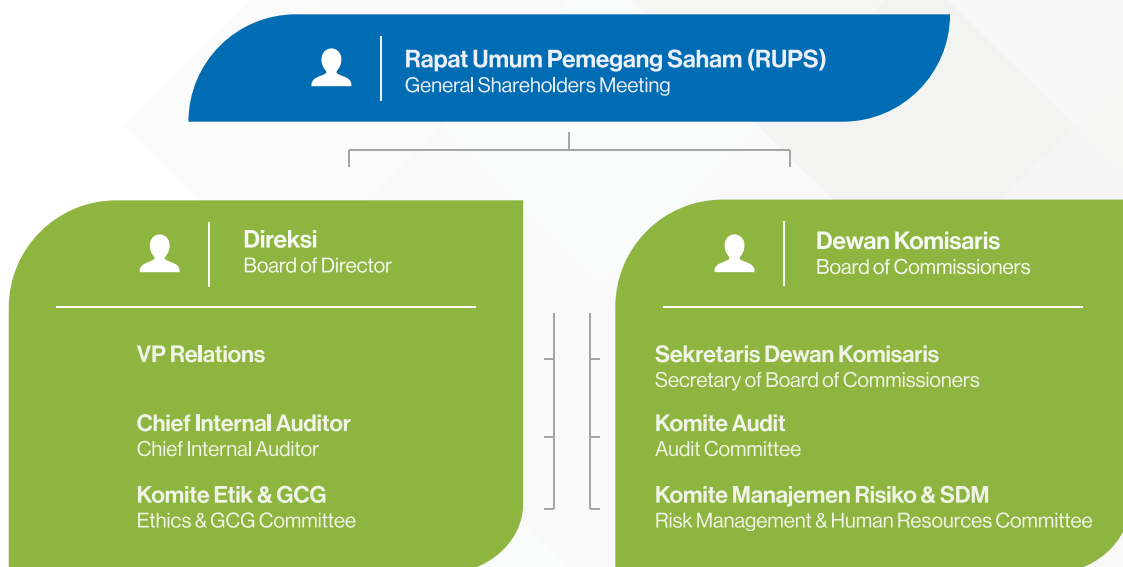
Struktur Tata Kelola PHE [102-22] PHE Governance Structure [102-22]

PHE Governance Structure

PHE is a business entity established under the Indonesian Law No. 40 of 2007 on Limited Liability Company. In accordance with this provision, the Company's governance structure comprises of General Meeting of Shareholders (GMS), Board of Commissioners and Board of Directors as the Company's organs. [102-18]

The Board of Commissioners is authorized to exercise oversight on the Company's operations and provide recommendations to the Board of Directors on the management of the Company. The Board of Commissioners is assisted by the Audit Committee and Risk Management & Human Resources Committee (MRSDM). [102-22]

The Board of Directors performs the Company's management functions and makes management and operational policies. The Board of Directors represents the Company in conducting cooperation and resolving strategic obstacles that may hinder the achievement of the Company's vision and mission.



Ruang Lingkup Kebijakan dan Sosialisai Penerapan Tata Kelola Perusahaan

Ruang lingkup penerapan GCG meliputi seluruh kegiatan bisnis dan mengatur seluruh aspek hubungan pihak-pihak di internal maupun eksternal PHE. Praktik-praktik terbaik GCG juga mengatur:

- Hubungan antara Perusahaan dengan pemegang saham;
- Fungsi serta peran Dewan Komisaris dan Direksi;
- Hubungan antara Perusahaan dengan pemangku kepentingan;
- Kebijakan pengawasan dan pengendalian internal, manajemen risiko, pengelolaan strategi perusahaan dan berbagai bentuk kebijakan lain PHE.

Secara berkesinambungan PHE terus melakukan sosialisasi terkait penerapan GCG. Selama tahun 2017, ada beberapa kegiatan sosialisasi GCG yang ditujukan kepada segenap pemangku kepentingan, di antaranya:

- Pelaksanaan sosialisasi GCG di lingkungan PHE dan AP PHE
- Pelaksanaan sosialisasi GCG di lingkungan vendor
- Pelaksanaan sosialisasi GCG pada pekerja baru di lingkungan PHE
- Pelaksanaan sosialisasi GCG pada pelanggan di lingkungan AP PHE

Scope of Policy and Dissemination on Corporate Governance Implementation

The scope of GCG implementation encompasses all business activities and regulates all relationship aspects of both PHE's internal and external stakeholders. GCG best practices also stipulate:

- The relationship between the Company and its shareholders;
- Functions and roles of the Board of Commissioners and Board of Directors;
- The relationship between the Company and its stakeholders;
- Policies on oversight and internal control, risk management, corporate strategy management and other forms of PHE policies.

PHE continuously conducts dissemination on GCG implementation. During 2017, there were several GCG dissemination activities for all stakeholders, including:

- GCG implementation dissemination within PHE and PHE Subsidiaries' environment
- GCG implementation dissemination within vendors' environment
- GCG implementation dissemination to new employees within PHE environment
- GCG implementation dissemination for customers within PHE Subsidiaries' environment

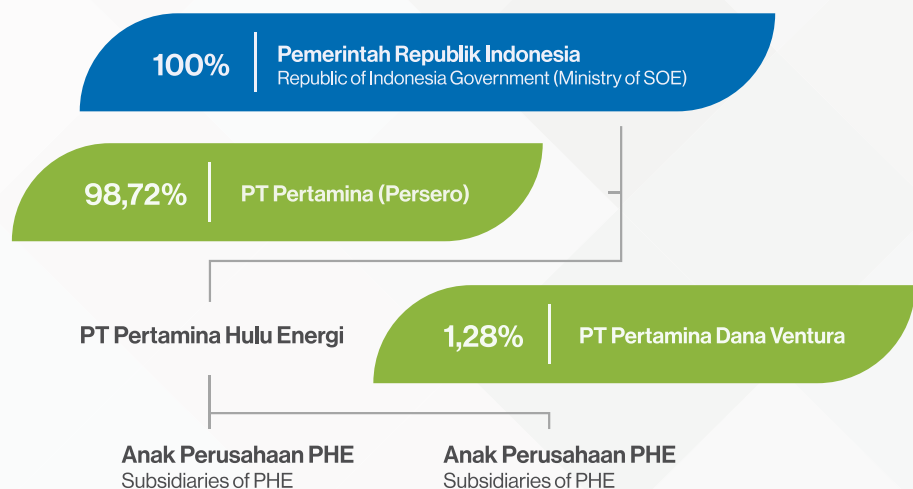
Rapat Umum Pemegang Saham General Meeting of Shareholders

RUPS adalah organ perusahaan dengan kekuasaan tertinggi dalam struktur tata kelola perusahaan. RUPS berwenang mengambil seluruh keputusan untuk menyetujui Laporan Tahunan, mengevaluasi kinerja Perusahaan, mengangkat dan memberhentikan anggota Dewan Komisaris atau Direksi. RUPS juga menjadi forum bagi para Pemegang Saham untuk mengambil keputusan penting yang berkaitan dengan kepentingan usaha PHE dan Anak Perusahaan. Sebagai pemegang kekuasaan tertinggi usaha PHE dan Anak Perusahaan, RUPS memiliki kekuatan hukum yang sah dan mengikat dalam mengambil keputusan. [102-23]

Pemegang Saham

Pemegang saham adalah individu atau badan hukum yang secara sah memiliki saham Perusahaan. Pemegang saham utama dan pengendali PHE adalah PT Pertamina (Persero), badan usaha milik negara (BUMN) yang sahamnya 100% dimiliki Pemerintah Republik Indonesia melalui Kementerian BUMN. Berikut Informasi mengenai pemegang saham utama dan pengendali, baik langsung maupun tidak langsung:

Pemegang Saham PHE PHE Shareholders



GMS is the company's organ with the highest authority in corporate governance structure. The GMS has the authority to make all decisions to approve the Annual Report, to evaluate the Company's performance, to appoint and dismiss members of the Board of Commissioners or the Board of Directors. The GMS also becomes a forum for shareholders to make important decisions related to the interests of PHE and its Subsidiaries. As the highest authority of PHE and its Subsidiaries, GMS has valid and binding legal force in making decisions. [102-23]

Shareholder

Shareholder is an individual or legal entity that legitimately owns the Company's shares. The majority and controlling shareholder of PHE is PT Pertamina (Persero), a state-owned enterprise (SOE) whose shares are 100% owned by the Government of the Republic of Indonesia through the Ministry of SOEs. The following is information about the majority and controlling shareholder, direct or indirect:

Hak dan Tanggung Jawab Pemegang Saham

Sesuai Anggaran Dasar PHE, pemegang saham memiliki hak dan tanggung jawab atas Perusahaan. Pemenuhan hak dan tanggung jawab pemegang saham dijamin oleh perundang-undangan yang berlaku dengan tetap mempertimbangkan keberlanjutan bisnis PHE. Hak pemegang saham:

- Menghadiri dan memberikan suara dalam RUPS dengan ketentuan satu saham memberi hak kepada pemegangnya untuk mengeluarkan satu suara;
- Memperoleh informasi material mengenai Perusahaan secara tepat waktu, terukur dan teratur;
- Menerima pembagian keuntungan dari perusahaan yang diperuntukkan bagi pemegang saham dalam bentuk dividen dan sisa kekayaan hasil likuidasi sebanding dengan jumlah saham yang dimilikinya;
- Hak untuk memesan efek terlebih dahulu (HMETD) yang dikeluarkan oleh Perusahaan;
- Hak-hak lainnya yang diatur dalam Anggaran Dasar dan peraturan perundang-undangan yang berlaku.

Tanggung jawab pemegang saham:

- Pemegang saham melaksanakan GCG sesuai dengan wewenang dan tanggung jawabnya;
- Setiap pemegang saham harus tunduk pada Anggaran Dasar dan semua keputusan yang diambil dengan sah dalam RUPS serta peraturan perundang-undangan yang berlaku;
- Pemegang saham mayoritas mempunyai tanggung jawab serupa, yakni dilarang menyalahgunakan hak mereka menurut peraturan perundang-undangan yang berlaku;
- Pemegang saham tidak diperkenankan mencampuri kegiatan operasional Perusahaan yang menjadi tanggung jawab Direksi sesuai dengan Anggaran Dasar Perusahaan dan peraturan perundang-undangan yang berlaku;
- Pemegang saham memiliki tanggung jawab untuk mendorong pelaksanaan prinsip GCG dalam proses pengelolaan Perusahaan.

Rights and Responsibilities of Shareholders

According to PHE's Articles of Association, shareholders have the rights and responsibilities on the Company. The fulfillment of the rights and responsibilities of shareholders is guaranteed by applicable laws and regulations, while taking into account PHE's business sustainability. Shareholders' rights are:

- Attend and vote in the GMS with the provisions of one share gives the right its holder to cast one vote;
- Receive a timely, measurable and regular material information about the Company;
- Receive profit sharing from the Company designated for shareholders in the form of dividends and remainder of proceeds from liquidation proportional to the number of shares held;
- Preemptive rights to order securities (HMETD) issued by the Company;
- Other rights are stipulated forth in the Articles of Association and prevailing laws and regulations.

Shareholders' responsibilities:

- Shareholders shall carry out GCG in accordance with their authorities and responsibilities;
- Each shareholder shall be subject to the Articles of Association, all resolutions made legitimately in the General Meeting of Shareholders, as well as applicable laws and regulations;
- Majority shareholders have a similar responsibility, i.e. prohibited to abuse their rights under applicable laws and regulations;
- The shareholders are not allowed to interfere with the Company's operations which are the responsibility of the Board of Directors in accordance with the Company's Articles of Association as well as applicable laws and regulations;
- Shareholders have a responsibility to encourage the implementation of GCG principles in the Company's management process.

Penyelenggaraan RUPS

Perusahaan menyelenggarakan RUPS Tahunan satu kali dalam setahun. Pada tahun 2017, PHE menyelenggarakan RUPS Tahunan untuk tahun buku 2016 pada tanggal 1 Maret 2017 di Gedung PHE Tower Lt. Serbaguna, Jakarta.

Proses penyelenggaraan RUPS Tahunan dilaksanakan berdasarkan Peraturan Otoritas Jasa Keuangan No. 32/POJK.04/2014 tentang Rencana dan Penyelenggaraan Rapat Umum Pemegang Saham Perusahaan Terbuka, dengan penyesuaian kondisi PHE dan mengacu pada Anggaran Dasar Perusahaan.

GSM Implementation

The Company holds Annual GMS once a year. In 2017, PHE held an Annual GMS for fiscal year 2016 on March 1, 2017 at PHE Tower building, Multipurpose floor, Jakarta.

The Annual GMS is convened under the Regulation of the Financial Services Authority No. 32/POJK.04/2014 on the Plan and Implementation of Public Company's General Meeting of Shareholders, with adjustments to PHE conditions and referring to the Company's Articles of Association.

Penyelenggaraan RUPS | GSM Implementation

Tanggal Date	Tahapan Stages
13 Februari 2017 February 13, 2017	Pengumuman dan pemberitahuan RUPS kepada Pemegang Saham. Disampaikan paling lambat 14 (empat belas) hari sebelum RUPS Disampaikan melalui Surat. Announcement and notification of GMS to Shareholders. Delivered no later than 14 (fourteen) days before the GMS Delivered by Mail.
13 Februari 2017 February 13, 2017	Pemanggilan RUPS kepada Pemegang Saham. Disampaikan melalui surat tercatat, paling lambat 14 hari sebelum tanggal RUPS. Panggilan RUPS mencantumkan tanggal, waktu, tempat, dan mata acara rapat disertai pemberitahuan mengenai bahan RUPS. Invitation of the GMS to the Shareholders. Delivered by registered mail no later than 14 days before the date of the GMS. The GMS's invitation included the date, time, place, and meeting agenda with notice of the GMS material.
1 Maret 2017 March 1, 2017	Pelaksanaan RUPS Bertempat di Gedung PHE Tower Lt. Serbaguna, Jakarta. Execution of GMS Located at PHE Tower building, Multipurpose floor, Jakarta.

Ketentuan Kuorum

Ketentuan kourum terkait kehadiran dalam RUPS Tahunan diatur dalam Anggaran Dasar Perusahaan Pasal 10. RUPS Tahunandinyatakankuorumapabilakehadiransebagaimana disyaratkan dalam Undang-Undang Perseroan Terbatas telah terpenuhi.

Rules of Quorum

The rules of quorum related to attendance in the Annual GMS are stipulated in the Articles of Association of the Company Article 10. The Annual GMS shall be declared a quorum if the attendance as required by the Law on Limited Liability Company has been fulfilled.

Pelaksanaan dan Putusan RUPS Tahunan 2017

RUPS Tahunan tahun 2017 diselenggarakan pada tanggal 1 Maret 2017, bertempat di Gedung PHE Tower Lt. Serbaguna, Jakarta. Rapat membahas tentang kegiatan dan kinerja Perusahaan selama tahun buku 2016 dalam beberapa mata acara dengan menghasilkan beberapa keputusan. Selama rapat berlangsung acara dipimpin oleh Komisaris Utama.

Rapat dihadiri pemegang saham, yakni PT Pertamina (Persero) dan PT Pertamina Dana Ventura, anggota Dewan Komisaris dan Direksi. Selain itu, turut hadir pihak-pihak yang menunjang kegiatan Perusahaan, yakni:

- Marianne Vincentia Hamdani, S.H. sebagai Notaris
- Kantor Akuntan Publik Purwantono, Sungkoro & Surya sebagai pelaksana audit Laporan Keuangan Perusahaan.
- Fungsi *Subsidiary Joint Ventures* (SJV) PT Pertamina (Persero)

Implementation and Resolutions of Annual GMS 2017

The Annual General Meeting of Shareholders 2017 was held on March 1, 2017, at PHE Tower Building, Multipurpose floor, Jakarta. The Meeting discussed the Company's activities and performance during the fiscal year 2016 in some of the agendas, which resulted in several resolutions. The meeting was chaired by the President Commissioner.

The meeting was attended by shareholders, PT Pertamina (Persero) and PT Pertamina Dana Ventura, as well as members of the Board of Commissioners and Board of Directors. In addition, also present were the parties that support the Company's activities, namely:

- Marianne Vincentia Hamdani, S.H. as Notary
- Public Accounting Firm Purwantono, Sungkoro & Surya as auditor of Company Financial Statements.
- Subsidiary Joint Ventures (SJV) Function of PT Pertamina (Persero)

Kehadiran Dewan Komisaris Dalam RUPS Board of Commissioners' Attendance in GMS

Nama Name	Posisi Position	Kehadiran Pada RUPS GMS Attendance
Syamsu Alam	Komisaris Utama President Commissioner	Hadir Present
Yudi Wahyudi	Komisaris Commissioner	Hadir Present
Mohamad Oemar	Komisaris Independen Independent Commissioner	Hadir Present
Mochamad Teguh Pamuji	Komisaris Commissioner	Hadir Present
Prahero Nurtjahyo	Komisaris Commissioner	Hadir Present

Kehadiran Direksi Dalam RUPS Kehadiran Direksi Dalam RUPS

Nama Name	Posisi Position	Kehadiran Pada RUPS GMS Attendance
R. Gunung Sardjono Hadi	Direktur Utama President Director	Hadir Present
Beni Jaffilius Ibradi	Direktur Operasi dan Produksi Director of Operations & Production	Hadir Present
Bambang Manumayoso	Direktur Pengembangan Director of Development	Hadir Present
Rudy Ryacudu	Direktur Eksplorasi Director of Exploration	Hadir Present
Ari Budiarko	Direktur Keuangan dan Business Support Director of Financial and Business Support	Hadir Present

Hasil Putusan RUPS Tahunan 2017 Resolutions Of Annual GMS 2017

Mata Acara 1 Agenda 1

Penyampaian Laporan Tahunan Tahun Buku 2016
Annual Report for Fiscal Year 2016

Keputusan Mata Acara 1:

Resolution of Agenda 1:

Agar selanjutnya dapat lebih meningkatkan efisiensi kegiatan operasional Perusahaan untuk hasil yang lebih baik, seperti mencari solusi atas Anak Perusahaan yang non aktif untuk mendukung efisiensi perusahaan. Dalam hal melakukan efisiensi, harus tetap memperhatikan skala prioritas agar tidak mengganggu target operasional di tahun 2017, juga agar GCG lebih ditingkatkan.

In order to further improve the efficiency of the Company's operational activities for better results, such as finding solutions for non-active Subsidiaries to support the Company's efficiency. In the case of efficiency, the Company should remain paying attention to the scale of priority so as not to disrupt operational targets in 2017, as well as to improve GCG.

Mata Acara 2 Agenda 2

Persetujuan Laporan Tahunan termasuk Pengesahan Laporan Keuangan Perusahaan Disertai Pemberian Pelunasan dan Pembebasan Tanggung Jawab Sepenuhnya (*volledig acquit et de charge*) kepada Direksi dan Dewan Komisaris.

Approval of the Annual Report, including the Ratification of the Company's Financial Statements with Full Discharge and Release (*Volledig acquit et de charge*) to the Board of Directors and Board of Commissioners.

Keputusan Mata Acara 2:

Resolution of Agenda 2:

Menyetujui laporan tahunan Perusahaan untuk tahun buku 2016, serta mengesahkan laporan keuangan perusahaan untuk tahun buku 2016 telah di audit oleh KAP Purwantono, Sungkoro & Surya.

Approved the Company's annual report for the fiscal year 2016, as well as ratified the Company's financial statements for the fiscal year 2016 that had been audited by Public Accounting Firm Purwantono, Sungkoro & Surya.

Mata Acara 3 Agenda 3

Penetapan Penggunaan Laba Tahun Buku 2016
Stipulation of Uses of Profit for Fiscal Year 2016

Keputusan Mata Acara 3:

Resolution of Agenda 3:

Penetapan penggunaan laba Perusahaan yang dapat didistribusikan kepada pemilik entitas induk tahun buku 2016 sebesar USD188.862.641, sebagai berikut: sebesar USD114.156.115 sebagai dividen ke pemegang saham dan sebesar USD74.706.526 sebagai cadangan umum.

Stipulation of the Company's profit distribution to owners of the parent entity for fiscal year 2016 amounted to USD188,862,641, as follows: USD114,156,115 as dividends to shareholders and USD74,706,526 as general reserves.

Mata Acara 4 Agenda 4

Penunjukan Kantor Akuntan Publik (KAP) untuk Tahun Buku 2017
Appointment of Public Accounting Firm for Fiscal Year 2017

Keputusan Mata Acara 4:

Resolution of Agenda 4:

Memberikan kuasa dan melimpahkan kewenangan kepada Dewan Komisaris Perusahaan untuk menetapkan Kantor Akuntan Publik (KAP) dalam melakukan pemeriksaan atas laporan keuangan Perusahaan tahun buku 2017 berikut besaran nilai jasanya, sesuai ketentuan bahwa KAP yang ditunjuk Perusahaan sama dengan KAP yang ditunjuk oleh Pertamina (Persero).

Authorized and delegated the power to the Board of Commissioners of the Company to appoint the Public Accounting Firm to audit the Company's financial statements for the fiscal year 2017 and the amount of its service fees, provided that the firm appointed by the Company was the same firm appointed by Pertamina (Persero).

Mata Acara 5 Agenda 5

Penetapan Penghargaan atas Kinerja (Tantiem) kepada Direksi dan Dewan Komisaris Tahun Buku 2016
Stipulation of performance bonus (Tantiem) to the Board of Directors and Board of Commissioners for the Fiscal Year 2016

Keputusan Mata Acara 5:

Resolution of Agenda 5:

Penetapan penghargaan atas kinerja (tantiem) Direksi dan Dewan Komisaris Perusahaan akan ditentukan kemudian dan akan dilaksanakan dalam RUPS terpisah secara sirkuler.

Stipulation of the performance bonus (tantiem) for the Board of Directors and Board of Commissioners of the Company to be determined later and to be executed in a separate circular GMS.

Mata Acara 6 Agenda 6

Usulan Remunerasi Direksi dan Honorarium Dewan Komisaris Tahun Buku 2017
Proposal of Remuneration of Board of Directors and Honorarium of Board of Commissioners for the Fiscal Year 2017

Keputusan Mata Acara 6:

Resolution of Agenda 6:

Penetapan remunerasi Direksi dan honorarium Dewan Komisaris Perusahaan akan ditentukan kemudian dan akan dilaksanakan dalam RUPS terpisah secara sirkuler.

Stipulation of the remuneration of the Board of Directors and honorarium of the Board of Commissioners of the Company to be determined later and to be executed in a separate circular GMS.

RUPS Luar Biasa

Perusahaan juga dapat menyelenggarakan RUPS Luar Biasa sewaktu-waktu berdasarkan kebutuhan, untuk membicarakan dan memutuskan mata acara rapat kecuali mata acara rapat Laporan Tahunan dan Penggunaan Laba, dengan memperhatikan peraturan perundang-undangan serta Anggaran Dasar Perusahaan. Pada tahun 2017, PHE menyelenggarakan RUPS Luar Biasa sebanyak 1 (satu) kali dan menghasilkan keputusan sesuai agenda/mata acara.

Extraordinary GMS

The Company may also hold an Extraordinary GMS at any time based on need, to discuss and decide on the meeting agenda except for the agenda of the Annual Report and Uses of Profit, taking into account the laws and regulations as well as the Company's Articles of Association. In 2017, PHE held one Extraordinary GMS and made resolutions according to agenda.

Pelaksanaan dan Keputusan RUPS Luar Biasa Tahun 2017

Implementation and Resolutions of Extraordinary GMS 2017

No	Waktu dan Tempat Pelaksanaan Time and Place of Meeting	Mata Acara dan Keputusan Agenda and Resolution
1	<p>Waktu Pelaksanaan : 1 Maret 2017 Date: March 1, 2017</p> <p>Tempat Pelaksanaan : Gedung PHE Tower Lt. Serbaguna Jakarta Place: PHE Tower Building, Multipurpose fl., Jakarta</p>	<p>Mata Acara: Agenda: Usulan Persetujuan Pengesahan atas Rencana Kerja dan Anggaran Perusahaan ABI Tahun 2016-Revisi dan Resetting KPI Tahun 2016. Ratification of the Approved Proposed Work Plan and Budget Revised ABI 2016 and KPI Resetting of 2016.</p> <p>Keputusan: Resolution: Menyetujui Pengesahan atas Rencana Kerja dan Anggaran Perseroan ABI Tahun 2016-Revisi dan Resetting KPI Tahun 2016 Approved the Ratification of the Corporate Work Plan and Budget, Revised ABI 2016 and KPI Resetting of 2016.</p>

RUPS Sirkuler

Selain itu, terdapat juga tata cara pelaksanaan RUPS yang dilaksanakan secara *on paper* (keputusan sirkuler), dengan ketentuan sebagai berikut:

- Direksi menyiapkan materi atas kegiatan yang memerlukan tanggapan tertulis dari Komisaris dan persetujuan RUPS;
- Direksi mengirim *draft*/usulan materi kepada Dewan Komisaris dan RUPS;
- Dewan Komisaris melakukan kajian atas materi yang disampaikan Direksi dan apabila dianggap perlu, dapat meminta penjelasan tambahan kepada Direksi;
- Apabila ada, Direksi memberi materi penjelasan tambahan yang diminta Dewan Komisaris;
- Dewan Komisaris membuat tanggapan tertulis atas materi usulan Direksi untuk disampaikan kepada RUPS;
- RUPS memberikan putusan terhadap usulan materi yang diajukan Direksi setelah mempertimbangkan tanggapan tertulis dari Dewan Komisaris.

Selama tahun 2017 PHE juga telah melaksanakan:

- RUPS Sirkuler PHE 15 kali.
- RUPS secara sirkuler Anak Perusahaan, PHE sebagai Pemegang Saham sebanyak 101 kali.
- RUPS secara sirkuler PHE sebagai Perusahaan Patungan sebanyak 24 kali.
- RUPS secara sirkuler PHE sebagai Perusahaan Afiliasi sebanyak 1 kali.

Circular GMS

In addition, the execution of a GMS is also conducted on paper (circular resolution), with the following provisions:

- The Board of Directors shall prepare materials on activities requiring written responses from the Board of Commissioners and approval of the GMS;
- The Board of Directors sends a draft/proposal of materials to the Board of Commissioners and the General Meeting of Shareholders;
- The Board of Commissioners reviews the materials submitted by the Board of Directors and, if deemed necessary, may request additional explanation to the Board of Directors;
- If any, the Board of Directors provides additional explanation on the materials requested by the Board of Commissioners;
- The Board of Commissioners shall make a written response to the proposal of the Board of Directors to be submitted to the GMS;
- The GMS provides a resolution on the proposed materials submitted by the Board of Directors after considering the written response of the Board of Commissioners.

During 2017 PHE has held 141 in Circular GMS consisting of:

- 15 PHE Circular GMS.
- 101 Circular GMS of Subsidiaries, with PHE as majority shareholder.
- 24 Circular GMS, with PHE as a joint venture Company.
- One Circular GMS, with PHE as a Affiliated Company.

Uraian Dewan Komisaris

Description on Board of Commissioners

Dalam struktur kelola PHE, Dewan Komisaris adalah organ perusahaan yang bertugas melakukan pengawasan secara umum dan/atau khusus sesuai Anggaran Dasar Perusahaan serta memberikan nasihat kepada Direksi. Dewan Komisaris juga bertugas untuk memastikan bahwa penerapan GCG telah dilaksanakan secara berkelanjutan.

Dewan Komisaris mempertanggungjawabkan kinerjanya kepada pemegang saham melalui RUPS. Dalam menjalankan tugas dan tanggung jawabnya, Dewan Komisaris dibantu oleh organ pendukung, yakni Komite Audit, Komite Manajemen Risiko dan Sumber Daya Manusia (MRSDM), serta Sekretariat Dewan Komisaris.

Dasar, Kriteria dan Proses Pengangkatan Anggota Dewan Komisaris

[102-24]

Pengangkatan Dewan Komisaris PHE didasarkan pada:

- Undang-Undang No.40 Tahun 2007 Tentang Perseroan Terbatas;
- Anggaran Dasar Perusahaan.

Anggota Dewan Komisaris dipilih dan diangkat oleh RUPS berdasarkan pertimbangan:

- Memiliki integritas dan dedikasi;
- Memahami masalah-masalah manajemen Perusahaan;
- Memiliki pengetahuan yang memadai di bidang usaha Perusahaan;
- Dapat menyediakan waktu yang cukup untuk melaksanakan tugasnya;
- Cakap melakukan perbuatan hukum.

In the governance structure of PHE, the Board of Commissioners is the organ of the company in charge of conducting general and/or special supervision in accordance with the Company's Articles of Association and providing advice to the Board of Directors. The Board of Commissioners also has the duty to ensure that the GCG has been implemented in a sustainable manner.

The Board of Commissioners responsible for its performance and answerable to shareholders through the GMS. In carrying out its duties and responsibilities, the Board of Commissioners is assisted by supporting organs, namely the Audit Committee, Risk Management and Human Resources Committee (MRSDM), and the Secretariat of the Board of Commissioners.

Basis, Criteria and Process of the Appointment of the Board of Commissioners' Members

[102-24]

Appointment of PHE Board of Commissioners is based on:

- Law No.40 of 2007 on Limited Liability Companies;
- Company's Articles of Association.

Members of the Board of Commissioners are elected and appointed by the GMS based on the following considerations:

- Having integrity and dedication;
- Understanding the Company's management issues;
- Having adequate knowledge in the Company's line of business;
- Ability to provide sufficient time to perform their duties;
- Capable of doing legal actions.

- Dalam lima tahun sebelum dan selama menjabat:
 - › Tidak pernah dinyatakan pailit;
 - › Tidak pernah menjadi anggota Direksi atau anggota Dewan Komisaris yang dinyatakan bersalah menyebabkan suatu Perusahaan atau Perum dinyatakan pailit;
 - › Tidak pernah dihukum karena melakukan tindak pidana yang merugikan keuangan negara dan/atau yang berkaitan dengan sektor keuangan;
- Memenuhi persyaratan lainnya sebagaimana ditentukan oleh peraturan perundang-undangan yang berlaku.

Komposisi Dewan Komisaris dan Periode Jabatan

Sesuai Anggaran Dasar PHE, anggota Dewan Komisaris termasuk Komisaris Independen dipilih dan diangkat dengan mengikuti ketentuan:

- Struktur keanggotaan sedikitnya terdiri dari dua orang anggota Dewan Komisaris, dengan seorang di antaranya diangkat sebagai Komisaris Utama.
- Komposisi dan jumlah anggota Dewan Komisaris ditetapkan oleh RUPS dengan memperhatikan visi, misi dan rencana strategis Perusahaan, sehingga memungkinkan pengambilan keputusan yang efektif, tepat, dan cepat serta dapat bertindak secara independen.

Pada tanggal 3 Januari 2017, RUPS mengangkat dan menetapkan Prahoro Yulijanto Nurtjahyo sebagai Komisaris. Dengan demikian hingga 31 Desember 2017 komposisi keanggotaan Dewan Komisaris PHE terdiri dari lima orang, dengan seorang di antaranya menjabat sebagai Komisaris Utama.

- In five years prior and during his tenure:
 - › He/she has never been declared bankrupt;
 - › He/she has never been a member of the Board of Directors or a member of the Board of Commissioners who is found guilty of causing a Company or a Public Service Company (Perum) to be declared bankrupt;
 - › He/she has never been punished for committing a crime that is damaging the state finances and/or relating to the financial sector;
- Meet other requirements as determined by applicable laws and regulations.

Composition of the Board of Commissioners and Term of Office

In accordance with PHE's Articles of Association, members of the Board of Commissioners, including Independent Commissioners, are elected and appointed based on the following provisions:

- The membership structure shall consist of at least two members of the Board of Commissioners, with one of whom shall be appointed as the President Commissioner.
- The composition and number of members of the Board of Commissioners shall be determined by the GMS with due regard to the Company's vision, mission and strategic plan, to allow effective, timely, and quick decision-making as well as to act independently.

On January 3, 2017, the GMS appointed and ratified Prahoro Yulijanto Nurtjahyo as Commissioner. As of December 31, 2017, the composition of PHE Board of Commissioners' members consisted of five persons, with one of whom served as the President Commissioner.

Komposisi Dewan Komisaris Per 31 Desember 2017 dan Dasar Pengangkatan

Composition of Board of Commissioners as of December 31, 2017 and Basis of Appointment

No	Nama Name	Jabatan Position	Dasar dan Tanggal Pengangkatan Basis and Date of Appointment
1	Syamsu Alam	Komisaris Utama President Commissioner	Keputusan RUPS tanggal 12 Maret 2015 GMS Resolution dated March 12, 2015
2	Yudi Wahyudi	Komisaris Commissioner	Keputusan RUPS tanggal 1 Juli 2015 GMS Resolution dated July 1, 2015
3	Mohamad Oemar	Komisaris Independen Independent Commissioner	Keputusan RUPS tanggal 7 Mei 2016 GMS Resolution dated May 7, 2016
4	Mochamad Teguh Pamuji	Komisaris Commissioner	Keputusan RUPS tanggal 4 Maret 2016 GMS Resolution dated March 4, 2016
5	Prahoro Nurtjahjo	Komisaris Commissioner	Keputusan RUPS tanggal 3 Januari 2017 GMS Resolution dated January 3, 2017

Periode jabatan anggota Dewan Komisaris diatur dalam Anggaran Dasar PHE Pasal 15 ayat 8, yang menyatakan bahwa masa jabatan Anggota Dewan Komisaris ditetapkan 3 (tiga) tahun dan dapat diangkat kembali untuk 1 (satu) kali masa jabatan.

Jabatan Anggota Dewan Komisaris berakhir apabila:

- Masa jabatannya berakhir;
- Mengundurkan diri;
- Tidak lagi memenuhi persyaratan perundangan yang berlaku;
- Diberhentikan berdasarkan Keputusan RUPS; dan
- Meninggal dunia dalam masa jabatannya.

Uraian Tanggung Jawab Dewan Komisaris

Anggaran Dasar Perusahaan mengatur tugas-tugas pokok Dewan Komisaris adalah:

- Memberikan pendapat dan saran kepada RUPS mengenai RJPP dan RKAP yang diusulkan Direksi;
- Mengikuti perkembangan kegiatan Perseroan, memberikan pendapat dan saran kepada RUPS mengenai setiap masalah yang dianggap penting bagi pengurusan Perseroan;

The term of office of a member of the Board of Commissioners is stipulated in the Articles of Association of PHE, Article 15 paragraph 8, stating that term of office of a Commissioner is 3 (three) years and may be reappointed for 1 (one) term of office.

The position of a Commissioner ends if:

- His/her term of office expires;
- Voluntary resignation;
- No longer comply with applicable laws and regulations;
- Dismissed based on GMS Decision; and
- Passed away during his/her term of office.

Description of The Board of Commissioners' Responsibilities

The Articles of Association of the Company stipulates the main duties of the Board of Commissioners:

- Provide opinions and advices to the General Meeting of Shareholders regarding Corporate Long Term Plan (RJPP) and Corporate Work Plan and Budget (RKAP) proposed by the Board of Directors;
- Keeping abreast of the development of the Company's activities, providing opinions and advices to the General Meeting of Shareholders regarding any issues deemed important to the management of the Company;

- Melaporkan dengan segera kepada RUPS apabila terjadi gejala menurunnya kinerja Perseroan;
 - Meneliti dan menelaah laporan berkala dan laporan tahunan yang disiapkan Direksi serta menandatangani laporan tahunan;
 - Membentuk komite audit;
 - Melaksanakan kewajiban lainnya dalam rangka tugas pengawasan dan pemberian nasihat sepanjang tidak bertentangan dengan perundang-undangan, Anggaran Dasar, dan/atau keputusan RUPS; dan
 - Mematuhi ketentuan-ketentuan lain yang berlaku di induk perusahaan Perseroan dan dinyatakan berlaku bagi Perseroan dan/atau ketentuan-ketentuan lain yang ditetapkan dan disetujui oleh RUPS.
- Report immediately to the General Meeting of Shareholders in the event of any signs of decline in the Company's performance;
 - Assess and review the periodic and annual reports prepared by the Board of Directors and to sign annual report;
 - Establish an audit committee;
 - Carry out other obligations in the supervisory and advisory duties so far as they do not conflict with laws, Articles of Association, and/or GMS resolutions; and
 - Comply with other provisions applicable in the Company's holding company and shall be declared applicable for the Company and/or other provisions established and approved by the GMS.

Dalam melaksanakan tugas dan tanggung jawabnya, anggota Dewan Komisaris telah membagi tugas masing-masing. Pembagian dilakukan berdasarkan latar belakang profesi, pengetahuan, pengalaman dan kapasitas anggota Dewan Komisaris.

In performing their duties and responsibilities, members of the Board of Commissioners have divided their respective duties. The division is based on their respective professional background, knowledge, experience and capacity.

Tabel Pembagian Tugas Anggota Dewan Komisaris

Table of Division of Duties of Board of Commissioners' Members

Jabatan Position	Tugas dan Tanggung Jawab Duties and Responsibilities
Syamsu Alam Komisaris Utama President Commissioner	<ul style="list-style-type: none"> • Memantau dan mengawasi Rencana Kerja dan Anggaran Perusahaan (RKAP) dan Rencana Jangka Panjang Perusahaan (RJPP) yang telah ditetapkan atau disetujui. • Mengarahkan, memberi pertimbangan dan mengawasi grand strategy PHE sebagai keputusan Dewan Komisaris. • Mengarahkan, memberi pertimbangan dan mengawasi susunan organisasi Perseroan. • Menjadi pimpinan rapat dalam RUPS dan rapat Dewan Komisaris. • Mengkoordinasikan kegiatan yang dilakukan oleh 4 (empat) anggota komisaris lainnya, untuk mencapai kesepakatan dalam menetapkan kebijakan Dewan Komisaris. <ul style="list-style-type: none"> • Monitor and supervise the Company's Work Plan and Budget (RKAP) and Long-Term Plan (RJPP) that has been established or approved. • Direct, provide advices and oversee the grand strategy of PHE as the Board of Commissioner's decision. • Direct, provide advices and oversee the organizational structure of the Company. • Act as chairman of the meeting in the GMS and BOC meetings. • Coordinate the activities performed by 4 (four) other commissioners, to reach agreement in determining the Board of Commissioners' policies

Jabatan Position	Tugas dan Tanggung Jawab Duties and Responsibilities	
<p>Yudi Wahyudi Komisaris Commissioner</p>	<ul style="list-style-type: none"> • Memantau dan mengawasi Rencana Kerja dan Anggaran Perusahaan (RKAP) dan Rencana Jangka Panjang Perusahaan (RJPP) yang telah ditetapkan atau disetujui. • Mengarahkan, memberikan pertimbangan dan mengawasi penyusunan laporan tahunan, serta memantau dan mengawasi proses penyajian informasi keuangan yang akan dipublikasikan. • Mengarahkan, memberikan pertimbangan dan mengawasi sistem pembukuan dan administrasi Perseroan sesuai kelaziman yang berlaku bagi suatu Perseroan. • Menjalankan tugas sebagai Ketua Komite MRSDM dan membantu Ketua Komite Audit dalam melaksanakan tugasnya, dalam rangka memantau pengelolaan investasi dan risikonya serta dinamika perubahan organisasi perusahaan. 	<ul style="list-style-type: none"> • Monitor and supervise the Company's Work Plan and Budget (RKAP) and Long-Term Plan (RJPP) that has been established or approved. • Direct, provide advices and oversee the preparation of annual report, and monitor and oversee the process of preparing financial information to be published. • Direct, provide advices and oversee the Company's accounting and administration system in accordance with the common practices applicable for a Company. • Conduct duties as Chairman of Risk Management and Human Resources (MRSDM) Committee and assist the Chairman of the Audit Committee in performing his/ her duties, in order to monitor the investment and risk management as well as the dynamics of organizational change of the company.
<p>Mohamad Oemar Komisaris Independen Independent Commissioner</p>	<ul style="list-style-type: none"> • Memantau dan mengawasi Rencana Kerja dan Anggaran Perusahaan (RKAP) dan Rencana Jangka Panjang Perusahaan (RJPP) yang telah ditetapkan atau disetujui. • Mengarahkan, memberikan pertimbangan dan mengawasi sistem akuntansi sesuai dengan Standar Akuntansi Keuangan dan berdasarkan prinsip-prinsip pengendalian internal, terutama fungsi pengurusan, dan pencatatan, penyimpanan dan pengawasan. • Menjalankan tugas sebagai Ketua Komite Audit dan mengkoordinasikan semua kegiatan anggota Komite Audit. • Membantu dalam rangka koordinasi dengan instansi terkait dan pihak terkait lainnya apabila terjadi kendala dalam kegiatan investasi dan operasi Perusahaan 	<ul style="list-style-type: none"> • Monitor and supervise the Company's Work Plan and Budget (RKAP) and Long-Term Plan (RJPP) that has been established or approved. • Direct, provide advices and oversee the accounting system in accordance with the Financial Accounting Standards and based on the principles of internal control, in particular the functions of management, and recording, storage and supervision. • Conduct duties as Chairman of the Audit Committee and coordinate all activities of the Audit Committee's members. • Assist in coordination with relevant agencies and other related parties if there are any obstacles in the Company's investment and operating activities
<p>Prahoro Nurtjahjo Komisaris Commissioner</p>	<ul style="list-style-type: none"> • Memantau dan mengawasi Rencana Kerja dan Anggaran Perusahaan (RKAP) dan Rencana Jangka Panjang Perusahaan (RJPP) yang telah ditetapkan atau disetujui. • Memantau dan mengawasi pencapaian peringkat PROPER masing-masing wilayah kerja. • Membantu Ketua Komite Audit dan Komite MRSDM, terutama dalam penelaahan kontrak bagi hasil migas dan investasi di luar negeri. • Membantu dalam rangka koordinasi dengan instansi terkait apabila terjadi kendala dalam kegiatan investasi dan operasi Perusahaan. 	<ul style="list-style-type: none"> • Monitor and supervise the Company's Work Plan and Budget (RKAP) and Long-Term Plan (RJPP) that has been established or approved. • Monitor and oversee the achievement of PROPER ratings at each working area. • Assist the Chairman of the Audit Committee and the MRSDM Committee, particularly in reviewing the oil & gas production sharing contracts and investments abroad. • Assist in coordination with relevant agencies in case of obstacles in investment and operating activities of the Company.
<p>Mochamad Teguh Pamuji Komisaris Commissioner</p>	<ul style="list-style-type: none"> • Memantau dan mengawasi Rencana Kerja dan Anggaran Perusahaan (RKAP) dan Rencana Jangka Panjang Perusahaan (RJPP) yang telah ditetapkan atau disetujui. • Memantau efektifitas praktik GCG dan pelaksanaan Corporate Social Responsibility (CSR) yang diterapkan Perusahaan. • Membantu Ketua Komite Audit dan Komite MRSDM, terutama dalam penelaahan atas ketaatan Perusahaan dalam menjalankan kegiatannya sesuai dengan peraturan perundang-undangan yang berlaku. • Membantu dalam rangka koordinasi dengan instansi terkait apabila terjadi kendala dalam kegiatan investasi dan operasi Perusahaan. 	<ul style="list-style-type: none"> • Monitor and supervise the Company's Work Plan and Budget (RKAP) and Long-Term Plan (RJPP) that has been established or approved. • Monitor the effectiveness of GCG practices and implementation of Corporate Social Responsibility (CSR) by the Company. • Assist the Chairman of the Audit Committee and the MRSDM Committee, particularly in reviewing the Company's compliance with prevailing laws and regulations in conducting its activities. • Assist in coordination with relevant agencies if there are any obstacles in investment and operating activities of the Company.

Pelaksanaan Tugas dan Tanggung Jawab Dewan Komisaris Tahun 2017

Selama tahun 2017, Dewan Komisaris menjalankan tugas dan tanggung jawabnya dalam mengurus Perusahaan.

- Menyelenggarakan rapat Dewan Komisaris secara berkala.
- Mengikuti RUPS tahunan PT PHE.
- Melakukan pengawasan, evaluasi dan memberikan rekomendasi atas:
 - › Kebijakan dan Pelaksanaan Manajemen Risiko dan Analisis Risiko atas Rancangan RKAP.
 - › Kebijakan dan Pelaksanaan RKAP 2017, rolling RJPP dan Pengelolaan AP PHE.
 - › Kepatuhan Direksi terhadap Perundang-undangan dan Pelaksanaan GCG Perusahaan.
 - › Evaluasi Kewenangan Dewan Komisaris/Dewan Pengawas/RUPS/Pemilik Modal dalam aktivitas pengelolaan Perusahaan.
- Monitoring, pengawasan dan evaluasi atas:
 - › Pelaksanaan Audit Eksternal dan Internal, Penunjukan calon KAP dan pembahasan Usulan Owner Estimate KAP.
 - › Pelaksanaan Sistem Pengendalian Intern dan Pelaksanaannya.
 - › Kebijakan dan Pelaksanaan Sistem TI, Pengelolaan SDM, Sistem Pengadaan Barang dan Jasa dan kebijakan Mutu dan Pelaksanaan Pelayanan Perusahaan.
 - › Kebijakan akuntansi dan penyusunan laporan Keuangan.
- Membuat laporan secara berkala dan laporan tahunan tentang tugas pengawasan Dewan Komisaris terhadap Perseroan, yang meliputi:
 - › Pelaksanaan RKAP 2016 yang terdiri dari kegiatan investasi, operasional dan keuangan, termasuk penyusunan laporan keuangan Perseroan.
 - › Pelaksanaan tata kelola perseroan yang baik.
 - › Pencapaian kinerja Direksi yang telah ditetapkan dalam RKAP2017.

Implementation of Duties and Responsibilities of the Board of Commissioners in 2017

During 2017, the Board of Commissioners has performed its duties and responsibilities in managing the Company.

- Organized BOC meetings regularly.
- Attended the Annual GMS of PT PHE.
- Conducted monitoring, evaluation and provided recommendations on:
 - › Policy and Implementation of Risk Management and Risk Analysis on RKAP Draft.
 - › Policy and Implementation of RKAP 2017, rolling RJPP and PHE Subsidiaries' Management.
 - › Board of Directors' Compliance with Laws and the Company's GCG Implementation.
 - › Evaluation of BOC/Supervisory Board/GSM/Capital Owners' authorities in the Company's management activities.
- Monitoring, supervision and evaluation of:
 - › Implementation of External and Internal Audit, Appointment of candidate of Public Accounting Firm and discussion of Proposed Public Accounting Firm Owner Estimate.
 - › Internal Control System and its Implementation.
 - › Policy and Implementation of IT System, HR Management, Procurement System of Goods and Services, as well as policy on Quality and Service Implementation of the Company.
 - › Accounting policies and preparation of Financial statements.
- Membuat laporan secara berkala dan laporan tahunan tentang tugas pengawasan Dewan Komisaris terhadap Perseroan, yang meliputi:
 - › The implementation of RKAP 2016 consisting of investment, operational and financial activities, including the preparation of the Company's financial statements.
 - › The implementation of good corporate governance.
 - › The achievement of Board of Directors' performance as set forth in the RKAP 2017.

- Pelaksanakan kunjungan kerja ke Anak Perusahaan PHE.
- Mengikuti program pelatihan, seminar, konferensi, lokakarya, dan kegiatan lainnya guna meningkatkan wawasan dan kompetensi.
- Conducted working visit to PHE Subsidiaries.
- Participated in training programs, seminars, conferences, workshops, and other activities to improve insight and competencies.

Rekomendasi/Persetujuan | Recommendations/Approval

No	Tanggal Date	Nomor Surat Letter Number	Rekomendasi Recommendation
1.	27 Jan 2017 Jan 27, 2017	008/ DKPHE/2017-SO	Revisi Rencana Kerja dan Anggaran Perusahaan (RKAP) PT Pertamina Hulu Energi Tahun 2016. Revised Corporate Work Plan and Budget (RKAP) of PT Pertamina Hulu Energi 2016.
2.	28 Feb 2017 Feb 28, 2017	010/DKPHE/2017-SO	Persetujuan dan Pengesahan Resetting KPI Tahun 2016, Penetapan Penggunaan Laba Tahun Buku 2016, Penetapan Penghargaan atas Kinerja (Tantiem) kepada Direksi dan Dewan Komisaris Tahun Buku 2016 dan usulan Remunerasi Direksi dan Honorarium Dewan Komisaris Tahun Buku 2017. Approval and Ratification of KPI Resetting in 2016, Determination of Uses of Profit for Fiscal Year 2016, Determination of Performance Bonus (Tantiem) to the Board of Directors and Board of Commissioners for Fiscal Year 2016 and proposed Remuneration of Board of Directors and Honorarium of Board of Commissioners for Fiscal Year 2017.
3.	04 Jul 2017 Jul 4, 2017	024/ DKPHE/2017-SO	Persetujuan Penunjukan PT Pertamina Hulu Energi sebagai Pengelola Lanjut Wilayah Kerja ONWJ Terminasi melalui Anak Perusahaan Pertamina Hulu Energi ONWJ. Approval of Appointment of PT Pertamina Hulu Energi as the Operator of ONWJ Terminated Working Areas through Pertamina Hulu Energi ONWJ subsidiary.
4.	04 Jul 2017 Jul 4, 2017	025/ DKPHE/2017-SO	Persetujuan Pengelolaan 6 (enam) Wilayah Kerja (WK) Terminasi. Approval of Management for 6 (six) Terminated Working Areas (WK).
5.	17 Jul 2017 Jul 17, 2017	026/ DKPHE/2017-SO	Penetapan Kantor Akuntan Publik (KAP) Untuk Jasa Audit Atas Laporan Keuangan PT Pertamina Hulu Energi Tahun Buku 2017 Termasuk Proses dan Pelaksanaan Kontrak Audit. Determination of Public Accountant Firm for Audit Service on Financial Statements of PT Pertamina Hulu Energi for the fiscal year 2017 Including the Process and Implementation of its Audit Contract.
6.	17 Jul 2017 Jul 17, 2017	028/ DKPHE/2017-SO	Rekomendasi atas Key Performance Indicator (KPI) PT Pertamina Hulu Energi 2017. Recommendation on Key Performance Indicator (KPI) of PT Pertamina Hulu Energi 2017.
7.	18 Jul 2017 Jul 18, 2017	033/ DKPHE/2017-SO	Surat Keputusan Dewan Komisaris atas Pelaksana Tugas Harian Direktur Pengembangan. Decree of the Board of Commissioners on Acting Development Director.
8.	19 Sept 2017 Sept 19, 2017	042/ DKPHE/2017-SO	Surat Keputusan Dewan Komisaris atas Pelaksana Tugas Harian Direktur Pengembangan. Decree of the Board of Commissioners on Acting Development Director.
9.	30 Sept 2017 Sept 30, 2017	042/ DKPHE/2017-SO	Rekomendasi Perubahan Direksi dan Komisaris PT Pertamina Hulu Energi WMO dan Pengisian Posisi <i>Vacant</i> Anggota Direksi PHE dan AP PHE. Recommendations for Changes of Board of Directors and Commissioners of PT Pertamina Hulu Energi WMO and Fulfillment of Vacancies of BOD Members at PHE and PHE Subsidiaries.
10.	06 Okt 2017 Oct 6, 2017	046/ DKPHE/2017-SO	Surat Keputusan Dewan Komisaris atas Pelaksana Tugas Harian Direktur Pengembangan. Decree of the Board of Commissioners on Acting Development Director.
11.	08 Nov 2017 Nov 8, 2017	053/ DKPHE/2017-SO	Perubahan Direksi dan Komisaris Anak Perusahaan PT Pertamina Hulu Energi dalam Rangka Perubahan RPTK. Changes in the Board of Directors and Commissioners of PT Pertamina Hulu Energi's Subsidiaries for the RPTK Amendment.
12.	09 Nov 2017 Nov 9, 2017	055/ DKPHE/2017-SO	Surat Keputusan Dewan Komisaris atas Pelaksana Tugas Harian Direktur Pengembangan. Decree of the Board of Commissioners on Acting Development Director.
13.	30 Nov 2017 Nov 30, 2017	056/ DKPHE/2017-SO	Rekomendasi Revisi Rencana Kerja dan Anggaran Perusahaan (RKAP) PT Pertamina Hulu Energi Tahun 2017. Recommendation Revised Corporate Work Plan and Budget (RKAP) of PT Pertamina Hulu Energi 2016.
14.	19 Des 2017 Dec 19, 2017	060/ DKPHE/2017-SO	Surat Keputusan Dewan Komisaris atas Pelaksana Tugas Harian Direktur Pengembangan. Decree of the Board of Commissioners on Acting Development Director.

Pengungkapan mengenai *Board Charter* (Pedoman dan Tata Tertib Kerja Dewan Komisaris)

Dewan Komisaris telah memiliki *Board Charter*, yaitu Pedoman dan Tata Tertib Kerja Dewan Komisaris dan Komite-komite yang berada di bawah Dewan Komisaris. Pedoman tersebut telah diperbaharui dan ditetapkan melalui Surat Keputusan Dewan Komisaris No.087/DK-PHE/2015-S0 tanggal 30 Desember 2015. [102-16]

Secara berkala Dewan Komisaris melakukan peninjauan dan evaluasi atas *Board Charter* yang berlaku. Hal ini dilakukan untuk memastikan Piagam tersebut sesuai dengan praktik-praktik terbaik GCG, perubahan peraturan yang berlaku dan kebutuhan Perusahaan.

Disclosure of The Board Charter (Working Guidelines of The Board of Commissioners)

The Board of Commissioners has a Board Charter, which serves as the Guidelines and Working Procedures for the Board and its Committees. The guidelines have been updated and ratified through a Decree of Board of Commissioners No.087/DK-PHE/2015-S0 dated December 30, 2015. [102-16]

Periodically the Board of Commissioners conducts review and evaluation of the applicable Board Charter. This is to ensure that the Charter complies with GCG best practices, changes in applicable regulations and the Company's needs.

Board Charter Dewan Komisaris [102-16]

Board of Commissioners Charter [102-16]

Bab Chapter	Uraian Description
Pendahuluan Introduction	<ul style="list-style-type: none"> Latar Belakang Visi & Misi Maksud & Tujuan Background Vision & Mission Goal & Purpose
Organisasi dan Organ Pendukung Organization and Supporting Organs	<ul style="list-style-type: none"> Organisasi meliputi; Dasar Hukum, Pembentukan Organ Dewan Komisaris, Struktur Keanggotaan, Persyaratan Keanggotaan, Masa Kerja, Honorarium/Remunerasi Organ Pendukung Organization includes: Legal Basis, Formation of Board of Commissioners' Organs, Membership Structure, Membership Requirements, Working Period, Honorarium/Remuneration Supporting Organs
Tugas, Tanggung Jawab, Kewenangan dan Mekanisme Kerja Duties, Responsibilities, Authority and Work Mechanism	<ul style="list-style-type: none"> Tugas meliputi: Lingkup Pekerjaan, Pembagian Tugas, Pelaksanaan Tugas Khusus Tanggung Jawab Kewenangan Mekanisme Kerja meliputi: Hubungan Kerja dengan Direksi, Kerahasiaan, Etika Berusaha dan Anti Korupsi dan Evaluasi Kinerja Duties include: Scope of Work, Division of Duties, Implementation of Special Tasks Responsibility Authority Working Mechanisms include: Work Relations with Board of Directors, Confidentiality, Business Ethics and Anti-Corruption, Performance Evaluation
Rapat, Pelaporan, dan Anggaran Meetings, Reporting, and Budget	<ul style="list-style-type: none"> Rapat Pelaporan Anggaran Meetings Reporting Budget

Bab Chapter	Uraian Description
Penutup Conclusion	<ul style="list-style-type: none"> • Efektif berlaku sejak tanggal ditetapkan • Secara berkala Charter akan dievaluasi untuk penyempurnaan • Evaluasi terhadap kinerja Dewan Komisaris, baik secara individual maupun secara kolektif, dilakukan setiap tahun dan hasilnya diinformasikan kepada RUPS • Effective from the date of establishment • The Charter will be evaluated periodically for amendment • Evaluation on the performance of the Board of Commissioners, either individually or collectively, is conducted annually and the results are presented to the GMS

Kebijakan dan Pelaksanaan tentang Frekuensi Rapat Dewan Komisaris

Kebijakan Rapat Dewan Komisaris

Sesuai Anggaran Dasar Perusahaan, Dewan Komisaris dapat mengadakan rapat internal setiap bulan (12 kali pertemuan dalam satu tahun). Penyelenggaraan rapat menjadi bagian dari pelaksanaan program kerja Dewan Direksi dan dilaksanakan untuk membahas berbagai macam agenda terkait operasional PHE, pengelolaan blok migas, dan pencapaian RKAP 2017.

Rapat Dewan Komisaris dilaksanakan minimal 1 kali dalam sebulan baik rapat internal Dewan Komisaris maupun mengundang Direksi, undangan dan materi rapat disampaikan kepada peserta 3 hari sebelum pelaksanaan rapat. Setelah rapat selesai akan disusun risalah rapatnya, 30 hari setelah rapat berlangsung akan disampaikan risalah rapat kepada peserta rapat.

Rapat Dewan Komisaris dinyatakan sah dan berhak mengambil keputusan yang mengikat apabila memenuhi persyaratan sedikit 1/3 (satu per tiga) dari jumlah anggota Dewan Komisaris, permintaan Direksi atau atas permintaan tertulis dari pemegang saham yang memiliki jumlah saham terbesar dengan menyebutkan hal-hal yang akan dibicarakan.

Policy and Implementation of the Board of Commissioners Meeting Frequency

Policy of the Board of Commissioners Meeting

In accordance with the Company's Articles of Association, the Board of Commissioners may hold a monthly internal meeting (12 meetings a year). The meeting is held as part of the Board of Directors' work program implementation and is implemented to discuss various agenda related to PHE operations, oil & gas block management, and achievement of RKAP 2017.

The Board of Commissioners meetings are held at least once a month whether as internal meetings of the Board of Commissioners or inviting the Board of Directors. Invitations and materials are distributed to the participants 3 days prior to the meeting. After the meeting is concluded, the minutes of meetings will be prepared, 30 days after the meeting will be distributed to the meeting participants.

The Board of Commissioners meeting is declared valid and is entitled to make binding decisions if it meets the requirements of at least 1/3 (one third) of the total members of the Board of Commissioners, the request of the Board of Directors or at the written request of the shareholders holding the largest number of shares by stating matters to be discussed.

Pelaksanaan Rapat dan Kehadiran Anggota Dewan Komisaris

Selama tahun 2017 Dewan Komisaris telah menyelenggarakan 11 kali rapat Dewan Komisaris dengan tingkat rerata kehadiran mencapai 70%. Dengan demikian putusan maupun rekomendasi yang diambil dalam rapat telah memenuhi ketentuan maupun aturan yang berlaku dalam pengambilan keputusan.

Implementation of Meetings and Attendance of the Board of Commissioners' Members

During 2017, the Board of Commissioners has held 11 the Board of Commissioners meeting with an average attendance rate of 70%. Thus the decisions and recommendations made in the meeting have fulfilled the provisions and rules applicable in decision making.

Tabel Kehadiran Rapat Dewan Komisaris Tahun 2017

Table of Board of Commissioners Meeting Attendance 2017

Uraian Description	Jan Jan	Jan Jan	Mar Mar	Apr Apr	Mei May	Jun Jun	Ags Aug	Ags Aug	Okt Oct	Des Dec	Des Dec
	05	26	30	26	24	14	01	28	06	08	22
Syamsu Alam	v	v	v	v	v	v	v	v	v	v	x
Yudi Wahyudi	v	v	v	v	v	v	v	v	v	x	v
Mohamad Oemar	x	x	v	x	v	x	x	v	x	x	v
Mochamad Teguh Pamuji	x	v	x	x	v	x	x	x	x	v	v
Prahoro Nurtjahjo	v	v	v	v	x	v	v	v	v	v	v

Tabel Frekuensi dan Tingkat Kehadiran Rapat Dewan Komisaris dengan Persentase Kehadiran Tahun 2017

Table of Board of Commissioners Meeting Frequency and Attendance Rate to Attendance Percentage 2017

Peserta Rapat Meeting Participants	Jabatan Position	Jumlah Rapat Total Meetings	Jumlah Kehadiran Total Attendance	Persentase Kehadiran Attendance Percentage
Syamsu Alam	Komisaris Utama President Commissioner	11	10	91
Yudi Wahyudi	Komisaris Commissioner	11	10	91
Mohamad Oemar	Komisaris Independen Independent Commissioner	11	4	36
Mochamad Teguh Pamuji	Komisaris Commissioner	11	4	36
Prahoro Nurtjahjo	Komisaris Commissioner	11	10	91
Rerata Kehadiran Anggota Dewan Komisaris Average Attendance of Board of Commissioners' Members				69

Tabel Agenda Rapat Dewan Komisaris Tahun 2017

Table of Agenda of Board of Commissioners Meeting 2017

No	Tanggal Rapat Date of Meeting	Agenda Rapat Meeting Agenda
1	05 Januari 2017 January 5, 2017	<ul style="list-style-type: none"> Rencana Rapat BOC-BOD Selanjutnya Laporan Kegiatan Dewan Komisaris & Komite Dewan Komisaris The next BOC-BOD Meeting Plan BOC's Activity Report & BOC Committees
2	26 Januari 2017 January 26, 2017	<ul style="list-style-type: none"> Rencana Kegiatan Dewan Komisaris Rencana Rapat BOC-BOD Selanjutnya Activity Plan of the Board of Commissioners The next BOC-BOD Meeting Plan
3	30 Maret 2017 March 30, 2017	<ul style="list-style-type: none"> Rencana Kegiatan Dewan Komisaris Lain-lain Activity Plan of the Board of Commissioners Others
4	26 April 2017 April 26, 2017	<ul style="list-style-type: none"> Rencana Kegiatan Dewan Komisaris Rencana Rapat BOC BOD selanjutnya Activity Plan of the Board of Commissioners The next BOC-BOD Meeting Plan
5	24 Mei 2017 May 24, 2017	<ul style="list-style-type: none"> Rencana Kegiatan Dewan Komisaris Review Kinerja Perusahaan s/d bulan Maret 2017 Activity Plan of the Board of Commissioners Review of Company Performance until March 2017
6	14 Juni 2017 June 14, 2017	<ul style="list-style-type: none"> Rencana Kegiatan Dewan Komisaris Review Kinerja Perusahaan s/d bulan April 2017 Activity Plan of the Board of Commissioners Review of Company Performance until April 2017
7	01 Agustus 2017 August 1, 2017	<ul style="list-style-type: none"> Rencana Kegiatan Dewan Komisaris Review Kinerja Perusahaan s/d bulan Mei 2017 Activity Plan of the Board of Commissioners Review of Company Performance until May 2017
8	28 Agustus 2017 August 28, 2017	<ul style="list-style-type: none"> Rencana Kegiatan Dewan Komisaris Review Kinerja Perusahaan s/d bulan Juli 2017 Activity Plan of the Board of Commissioners Review of Company Performance until July 2017
9	06 Oktober 2017 October 6, 2017	<ul style="list-style-type: none"> Rencana Kegiatan Dewan Komisaris Laporan Kegiatan Komite Dewan Komisaris Activity Plan of the Board of Commissioners Report of BOC Committees' Activities
10	08 Desember 2017 December 8, 2017	<ul style="list-style-type: none"> Rencana Kegiatan Dewan Komisaris Laporan Kegiatan Komite Dewan Komisaris Activity Plan of the Board of Commissioners Report of BOC Committees' Activities
11	22 Desember 2017 December 22, 2017	<ul style="list-style-type: none"> Rencana Kegiatan Dewan Komisaris Review Kinerja Perusahaan s/d bulan Oktober 2017 Activity Plan of the Board of Commissioners Review of Company Performance until October 2017

Selama tahun 2017, Dewan Komisaris juga menyelenggarakan rapat dengan mengundang Direksi atau rapat gabungan. Total ada 12 kali pelaksanaan rapat gabungan.

During 2017, the Board of Commissioners also organized meetings by inviting Board of Directors or joint meetings. There were a total of 12 joint meetings.

Tabel Kehadiran Rapat Gabungan Dewan Komisaris dan Direksi Tahun 2017

Table of Board of Commissioners and Board of Directors Joint Meetings Attendance 2017

Uraian Description	Jan Jan	Jan Jan	Mar Mar	Apr Apr	Mei May	Mei May	Jun Jun	Ags Aug	Ags Aug	Okt Oct	Des Dec	Des Dec
	05	26	30	26	09	24	14	01	28	06	08	22
Dewan Komisaris Board of Commissioners												
Syamsu Alam	v	v	v	v	v	v	v	v	v	v	v	x
Yudi Wahyudi	v	v	v	v	v	v	v	v	v	v	x	v
Mohamad Oemar	x	x	v	x	x	v	x	x	v	x	x	v
Mochamad Teguh Pamuji	x	v	x	x	x	v	x	x	x	x	v	v
Prahoru Nurtjahjo	v	v	v	v	v	x	v	v	v	v	v	v
Direksi Board of Directors												
R. Gunung Sardjono Hadi	x	v	v	v	x	x	v	v	v	v	v	v
Beni Jaffilius Ibradi	x	v	v	v	v	v	v	v	v	v	v	v
Bambang Manumayoso	v	v	v	v	v	v	x	v	v	x	x	x
Rudy Ryacudu	v	x	x	v	x	v	v	v	v	v	v	v
Ari Budiarko	v	v	v	v	v	v	v	v	v	v	v	v

Tabel Frekuensi dan Tingkat Kehadiran Rapat Gabungan Dewan Komisaris dan Direksi Tahun 2017

Table of BOC BOD Joint Meeting Frequency and Attendance Rate 2017

Peserta Rapat Meeting Participants	Jabatan Position	Jumlah Rapat Total Meetings	Jumlah Kehadiran Total Attendance	Persentase Kehadiran Attendance Percentage
Dewan Komisaris Board of Commissioners				
Syamsu Alam	Komisaris Utama President Commissioner	12	11	92
Yudi Wahyudi	Komisaris Commissioner	12	11	92
Mohamad Oemar	Komisaris Independen Independent Commissioner	12	4	33
Mochamad Teguh Pamuji	Komisaris Commissioner	12	4	33
Prahoru Nurtjahjo	Komisaris Commissioner	12	11	92
Direksi Board of Directors				
R Gunung Sardjono Hadi	Direktur Utama President Director	12	9	75
Beni Jaffilius Ibradi	Direktur Operasi dan Produksi Director of Operations & Production	12	11	92
Bambang Manumayoso	Direktur Pengembangan Director of Development	12	8	67
Rudy Ryacudu	Direktur Eksplorasi Director of Exploration	12	9	75
Ari Budiarko	Direktur Keuangan dan Penunjang Bisnis Director of Financial and Business Support	12	12	100

Agenda Rapat Gabungan Dewan Komisaris dan Direksi Tahun 2017

Agenda of BOC BOD Joint Meeting 2017

No	Tanggal Rapat Date of Meeting	Agenda Rapat Meeting Agenda
1	05 Januari 2017 January 5, 2017	<ul style="list-style-type: none"> Tindak lanjut rapat BOC-BOD sebelumnya; Evaluasi Kinerja Perusahaan s/d bulan November 2016; Agenda lain-lain. Follow up of previous BOC-BOD meeting; Company Performance Evaluation until November 2016; Other agendas.
2	26 Januari 2017 January 26, 2017	<ul style="list-style-type: none"> Evaluasi Kinerja Perusahaan s/d bulan Desember 2016; Update RJPP 2017-2021; Strategi Implementasi RKAP 2017; Evaluasi Portfolio Bisnis PHE; Issue Gross Split ONWJ; Update Penyempurnaan; Organisasi PHE (SSO). Company Performance Evaluation until December 2016; RJPP 2017-2021 Update; RKAP 2017 Implementation Strategy; Business Portfolio Evaluation of PHE; ONWJ Gross Split Issue; Enhancement Update; PHE Organization (SSO).

No	Tanggal Rapat Date of Meeting	Agenda Rapat Meeting Agenda
3	30 Maret 2017 March 30, 2017	<ul style="list-style-type: none"> • Evaluasi Kinerja Perusahaan s/d bulan Februari 2017; • Update Implementasi SSO; • Update Gross Split ONWJ. • Company Performance Evaluation until February 2017; • SSO Implementation Update; • ONWJ Gross Split Update.
4	26 April 2017 April 26, 2017	<ul style="list-style-type: none"> • Tindak lanjut BOC-BOD sebelumnya; • Evaluasi Kinerja Perusahaan s/d bulan Maret 2017. • Follow up of previous BOC-BOD meeting; • Company Performance Evaluation until March 2017.
5	09 Mei 2017 May 9, 2017	<ul style="list-style-type: none"> • Update Pelaksanaan Kontrak Bagi Hasil Gross Split ONWJ; • Usulan Perbaikan Pelaksanaan Kontrak Bagi Hasil. • Implementation Update of ONWJ Gross Split Production Sharing Contract; • Proposed Amendment of Production Sharing Contract.
6	24 Mei 2017 May 24, 2017	<ul style="list-style-type: none"> • Tindak lanjut BOC-BOD sebelumnya; • Evaluasi Kinerja Perusahaan s/d bulan April 2017; • Update Gross Split ONWJ. • Follow up of previous BOC-BOD meeting; • Company Performance Evaluation until April 2017; • ONWJ Gross Split Update.
7	14 Juni 2017 June 14, 2017	<ul style="list-style-type: none"> • Update Gross Split ONWJ; • Update Progress Pengelolaan Wilayah Kerja yang akan Terminasi; • Update implementasi shared Service Organization (SSO). • ONWJ Gross Split Update; • Update on Working Area that will be Terminated Management Progress; • Update on Shared Service Organization (SSO) implementation.
8	01 Agustus 2017 August 1, 2017	<ul style="list-style-type: none"> • Tindak lanjut Rapat BOC-BOD sebelumnya; • Evaluasi Kinerja Perusahaan s/d bulan Juni 2017. • Follow up of the previous BOC-BOD meeting; • Company Performance Evaluation until June 2017.
9	28 Agustus 2017 August 28, 2017	<ul style="list-style-type: none"> • Tindak lanjut Rapat BOC-BOD sebelumnya; • Evaluasi Kinerja Perusahaan s/d Bulan Juli 2017; • Pembahasan Komposisi Direksi & Komisaris di AP PHE (Tindak lanjut RPTK WMO). • Follow up of the previous BOC-BOD meeting; • Company Performance Evaluation until July 2017; • Discussion on Composition of Directors & Commissioners at PHE Subsidiaries (Follow up of RPTK WMO).
10	06 Oktober 2017 October 6, 2017	<ul style="list-style-type: none"> • Tidak lanjut rapat BOC-BOD sebelumnya; • Evaluasi Kinerja Perusahaan s/d bulan Agustus 2017; • Usulan Revisi RKAP 2017 & RKAP 2018; • Update Implementasi SSO. • Follow up of the previous BOC-BOD meeting; • Company Performance Evaluation until August 2017; • Proposed Revised RKAP 2017 & RKAP 2018; • Update on SSO Implementation.
11	08 Desember 2017 December 8, 2017	<ul style="list-style-type: none"> • Tindak lanjut rapat BOC-BOD sebelumnya; • Evaluasi Kinerja Perusahaan s/d Bulan Oktober 2017. • Follow up of previous BOC-BOD meetings; • Company Performance Evaluation until October 2017.
12	22 Desember 2017 December 22, 2017	<ul style="list-style-type: none"> • Tindak lanjut rapat BOC-BOD sebelumnya; • Evaluasi Kinerja Perusahaan s/d Bulan November 2017. • Follow up of previous BOC-BOD meeting; • Company Performance Evaluation until November 2017.

Penilaian Kinerja Dewan Komisaris [102-28]

Penilaian kinerja Dewan Komisaris dilakukan sebagai bagian dari evaluasi dalam kerangka Kinerja *Excellent Quality Management Assessment* Pertamina dan dilaksanakan setiap tahun. Penilaian menggunakan indikator atau parameter yang tertuang dalam Keputusan Sekretaris Kementerian Badan Usaha Milik Negara Nomor. SK-16/S.Mbu/2012 tanggal 6 Juni 2012.

Pelaksanaan penilaian dilakukan dengan menggunakan sistem penilaian mandiri (*self-assessment*), *peer evaluation* atau sistem lain, sesuai dengan keputusan dalam rapat Dewan Komisaris. Penilaian kinerja Dewan Komisaris dilakukan berkala setiap tiga bulan dan pada akhir tahun.

Sejalan dengan prinsip akuntabilitas, kinerja Dewan Komisaris juga dievaluasi setiap tahun oleh pemegang saham dalam RUPS. Penilaian mengacu pada pelaksanaan tugas, wewenang, kewajiban dan tanggung jawab Dewan Komisaris.

Dari penilaian yang dilakukan pada tahun 2017, diketahui bahwa Dewan Komisaris telah melakukan tugas dan tanggung jawab dengan baik untuk mengawasi maupun memberikan nasihat kepada Direksi dalam mengurus Perusahaan. Hal ini terlihat dari tingkat pemenuhan parameter penilaian.

Performance Assessment of the Board of Commissioners [102-28]

The performance assessment of the Board of Commissioners is conducted as part of the evaluation for Performance Excellent Quality Management Assessment of Pertamina which is conducted annually. The assessment uses the indicators or parameters contained in the Decree of the Secretary of the Ministry of State-Owned Enterprises No.KS-16/S.Mbu/2012 dated June 6, 2012.

The assessment is carried out by self-assessment system, peer evaluation or other system, in accordance with the decision in the Board of Commissioners' meeting. Performance assessment of the Board of Commissioners is periodically conducted every three months and at the end of the year.

In line with the accountability principle, the Board of Commissioners' performance is also evaluated annually by shareholders in the GMS. The assessment refers to the implementation of duties, authorities, obligations and responsibilities of the Board of Commissioners.

The results of assessment conducted in 2017 found that the Board of Commissioners has conducted its duties and responsibilities properly in supervising and providing advice to the Board of Directors in managing the Company. This was indicated from the compliance rate of assessment parameters.

Total Hasil Penilaian Kinerja Dewan Komisaris Berdasarkan Ketentuan Dalam Surat Keputusan Sekretaris Kementerian Badan Usaha Milik Negara Nomor.SK-16/S.MBU/2012 Tahun 2017

Total Results of Performance Assessment of the Board of Commissioners Based on the Provisions in the Decree of the Secretary of the Ministry of State-Owned Enterprises No.KS-16/S.MBU/2012 Year 2017

No	Parameter Penilaian Assessment Parameter	Tingkat Pemenuhan (%) Compliance Rate (%)
1	Melaksanakan program pelatihan/pembelajaran secara berkelanjutan. Implement a continuous training/learning program.	93,73%
2	Melakukan pembagian tugas, wewenang dan tanggung jawab secara jelas serta menetapkan faktor-faktor yang dibutuhkan untuk mendukung pelaksanaan tugas Dewan Komisaris. Conduct a clear division of duties, authorities and responsibilities as well as determine the factors needed to support the implementation of the Board of Commissioners' duties.	
3	Memberikan persetujuan atas rancangan RJPP dan RKAP yang disampaikan oleh Direksi. Giving approval to the RJPP and RKAP draft submitted by the Board of Directors.	
4	Memberikan arahan terhadap Direksi atas implementasi rencana dan kebijakan perusahaan. Providing direction to the Board of Directors on the implementation of the Company's plans and policies.	
5	Melaksanakan pengawasan terhadap Direksi atas implementasi rencana dan kebijakan perusahaan. Supervise the Board of Directors on the implementation of the Company's plans and policies.	
6	Melakukan pengawasan terhadap pelaksanaan kebijakan pengelolaan Anak Perusahaan/perusahaan patungan. Supervise the implementation of Subsidiary/joint venture management policy.	
7	Berperan dalam pencalonan anggota Direksi, menilai kinerja Direksi (individu dan kolejal) dan mengusulkan tantiem/insentif kinerja sesuai ketentuan yang berlaku dan mempertimbangkan kinerja Direksi. Participate in the nomination of members of the Board of Directors, assess the performance of the Board of Directors (individual and collegial) and propose performance bonus (tantiem)/incentives in accordance with applicable provisions and taking into account the performance of the Board of Directors.	
8	Melakukan tindakan terhadap potensi benturan kepentingan yang menyangkut dirinya. Take action against potential conflict of interest that implicates him/her.	
9	Memantau dan memastikan bahwa praktik Tata Kelola Perusahaan yang Baik telah diterapkan secara efektif dan berkelanjutan. Monitor and ensure that Good Corporate Governance practices have been implemented effectively and sustainably.	
10	Menyelenggarakan rapat Dewan Komisaris yang efektif dan menghadiri Rapat Dewan Komisaris sesuai dengan ketentuan perundang-undangan. Organize effective Board of Commissioners meetings and attend the Board of Commissioners meeting in accordance with the provisions of legislation.	
11	Mengangkat Sekretaris Dewan Komisaris untuk mendukung tugas kesekretariatan Dewan Komisaris. Appoint the Secretary of the Board of Commissioners to support the its secretarial duties.	
12	Mengangkat Komite Dewan Komisaris yang efektif. Appoint effective Board of Commissioners, Committees.	

Penilaian atas Kinerja Masing-masing Komite yang Berada di bawah Dewan Komisaris dan Dasar Penilaiannya

Dalam menjalankan tugas dan tanggung jawab, Dewan Komisaris dibantu oleh Komite Audit serta Komite Manajemen Risiko dan Sumber Daya Manusia (MRSDM). Sejalan dengan penerapan GCG, Dewan Komisaris memberikan penilaian kinerja terhadap kedua komite tersebut dengan pendekatan pada pemenuhan target indikator kinerja kunci (KPI).

Dari hasil penilaian diketahui, kinerja Komite Audit pada tahun 2017 termasuk sangat baik Hal ini diketahui dari pencapaian KPI yang telah yang telah ditetapkan. Demikian pula dengan kinerja Komite MRSDM, yang memperlihatkan hasil yang sangat baik sesuai dengan pencapaian KPI yang telah ditetapkan Dewan Komisaris pada awal tahun.

Assessment on Performance of each Committee Under the Board of Commissioners and the Basis of Assessment

In carrying out its duties and responsibilities, the Board of Commissioners is assisted by the Audit Committee as well as the Risk Management and Human Resources Committee (MRSDM). In line with the GCG implementation, the Board of Commissioners provides performance assessments to the two committees with an approach to meeting key performance indicator (KPI) targets.

The assessment results found that the performance of Audit Committee in 2017 was very good. This was indicated by the achievement of KPIs that have been set. Similarly, the performance of the MRSDM Committee, showed excellent results, which was in accordance with the target of achievement of KPIs established by the Board of Commissioners at the beginning of the year.

Tabel Hasil Penilaian Kinerja Komite Audit Tahun 2017

Table of Performance Assessment Results of Audit Committee 2017

No	Indikator Kinerja Performance Indicator	Bobot Weight	Pencapaian Achievement
1	Melakukan pengawasan, <i>monitoring</i> dan evaluasi atas kinerja perusahaan dan kepatuhan perusahaan atas peraturan perundang-undangan dan GCG	70%	70%
2	Membuat laporan secara berkala dan laporan tahunan tentang pelaksanaan tugas Komite Audit	15%	15%
3	Melaksanakan kunjungan kerja ke Anak Perusahaan PHE	7,5%	7,5%
4	Mengikuti program pelatihan, seminar, konferensi, lokakarya dan kegiatan lainnya guna meningkatkan wawasan dan kompetensi	7,5%	3,75%
Total		100%	96,25%

Tabel Hasil Penilaian Kinerja Komite MRSDM Tahun 2017

Table of Performance Assessment Results of MRSDM Committee 2017

No	Indikator Kinerja Performance Indicator	Bobot Weight	Pencapaian Achievement
1	Melakukan <i>monitoring</i> dan evaluasi atas kinerja perusahaan dan pelaksanaan manajemen risiko serta pengelolaan SDM	70%	70%
2	Membuat laporan secara berkala dan laporan tahunan tentang pelaksanaan tugas	15%	15%
3	Mengikuti program pelatihan, seminar, konferensi, lokakarya dan kegiatan lainnya guna meningkatkan wawasan dan kompetensi	7,5%	3,75%
4	Mengikuti program pelatihan, seminar, konferensi, lokakarya dan kegiatan lainnya guna meningkatkan wawasan dan kompetensi	7,5%	7,5%
Total		100%	96,25%

Komite Nominasi dan/atau Remunerasi

Sampai dengan akhir tahun 2017, PHE belum membentuk dan belum memiliki Komite Nominasi dan Remunerasi. Sebagai anak usaha PT Pertamina (Persero), fungsi Komite Nominasi dan Remunerasi Perusahaan dilaksanakan oleh Komite Nominasi dan Remunerasi PT Pertamina (Persero).

Dengan demikian prosedur terkait nominasi maupun remunerasi Dewan Komisaris, Direksi dan pejabat perusahaan di lingkungan PHE, menjadi kewenangan PT Pertamina (Persero) sebagai Pemegang Saham. Dalam proses penetapannya, Pemegang Saham memperhatikan pertimbangan Komite Nominasi dan Remunerasi PT Pertamina (Persero) dan fungsi pengelolaan sumber daya manusia (SDM) PT Pertamina (Persero).

Pada laporan ini tidak terdapat informasi mengenai: Nama, jabatan, dan riwayat hidup singkat anggota komite nominasi dan/atau remunerasi, Independensi komite nominasi dan/atau remunerasi, Uraian tugas dan tanggung jawab, Uraian pelaksanaan kegiatan komite nominasi dan/atau remunerasi pada tahun buku, Frekuensi pertemuan dan tingkat kehadiran komite nominasi dan/atau remunerasi, Pernyataan adanya pedoman komite nominasi dan/atau remunerasi, Pendidikan dan/atau pelatihan untuk Komite Nominasi dan Remunerasi, dan Kebijakan mengenai suksesi direksi.

Nomination and/or Remuneration Committee

Until the end of 2017, PHE has yet to form and own a Nomination and Remuneration Committee. As a subsidiary of PT Pertamina (Persero), the function of the Company Nomination and Remuneration Committee was performed by the PT Pertamina (Persero) Nomination and Remuneration Committee.

Therefore, procedures relevant to the nomination or remuneration of the Board of Commissioners, Board of Directors, and company officers in PHE become the authority of PT Pertamina (Persero) as the Shareholder. In the establishment process, the Shareholder heeds considerations of the Nomination and Remuneration Committee of PT Pertamina (Persero) and the human capital (SDM) management function of PT Pertamina (Persero).

In this report, there is no information regarding: Names, positions, and curricula vitae of the Nomination and/or Remuneration Committee members, Independence of the Nomination and/or Remuneration Committee, Description of duties and responsibilities, Description of the activity implementation of the Nomination and/or Remuneration Committee in the fiscal year, Frequency of meetings and attendance rates of the Nomination and/or Remuneration Committee, Statement of guidelines for the Nomination and/or Remuneration Committee, and Policies regarding succession of the Board of Directors.

Komisaris Independen Independent Commissioner

Keberadaan Komisaris Independen diatur dalam Pedoman Tata Kelola Perusahaan Yang Baik (*Good Corporate Governance*) PT Pertamina Hulu Energi, dalam ketentuan tersebut diatur bahwa sekurangnya 20% dari anggota Dewan Komisaris adalah Komisaris Independen, dengan ketentuan:

- Komisaris Independen berasal dari kalangan di luar Perusahaan yang bebas dari pengaruh anggota Dewan Komisaris dan anggota Direksi lainnya serta Pemegang Saham pengendali.
- Komisaris Independen adalah anggota Dewan Komisaris yang tidak terafiliasi dengan Direksi, anggota Dewan Komisaris lainnya dan Pemegang Saham pengendali, serta bebas dari hubungan bisnis atau hubungan lainnya yang dapat mempengaruhi kemampuannya untuk bertindak independen atau bertindak semata-mata demi kepentingan Perusahaan.

Hingga 31 Desember 2017, jumlah Komisaris Independen PHE ada satu orang. Jumlah tersebut mencapai 20% dari total anggota Dewan Komisaris yang berjumlah lima orang. Dengan demikian jumlah Komisaris Independen PHE telah memenuhi ketentuan yang mengatur tentang keberadaan Komisaris Independen.

Keberadaan Komisaris Independen menjaga independensi fungsi pengawasan Dewan Komisaris dan menjamin terlaksananya mekanisme *check and balance*. Tugas utama Komisaris Independen adalah melakukan pengawasan serta menjaga terpenuhinya hak serta kewajiban Pemegang Saham minoritas.

Existence of the Independent Commissioner is regulated in the PT Pertamina Hulu Energi Good Corporate Governance Guidelines, in that at least 20% of the Board of Commissioners' members is an Independent Commissioner, with the stipulations:

- The Independent Commissioner originates from outside the Company, free from the influence of other Board of Commissioners' members and Board of Directors' members as well as the controlling Shareholder.
- The Independent Commissioner is a Board of Commissioners' member who is not affiliated with the Board of Directors, other Board of Commissioners' members, and controlling Shareholder, as well as free from business or other relations which may affect their capability to act independently or acting solely in the interest of the Company.

Until 31 December 2017, the number of PHE Independent Commissioner was one person. That number reached 20% of the total Board of Commissioners' members which consisted of five people. Therefore, the number of PHE Independent Commissioner has met the regulation that stipulates the existence of the Independent Commissioner.

Existence of the Independent Commissioner maintains the independence of the Board of Commissioners' monitoring function and guarantees the check and balance mechanism implementation. The main duty of the Independent Commissioner is to monitor as well as maintain the fulfillment of the rights and obligations of minority Shareholders.

Kriteria Penentuan Komisaris Independen

Kriteria penentuan Komisaris Independen PHE didasarkan pada:

- Tidak terafiliasi dengan pemegang saham utama, anggota Direksi dan/atau anggota Dewan Komisaris lainnya.
- Tidak menjabat sebagai Direktur di Perusahaan yang terafiliasi dengan PT Pertamina Hulu Energi.
- Tidak memiliki hubungan keuangan, kepengurusan, dan/atau hubungan keluarga dengan anggota Dewan Komisaris lainnya, anggota Direksi dan/atau pemegang saham pengendali atau hubungan dengan perusahaan.
- Tidak memiliki hubungan kontraktual dengan Perusahaan sebagai mantan anggota Direksi dan anggota Dewan Komisaris serta Pekerja Perusahaan dalam kurun waktu 3 (tiga) tahun terakhir.
- Tidak bekerja di Perusahaan atau afiliasinya dalam kurun waktu 3 (tiga) tahun terakhir.
- Tidak mempunyai ketertarikan finansial, baik langsung maupun tidak langsung dengan Perusahaan atau perusahaan lain yang menyediakan barang dan jasa kepada Perusahaan dan afiliasinya.

Pernyataan tentang Independensi Komisaris Independen

Komisaris Independen PHE saat ini dijabat oleh Mohamad Oemar, Komisaris Independen telah menandatangani Pernyataan Independensi sebagai Komisaris Independen.

Criteria for the Appointment of the Independent Commissioner

Criteria for the appointment of the PHE Independent Commissioner based on:

- Not affiliated with the controlling shareholder, Board of Directors' members and/or other Board of Commissioners' members.
- Not holding the position as Director of Companies affiliated with PT Pertamina Hulu Energi.
- Not having financial, organizational, and/or familial relations with other Board of Commissioners' members, Board of Directors' members, and/or controlling shareholder or relations with the Company.
- Not having contractual relations with the Company as former member of the Board of Directors and member of the Board of Commissioners as well as Employee of the Company in the period of the last 3 (three) years
- Not working at the Company or its affiliates in the period of the last 3 (three) years.
- Not having financial interest, whether directly or indirectly, in the Company or other companies which provide goods and services to the Company and its affiliates. kepada Perusahaan dan afiliasinya.

Statement on the Independence of the Independent Commissioner

The PHE Independent Commissioner is currently held by Mohamad Oemar. The Independent Commissioner has signed the Statement of Independence as the Independent Commissioner.

Pernyataan Independensi Komisaris Independen Statement of Independence of the Independent Commissioner

- Anggota Dewan Komisaris tidak boleh merangkap jabatan lain yang dapat menimbulkan benturan kepentingan secara langsung atau tidak langsung dengan perusahaan, kecuali dengan persetujuan RUPS;
- Members of the Board of Commissioners may not concurrently hold another position which may cause direct or indirect conflict of interest with the Company, except with GMS approval;
- Antara para anggota Dewan Komisaris dan antara anggota Dewan Komisaris dengan anggota Direksi tidak boleh ada hubungan keluarga sedarah sampai dengan derajat kedua, baik menurut garis lurus maupun garis ke samping ataupun hubungan semenda (menantu atau ipar);
- Among members of the Board of Commissioners and among members of the Board of Commissioners and members of the Board of Directors there may not be blood familial relations to the second degree, whether vertically or horizontally or by marriage (in-laws);
- Anggota Dewan Komisaris harus mengungkapkan seluruh benturan kepentingan yang sedang dihadapi maupun yang berpotensi menjadi benturan kepentingan atau segala sesuatu yang dapat menghambat anggota Dewan Komisaris untuk bertindak independen;
- Members of the Board of Commissioners must disclose all currently faced conflicts of interest or potential conflicts of interest or anything that may prevent members of the Board of Commissioners to act independently;
- Pengungkapan benturan kepentingan seperti dimaksud di atas dilakukan secara periodik dalam laporan tahunan dan dalam pernyataan mengenai benturan kepentingan (*conflict of interest declaration*) sesuai dengan format yang ditetapkan oleh Perusahaan; dan
- Disclosure of conflicts of interest as referred to above is performed periodically in the Annual Report and in the Conflict of Interest Declaration in accordance with the format established by the Company; and
- Dewan Komisaris dalam melaksanakan tugasnya secara independen tidak dipengaruhi atau dihambat oleh seluruh pihak.
- The Board of Commissioners in performing its duties independently is not influenced or hindered by any and all parties.

Uraian Direksi

Description on Board of Directors

Direksi merupakan organ perusahaan dalam struktur tata kelola PT Pertamina Hulu Energi (PHE), yang bertugas dan bertanggung jawab secara kolegal mengelola Perusahaan dan mewakili Perusahaan baik di dalam maupun di luar pengadilan. Masing-masing anggota Direksi dapat mengambil keputusan sesuai pembagian tugas dan wewenangnya, namun pelaksanaan tugas oleh masing-masing anggota Direksi tetap menjadi tanggung jawab bersama. Kedudukan masing-masing anggota Direksi termasuk Direktur Utama adalah setara. Tugas Direktur Utama mengkoordinasikan kegiatan Direksi.

The Board of Directors is the Company organ in the PT Pertamina Hulu Energi Good Governance structure with the collegial duty and responsibility of managing the Company and representing the Company whether in or out of a court of law. Each member of the Board of Directors is capable of making decisions in accordance with the division of duties and authorities, however the implementation of duties by each member of the Board of Directors remains a collective responsibility. The position of each member of the Board of Directors including the President Director is equal. The duty of the President Director is to coordinate the activities of the Board of Directors.

Dasar, Kriteria dan Proses Pengangkatan Anggota Direksi [102-24]

Pengangkatan Direksi PHE didasarkan pada:

- Undang-Undang No.40 Tahun 2007 tentang Perseroan Terbatas;
- Peraturan Menteri BUMN No. PER-03/MBU/2012 tentang Pedoman Pengangkatan Anggota Direksi dan Anggota Dewan Komisaris Anak Perusahaan BUMN;
- Pedoman Pengelolaan Anak Perusahaan dan Perusahaan Patungan PT Pertamina (Persero) Nomor A-001/H00200/2011-S0 Revisi 1; dan
- Anggaran Dasar Perusahaan

Sesuai Anggaran Dasar PHE, pengangkatan anggota Direksi dilaksanakan dengan mengikuti ketentuan sebagai berikut:

- Struktur dan jumlah keanggotaan Direksi disesuaikan dengan kebutuhan Perusahaan. Dalam hal Direksi terdiri lebih dari satu orang anggota Direksi, seorang di antaranya menjadi Direktur Utama.

Basis, Criteria, and Process of the Appointment of a Member of the Board of Directors [102-24]

Appointment of the PHE Board of Directors is based on:

- Law No. 40 of 2007 on Limited Liabilities Company;
- Regulation of the Minister of SOE No. PER-03/MBU/2012 on Guidelines for the Appointment of the Board of Directors' Members and Board of Commissioners' Members for SOE Subsidiaries;
- Guidelines for the Management of PT Pertamina (Persero) Subsidiaries and Joint Ventures No. A-001/H00200/2011-S0 Revision 1; and
- The Company's Articles of Association.

In accordance with the PHE Articles of Association, the appointment of Board of Directors' members is conducted by adhering to the following stipulations:

- Structure and number of the Board of Directors' membership are adjusted to the needs of the Company. In the case of the Board of Directors consisting of more than one member of the Board of Directors, one of them becomes the President Director.

- Komposisi dan jumlah anggota Direksi ditetapkan oleh RUPS dengan memperhatikan visi, misi dan rencana strategis Perusahaan, sehingga memungkinkan pengambilan keputusan yang efektif, tepat dan cepat serta dapat bertindak secara independen.
- Anggota Direksi dipilih dan diangkat oleh RUPS berdasarkan pertimbangan dan persyaratan yang telah ditetapkan Anggaran Dasar Perusahaan.

Persyaratan untuk dipilih dan diangkat sebagai anggota Direksi, sesuai Anggaran Dasar Perusahaan adalah:

- Orang perseorangan yang cakap melakukan perbuatan hukum;
- Pengangkatan anggota direksi dilakukan berdasarkan pertimbangan keahlian, integritas, kepemimpinan, jujur, perilaku baik dan berdedikasi tinggi untuk memajukan dan mengembangkan Perusahaan serta persyaratan lainnya berdasarkan peraturan perundangan;
- Antara para anggota Direksi dan antara anggota Direksi dengan Dewan Komisaris dilarang memiliki hubungan keluarga sedarah sampai dengan derajat ketiga, baik menurut garis lurus maupun garis ke samping, atau hubungan semenda (menantu atau ipar);
- Anggota Direksi diangkat dan diberhentikan oleh RUPS;
- Anggota Direksi diangkat dari calon-calon yang diusulkan oleh pemegang saham dan pencalonan tersebut mengikat bagi RUPS.

Independensi Direksi

Setiap anggota Direksi wajib berpegang teguh pada prinsip independensi dalam mengambil keputusan dan memimpin jalannya Perusahaan dengan mengutamakan kepentingan PHE. Untuk memastikan independensi Direksi dapat diterapkan dengan baik, Perusahaan memiliki Dewan Komisaris sebagai organ perusahaan yang melakukan pengawasan dan memberikan nasihat/rekomendasi kepada Direksi.

- Composition and number of the Board of Directors' members are established by the GMS in consideration of the Company's vision, mission, and strategic plans, therefore enabling effective, accurate, and fast decision making as well as independent action.
- Members of the Board of Directors are selected and appointed by the GMS based on considerations and requirements established in the Company's Articles of Association.

Requirements for the selection and appointment as a member of the Board of Directors, in accordance with the Company's Articles of Association, are:

- An individual proficient in legal action;
- Appointment of a member of the Board of Directors is performed based on considerations of expertise, integrity, leadership, honesty, good behavior, and high dedication to advancing and developing the Company as well as other requirements based on legal regulations;
- Among members of the Board of Directors and among members of the Board of Directors and the Board of Commissioners are prohibited to be blood familial relations to the third degree, whether vertically or horizontally, or relations by marriage (in-laws);
- Members of the Board of Directors are appointed and dismissed by the GMS; and
- Members of the Board of Directors are appointed from candidates nominated by shareholders and the nomination is binding for the GMS.

Independence of the Board of Directors

Each member of the Board of Directors must uphold the independence principle in making decisions and leading the course of the Company by prioritizing the interest of PHE. To ensure that independence of the Board of Directors can be well implemented, the Company has the Board of Commissioners as the Company organ that performs monitoring and giving advice/recommendations to the Board of Directors.

Komposisi Direksi dan Periode Jabatan

Selama periode pelaporan tidak ada perubahan keanggotaan Direksi. Sampai dengan 31 Desember 2017, komposisi Direksi terdiri dari lima orang. Seorang di antaranya menjabat sebagai Direktur Utama.

Composition of the Board of Directors and Term of Office

For the reporting period, there were no changes in the membership of the Board of Directors. Until 31 December 2017, the composition of the Board of Directors consisted of five people. One of whom held the position of President Director.

Komposisi Direksi Per 31 Desember 2017 dan Dasar Pengangkatan

Composition of the Board of Directors Per 31 December 2017 and Basis for Appointment

No	Nama Name	Jabatan Position	Dasar Pengangkatan Basis for Appointment
1	R. Gunung Sardjono Hadi	Direktur Utama President Director	Keputusan RUPS tanggal 1 Juni 2015 untuk masa jabatan 1 periode (3 tahun) atau sampai dengan RUPS Perusahaan memutuskan lain. GMS Decision of 1 June 2015 for the term of office of 1 period (3 years) or until the Company GMS decides otherwise.
2	Beni Jaffilius Ibradi	Direktur Operasi dan Produksi Operations and Production Director	Keputusan RUPS tanggal tanggal 23 April 2015 untuk masa jabatan 1 periode (3 tahun) atau sampai dengan RUPS Perusahaan memutuskan lain. GMS Decision of 23 April 2015 for the term of office of 1 period (3 years) or until the Company GMS decides otherwise.
3	Bambang Manumayoso	Direktur Pengembangan Development Director	<ul style="list-style-type: none"> Keputusan RUPS tanggal tanggal 23 April 2015 untuk masa jabatan 1 periode (3 tahun) atau sampai dengan RUPS Perusahaan memutuskan lain. Keputusan RUPS PHE secara sirkuler tanggal 24 Juli 2017 Sdr. Bambang Manumayoso tidak lagi menjabat sebagai PJ. Direktur Pengembangan GMS Decision of 23 April 2015 for term of office of 1 period (3 years) or until the Company GMS decides otherwise. The circular PHE GMS Decision of 24 July 2017 that Mr. Bambang Manumayoso no longer held the position of Development Director.
4	Rudy Ryacudu	Direktur Eksplorasi Exploration Director	Keputusan RUPS tanggal 29 September 2013 tentang Pergantian Direksi dan diangkat kembali sebagai PJ Direktur Eksplorasi sesuai dengan Keputusan RUPS PHE sejak terhitung mulai tanggal 29 November 2016. GMS Decision of 29 September 2013 on Changes in the Board of Directors and reappointment as the Exploration Director effective from 29 November 2016.
5	Ari Budiarko	Direktur Keuangan dan Business Support Finance and Business Support Director	Keputusan RUPS tanggal tanggal 23 September 2015 untuk masa jabatan 1 periode (3 tahun) atau sampai dengan RUPS Perusahaan memutuskan lain. GMS Decision of 23 September 2015 for the term of office of 1 period (3 years) or until the Company GMS decides otherwise.

Ketentuan mengenai periode jabatan anggota Direksi diatur dalam Anggaran Dasar PHE Pasal 11 ayat 7 yang menyatakan bahwa masa jabatan anggota Direksi ditetapkan 3 (tiga) tahun dan dapat diangkat kembali untuk 1 (satu) kali masa jabatan.

Decisions regarding the term of office of members of the Board of Directors are regulated in the PHE Articles of Association Article 11 paragraph 7 which states that the term of office of members of the Board of Directors is determined to be 3 (three) years and can be reappointed for 1 (one) term of office.

Jabatan anggota Direksi berakhir apabila:

- Meninggal dunia
- Masa jabatan berakhir
- Kehilangan kewarganegaraan Indonesia
- Mengundurkan diri
- Diberhentikan berdasarkan keputusan RUPS dengan alasan:
 - › Tidak dapat melaksanakan tugasnya dengan baik.
 - › Tidak lagi memenuhi atau melanggar persyaratan dan/atau peraturan perundang-undangan yang berlaku.
 - › Terlibat dalam tindakan yang merugikan Perusahaan dan/atau Negara.
 - › Dinyatakan bersalah dengan putusan pengadilan yang mempunyai kekuatan hukum yang tetap.
 - › Memiliki hubungan keluarga sampai derajat ketiga, baik menurut garis lurus maupun garis ke samping termasuk hubungan semenda (menantu atau ipar) dengan anggota Dewan Komisaris atau Direksi Perusahaan.
 - › Alasan lain yang ditetapkan oleh RUPS.

Ruang Lingkup Pekerjaan dan Tanggung Jawab Masing-masing Anggota Direksi

Anggaran Dasar Perusahaan mengatur tugas-tugas pokok Direksi adalah:

- Menjalankan segala tindakan yang berkaitan dengan pengurusan Perusahaan untuk kepentingan Perusahaan dan sesuai dengan maksud dan tujuan Perusahaan.
- Mewakili Perusahaan baik di dalam maupun di luar Pengadilan tentang segala hal dan segala kejadian dengan pembatasan-pembatasan sebagaimana diatur dalam peraturan perundang-undangan, Anggaran Dasar, dan/atau keputusan RUPS.

The term of office of a Board of Directors member ends if:

- Passed away during term of office;
- The term of office comes to an end;
- Loss of Indonesian citizenship
- Resigns;
- Dismissed based on GMS Decision with the reasons of:
 - › Unable to perform the duties well.
 - › No longer meeting the requirements and/or violating stipulations of the Articles of Association and/or prevailing regulatory laws.
 - › Involved in actions that harms the Company and/or the State.
 - › Sentenced guilty in a court decision with fixed rules of law.
 - › Having a family relationship up to the third degree, either by a straight line or a line to the side including the relationship of semenda (son-in-law or sister-in-law) with members of the Board of Commissioners or Board of Directors Company.
 - › Other reasons established by the GMS.

Scope of Work and Responsibilities of Each Member of the Board of Directors

The Company's Articles of Association set forth the main duties of the Board of Directors:

- Performing all measures relevant to Company management in the interest of the Company and in accordance with the goals and objectives of the Company.
- Representing the Company whether in or out of a court of law regarding all matters and all occurrences with boundaries as regulated in regulatory laws, the Articles of Association, and/or GMS decision.

Tugas dan Wewenang Kolegial Direksi:

- Menetapkan visi, misi, dan strategi Perusahaan.
- Menetapkan kebijakan Perusahaan yang berlaku secara korporat termasuk Anak Perusahaan.
- Mengajukan usulan pengelolaan Perusahaan yang memerlukan persetujuan Dewan Komisaris dan/atau memerlukan tanggapan tertulis Dewan Komisaris dan persetujuan Rapat Umum Pemegang Saham (RUPS) serta melaksanakannya sesuai ketentuan yang diatur dalam Anggaran Dasar, persetujuan Dewan Komisaris serta keputusan RUPS.
- Mengupayakan tercapainya sasaran indikator aspek keuangan, aspek operasional dan aspek administrasi yang digunakan sebagai dasar penilaian tingkat kesehatan Perusahaan sesuai dengan kinerja yang telah ditetapkan dalam RUPS Persetujuan Rencana Kerja dan Anggaran Perusahaan (RKAP).
- Menetapkan usulan dan perubahan rencana jangka panjang Perusahaan dan rencana kerja dan anggaran Perusahaan sesuai ketentuan yang berlaku.
- Menetapkan sasaran kinerja serta evaluasi kinerja Perusahaan dan Anak Perusahaan termasuk kebijakan dividen Anak Perusahaan sesuai ketentuan yang berlaku.
- Mengupayakan tercapainya sasaran kinerja yang digunakan sebagai dasar penilaian tingkat kesehatan Perusahaan sesuai dengan kesepakatan kinerja yang telah ditetapkan dalam RUPS Persetujuan RKAP.
- Menetapkan persetujuan proyek investasi non rutin yang melebihi kewenangan Anggota Direksi/Direktur dan memantau pelaksanaannya.
- Menetapkan persetujuan proyek investasi sesuai kewenangan Direksi setelah mendapat persetujuan dalam RKAP, memantau dan melakukan koreksi terhadap pelaksanaannya sesuai dengan aturan yang berlaku.

Collegial Duties and Authorities of the Board of Directors:

- Establish the Company vision, mission, and strategies.
- Establish Company policies which apply to the corporate including Subsidiaries.
- Submit the Company's management proposals that requires the approval of the Board of Commissioners and/or requires a written response from the Board of Commissioners and approval of the General Meeting of Shareholders (GMS) and executes them in accordance with the provisions stipulated in the Articles of Association, approval of the Board of Commissioners and the GMS resolutions.
- Strive for the achievement of indicator targets in financial, operational and administrative aspects used as the basis for the assessment of the Company's health level in accordance with the performance established in the Annual Corporate Work Plan and Budget (RKAP).
- Establish proposals and changes to the Company's long-term plans as well as work plans and budgets in accordance with prevailing regulations.
- Establish performance targets and evaluate the performance of the Company and Subsidiaries, including the Subsidiaries' dividend policy in accordance with applicable regulations.
- Strive for the achievement of performance targets that are used as the basis of the Company's health rating in accordance with the performance agreements established in the GMS Approval for RKAP.
- Establish approval of non-routine investment projects that beyond the authority of the Board of Directors' members/Directors and monitor their implementation.
- Establish approval of investment projects in accordance with the authority of the Board of Directors following the RKAP approval, monitor and make corrections to its implementation in accordance with applicable rules.

- Menetapkan kegiatan kerjasama atau kontrak dengan nilai kontrak atau penggunaan/perolehan aset yang melebihi kewenangan anggota Direksi/Direktur seperti yang diatur dalam kebijakan otorisasi keuangan.
 - Menetapkan struktur organisasi dan penetapan pejabat Perusahaan sampai jenjang tertentu yang diatur melalui ketetapan Direksi.
 - Melakukan segala tindakan dan perbuatan mengenai pengurusan maupun pemilikan kekayaan Perusahaan, mengikat Perusahaan dengan pihak lain dan/atau pihak lain dengan Perusahaan, serta mewakili Perusahaan di dalam maupun di luar Pengadilan tentang segala hal dan segala kejadian, dengan pembatasan-pembatasan sebagaimana diatur dalam peraturan perundang-undangan, Anggaran Dasar dan/atau keputusan RUPS.
 - Setiap Anggota Direksi bertanggung jawab penuh secara pribadi apabila yang bersangkutan bersalah atau lalai menjalankan tugasnya untuk kepentingan dan usaha Perusahaan, kecuali apabila anggota Direksi yang bersangkutan dapat membuktikan bahwa:
 - › Kerugian tersebut bukan karena kesalahan atau kelalaiannya.
 - › Telah melakukan pengurusan dengan itikad baik dan kehati-hatian untuk kepentingan dan sesuai dengan maksud dan tujuan Perusahaan.
 - › Tidak mempunyai Benturan Kepentingan baik langsung maupun tidak langsung atas tindakan pengurusan yang mengakibatkan kerugian.
 - › Telah mengambil tindakan untuk mencegah berlanjutnya kerugian tersebut.
 - Tugas dan wewenang lainnya sebagaimana diatur dalam peraturan yang berlaku.
- Establish cooperation or contract activities with contract value or use/acquisition of assets that beyond the authority of the Board of Directors' members/ Directors as stipulated in the financial authorization policy.
 - Establish the organizational structure and the appointment of the Company's officials up to a certain level as governed by decree of the Board of Directors.
 - Conduct all actions and conducts concerning the management or ownership of the Company's assets, binding the Company with other parties and/or other parties with the Company, and represent the Company both inside and outside the Court on all matters and events, within limits as stipulated in laws and regulations, Articles of Association and/or the GMS resolutions.
 - Each member of the Board of Directors shall be fully liable individually if the person concerned is guilty or negligent in performing his/her duties for the Company's interests and business, unless the concerned member of the Board of Directors can prove that:
 - › The losses are not due to his/her fault or negligence.
 - › Has conduct the management in good faith and prudence for the interest and in accordance with the Company's purpose and goal.
 - › Does not have a Conflict of Interest, directly or indirectly, of any management action resulting in losses.
 - › Has taken action to prevent the continuation of such losses
 - Other duties and authorities as stipulated by applicable regulations.

Dalam Anggaran Dasar PHE Pasal 12, diatur tugas dan wewenang Direksi secara kolejal yang belum atau belum cukup diatur dalam Anggaran Dasar Perusahaan, serta pembagian tugas dan wewenang setiap anggota Direksi sesuai kedudukannya dalam susunan Direksi.

In Article 12 of the PHE Articles of Association are regulated the collegial duties and authorities of the Board of Directors which are yet or yet to be adequately regulated in the Company's Articles of Association, as well as division of duties and authorities of each member of the Board of Directors in accordance with their position in the composition of the Board of Directors.

Tabel Pembagian Tugas Anggota Direksi

Table of the Board of Directors' Members Division of Duty

Jabatan Position	Tugas dan Tanggung Jawab Duties and Responsibilities
<p>Direktur Utama President Director</p>	<ul style="list-style-type: none"> • Sebagai Chief Executive Officer, memberikan arahan dan mengendalikan kebijakan visi, misi dan strategi Perusahaan; • As Chief Executive Officer, giving directions and controlling the Company's vision, mission, and strategic policies;
	<ul style="list-style-type: none"> • Memimpin Direksi dalam menyiapkan laporan tahunan manajemen (Laporan Tahunan dan Laporan Keuangan Perusahaan) sebagai bahan pertanggung jawaban kepada RUPS Perusahaan; • Leading the Board of Directors in preparing management annual reports (Annual Report and the Company's Financial Report) as materials of accountability to the Company's GMS;
	<ul style="list-style-type: none"> • Menetapkan strategi operasi dan pengembangan usaha untuk memastikan tercapainya target operasi dan finansial seluruh portofolio investasi PHE di dalam dan luar negeri; • Determining operational and business development strategies to ensure the achievement of operational and financial targets of the entire PHE investment portfolio domestically and overseas;
	<ul style="list-style-type: none"> • Mengendalikan kinerja keuangan dan anggaran Perusahaan, serta memberikan arahan pelaksanaan pengawasan internal agar dapat berjalan sesuai rencana, prosedur dan peraturan yang berlaku; • Controlling financial performance and Company's budget, and giving directions in the implementation of internal supervision to run in accordance with plans, procedures, and prevailing regulations;
	<ul style="list-style-type: none"> • Memberikan arahan dalam penyusunan RJPP dan RKAP agar dalam pelaksanaannya menghasilkan rencana yang tepat dan dapat dilaksanakan dengan baik; • Giving directions in the composition of RJPP and RKAP for the implementation to produce accurate plans can be performed well;
	<ul style="list-style-type: none"> • Mengendalikan dan memberikan arahan dalam pelaksanaan RJPP dan RKAP agar dapat berjalan secara efektif dan efisien; • Controlling and directing RJPP and RKAP implementation to run effectively and efficiently;
	<ul style="list-style-type: none"> • Memberikan arahan dalam pelaksanaan revisi rencana kerja dan anggaran Perusahaan apabila ada perubahan kebijaksanaan atau regulasi agar selalu dapat disesuaikan; • Giving directions in the implementation of revisions of the Company's Work Plan and Budget to always adjust in the event of changes in policies or regulations;
	<ul style="list-style-type: none"> • Memimpin para anggota Direksi dalam melaksanakan keputusan Direksi; • Leading members of the Board of Directors in implementing decisions of the Board of Directors;
	<ul style="list-style-type: none"> • Menyelenggarakan dan memimpin Rapat Direksi secara periodik sesuai ketetapan Direksi atau rapat-rapat lain apabila dipandang perlu sesuai usulan Direksi; • Organizing or leading periodic Meetings of the Board of Directors in accordance with decisions of the Board of Directors or other meetings if considered necessary according to proposals of the Board of Directors;
	<ul style="list-style-type: none"> • Atas nama Direksi, mengesahkan semua Surat Keputusan Direksi/ Direktur Utama sesuai dengan jenis keputusan yang diatur dalam AD/ART atau ketetapan lainnya; • On behalf of the Board of Directors, ratifying all Decision Letter of the Board of Directors/President Director in accordance with the type of decision regulated in the AD/ART or other regulations;
	<ul style="list-style-type: none"> • Atas nama Direksi, menunjuk pekerja atau pihak lain untuk mewakili Perusahaan di dalam dan di luar Pengadilan; • On behalf of the Board of Directors, appointing employees or other parties to represent the Company in and out of a court of law;
	<ul style="list-style-type: none"> • Memimpin dan mendorong terlaksananya pembentukan budaya Perusahaan, peningkatan citra, dan tata kelola Perusahaan yang baik (<i>Good Corporate Governance</i>); • Leading and encouraging the cultivation of Company culture, image improvement, and Good Corporate Governance;
	<ul style="list-style-type: none"> • Memberikan informasi kepada pemangku kepentingan terhadap keputusan Direksi yang memberi dampak besar kepada publik baik yang berkaitan dengan keputusan bisnis, aspek legal, ataupun isu-isu tentang Perusahaan yang berkembang di masyarakat; • Giving information to stakeholders regarding decisions of the Board of Directors with significant impact on the public whether related to business decisions, legal aspects, or issues about the Company developing in the public;

Jabatan Position	Tugas dan Tanggung Jawab Duties and Responsibilities
Direktur Utama President Director	<ul style="list-style-type: none"> • Meningkatkan kemampuan dan motivasi pekerja, membina kerjasama dan hubungan baik dengan pemerintah dan masyarakat serta mengawasi pelaksanaan <i>Good Corporate Governance</i>, <i>Code of Conduct</i>, <i>Corporate Social Responsibility</i> dan menetapkan organisasi dan kelengkapannya untuk dan atas nama Direksi; • Increasing employee capabilities and motivation, cultivating cooperation and good relations with the Government and the public as well as monitoring the implementation of <i>Good Corporate Governance</i>, <i>Code of Conduct</i>, <i>Corporate Social Responsibility</i>, and establishing the organization and its instruments for and on behalf of the Board of Directors;
	<ul style="list-style-type: none"> • Memastikan bahwa setiap laporan yang wajib disampaikan kepada pemegang saham dan pemangku kepentingan telah dipenuhi; • Ensuring that each obligatory report to be presented to shareholders and stakeholders has been fulfilled;
	<ul style="list-style-type: none"> • Memimpin dan mengarahkan pengelolaan portofolio berupa penyertaan saham pada Perusahaan Patungan yang tidak bergerak di bidang kegiatan usaha eksplorasi, pengembangan dan produksi minyak dan gas bumi dan/atau Perusahaan Patungan yang tidak bergerak di bidang kegiatan usaha hilir minyak dan gas bumi; • Leading and directing portfolio management in the form of shares participation in Joint Ventures not in the business of exploration, natural oil and gas development and production, and/or Joint Ventures not in the natural oil and gas downstream business activities;
	<ul style="list-style-type: none"> • Memimpin dan mengarahkan pengelolaan HSSE dan Manajemen Mutu sesuai kebijakan korporat; • Leading and directing HSSE management and Quality Management in accordance with corporate policies;
	<ul style="list-style-type: none"> • Memimpin dan mengkoordinasikan pengelolaan manajemen risiko di seluruh Perusahaan; dan • Leading and coordinating risk management implementation all through the Company; and
	<ul style="list-style-type: none"> • Memimpin dan mengkoordinasikan fungsi-fungsi Corporate Secretary, Internal Audit, Legal, Planning, Project & Risk Management (PPRM), QHSSE dan Technical Support dalam mencapai sasaran kinerja Perusahaan yang telah ditetapkan. • Leading and coordinating the functions of Corporate Secretary, Internal Audit, Legal, Planning, Project & Risk Management (PPRM), QHSSE, and Technical Support in achieving the established Company performance targets.



Jabatan Position	Tugas dan Tanggung Jawab Duties and Responsibilities
Direktur Pengembangan Development Director	<ul style="list-style-type: none"> • Memimpin dan mengendalikan kegiatan pengembangan (termasuk pengembangan terkait proyek-proyek khusus yang berada di luar kegiatan usaha hulu minyak dan gas yang dikelola Perusahaan berdasarkan arahan/penugasan oleh Perusahaan) yang dilaksanakan oleh seluruh Anak Perusahaan, serta bertanggungjawab secara keseluruhan atas kinerja operasional dan kinerja finansial kegiatan pengembangan dimaksud agar dapat terlaksana secara efektif dan efisien; • Leading and controlling development activities (including development related to special projects outside of the upstream oil and gas business activities managed by the Company based on the direction/assignment of the Company) performed by all Subsidiaries, as well as fully responsible for the operational performance and financial performance of the aforementioned development activities to run effectively and efficiently;
	<ul style="list-style-type: none"> • Memimpin dan mengawasi pelaksanaan kebijakan dan keputusan Direksi dalam kegiatan pengembangan dengan mempertimbangkan aspek risikonya; • Leading and monitoring the implementation of policies and decisions of the Board of Directors in development activities while considering the risk aspects;
	<ul style="list-style-type: none"> • Mengelola dan mengoptimalkan upaya-upaya pengembangan sesuai strategi yang ditetapkan oleh Direksi; • Managing and optimizing development efforts in accordance with strategies established by the Board of Directors;
	<ul style="list-style-type: none"> • Memberikan keputusan di lingkungan Direktorat Pengembangan sesuai lingkup kewenangan Direktur; • Giving decisions in the Development Directorate environment in accordance with the authority scope of the Director;
	<ul style="list-style-type: none"> • Mengarahkan dan melaksanakan kebijakan-kebijakan HSSE dan Manajemen Mutu di Direktorat Pengembangan sesuai kebijakan Korporat; • Directing and implementing HSSE policies and Quality Management in the Development Directorate in accordance with Corporate policies;
	<ul style="list-style-type: none"> • Menetapkan anggaran operasi dan investasi kegiatan pengembangan sesuai persetujuan Direksi; • Establishing an operational and investment budget of development activities in accordance with the approval of the Board of Directors;
	<ul style="list-style-type: none"> • Mengkoordinir dan mengawasi semua kegiatan pengembangan di Anak Perusahaan; • Coordinating and monitoring all development activities in Subsidiaries;
	<ul style="list-style-type: none"> • Menentukan kebijakan/strategi pengembangan di Anak Perusahaanterkait; • Determining development policies/strategies in relevant Subsidiaries;
	<ul style="list-style-type: none"> • Mengarahkan dan mengawasi kegiatan pengembangan aset Perusahaan secara keseluruhan untuk memastikan kesiapan serah terima untuk meneruskan proses produksi; dan • Directing and monitoring the entire development activities of Company assets to ensure handover readiness to continue the production process; and
<ul style="list-style-type: none"> • Memimpin dan mengkoordinasikan fungsi Development Project & Performance dan para General Manager Asset Pengembangan (Anak Perusahaan). Leading and coordinating the Development Project & Performance function and Development Asset General Managers (Subsidiaries). 	

Jabatan Position	Tugas dan Tanggung Jawab Duties and Responsibilities
Direktur Eksplorasi Exploration Director	<ul style="list-style-type: none"> • Memimpin dan mengendalikan kegiatan eksplorasi yang dilaksanakan oleh seluruh Anak Perusahaan, serta bertanggung jawab secara keseluruhan atas kinerja operasional dan kinerja finansial kegiatan eksplorasi dimaksud agar dapat terlaksana secara efektif dan efisien; • Leading and controlling exploration activities performed by all Subsidiaries, as well as fully responsible for the operational performance and financial performance of aforementioned exploration activities to be performed effectively and efficiently; • Memimpin dan mengawasi pelaksanaan kebijakan dan keputusan Direksi dalam kegiatan eksplorasi dengan mempertimbangkan aspek risikonya; • Leading and monitoring the implementation of policies and decisions of the Board of Directors in exploration activities while considering the risk aspects; • Mengelola dan mengoptimalkan upaya-upaya eksplorasi sesuai strategi yang ditetapkan oleh Direksi; • Managing and optimizing exploration efforts in accordance with strategies established by the Board of Directors; • Memberikan keputusan di lingkungan Direktorat Ekplorasi sesuai lingkup kewenangan Direktur; • Giving decisions in the Exploration Directorate environment in accordance with the authority scope of the Director; • Mengarahkan dan melaksanakan kebijakan-kebijakan HSSE dan Manajemen Mutu di Direktorat Eksplorasi sesuai kebijakan Korporat; • Directing and implementing HSSE policies and Quality Management in the Exploration Directorate in accordance with Corporate policies; • Menetapkan anggaran operasi dan investasi kegiatan eksplorasi sesuai persetujuan Direksi; • Establishing an operational and investment budget of exploration activities in accordance with the approval of the Board of Directors; • Mengkoordinir dan mengawasi semua kegiatan eksplorasi di Anak Perusahaan; • Coordinating and monitoring all exploration activities in Subsidiaries; • Menentukan kebijakan/strategi eksplorasi di Anak Perusahaan terkait; dan • Determining exploration policies/strategies in relevant Subsidiaries; and • Memimpin dan mengkoordinasikan fungsi-fungsi Exploration East Area & Non Conventional Hydrocarbon, Exploration West Area & Overseas, Exploration Performance dan para General Manager Asset Exploration (Anak Perusahaan). • Leading and coordinating the Exploration East Area & Non-Conventional Hydrocarbon, Exploration West Area & Overseas, Exploration Performance functions and Exploration Asset General Managers (Subsidiaries).
Direktur Operasi dan Produksi Operations and Production Director	<ul style="list-style-type: none"> • Memimpin dan mengendalikan kegiatan operasi dan produksi (termasuk operasi dan produksi terkait proyek-proyek khusus yang berada di luar kegiatan usaha hulu minyak dan gas yang dikelola Perusahaan berdasarkan arahan/penugasan oleh Perusahaan) yang dilaksanakan oleh seluruh Anak Perusahaan, serta bertanggung jawab secara keseluruhan atas kinerja operasional dan kinerja finansial kegiatan operasi dan produksi dimaksud, agar dapat terlaksana secara efektif dan efisien; • Leading and controlling operations and production activities (including operations and production related to special projects outside of the upstream oil and gas business activities managed by the Company based on the direction/assignment of the Company) performed by all Subsidiaries, as well as fully responsible for the operational performance and financial performance of the aforementioned operations and production activities to run effectively and efficiently; • Memimpin dan mengawasi pelaksanaan kebijakan dan keputusan Direksi dalam kegiatan operasi dan produksi dengan mempertimbangkan aspek risikonya; • Leading and monitoring the implementation of policies and decisions of the Board of Directors in operations and production activities while considering the risk aspects; • Mengelola dan mengoptimalkan upaya-upaya operasi dan produksi sesuai strategi yang ditetapkan oleh Direksi; • Managing and optimizing operations and production efforts in accordance with strategies established by the Board of Directors; • Memberikan keputusan di lingkungan Direktorat Operasi dan Produksi sesuai lingkup kewenangan Direktur; • Giving decisions in the Operations and Production Directorate environment in accordance with the authority scope of the Director;

Jabatan Position	Tugas dan Tanggung Jawab Duties and Responsibilities
<p>Direktur Operasi dan Produksi Operations and Production Director</p>	<ul style="list-style-type: none"> • Mengarahkan dan melaksanakan kebijakan-kebijakan HSSE dan Manajemen Mutu di Direktorat Operasi dan Produksi sesuai kebijakan Korporat; • Directing and implementing HSSE policies and Quality Management in the Operations and Production Directorate in accordance with Corporate policies; • Menetapkan anggaran operasi dan investasi kegiatan operasi dan produksi sesuai persetujuan Direksi; • Establishing an operational and investment budget of operations and production activities in accordance with the approval of the Board of Directors; • Mengkoordinir dan mengawasi semua kegiatan operasi dan produksi di Anak Perusahaan; • Coordinating and monitoring all operations and production activities in Subsidiaries; • Menentukan kebijakan/strategi operasi dan produksi di Anak Perusahaan terkait; dan • Determining operations and production policies/strategies in relevant Subsidiaries; and • Memimpin dan mengkoordinasikan fungsi-fungsi Operations & Production, Operations & Production Performance, dan para General Manager Asset Produksi (Anak Perusahaan). • Leading and coordinating Operations & Production, Operations & Production Performance functions, and Production Asset General Managers (Subsidiaries).
<p>Direktur Keuangan dan Penunjang Bisnis Director of Financial and Business Support</p>	<ul style="list-style-type: none"> • Memimpin dan mengendalikan pengembangan kebijakan, pengelolaan dan pelaporan keuangan secara korporat (termasuk Anak Perusahaan) untuk meningkatkan kinerja dan peringkat keuangan Perusahaan; • Leading and controlling policies development, corporate financial management and reporting (including Subsidiaries) to improve performance and the Company's financial rating; • Bertanggungjawab dalam pengelolaan keuangan di Perusahaan meliputi wilayah rencana kerja, belanja modal, marjin keuntungan serta mitigasi risiko finansial; • Responsible for financial management in the Company, including areas of work plan, capital expenditure, profit margin, as well as financial risk mitigation; • Bertanggungjawab atas kebijakan-kebijakan keuangan sesuai keputusan Direksi, serta efektivitas dan efisiensi fungsi-fungsi di lingkungan Direktorat Keuangan dan Business Support, serta pencapaian sasaran kinerja operasional Direktorat Keuangan dan Business Support; • Responsible for financial policies in accordance with decisions of the Board of Directors, as well as effectiveness and efficiency of functions in the Finance and Business Support Directorate, along with the achievement of the operational performance targets of the Finance and Business Support Directorate; • Mengkoordinasikan penyusunan Anggaran Perusahaan sebagai bagian dari Rencana Kerja dan Anggaran Perusahaan untuk ditetapkan dan disetujui bersama oleh Direksi, serta pengendalian secara akuntansi atas biaya-biaya pendapatan dan keuntungan serta tingkat investasi Perusahaan; • Coordinating the composition of the Company Budget as part of the Company's Work Plan and Budget to be established and collectively approved by the Board of Directors, as well as accounting control of revenue and profit costs as well as the investment level of the Company; • Mengkonsolidasi, mengendalikan dan mengawasi penyusunan dan pelaksanaan arus kas Perusahaan berdasarkan Rencana Kerja dan Anggaran Perusahaan dalam rangka peningkatan efisiensi; • Consolidating, controlling, and monitoring the composition and implementation of the Company's cashflow based on The Company's Work Plan and Budget in order to improve efficiency; • Mengarahkan dan mengendalikan pengelolaan keuangan Perusahaan, meliputi pendanaan, anggaran, perbendaharaan, akuntansi, pajak, asuransi, serta mengelola manajemen risiko lingkup Direktorat Keuangan dan Business Support; • Directing and controlling the Company's financial management, including financing, budget, treasury, accounting, tax, insurance, as well as managing risk management in the Finance and Business Support Directorate; • Menyampaikan arahan strategi jangka pendek dan jangka panjang untuk tiap fungsi di tiap Direktorat untuk memastikan integrasi yang efektif dalam rencana strategis Perusahaan ke dalam rencana finansial, serta layanan gabungan jangka pendek dan jangka panjang; • Giving directions for short-term and long-term strategies to each function in each Directorate to ensure effective integration in the Company's strategic plans into the financial plans, as well as short-term and long-term integrated services;

Jabatan Position	Tugas dan Tanggung Jawab Duties and Responsibilities
<p>Direktur Keuangan dan Penunjang Bisnis Director of Financial and Business Support</p>	<ul style="list-style-type: none"> • Memastikan bahwa seluruh sumber daya, sistem dan prosedur telah efektif untuk memastikan informasi keuangan dan operasional yang penting kepada Direksi, serta mengembangkan rekomendasi yang nyata baik dalam aspek strategis maupun operasi; • Ensuring that all resources, systems, and procedures are effective in presenting crucial financial and operational information to the Board of Directors, as well as developing tangible;
	<ul style="list-style-type: none"> • Mengevaluasi kinerja Perusahaan baik terhadap anggaran maupun rencana kerja jangka panjang, memberikan rekomendasi untuk meningkatkan kinerja finansial dan peluang bisnis; • Evaluating Company performance whether against the budget or long-term work plans, giving recommendations for the improvement of financial performance and business opportunities;
	<ul style="list-style-type: none"> • Mengawasi perencanaan keuangan, termasuk target keuangan dan manajemen biaya sejalan dengan rencana strategis, meliputi negosiasi, serta program pendanaan dari luar sesuai dibutuhkan; • Monitoring financial planning, including financial targets and cost management along with strategic plans, including negotiations, as well as external financing programs as needed;
	<ul style="list-style-type: none"> • Terlibat atau bekerjasama dengan unit keuangan, audit serta tim investasi terkait setiap isu, tren serta perubahan bentuk operasi dan realisasi operasi yang berdampak pada sistem finansial Perusahaan; • Involved in or cooperating with the finance and audit units as well as the investment team regarding every issue, trend, and changes in the form of operations and operational realization with an impact on the Company's financial system;
	<ul style="list-style-type: none"> • Bertindak sebagai penghubung antara layanan yang diberikan oleh fungsi-fungsi Business Support (penunjang) kepada masing-masing anggota Direksi lainnya yang bertanggung jawab atas aset untuk menghadirkan layanan baru yang membutuhkan alokasi, serta kemampuan atau sumberdaya manusia dan teknologi baru; • Acting as liaison between services given by the Business Support function to each member of the Board of Directors responsible for assets to bring about new services that require allocation as well as skills or human capital and new technology;
	<ul style="list-style-type: none"> • Memimpin pengembangan kebijakan SDM, meliputi kegiatan pengembangan organisasi, pengembangan sumber daya manusia, hubungan industrial, kompensasi dan benefit, kesehatan, serta layanan SDM kepada pekerja, termasuk Anak Perusahaan; • Leading Human Capital policies development, including organization development activities, human capital development, industry relations, compensations and benefits, health, as well as Human Capital services to employees, including Subsidiaries.
	<ul style="list-style-type: none"> • Memimpin dan mengendalikan kegiatan <i>manpower planning</i> dan pengadaan sumber daya manusia sesuai kebutuhan Perusahaan, termasuk Anak Perusahaan; • Leading and controlling manpower planning activities and provisioning of human capital in accordance with Company needs, including Subsidiaries;
	<ul style="list-style-type: none"> • Memimpin dan mendorong terbentuknya budaya Perusahaan sesuai strategi Perusahaan, termasuk budaya Perusahaan di Anak Perusahaan; • Leading and encouraging the cultivation of Company culture in accordance with Company strategies, including Company culture in Subsidiaries;
	<ul style="list-style-type: none"> • Memimpin pembinaan pekerja di seluruh Perusahaan (termasuk Anak Perusahaan) sesuai ketentuan yang berlaku; • Leading employee development all through the Company (including Subsidiaries) in accordance with prevailing regulations;
	<ul style="list-style-type: none"> • Memimpin dan mengarahkan pengelolaan teknologi informasi dalam IT Enterprise Wide System guna mendukung inovasi-inovasi bisnis; • Leading and directing information technology management in IT Enterprise-Wide System to support business innovations;

Jabatan Position	Tugas dan Tanggung Jawab Duties and Responsibilities
Direktur Keuangan dan Penunjang Bisnis Director of Financial and Business Support	<ul style="list-style-type: none"> Memimpin dan mengarahkan pengelolaan pengadaan barang dan jasa sesuai kebijakan yang berlaku; Leading and directing goods and services procurement management in accordance with prevailing policies;
	<ul style="list-style-type: none"> Bertindak selaku Chief Compliance Officer Perusahaan sesuai dengan keputusan yang ditetapkan oleh Direksi; dan Acting as the Company's Chief Compliance Officer in accordance with stipulations established by the Board of Directors; and
	<ul style="list-style-type: none"> Memimpin dan mengkoordinasikan fungsi-fungsi Finance & Treasury, Controller, Human Resources & GA, Supply Chain Management, ICT dan Commercial dalam mencapai sasaran kinerja Perusahaan yang telah ditetapkan. Leading and coordinating the Finance & Treasury, Controller, Human Resources & GA, Supply Chain Management, ICT, and Commercial functions in achieving established Company performance targets.

Pelaksanaan Tugas dan Tanggung Jawab Direksi Tahun 2017

Selama tahun 2017, Direksi telah menjalankan tugas dan tanggung jawabnya dalam mengurus Perusahaan sesuai dengan KPI yang telah ditetapkan:

The 2017 Duties and Responsibilities Implementation of the Board of Directors

In 2017, the Board of Directors has performed its duties and responsibilities in managing the Company, in accordance with the established KPI:

No	Indikator Kinerja Utama Key Performance Indicator	Bobot (%) Weight (%)	Performance (%)
I. Grup KPI KPI Group		20	24,00
1	a. EBITDA HULU Upstream EBITDA	10	12,00
	b. Biaya Operasi per Unit Produksi Migas PHE (<i>exclude</i> depresiasi) Operational Cost per Unit PHE Oil and Gas Production (except depreciation)	10	12,00
II. Financial		20	23,60
2	EBITDA PHE PHE Operational Cost	10	12,00
3	Biaya Operasi PHE PHE Operational Cost	5	5,60
4	Biaya Operasi per Unit Produksi Migas PHE (<i>exclude</i> depresiasi) Operational Cost per Unit PHE Oil and Gas Production (except depreciation)	5	6,00
III. Operational Excellence		25	25,67
5	Volume Produksi dan Lifting Production and Lifting Volume	15	
	a. Volume Produksi Minyak Oil Production Volume	4	4,20
	b. Volume Produksi Gas Gas Production Volume	4	3,77
	c. Lifting Minyak Oil Lifting	4	4,19
	d. Lifting Gas Gas Lifting	3	3,02

No	Indikator Kinerja Utama Key Performance Indicator	Bobot (%) Weight (%)	Performance (%)
6	Penambahan Cadangan Migas Oil and Gas Reserves Addition	10	
	a. Penambahan Cadangan Migas P1 P1 Oil and Gas Reserves Addition	5	5,25
	b. Temuan Sumber Daya 2C 2C Resource Finding	5	5,25
IV. Growth		20	20,15
7	Strategic Initiative	5	5,25
8	Pencapaian Realisasi Investasi Investment Realization Achievement	15	
	a. Anggaran Biaya Investasi Investment Cost Budget	5	5,00
	b. Progres Fisik Physical Progress	5	4,65
	c. Utilisasi SIIP SIIP Utilization	5	5,25
V. People & HSSE Management		15	14,83
9	People & Quality Management	5	
	a. Critical Position with Successor	2	2,07
	b. Knowledge Sharing & Innovation	2	2,10
	c. Tidak lanjut OFI to AFI 2017 2017 OFI to AFI Follow-up	1	1,05
10	HSSE Excellence & Pengelolaan Risiko	10	
	a. Health & Safety Participation	2	2,00
	b. ISRS	2	1,32
	c. PROPER	2	2,10
	d. TRIR	2	2,10
	e. Enterprise Risk Management	2	2,09
Total Bobot Total Weight		100%	108,25%

Pengungkapan Mengenai *Board Charter* (Pedoman dan Tata Tertib Kerja Direksi)

Direksi bekerja berdasarkan Pedoman Kerja Direksi PHE yang tercantum dalam Pedoman GCG PHE dan ditetapkan berdasarkan Surat Keputusan Pemegang Saham secara sirkuler tentang Pedoman *Good Corporate Governance* (GCG) dan *Code of Conduct* (CoC). Pada tahun 2016 telah dilakukan proses pemutakhiran Pedoman CoC PHE sesuai dengan perkembangan praktik-praktik terbaik tata kelola Perusahaan, sehingga dapat menunjang pencapaian Visi PHE. [102-16]

Board Charter Disclosure (Guidelines and Code of Conduct of the Board of Directors)

The Board of Directors works based on the PHE Board of Directors Code of Conduct included in the PHE GCG Guidelines and established based on the circular Decision Letter of Shareholders on Good Corporate Governance (GCG) Guidelines and Code of Conduct (CoC). In 2016, PHE CoC Guidelines update process was conducted in accordance with the development of Good Corporate Governance best practices, in order to support the achievement of PHE Vision. [102-16]

Pedoman Kerja Direksi PHE Seperti Dalam Pedoman GCG PHE

The PHE Board of Directors Code of Conduct as in the PHE GCG Guidelines

No	Bab Chapter	Uraian Description
1	Keanggotaan dan komposisi Direksi Membership and composition of the Board of Directors	<p>Komposisi Dewan Komisaris dan Direski harus sedemikian rupa, sehingga memungkinkan pengambilan keputusan yang efektif, tepat dan cepat. Selain itu, Dewan Komisaris juga dituntut untuk bertindak secara independen, dalam arti tidak mempunyai benturan kepentingan yang dapat mengganggu kemampuannya untuk melaksanakan tugas secara mandiri dan kritis, baik dalam hubungan satu sama lain.</p> <p>Composition of the Board of Commissioners and Directors must be such to enable effective, accurate, and fast decision making. Furthermore, the Board of Commissioners is also demanded to act independently, in the sense of having no conflict of interest that may hinder its capability to perform the duties independently and critically, whether in relation to one another.</p>
2	Tugas dan Tanggung Jawab Direksi Duties and Responsibilities of the Board of Directors	<ul style="list-style-type: none"> • Direksi bertugas menjalankan segala tindakan yang berkaitan dengan pengurusan Perseroan untuk kepentingan Perseroan dan sesuai dengan maksud dan tujuan Perseroan serta mewakili Perseroan baik di dalam maupun di luar Pengadilan tentang segala hal dan segala kejadian dengan pembatasan-pembatasan sebagaimana diatur dalam peraturan perundang-undangan, Anggaran Dasar dan/atau Keputusan RUPS ; • The Board of Directors shall be responsible for carrying out all actions relating to the management of the Company for the interest of the Company and in accordance with the purposes and objectives of the Company and to represent the Company, both inside and outside the Court on all matters and events within limits stipulated in the laws and regulations, Articles of Association and/or GMS Resolutions ; • Melaksanakan tugasnya dengan baik demi kepentingan Perusahaan dan memastikan bahwa Perusahaan telah memperhatikan kepentingan stakeholders sesuai dengan nilai-nilai etika dan peraturan perundang-undangan yang berlaku ; • Perform its duties properly in the interest of the Company and to ensure that the Company has taken into consideration the interests of stakeholders in accordance with applicable ethical values as well as applicable laws and regulations ; • Setiap anggota Direksi wajib dengan itikad baik dan penuh tanggung jawab menjalankan tugas untuk kepentingan dan usaha Perseroan dengan mengindahkan perundang-undangan yang berlaku ; • Each member of the Board of Directors shall in good faith and with full responsibility perform the duties for the interests and business of the Company with due regard to the applicable laws and regulations ; • Dalam melaksanakan tugasnya, Direksi wajib mencurahkan tenaga pikiran, perhatian dan pengabdian secara penuh pada tugas, kewajiban dan pencapaian tujuan Perseroan ; • In performing its duties, the Board of Directors shall devote energy, mind, attention and dedication to the duties, obligations and achievements of the Company's objectives ; • Menyiapkan Rencana Jangka Panjang Perusahaan (RJPP) yang merupakan rencana strategis yang memuat sasaran tujuan Perusahaan yang hendak dicapai dalam jangka waktu 5 (lima) tahun, menandatangani bersama dengan Dewan Komisaris, dan menyampaikannya kepada RUPS untuk mendapat pengesahan ; • Prepare the Company Long Term Plan (RJPP) which is a strategic plan containing the objectives of the Company to be achieved within 5 (five) years, jointly sign with the Board of Commissioners, and submit it to the General Meeting of Shareholders for approval ; • Menyiapkan Rencana Kerja dan Anggaran Perusahaan (RKAP), menandatangani bersama dengan Dewan Komisaris dan menyampaikannya kepada RUPS untuk memperoleh pengesahan ; • Prepare the Company's Work Plan and Budget (RKAP), jointly sign it with the Board of Commissioners and submit it to the General Meeting of Shareholders for approval ;

No	Bab Chapter	Uraian Description
	<p>Tugas dan Tanggung Jawab Direksi Duties and Responsibilities of the Board of Directors</p>	<ul style="list-style-type: none"> • Menetapkan Key Performance Indicator (KPI) yang jelas, lengkap, dan berimbang, baik dari aspek keuangan maupun non keuangan untuk menentukan pencapaian visi, misi, dan tujuan Perusahaan ; • Establish a clear, complete, and balanced Key Performance Indicators (KPIs) of both financial and non-financial aspects to determine the achievement of the Company's vision, mission and objectives ; • Melakukan pemantauan dan evaluasi atas pelaksanaan RJPP dan RKAP, termasuk pencapaian target keuangan dan non-keuangan ; • Monitor and evaluate the implementation of RJPP and RKAP, including the achievement of financial and non-financial targets ; • Menyelenggarakan dan menegakkan sistem pengendalian intern yang efektif untuk melindungi investasi dan aset Perusahaan ; • Organize and enforce an effective internal control system to protect the Company's investments and assets ; • Membangun teknologi informasi ; • Develop information technology ; • Menyusun sistem akuntansi yang sesuai dengan Standar Akuntansi Keuangan termasuk pembukuan dan administrasi yang didasarkan atas pengendalian internal terutama fungsi pengurusan, pencatatan, penyimpanan dan pengawasan ; • Develop accounting system in accordance with Financial Accounting Standards including bookkeeping and administration based on internal control, especially the functions of management, recording, storage and supervision ; • Menindaklanjuti temuan-temuan audit Satuan Pengawas Internal (SPI) dan Auditor Eksternal serta melaporkannya kepada Dewan Komisaris ; • Following up the audit findings of the Internal Supervisory Unit (SPI) and the External Auditor and reporting them to the Board of Commissioners ; • Menyusun dan menyampaikan Laporan Tahunan yang telah ditandatangani bersama oleh Direksi dan Dewan Komisaris kepada RUPS untuk memperoleh pengesahan ; • Prepare and present Annual Report that has been signed jointly by the Board of Directors and Board of Commissioners to the General Meeting of Shareholders for approval ; • Memberikan pertanggungjawaban dan segala keterangan tentang keadaan dan jalannya Perusahaan dalam bentuk laporan lainnya setiap kali diminta oleh RUPS ; • Give accountability and all information about the conditions and the operations of the Company in the form of other reports whenever requested by the GMS ; • Menyiapkan dan menetapkan susunan organisasi Perseroan lengkap dengan perincian dan tugasnya ; • Prepare and establish the Company's organizational structure complete with details and duties ; • Menetapkan secara jelas tugas, tanggung jawab, dan wewenang manajemen pada setiap tingkat/level ; • Clearly establish the duties, responsibilities, and authority of the management at all levels ; • Memberikan penjelasan tentang segala hal yang ditanyakan atau diminta Anggota Dewan Komisaris ; • Provide explanation of all matters inquired or requested by the Board of Commissioners ; • Melaporkan informasi-informasi yang relevan kepada Dewan Komisaris, antara lain mengenai suksesi/mutasi/promosi manajer kunci (senior), program pengembangan Sumber Daya Manusia (SDM), pertanggungjawaban manajemen risiko, pelaksanaan Ukuran Kinerja Terpilih (UKT), dan kinerja pemanfaatan teknologi informasi ; • Report relevant information to the Board of Commissioners, including on the succession/transfer/promotion of key managers (seniors), human resource development programs, risk management responsibilities, implementation of Selected Performance Measurement (UKT), and performance of Information Technology utilization ;

No	Bab Chapter	Uraian Description
	<p>Tugas dan Tanggung Jawab Direksi Duties and Responsibilities of the Board of Directors</p>	<ul style="list-style-type: none"> • Membuat Daftar Pemegang Saham, Daftar Khusus, Risalah RUPS dan Risalah Rapat Direksi; • Prepare Shareholder Register, Special Register, Minutes of GMS and minutes of Board of Directors Meeting; • Memelihara seluruh daftar, risalah dan dokumen keuangan Perseroan dan dokumen Perseroan lainnya; • Maintain all registers, minutes and financial documents of the Company and other Company documents; • Anggota Direksi wajib melaporkan kepada Perseroan mengenai saham yang dimiliki Anggota Direksi yang bersangkutan dan/atau keluarganya dalam Perseroan dan Perseroan lain untuk selanjutnya dicatat dalam Daftar Khusus; • Members of the Board of Directors shall report to the Company about shares owned by the Members of the Board of Directors concerned and/ or their families in the Company and other Companies to be recorded in the Special Register; • Menjalankan kewajiban lainnya sesuai dengan Anggaran Dasar dan Keputusan RUPS; • Perform other obligations in accordance with the Articles of Association and the GMS Resolutions; • Selain dari kewajiban diatas, Direksi juga mempunyai kewajiban lainnya berkaitan dengan pengelolaan Perusahaan sesuai dengan Anggaran Dasar, ketetapan RUPS, dan peraturan perundang-undangan yang berlaku; • In addition to the aforementioned obligations, the Board of Directors also has other obligations on the management of the Company in accordance with the Articles of Association, the GMS resolutions, and the applicable laws and regulations.
3	<p>Rapat Direksi Board of Directors Meetings</p>	<p>Rapat Direksi adalah rapat yang diselenggarakan oleh Direksi baik yang telah diagendakan secara rutin maupun tidak. Rapat Direksi diselenggarakan sebagai mekanisme untuk merencanakan dan memantau penerapan strategi dan kebijakan Perusahaan;</p> <p>Board of Directors Meetings are meetings held by the Board of Directors, whether they have been regularly scheduled or not. The Board of Directors Meeting is organized as a mechanism to plan and monitor the implementation of the Company's strategies and policies.</p> <p>1. Penentuan Agenda Rapat Direksi</p> <ul style="list-style-type: none"> • Agenda Rapat Direksi didasarkan pada Program Kerja Direksi atau dapat diusulkan oleh masing-masing Direksi. • Materi rapat mencakup evaluasi terhadap pelaksanaan keputusan hasil rapat sebelumnya. <p>1. Determination of the agenda for the Board of Directors Meeting</p> <ul style="list-style-type: none"> • The agenda of the Board of Directors Meeting is based on the Board of Directors Work Program or may be proposed by each of the Directors. • The meeting material includes an evaluation of the execution of the previous meeting's decision. <p>2. Pelaksanaan Rapat Direksi</p> <ul style="list-style-type: none"> • Rapat Direksi diadakan secara berkala sekurang-kurangnya sekali dalam bulan yang berjalan dan sewaktu-waktu bilamana dianggap perlu atas permintaan seorang atau lebih anggota Direksi. Dalam rapat tersebut Direksi dapat mengundang Dewan Komisaris. • Rapat Direksi dianggap sah apabila diadakan di tempat kedudukan Perseroan atau di tempat kegiatan usaha Perseroan atau di tempat lain di wilayah Republik Indonesia yang ditetapkan oleh Direksi. • Panggilan Rapat Direksi dilakukan secara tertulis oleh Anggota Direksi yang berhak mewakili Perseroan dan disampaikan dalam jangka waktu paling lambat 3 (tiga) hari sebelum diadakan atau dalam waktu yang lebih singkat jika dalam keadaan mendesak, dengan tidak memperhitungkan tanggal panggilan dan tanggal rapat. Panggilan rapat tersebut harus mencantumkan acara, tanggal, waktu dan tempat rapat.

No	Bab Chapter	Uraian Description
	<p>Tugas dan Tanggung Jawab Direksi Duties and Responsibilities of the Board of Directors</p>	<ul style="list-style-type: none"> • Panggilan rapat terlebih dahulu tersebut tidak disyaratkan apabila semua anggota Direksi hadir dalam rapat. • Semua Rapat Direksi dipimpin oleh Direktur Utama. • Dalam hal Direktur Utama tidak hadir atau berhalangan, Rapat Direksi dipimpin oleh seorang Direktur yang khusus ditunjuk untuk maksud itu oleh Direktur Utama. • Dalam hal Direktur Utama tidak melakukan penunjukan, maka salah seorang Direktur yang terlama dalam jabatan sebagai anggota Direksi yang memimpin rapat Direksi. • Dalam hal Direktur yang paling lama menjabat sebagai anggota Direksi Perseroan lebih dari 1 (satu) orang, maka Direktur sebagaimana dimaksud dalam butir g ini yang tertua dalam usia yang bertindak sebagai pimpinan rapat Direksi. • Rapat adalah sah dan berhak mengambil keputusan-keputusan yang mengikat, apabila dihadiri oleh lebih ½ (satu per dua) jumlah anggota Direksi atau wakilnya dengan memperhatikan ketentuan sebagaimana dimaksud . • Direksi harus menetapkan Tata Tertib Rapat Direksi. <p>2. Implementation of the Board of Directors Meeting</p> <ul style="list-style-type: none"> • Board of Directors meeting shall be held periodically at least once in the current month and at any time deemed necessary upon the request of one or more members of the Board of Directors. In the meeting, the Board of Directors may invite the Board of Commissioners. • Board of Directors meeting shall be deemed valid if held at the place where the Company is domiciled or at the Company operates its business or elsewhere within the territory of the Republic of Indonesia determined by the Board of Directors. • Summons to the Board of Directors Meeting shall be made in writing by a member of the Board of Directors entitled to represent the Company and delivered within a period of no more than 3 (three) days prior the meeting or within a shorter time if it is urgent, regardless of the date of the date of the summon and the meeting. The summon of the meeting must state the event, date, time and place of the meeting. • The summon that preceding the meeting is not required if all members of the Board of Directors are present at the meeting. • All Board of Directors meetings are chaired by the President Director. • In the event that the President Director is absent or unavailable, the Board of Directors Meeting is chaired by a Director specifically appointed for such purpose by the President Director. • In the event that the President Director does not make an appointment, then one of the Directors with longest term of office as a member of the Board of Directors presides over the Board of Directors meeting. • In the event that there are more than 1 (one) Directors with longest term of office as a member of the Board of Directors, the Director referred to in point g is the oldest in terms of age who acts as chairman of the Board of Directors meeting. • Meetings are valid and entitled to make binding decisions, when attended by more than ½ (one-half) the number of members of the Board of Directors or their representatives with due regard to the applicable provisions . • The Board of Directors shall establish the Rules of Meeting of the Board of Directors. <p>3. Pengambilan Keputusan</p> <ul style="list-style-type: none"> • Segala keputusan Direksi diambil dalam rapat Direksi. • Keputusan dalam Rapat Direksi diambil berdasarkan musyawarah untuk mufakat. • Dalam hal keputusan berdasarkan musyawarah untuk mufakat tidak tercapai, keputusan diambil berdasarkan suara terbanyak. Apabila jumlah suara setuju atau tidak setuju sama, maka pimpinan rapat yang menentukannya dengan tetap memperhatikan ketentuan mengenai pertanggungjawaban. • Setiap anggota Direksi berhak untuk mengeluarkan 1 (satu) suara dan tambahan 1 (satu) suara untuk anggota Direksi yang diwakilinya. • Suara blanko (<i>abstain</i>) dan/atau suara yang tidak sah dianggap tidak ada serta tidak diitung dalam menentukan keputusan yang diajukan dalam rapat Direksi. • Direksi dapat juga mengambil keputusan yang sah tanpa mengadakan rapat Direksi, dengan ketentuan bahwa keputusan tersebut disetujui secara tertulis oleh semua anggota Direksi dan ditandatangani oleh semua anggota Direksi.

No	Bab Chapter	Uraian Description
	Tugas dan Tanggung Jawab Direksi Duties and Responsibilities of the Board of Directors	<p>3. Decision Making</p> <ul style="list-style-type: none"> All decisions of the Board of Directors are made in the Board of Directors meeting. Decisions in the Board of Directors meetings are based on deliberations for consensus. In the case of decisions based on deliberations for consensus not reached, decisions are made based on majority vote. If the number of votes agrees or against are the same, then the chair of the Meeting make the decision with due regard to the provisions on responsibility. Each member of the Board of Directors shall be entitled to cast 1 (one) vote and 1 (one) additional vote for the Members of the Board of Directors he/ she represents. Abstain vote and/or illegitimate vote is considered non-existent and is not counted in determining the decision submitted in the Board of Directors meeting. The Board of Directors may also make a valid decision without holding Board of Directors meeting, provided that such decision is approved in writing by all members of the Board of Directors and signed by all members of the Board of Directors. <p>4. Risalah Rapat</p> <ul style="list-style-type: none"> Dari segala sesuatu yang dibicarakan dan diputuskan dalam rapat Direksi harus dibuat risalah rapat yang ditandatangani oleh Pimpinan rapat Direksi dan seluruh anggota Direksi yang hadir. Setiap Anggota Direksi berhak menerima salinan Risalah Rapat Direksi, baik yang bersangkutan hadir maupun tidak dalam Rapat Direksi tersebut Risalah Rapat sekurang-kurangnya berisi hal-hal yang dibicarakan (termasuk pernyataan ketidaksetujuan/dissenting opinion anggota Direksi jika ada) dan hal-hal yang diputuskan. <p>4. Minutes of Meeting</p> <ul style="list-style-type: none"> From all matters discussed and decided in the Board of Directors meeting, a minutes of meetings which is signed by the Chairman of the Board of Directors meeting and all members of the Board of Directors present. Each member of the Board of Directors shall be entitled to receive a copy of the Minutes of the Board of Directors Meeting, whether or not he/she is present at the meeting. Minutes of Meeting shall at least contain the matters discussed (including the dissenting opinion of the members of the Board of Directors, if any) and matters that have been decided.

Kebijakan dan Pelaksanaan Rapat Direksi

Kebijakan Rapat Dewan Direksi

Berdasar Anggaran Dasar PHE disebutkan bahwa Direksi dapat menyelenggarakan rapat sekurang-kurangnya 24 kali. Pelaksanaan rapat menjadi bagian dari program kerja Direksi dan merupakan salah satu bentuk mekanisme evaluasi dan peninjauan atas pelaksanaan kebijakan maupun keputusan terkait pengurusan Perusahaan.

Policies and Implementation of Board of Directors Meetings

The Board of Directors Meeting Policies

Based on the PHE Articles of Association, it is mentioned that the Board of Directors can organize at least 24 meetings. Meeting implementation is part of the Board of Directors' work program and is one of the forms of evaluation and assessment mechanism for policy implementation and decisions regarding Company management.

Proses pelaksanaan rapat Direksi:

- Diadakan di tempat kedudukan Perusahaan atau di tempat kegiatan usaha Perusahaan atau di tempat lain di wilayah Republik Indonesia yang ditetapkan oleh Direksi.
- Panggilan rapat Direksi dilakukan secara tertulis oleh anggota Direksi yang berhak mewakili Perusahaan dan disampaikan dalam jangka waktu paling lambat 3 (tiga) hari sebelum rapat diadakan.
- Panggilan rapat terlebih dahulu tersebut tidak disyaratkan apabila semua anggota Direksi hadir dalam rapat.
- Dalam setiap rapat Direksi harus dibuat Risalah Rapat yang ditandatangani oleh Pimpinan Rapat Direksi dan seluruh anggota Direksi yang hadir, yang berisi hal-hal yang diputuskan. Satu salinan Risalah Rapat Direksi agar disampaikan kepada Dewan Komisaris untuk diketahui.

Rapat Direksi dinyatakan sah dan berhak mengambil keputusan yang mengikat apabila memenuhi persyaratan dihadiri oleh lebih dari $\frac{1}{2}$ (satu per dua) jumlah anggota Direksi atau wakilnya yang sah dengan memperhatikan ketentuan Anggaran Dasar.

Pelaksanaan Rapat dan Kehadiran Anggota Direksi

Selama tahun 2017, Direksi telah menyelenggarakan 22 kali rapat. Tingkat rerata kehadiran anggota Direksi dalam rapat Direksi mencapai 90%, sehingga menegaskan putusan maupun rekomendasi yang diambil dalam rapat telah memenuhi ketentuan maupun aturan yang berlaku dalam pengambilan keputusan.

Implementation process of the Board of Directors meeting:

- Held at the location of the Company or at the Company's business activity location or other places in the territory of the Republic of Indonesia determined by the Board of Directors.
- Summons for the Board of Directors meeting is performed in written form by a member of the Board of Directors with the right to represent the Company and conveyed in the period of at least 3 (three) days prior to the meeting.
- Prior summons for the meeting is not required if all Board of Directors members are present at the meeting.
- In every meeting, the Board of Directors must compose Minutes of Meeting signed by the Chairman of the Board of Directors Meeting and all present Board of Directors members, containing all decided matters. A copy of the Minutes of Meeting is to be submitted to the Board of Commissioners for acknowledgement.

The Board of Directors Meeting is declared valid and entitled to make binding decisions if fulfilling the requirements of being attended by more than $\frac{1}{2}$ (half) of the number of Board of Directors members or their legitimate representatives by considering the stipulations as referred to Article of Association.

Meeting Organization and Attendance of the Board of Directors Members

In 2017, the Board of Directors held 22 meetings. The average rate of attendance of the Board of Directors members in the Board of Directors meeting reached 90%, thereby confirming that decisions or recommendations made in the meeting have met the prevailing rules and regulations in decision making.

Tabel Kehadiran Rapat Anggota Direksi Tahun 2017

Table of the 2017 Meeting Attendance of the Board of Directors Members 2017

Peserta Rapat Meeting Participants	Jan Jan	Feb Feb	Mar Mar	Apr Apr	Mei May	Jun Jun	Jul Jul	Ags Aug	Sep Sep	Okt Oct	Nov Nov	Des Dec
	3 kali 3 times	1kali 1 time	2 kali 2 times	2 kali 2 times	4 kali 4 times	2 kali 2 times	2 kali 2 times	2 kali 2 times	1 kali 1 time	3 kali 3 times	1 kali 1 time	1 kali 1 time
R. Gunung Sardjono Hadi	v	v	v	v	v	v	v	v	v	v	v	v
Beni Jaffilius Ibradi	v	v	v	v	v	v	v	v	v	v	v	v
Bambang Manumayoso	v	v	v	v	v	v	v	x	x	x	x	x
Rudy Ryacudu	v	v	v	v	v	v	v	v	v	v	v	v
Ari Budiarko	v	v	v	v	v	v	v	v	v	v	v	v

Tabel Frekuensi dan Tingkat Kehadiran Rapat Anggota Direksi dan Persentase Kehadiran Tahun 2017

Table of Meeting Frequency and Attendance Rate of Board of Directors Members and Percentage of Attendance 2017

Nama Name	Jabatan Position	Jumlah Rapat Number of Meetings	Jumlah Kehadiran Number of Attendance	Persentase Kehadiran Percentage of Attendance
R. Gunung Sardjono Hadi	Direktur Utama President Director	22	22	100%
Beni Jaffilius Ibradi	Direktur Operasi dan Produksi Director of Operations and Production	22	22	100%
Bambang Manumayoso	Direktur Pengembangan Director of Development	22	17	80%
Rudy Ryacudu	Direktur Eksplorasi Director of Exploration	22	22	100%
Ari Budiarko	Direktur Keuangan dan Business Support Director of Financial and Business Support	22	22	100%
Rata- rata Kehadiran Anggota Direksi Average Attendance of Board of Directors Members				96%

Agenda Rapat Direksi Tahun 2017

Agenda of the 2017 Board of Directors Meetings

No	Tanggal Rapat Meeting Date	Agenda Rapat Meeting Agenda
1	4 Januari 2017 4 January 2017	<ul style="list-style-type: none"> Persiapan implementasi organisasi baru Kajian pengelolaan SDM pasca berakhirnya Blok PHE ONWJ Agenda lainnya yang disepakati Preparation for the implementation of new organization Assessment of Human Capital management post the end of PHE ONWJ Block Other agreed upon agendas
2	20 Januari 2017 20 January 2017	<ul style="list-style-type: none"> Position Paper Blok CPP (BOB) Potensi penawaran Participating Interest (PI), ex Medco di Blok Simenggaris Rencana monetisasi lapangan TBC di Blok Salawati Analisa usulan GEBT tentang rencana pengambilalihan saham PHE di DSLNG Agenda lainnya yang disepakati CPP Block Position Paper (BOB) Participating Interest (PI) offer potential, ex Medco in Simenggaris Block Monetization plans for the TBC field in Salawati Block Analysis of GEBT proposal on takeover plans of PHE shares in DSLNG Other agreed upon agendas
3	23 Januari 2017 23 January 2017	<ul style="list-style-type: none"> Usulan incentive eksplorasi pada PSC Gross Split Evaluasi kinerja Perusahaan tahun 2016 Update penyempurnaan organisasi PHE (implementasi SSO) Update RJPP 2017 – 2021 Evaluasi portofolio bisnis PHE Strategi implementasi RKAP 2017 Mapping Top Risk Management PHE 2017 Issue Gross Split di Blok ONWJ, persiapan rerminasi dan PSC Baru untuk 8 Blok Lainnya di tahun 2018 Agenda Lainnya yang disepakati Proposal for exploration incentive in the PSC Gross Split The 2016 Company performance evaluation PHE organization perfecting update (SSO implementation) The 2017-2021 RJPP update PHE business portfolio evaluation The 2017 RKAP implementation strategies The 2017 PHE Top Risk Management Mapping Gross Split issue in ONWJ Block, preparation for the termination and New PSC for 8 Other Blocks in 2018 Other agreed upon agendas
4	17 Februari 2017 17 February 2017	<ul style="list-style-type: none"> Penentuan harga gas Simenggaris Persiapan materi RUPS Luar Biasa dan RUPS Tahunan Agenda lainnya yang disepakati Simenggaris gas price determination Material preparation for the Extraordinary GMS and Annual GMS Other agreed upon agendas
5	7 Maret 2017 7 March 2017	<ul style="list-style-type: none"> Usulan terminasi 13 Blok CBM Penambahan PI di Blok Simenggaris Perencanaan pekerja Revaluasi pengalihan saham PHE di DSLNG Agenda lainnya yang disepakati Proposal for the termination of 13 CBM Blocks PI addition in Simenggaris Block Employee planning Reevaluation of PHE shares transfer in DSLNG Other agreed upon agendas

No	Tanggal Rapat Meeting Date	Agenda Rapat Meeting Agenda
5	7 Maret 2017 7 March 2017	<ul style="list-style-type: none"> • Usulan terminasi 13 Blok CBM • Penambahan PI di Blok Simenggaris • Perencanaan pekerja • Reevaluasi pengalihan saham PHE di DSLNG • Agenda lainnya yang disepakati • Proposal for the termination of 13 CBM Blocks • PI addition in Simenggaris Block • Employee planning • Reevaluation of PHE shares transfer in DSLNG • Other agreed upon agendas
6	24 Maret 2017 24 March 2017	<ul style="list-style-type: none"> • <i>Dry run</i> materi BOD-BOC evaluasi kinerja PHE Februari 2017 • Agenda lainnya yang disepakati • BOD-BOC material dry run of the February 2017 PHE performance evaluation • Other agreed upon agendas
7	25 April 2017 25 April 2017	<ul style="list-style-type: none"> • <i>Dry run</i> materi BOC-BOD evaluasi kinerja PHE Maret 2017 • Kegiatan eksplorasi di NSO • Pedoman pengadaan barang dan jasa <i>Gross Split</i> • BOC-BOD material dry run of the March 2017 PHE performance evaluation • Exploration activities in NSO • Guidelines for <i>Gross Split</i> goods and services procurement
8	15 Mei 2017 15 May 2017	<ul style="list-style-type: none"> • Revisi RKAP PHE ONWJ • <i>Gate Review</i> BOD Position Paper Blok Raja Tempirai • <i>Update</i> alih kelola 6 blok terminasi • <i>Update</i> rencana <i>abandonment</i> BMG • PHE ONWJ RKAP revision • Raja Tempirai Block Position Paper BOD <i>Gate Review</i> • 6 terminated blocks transfer of management update • BMG abandonment plans update
9	19 Mei 2017 19 May 2017	<ul style="list-style-type: none"> • <i>Dry run</i> materi BOC-BOD evaluasi kinerja PHE April 2017 • Perkembangan <i>gross split</i> PHE ONWJ dan persiapan alih kelola 6 blok terminasi • BOC-BOD material dry run of the April 2017 PHE performance evaluation • <i>Gross split</i> PHE ONWJ development and preparation for 6 terminated block transfer of management
10	30 Mei 2017 30 May 2017	<ul style="list-style-type: none"> • Perubahan anggaran biaya operasi PHE ONWJ 2017 • Potensi pasokan gas PHE untuk PLN • <i>Update</i> pengelolaan blok terminasi dan raja tempirai • Changes to the 2017 PHE ONWJ operational cost budget • Potential PHE gas supply for PLN • Terminated and Raja Tempirai Block management update
11	13 Juni 2017 13 June 2017	<ul style="list-style-type: none"> • <i>Update gross split</i> PHE ONWJ • <i>Update</i> progres pengelolaan wilayah kerja yang akan terminasi • <i>Update</i> implementasi SSO • Agenda lainnya yang disepakati • PHE ONWJ <i>gross split</i> update • Impending termination work areas management progress update • SSO implementation update • Other agreed upon agendas
12	16 Juni 2017 16 June 2017	<ul style="list-style-type: none"> • <i>Dry run</i> materi BOD-BOC evaluasi kinerja PHE Mei 2017 • <i>Update</i> implementasi SSO • Kegiatan eksplorasi di NSO • Agenda lain yang telah disepakati • BOD-BOC material dry run of the May 2017 PHE performance evaluation • SSO implementation update • Exploration activities in NSO • Other agreed upon agendas

No	Tanggal Rapat Meeting Date	Agenda Rapat Meeting Agenda
12	06 Juli 2017 06 July 2017	<ul style="list-style-type: none"> • Evaluasi <i>compliance</i> RPTK SSO • Finalisasi bahan presentasi PHE • Laporan WK terminasi • RPTK SSO compliance evaluation • PHE presentation material finalization • Terminated WK report
13	28 Juli 2017 28 July 2017	<ul style="list-style-type: none"> • Kinerja Juni 2017 (Kinerja semester I tahun 2017) dan tindak lanjut rapat BOC-BOD sebelumnya • <i>Travel management</i> • Tindak lanjut RPTK SSO • <i>Severance payment</i> • Pemboran 3 sumur eks di NSO • Pembinaan pekerja DPKP, BOD terbatas • RRD penetapan harga gas • Agenda lain yang disepakati • June 2017 performance (Semester I of 2017 performance) and follow-up of the previous BOC-BOD meetings • Travel management • RPTK SSO follow-up • Severance payment • Drilling of 3 ex wells in NSO • DPKP employees development, limited BOD • RRD gas pricing • Other agreed upon agendas
14	8 Agustus 2017 8 August 2017	<ul style="list-style-type: none"> • Penyelesaian WK Gebang • <i>Talent management</i> • <i>Sucession planning</i> • Nomenklatur organisasi • Harmonisasi remunerasi struktur upah di PHE Group • Agenda lain yang disepakati • WK Gebang completion • Talent management • Sucession planning • Organization nomenclature • Harmonization of wage structure remuneration in PHE Group • Other agreed upon agendas
15	22 Agustus 2017 22 August 2017	<ul style="list-style-type: none"> • Internalisasi RPTK SSO & WP&B • <i>Dry run</i> BOC-BOD kinerja Juli 2017 • RKAP 2018 • Agenda lainnya yang disepakati • RPTK SSO & WP&B internalization • BOC-BOD dry run of the July 2017 performance • 2018 RKAP • Other agreed upon agendas
16	25 September 2017 25 September 2017	<ul style="list-style-type: none"> • Kinerja bulan Agustus • Tindak lanjut rapat BOC-BOD sebelumnya • Agenda lain yang disepakati • August performance • Follow-up of the previous BOC-BOD meetings • Other agreed upon agendas
17	4 Oktober 2017 4 October 2017	<ul style="list-style-type: none"> • <i>Sole risk</i> amandemen unitisasi Lap. Batang WK Siak • <i>Update</i> status penawaran PI 10% (PHE WMO, ONWJ, Siak & Kampar) • <i>Update</i> progres alih kelola Blok OSES • <i>Top Risk registered</i> • Agenda lain yang disepakati • Lap. Batang WK Siak unitization amendment sole risk • PI 10% (PHE WMO, ONWJ, Siak & Kampar) offer status update • OSES Block transfer of management progress update • Registered top risk • Other agreed upon agendas

No No	Tanggal Rapat Tanggal Rapat	Agenda Rapat Agenda Rapat
18	23 Oktober 2017 23 October 2017	<ul style="list-style-type: none"> • Evaluasi kinerja PHE September 2017 • Tindak lanjut rapat BOD dan rapat BOC-BOD sebelumnya • Pembahasan WK terminasi • Agenda lain yang disepakati • September 2017 PHE performance evaluation • Follow-up of BOD meeting and previous BOC-BOD meetings • Terminated WK discussion • Other agreed upon agendas
19	30 Oktober 2017 30 October 2017	<ul style="list-style-type: none"> • Pembahasan RJPP PHE • Kinerja September 2017 • Agenda lain yang disepakati • PHE RJPP discussion • September 2017 performance • Other agreed upon agendas
20	21 November 2017 21 November 2017	<ul style="list-style-type: none"> • Kinerja Oktober 2017 • Update PHE one system • Update pembahasan position paper divestasi 3 WK Non Operator CBM • Agenda lain yang disepakati • October 2017 performance • PHE one system update • 3 Non Operator CBM WK divestation position paper discussion update • Other agreed upon agendas
21	22 Desember 2017 22 December 2017	<ul style="list-style-type: none"> • Laporan status Asset South Jambi • Laporan status Asset Makassar Strait • South Jambi Asset status report • Makassar Strait Asset status report

Pada kurun waktu periode pelaporan, Direksi juga menghadiri rapat atas undangan Dewan Komisaris, atau disebut sebagai Rapat Gabungan. Selama tahun 2017, Direksi menghadiri 12 kali Rapat Gabungan. Uraian tentang tingkat kehadiran anggota Direksi dalam Rapat Gabungan dan agenda yang dibahas, diuraikan dalam pembahasan mengenai Kebijakan dan Pelaksanaan Rapat Dewan Komisaris pada halaman 302 dalam Laporan ini.

In the reporting period, the Board of Directors also attended meetings on the invitation of the Board of Commissioners, which are referred to as Joint Meetings. In 2017, the Board of Directors attended 12 Joint Meetings. A description of the attendance rate of Board of Directors members in Joint Meetings and agenda of discussion is detailed in a description regarding Policies and Organization of the Board of Commissioners Meetings on page 302 in this report.



Keputusan RUPST 2016 dan Pelaksanaannya

Dalam Laporan ini disertakan pembahasan mengenai hasil RUPS Tahun 2016 untuk tahun buku 2015, sesuai dengan ketentuan dalam Surat Edaran Otoritas Jasa Keuangan (SEOJK) No.30/SEOJK.04/2016 tentang Bentuk dan Isi Laporan Tahunan Emiten atau Perusahaan Publik. RUPS dimaksud diselenggarakan pada 14 April 2016, bertempat di Gedung PHE Tower Room E, Lantai 2 Jl. TB Simatupang Kav. 99 Jakarta Selatan.

Hasil rapat telah sesuai dengan agenda yang sudah ditetapkan dan tercantum dalam panggilan RUPS. Risalah rapat tertuang di dalam akta berita acara Rapat Umum Pemegang Saham Tahunan PT Pertamina Hulu Energi tertanggal 14 April 2016 yang dibuat Notaris Marianne Vincentia Hamdani, SH.

Decisions of the 2016 AGMS and Implementation

In this Report is included a discussion regarding results of the 2016 GMS for the 2015 fiscal year, in accordance with stipulations in the Circular Letter of the Financial Services Authority (SEOJK) No.30/SEOJK.04/2016 on the Format and Content of the Annual Report of Issuers or Public Companies. The aforementioned GMS was held on 14 April 2016, located at the E Room, 2nd floor of the PHE Tower Building, Jl. TB Simatupang Kav. 99, South Jakarta.

Results of the meeting were in accordance with the established agenda and included in the GMS summons. The minutes of meeting were formulated in the deed of the PT Pertamina Hulu Energi Annual General Meeting of Shareholders of 14 April 2016 composed by the notary Marianne Vincentia Hamdani, SH.

Mata Acara RUPST 2016 Untuk Tahun Buku 2015

Agendas of the 2016 AGMS for the 2015 Fiscal Year

Mata Acara Agenda	Pembahasan Discussion
Mata Acara 1 Agenda 1	<ul style="list-style-type: none"> Laporan Tahunan Perusahaan Tahun Buku 2015. The Company's Annual Report for the 2015 Fiscal Year.
Mata Acara 2 Agenda 2	<ul style="list-style-type: none"> Usulan Persetujuan atas Laporan Tahunan dan Pengesahan Laporan Keuangan Perseroan Tahun Buku 2015 disertai Pemberian Pelunasan dan Pembebasan Tanggung Jawab Sepenuhnya (<i>volledig acquit et de charge</i>) kepada Direksi dan Dewan Komisaris Perusahaan. Proposal for the Approval of the Annual Report and Ratification of the Company's Financial Report for the 2015 Fiscal Year was accompanied by the Grant for the Full Settlement and Release from Responsibility (<i>volledig acquit et de charge</i>) to the Company's Board of Directors and Board of Commissioners.
Mata Acara 3 Agenda 3	<ul style="list-style-type: none"> Usulan Penetapan Penggunaan Laba Tahun Buku 2015. Proposal for the Establishment of the 2015 Fiscal Year Profit Utilization.
Mata Acara 4 Agenda 4	<ul style="list-style-type: none"> Usulan Penetapan Kantor Akuntan Publik (KAP) untuk melakukan audit Tahun Buku 2015. Proposal for the Office of Public Accountant (KAP) Appointment to conduct the 2015 Fiscal Year audit.
Mata Acara 5 Agenda 5	<ul style="list-style-type: none"> Usulan Penetapan Penghargaan atas Kinerja (Tantiem) kepada Direksi dan Dewan Komisaris Tahun Buku 2015. Proposal for the Establishment of the Reward for Performance (Tantiem) for the 2015 Fiscal Year Board of Directors and Board of Commissioners.
Mata Acara 6 Agenda 6	<ul style="list-style-type: none"> Usulan Kenaikan Gaji/Remunerasi Direksi dan Honorarium Dewan Komisaris. Proposal for Salary/Remuneration Increase for the Board of Directors and Honorarium for the Board of Commissioners.

Keputusan RUPST di 2016 Untuk Tahun Buku 2015 dan Pelaksanaannya

Decisions of the AGMS in 2016 for the 2015 Fiscal Year and Implementation

Persetujuan Mata Acara 1 Agenda 1 Approval	Pelaksanaan Implementation
<p>Pemegang saham memberikan arahan agar selanjutnya dapat lebih meningkatkan operasional Perusahaan untuk tercapai hasil yang lebih baik</p> <p>Shareholders give directions for future improvement of Company operations for the achievement of better results</p>	<p>14 April 2016</p> <p>14 April 2016</p>
Persetujuan Mata Acara 2 Agenda 2 Approval	Pelaksanaan Implementation
<p>Menyetujui Laporan Tahunan dan Pengesahan Laporan Keuangan Perseroan Tahun Buku 2015</p> <p>Approving the 2015 Fiscal Year Annual Report and Ratification of the Company's Financial Report</p>	<p>14 April 2016</p> <p>14 April 2016</p>
Persetujuan Mata Acara 3 Agenda 3 Approval	Pelaksanaan Implementation
<p>Penetapan penggunaan Laba Perseroan yang dapat di distribusikan kepada Pemilik Entitas Induk Tahun Buku yang berakhir 31 Desember 2015 sebesar USD201.296.038 sebagai cadangan untuk pengembangan usaha, dengan catatan utang dividen tahun 2014 sebesar USD325.000.000</p> <p>Establishment of Company Profit utilization to be distributed to Owners of the Parent Entity for the Fiscal Year ending on 31 December 2015 of USD 201,296,038 as reserves for business development with a note of the 2014 dividend liabilities of USD 325,000,000</p>	<p>14 April 2016</p> <p>14 April 2016</p>
Persetujuan Mata Acara 4 Agenda 4 Approval	Pelaksanaan Implementation
<p>Memberikan kuasa dan melimpahkan kewenangan kepada Dewan Komisaris perseroan untuk menetapkan Kantor Akuntan Publik (KAP)</p> <p>Giving power of attorney and delegating authority to the Company's Board of Commissioners to appoint the Office of Public Accountant (KAP)</p>	<p>14 April 2016</p> <p>14 April 2016</p>
Persetujuan Mata Acara 5 Agenda 5 Approval	Pelaksanaan Implementation
<p>Penetapan penghargaan atas kinerja (tantiem) Direksi dan Dewan Komisaris Perusahaan akan ditentukan kemudian dan akan dilaksanakan dalam RUPS terpisah secara sirkuler</p> <p>Establishment of reward for performance (tantiem) for the Company's Board of Directors and Board of Commissioners to be determined later in a circular separate GMS</p>	<p>14 April 2016</p> <p>14 April 2016</p>
Persetujuan Mata Acara 6 Agenda 6 Approval	Pelaksanaan Implementation
<p>Penetapan Kenaikan gaji/remunerasi Direksi dan honorarium Dewan Komisaris Perusahaan akan ditentukan kemudian dan akan dilaksanakan dalam RUPS terpisah secara sirkuler</p> <p>Establishment of the salary/remuneration increase for the Company's Board of Directors and honorarium for the Board of Commissioners to be determined later in a circular separate GMS</p>	<p>14 April 2016</p> <p>14 April 2016</p>

Keputusan RUPST di 2017 Untuk Tahun Buku 2016 dan Pelaksanaannya

Risalah RUPST tahun 2017 tertuang dalam Akta Berita Acara Rapat Umum Pemegang Saham Tahunan PT Pertamina Hulu Energi tertanggal 1 Maret 2017 yang dibuat oleh Notaris Marianne Vincentia Hamdani, SH.

Decisions of the AGMS in 2017 for the 2016 Fiscal Year and Implementation

The 2017 AGMS Minutes of Meeting are formulated in the Deed of the PT Pertamina Hulu Energi Annual General Meeting of Shareholders of 1 March 2017 composed by the Notary Marianne Vincentia Hamdani, SH.

Keputusan RUPST di 2017 Untuk Tahun Buku 2016 dan Pelaksanaannya

Decisions of the AGMS in 2017 for the 2016 Fiscal Year and Implementation

Keputusan Decision	Pelaksanaan Implementation
<p>Mata Acara 1: Penyampaian Laporan Tahunan Tahun Buku 2016 Agenda 1: Presentation of the 2016 Fiscal Year Annual Report</p> <p>Agar selanjutnya dapat lebih meningkatkan efisiensi kegiatan operasional Perusahaan, sehingga tercapai hasil yang lebih baik, antara lain atas Anak Perusahaan yang non aktif dapat dicarikan solusi mendukung efisiensi perusahaan. Dalam hal efisiensi dilakukan harus tetap memperhatikan skala prioritas agar tidak mengganggu target operasional di tahun 2017, juga agar GCG lebih ditingkatkan. To further increase the Company's operational activities efficiency for the achievement of better results, among which for non-active Subsidiaries to find solutions to support company efficiency. Efficiency is performed by still considering the priority scale in order to not disrupt the 2017 operational targets, and also for the improvement of GCG.</p>	<p>1 Maret 2017 1 March 2017</p>

Keputusan Decision	Pelaksanaan Implementation
<p>Mata Acara 2: Persetujuan Laporan Tahunan termasuk pengesahan Laporan Keuangan Perusahaan disertai Pemberian Pelunasan dan Pembebasan Tanggung Jawab Sepenuhnya (<i>volledig acquit et de charge</i>) kepada Direksi dan Dewan Komisaris. Agenda 2: Approval of the Annual Report including ratification of the Company's Financial Report accompanied by the Grant for the Full Settlement and Release from Responsibility (<i>volledig acquit et de charge</i>) to the Board of Directors and Board of Commissioners.</p> <p>Menyetujui Laporan Tahunan Perusahaan untuk tahun buku 2016, serta mengesahkan Laporan Keuangan Perusahaan untuk tahun buku yang berakhir pada tanggal 31-12-2016 yang telah di audit oleh KAP Purwantono, Sungkoro & Surya. Approving the Company's Annual Report for the 2016 Fiscal Year as well as ratifying the Company's Financial Report for the fiscal year ending on 31-12-2016 which had been audited by KAP Purwantono, Sungkoro & Surya.</p>	<p>1 Maret 2017 1 March 2017</p>

Keputusan Decision	Pelaksanaan Implementation
<p>Mata Acara 3: Penetapan Penggunaan Laba Tahun Buku 2016 Agenda 3: Establishment of the 2016 Fiscal Year Profit Utilization</p>	

Keputusan Decision	Pelaksanaan Implementation
<p>Penetapan penggunaan laba Perusahaan yang dapat didistribusikan kepada pemilik entitas induk tahun buku yang berakhir tanggal 31-12-2016 sebesar USD188.862.641, sebagai berikut: sebesar USD114.156.115 sebagai dividen ke pemegang saham, sebesar USD74.706.526 sebagai cadangan umum.</p> <p>Establishment of the Company's profit utilization to be distributed to the owners of the parent entity of the fiscal year ending on 31-12-2016 of USD188,862,641, as follows: USD114,156,115 as dividend to shareholders, USD74,706,526 as general reserves.</p>	<p>1 Maret 2017 1 March 2017</p>

Keputusan Decision	Pelaksanaan Implementation
<p>Mata Acara 4: Penunjukan Kantor Akuntan Publik (KAP) untuk Tahun Buku 2017 Agenda: Appointment of Public Accountant Firm for 2017 Fiscal Year</p>	
<p>Memberikan kuasa dan melimpahkan kewenangan kepada Dewan Komisaris perseroan untuk menetapkan Kantor Akuntan Publik (KAP) dalam melakukan pemeriksaan atas Laporan Keuangan Perusahaan tahun buku yang berakhir 31 Desember 2017, berikut besaran nilai jasanya, sesuai ketentuan yang berlaku, dengan ketentuan bahwa KAP yang ditunjuk Perusahaan sama dengan KAP yang ditunjuk oleh PT Pertamina (Persero).</p> <p>Providing authorization and delegating authority to the Board of Commissioners of the Company to establish the Public Accounting Firm (KAP) in auditing the Company's Financial Statements for the year ended 31 December 2017, followed its service value, in accordance with the prevailing provisions, that KAP appointed by the Company is the same as the KAP appointed by PT Pertamina (Persero).</p>	<p>1 Maret 2017 1 March 2017</p>

Keputusan Decision	Pelaksanaan Implementation
<p>Mata Acara 5: Penetapan Penghargaan atas Kinerja (Tantiem) kepada Direksi dan Dewan Komisaris Tahun Buku 2016 Agenda 5: Establishment of the Reward for Performance (Tantiem) for the 2016 Fiscal Year Board of Directors and Board of Commissioners.</p>	
<p>Penetapan penghargaan atas kinerja (tantiem) Direksi dan Dewan Komisaris perseroan akan ditentukan kemudian dan akan dilaksanakan dalam RUPS terpisah secara sirkuler</p> <p>Establishment of the reward for performance (tantiem) for the Company's Board of Directors and Board of Commissioners to be determined later in a circular separate GMS.</p>	<p>1 Maret 2017 1 March 2017</p>

Keputusan Decision	Pelaksanaan Implementation
<p>Mata Acara 6: Usulan Remunerasi Direksi dan Honorarium Dewan Komisaris Tahun Buku 2017 Agenda 6: Proposal for the 2017 Fiscal Year Board of Directors' Remuneration and the Board of Commissioners' Honorarium</p>	
<p>Penetapan Remunerasi Direksi dan Honorarium Dewan Komisaris perseroan akan ditentukan.</p> <p>Establishment of the Company's Board of Directors' Remuneration and Board of Commissioners' Honorarium will be determined.</p>	<p>1 Maret 2017 1 March 2017</p>

Penilaian Kinerja Direksi ^[102-28]

Penilaian dan evaluasi kinerja anggota Direksi dilaksanakan setiap tahun. Penilaian dilaksanakan berdasarkan Pedoman Pengelolaan Kinerja No. A-001/PHE020/2017-S9. Pelaksanaan penilaian dan evaluasi menjadi bagian kerangka Kinerja *Excellent Quality Management Assessment* Pertamina, serta termasuk dalam assessment GCG PHE.

Penilaian dilaksanakan secara berkala setiap triwulan dan pada akhir tahun dengan indikator atau parameter penilaian dan evaluasi. Hal ini tertuang dalam Keputusan Sekretaris Kementerian Badan Usaha Milik Negara Nomor.SK-16/S.MBU/2012 tanggal 06 Juni 2012 tentang Indikator/Parameter Penilaian dan Evaluasi atas Penerapan Tata Kelola Perusahaan yang Baik (*Good Corporate Governance*) pada Badan Usaha Milik Negara.

Selain itu, penilaian juga menggunakan indikator kinerja kunci (KPI) yang telah ditetapkan dan menjadi target Direksi pada awal tahun. Pencapaian KPI Direksi dilakukan melalui proses monitoring setiap triwulan dengan mekanisme *Performance Dialogue* (PD) yang dilaksanakan secara berjenjang dari pekerja sampai dengan Direktur Utama.

Performance Dialogue untuk Direktur Utama dilaksanakan bersama perwakilan PT Pertamina (Persero) selaku pemegang saham. Hasil penilaian kinerja Direksi disampaikan kepada pemegang saham sebagai bahan pertimbangan dalam pengambilan keputusan.

Penilaian kinerja Direksi ditentukan berdasarkan tugas, wewenang, kewajiban serta tanggung jawab yang dituangkan dalam Anggaran Dasar Perusahaan dan Keputusan RUPS, serta peraturan perundang-undangan yang berlaku. Penilaian kinerja Dewan Komisaris dan Direksi juga terkait dengan kinerja Perusahaan dalam aspek ekonomi, sosial dan lingkungan.

Performance Assessment of Board of Directors ^[102-28]

Assessment and evaluation of the performance of the Board of Directors' members are conducted annually. The assessment is carried out in accordance with the Performance Management Guidelines No. A-001/PHE020/2017-S9. The assessment and evaluation are part of the Performance Excellence of Quality Management Assessment of Pertamina, and included in PHE's GCG assessment.

The assessment is conducted quarterly and at the end of the year with indicators or parameters of assessment and evaluation. This is stated in the Decree of the Secretary of the Ministry of State Owned Enterprises No. KS 16/S.MBU/2012 dated June 6, 2012 on the Indicators/Parameters of Assessment and Evaluation of Good Corporate Governance Implementation in State-Owned Enterprises.

In addition, the assessment also uses key performance indicators (KPIs) that have been set and become a target of the Board of Directors at the beginning of the year. Achievements of KPIs of the Board of Directors are monitored quarterly through Performance Dialogue (PD) mechanism which is implemented in stages from staff to the President Director.

The Performance Dialogue for the President Director is conducted with the representatives of PT Pertamina (Persero) as the shareholder. The results of the Board of Directors' performance assessment are submitted to shareholders for consideration in decision making.

Performance assessment of the Board of Directors is determined based on the duties, authorities, obligations and responsibilities set forth in the Company's Articles of Association and the GMS resolutions, as well as the prevailing laws and regulations. The performance assessment of the Board of Commissioners and the Board of Directors is also related to the Company's performance in the economic, social and environmental aspects.

Dewan Komisaris mengusulkan kriteria evaluasi kinerja Direksi untuk kemudian ditetapkan oleh RUPS sejak saat pengangkatannya dan dituangkan dalam kontrak pengangkatan (*appointment agreement/performance contract*).

Hasil evaluasi kinerja masing-masing Direktur dijadikan Perusahaan sebagai dasar:

- Pemberian remunerasi dan insentif;
- Sebagai bahan pertimbangan untuk memberhentikan Direktur tersebut di tengah jabatan;
- Sarana penilaian efektivitas Direksi; dan
- Dasar pemberian pembebasan dari tanggung jawab (*acquit et de charge*).

The Board of Commissioners proposes the performance evaluation criteria for the Board of Directors to be determined by the GMS from the date of appointment and is set forth in the appointment agreement/performance contract.

The performance evaluation results of each Director are used by the Company as basis for:

- Remuneration and incentives;
- Consideration to dismiss the Director during his/her term of office;
- Means of assessing the effectiveness of the Board of Directors; and
- Giving full discharge of responsibility (*acquit et de charge*).

Total Hasil Penilaian Direksi Berdasarkan Ketentuan Dalam Surat Keputusan Sekretaris Kementerian Badan Usaha Milik Negara Nomor.SK-16/S.MBU/2012 Tahun 2017

Total Results of Board of Directors' Assessment Based on Provisions in Decree of Secretary of Ministry of State-Owned Enterprises No.SK-16/S.MBU/2012 Year 2017

No	Parameter Penilaian Assessment Parameter	Tingkat Pemenuhan (%) Compliance Rate (%)
1	Direksi melaksanakan program pelatihan/pembelajaran secara berkelanjutan. The Board of Directors conducts a continuous training/learning program.	89,25%
2	Direksi melakukan pembagian tugas/fungsi, wewenang dan tanggung jawab secara jelas. The Board of Directors makes a clear division of duties/functions, authorities and responsibilities.	
3	Direksi menyusun perencanaan Perusahaan. The Board of Directors prepares Corporate planning.	
4	Direksi berperan dalam pemenuhan target kinerja perusahaan. The Board of Directors plays a role in meeting the company's performance targets.	
5	Direksi melaksanakan pengendalian operasional dan keuangan terhadap implementasi rencana dan kebijakan Perusahaan. The Board of Directors conducts operational and financial control over the implementation of the Company's plans and policies.	
6	Direksi melaksanakan pengurusan perusahaan sesuai dengan peraturan perundang-undangan yang berlaku dan anggaran dasar. The Board of Directors manages the company in accordance with the prevailing laws and regulations and the articles of association.	
7	Dewan Komisaris/Dewan Pengawas melakukan tindakan terhadap potensi benturan kepentingan yang menyangkut dirinya. The Board of Commissioners/Supervisory Board takes action against the potential conflict of interest implicating him/her.	
8	Direksi melakukan hubungan yang bernilai tambah bagi perusahaan dan <i>stakeholders</i> . The Board of Directors establishes relationships that have added value for the Company and stakeholders.	
9	Direksi memonitor dan mengelola potensi benturan kepentingan anggota Direksi dan manajemen di bawah Direksi. The Board of Directors monitors and manages potential conflicts of interest of members of the Board of Directors and management under the Board of Directors.	
10	Direksi memastikan perusahaan melaksanakan keterbukaan informasi dan komunikasi sesuai peraturan perundang-undangan yang berlaku dan penyampaian informasi kepada Dewan Komisaris/Dewan Pengawas dan Pemegang Saham tepat waktu. The Board of Directors ensures that the Company implements disclosure of information and communications in accordance with prevailing laws and regulations and the delivery of information to the Board of Commissioners/Supervisory Board and Shareholders in timely manner.	

No	Parameter Penilaian Assessment Parameter	Tingkat Pemenuhan (%) Compliance Rate (%)
11	Direksi menyelenggarakan rapat Direksi dan menghadiri Rapat Dewan Komisaris/Dewan Pengawas sesuai dengan ketentuan perundang-undangan. The Board of Directors holds Board of Directors meetings and attends the Board of Commissioners/Supervisory Board meetings in accordance with the provisions of the laws.	89,25%
12	Direksi wajib menyelenggarakan pengawasan intern yang berkualitas dan efektif. The Board of Directors conducts quality and effective internal supervision.	
13	Direksi menyelenggarakan fungsi sekretaris perusahaan yang berkualitas dan efektif. The Board of Directors performs a quality and effective corporate secretarial function.	
14	Direksi menyelenggarakan RUPS Tahunan dan RUPS lainnya sesuai peraturan perundang-undangan. The Board of Directors holds Annual GMS and other GMS according to the laws and regulations.	

Total Hasil Penilaian Direksi Berdasarkan Pencapaian KPI Tahun 2017

Total Results of Board of Directors' Assessment Based on Achievement of KPI Year 2017

No	Indikator Kinerja Kunci (KPI) Key Performance Indicator (KPI)	Bobot Indikator Indicator Weight	Pencapaian Achievement
		%	%
Direktur Utama President Director			
1	Group KPI KPI Group	20%	24,00%
2	Aspek Financial Financial Aspect	20%	22,72%
3	Aspek Operational Excellence Operational Excellence Aspect	25%	25,68%
4	Aspek Growth Growth Aspect	20%	20,15%
5	Aspek People Management People Management Aspect	15%	14,83%
	Total	100%	107,37%
Direktur Operasi dan Produksi Director of Operations & Production			
1	Group KPI KPI Group	20%	24,00%
2	Aspek Financial Financial Aspect	20%	22,72%
3	Aspek Operational Excellence Operational Excellence Aspect	25%	25,07%
4	Aspek Growth Growth Aspect	20%	20,15%
5	Aspek People Management People Management Aspect	15%	14,83%
	Total	100%	106,77%

No	Indikator Kinerja Kunci (KPI) Key Performance Indicator (KPI)	Bobot Indikator Indicator Weight	Pencapaian Achievement
		%	%
Direktur Pengembangan Director of Development			
1	Group KPI KPI Group	20%	24,00%
2	Aspek Financial Financial Aspect	20%	22,72%
3	Aspek Operational Excellence Operational Excellence Aspect	25%	25,63%
4	Aspek Growth Growth Aspect	20%	20,15%
5	Aspek People Management People Management Aspect	15%	14,83%
	Total	100%	107,33%
Direktur Eksplorasi Direktur Eksplorasi			
1	Group KPI KPI Group	20%	24,00%
2	Aspek Financial Financial Aspect	20%	22,72%
3	Aspek Operational Excellence Operational Excellence Aspect	25%	26,74%
4	Aspek Growth Growth Aspect	20%	20,15%
5	Aspek People Management People Management Aspect	15%	14,83%
	Total	100%	108,44%
Direktur Keuangan dan Penunjang Bisnis Direktur Keuangan dan Penunjang Bisnis			
1	Group KPI KPI Group	20%	24,00%
2	Aspek Financial Financial Aspect	20%	22,72%
3	Aspek Operational Excellence Operational Excellence Aspect	25%	25,69%
4	Aspek Growth Growth Aspect	20%	19,91%
5	Aspek People Management People Management Aspect	15%	14,81%
	Total	100%	107,14%



Penilaian atas Kinerja Komite-komite yang Berada di Bawah Direksi

Sampai dengan tahun 2017, Perusahaan belum memiliki komite-komite yang berada di bawah Direksi yang membantu mengurus Perusahaan.

Performance Assessment of the Committees Under the Board of Directors

Until 2017, the Company has yet to have committees under the Board of Directors to assist in managing the company.

Penilaian Penerapan GCG Untuk Tahun Buku 2017

GCG Implementation Assessment for Fiscal Year 2017

Komitmen PT Pertamina Hulu Energi (PHE) dalam meningkatkan penerapan GCG, dilaksanakan dengan melakukan penilaian (*assessment*) penerapan GCG. Sejak tahun 2013, *assessment* dilaksanakan setiap tahun sesuai arahan Pemegang Saham dan Dewan Komisaris.

Pada tahun 2018, Perusahaan melakukan *assessment* penerapan GCG untuk tahun buku 2017. Penilaian dilaksanakan secara mandiri (*self assessment*) oleh Fungsi Internal Audit, dengan menggunakan metode dan prosedur sesuai Keputusan Sekretaris Menteri BUMN No.SK-16/S.MBU/2012 tanggal 6 Juni 2012 tentang Indikator/Parameter Penilaian dan Evaluasi atas Penerapan Tata Kelola Perusahaan yang baik pada Badan Usaha Milik Negara.

Tujuan penilaian penerapan GCG:

- Pengukuran kualitas penerapan GCG dalam rangka pemberian skor atas penerapan GCG dan pemberian kategori kualitas penerapan GCG;
- Identifikasi kekuatan dan kelemahan, serta penyusunan rekomendasi perbaikan penerapan GCG dalam rangka mengurangi kesenjangan pada kriteria GCG;
- Pemantauan konsistensi penerapan GCG dalam rangka penyempurnaan dan pengembangan kebijakan tata kelola.

Dari *assessment* yang dilakukan pada tahun 2018, diperoleh hasil skor penerapan nilai GCG untuk tahun buku 2017 sebesar 86,66 dengan kategori "Sangat Baik". Pencapaian tersebut mengalami peningkatan dibandingkan hasil *assessment* untuk tahun buku 2016 dengan skor 83,44 dan kategori "Baik".

The commitment of PT Pertamina Hulu Energi (PHE) to improve GCG implementation is carried out by conducting an assessment of GCG implementation. Since 2013, the assessment has been conducted annually in accordance with the advice from the Shareholders and Board of Commissioners.

In 2018, the Company performed GCG implementation assessment for the fiscal year 2017. The assessment was conducted independently (*self assessment*) by Internal Audit Function, using the methods and procedures as stipulated in the Decree of the Secretary of the Minister of SOE No.SK-16/S.MBU/2012 dated June 6, 2012 on Indicators/Parameters of Assessment and Evaluation of Good Corporate Governance Implementation at State-Owned Enterprises.

The objectives of GCG implementation assessment:

- Measure the quality of GCG implementation to give score on GCG implementation and category of the GCG implementation quality;
- Identify strengths and weaknesses, as well as formulate recommendations for improvement of GCG implementation in order to reduce gap on GCG criteria;
- Monitor the consistency of GCG implementation for improvement and development of governance policies.

From the assessment conducted in 2018, the Company earned the GCG implementation score of 86.66 for the fiscal year 2017 with the category of "Excellent". This achievement was an improvement compared to the assessment results for the fiscal year 2016 with a score of 83.44 and the category of "Good".

Total Hasil Penilaian Direksi Berdasarkan Pencapaian KPI Tahun 2017

GCG Implementation Assessment Results in 2018 for Fiscal Year 2017

No	Aspek Pengujian/Indikator/Parameter/Kriteria yang digunakan dalam penilaian Aspect of Assessment/ Indicator/Parameter/ Criteria used in the assessment	Bobot Weight	Pencapaian Achievement		
			Skor Penilaian Masing-masing Kriteria Score of each Criteria	%	Penjelasan Remarks
1	Komitmen Terhadap Penerapan Tata Kelola Perusahaan yang Baik Secara Berkelanjutan Commitment to the Sustainable Implementation of Good Corporate Governance	7,00	6,70	96,28%	Sangat Baik Excellent
2	Pemegang Saham dan RUPS/Pemilik Modal Shareholders and GMS/Capital Owners	9,00	8,04	89,38%	Sangat Baik Excellent
3	Dewan Komisaris/Dewan Pengawas Board of Commissioners /Supervisory Board	35,00	32,79	93,71%	Sangat Baik Excellent
4	Direksi Board of Directors	35,00	31,24	89,25%	Sangat Baik Excellent
5	Pengungkapan Informasi dan Transparansi Information Disclosure and Transparency	9,00	7,21	80,18%	Baik Good
6	Aspek Lainnya Other Aspect	5,00	0,62	12,50%	
Total		100	86,66		Sangat Baik Excellent

Tabel Pencapaian Assessment GCG Dari Tahun Ke Tahun

Table of GCG Assessment Achievement Year on Year

Tahun Pelaksanaan Implementation Year	Tahun Buku Fiscal Year	Metode dan Pihak yang Melakukan Penilaian Method and the Party Conducting Assessment	Pencapaian Achievement	
			Skor Score	Penjelasan Remarks
2018	2017	<i>Self Assessment</i>	86,66	Sangat Baik Excellent
		Fungsi Internal Audit Internal Audit Function		
2017	2016	<i>External Assessment</i>	83,44	Baik Good
		BPKP		
2016	2015	<i>Self Assessment</i>	81,86	Baik Good
		Fungsi Internal Audit Internal Audit Function		
2015	2014	<i>External Assessment</i>	80,94	Baik Good
		BPKP		

Peningkatan pencapaian skor tidak terlepas dari komitmen PHE untuk menerapkan rekomendasi dari pelaksanaan *assessment* periode sebelumnya. Peningkatan skor penerapan GCG juga menandakan, penerapan GCG di lingkungan PHE telah berada pada jalur yang tepat.

Increased score achievement was attributed to PHE commitment to apply recommendation from assessment of the previous period. Increase in GCG implementation scores also indicated that GCG implementation within PHE environment has been on the right track.

Proses *assessment* yang dilakukan pada tahun 2017 juga telah menghasilkan rekomendasi perbaikan penerapan GCG yang selanjutnya akan ditindaklanjuti PHE. Rekomendasi yang dimaksud adalah:

The assessment process in 2017 has also resulted in recommendations for improvements to the GCG implementation to be followed up by PHE. The recommendations are:

No.	Rekomendasi Hasil Penilaian Recommendation for Assessment Results
1	Memfinalisasi Pedoman GCG dan melakukan sosialisasi ke insan pekerja PHE. To finalize GCG Guidelines and conduct dissemination to PHE employees.
2	Mendorong manajemen dan pekerja, level Manajer, melaporkan LHKPN (tepat waktu 81%). To encourage management and employees, managers, to submit LHKPN report (81% on time).
3	Pelaksanaan Fit & Proper calon Direksi melibatkan lembaga independen dan menetapkannya paling lambat 30 hari sejak masa jabatan Direksi berakhir. To implement Fit & Proper test for the Board of Directors' candidates involving an independent institution and determine it within 30 days since the end of the Board of Directors' term.
4	Mekanisme pengunduran diri anggota Direksi yang rangkap jabatan. The resignation mechanism of the Board of Directors' members with concurrent positions.
5	Menilai calon Dewan Komisaris dengan kriteria integritas, dedikasi, memahami masalah-masalah manajemen perusahaan yang berkaitan dengan salah satu fungsi manajemen dan memiliki pengetahuan yang memadai di bidang usaha perusahaan. To assess the Board of Commissioners' candidates with criteria of integrity, dedication, good understanding of company management issues related to one of the management functions and having adequate knowledge in the Company's line of business.
6	Menetapkan jumlah jabatan Komisaris yang dapat dirangkap oleh seorang anggota komisaris. To establish the number of positions of Commissioners that can be held concurrently by a commissioner.
7	Pengesahan RKAP dilakukan sebelum tahun berjalan. To ratify RKAP before the beginning of the current year.
8	Mengambil Keputusan RUPS dengan memperhatikan kepentingan wajar para pemangku kepentingan. To make GMS Resolutions by taking into account the reasonable interests of the stakeholders.
9	Membuat standar waktu tingkat kesegeraan pengambilan keputusan persetujuan terhadap usulan Direksi dan Pengambilan keputusan Dewan Komisaris/Dewan Pengawas dilakukan sesuai dengan standar waktu yang ditetapkan. To establish timeliness of the level of immediacy in decision-making for approval of the Board of Directors' proposal and Board of Commissioners'/Supervisory Board's decision-making in accordance with the established time standard.
10	Membuat kebijakan yang substansinya memuat: bentuk informasi yang disampaikan baik yang berkala maupun insidental, standar waktu penyampaiannya dan mekanisme penyampaian informasi tersebut oleh Direksi. To make policy with substance contains: the form of information delivery both periodically or incidentally, the time standard of delivery and mechanism of delivery of information by the Board of Directors.
11	Menyampaikan simpulan kepada RUPS bahwa rancangan RKAP selaras dan/atau tidak selaras dengan RJPP. (Dalam MoM, Dewan Komisaris merekomendasikan, bukan menyimpulkan). To deliver conclusion to the GMS that the RKAP draft is aligned and/or not aligned with RJPP (In MoM, BOC recommends, not concludes).
12	Melakukan penilaian atas efektivitas pelaksanaan audit eksternal melalui: (1) telaah kesesuaian pelaksanaan audit dengan standar profesi akuntan publik; (2) telaah atas efektivitas pemantauan tindak lanjut hasil audit SPI dan auditor eksternal; (3) telaah rencana kerja pengawasan dan pelaksanaannya; (4) manajemen fungsi SPI. To conduct an assessment of the effectiveness of external audit implementation through: (1) review on the conformity of audit with the public accountant profession standard; (2) review on the effectiveness of follow-up monitoring to audit results by SPI and external auditor; (3) review the work plan of supervision and its implementation; (4) SPI function management.
13	Melakukan telaah terhadap pengusulan remunerasi Direksi. To review the proposed remuneration of the Board of Directors.
14	Sekretaris Dewan Komisaris membuat dan menyampaikan bahan-bahan rapat kepada peserta rapat paling lambat 3 (tiga) hari sebelum diadakan rapat. BOC Secretary to prepare and distribute the meeting materials to the participants at least 3 (three) days prior to the meeting.
15	Risalah rapat harus sudah selesai dan didarkan ke seluruh Dewan Komisaris/Dewan Pengawas selambat-lambatnya 7 (tujuh) hari setelah Rapat selesai dilaksanakan. The minutes of the meeting to be completed and circulated to the Board of Commissioners/Supervisory Board no later than 7 (seven) days after the Meeting is concluded.
16	Jumlah keanggotaan masing-masing Komite yang berasal dari luar Dewan Komisaris/Pengawas sesuai dengan ketentuan yang berlaku. The number of members of each Committee that originated from non-member of the Board of Commissioners/Supervisory Board is in accordance with applicable regulations.

No.	Rekomendasi Hasil Penilaian Recommendation for Assessment Results
17	Membuat program kerja tahunan Komite Audit yang disetujui/ditetapkan oleh Dewan Komisaris/Dewan Pengawas juga memuat telaah untuk memastikan (1) telah terdapat prosedur review yang memuatkan terhadap segala informasi yang dikeluarkan oleh perusahaan; dan (2) <i>Self-assessment</i> kinerja Komite Audit. To prepare an Audit Committee annual work program approved by the Board of Commissioners/ Supervisory Board that also includes a review to ensure (1) that there has been a satisfactory review procedure for any information released by the company; and (2) Self-assessment of the the Audit Committee's performance.
18	Membuat laporan triwulanan dan tahunan Komite kepada Dewan Komisaris/Dewan Pengawas, minimal memuat perbandingan realisasi kegiatan dengan program kerja tahunan serta substansi hasil kegiatan dan rekomendasinya. To prepare the Committee's quarterly and annual reports to the Board of Commissioners/Supervisory Board, which at least contains a comparison between the realization of activities and annual work program as well as the substance of the results of the activities and recommendations.
19	Menyusun perencanaan dan anggaran serta laporan hasil Pelatihan Direksi. To prepare the planning and budget as well as the report of the Board of Directors Training results.
20	Kebijakan tentang standar waktu pengambilan keputusan sirkuler Direksi. Policy on time standard of the Board of Directors' circular decision-making.
21	Ketepatan waktu penyampaian RJPP dan RKAP. Timeliness of RJPP and RKAP submission.
22	Direksi membahas rencana promosi dan mutasi VP dan disampaikan ke Dewan Komisaris. The Board of Directors to discuss the VP's promotion and transfer plan and to submit it to BOC.
23	Membuat pedoman tentang tata waktu pengambilan keputusan Direksi. To establish guidelines on timeframe for the Board of Directors' decision-making .
24	Perencanaan pengadaan barang & jasa (<i> Holding</i>) dilaksanakan lebih optimal. To make planning of more optimized procurement of goods & services (<i> Holding</i>) .
25	Menetapkan kriteria & mengevaluasi keberhasilan pelaksanaan program pengembangan serta melaksanakan <i> Individual Development Plan</i> . To establish criteria & evaluate the success of development program implementation and implement the <i> Individual Development Plan</i> .
26	Perlunya kebijakan tentang keterbukaan informasi yang berkaitan dengan perencanaan perusahaan yang dapat berpengaruh signifikan bagi karyawan. Information disclosure policy is required relating to corporate planning that can significantly affect employees.
27	Perlunya penetapan jenis kebijakan yang harus dikomunikasikan kepada karyawan dan jenis kebijakan yang harus melibatkan karyawan. The necessity of establishing the type of policy that should be communicated to employees and the type of policies that should involve employees.
28	Dilakukan tindak lanjut hasil pengukuran tingkat kepuasan karyawan (<i> Thermometer Survey</i>). To conduct follow up actions on the results of employee satisfaction level measurement (<i> Thermometer Survey</i>).
29	Evaluasi atas pencapaian indikator kinerja kunci yang berkaitan dengan CSR. To evaluate achievement of CSR- related key performance indicators.
30	Dalam notulen rapat BOD menuliskan evaluasi hasil rapat sebelumnya. In the minutes of meeting the BOD writes evaluation on the outcome of the previous meeting.
31	Melaksanakan <i> Quality Assurance</i> . To implement <i> Quality Assurance</i> .
32	Pengesahan RUPS RJPP dan RUPS RKAP tepat waktu. To ratify GMS for RJPP and RKAP in a timely manner.
33	Membuat kebijakan tentang pengelolaan dan pemutakhiran website dan melaksanakannya dengan konsisten. To make policies on managing and updating websites and implement them consistently.
34	Mempublikasikan Board Manual, CoC terbaru dan Program pengendalian Gratifikasi ke dalam Website Perusahaan. To publish the latest Board Manual, CoC and Gratification Control Program into the Company Website.
35	Management risiko, mitra binaan, pengembangan usaha seni budaya dicantumkan dalam <i> annual report</i> secara lengkap. Risk management, assisted partners, business development of art and culture are completely included in the annual report.
36	Melakukan upaya-upaya untuk memenangkan ARA dan penghargaan lain dibidang publikasi dan keterbukaan informasi. To make efforts to win ARA and other awards in publication and information disclosure.
37	Pengisian level Jabatan yang kosong. To fill vacant positions.

Rekomendasi hasil penilaian assessment GCG telah dilaksanakan oleh Perusahaan, tidak ada alasan belum/ tidak diterapkannya rekomendasi.

Recommendations on the GCG assessment results have been implemented by the Company, there was no reason for not implementing or delaying the recommendations.

Uraian Mengenai Kebijakan Remunerasi Bagi Dewan Komisaris dan Direksi

Description on Remuneration Policy for Board of Commissioners and Directors

Kebijakan, Prosedur, Dasar Penetapan, Struktur dan Besaran Remunerasi Dewan Komisaris

Kebijakan dan Dasar Penetapan Remunerasi

Remunerasi Dewan Komisaris PHE ditentukan dengan mengacu pada Surat Keputusan Direksi PT Pertamina (Persero) No.Kpts-16/C00000/2013-S0 tentang Pedoman Pengelolaan Anak Perusahaan dan Perusahaan Patungan PT Pertamina (Persero), tertanggal 25 Februari 2013. Dalam proses penetapan remunerasi bagi Dewan Komisaris hanya pemegang saham yang mendapat akses untuk turut menentukan besaran remunerasi yang harus dibayarkan PHE kepada anggota Dewan Komisaris dan Direksi. [102-35] [102-37]

Pengungkapan Prosedur Pengusulan sampai dengan Penetapan Remunerasi Dewan Komisaris [102-36]

- Direksi mengusulkan besaran remunerasi kepada Dewan Komisaris untuk mendapatkan rekomendasi;
- Dewan Komisaris dapat membentuk Komite Remunerasi untuk melakukan kajian atas usulan tersebut;
- Berdasarkan rekomendasi dari Dewan Komisaris, Direksi meneruskan usulan remunerasi kepada RUPS untuk mendapatkan pengesahan;
- Sebagai bahan pertimbangan RUPS dalam membuat keputusan, usulan remunerasi dikaji terlebih dahulu oleh Fungsi Subsidiary and Joint Venture Management dan Fungsi SDM PT Pertamina (Persero);
- RUPS menetapkan besaran remunerasi bagi Direksi dan Dewan Komisaris.

Policies, Procedures, Basics of Determination, Structure and Remuneration of the Board of Commissioners

Policies and Basis of Remuneration Determination

The remuneration of PHE Board of Commissioners is determined by referring to the Decree of the Board of Directors of PT Pertamina (Persero) No.Kpts-16/C00000/2013-S0 on Guidelines for the Management of Subsidiaries and Joint Venture of PT Pertamina (Persero) dated February 25, 2013. In the Board of Commissioners' remuneration determination process, only shareholders who have access to determine the amount of remuneration that PHE shall pay to the members of the Board of Commissioners and the Board of Directors. [102-35] [102-37]

Disclosure of Proposal Procedures up to the Ratification of the Board of Commissioners' Remuneration [102-36]

- The Board of Directors proposes the amount of remuneration to the Board of Commissioners for recommendation;
- The Board of Commissioners may establish a Remuneration Committee to review the proposal;
- Based on the Board of Commissioners' recommendation, the Board of Directors shall forward the proposed remuneration to the GMS for approval;
- As a consideration for the GMS in making the decision, the remuneration proposal shall be reviewed first by the Function of Subsidiary and Joint Venture Management as well as HR Function of PT Pertamina (Persero);
- The GMS ratifies the amount of remuneration for the Board of Directors and Board of Commissioners.

Alur Penetapan Remunerasi Dewan Komisaris Flow of the Board of Commissioners' Remuneration Determination



Struktur Remunerasi yang Menunjukkan Komponen Remunerasi dan Jumlah Nominal per komponen untuk Setiap Anggota Dewan Komisaris

Struktur remunerasi bagi Dewan Komisaris, mengacu pada Peraturan Menteri BUMN No.PER-04/MBU/2014 tentang Pedoman Penetapan Penghasilan Direksi, Dewan Komisaris dan Dewan Pengawas Badan Usaha Milik Negara. Besaran remunerasi anggota Dewan Komisaris terdiri atas gaji/honorarium, tunjangan dan fasilitas yang bersifat tetap, dengan tetap mempertimbangkan faktor pendapatan, aktiva, tingkat inflasi, serta peraturan perundang-undangan. Remunerasi bagi Dewan Komisaris ditetapkan sebesar persentase tertentu dari nilai remunerasi Direksi dalam hal ini Direktur Utama.

PHE tidak menerapkan gaji yang berbasis ekuitas, tidak ada saham tangguhan (saham *vested*), tidak ada bonus kontrak atau pembayaran insentif perekrutan, dan tidak ada tunjangan pensiun. Bonus diberikan dalam bentuk *tantiem*, dan pesangon diberikan berupa asuransi purna jabatan Dewan Komisaris dan Direksi. Penetapan remunerasi bagi Dewan Komisaris masih berbasis pada kinerja kolejal dan belum menerapkan kriteria kinerja berdasarkan tujuan ekonomi, lingkungan, dan sosial.

Remuneration Structure Showing Remuneration Components and Nominal Amount per component for Each Member of the Board of Commissioners

Remuneration structure for the Board of Commissioners, refers to the Regulation of the Minister of SOEs No. PER-04/MB/2014 on Guidelines for Income Determination of Board of Directors, Board of Commissioners and Supervisory Board of State-Owned Enterprises. The amount of remuneration of the Board of Commissioners' members consists of salaries/honorarium, allowances and permanent facilities, with due regard to factors of income, assets, inflation rate, and laws and Regulations. Remuneration for the Board of Commissioners is set at a certain percentage of the remuneration of the Board of Directors, in this case is the President Director.

PHE does not apply equity-based salaries, no vested shares, no contract bonuses or incentives for recruitment payments, and no pension benefit. Bonus is given in the form of *tantiem*, and severance pay is given in the form of post office insurance for Board of Commissioners and Board of Directors. The determination of remuneration for the Board of Commissioners is still based on collegial performance and has not yet applied performance criteria based on economic, environmental and social objectives.

Pengungkapan Bonus Kinerja, Bonus Non Kinerja, dan/atau Opsi Saham yang Diterima Setiap Anggota Dewan Komisaris

Perusahaan memberikan bonus dalam bentuk tantiem, dan pesangon diberikan berupa asuransi purna jabatan Dewan Komisaris, tidak ada opsi saham bagi anggota Dewan Komisaris.

Disclosure of Performance Bonuses, Non Performance Bonuses, and/or Stock Options Received by Each Member of the Board of Commissioners

The Company provides bonus in the form of tantiem (annual bonus), and severance pay is provided in the form of post-employment insurance of the Board of Commissioners, there is no stock option for members of the Board of Commissioners.

Struktur dan Besaran (atau Persentase) Remunerasi Dewan Komisaris

Structure and Amount (or Percentage) of the Board of Commissioners' Remuneration

Komponen Remunerasi Remuneration Components	Uraian Description	
Gaji Salaries	Komisaris Utama 45% Dari Direktur Utama	President Commissioner 45% of President Director
	Komisaris 90% Dari Komisaris Utama	Commissioner 90% of President Commissioner
Tunjangan Benefits	Tunjangan Hari Raya	Religious Holiday Allowance
	Tunjangan Transportasi	Transport Allowance
	Tunjangan Purnajabatan	Pension Benefits
Fasilitas Facilities	Fasilitas Kesehatan	Health Facilities
	Bantuan Hukum	Legal Aid
Pajak Atas Honorarium dan Tunjangan Tax on Honorarium and Allowance	Ditanggung Perusahaan	Paid by the Company
Tantiem Annual Bonus	Komisaris Utama 45% Dari Direktur Utama	President Commissioner 45% of President Director
	Komisaris 90% Dari Komisaris Utama	Commissioner 90% of President Commissioner

Jumlah nominal per komponen untuk setiap anggota Dewan Komisaris tidak dapat disampaikan karena bersifat rahasia.
The nominal amount per component for each member of the Board of Commissioners can not be disclosed because it is confidential.

Laporan ini tidak menyertakan informasi terkait ada/tidaknya kenaikan nilai remunerasi Dewan Komisaris pada tahun 2017 dan persentase kenaikan/penurunan dibandingkan dengan persentase kenaikan/penurunan total imbal jasa pekerjaan yang dibayarkan kepada seluruh pegawai. [102-38] [102-39]

This report excluded information on whether or not the Board of Commissioners' remuneration increased in 2017 and the increase/decrease percentage compared to the increase/decrease percentage in total employee benefit paid to all employees. [102-38] [102-39]

Pengungkapan Prosedur Pengusulan Sampai dengan Penetapan Remunerasi Direksi

Disclosure of Proposal Procedures up to Ratification of Remuneration

Pengungkapan Indikator untuk Penetapan Remunerasi Direksi

Ketentuan tentang remunerasi bagi Direksi mengacu pada Surat Keputusan Direksi PT Pertamina (Persero) No.Kpts-16/C00000/2013-S0 tentang Pedoman Pengelolaan Anak Perusahaan dan Perusahaan Patungan PT Pertamina (Persero), tertanggal 25 Februari 2013. Dalam proses penetapan remunerasi hanya pemegang saham sebagai pemangku kepentingan yang mendapat akses untuk turut menentukan besaran remunerasi yang harus dibayarkan PHE kepada anggota Dewan Komisaris dan Direksi. [102-35] [102-37]

Prosedur dan Alur Penetapan Remunerasi Direksi [102-36]

- Direksi mengusulkan besaran remunerasi kepada Dewan Komisaris untuk mendapatkan rekomendasi;
- Dewan Komisaris dapat membentuk Komite Remunerasi untuk melakukan kajian atas usulan tersebut;
- Berdasarkan rekomendasi dari Dewan Komisaris, Direksi meneruskan usulan remunerasi kepada RUPS untuk mendapatkan pengesahan;
- Sebagai bahan pertimbangan RUPS dalam membuat keputusan, usulan remunerasi dikaji terlebih dahulu oleh Fungsi Subsidiary and Joint Venture Management dan Fungsi SDM PT Pertamina (Persero); dan
- RUPS menetapkan besaran remunerasi bagi Direksi dan Dewan Komisaris.

Disclosure of Indicators for Board of Directors' Remuneration Ratification

The provisions on remuneration for the Board of Directors refer to the Decree of the Board of Directors of PT Pertamina (Persero) No.Kpts-16/C00000/2013-S0 regarding Guidelines on Management of Subsidiaries and Joint Venture of PT Pertamina (Persero) dated February 25, 2013. In the remuneration determination process, shareholders only the only stakeholders who have access to determine the remuneration amount that should be paid by PHE to the members of the Board of Commissioners and the Board of Directors. [102-35] [102-37]

Procedures and Flow of Board of Directors' Remuneration Ratification [102-36]

- The Board of Directors proposes the amount of remuneration to the Board of Commissioners for recommendation;
- The Board of Commissioners may establish a Remuneration Committee to review the proposal;
- Based on the Board of Commissioners' recommendation, the Board of Directors shall forward the proposed remuneration to the GMS for approval;
- As a consideration for the GMS in making the decision, the remuneration proposal shall be reviewed first by the Function of Subsidiary and Joint Venture Management as well as HR Function of PT Pertamina (Persero); and
- The GMS ratifies the amount of remuneration for the Board of Directors and Board of Commissioners.

Alur Penetapan Remunerasi Dewan Komisaris Flow of the Board of Commissioners' Remuneration Determination



Kebijakan dan Prosedur Remunerasi

Penetapan remunerasi bagi Direksi mengacu pada Peraturan Menteri BUMN No.PER-04/MBU/2014 tentang Pedoman Penetapan Penghasilan Direksi, Dewan Komisaris dan Dewan Pengawas Badan Usaha Milik Negara. Besaran remunerasi Direksi terdiri atas gaji/honorarium, tunjangan dan fasilitas yang bersifat tetap yang ditentukan dengan mempertimbangkan pendapatan, aktiva, kondisi dan kemampuan keuangan, tingkat inflasi, serta peraturan perundang-undangan.

Pengungkapan Bonus Kinerja, Bonus Non Kinerja, dan/atau Opsi Saham yang Diterima Setiap Anggota Direksi

Perusahaan memberikan bonus dalam bentuk tantiem, dan pesangon diberikan berupa asuransi purna jabatan bagi anggota Direksi, tidak ada opsi saham bagi anggota direksi. Pembayaran tantiem yang ditetapkan dengan mempertimbangkan faktor-faktor kinerja termasuk EBITDA dan KPI, tingkat kesehatan, kondisi dan kemampuan keuangan, serta faktor lain yang relevan.

Remuneration Policies and Procedures

Determination of remuneration for the Board of Directors refers to the Regulation of the Minister of SOEs No. PER-04/MBU/2014 concerning Guidelines on Income for Board Directors, Board of Commissioners and Supervisory Board of State-Owned Enterprises. The amount of remuneration of the Board of Directors consists of salaries/honorarium, allowances and permanent facilities which are determined by considering income, assets, financial condition and capability, inflation rate, as well as laws and regulations.

Disclosure of Performance Bonuses, Non Performance Bonuses, and/or Stock Options Received by Each Member of the Board of Directors

The Company provides bonuses in the form of tantiem, and severance pay is provided in the form of post employment insurance for members of the Board of Directors, there are no stock options for members of the board of directors. Tantiem payments are determined taking into account factors in the performance including EBITDA and KPIs, health levels, financial conditions and capabilities, as well as other relevant factors.

PHE tidak menerapkan gaji yang berbasis ekuitas, tidak ada saham tangguhan (saham *vested*), tidak ada bonus kontrak atau pembayaran insentif perekrutan, dan tidak ada tunjangan pensiun.

PHE does not apply equity-based salaries, no vested shares, no contract bonuses or incentives for recruitment, and no pension benefits.

Struktur Remunerasi yang menunjukkan Komponen Remunerasi dan Jumlah Nominal per Komponen untuk Setiap Anggota Direksi

Remuneration Structure Disclosing Remuneration Components and Nominal Amount per Component for Each Member of the Board of Directors

Komponen Remunerasi Remuneration Components	Uraian Description
Gaji Salaries	Direktur Utama President Director
	Direktur 24% dari Honorarium Komisaris Utama Director 24% of President Commissioner's Honorarium
Tunjangan Benefits	Tunjangan Hari Raya Religious Holiday Allowance
	Tunjangan Transportasi Transport Allowance
	Tunjangan Purna Jabatan Pension Benefits
	Tunjangan Perumahan Housing Allowance
Fasilitas Facilities	Kendaraan Ringan Penumpang Light Passenger Vehicle
	Kesehatan Health
	Bantuan Hukum Legal Aid
	Komunikasi Communication
Pajak Atas Honorarium dan Tunjangan Tax on Honorarium and Allowance	Ditanggung Perusahaan Paid by the Company
Tantiem Annual bonus	Tidak dapat diungkapkan karena rahasia Perusahaan Non-disclosure due to the Company's confidentiality

Jumlah nominal per komponen untuk setiap anggota Direksi tidak dapat disampaikan karena bersifat rahasia.
The nominal amount per component for each member of the Board of Directors can not be disclosed because it is confidential.

Laporan ini tidak menyertakan informasi terkait ada/tidaknya kenaikan nilai remunerasi Direksi pada tahun 2017, dan persentase kenaikan/penurunan dibandingkan dengan persentase kenaikan/penurunan total imbal jasa pekerjaan yang dibayarkan kepada seluruh pegawai.

[102-38][102-39]

This report excluded information on whether or not the BOD's remuneration increased in 2017, and the percentage of increase/decrease compared to the percentage of increase/decrease of total employee benefits paid to all employees. [102-38][102-39]

Komite Audit Audit Committee

Komite Audit PT Pertamina Hulu Energi (PHE) dibentuk berdasarkan Surat Keputusan Dewan Komisaris RRDK-001/DKPHE/2010-S0 tanggal 09 Juli 2010. Pembentukan Komite Audit dimaksudkan untuk membantu Dewan Komisaris dalam melaksanakan tugas dan fungsi pengawasan dan pemberian nasihat dalam pelaksanaan pengendalian internal dan audit Perusahaan. Komite Audit bertanggung jawab kepada Dewan Komisaris.

The Audit Committee of PT Pertamina Hulu Energi (PHE) was established based on Decree of the Board of Commissioners RRDK-001/DKPHE/2010-S0 dated July 9, 2010. The Audit Committee was established to assist the Board of Commissioners in performing its duties as well as supervisory and advisory functions on the implementation of the Company's internal control and audit. The Audit Committee reports to the Board of Commissioners.

Keanggotaan Komite Audit

Sampai dengan akhir periode pelaporan, komposisi keanggotaan Komite Audit terdiri dari satu orang ketua yang merangkap anggota dan dua orang anggota. Ketua Komite Audit dijabat oleh salah satu anggota Dewan Komisaris. Anggota Komite Audit lainnya berasal dari luar PHE dan perusahaan induk PT Pertamina (Persero), untuk menjamin independensi.

Audit Committee Membership

Until the end of the reporting period, the composition of Audit Committee membership consisted of one chairman who concurrently served as member and two other members. The Chairman of the Audit Committee was held by one of the Board of Commissioners' members. Other members of the Audit Committee were from outside PHE and parent company, PT Pertamina (Persero), to guarantee their independence.

Tabel Keanggotaan Komite Audit PHE

Table of Audit Committee Membership of PHE

No	Nama Name	Jabatan Position	Periode Jabatan Anggota Komite Audit Audit Committee Members' Term of Office	Tanggal Pengangkatan Date of Appointment
1	Mohamad Oemar	Ketua Komite Audit Audit Committee Chairman	3 tahun 3 years	04 Maret 2016 March 4, 2016
2	Gede Harja Wasistha*)	Anggota Komite Audit Audit Committee Member	3 tahun 3 years	3 Juli 2014 July 3, 2014
3	Roehjadi	Anggota Komite Audit Audit Committee Member	3 tahun 3 years	13 November 2016 November 13, 2016
4	Arief Wibowo	Anggota Komite Audit Audit Committee Member	3 tahun 3 years	30 September 2017 September 30, 2017

Keterangan:

*) Pada tanggal 30 September 2017 terjadi pergantian Anggota Komite Audit semula Gede Harja Wasistha digantikan oleh Arief Wibowo
Note:

*) On September 30, 2017, there was a change in the membership of Audit Committee, Gede Harja Wasistha was replaced by Arief Wibowo

Profil Ketua Komite Audit Profile of Audit Committee Chairman

Mohamad Oemar
Ketua Komite Audit
Audit Committee Chairman

Mohamad Oemar lahir di Semarang pada 29 November 1961, umur 56 tahun, warga Negara Indonesia yang saat ini berdomisili di Depok. Beliau meraih gelar Sarjana Hubungan Internasional, FISIPOL di Universitas Gajah Mada tahun 1986 dan memperoleh gelar Magister Centre d'Etudes des Relations International et Strategie, Brussels, Belgia tahun 1993.

Mohamad Oemar was born in Semarang on November 29, 1961, age 56, an Indonesian citizen currently domiciled in Depok. He holds a degree in International Relations, from Faculty of Social and Political Sciences, Gajah Mada University in 1986 and earned his Master's Degree from Centre d'Etudes des Relations International et Strategie, Brussels, Belgium in 1993.

Beliau menjabat sebagai Ketua Komite Audit PT Pertamina Hulu Energi terhitung sejak tanggal 4 Maret 2016 untuk masa jabatan 1 periode (3 tahun) atau sampai dengan Dewan Komisaris memutuskan lain. Hal ini sesuai dengan Keputusan Dewan Komisaris secara sirkuler tanggal 3 Maret 2019 tentang Penetapan Ketua Komite Audit.

He has served as Audit Committee Chairman of PT Pertamina Hulu Energi since March 4, 2016 for one term of office (3 years) or until the Board of Commissioners decides otherwise. This is in accordance with the Board of Commissioners' Circular Decision dated March 4, 2016 on the Appointment of the Chairman of Audit Committee.

Beberapa karir dan penugasan di dalam dan luar negeri, di antaranya Direktorat Kerjasama Ekonomi Multilateral, Ditjen HELN (2000-2003), Direktur Perdagangan dan Perindustrian ultilateral pada Ditjen Multilateral (2004-2006), Sekretaris III Pensosbud, KBRI Brussels, Belgia (1990-1994), Sekretaris I Ekonomi (WTO), PTRI Jenewa (1996-2000), Minister, Deputy Chief of Mission/DCM, KBRI Beijing (2006-2009), Duta Besar LBBP RI untuk Italia merangkap Malta dan Siprus berkedudukan di Roma, Wakil Tetap RI pada FAO, WFP dan IFAD, Wakil RI di UNIDROIT (2009-2011), Sekretaris Wakil Presiden (2011-sekarang), serta anggota maupun Ketua Delegasi RI ke berbagai KTT dan Pertemuan/perundingan bilateral, regional dan multilateral dalam Kerangka kerjasama bilateral, PBB, WTO, Konferensi Asia-Afrika, APEC dan ASEAN (1998-2010).

He had held several positions and assignments at home and abroad, including the Directorate of Multilateral Economic Cooperation, Directorate General of Economic and Foreign Relations (2000-2003), Director of Multilateral Trade and Industry on DG Multilateral (2004-2006), Secretary III for Education, Social and Culture (Pensosbud), Indonesian Embassy in Brussels, Belgium (1990-1994), Secretary I of Economy (WTO), PTRI Geneva (1996-2000), Minister, Deputy Chief of Mission/DCM, Indonesian Embassy in Beijing (2006-2009), Ambassador LBBP RI for Italy, Malta and Cyprus based in Rome, Indonesian Permanent Representative to FAO, WFP and IFAD, Indonesian Representative to UNIDROIT (2009-2011), Vice President Secretary (2011-present), as well as members and Chairman of Indonesian Delegation to various summits and bilateral, regional and multilateral meetings/negotiations in bilateral cooperation framework, UN, WTO, Asian-African Conference, APEC and ASEAN (1998-2010).

Profil Anggota Komite Audit Profile of Audit Committee Members

Gede Harja Wasistha
Anggota Komite Audit
Audit Committee Member

Gede Harja Wasistha lahir di Jember pada 12 Desember 1971, umur 47 tahun warga Negara Indonesia yang saat ini berdomisili di Jakarta. Beliau meraih gelar Sarjana Jurusan Akuntansi di Universitas Indonesia pada tahun 1995 dan meraih gelar Doctor (Finance) di Universitas Indonesia pada tahun 2016.

Gede Harja Wasistha was born in Jember on December 12, 1971, age 47 years old, an Indonesian citizen who is currently domiciled in Jakarta. He holds a Bachelor degree in Accounting from University of Indonesia in 1995 and earned his Doctoral degree in Finance from University of Indonesia in 2016.

Beliau menjabat sebagai anggota Komite Audit PT Pertamina Hulu Energi terhitung sejak tanggal 3 Juli 2014 untuk masa jabatan 1 periode (3 tahun) atau sampai dengan Dewan Komisaris memutuskan lain. Hal ini sesuai dengan Dewan Komisaris secara sirkuler tanggal 2 Juli 2017 tentang Penetapan Anggota Komite Audit.

He has been a member of the Audit Committee of PT Pertamina Hulu Energi since July 3, 2014 for one term of office (3 years) or until the Board of Commissioners decides otherwise. This is in accordance with the Board of Commissioners' Circular Decision dated July 3, 2014 on the Appointment of Audit Committee Members.

Beliau memulai karir sebagai Assistant Supervisor Divisi Treasuri, PT Surveyor Indonesia (1995-1997), serta aktif menjadi akademisi di sejumlah instansi pendidikan termasuk Fakultas Ekonomi Universitas Indonesia, dan menjadi konsultan untuk beberapa lembaga pendidikan, korporasi serta menerbitkan beberapa makalah tentang keuangan, pasar modal, dan teknologi informasi. Jabatan terakhir sebagai Deputy Direktur Program Master Akuntansi di Fakultas Ekonomi Universitas Indonesia. Saat ini juga menjabat sebagai Komite Audit di PT Astra Graphia, PT Hero Supermarket, PT Indomobil Finance Indonesia dan mulai menjabat sebagai anggota Komite Audit sejak tahun 2012 sampai sekarang.

He started his career as Assistant Supervisor of the Treasury Division at PT Surveyor Indonesia (1995-1997), and actively became an academic in several educational institutions including the Faculty of Economics, University of Indonesia, and became a consultant for several educational institutions, corporations and published several papers on finance, capital market and information technology. His last position as Deputy Director of Accounting Master Program at the Faculty of Economics, University of Indonesia. He currently serves as the Audit Committee of PT Astra Graphia, PT Hero Supermarket, PT Indomobil Finance Indonesia and has served as a member of the Audit Committee since 2014 until now.

Roehjadi
Anggota Komite Audit
Audit Committee Member

Roehjadi lahir di Tasikmalaya, pada 19 September 1957, umur 60 tahun warga Negara Indonesia yang saat ini berdomisili di Depok. Beliau memperoleh gelar Sarjana Jurusan Akuntansi di Universitas Padjajaran Bandung pada tahun 1984 dan meraih gelar Master of Management di Institut Bisnis Indonesia di Jakarta pada tahun 2003.

Roehjadi was born in Tasikmalaya, on September 19, 1957, age 60 years old, an Indonesian citizen currently domiciled in Depok. He earned his Bachelor Degree in Accounting from Padjadjaran University, Bandung, in 1984 and earned his Master of Management degree from the Indonesian Institute of Business, Jakarta in 2003.

Beliau menjabat sebagai anggota Komite Audit PT Pertamina Hulu Energi terhitung sejak tanggal 13 November 2015 untuk masa jabatan 1 periode (3 tahun) atau sampai dengan Dewan Komisaris memutuskan lain. Hal ini sesuai dengan Dewan Komisaris secara sirkuler tanggal 13 November 2015 tentang Penetapan Anggota Komite Audit.

He has served as a member of the Audit Committee of PT Pertamina Hulu Energi as of November 13, 2015 for one term of office (3 years) or until the Board of Commissioners decides otherwise. This is in accordance with the Board of Commissioners' Circular Decision dated November 13, 2015 on the Appointment of Audit Committee Members.

Beliau memulai karir sebagai Kepala Sub Dinas Anggaran Investasi Dit. Keuangan tahun 1995, dan menjabat beberapa posisi penting, di antaranya Manajer Keuangan Daerah Operasi Hulu Jambi (1998-1999), Admin & Finance Manager, JOB Pertamina-Petrochina (2000-2004), Manajer Keuangan Unit Pengelolaan VI Balongan (2004-2006), Manajer Perbendaharaan Keuangan Hilir Dit. Keuangan PT Pertamina (Persero) (2006-2007), Vice President Kontroler PT Pertamina EP (2007-2008), Vice President Financial Kontroler PT Pertamina Gas (2008-2012), Direktur Keuangan PT Pertamina Gas (2012-Mei 2015), dan mulai menjabat sebagai Anggota Komite Audit sejak November 2015 sampai sekarang.

He started his career as Head of Sub Division of Investment Budget, at Directorate of Finance in 1995, and held several important positions, including the Finance Manager of Upstream Operating Region Jambi (1998-1999), Admin & Finance Manager of JOB Pertamina-Petrochina (2000-2004), Finance Manager of Processing Unit VI Balongan (2004-2006), Manager of Downstream Finance & Treasury at Finance Directorate of PT Pertamina (Persero) (2006-2007), Vice President Controller of PT Pertamina EP (2007-2008), Vice President Financial Controller of PT Pertamina Gas (2008-2012), Finance Director of PT Pertamina Gas (2012-May 2015), and has served as Member of the Audit Committee since November 2015 until now.

Arief Wibowo
Anggota Komite Audit
Audit Committee Member

Arief Wibowo lahir di Pamekasan pada 8 Februari 1972, umur 45 tahun, warga Negara Indonesia yang saat ini berdomisili di Jakarta. Beliau memperoleh gelar Sarjana Jurusan Akuntansi di Universitas Airlangga Surabaya pada tahun 1992 dan meraih gelar Magister Akuntansi di Universitas Indonesia di Jakarta tahun 2013.

Arief Wibowo was born in Pamekasan, on February 8, 1972, age 45 years old, an Indonesian citizen currently domiciled in Jakarta. He earned his Bachelor Degree in Accounting from Airlangga University, Surabaya, in 1992 and earned his Master of Accounting degree from the University of Indonesia, Jakarta in 2013.

Beliau menjabat sebagai anggota Komite Audit PT Pertamina Hulu Energi terhitung sejak tanggal 30 September 2017 untuk masa jabatan 1 periode (3 tahun) atau sampai dengan Dewan Komisaris memutuskan lain. Hal ini sesuai dengan Dewan Komisaris secara sirkuler tanggal 30 September 2017 tentang Penetapan Anggota Komite Audit.

He has served as a member of the Audit Committee of PT Pertamina Hulu Energi as of September 30, 2017 for one term of office (3 years) or until the Board of Commissioners decides otherwise. This is in accordance with the Board of Commissioners' Circular Decision dated September 30, 2017 on the Appointment of Audit Committee Members.

Beliau memulai karir sebagai Audit Ahli Muda Internal Auditor (2005-2006), Senior Auditor Internal Auditor (2010-2013), Assisten Manajer ICoFR (2013), Control Group Manager (2013-2017) dan mulai menjabat sebagai Anggota Komite Audit sejak 30 September 2017 sampai sekarang.

He started his career as Internal Auditor Audit Internal Auditor (2005-2006), Senior Auditor Internal Auditor (2010-2013), Assistant Manager ICoFR (2013), Control Group Manager (2013-2017) and has served as Member of the Audit Committee since September 2017 until now.

Independensi Anggota Komite Audit

Anggota Komite Audit memberikan pernyataan independensi yang dijabarkan dalam Pakta Integritas dan Pernyataan Benturan Kepentingan yang ditandatangani pada tanggal 9 Januari 2017.

Dalam pernyataan tersebut ditegaskan bahwa anggota Komite Audit tidak memiliki hubungan dengan kepengurusan, kepemilikan saham dan/atau hubungan keluarga sampai derajat kedua dengan anggota Dewan Komisaris, Direksi maupun pemegang saham PHE.

Sejalan dengan upaya Perusahaan meningkatkan penerapan GCG, PHE juga mulai menerapkan kriteria independensi anggota Komite Audit sesuai dengan Peraturan Otoritas Jasa Keuangan No.55/POJK.04/2015 tentang Pembentukan dan Pedoman Pelaksanaan Kerja Komite Audit. Kriteria yang dimaksud adalah:

- Anggota Komite Audit bukan merupakan orang dalam Kantor Akuntan Publik, Kantor Konsultan Hukum, Kantor Jasa Penilai Publik atau pihak lain yang memberi jasa asuransi, jasa non-asuransi, jasa penilai dan/atau jasa konsultasi lain kepada PHE dalam waktu enam bulan terakhir;
- Anggota Komite Audit bukan merupakan orang yang bekerja atau mempunyai wewenang dan tanggung jawab untuk merencanakan, memimpin, mengendalikan, atau mengawasi kegiatan PHE dalam waktu enam bulan terakhir, kecuali Komisaris Independen;
- Anggota Komite Audit tidak mempunyai saham langsung maupun tidak langsung pada Emiten atau Perusahaan Publik;
- Anggota Komite Audit tidak mempunyai hubungan afiliasi dengan anggota Dewan Komisaris, anggota Direksi atau pemegang saham utama PHE;
- Anggota Komite Audit tidak mempunyai hubungan usaha baik langsung maupun tidak langsung yang berkaitan dengan kegiatan usaha PHE.

Independence of Audit Committee Members

Members of the Audit Committee made a statement of independence as described in the Integrity Pact and the Conflict of Interest Statement signed on January 9, 2017.

The statement affirmed that the members of the Audit Committee have no relations with the management, ownership of shares and/or family relations up to the second degree with members of Board Commissioners, Board of Directors and Shareholders of PHE.

In line with the Company's efforts to improve GCG implementation, PHE has also begun to apply the independence criteria for Audit Committee members in accordance with the Financial Services Authority Regulation No.55/POJK.04/2015 on the Establishment and Implementation Guidelines of the Audit Committee. The criteria are:

- Member of the Audit Committee shall not be an insider in the Public Accounting Firm, Legal Consulting Firm, Public Appraisal Service Firm or any other party providing insurance services, non-insurance services, appraisal services and/or other consulting services to PHE within the last six months;
- Members of the Audit Committee are not persons who work or have the authority and responsibility to plan, lead, control or supervise PHE activities within the last six months, except Independent Commissioners;
- Members of the Audit Committee do not own direct or indirect shares in the Issuer or Public Company;
- Members of the Audit Committee have no affiliation with members of the Board of Commissioners, the Board of Directors or the major shareholders of PHE;
- Members of the Audit Committee have no direct or indirect business relations with PHE's business activities.

Pedoman Kerja Komite Audit

Dalam melaksanakan tugasnya, Komite Audit berpedoman pada peraturan dan perundang-undangan:

- Undang-Undang No.40/2007 tentang Perseroan Terbatas;
- Undang-Undang No.19/2003 tentang Badan Usaha Milik Negara (BUMN);
- Anggaran Dasar Perusahaan;
- Peraturan Menteri Negara BUMN No.PER-01/MBU/2011 tentang Penerapan Tata Kelola Perusahaan yang Baik (Good Corporate Governance) pada BUMN yang telah dirubah dengan Peraturan Menteri Negara BUMN No.PER-09/MBU/2014;
- Pedoman Umum Good Corporate Governance Indonesia dari Komite Nasional Kebijakan Corporate Governance 2006.

Uraian Tugas dan Tanggung Jawab Komite Audit

- Memastikan efektivitas sistem pengendalian intern dan efektivitas pelaksanaan tugas eksternal dan internal auditor;
- Menilai pelaksanaan kegiatan serta hasil audit yang dilaksanakan oleh internal maupun eksternal auditor;
- Memberikan rekomendasi mengenai penyempurnaan sistem pengendalian manajemen serta pelaksanaannya;
- Memastikan telah terdapat prosedur review yang memuaskan terhadap informasi yang dikeluarkan oleh Perusahaan;
- Melakukan identifikasi hal-hal yang memerlukan perhatian Komisaris, serta tugas-tugas Komisaris lainnya;
- Melakukan penelaahan atas informasi mengenai Perusahaan, serta Rencana Jangka Panjang, Rencana Kerja dan Anggaran Perusahaan, laporan manajemen, dan informasi lainnya;

Audit Committee Guidelines

In performing its duties, the Audit Committee shall be guided by the following laws and regulations:

- Law No.40/2007 on Limited Liability Companies;
- Law No.19/2003 on State-Owned Enterprises (SOEs);
- The Company's Articles of Association;
- Regulation of the Minister of State-Owned Enterprise No. PER-01/MBU/2011 on the Good Corporate Governance Implementation in State-Owned Enterprises, which has been amended by Regulation of the Minister of State-Owned Enterprises No. PER-09/MBU/2014;
- General Guidelines of Good Corporate Governance of Indonesia from the National Committee on Corporate Governance Policy 2006.

Description of Duties and Responsibilities of Audit Committee

- Ensuring effectiveness of internal control system as well as the effectiveness of performance on external and internal auditor;
- Conducting evaluation of audit activities and audit findings executed by internal and external auditors;
- Providing recommendation on improvement of management control system and its implementation;
- Ensuring there is satisfactory review procedure on information issued by the Company;
- Identifying issues that require the attention of Commissioners or other Commissioners' duties;
- Analyzing information about the Company as well as Company Long Term Plan, Company Work Plan & Budget, management reports and other information.

- Melakukan penelaahan atas ketaatan Perusahaan terhadap peraturan perundang-undangan yang berhubungan dengan kegiatan Perusahaan;
- Melakukan penelaahan atas pengaduan yang berkaitan dengan Perusahaan;
- Mengkaji kecukupan Fungsi Internal Audit, termasuk jumlah auditor, rencana kerja tahunan dan penugasan yang telah dilaksanakan;
- Mengkaji kecukupan pelaksanaan audit eksternal termasuk di dalamnya perencanaan audit dan jumlah auditornya;
- Memastikan laporan keuangan serta informasi lainnya yang diberikan oleh Perusahaan kepada pihak terkait dan publik, yang disajikan secara transparan, handal, dapat dipercaya dan tepat waktu;
- Memastikan Perusahaan telah memiliki pengendalian intern memadai yang dapat melindungi kekayaan miliknya;
- Memastikan Perusahaan bekerja secara efektif dan efisien serta mematuhi peraturan perundangan yang berlaku.
- Examining Company activities to be in compliance with prevailing laws and regulations;
- Reviewing complaints about the Company;
- Reviewing the adequacy of Internal Audit Functions including number of auditors, annual work plan and implementation of assignments;
- Reviewing the adequacy of external audit exercise, including audit plan and number of auditors;
- Ensuring that financial statements and other information presented by the Company to the public and related parties are transparent, reliable, trustworthy and timely;
- Ensuring that the Company has an adequate internal control to protect its assets;
- Ensuring that Company is running effectively and efficiently and adhere to the prevailing laws and regulations.

Frekuensi Pertemuan dan Tingkat Kehadiran Komite Audit

Dalam menjalankan tugas dan tanggung jawabnya, Komite Audit mengadakan rapat dan pertemuan secara berkala. Rapat dapat bersifat internal Komite Audit maupun mengundang pihak-pihak lain.

Dalam pelaksanaan rapat, setiap anggota Komite Audit dapat dengan bebas menyampaikan pendapat profesionalnya. Keputusan rapat diambil berdasarkan musyawarah untuk mufakat dan proses yang berlangsung dalam rapat dituangkan dalam risalah rapat yang ditandatangani oleh seluruh anggota Komite Audit yang hadir. Keputusan rapat kemudian disampaikan kepada Dewan Komisaris. Selama tahun 2017, Komite Audit telah menyelenggarakan 22 rapat, baik internal maupun dengan mengundang Dewan Komisaris, Direksi/Manajemen,

Frequency of Meetings and Attendance Rate of Audit Committee

In carrying out its duties and responsibilities, the Audit Committee regularly holds meetings. The meetings may be Audit Committee's internal meetings or inviting other parties.

In the implementation of the meeting, each member of the Audit Committee may freely express his or her professional opinion. The decision of the meeting shall be based on deliberations for consensus and the process during the meeting shall be set forth in the minutes of meeting signed by all members of the Audit Committee present. The decisions of the meeting are then submitted to the Board of Commissioners. During 2017, the Audit Committee has held 22 meetings, either internally or by inviting the Board of Commissioners, Board of Directors/Management,

Auditor Internal, Planning Project dan Risk Management (PPRM), Corporate Secretary, dan Auditor Eksternal. Tingkat kehadiran anggota Komite Audit dalam rapat-rapat tersebut mencapai 91%.

Internal Auditors, Planning Project and Risk Management (PPRM), Corporate Secretary, and External Auditor. The attendance rate of Audit Committee's members in these meetings reached 91%.

Jumlah Rapat Komite Audit Tahun 2017 dan Persentase Kehadiran Anggota Komite Audit

Number of Audit Committee Meetings in 2017 and Percentage of Audit Committee Members' Attendance

Nama Name	Jabatan Position	Jumlah Rapat Number of Meetings	Jumlah Kehadiran Number of Attendance	Persentase Kehadiran Percentage of Attendance
Mohamad Oemar	Ketua Chairman	22	11	50
Gede Harja Wasistha*)	Anggota Member	12	11	92
Roehjadi	Anggota Member	22	21	95
Arief Wibowo	Anggota Member	7	6	86

*) Pada tanggal 30 September 2017 terjadi pergantian Anggota Komite Audit semula Sdr. Gede Harja Wasistha digantikan oleh Sdr. Arief Wibowo

*) On September 30, 2017, there was a change in the membership of Audit Committee, Gede Harja Wasistha was replaced by Arief Wibowo

Pendidikan dan/atau Pelatihan untuk Komite Audit

Selama tahun 2017, PHE menyertakan anggota Komite Audit pada program/kegiatan pendidikan dan pelatihan. Tujuannya untuk meningkatkan keahlian dan kompetensi masing-masing anggota Komite Audit.

Education and/or Training for Audit Committee

During 2017, PHE included members of the Audit Committee in education and training programs/activities. The objective is to improve the expertises and competencies of each member of the Audit Committee.

Tabel Kegiatan Pendidikan dan Pelatihan Anggota Komite Audit

Table of Education and Training of Audit Committee Members

Nama Name	Kegiatan Activities	Waktu Pelaksanaan Date of Implementation
Mohamad Oemar Arif Wibowo	Seminar on Opportunity in a New Era on Enhanced Japan-ASEAN Partnership, Bangkok – Thailand	27 September 2017
	Seminar on Opportunity in a New Era on Enhanced Japan-ASEAN Partnership, Bangkok – Thailand	September 27, 2017
Mohamad Oemar	Seminar 2nd EAS Regulatory Roundtable II: "On Structural Reform", di Jakarta – Indonesia	29 September 2017
	Seminar 2nd EAS Regulatory Roundtable II: "On Structural Reform", at Jakarta – Indonesia	September 29, 2017
Mohamad Oemar	CFO Academy di Bali CFO Academy at Bali	31 Juli – 2 Agustus 2017 July 31 - August 2, 2017

Uraian Pelaksanaan Kegiatan Komite Audit pada Tahun Buku

Selama tahun 2017 Komite Audit telah melaksanakan kegiatan sesuai dengan Program Kerja Komite Audit yang ditetapkan pada awal tahun. Kegiatan pengawasan, *monitoring* dan evaluasi atas kinerja perusahaan dilakukan melalui pembahasan secara formal dan informal dengan fungsi Internal Audit dan fungsi terkait lainnya, dengan agenda pembahasan, antara lain:

- Evaluasi sistem pengendalian intern dan pelaksanaannya;
- Evaluasi pelaksanaan audit eksternal dan internal;
- Evaluasi penunjukan calon KAP dan pembahasan usulan *Owner Estimate* KAP;
- Evaluasi kebijakan akuntansi dan pelaksanaan penyusunan Laporan Keuangan;
- *Review & update* visi & misi Perusahaan sesuai perubahan lingkungan bisnis;
- Evaluasi kebijakan dan pelaksanaan manajemen risiko dan analisis risiko atas rancangan RKAP;
- Evaluasi kebijakan sistem TI dan pelaksanaannya;
- Evaluasi kebijakan pengelolaan SDM dan pelaksanaannya;
- Evaluasi kebijakan dan pelaksanaan pengadaan barang dan jasa;
- Evaluasi kebijakan mutu dan pelaksanaan pelayanan Perusahaan;
- Evaluasi kepatuhan Direksi terhadap perundang-undangan;
- Evaluasi pelaksanaan RKAP tahun 2017;
- Evaluasi pelaksanaan pengaduan *stakeholder*;
- Evaluasi kebijakan dan pelaksanaan pengelolaan AP PHE;
- *Monitoring & evaluasi* pelaksanaan GCG Perusahaan.

Description of Audit Committee Activities for the Fiscal Year

During 2017, the Audit Committee has conducted activities in accordance with the Audit Committee Work Program established at the beginning of the year. Supervision, monitoring and evaluation activities on company performance were conducted through formal and informal discussions with Internal Audit function and other related functions, with the agenda of discussion, among others:

- Evaluation on internal control system and its implementation;
- Evaluation on the implementation of external and internal audits;
- Evaluation on appointment of Public Accounting Firm candidates and discussion of proposal of *Owner Estimate* of Public Accounting Firm;
- Evaluation on accounting policies and implementation of preparation of Financial Statements;
- Review & update for vision & mission of the Company in line with changes in business environment;
- Evaluation on policies and implementation of risk management and risk analysis on RKAP draft;
- Evaluation on IT system policies and their implementation;
- Evaluation on HR management policies and their implementation;
- Evaluation on policy and implementation of procurement of goods and services;
- Evaluation on quality policy and service delivery of the Company;
- Evaluation on the Board of Directors' compliance with laws;
- Evaluation on RKAP implementation in 2017;
- Evaluation on the implementation of stakeholder complaint handling;
- Evaluation of policy and implementation of PHE Subsidiaries management;
- Monitoring & evaluation on Company GCG implementation.

Komite Manajemen Risiko dan Sumber Daya Manusia (MRSDM)

Risk Management and Human Resources Committee

PT Pertamina Hulu Energi (PHE) membentuk Komite Manajemen Risiko dan Sumber Daya Manusia (MRSDM) berdasarkan surat Keputusan Dewan Komisaris No.54/DKPHE/2012 tanggal 28 Mei 2012. Komite MRSDM bertanggung jawab membantu Dewan Komisaris dalam melakukan pengawasan terhadap pengelolaan risiko dan pengembangan sumber daya manusia (SDM).

PT Pertamina Hulu Energi (PHE) established the Risk Management and Human Resources Committee (MRSDM) based on Decree of the Board of Commissioners No.54/DKPHE/2012 dated May 28, 2012. The MRSDM Committee is responsible for assisting the Board of Commissioners in conducting supervision on risk management and human resources development (HRD).

Keanggotaan Komite MRSDM

Sampai dengan akhir periode pelaporan, komposisi keanggotaan Komite MRSDM terdiri dari satu orang ketua yang merangkap anggota dan dua orang anggota. Ketua Komite Audit dijabat oleh salah satu anggota Dewan Komisaris. Anggota Komite MRSDM lain berasal dari luar perusahaan.

Membership of the MRSDM Committee

Until the end of the reporting period, the composition of the MRSDM Committee membership consisted of one chairman who concurrently served as member and two other members. The Chairman of the Audit Committee is held by one of the Board of Commissioners' members. Other members of the MRSDM Committee are from outside the company.

Tabel Keanggotaan Komite MRSDM PHE

Table of PHE MRSDM Committee Membership

No	Nama Name	Jabatan Position	Tanggal Pengangkatan Date of Appointment	Periode Jabatan Term of Office
1.	Yudi Wahyudi	Ketua Komite MRSDM MRSDM Committee Chairman	30 September 2013 September 30, 2013	3 tahun 3 years
2.	Muhammad S. Fauzani	Anggota Komite MRSDM MRSDM Committee Member	23 September 2013 September 23, 2013	3 tahun 3 years
3.	Eko Sigit Sukadi*)	Anggota Komite MRSDM MRSDM Committee Member	12 Januari 2015 January 12, 2015	3 tahun 3 years
4.	Ninik Retno Wijayanti	Anggota Komite MRSDM MRSDM Committee Member	24 Agustus 2017 August 24, 2017	3 tahun 3 years

Keterangan:

*) Pada tanggal 24 Agustus 2017 terjadi pergantian Anggota Komite MRSDM semula Eko Sigit Sukadi digantikan oleh Ninik Retno Wijayanti
Note:

*) On August 24, 2017, there was a change in membership of MRSDM Committee, which was previously held by Eko Sigit Sukadi, was replaced by Ninik Retno Wijayanti

Profil Ketua Komite MRSDM Profile of MRSDM Committee Chairman

Yudi Wahyudi
Ketua Komite MRSDM
MRSDM Committee Chairman

Yudi Wahyudi merupakan warga Negara Indonesia, umur 55 tahun yang lahir di Sukabumi pada 9 Oktober 1962, dan saat ini berdomisili di Bandung. Beliau memperoleh gelar Ekonomi Akuntansi dari Universitas Padjadjaran tahun 1987 dan mendapatkan gelar Magister Manajemen dari Universitas Indonesia tahun 1997.

Yudi Wahyudi is an Indonesian citizen, 55 years old, who was born in Sukabumi on October 9, 1962, and currently domiciled in Bandung. He earned a degree in Accounting Economics from Padjadjaran University in 1987 and a Master of Management degree from University of Indonesia in 1997.

Beliau menjabat sebagai Ketua Komite MRSDM PT Pertamina Hulu Energi terhitung sejak tanggal 17 Maret 2016 untuk masa jabatan 1 periode (3 tahun) atau sampai dengan Dewan Komisaris memutuskan lain. Hal ini sesuai dengan Keputusan Dewan Komisaris secara sirkuler tanggal 17 Maret 2016 tentang Penetapan Ketua Komite MRSDM.

He has served as Chairman of MRSDM Committee of PT Pertamina Hulu Energi since March 17, 2016 for one term of office (3 years) or until the Board of Commissioners decides otherwise. This is in accordance with the Board of Commissioner's Circular Decision dated March 17, 2016 on Appointment of the Chairman of the MRSDM Committee.

Memulai karir di PT Pertamina (Persero) sebagai Kepala Akuntansi Minyak UPPDN III Jakarta (1998-2001) dan menjabat sebagai Komisaris PT Pertamina Geothermal Energy (2010-2012) sekaligus menjabat sebagai Ketua Komite Investasi. Sejumlah jabatan penting lainnya selama berkarir di Pertamina, antara lain Kepala Akuntansi UPMS I Medan (2001-2002), Manajer Keuangan DOH Kalimantan (2002-2005), Manajer Keuangan DOH Sembangsel (2005), Manajer Kontroler PT Pertamina EP (2006-2007), Manajer Keuangan UPMS III Jakarta (2007-2008), Manajer Akuntansi Manajemen Direktorat Keuangan (2008), Vice President Controller, Direktorat Keuangan (2008-2010), Vice President Financial Accounting & Reporting Direktorat Keuangan (2010-2012) dan Senior Vice President Controller Direktorat Keuangan PT Pertamina (Persero) (2012-sekarang).

Started his career in PT Pertamina (Persero) as Head of Oil Accounting at UPPDN III Jakarta (1998-2001) and served as Commissioner of PT Pertamina Geothermal Energy (2010-2012) as well as Chairman of the Investment Committee. A number of other important positions during his career in Pertamina, included Accounting Head of UPMS I Medan (2001-2002), Finance Manager of DOH Kalimantan (2002-2005), Finance Manager at DOH Sembangsel (2005), Controller Manager of PT Pertamina EP (2006-2007) Finance Manager of UPMS III Jakarta (2007-2008), Management Accounting Manager at Directorate of Finance (2008), Vice President Controller, Directorate of Finance (2008-2010), Vice President of Financial Accounting & Reporting at Directorate of Finance (2010-2012) and Senior Vice President Controller at Directorate of Finance of PT Pertamina (Persero) (2012-present).

Profil Anggota Komite MRSDM Profile of MRSDM Committee Members

Muhammad Shabran Fauzani
Anggota Komite MRSDM
MRSDM Committee Member

Muhammad Shabran Fauzani merupakan warga Negara Indonesia, umur 44 tahun yang lahir di Bengkulu pada tanggal 19 April 1974, dan saat ini berdomisili di Jakarta. Beliau menyelesaikan S1 jurusan Ekonomi Manajemen di Universitas Trisakti, Jakarta dan mendapatkan gelar Diploma in Treasury Management di Association Australia Finance & Treasury. Beliau memperoleh gelar Master of Applied Finance di Monash University, Melbourne Australia.

Muhammad Shabran Fauzani is an Indonesian citizen, 44 years old, who was born in Bengkulu on April 19, 1974, and is currently domiciled in Jakarta. He earned his Bachelor degree in Management Economics from Trisakti University, Jakarta and earned his Diploma in Treasury Management from Australia Association Finance & Treasury. He holds a Master of Applied Finance degree from Monash University, Melbourne, Australia.

Beliau menjabat sebagai Komite MRSDM PT Pertamina Hulu Energi terhitung sejak tanggal 11 September 2015 untuk masa jabatan 1 periode (3 tahun) atau sampai dengan Dewan Komisaris memutuskan lain. Hal ini sesuai dengan Keputusan Dewan Komisaris secara sirkuler tanggal 11 September 2015 tentang Penetapan Anggota Komite MRSDM.

He has served as MRSDM Committee of PT Pertamina Hulu Energi since September 11, 2015 for one term of office (3 years) or until the Board of Commissioners decides otherwise. This is in accordance with the Board of Commissioner's Circular Decision dated September 11, 2015 on the Appointment of the MRSDM Committee Members.

Beliau memiliki pengalaman menduduki beberapa jabatan penting, di antaranya Asisten Manajer Portofolio Management di Kantor Pusat PT Pertamina-Directorate of Investment Planning & Risk Management (2009-2010), Assistant Manager Investment & Development Evaluation di Kantor Pusat PT Pertamina-Directorate of Investment Planning & Risk Management 2011, Assistant Manager Oil & Gas Business Development di Kantor Pusat PT Pertamina-Directorate of Investment Planning & Risk Management (2011-2012), Assistant Manager Non Oil & Gas Merger & Acquisition Investment di Kantor Pusat PT Pertamina-Directorate of Investment Planning & Risk Management 2013 dan New Venture Downstream Business Development Manager di Kantor Pusat PT Pertamina-Directorate of Investment Planning & Risk Management (2013-2017). He has experience in several important positions, including Assistant Manager of Portfolio Management at PT Pertamina-Directorate of Investment Planning & Risk Management (2009 - 2010), Investment & Development Evaluation Assistant Manager at the Head Office of PT Pertamina- Directorate of Investment Planning & Risk Management (2011), Assistant Manager of Oil & Gas Business Development at the Head Office of PT Pertamina- Directorate of Investment Planning & Risk Management (2011-2012), Assistant Manager of Non Oil & Gas Merger & Acquisition Investment at the Head Office of PT Pertamina- Directorate of Investment Planning & Risk Management (2013) and New Venture of Downstream Business Development Manager at the Head Office of PT Pertamina- Directorate of Investment Planning & Risk Management (2013-2017).

Ninik Retno Wijayanti
Anggota Komite MRSDM
MRSDM Committee Member

Ninik Retno Wijayanti merupakan warga Negara Indonesia, umur 51 tahun yang lahir di Jakarta pada tanggal 7 Maret 1967, dan saat ini berdomisili di Jakarta. Beliau menyelesaikan S1 Jurusan Ekonomi Gadjah Mada tahun 1996 dan memperoleh Magister Manajemen in Strategic Management di Universitas Gadjah Mada pada tahun 2010.

Ninik Retno Wijayanti is an Indonesian citizen, 51 years old, who was born in Jakarta on March 7, 1967, and is currently domiciled in Jakarta. She completed her bachelor's degree in Economics from Gadjah Mada University in 1996 and earned Master of Management in Strategic Management from Gadjah Mada University in 2010.

Beliau menjabat sebagai Anggota Komite MRSDM PT Pertamina Hulu Energi terhitung sejak tanggal 24 Agustus 2017 untuk masa jabatan 1 periode (3 tahun) atau sampai dengan Dewan Komisaris memutuskan lain. Hal ini sesuai dengan Keputusan Dewan Komisaris secara sirkuler tanggal 24 Agustus 2017 tentang Penetapan Anggota Komite MRSDM.

She has served as a Member of MRSDM Committee of PT Pertamina Hulu Energi since August 24, 2017 for one term of office (3 years) or until the Board of Commissioners decides otherwise. This is in accordance with the Board of Commissioner's Circular Decision dated August 24, 2017 on the Appointment of the MRSDM Committee Members.

Beliau memiliki pengalaman menduduki beberapa jabatan penting, di antaranya Cooperation Analysis & Evaluation Asst. Manager (Asisten Manager Analisa & Evaluasi Kerjasama) - PT Pertamina EP Sept 2006 – Feb 2007, Operation Risk Asst. Manager (Asisten Manager Risiko Operasi) – PT Pertamina EP March 2007 – Dec 2010, EP/Upstream Risk Asst. Manager (Asisten Manager Risiko EP) - PT Pertamina March 2007 – Dec 2010, Assistant Mgr Strategic and Project Risk /Sr. Analyst Strategic & Project Risk - PT Pertamina 21 Desember 2010 – Desember 2013 dan Manager Strategic Planning Risk Management – PT Pertamina 17 Desember 2013 – sekarang.

She has experience of occupying several important positions, including Cooperation Analysis & Evaluation Assistant Manager - PT Pertamina EP (September 2006 - February 2007), Operation Risk Assistant Manager - PT Pertamina EP (March 2007 - December 2010), EP/Upstream Risk Assistant Manager - PT Pertamina (March 2007 - December 2010), Assistant Manager of Strategic and Project Risk/Sr. Analyst of Strategic & Project Risk - PT Pertamina (December 21, 2010 - December 2013), and Strategic Planning Risk Management Manager - PT Pertamina December 17, 2013 - present.

Pernyataan Independensi Anggota Komite MRSDM

Anggota Komite MRSDM memberikan pernyataan independensi yang dijabarkan dalam Pakta Integritas dan Pernyataan Benturan Kepentingan yang ditandatangani pada tanggal 9 Januari 2017. Dalam pernyataan tersebut ditegaskan bahwa anggota Komite MRSDM tidak memiliki hubungan dengan kepengurusan, kepemilikan saham dan/atau hubungan keluarga sampai derajat kedua dengan anggota Dewan Komisaris, Direksi maupun Pemegang Saham PHE.

Pedoman Kerja Komite MRSDM

Dalam melaksanakan tugasnya, Komite MRSDM mengacu pada pedoman, peraturan dan perundang-undangan:

- Undang-Undang No.40/2007 tentang Perseroan Terbatas;
- Undang-Undang No.19/2003 tentang Badan Usaha Milik Negara;
- Anggaran Dasar Perusahaan;
- Peraturan Menteri Negara BUMN No.PER-01/MBU/2011 tentang Penerapan Tata Kelola Perusahaan yang Baik (Good Corporate Governance) pada BUMN yang telah dirubah dengan Peraturan Menteri Negara BUMN No.PER-09/MBU/2014;
- Pedoman Umum Good Corporate Governance Indonesia dari Komite Nasional Kebijakan Corporate Governance 2006.

Independency Statement of the Members of the MRSDM Committee

Members of the MRSDM Committee made a statement of independence as described in the Integrity Pact and the Conflict of Interest Statement signed on January 9, 2017. The statement affirmed that the members of the MRSDM Committee have no relations with the management, ownership of shares and/or family relations up to the second degree with members of Board Commissioners, Board of Directors and Shareholders of PHE.

Guidelines of the MRSDM Committee

In performing its duties, the MRSDM Committee refers to the guidelines, laws and regulations:

- Law No.40/2007 on Limited Liability Companies;
- Law No.19/2003 on State-Owned Enterprises (SOEs);
- The Company's Articles of Association;
- Regulation of the Minister of State-Owned Enterprise No. PER-01/MBU/2011 on the Good Corporate Governance Implementation in State-Owned Enterprises, which has been amended by Regulation of the Minister of State-Owned Enterprises No. PER-09/MBU/2014;
- General Guidelines of Good Corporate Governance of Indonesia from the National Committee on Corporate Governance Policy 2006.

Uraian Tugas dan Tanggung Jawab Komite MRSDM

Tugas dan tanggung jawab terkait Manajemen Risiko, seperti:

- Melakukan penelaahan dan memberikan rekomendasi atas efektivitas pelaksanaan manajemen risiko yang dilakukan oleh Satuan Kerja Manajemen Risiko Perusahaan, melalui pertemuan secara berkala maupun cara lainnya untuk membahas progress dari tahapan-tahapan tugas dan tanggung jawab yang dilakukan oleh Satuan Kerja Manajemen Risiko;
- Melakukan penelaahan atas penilaian risiko oleh Satuan Kerja Manajemen Risiko terhadap rencana investasi Perusahaan yang material;
- Menelaah dan memantau implementasi sistem perencanaan SDM, rekrutmen, seleksi dan penempatan pekerja;
- Melakukan pengawasan atas pelaksanaan rekomendasi Komite Manajemen Risiko dan SDM oleh Satuan Kerja Manajemen Risiko;
- Melakukan analisis dan evaluasi atas usulan Rencana Kegiatan dan Anggaran Perusahaan (RKAP) dan review tahunan atas Rencana Jangka Panjang Perusahaan (RJPP) yang diajukan oleh Direksi;
- Melakukan penelaahan atas informasi risiko dan manajemen risiko Perusahaan dalam laporan-laporan yang akan dipublikasikan, melalui proses:
 - › Diskusi bersama dengan manajemen;
 - › Review atas draft laporan yang akan dipublikasikan;
- Melakukan pembahasan atas risiko-risiko penting pada unit-unit lingkungan Perusahaan sesuai kebutuhan;
- Perusahaan menganggap perlu menggunakan konsultan manajemen risiko independen untuk melakukan penelaahan kembali atas proses manajemen risiko yang telah diterapkan Perusahaan, maka tugas Komite MRSDM adalah:
 - › Memberikan masukan tentang kriteria dan kompetensi konsultan;
 - › Melakukan monitoring pekerjaan konsultan melalui Satuan Kerja Manajemen Risiko;
- Memastikan bahwa internal audit telah memperhatikan aktivitas-aktivitas Perusahaan yang memiliki risiko tinggi.

Description of Duties and responsibilities the MRSDM Committee

Duties and responsibilities related to risk management, such as:

- Conducting analysis and provide recommendation on the effectiveness of risk management implementation, performed by the Company's risk management unit, through regular meetings and any other means to discuss progress of duties and responsibilities carried out by the risk management unit;
- Analyzing risk assessment on significant Company investment plan determined by risk management work unit;
- Reviewing and monitoring the implementation of system for human resources planning, recruitment, selection and employee placement;
- Supervising the implementation of MRSDM Committee recommendation conducted by risk management work unit;
- Analyzing and evaluating proposal of annual work plan and budget (RKAP) and perform annual review on long term Company plan (RJPP) presented by Board of Directors;
- Analyzing the Company's risk information and risk management contained in the reports to be released by the Company through the following process:
 - › Discussion with management ;
 - › Review of draft reports that are to be publicized;
- Discussion on significant risks encountered in each Company work area units when required;
- Company need to employ independent risk management consultant to re-analyze the process of implementation risk management in the Company, the duties of MRSDM Committee are:
 - › Provide input on consultant criteria and competence
 - › Monitor services rendered by consultant through risk management unit;
- Ensure the Internal Audit has paid attention to Company activities with high risks;

Tugas dan tanggung jawab yang terkait dengan SDM, yaitu:

- Memastikan bahwa Perusahaan telah memiliki kebijakan pengelolaan dan pengembangan SDM secara transparan (termasuk di dalamnya kebijakan mengenai remunerasi);
- Melakukan penelaahan dan pemantauan praktik manajemen pengembangan Sumber Daya Manusia berdasarkan Pedoman Kebijakan Tata Kelola Perusahaan, khususnya Kebijakan Manajemen dan Prosedur Operasi Standar di bidang pengembangan SDM;
- Menelaah dan memantau implementasi sistem perencanaan SDM, rekrutmen, seleksi dan penempatan pekerja;
- Menelaah dan memantau hubungan kerja industrial yang ada di lingkungan Perusahaan;
- Memantau dan mengawasi pelaksanaan mekanisme program pengembangan Sumber Daya Manusia di PHE, termasuk di dalamnya manajemen talenta untuk memastikan Perusahaan memiliki Sumber Daya Manusia yang kompeten sesuai kebutuhan Perusahaan;
- Memastikan bahwa Perusahaan telah memiliki sistem remunerasi yang transparan berupa gaji atau honorarium, tunjangan dan fasilitas yang bersifat tetap serta insentif atau bentuk lainnya yang bersifat variabel;
- Membantu Dewan Komisaris dalam mereview kebijakan remunerasi yang diusulkan oleh Direksi.;
- Membantu Dewan Komisaris dalam mereview kebijakan nominasi, promosi, apabila diminta oleh Direksi;
- Memantau implementasi Manajemen Kinerja dalam bentuk SMK (Sistem Manajemen Kinerja) dan SMUK (Sistem Manajemen Unjuk Kinerja) sebagai bagian dalam pengembangan kompetensi SDM PHE.

Kewenangan Komite MRSDM

- Komite MRSDM berwenang untuk mengakses secara penuh, bebas dan tidak terbatas terhadap setiap kebijakan Perusahaan yang berkaitan dengan pengelolaan risiko dan pelaksanaan SDM (termasuk di dalamnya pelaksanaan remunerasi) di Perusahaan;

The duties and responsibilities related to human resources are the following:

- Ensuring that Company applies transparent policies of management and development of human resources (including policy on remuneration);
- Reviewing and monitoring the practices in human resources development based on guidelines on Company governance policy, especially on Management Policies and Standard Operating Procedure in Human Resource Development;
- Reviewing and monitoring the implementation of human resources planning system, recruitment, selection as well as employee placement;
- Reviewing and monitoring the industrial relations within the Company;
- Monitoring and supervising implementation of PHE mechanism on human resources development program including the management of talent to ensure that the Company owns competent human resources in line with Company's needs;
- Ensuring that the Company adopts a transparent remuneration system for salary, honorarium, allowances, permanent facilities, incentives or any other forms of variable compensation;
- Assisting Board of Commissioners in reviewing remuneration policies proposed by Board of Directors.
- Giving assistance to Board of Commissioners in the review of nomination and promotion if requested by Board of Directors;
- Monitoring the implementation of performance management in the form of SMK (Performance Management System) and SMUK (Performance Demonstration Management System) as part of PHE's human resources competency development.

Authorities of MRSDM Committee

- The MRSDM Committee is authorized to a full, free and unlimited access to every of the Company's policy related to the Company's risk management and human resources practices (including the implementation of remuneration policy);

- Dalam melaksanakan wewenang sebagaimana butir (1) di atas, Komite MRSDM wajib bekerjasama dengan mitra kerja di antaranya: Sekretariat Dewan Komisaris, Komite Audit, tim terkait di level manajemen, Fungsi Internal Audit, Satuan Kerja Manajemen Risiko, Fungsi SDM dan unit-unit operasional Perusahaan yang berkaitan dengan tugasnya;
 - Mekanisme kerja sebagaimana butir (2) di atas harus mengikuti prosedur kerja sesuai dengan peraturan yang berlaku;
 - Apabila diperlukan Komite MRSDM dapat mempekerjakan konsultan untuk membantu Komite MRSDM dengan persetujuan tertulis Dewan Komisaris dan atas biaya Perusahaan;
 - Jika diperlukan, dalam melaksanakan tugasnya, Komite MRSDM dapat membentuk suatu tim yang bersifat *ad hoc*, dengan kriteria dan periode penugasannya disesuaikan kebutuhan dan jenis pekerjaannya;
 - Memperoleh masukan dari pihak eksternal/independen yang profesional dalam rangka pelaksanaan tugas dan peningkatan kemampuan anggota Komite MRSDM apabila diperlukan atas biaya Perusahaan.
- In carrying out the authorities as described in point (1) above, the MRSDM Committee shall cooperate with counterparts such as Secretary of Board of Commissioners, Audit Committee, related teams in managerial level, Internal Audit (SPI), risk management work unit, human resources functions and other Company operational units for relevant duties;
 - The work mechanism stated in the above point (2) must follow the work procedure in accordance with prevailing regulations;
 - When necessary, the MRSDM Committee may hire a consultant for assistance in carrying out its duties upon written approval from the Board of Commissioners at the Company's expense;
 - When necessary in carrying its duties, the MRSDM Committee may also set up an ad-hoc team with criteria and assignment periods adjusted to the needs and type of works;
 - Obtaining input from external/independent professionals to carry out its duties and improve the capabilities of MRSDM Committee members if needed at the expense of the Company.

Selain tugas dan tanggung jawab tersebut, Komite MRSDM PHE juga melakukan *self-evaluation* dan *self-improvement* terhadap efektivitas pelaksanaan tugas Komite dan memperbaharui secara periodik Pedoman Kerja Komite MRSDM.

Selama tahun 2017, Komite Audit telah menyelenggarakan 22 rapat, baik internal maupun dengan mengundang Dewan Komisaris, Direksi/Manajemen, Auditor Internal, Planning Project dan Risk Management (PPRM), Corporate Secretary, dan Auditor Eksternal. Tingkat kehadiran anggota Komite Audit dalam rapat-rapat tersebut mencapai 91%.

In addition to performing its duties and responsibilities, PHE's MRSDM Committee also conducts self-evaluation and self-improvement on the effectiveness in performing the committee's duties and periodically updates the Work Guidelines of the MRSDM Committee.

During 2017, the Audit Committee has held 22 meetings, either internally or by inviting the Board of Commissioners, Board of Directors/Management, Internal Auditors, Planning Project and Risk Management (PPRM), Corporate Secretary, and External Auditor. The attendance rate of Audit Committee's members in these meetings reached 91%.

Frekuensi Pertemuan dan Tingkat Kehadiran Komite MRSDM

Dalam menjalankan tugas dan tanggung jawabnya, Komite MRSDM mengadakan rapat dan pertemuan secara berkala. Rapat Komite MRSDM diselenggarakan secara berkala dan dapat bersifat internal maupun mengundang pihak-pihak lain.

Dalam pelaksanaan rapat, setiap anggota Komite MRSDM dapat dengan bebas menyampaikan pendapat profesionalnya. Keputusan rapat diambil berdasarkan musyawarah untuk mufakat dan proses yang berlangsung dituangkan dalam risalah rapat yang ditandatangani oleh seluruh anggota Komite MRSDM yang hadir. Keputusan rapat kemudian disampaikan kepada Dewan Komisaris.

Selama tahun 2017 Komite MRSDM telah menyelenggarakan 22 rapat, baik internal maupun dengan mengundang fungsi PPRM, Kontroler, Legal, SCM, ICT, dan IA. Tingkat kehadiran anggota Komite MRSDM dalam rapat-rapat tersebut mencapai 80%.

Frequency of Meetings and Attendance Rate of MRSDM Committee

In performing its duties and responsibilities, the MRSDM Committee regularly holds meetings. The MRSDM Committee's meetings are held periodically and may be as internal meetings or by inviting other parties.

In the implementation of the meeting, each member of the MRSDM Committee may freely express his or her professional opinion. The decision of the meeting shall be based on deliberations for consensus and the process shall be set forth in the minutes of meetings signed by all members of the MRSDM Committee present. The decision of the meeting is then submitted to the Board of Commissioners.

During 2017, the MRSDM Committee has held 22 meetings, both internally and by inviting the functions of PPRM, Controller, Legal, SCM, ICT and IA. The attendance of the MRSDM Committee's members in these meetings reached 80%.



Jumlah Rapat Komite MRSDM Tahun 2017 dan Persentase Kehadiran Anggota Komite MRSDM

Number of MRSDM Committee in 2017 and Percentage of Attendance of MRSDM Committee's Members

Nama Name	Jabatan Position	Jumlah Rapat Number of Meetings	Jumlah Kehadiran Number of Attendance	Persentase Kehadiran Percentage of Attendance
Yudi Wahyudi	Ketua Komite MRSDM MRSDM Committee Chairman	22	11	50
Muhammad S. Fauzani	Anggota Komite MRSDM MRSDM Committee Member	21	19	86
Eko Sigit Sukadi*)	Anggota Komite MRSDM MRSDM Committee Member	11	8	73
Ninik Retno Wijayanti	Anggota Komite MRSDM MRSDM Committee Member	11	9	82

Pendidikan dan/atau Pelatihan untuk Komite MRSDM

Selama tahun 2017 PHE menyertakan anggota Komite MRSDM pada program/kegiatan pendidikan dan pelatihan. Tujuannya guna meningkatkan keahlian dan kompetensi masing-masing anggota Komite MRSDM.

Education and/or Training for the MRSDM Committee Members

During 2017, PHE included members of the MRSDM Committee in education and training programs/ activities. The objective is to improve the experties and competencies of each member of the MRSDM Committee.

Tabel Kegiatan Pendidikan dan Pelatihan Anggota Komite MRSDM Tahun 2017

Table of Education and Training Activities of MRSDM Committee's Members in 2017

Nama Name	Kegiatan Activities	Waktu Pelaksanaan Date of Implementation
Yudi Wahyudi	Workshop pengelolaan & manajemen risiko dana pensiun pertamina, Jakarta Workshop on Pertamina pension fund management and risk management, Jakarta	14-15 November 2017 November 14-15, 2017
	Master Class Risk Governance, Yogyakarta	6 – 8 Desember 2017 December 6 - 8, 2017
	International conference on ERM, Enterprise Risk Management Academy (ERMA)	7 -8 November 2017 November 7 -8, 2017
Muhammad S. Fauzani	Pertamina CFO Academy, Bali	31 Juli – 2 Agustus 2017 July 31 - August 2, 2017

Uraian Pelaksanaan Kegiatan Komite MRSDM pada Tahun Buku

Selama tahun 2017 Komite MRSDM telah melaksanakan kegiatan sesuai dengan Program Kerja Komite MRSDM yang ditetapkan pada awal tahun. Kegiatan monitoring dan evaluasi atas kinerja perusahaan khususnya dalam pengelolaan manajemen risiko dan SDM, dilakukan melalui pembahasan secara formal dan informal dengan fungsi terkait dengan agenda pembahasan, antara lain:

- Evaluasi kebijakan dan pelaksanaan manajemen risiko dan analisis risiko atas rancangan RKAP;
- Evaluasi Kebijakan akuntansi dan pelaksanaan penyusunan Laporan Keuangan;
- *Review & update* visi & misi Perusahaan sesuai perubahan lingkungan bisnis;
- Evaluasi kebijakan sistem TI dan pelaksanaannya;
- Evaluasi kebijakan pengelolaan SDM dan pelaksanaannya;
- Evaluasi kebijakan & pelaksanaan pengadaan barang dan jasa;
- Evaluasi kebijakan mutu dan pelaksanaan pelayanan Perusahaan;
- Evaluasi kepatuhan Direksi terhadap perundang-undangan;
- Evaluasi pelaksanaan RKAP;
- Evaluasi pelaksanaan pengaduan *stakeholder*;
- Evaluasi kebijakan dan pelaksanaan pengelolaan AP PHE;
- *Monitoring & evaluasi* pelaksanaan GCG Perusahaan.

Description of Activity of MRSDM Committee During the Fiscal Year

During 2017, the MRSDM Committee has conducted activities in accordance with the MRSDM Committee Work Program established at the beginning of the year. Monitoring and evaluation activities on company performance, especially in the management of risk management and HR, were conducted through formal and informal discussions with functions on the following agenda:

- Evaluation on policy and implementation of risk management and risk analysis on RKAP draft;
- Evaluation on accounting policies and implementation of preparation of Financial Statements;
- Review & update for vision & mission of the Company in line with changes in business environment;
- Evaluation on IT system policies and their implementation;
- Evaluation on HR management policies and their implementation;
- Evaluation on policy and implementation of procurement of goods and services;
- Evaluation on quality policy and service delivery of the Company;
- Evaluation on the Board of Directors' compliance with laws;
- Evaluation on RKAP implementation;
- Evaluation on the implementation of stakeholder complaint handling;
- Evaluation on policy and implementation of PHE Subsidiaries management;
- Monitoring & evaluation on Company GCG implementation.

Uraian Tugas dan Fungsi Sekretaris Perusahaan

Description on Corporate Secretary Duties and Functions

Pembentukan Sekretaris Perusahaan pada PT Pertamina Hulu Energi (PHE) mengacu kepada Peraturan Menteri Badan Usaha Milik Negara (BUMN) No.KEP-117/M-MBU/2002 Tentang Penerapan Praktik Good Corporate Governance Pada Badan Usaha Milik Negara. Sekretaris Perusahaan ditunjuk dan diangkat Direksi, serta bertanggung jawab kepada Direksi.

Sekretaris Perusahaan memiliki kedudukan strategis, yakni sebagai penghubung antara Pemegang Saham, Dewan Komisaris, Direksi dan pemangku kepentingan. Sekretaris Perusahaan juga menjadi sumber informasi dan berfungsi untuk meningkatkan hubungan komunikasi internal dan eksternal terkait dengan kegiatan usaha.

Profil Sekretaris Perusahaan

Secara struktur organisasi tata kelola PHE, Sekretaris Perusahaan berkedudukan di bawah Direktur Utama. Sekretaris Perusahaan saat ini dijabat oleh pejabat perusahaan setingkat Vice President (VP), yakni Bapak Aji Prayudi. Dalam melaksanakan tugas dan tanggung jawabnya, Sekretaris Perusahaan dibantu oleh Manager Media dan Relations, Manager Compliance dan Manager CSR.

The establishment of Corporate Secretary or referred to as VP Relations at PT Pertamina Hulu Energi (PHE) is based on the Regulation of the Minister of State Owned Enterprises (SOEs) No.KEP-117/M-MBU/2002 on the Implementation of Good Corporate Governance Practices in State-Owned Enterprises. The Corporate Secretary is assigned and appointed by the Board of Directors, and reports to the Board of Directors.

The Corporate Secretary has a strategic position as a liaison between Shareholders, Board of Commissioners, Board of Directors and stakeholders. The Corporate Secretary is also a source of information and serves to improve the internal and external communications in relation to business activities.

Corporate Secretary Profile

In the organizational structure of PHE governance, the position of Corporate Secretary is under the President Director. The Corporate Secretary is currently held by a company official at the level of Vice President (VP), Mr. Aji Prayudi. In performing his duties and responsibilities, the Corporate Secretary is assisted by Media and Relations Manager, Compliance Manager and CSR Manager.

Profil Sekretaris Perusahaan Profile of Corporate Secretary



Aji Prayudi
Sekertaris Perusahaan/VP Relations
Corporate Secretary/VP Relations

Aji Prayudi merupakan warga negara Indonesia yang lahir di Medan pada tanggal 19 Februari 1965 umur 52 tahun dan saat ini berdomisili di Jakarta. Beliau menjabat sebagai VP Relations berdasarkan SK Direksi Surat Keputusan No. Kpts. P-069/C0000/2017/-S8 tentang Mutasi Jabatan. Beliau menjabat sebagai Sekretaris Perusahaan selama satu periode (tiga tahun) untuk masa jabatan atau sampai dengan RUPS Perusahaan memutuskan lain.

Aji Prayudi is an Indonesian citizen who was born in Medan on February 19, 1965, 52 years old, and is currently domiciled in Jakarta. He served as VP Relations based on the Decree of Board of Directors No. Kpts. P-069/C0000/2017/-S8 on Transfer of Position. He served as Corporate Secretary for one term of office (three years) or until the Company's General Meeting of Shareholders decides otherwise.

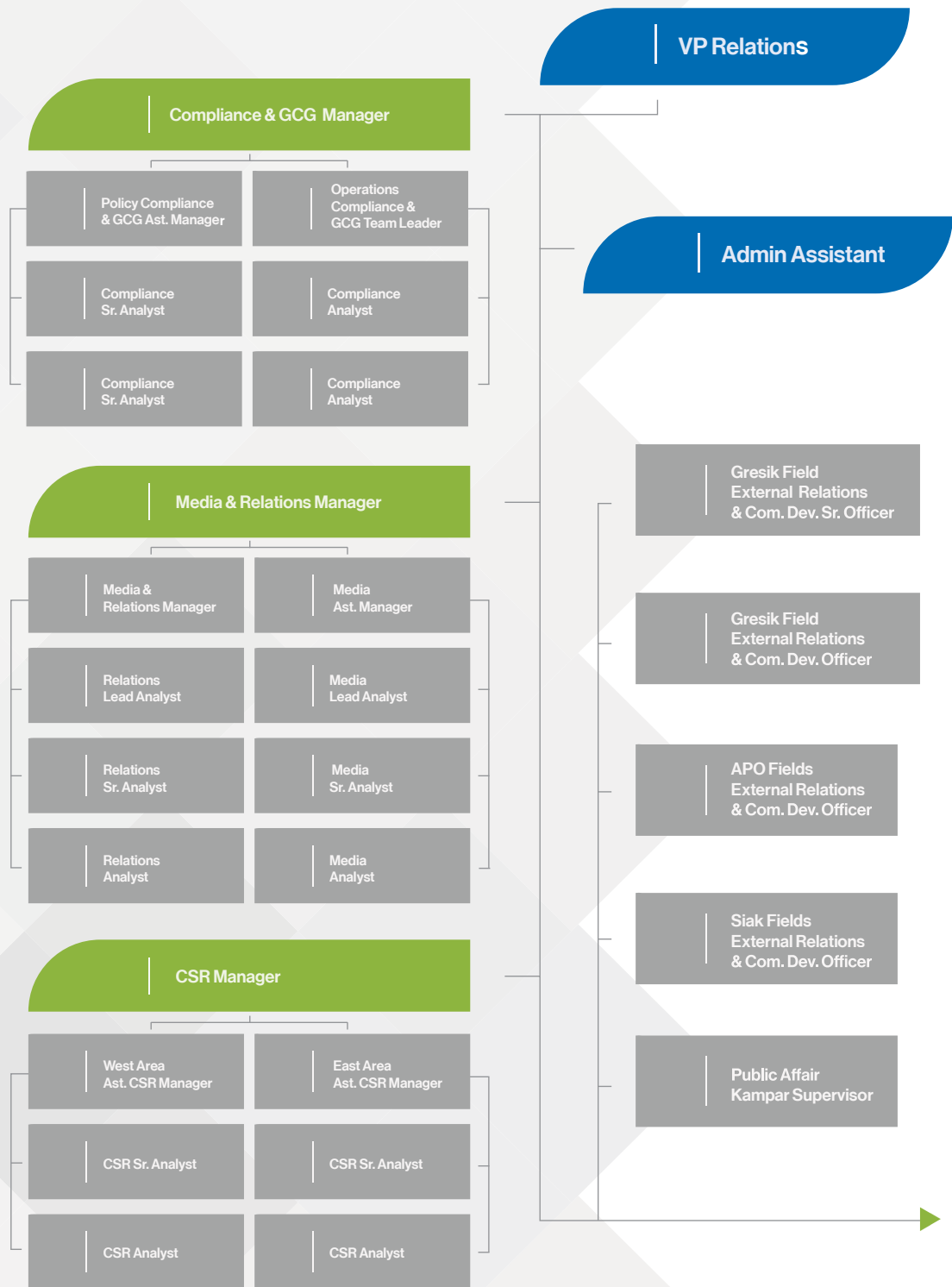
Beliau memperoleh gelar S1 Jurusan Hukum dari Universitas Indonesia tahun 1990 dan meraih gelar Magister Manajemen dari Universitas Gadjah Mada lulus pada tahun 2000. Pada tahun 2005 beliau memperoleh gelar Master Hukum dari Universitas Indonesia.

He graduated from the Faculty of Law, University of Indonesia, in 1990 and earned a Master of Management degree from GadjahMada University in 2000. In 2005, he earned his Master's degree in Law from University of Indonesia.

Beliau memulai karir sebagai Trainee pada tahun 1991 di PT Pertamina (Persero). Beberapa jabatan penting selama berada di PT Pertamina (Persero), di antaranya Manajer Perencanaan dan Pengembangan Hukum (2001), Koordinator Legal Advisor (2004-2006), dan Kepala Hukum Korporat (2006-2008). Beliau juga pernah menjabat sebagai Manajer Hukum PT Pertamina Drilling Service Indonesia (2008-2010) dan Vice President dan Legal Relation PT Pertamina EP (2010-2014). Pada tahun 2014-2017 beliau menjabat sebagai Vice President Legal Counsel Upstream & Gas PT Pertamina (Persero) dan selanjutnya pada tanggal 1 Juni 2017 menjabat sebagai Sekretaris Perusahaan PT Pertamina Hulu Energi.

He started his career as a Trainee in 1991 at PT Pertamina (Persero). Several important positions while in PT Pertamina (Persero), included Planning and Development of Legal Manager (2001), Legal Advisor Coordinator (2004-2006), and Corporate Legal Head (2006-2008). He also served as Legal Manager of PT Pertamina Drilling Service Indonesia (2008-2010) and Vice President and Legal Relation of PT Pertamina EP (2010-2014). In 2014-2017 he served as Vice President Legal Council Upstream & Gas of PT Pertamina (Persero), and on June 1, 2017 served as Corporate Secretary of PT Pertamina Hulu Energi.

Struktur Organisasi Sekretaris Perusahaan Organizational Structure of Corporate Secretary



Uraian Tugas dan Tanggung Jawab Sekretaris Perusahaan

Tugas dan tanggung jawab VP Relations yang menjalankan fungsi Sekretaris Perusahaan mencakup:

- Bertanggung Jawab atas Perancangan Kebijakan dan prosedur sesuai dengan Anggaran Dasar, bisnis Perusahaan dan Tata Kelola Perusahaan yang Baik (GCG);
- Memelihara dan melakukan *update* informasi tentang PHE yang disampaikan kepada pemangku kepentingan, baik media cetak maupun media elektronik;
- Memastikan dokumen-dokumen PHE sudah terdaftar dan semua salinannya terkontrol dan teradministrasi dengan baik;
- Melakukan sosialisasi dan pengawasan pemanfaatan pedoman identitas Perusahaan;
- Membantu Direksi dalam mempersiapkan penyelenggaraan RUPS, di antaranya:
 - › Menyusun agenda RUPS;
 - › Menghubungi dan mengundang Dewan Komisaris;
 - › Menghimpun laporan tentang kegiatan usaha PHE untuk dimasukkan dalam Laporan Tahunan dan laporan lainnya yang akan dibahas dalam RUPS;
 - › Menyiapkan, mengelola dan menyimpan dokumen risalah RUPS;
- Menyelenggarakan proses Korporasi sesuai GCG, antara lain menyiapkan, mengelola, menyimpan dan mendayagunakan dokumen Perusahaan termasuk tetapi tidak terbatas pada daftar pemegang saham, daftar khusus dan risalah rapat Direksi maupun RUPS;
- Memonitor efektivitas pengelolaan CSR di holding dan Anak Perusahaan;
- Menjaga hubungan baik dengan pemangku kepentingan;
- Memonitor, mengevaluasi implementasi GCG, CoC seluruh pekerja;
- Melaksanakan kegiatan Company relations (pencitraan, Media dan CSR) yang tepat;

Description of Duties and Responsibilities of Corporate Secretary

The duties and responsibilities of VP Relations that perform the functions of the Corporate Secretary include:

- Responsible for planning of policies and procedures in accordance with Articles of Association, Company business line and Good Corporate Governance (GCG);
- Maintaining and updating information about PHE to be presented to stakeholders through printed and electronic media;
- Ensuring that PHE documents are registered and the duplicate copies are well controlled and administered;
- Disseminating and supervising the usage of Company's identity guidelines;
- Assisting Board of Directors in preparing the General Meeting of Shareholders (GMS), among others:
 - › Set Up GMS agenda;
 - › Communicate with and invite Board of Commissioners;
 - › Compiling reports on PHE business activities to be included in the annual report and other reports to be discussed during GMS;
 - › Preparing, administrating and keeping GMS minutes of meetings;
- Holding corporate process in accordance with GCG, among others: prepare, administer, keep, make use of Company documents including but not limited to list of shareholders, special list and minutes of Board of Directors meetings as well as GMS;
- Monitoring effectiveness of CSR management in holding Company and Subsidiaries;
- Maintain good relationship with stakeholders;
- Monitor and evaluate implementation of GCG, CoC of all employees;
- Conducting appropriate activities relating to Company relation (image, media, CSR);

- Memonitor pengelolaan informasi penting yang dibutuhkan oleh pemangku kepentingan Perusahaan untuk memastikan Perusahaan memperoleh keuntungan yang optimal;
- Memastikan semua informasi mengenai kegiatan usaha PHE, berjalan efektif, efisien, akurat dan dapat dipertanggungjawabkan sebagai bahwa informasi kepada pemegang saham dan pemangku kepentingan.

- Monitoring management of significant information required by Company stakeholders to ensure an optimum benefit for the Company ;
- Ensuring all information on PHE business activities is running effectively, efficiently, accurately and can be accounted for as information presented to shareholders as well as stakeholders.

Pendidikan dan/atau Pelatihan untuk Sekretaris Perusahaan

Sekretaris Perusahaan diangkat pada tanggal 1 Juni 2017 dan telah mengikuti pelatihan untuk meningkatkan kompetensi:

Education and/or Training for Company's Secretary

The Corporate Secretary was appointed on June 1, 2017 and has attended training to improve competencies:

Tabel Kegiatan Pendidikan dan Pelatihan Sekertaris Perusahaan Tahun 2017

Table of Education and Training Activities of Corporate Secretary

Kegiatan Activity	Waktu Pelaksanaan Date of Implementation
Training set of Introduction to PR, Media Landscape, Live Interaction and Crisis Communication	5 Juni 2017 June 5, 2017
Intervensi Pemegang Saham Pengendali dalam Pelaksanaan GCG, Lembaga Komisaris dan Direktur Indonesia (LKDI) Controlling Shareholder Interventions in the GCG Implementation, Indonesian Institute of Commissioners and Directors (LKDI)	9 Agustus 2017 August 9, 2017

Uraian Pelaksanaan Tugas Sekretaris Perusahaan pada Tahun Buku

Selama tahun 2017, Sekretaris Perusahaan telah melaksanakan tugas, meliputi:

- Menyelesaikan administrasi Compliance sehubungan dengan perubahan organisasi Perusahaan menjadi SSO.
- Meningkatkan kompetensi pekerja pada bagian Media dan Relations, CSR dan Compliance.

Description of Corporate Secretary's Duties in the Fiscal Year

During 2017, the Corporate Secretary has performed the following duties, including:

- Completed the Compliance administration due to the Company's organizational transformation into SSO.
- Increased employees' competencies in Media and Relations, CSR and Compliance divisions.

- Melaksanakan acara-acara perusahaan, seperti *workshop management*, *leader forum* dan *sharing knowledge* untuk semua manajemen Perusahaan.
- Meningkatkan program kepedulian terhadap masyarakat dan lingkungan sekitar Perusahaan dan Anak Perusahaan termasuk dengan mitra-mitra lainnya.
- Melakukan koordinasi dan penyusunan program CSR terhadap seluruh Anak Perusahaan PHE agar lebih terarah.
- Melakukan koordinasi dengan media dan *relation* agar lebih terarah.
- Melakukan koordinasi terhadap kepatuhan gratifikasi dan ILHKPN.
- Mempertahankan dan meningkatkan nilai *assessment* GCG.
- Organized corporate events, such as workshop management, leader forums and knowledge sharing for all of the Company's management.
- Increased awareness programs for the community and the environment surrounding the Company and its Subsidiaries including with other partners.
- Coordinated and developed CSR programs for all PHE Subsidiaries to be more focused.
- Coordinated with media and relations to be more focused.
- Coordinated compliance with provisions on gratification and LHKPN.
- Maintained and increased the score of GCG assessment.

Penyelenggaraan Rapat Tahun 2017

Implementation of Meetings in 2017

No	Jenis Rapat Types of Meeting	Jumlah Penyelenggaraan Frequency of Meetings
1	Rapat Direksi Board of Directors Meeting	22 kali 22 times
2	Rapat Direksi dengan Dewan Komisaris Board of Directors Meetings with the Board of Commissioners	12 kali 12 times
3	Rapat Umum Pemegang Saham Tahunan dan Luar Biasa Annual and Extraordinary General Meetings of Shareholders	1 kali 1 time
4	Rapat Umum Pemegang Saham Sirkuler PHE dan Anak Perusahaan Circular General Meeting of Shareholders of PHE and its Subsidiaries	116 kali 116 times

Uraian Mengenai Unit Audit Internal

Description on Internal Audit Unit

Internal Audit melakukan penilaian dan analisis atas efektivitas kegiatan operasional, keuangan dan aktivitas pengendalian lainnya. Penilaian dan analisis yang dilakukan menggunakan pendekatan yang berbasis risiko (*risk-based approach*) dan ditujukan untuk mendukung Direksi dalam hal efektivitas tanggung jawab atas pengelolaan Perusahaan.

Visi Internal Audit

Mendorong tercapainya Visi Perusahaan dengan memberikan nilai tambah secara signifikan pada Perusahaan melalui pelaksanaan fungsi audit internal yang efisien dan efektif, serta mendorong terciptanya Tata Kelola Perusahaan yang baik.

Misi Internal Audit

- Terciptanya ketaatan terhadap kebijakan, peraturan dan ketentuan yang ditetapkan baik secara eksternal maupun internal demi tercapainya *Good Corporate Governance*;
- Terciptanya penggunaan sumber daya yang efektif dan efisien;
- Terciptanya kebijakan yang tepat dalam rangka mencapai tujuan Perusahaan;
- Melakukan fungsi Internal Audit melalui *assurance* dan pemberian jasa konsultasi internal berkaitan dengan risiko, pengendalian internal dan *Good Corporate Governance*; dan
- Tercapainya risiko minimal dalam setiap bidang operasional dan keuangan melalui *risk-based audit*.

The Internal Audit performs evaluation and analysis on the effectiveness of operational, financial and other control activities. Evaluation and analysis are carried out on risk-based approach to support the Board of Directors, particularly its effectiveness in managing the Company.

Vision of Internal Audit

To encourage achievement of Company Vision by providing significant value added to the Company, through execution of an efficient and effective internal audit function and to encourage establishment of Good Corporate Governance.

Mission of Internal Audit

- Adherence to the policies, regulations and rules set out by internal and external entities to achieve Good Corporate Governance;
- Establish an effective and efficient human resources utilization;
- Establish appropriate policies to achieve Company objectives;
- Perform Internal Audit function through assurance and provide internal consultation services relating to risk, internal control and Good Corporate Governance;
- Achieve minimum risk for every operational and financial activity through risk-based audit.

Profil Chief Internal Auditor

Internal Audit PHE dipimpin oleh seorang Chief Internal Auditor yang pada kurun waktu periode pelaporan dijabat oleh Anton Trienda. Chief Internal Auditor diangkat oleh Direktur Utama atas persetujuan Dewan Komisaris, berdasarkan Surat Keputusan President Director PT PHE No. Kpts.P-042/PHE000/2016-S8 tanggal 26 April 2016. President Director atas persetujuan Dewan Komisaris merupakan pihak yang mengangkat dan memberhentikan ketua unit audit internal atau yang disebut Chief Internal Auditor.

Profile of Chief Internal Auditor

Internal Audit PHE is headed by an Chief Internal Auditor who during the reporting period was held by Anton Trienda. The Chief Internal Auditor was appointed by the President Director upon the approval of the Board of Commissioners, based on Decree of President Director of PT PHE No. Kpts.P-042/PHE000/2016-S8 dated April 26, 2016. The President Director with the approval of the Board of Commissioners is the party who appoints and dismiss the chief of the internal audit unit or refer to as Chief Internal Auditor.

Profil Chief Internal Auditor Profile of Chief Internal Auditor



Anton Trienda
Chief Internal Auditor

Anton Trienda merupakan warga negara Indonesia yang lahir di Bukit Tinggi pada tanggal 21 Januari 1968, umur 50 tahun dan saat ini berdomisili di Tangerang Selatan. Beliau menjabat sebagai Chief Internal Auditor President Director PT PHE No. Kpts.P-042/PHE000/2016-S8 tanggal 26 April 2016.

Anton Trienda is an Indonesian citizen who was born in Bukit Tinggi on January 21, 1968, aged 50 years old, and currently domiciled in Tangerang. He served as Chief Internal Auditor based on Decree of President Director of PT PHE No. Kpts.P-042/PHE000/2016-S8 dated April 26, 2016.

Beliau memperoleh gelar D-III Jurusan Akuntansi dari Sekolah Tinggi Akuntansi Negara (STAN) Jakarta lulus tahun 1990 dan Program S1/D-IV Jurusan Akuntansi dari Sekolah Tinggi Akuntansi Negara (STAN) Jakarta lulus pada tahun 1996. Pada tahun 2011, beliau memperoleh gelar Magister Manajemen dari Universitas Widyatama.

He earned an Associate's Degree (D-III) from Accounting Department of State College of Accountancy (STAN), Jakarta, in 1990 and Bachelor's degree/D-IV Program of Accounting from State College of Accountancy (STAN), Jakarta, in 1996. In 2011, he earned a Master of Management degree from Widyatama University.

Beliau memiliki pengalaman kerja di BPKP sebagai General Audit, Operational Audit, Audit Investigasi, Good Corporate Governance, Policy Evaluation, Perbantuan ke Instansi Pemerintahan dan BUMN/D, Penugasan Operasional Audit Pertamina EP pada tahun 1990-2008. Beliau mulai bekerja di PHE pada tahun 2008 dan menjabat beberapa jabatan penting, seperti Internal Auditor (2008 – 2009), Kepala Satuan Pengawas Internal (2009 – 2013), Internal Audit Manager PHE WMO (*Time Shared*) (2011 – 2016), Internal Audit & Compliance Manager PHE ONWJ (*Time Shared*) (2012 – 2017), Senior Manager Audit Aset Domestic (2013-2016) dan Chief Internal Auditor (2016 - sekarang).

He has work experience in BPKP in General Audit, Operational Audit, Investigation Audit, Good Corporate Governance, Policy Evaluation, Seconded to Government Agencies and SOEs/Regional Owned Enterprises, Operational Audit Assignment of Pertamina EP in 1990-2008. He started working at PHE in 2008 and held several key positions, such as Internal Auditor (2008 - 2009), Head of Internal Supervisory Unit (2009 - 2013), Internal Audit Manager of PHE WMO (Time Shared) (2011 - 2016), Internal Audit & Compliance Manager PHE ONWJ (Time Shared) (2012 - 2017), Senior Manager of Domestic Asset Audit (2013-2016) and Chief Internal Auditor (2013-present).

Kedudukan Unit Audit Internal dalam Struktur Perusahaan

Internal Audit bertanggung jawab kepada Direksi. Tahun 2017, PHE melakukan perubahan struktur organisasi Internal Audit. Perubahan struktur organisasi Fungsi Internal Audit tersebut menyesuaikan strategi Perusahaan ke arah sentralisasi servis organisasi mengacu SK Direksi No. Kpts.104/PHE000/2017-S0 tanggal 30 Januari 2017 yang bertujuan sentralisasi fungsi support agar Fungsi Internal Audit lebih efisiensi dan efektif.

Dalam struktur organisasi yang baru, Chief Internal Auditor dibantu oleh beberapa manager, yakni West Area Audit Manager, East Area Audit Manager, Investigation & Special Audit Manager, dan Financial Audit & Reporting Manager.

Position of Internal Audit Unit in Company Structure

Internal Audit reports to the Board of Directors. In 2017, PHE changed the structure of Internal Audit organization. The changes in organizational structure of Internal Audit function was adapted to the Company's strategy for centralization of the organization's services in accordance with the Decree of the Board of Directors No. Kpts.104/PHE000/2017-S0 dated January 30, 2017 which aimed at centralizing the support function to make the Internal Audit Function more efficient and effective.

In the new organizational structure, the Chief Internal Auditor is assisted by several managers, namely the West Area Audit Manager, the East Area Audit Manager, the Investigation & Special Audit Manager, and the Financial Audit & Reporting Manager.

Struktur Organisasi Internal Auditor Organizational Structure of Internal Auditor



Jumlah Pegawai (Auditor Internal) pada Unit Audit Internal

Number of Employees (Auditor Internal) in Internal Audit Unit

Jabatan Position	Jumlah Total
Chief Internal Auditor	12
Auditor West Area	8
Auditor East Area	5
Auditor Investigation & Special Audit	4
Auditor Financial Audit & Reporting	5
Auditor BOB Siak	1
Auditor JOB Pertamina Talisman Jambi Merang	1

Independensi Internal Audit

Independensi Internal Audit diatur dalam Piagam Audit PT Pertamina Hulu Energi No.024/PHE000/2014 yang ditandatangani oleh Direksi dan Dewan Komisaris Perusahaan pada tanggal 22 September 2014. Independensi menjadikan Internal Audit tidak bisa dipengaruhi pihak manapun dalam pengungkapan pandangan secara profesional.

Internal Audit Independence

The Internal Audit's independence is stipulated in the Audit Charter of PT Pertamina Hulu Energi No.024/PHE000/2014 signed by the Board of Directors and the Board of Commissioners of the Company on September 22, 2014. The independence prevents Internal Audit from being influenced by any parties in expressing its professional views.

Sebagai bentuk dukungan pada independensi Internal Audit, PHE menetapkan kedudukan Internal Audit, sebagai berikut:

- Internal Audit memperoleh informasi dari seluruh pekerja PHE pada saat dibutuhkan untuk keperluan pelaksanaan tugas audit;
- Chief Internal Auditor PHE diangkat dan diberhentikan oleh Direktur Utama dengan persetujuan Dewan Komisaris;
- Chief Internal Auditor PHE dapat berkomunikasi langsung dengan Dewan Komisaris. Objek dan hasil komunikasi tersebut harus dilaporkan kepada Direktur Utama dengan tembusan kepada Komite Audit.

Selain itu Direksi berkewajiban dalam memberikan dukungan kepada Internal Audit dalam bentuk:

- Menyediakan sumber daya yang cukup, sehingga Internal Audit dapat melakukan tugas dan tanggung jawabnya secara optimal;
- Memberikan kebebasan kepada Internal Audit dalam menetapkan metode, cara, teknik dan pendekatan audit yang akan dilakukan;
- Mengharuskan Internal Audit untuk selalu melakukan tugasnya secara profesional, sehingga menghasilkan laporan yang memberikan nilai tambah, lengkap, objektif, serta berdasarkan analisis yang cermat dan tidak memihak;
- Memastikan bahwa pemimpin dan seluruh auditor di Internal Audit tidak mempunyai wewenang, tanggung jawab atau terlibat/melakukan kegiatan operasional PHE atau Perusahaan/organisasi afiliasi, serta mengambil inisiatif dan menyetujui transaksi akuntansi, kecuali transaksi internal di Fungsi Internal Audit PHE.

Kualifikasi dan Sertifikasi Sebagai Profesi Audit Internal

Chief Internal Auditor dan semua Auditor Internal harus memiliki keahlian dan kecermatan profesi serta memenuhi kualifikasi profesi yang telah ditetapkan dalam Piagam Audit. Selain itu, Auditor Internal juga harus memiliki sertifikasi yang mendukung keahlian profesi mereka.

As a form of support to the independence of Internal Audit, PHE established the position of Internal Audit, as follows:

- Internal Audit obtains information from all PHE employees anytime required for the audit purpose;
- Chief Internal Auditor of PHE is appointed and dismissed by President Director with the approval from the Board of Commissioners;
- Chief Internal Auditor of PHE can communicate directly with the Board of Commissioners. The subject and results of the communication has to be reported to the President Director with a copy to the Audit Committee.

In addition, the Board of Directors is obliged to provide support to the Internal Audit function in the form of:

- Provide sufficient resources to support Internal Audit in performing its duties and responsibilities optimally;
- Ensure independence of Internal Audit in the adoption of methods, ways, techniques and approaches for audit;
- Require Internal Audit to always perform its duties professionally so that it produces a report that generates added value, completeness, objectivity and based on prudent and impartial analysis;
- Ensure that leaders and employees in Internal Audit are not vested with authority, responsibility or perform/engage in operational activities at PHE or affiliated companies/organization as well as taking initiatives and approve accounting transaction, except for internal transaction within PHE's Internal Audit function.

Qualification and Certification as Internal Audit Professionals

The Chief Internal Auditor and all Internal Auditors must have expertise and professional discretion as well as meet the professional qualifications set forth in the Audit Charter. In addition, Internal Auditors must also have certifications that support their professional expertise.

Kualifikasi Profesi Internal Auditor

- Memiliki/menguasai keahlian dan ketrampilan yang diperlukan untuk melaksanakan tugas pokok dan fungsinya;
- Memiliki keahlian, keterampilan, dan kompetensi dalam prinsip-prinsip akuntansi, teknik audit serta kemampuan mengenali proses bisnis dan menganalisa penyimpangan yang signifikan serta dapat memberikan solusi yang tepat;
- Memiliki keahlian dan ketrampilan dalam menerapkan teknik dan prosedur audit untuk mengenali, meneliti dan menguji adanya indikasi kecurangan;
- Memiliki keahlian dan ketrampilan tentang risiko dan pengendalian bidang teknologi informasi dan teknik audit berbasis teknologi informasi.

Keahlian dan Kecermatan Profesi

Keahlian dan kecermatan profesi merupakan tanggung jawab Chief Internal Auditor dan semua Auditor Internal. Dalam melaksanakan audit, Auditor Internal secara kolektif harus memiliki keahlian dan kecermatan profesi yang diperlukan.

- Keahlian
 - › Wajib memiliki auditor yang menguasai keahlian dan ketrampilan yang diperlukan untuk melaksanakan tugas pokok dan fungsinya atau dapat menggunakan jasa pihak ketiga yang kompeten, jika Auditor Internal tidak memadai untuk melaksanakan sebagian atau seluruh tanggung jawabnya.
 - › Auditor Internal secara kolektif wajib memiliki keahlian, ketrampilan, dan kompetensi dalam prinsip-prinsip akuntansi, teknik audit, serta kemampuan mengenali proses bisnis dan menganalisa penyimpangan yang signifikan, serta dapat memberikan solusi yang tepat.
 - › Auditor Internal wajib memiliki keahlian dan ketrampilan dalam menerapkan teknik dan prosedur audit untuk mengenali, meneliti dan menguji adanya indikasi kecurangan.
 - › Auditor Internal secara kolektif memiliki keahlian dan ketrampilan tentang risiko dan pengendalian bidang teknologi informasi dan teknik audit berbasis teknologi informasi.

Professional Qualification of Internal Auditor

- Having/mastering the expertise and skills required to perform the main duties and function;
- Having expertise, skills and competence in accounting principles, audit techniques and the ability to recognize business processes and analyze significant discrepancies and can provide appropriate solutions;
- Having expertise and skills in applying audit techniques and procedures to identify, examine and assess any indication of fraud;
- Having expertise and skills on risk and control of information technology and information technology-based audit techniques.

Expertise and Professional Discretion

Expertise and professional discretion are responsibilities of the Chief Internal Auditor (CIA) and all Internal Auditors. In auditing, Internal Auditors shall collectively possess the required expertise and professional discretion.

- Expertise
 - › Required to have auditors with necessary expertise and skills to carry out the principal duties and functions, or may use the services of competent third party, should the internal auditor is considered incompetent to take a part or full responsibilities.
 - › Internal Audit must collectively possess expertise, skills and competencies in accounting principles, audit techniques as well as the capability to identify business process, analyze significant discrepancies and provide proper solution.
 - › Internal Audit must possess competencies and skills to apply audit techniques and procedures to identify, analyze, evaluate and examine indications of fraud.
 - › Internal Auditors collectively possess the competencies and skills on risks and control of information technology as well as information technology-based audit techniques.

- **Kecermatan Profesional**

Auditor Internal wajib melaksanakan audit dengan menggunakan keahlian dan kecermatan profesi dan tingkat kehati-hatian yang tinggi, di antaranya:

- › Kecermatan profesional mewajibkan Auditor Internal untuk mewaspadaai adanya indikasi kesalahan, kecurangan dan pelanggaran hukum serta pengendalian yang memadai.
- › Kecermatan profesional mewajibkan Auditor Internal untuk melakukan pengujian dan verifikasi secara memadai bukan memeriksa transaksi secara rinci. Oleh karena itu, Auditor Internal tidak memberikan jaminan absolut bahwa tidak ada penyimpangan atau ketidakpatuhan.
- › Dalam menerapkan kecermatan, Auditor Internal secara profesional perlu mempertimbangkan:
 - » Ruang lingkup penugasan;
 - » Kompleksitas dan materialitas yang cukup dalam penugasan;
 - » Kecukupan dan efektivitas manajemen risiko, pengendalian, dan proses tata kelola (*governance*);
 - » Biaya dan manfaat penggunaan sumber daya dalam penugasan;
 - » Penggunaan teknik-teknik audit berbantuan komputer; dan
 - » Teknik-teknik analisis lainnya.

- **Professional Discretion**

Internal Auditors must conduct audit by application of expertise and professional discretion as well as highest level of prudence.

- › Professional discretion requires an Internal Auditor to be cautious for indications of error, fraud or violation of laws and adequate control.
- › Professional discretion requires Internal Auditor to perform proper examination and verification and not detailed probing of transaction. Therefore Internal Auditor shall not give an absolute guarantee that there is no discrepancies or noncompliance.
- › In applying the discretion principle, professional Internal Auditor needs to consider the following:
 - » Scope of assignment;
 - » Complexity and adequate materiality in the assignment ;
 - » Adequacy and effectiveness of risk management, control and governance process;
 - » Cost and benefits of resources utilization in the assignment;
 - » Use of computer-assisted audit techniques; and
 - » Other analysis techniques.

Sertifikasi sebagai Profesi Audit Internal

Certification for Internal Auditor

Sertifikasi Certification	Dikeluarkan oleh Awarded by	Jumlah Personel Internal Auditor Number of Internal Auditors
Qualified Internal Auditor (QIA)	Yayasan Pendidikan Internal Audit (YPIA)	12
Akuntan/Chartered Accountant (CA)	Ikatan Akuntan Indonesia (IAI)	8
Certified Public Accountant (CPA)	Ikatan Akuntan Indonesia (IAI)	1
Certified Fraud Examiner (CFE)	Association of Certified Fraud Examiner (ACFE)	2
Enterprise Risk Management Certified Profesional (ERMCP)	Enterprise Risk Management Association (ERMA)	2

Sertifikasi Certification	Dikeluarkan oleh Issued by	Jumlah Personel Internal Auditor Number of Internal Auditor Personnel
Enterprise Risk Management Associate Professional (ERMAP)	Enterprise Risk Management Association (ERMA)	1
Certified Strategy Execution Professional	GML Performance Consulting	2
Brevet A&B	Universitas Indonesia	1
Certified PTK No.007 Year 2011 SKK Migas	SKK Migas	1
Certified Risk Professional	Badan Nasional Sertifikasi Profesi	1

Pendidikan dan/atau Pelatihan untuk Unit Audit Internal

Selama kurun waktu periode pelaporan, PHE menyertakan Auditor Internal pada program pendidikan dan pelatihan untuk meningkatkan keahlian dan kompetensi mereka. Pendidikan dan pelatihan diselenggarakan secara internal maupun eksternal dan melibatkan lembaga profesional.

Education and/or Training for Internal Audit Unit

During the reporting period, PHE included Internal Auditors in education and training programs to improve their skills and competencies. The education and training programs were held internally and externally which involved professional institutions.

Training dan Pelatihan bagi Anggota Audit Internal Tahun 2017

Training and Education for Internal Audit Unit Members in 2017

No	Nama Kegiatan Name of Activities	Penyelenggara Organizer	Personel IA Sebagai Peserta IA Personnel as Participant
1	<i>Training & workshop</i> FQA (Flow Quantity Assurance) Operasi Produksi	FQA Consultant (BIA)	<ul style="list-style-type: none"> • Yopi Iman Taofik • Wahyu Pramono • Teguh Wiyono
2	Seminar: Enterprise Risk Management 2017	Enterprise Risk Management Association (ERMA)	<ul style="list-style-type: none"> • Anton Trienda • Widosari Sudewi
3	<i>Training</i> : Senior Management Development Program 2017	Pertamina Corporate University (PCU)	<ul style="list-style-type: none"> • Ivan Komala • Widosari Sudewi
4	<i>Training</i> : PSAK terkini sesuai Konvergensi IFRS & Gross Split <i>Training</i> : Latest SFAS based on Convergence of IFRS & Gross Split	Ikatan Akuntan Indonesia (IAI)	<ul style="list-style-type: none"> • Anton Trienda • Sarwo Wibowo • Teguh Wiyono • Edward Situmorang • P Ariya Hutama • Widosari Sudewi • Ivan Komala
5	<i>Training</i> : Protecting and Enhancing Organization Values in Disruptive Innovation Era	Ikatan Akuntan Indonesia (IAI)	Sarwo Wibowo

No	Nama Kegiatan Name of Activities	Penyelenggara Organizer	Personel IA Sebagai Peserta IA Personnel as Participant
6	<i>Workshop: Investigative Interview Skill</i>	Association of Certified Fraud Examiner (ACFE)	Didit Kurniadi
7	<i>Workshop: Teknik Investigasi & Pengawasan SOT</i> <i>Workshop: Techniques of Investigation & SOT Supervision</i>	Forum Auditor Migas Indonesia (FAMI)	Didit Kurniadi
8	<i>Workshop: Optimasi Tata Kelola Untuk Efisiensi Proses Kerja Yang Cepat dan Akuntabel</i> <i>Workshop: Optimizing Governance for Efficiency of Fast and Accountable Work Processes</i>	Forum Auditor Migas Indonesia (FAMI)	Didit Kurniadi
9	<i>Training: Senior Management Development Program 2017</i>	Pertamina Corporate University (PCU)	<ul style="list-style-type: none"> • Firman Nurzaman • Anggoro Endro Washkito
10	<i>Workshop: Digital Forensic Investigation</i>	ACFE Indonesia & SKK Migas	Anggoro Endro Washkito
11	<i>Certification: Risk Management ISO 31000</i>	Enterprise Risk Management Association (ERMA)	Endang Supriatna
12	Mobile Forensic	IIA & SKK Migas	P Ariya Utama

Pedoman Kerja Internal Audit

Internal Audit melaksanakan tugas dan tanggung jawabnya berdasar Piagam Audit PT Pertamina Hulu Energi No.024/PHE000/2014, yang ditandatangani oleh Direksi dan Dewan Komisaris Perusahaan pada tanggal 22 September 2014.

Piagam Audit berisi:

- Ruang Lingkup dan Tujuan Pembentukan Piagam;
- Visi Internal Audit;
- Misi Internal Audit;
- Struktur dan Kedudukan Internal Audit;
- Persyaratan Auditor Internal yang duduk dalam Internal Audit;
- Tugas dan Tanggung jawab Internal Audit;
- Wewenang Internal Audit;
- Ruang Lingkup Pekerjaan Internal Audit;
- Pertanggungjawaban (Akuntabilitas) Internal Audit;
- Standar Pelaksanaan Pekerjaan Internal Audit; dan
- Tanggung jawab Mengembangkan Piagam Audit.

Internal Audit Guidelines

The Internal Audit performs its duties and responsibilities under the Audit Charter of PT Pertamina Hulu Energi No.024/PHE000/2014, signed by the Board of Directors and the Board of Commissioners of the Company on September 22, 2014.

The contents of the Audit Charter are as follows:

- Scope and Purpose of Charter Establishment;
- Internal Audit Vision;
- Internal Audit Mission;
- Structure and Position of Internal Audit;
- Auditor Requirement for Assignment in Internal Audit;
- Duties and Responsibilities of Internal Audit;
- Authorities of Internal Audit;
- Scope of Work at Internal Audit;
- Internal Audit Accountability;
- Implementation Standard for Internal Audit Works; and
- Responsibility for Development of Audit Charter.

Pedoman lain yang digunakan Internal Audit dalam menjalankan tugas dan tanggung jawabnya adalah:

- Surat Keputusan Direksi No.Kpts-042/PHE000/2010-S0 tanggal 2 Agustus 2010 tentang Kebijakan Sistem Pengendalian Internal PT Pertamina Hulu Energi.
- Rencana Kerja Internal Audit Tahun 2016 yang disetujui oleh Direktur Utama.

Kode Etik Auditor

- Auditor Internal harus bersikap jujur, objektif, dan tekun dalam melaksanakan tugas dan memenuhi tanggung jawab;
- Auditor Internal harus loyal terhadap unit kerja di mana dia bertugas atau unit kerja di mana dia memberikan jasanya;
- Auditor Internal tidak boleh terlibat dalam tindakan atau kegiatan yang dapat mendiskreditkan unit kerjanya atau profesi audit;
- Auditor Internal harus menghindari diri dari kegiatan-kegiatan yang dapat menimbulkan pertentangan kepentingan organisasi atau akan mempengaruhi sikap obyektifnya;
- Auditor Internal tidak boleh menerima sesuatu yang berharga dari *auditee*, rekanan, *supplier* dan pihak lain yang akan mempengaruhi pertimbangannya;
- Auditor Internal hanya boleh menerima tugas yang menurut pendapatnya akan dapat dilaksanakan sesuai kemampuannya;
- Auditor Internal harus mengupayakan sarana-sarana yang diperlukan untuk memenuhi Standar Internal Audit;
- Auditor Internal harus hati-hati dalam menggunakan informasi yang diperlukan. Dilarang menggunakan informasi rahasia untuk kepentingan orang tertentu atau menggunakan informasi yang bertentangan dengan undang-undang;
- Dalam menyusun Laporan Hasil Audit, Auditor Internal harus mengungkapkan semua fakta-fakta yang bersifat material yang diketahuinya. Bila tidak terungkap semua laporan akan dianggap menyimpang atau dianggap menutup-nutupi praktik yang bertentangan dengan peraturan yang berlaku;

Other guidelines used by Internal Audit in carrying out its duties and responsibilities are:

- Decree of the Board of Directors No.Kpts-042/PHE000/2010-S0 dated August 2, 2010 on the Policy of Internal Control System of PT Pertamina Hulu Energi.
- Internal Audit Work Plan of 2016 approved by President Director.

Auditor Code of Ethics

- Internal Auditor shall be honest, objective and diligent in carrying out duties and fulfilling responsibilities;
- Internal Auditor shall be loyal to the work unit of his/her assignment where he/she provides the services;
- Internal Auditor shall not be involved in any action or activity that may discredit the work unit or auditor profession;
- Internal Auditor shall avoid activities that may lead to conflict of interest of the organization or may influence their objectivity;
- Internal Auditor shall not accept anything valuable from auditee, partners, supplier or any other party that may influence his/her judgment;
- Internal Auditor shall only engage in duties which he/she considers can be carried out based on his/her competency;
- Internal Auditor shall put his/her best efforts utilizing all necessary means to comply with the Internal Audit Standard;
- Internal Auditor shall be prudent in using of required information. It is prohibited to use confidential information for the interest of particular parties or use any information which is against the laws;
- In preparing the Audit Report, Internal Auditor shall disclose all material facts that he/she knows, and if not disclosed, the report is considered distorted or considered as covering up practices that which is against the prevailing regulations;

- Auditor Internal terus menerus mengembangkan keahliannya, keefektifan kerjanya dan mutu kinerjanya;
- Auditor Internal harus selalu memelihara standar yang tinggi dari kemampuannya, moralnya dan dedikasi pada lembaganya.

Para Auditor Internal wajib menjalankan tanggung jawab profesinya dengan bijaksana, penuh martabat, dan kehormatan. Dalam menerapkan kode etik ini Auditor Internal harus memperhatikan peraturan perundang-undangan yang berlaku. Pelanggaran terhadap kode etik yang ditetapkan ini dapat mengakibatkan Auditor Internal dapat dikenakan sanksi sesuai peraturan.

Tugas dan Tanggung Jawab Internal Auditor

Internal Audit mendukung kegiatan operasional PHE dengan berperan menjalankan fungsi-fungsi berikut:

- **Audit Operasional**
Melakukan audit terhadap operasional Perusahaan, Anak Perusahaan, kerjasama operasi Perusahaan, kerjasama operasi Anak Perusahaan, serta kegiatan lainnya yang dianggap perlu.
- **Fungsi Konsultasi**
Fungsi konsultasi Internal Audit dirancang untuk memenuhi misi sebagai katalis bagi unit-unit yang ada di Perusahaan dan/atau kegiatan yang ada di JOB/PI/PPI/BOB, serta *joint venture* lainnya hasil akuisisi maupun pendirian baru. Fungsi ini meliputi pendampingan dalam pelaksanaan proses bisnis fungsi lainnya maupun pendampingan JOB/IP/PPI dan BOB maupun joint venture hasil akuisisi ataupun pendirian baru atas dasar permintaan. Pelaksanaan jasa konsultasi dilakukan dalam batas-batas yang jelas, sehingga tidak mengurangi independensi dan obyektivitas Internal Audit dalam melakukan *assurance* terhadap kegiatan-kegiatan yang menjadi obyek konsultasi.

- Internal Auditor shall continually improve his/her proficiency, effectiveness and quality of performance;
- Internal Auditor shall maintain high standards of competence, morale and dedication to the institution.

Internal Auditors shall fulfill their professional responsibilities wisely, with dignity and honor. In implementing code of ethics, Internal Auditor shall comply with the prevailing laws and regulations. The breach to the established code of ethics may result in a sanction imposed on the internal auditor in accordance with the regulations.

Duties and Responsibilities of Internal Auditor

Internal Audit supports PHE's operational activities by performing the following functions:

- **Operational Audit**
Conduct audit on the Company's operations, Subsidiaries, joint operations of the Company, joint operations of Subsidiaries and other required activities.
- **Consultation Function**
The consultation function of Internal Audit is designed to fulfill the mission as a catalyst for the units in the Company and/or activities in JOB/PI/PPI/BOB and other joint ventures resulting from acquisitions or new establishment. This function includes assistance in the business process of other functions as well as assistance for JOB/IP/PPI, BOB and joint venture resulting from acquisition or new establishment based on request. Implementation of consultation services is conducted within clear boundaries so as not to reduce the independence and objectivity of the Internal Audit in conducting assurance on activities that become the object of consultation.

- *Assessment ICoFR (Internal Control over Financial Reporting)*

Sebagai *counterpart* pengembangan ICoFR, Internal Audit telah mendorong para *control owner* untuk melakukan sertifikasi yang menyatakan bahwa pelaksanaan pengendalian internal berada di bawah tanggung jawabnya dan sebagai *third line of defense* melakukan pengujian atas hasil *testing control group*.

- *Assessment Manajemen Risiko*

Internal Audit sebagai *third line of defense* dalam penerapan risk management di lingkungan Perusahaan dituntut untuk aktif menjalankan perannya. Selain sebagai tanggung jawab profesi, peran sebagai *third line of defense* ini juga dipantau pelaksanaannya melalui risk management berbasis teknologi informasi. Internal Audit diminta untuk tidak saja menjalankan peran sebagai assessor atas pelaksanaan mitigasi, tetapi juga terlibat sejak awal saat penilaian kelayakan pemilihan mitigasi oleh *risk owner* dan Fungsi Risk Management. Internal Audit juga menjalankan fungsi assurance melalui assessment atas pelaksanaan mitigasi risiko ataupun penerapan internal control yang mencakup proyek-proyek di lingkungan PHE dan seluruh Anak Perusahaan.

- *Fungsi Counterpart*

Internal Audit berperan sebagai *counterpart* bagi auditor PT Pertamina (Persero) dan auditor eksternal pada Perusahaan maupun pada Anak Perusahaan seperti PHE WMO, PHE ONWJ, PHE Nunukan Company dan JOB. Auditor eksternal tersebut meliputi auditor pemerintah/negara dari SKK Migas, DJP, BPKP dan BPK serta auditor partner yang ditunjuk melakukan audit.

Tugas dan Tanggung Jawab Internal Audit

- Menyusun dan melaksanakan rencana Internal Audit tahunan;
- Membantu Direksi dalam memonitor dan meningkatkan pengendalian manajemen mendorong efektivitas organ-organ GCG serta efektivitas proses pengendalian manajemen, manajemen risiko, implementasi etika bisnis dan pengukuran kinerja organisasi;

- ICoFR (Internal Control over Financial Reporting) Assessment

As an ICoFR development counterpart, the Internal Audit has encouraged the control owners to certify that the implementation of internal control is under their responsibility and as the third line of defense, evaluate the results of the control group testing.

- Risk Management Assessment

Internal Audit as a third line of defense in the risk management implementation within the Company's environment is required to actively carry out its role. In addition to the responsibility of the profession, the implementation of the role as a third line of defense is also monitored through information technology based risk management. Internal Audit is required not only to perform the role of assessor on mitigation implementation but also to be involved from the beginning of the assessment of feasibility of mitigation selected by risk owner and Risk Management Function. The Internal Audit also performs assurance function through an assessment of risk mitigation implementation or internal control implementation that includes projects within PHE and all PHE Subsidiaries.

- Counterpart Function

Internal Audit acts as a counterpart for auditors of PT Pertamina (Persero) and external auditors of the Company and Subsidiaries such as PHE WMO, PHE ONWJ, PHE Nunukan Company and JOB. The external auditors include government/state auditors from SKK Migas, DGT, BPKP and Supreme Audit Agency (BPK) as well as partner auditors appointed to conduct the audit.

Duties and Responsibilities of Internal Audit

- Prepare and implement Internal Audit Annual Plan;
- Assist the Board of Directors to monitor and improve management control in enhancing effectiveness of GCG organs as well as effectiveness of management control process, risk management and implementation of business ethics as well as measurement of the organization's performance;

- Memberikan penilaian dan rekomendasi agar kegiatan Perusahaan mengarah pada pencapaian tujuan dan sasarnya secara ekonomis, efisien dan efektif;
 - Mengarahkan perhatian manajemen terhadap perubahan lingkungan, risiko bisnis yang muncul dan hal-hal lain yang mempengaruhi hasil dan kinerja Perusahaan;
 - Menciptakan nilai tambah dengan mengidentifikasi peluang-peluang untuk meningkatkan kehematan, efisiensi dan efektivitas pelaksanaan kegiatan Perusahaan;
 - Mendukung manajemen operasional dalam pengembangan sistem pengendalian manajemen dalam rangka mencapai tujuan dan sasaran Perusahaan;
 - Membuat laporan hasil audit dan menyampaikan laporan tersebut kepada Direktur Utama dan Dewan Komisaris;
 - Memantau, menganalisis dan melaporkan pelaksanaan tindak lanjut perbaikan yang telah dilakukan; dan
 - Melakukan pemeriksaan khusus apabila diperlukan.
- Evaluate and provide recommendation so that the Company's activities head towards the achievement of goals and objective economically, efficiently and effectively;
 - Direct the management's attention to the changes in environment, arising business risks and other issues affecting the Company's result and performance;
 - Create added values by identifying opportunities to increase saving, efficiency and effectiveness in the Company's operations;
 - Support operational management in the development of management control system for the achievement of the Company's target and objective;
 - Prepare audit report and submit the report to the President Director and Board of Commissioners;
 - Monitor, analyze and report on implementation of the improvements that have been made; and
 - Conduct special inspections if necessary.

Wewenang Internal Audit

- Memperoleh informasi dari seluruh pekerja PHE pada saat dibutuhkan untuk keperluan pelaksanaan tugas audit;
- Melakukan audit terhadap operasional Perusahaan, Anak Perusahaan, kerjasama operasi Perusahaan, pihak-pihak yang terkait dengan PHE serta kegiatan lainnya yang dianggap perlu;
- Mengalokasikan sumber daya auditor (yang mempunyai kecukupan kompetensi, pengetahuan dan integritas), menentukan fokus, ruang lingkup dan jadwal audit serta menerapkan teknik yang dipandang perlu untuk mencapai tujuan audit;
- Menyampaikan laporan dan melakukan konsultasi dengan Direksi, Dewan Komisaris, dan atau Komite Audit;
- Melakukan review/tinjauan ulang atas perencanaan dan proposal kegiatan untuk memberikan rekomendasi kepada manajemen;
- Melakukan koordinasi kegiatannya dengan kegiatan auditor eksternal.

Internal Audit Authority

- To obtain information from all PHE employees, if necessary, for the purpose of auditing duties;
- Perform audit on operational activities of the Company, Subsidiaries, joint operations of the Company and related parties of PHE as well as other activities, if deemed necessary;
- Allocate auditor resources (with sufficient competency, knowledge & integrity), determine audit focus, scope, schedule & techniques deemed necessary to meet audit objective;
- Present report and consult with Board of Directors, Board of Commissioners and/or Audit Committee;
- Review the planning and proposal of activities to provide recommendations to the management;
- Coordinate Internal Audit activities with activities of external auditor.

Internal Audit tidak mempunyai kewenangan pelaksanaan dan tanggung jawab atas aktivitas yang di-review/diaudit, melainkan Internal Audit bertanggung jawab terhadap penilaian dan analisis atas aktivitas tersebut. Hal ini untuk menjaga objektivitas penilaian Internal Audit.

Internal Audit has no authority on the implementation and responsibilities for activities being reviewed/audited, yet it is responsible for the assessment and analysis of such activities. This is to maintain the objectivity of the Internal Audit assessment.

Pelaksanaan Tugas Internal Auditor Tahun 2017

Internal Audit telah menyusun Rencana Kerja Strategis untuk kurun waktu 2018-2022. Rencana tersebut meliputi beberapa kegiatan. Selama tahun 2017, Internal Audit juga menerapkan inisiatif baru untuk mendukung pelaksanaan tugas dan tanggung jawabnya.

Implementation of Internal Auditor Duties 2017

Internal Audit has prepared a Strategic Work Plan for the period 2018-2022. The plan includes several activities. During 2017, Internal Audit also implemented a new initiative to support the implementation of its duties and responsibilities.

Rencana Strategis Internal Audit

Internal Audit Strategic Plan

<p>Risk Based Internal Auditing</p>	<p>Kegiatan IA yang mencakup aktifitas assurance dan consulting yang independen dan obyektif akan dilaksanakan dengan metodologi audit berbasis risiko (risk based audit) agar kegiatan tersebut dapat dilaksanakan secara efektif dan efisien serta fokus terhadap kegiatan-kegiatan ataupun aktifitas-aktifitas Perusahaan yang memiliki risiko tinggi sehingga diharapkan dapat memberi nilai tambah bagi Perusahaan.</p> <p>Activity of IA covering independent and objective assurance and consulting activities will be implemented with risk-based audit methodology so that the activities can be implemented effectively and efficiently, as well as focus on the Company's activities that have high risk with expectation they can add value to the Company.</p>
<p>Integrasi IA dengan Governance, Risk Management and Control (GRC) Integration IA with Governance, Risk Management and Control (GRC)</p>	<p>Salah satu bentuk penerapan dari IIA Performance Standard tersebut adalah melakukan sinergi dan integrasi Internal Audit dengan GRC. Proses sinergi dan integrasi tersebut dapat ditandai dengan melakukan sinergi dan integrasi antara IA dengan fungsi-fungsi risiko dan control di Perusahaan. Pengembangan risk management juga dilakukan dengan melakukan real-time risk assessments serta fraud risk management. Pengembangan audit dilakukan dengan inovasi serta penggunaan data analytics pada saat pelaksanaan audit.</p> <p>One form of IIA Performance Standard implementation is to synergize and integrate Internal Audit with GRC. The synergy and integration process can be marked by synergy and integration between IA with risk and control functions in the Company. Risk management development is also done by conducting real-time risk assessments and fraud risk management. Development of audit is done with innovation and use of data analytics at the time of audit.</p>
<p>Consulting: Problem Solver, Insight Generator, Trusted Advisor</p>	<p>Kegiatan ini merupakan suatu kegiatan yang dirancang untuk memenuhi misi IA sebagai konsultan bagi unit-unit yang ada di PHE dan/atau kegiatan yang ada di AP PHE operatorship. Peran IA sebagai konsultan diharapkan dapat memberikan manfaat kepada manajemen dalam mengelola sumber daya Perusahaan. Quality Assurance and Improvement Program Quality Assurance and Improvement Program (QAIP) dirancang untuk memungkinkan dilakukannya evaluasi kesesuaian IA terhadap definisi audit internal, dan standar, dan evaluasi apakah auditor internal telah menerapkan kode etik. Program tersebut juga mencakup penilaian efisiensi dan efektifitas IA serta mengidentifikasi peluang peningkatannya.</p> <p>This activity is designed to fulfill IA mission as a consultant for existing units in PHE and/or activities in AP subsidiaries' operatorship. IA's role as a consultant is expected to benefit the management in managing the Company's resources. The Quality Assurance and Improvement Program (QAIP) is designed to allow evaluation to be conducted on IA conformity with internal audit definition and standards, as well as to evaluate whether internal auditors have adopted code of ethics. The program also includes an assessment of IA's efficiency and effectiveness and identifies opportunities for improvement.</p>

Rencana Strategis Internal Audit

Internal Audit Strategic Plan

Anti Fraud Policy	<p>Kebijakan Anti Fraud ditetapkan sebagai sarana pengembangan internal control yang membantu mendeteksi dan mencegah terjadinya kecurangan yang meliputi antara lain adanya penilaian atas risiko fraud (kecurangan) di semua lini/unit kerja, adanya inisiatif pencegahan dan prosedur pendeteksian fraud, adanya pemberian akses dan dukungan penuh dalam proses penyelidikan adanya fraud, adanya tindakan perbaikan untuk mengurangi risiko fraud, diberlakukannya penerapan sanksi yang konsisten serta adanya mekanisme penanganan dan penyelesaian atas adanya pelaporan kasus kecurangan.</p> <p>The Anti-Fraud policy is established as an internal control tool that helps detect and prevent fraud, including the assessment of fraud risks in all lines/work units, the preventive initiatives and fraud detection procedures, the provision of access and full support in investigation process of fraud, corrective action to reduce fraud risk, imposing sanction consistently as well as mechanism of handling and settlement of fraud case reporting.</p>
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Rencana Strategis Internal Audit

Internal Audit Strategic Plan

		2018	2019	2020	2021	2022
1	Audit berbasis risiko atas kegiatan PHE dan AP PHE Risk-based audit of PHE and PHE Subsidiaries activities					
2	Integrasi IA dengan Governance, Risk dan Compliance IA Integration with Governance, Risk and Compliance					
3	Consulting: Problem solver, Insight Generator, Trusted Advisor					
4	Quality Assurance and Improvement Program					
5	Anti Fraud Policy					

: Tata waktu pelaksanaan
: Implementation timeframe

Inisiatif Baru

Monitoring tindak lanjut hasil pelaksanaan audit dengan inisiatif membangun aplikasi sistem Web Base Audit Result Management System (ARMS) yang berguna mempermudah komunikasi penyelesaian tindak lanjut hasil audit dengan Auditee.

New Initiative

Monitoring the follow-up of audit results with the initiative to develop a web-based Audit Result Management System (ARMS) application to facilitate communication of completion of audit result follow-up with Auditee.

Uraian Pelaksanaan Kegiatan Unit Audit Internal pada Tahun Buku

Kegiatan audit merupakan komitmen kepada Direksi dalam rangka pengawasan dan pengamanan terhadap aset Perusahaan, terutama yang berkaitan dengan pengendalian atas; internal, control, pengelolaan risk dan investasi di Anak-anak Perusahaan yang berbentuk Joint Operating Body (JOB), Participating Interest (PI), Pertamina Participating Interest (PPI), Badan Operasi Bersama (BOB), investasi dalam akuisisi baru di dalam negeri dan beberapa investasi di luar negeri.

Sesuai dengan pembentukan organisasi fungsi Internal Audit bagian dari Shared Service Organization (SSO) PHE Holding di tahun 2017, telah menjalankan berbagai kegiatan pengawasan antara lain memberikan assurance atas di fungsi Asset perusahaan, HSSE, Fungsi Risk Manajemen dan Portofolio Perusahaan, dan audit-audit atas joint venture perusahaan di area West dan East PHE dan consulting sesuai permintaan manajemen Perusahaan.

Selama tahun 2017 Internal Audit telah melaksanakan sebanyak 41 (empat puluh satu) penugasan audit dan 73 (tujuh puluh tiga) *consulting* sesuai tabel dibawah ini:

Description of the Internal Audit Unit Activity for the Fiscal Year

Audit activity is a commitment to the Board of Directors in supervision and security of the Company's assets, especially those related to control over; internal control, risk management and investments in Subsidiaries in the form of Joint Operating Body (JOB), Participating Interest (PI), Pertamina Participating Interest (PPI), Joint Operations Agency (BOB), investment in new acquisitions in the country and investments abroad.

In accordance with the establishment of the Internal Audit function organization as part of the Shared Service Organization (SSO) of PHE Holding in 2017, various supervisory activities have been conducted including assurance on the Company's Asset, HSSE, Risk Management functions and Corporate Portfolio, as well as audits on joint venture companies in the West and East areas of PHE and consulting upon request of the Company's management.

During 2017 Internal Audit has conducted 41 (forty one) audit assignment and 73 (seventy three) consulting as described in the table below:

No.	Audit Fungsi Audit Function	Penugasan Audit Audit Assignment		Konsultasi Consulting
		Reporting	Audit in Progress	
1	West Area	11	5	35
2	East Area	10	1	33
3	Finance & Report	4	2	5
4	Special & Investigation	5	3	-
Total		30	11	73

Disamping itu Internal audit juga menjalankan kegiatan-kegiatan lain, yaitu:

- **Counterpart**

yaitu mendampingi Tim Auditor Laporan Keuangan – EY, Tim Auditor SKK Migas, Tim BPKP, Tim Auditor Eksternal dari Inspektorat Jendral Kementerian ESDM, Tim Audit BPK RI dan Tim PBO SKK Migas.

- **Assessment ICoFR dan Assessment Risk Management**

Peran Internal Audit sebagai third line of control defense untuk melakukan pengujian penerapan ICoFR secara sampling atas *Control Activity (CA)* yang sudah disertifikasi oleh *Control Owner (CO)* dan memberikan independent opinion terhadap internal control Perusahaan. Fungsi Internal Audit telah melakukan internal *control assessment* untuk tahun buku 2016 yang didalamnya tercakup assessment ICoFR. Hasil internal *control assessment* tersebut tertuang laporan No.LAP-179/PHE030/2017-S0 tanggal 09 Februari 2017. Untuk tahun buku 2017, Internal Audit melakukan internal *control assessment* yang sudah dimulai sejak 16 Oktober 2017 dan direncanakan selesai pada Februari 2018. Internal *control assessment* tersebut mencakup pengujian ICoFR. Internal Audit PHE juga ikut hadir dalam sosialisasi penyusunan *risk register* dan *workshop* penyusunan *risk register* serta *monitoring* mitigasi risiko. Internal *control assessment* yang dilakukan oleh Fungsi Internal Audit untuk tahun buku 2016 mencakup *risk management assessment*. Hasil internal *control assessment* tersebut tertuang dalam laporan No.LAP-179/PHE030/2017-S0 tanggal 09 Februari 2017. Sedangkan untuk *risk management assessment* tahun buku 2017 masuk dalam cakupan penugasan internal *control assessment* untuk tahun buku 2017 yang sudah dimulai sejak 16 Oktober 2017 dan direncanakan selesai pada Februari 2018.

- **Penugasan Khusus**

Dalam rangka pengukuran kualitas penerapan Good Corporate Governance (GCG) perusahaan melalui penilaian tingkat pemenuhan kriteria GCG dengan kondisi nyata yang diterapkan di PHE dengan pemberian skor/nilai atas penerapan GCG dan kategori kualitas penerapannya.

In addition, Internal audit also conducted other activities, as follows:

- **Counterpart**

i.e. accompanying Team Auditor of Financial Statements - EY, SKK Migas Auditor Team, BPKP Team, External Auditor Team from Inspectorate General of Ministry of Energy and Mineral Resources, Audit Team of BPK RI and PBO Team of SKK Migas.

- **Assessment ICoFR dan Assessment Risk Management**

The role of Internal Audit as a third line of control defense to conduct ICoFR implementation by sampling on Control Activity (CA) which has been certified by Control Owner (CO) and provides independent opinion on internal control of the Company. The Internal Audit function has conducted an internal control assessment for the fiscal year 2016, which included the ICoFR assessment. The internal control assessment results were stated in the report No.LAP-179/PHE030/ 2017-S0 dated February 9, 2017. For the fiscal year 2017, Internal Audit conducted an internal control assessment which started on October 16, 2017 and was planned for completion in February 2018. The internal control assessment included ICoFR testing. PHE Internal Audit was also present in the dissemination of risk registers as well as workshops of risk register preparation and risk mitigation monitoring. Internal control assessment conducted by the Internal Audit Function for the fiscal year 2016 covered risk management assessment. The internal control assessment results were stated in the report No.LAP-179/PHE030/2017-S0 dated February 9, 2017. As for the risk management assessment of the fiscal year 2017 was included in the scope of the internal control assessment assignment for the fiscal year 2017 which began on October 16, 2017 and was planned for completion in February 2018.

- **Special Assignment**

In measuring the quality of the Company's Good Corporate Governance (GCG) implementation through the evaluation of GCG criteria fulfillment level with actual condition applied at PHE with score/value on GCG implementation and its application quality category.

Internal Audit saat ini sedang melakukan GCG Assessment untuk tahun buku 2017 yang sudah dimulai sejak 1 November 2017 dan direncanakan selesai pada bulan Februari 2018.

• **Monitoring Tindak Lanjut atas temuan eksternal dan internal audit**

Rekapitulasi tindak lanjut temuan audit internal:

Internal Audit has been conducting GCG Assessment for the fiscal year 2017 starting since November 1, 2017 and was planned for completion in February 2018.

• **Monitoring of Follow-Up on external and internal audit findings**

Recapitulation of follow-up on internal audit findings:

Tindak Lanjut Follow Up				
		Setuju Tindak Lanjut Agree for Follow Up	Telah Ditindaklanjuti Have been Followed Up	Presentase % Percentage %
1	Internal PHE (Holding)	25	19	76%
2	AP Operatorship Subsidiary Operatorship	45	34	76%
3	JOB & BOB	133	114	86%
4	JV Audit (Non Operator)	78	78	100%
	Total	281	245	87%

Selain monitoring tindak lanjut temuan audit internal di PHE Holding, terdapat juga temuan-temuan hasil audit dari auditor eksternal seperti BPKP, BPK, dan SKK Migas. Fungsi Internal Audit bertugas untuk mengkoordinasikan pelaksanaan tindak lanjut tersebut dengan user-user terkait di lingkungan AP PHE operatorship dan berkoordinasi dengan auditor eksternal secara *periodic*.

In addition to the monitoring on follow-up of internal audit findings at PHE Holding, there were also audit findings from external auditors such as BPKP, BPK, and SKK Migas. The Internal Audit function was to coordinate the implementation of the follow-up with the relevant users within the PHE subsidiaries' operatorship environment and coordinated with the external auditor periodically.

Keanggotaan Asosiasi Profesi Anggota Internal Audit

- Institute of Internal Auditors (IIA)
- Association of Certified Fraud Examiners (ACFE) – Indonesia Chapter
- Forum Komunikasi Satuan Pengawas Internal ESDM - FKSPI ESDM
- Forum Auditor Migas Indonesia

Internal Auditor Membership in Professional Association

- Institute of Internal Auditors (IIA)
- Association of Certified Fraud Examiners (ACFE) – Indonesia Chapter
- Internal Auditor Communication Forum of Energy and Mineral Resources (FKSPI ESDM)
- Indonesian Oil & Gas Auditor Forum (FAMI)

Akuntan Publik Public Accountant

PHE menunjuk Kantor Akuntan Publik (KAP) Purwanto, Sungkoro & Surja (Ernst & Young) sebagai pihak independen yang mengaudit Laporan Keuangan Perusahaan Tahun Buku 2017. Penunjukan tersebut merupakan bagian dari pelaksanaan Keputusan RUPS Tahunan 2017 tertanggal 1 Maret tahun 2017 di Jakarta.

Penunjukan dilaksanakan untuk memenuhi ketentuan Keputusan Menteri Keuangan No.423/KMK.06/2002 Tahun 2002 tentang Jasa Akuntan Publik dan Peraturan Pemerintah No.20 Tahun 2015 tentang Praktik Akuntan Publik, dengan penyesuaian pada PHE sebagai bukan perusahaan terbuka.

PHE appointed Purwanto, Sungkoro & Surja (Ernst & Young) Public Accounting Firm (PAF) as an independent party auditing Corporate Financial Statements for Fiscal Year 2017. The appointment was part of the implementation of the 2017 Annual GMS Resolutions dated March 1, 2017 in Jakarta.

The appointment was conducted to comply with the Decree of Minister of Finance No.423/KMK.06/2002 on Public Accountant Service and Government Regulation No.20 of 2015 on Public Accountant Practices, with adjustment to PHE as non-listed company.

Tabel KAP yang melakukan Audit Laporan Keuangan PHE

Table of PAF conducting Audit on PHE Financial Statements

Tahun Buku Other Services	Kantor Akuntan Publik Public Accounting Firm	Akuntan Publik Public Accountant	Biaya (fee) Audit Audit Fees	Jasa lain yang diberikan Other Services	Biaya jasa lain Other Service Fee
2017	Purwanto, Sungkoro & Surja (Ernst & Young)	Widya Arijanti	Rp3,46 miliar Rp3.46 billion	Tidak ada N/A	Rp0
2016	Purwanto, Sungkoro & Surja (Ernst & Young)	Widya Arijanti	Rp3,22 miliar Rp3.22 billion	Tidak ada N/A	Rp0
2015	Purwanto, Sungkoro & Surja (Ernst & Young)	Widya Arijanti	Rp2,67 miliar Rp2.67 billion	Tidak ada N/A	Rp0
2014	Tanudiredja, Wibisana & Rekan (Pricewaterhouse Coopers)	Yusron, SE. CPA	Rp3,77 miliar Rp3.77 billion	Tidak ada N/A	Rp0
2013	Tanudiredja, Wibisana & Rekan (Pricewaterhouse Coopers)	Yusron, SE. CPA	Rp3,10 miliar Rp3.10 billion	Tidak ada N/A	Rp0

Uraian mengenai Manajemen Risiko Perusahaan

Description on Company Risk Management

Sesuai dengan karakteristik bisnis yang meliputi sektor hulu minyak mentah dan gas bumi (migas), PT Pertamina Hulu Energi (PHE) dituntut mampu mengelola risiko-risiko secara efektif dan efisien. Melalui pengelolaan dan pengendalian atas risiko-risiko penting, Perusahaan memastikan kesinambungan pertumbuhan dari bisnis yang dijalankan.

Perusahaan menyadari berbagai risiko internal dan eksternal yang berasal dari ketidakpastian lingkungan dan berpotensi menimbulkan dampak negatif pada kinerja Perusahaan. Terkait hal tersebut, Perusahaan menerapkan manajemen risiko dalam bentuk prosedur, sistem, dan metodologi untuk mengidentifikasi, mengukur, memitigasi, memantau, dan mengendalikan risiko Perusahaan.

Penjelasan mengenai Sistem Manajemen Risiko yang Diterapkan Perusahaan

Perusahaan melakukan pendekatan manajemen risiko yang terintegrasi atas kegiatan usaha Perusahaan melalui kebijakan dan strategi, serta sistem yang komprehensif untuk memelihara manajemen risiko yang dapat dipertanggungjawabkan.

Hal ini merupakan tindak lanjut dari Keputusan Menteri BUMN No. 117/M-MBU/2002 tanggal 31 Juli 2002 yang kemudian diperbarui dengan Peraturan Menteri Negara Badan Usaha Milik Negara Nomor: PER-01/MBU/2011 tanggal 01 Agustus 2011 tentang Penerapan Tata Kelola Perusahaan yang Baik (*Good Corporate Governance*) pada Badan Usaha Milik Negara.

Dalam menerapkan manajemen risiko Perusahaan memperhatikan prinsip kehati-hatian (*precautionary approach*) dan memiliki kebijakan untuk:

In accordance with the business characteristics of the upstream sector of crude oil and natural gas, PT Pertamina Hulu Energi (PHE) is required to manage the risks effectively and efficiently. Through the management and control of these key risks, the Company ensures the continued growth of its business.

The Company is aware of various internal and external risks arising from environmental uncertainty and potentially causing negative impact on the Company's performance. In this regard, the Company applies risk management in the form of procedures, systems and methodologies to identify, measure, mitigate, monitor and control the Company's risks.

Description of Risk Management System Implemented in the Company

The Company has conducted an integrated risk management approach to the Company's business activities through policies, strategies, and a comprehensive system to maintain responsible risk management.

This was a follow up of the Decree of the Minister of SOEs No. 117/M-MBU/2002 dated July 31, 2002 which was amended by Regulation of the Minister of SOEs No. PER-01/MBU/2011 dated August 1, 2011 on the Good Corporate Governance Implementation of in State-owned Enterprises.

In implementing risk management, the Company takes precautionary approach and has policies to:

- Memperhatikan keselarasan antara strategi, proses, SDM, keuangan, teknologi, lingkungan, dan pengetahuan/pemahaman dengan tujuan Perusahaan;
- Meningkatkan komitmen, tanggung jawab, kesadaran, dan partisipasi dari Dewan Komisaris, Direksi, seluruh pekerja dan *stakeholders*;
- Menetapkan kebijakan yang dapat mendukung keberhasilan penerapan manajemen risiko, termasuk sistem dan prosedur standar yang disepakati antara Dewan Komisaris dan Direksi;
- Menyiapkan SDM yang diperlukan, termasuk risk assessor yang kompeten;
- Mengembangkan metodologi yang dapat mengukur risiko secara tepat (terukur dan terprediksi);
- Menerapkan sistem monitoring (pemantauan) dan evaluasi yang berkesinambungan serta menindaklanjuti feedback dari stakeholders.

Pengelolaan risiko dilakukan PHE secara terkoordinasi dan terintegrasi. Kebijakan Manajemen Risiko yang disusun dan diterapkan didasari pada Pedoman Manajemen Risiko PT Pertamina Hulu Energi Nomor 001/PHE300/2009, serta ISO31000 yang terdiri dari prinsip-prinsip, kerangka kerja dan proses manajemen risiko. Dengan demikian proses identifikasi dan mitigasi risiko berjalan sesuai standar.

Tujuan dari penerapan sistem manajemen risiko:

- Menciptakan nilai tambah bagi Perusahaan;
- Mengelola risiko secara efektif dan efisien;
- Mengelola ketidakpastian dalam pengambilan keputusan;
- Memfasilitasi perbaikan dan perkembangan Perusahaan secara berkelanjutan.

Perusahaan berkomitmen mendorong partisipasi aktif dari seluruh jajaran Perusahaan, termasuk Dewan Komisaris dan Direksi sesuai fungsinya masing-masing dalam rangka mencapai tujuan bisnis. Perusahaan juga memiliki komitmen dalam mengungkapkan risiko-risiko yang secara signifikan dapat mempengaruhi nilai perusahaan secara transparan kepada pihak-pihak yang berkepentingan.

- Take into account the alignment of strategy, process, human resources, finance, technology, environment, and knowledge/understanding with the Company's goals;
- Improve commitment, responsibility, awareness, and participation of the Board of Commissioners, Board of Directors, all employees and stakeholders;
- Establish policies that can support the successful implementation of risk management, including systems and standard procedures agreed by the Board of Commissioners and the Board of Directors;
- Prepare the required HR, including competent risk assessors;
- Develop methodologies that are can measure risk appropriately (measurable and predictable);
- Implement continuous monitoring and evaluation system as well as follow up on feedback from stakeholders.

Risk management is carried out by PHE in a coordinated and integrated manner. The Risk Management Policy was prepared and implemented based on Risk Management Guidelines of PT Pertamina Hulu Energi No. 001/PHE300/2009, and ISO31000 comprising principles, framework and risk management process. Thus the process of risk identification and mitigation are carried out according to the standard.

The following are objectives of risk management system implementation:

- Creating added value for the Company;
- Managing risks effectively and efficiently;
- Managing uncertainty in decision making; and
- Facilitate continuous improvement and development of the Company.

The Company is committed to encouraging the active participation of all personnel of the Company, including the Board of Commissioners and the Board of Directors in accordance with their respective functions in order to achieve business objectives. The Company is also committed to disclose risks that can significantly affect the Company's value in a transparent manner to interested parties.

Kerangka Kerja dan Infrastruktur Manajemen Risiko

Pengelolaan manajemen risiko Perusahaan dilakukan oleh Komite Manajemen Risiko yang didukung oleh Unit Kerja Manajemen Risiko. Unit Kerja Manajemen Risiko bersama-sama dengan Unit Bisnis (*Risk Owner*) melakukan proses manajemen risiko dengan melakukan identifikasi, analisis, evaluasi, mitigasi dan monitoring risiko dengan kerangka kerja yang mengacu pada ISO31000 sebagai berikut:

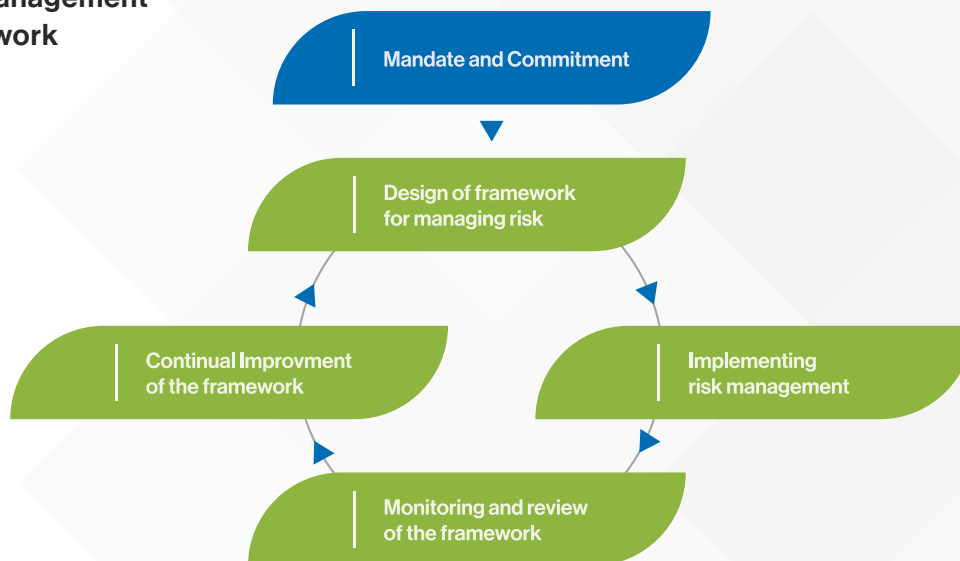
Framework and Infrastructure of Risk Management

The Company's risk management is performed by the Risk Management Committee which is supported by the Risk Management Work Unit. The Risk Management Work Unit together with the Risk Owner undertakes a risk management process by identifying, analyzing, evaluating, mitigating and monitoring risks with the framework referring to ISO 31000 as follows:

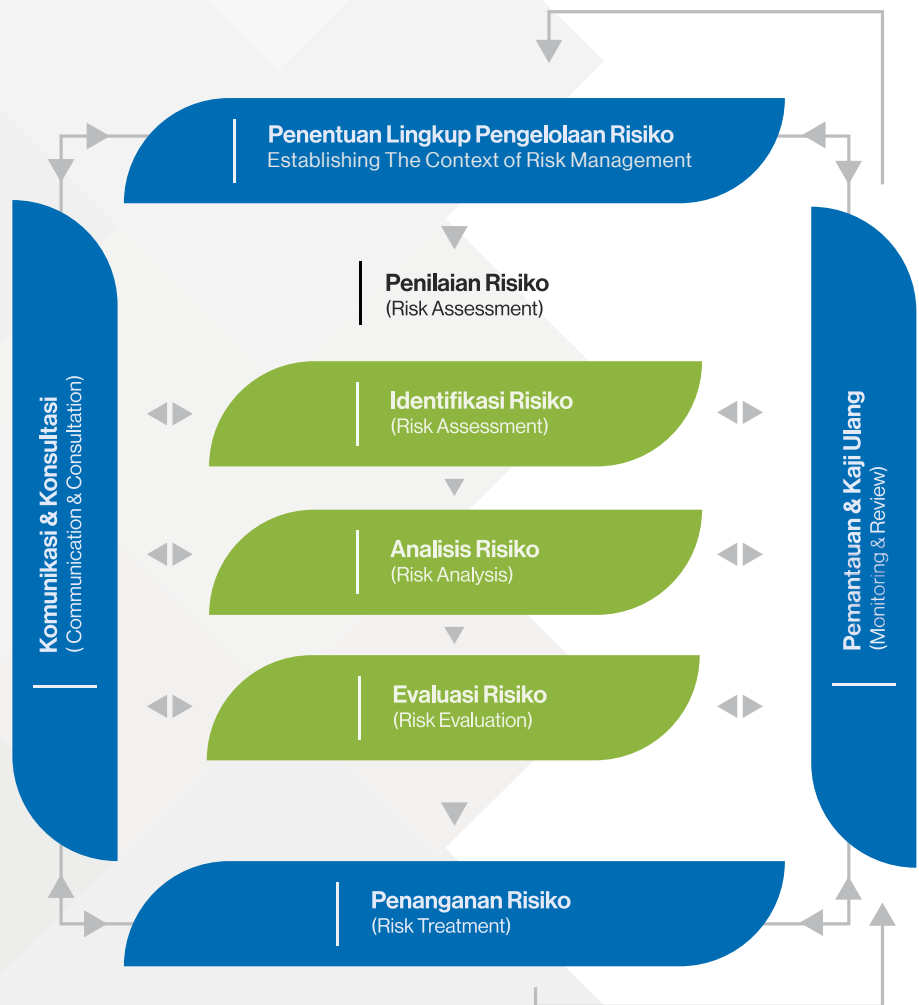
Risk Management Principles

- Create value
- Integral part of organizational process
- Part of decision making
- Explicitly address uncertainty
- Systematic, structured & timely
- Based on the best available information
- Tailored
- Take human and cultural factors into account
- Transparent and inclusive
- Dynamic, interactive and responsive to change
- Facilities continual improvement and enhancement of the organization

Risk Management Framework



Risk Management Process



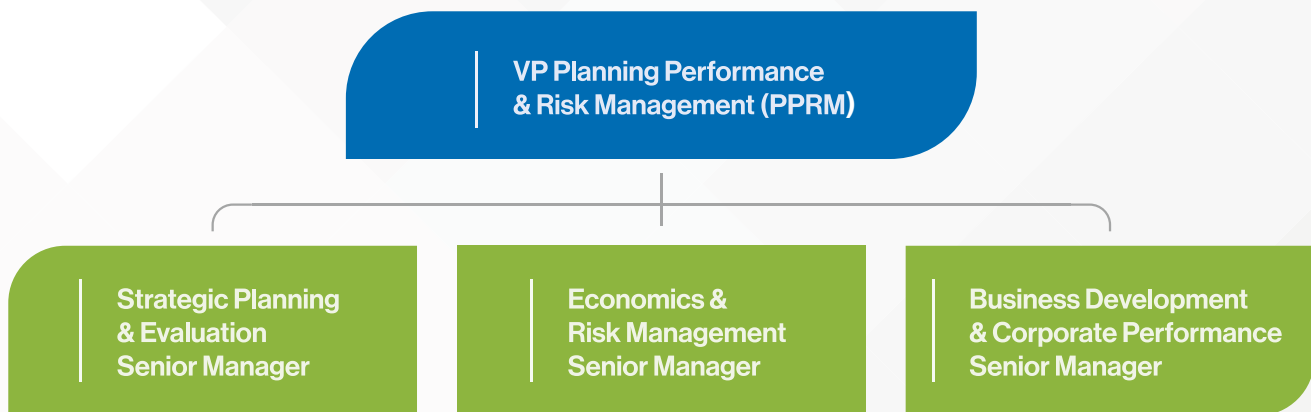
Struktur Pengelolaan Risiko PHE

Struktur pengelolaan risiko di lingkungan PHE ditetapkan berdasarkan Surat Keputusan Direksi Nomor Kpts-119/PHE000/2017-S8 tanggal 27 Desember 2017 tentang Struktur Organisasi PT Pertamina Hulu Energi. Pengelolaan risiko menjadi tugas dan tanggung jawab Vice President Planning, Performance & Risk Management yang berada di bawah Direktur Utama, dan bersinergi dengan Komite Manajemen Risiko dan Sumber Daya Manusia (MRSDM) serta Internal Audit.

Strategy of PHE Risk Management

The risk management structure within PHE was established based on the Board of Directors' Decree No. Kpts-119/PHE000/2017-S8 dated December 27, 2017 on the Organizational Sstructure of PT Pertamina Hulu Energi. Risk management becomes the duty and responsibility of Vice President Planning, Performance & Risk Management under the President Director, and in synergy with Risk Management and Human Resources (MRSDM) Committee and Internal Audit.

Struktur Organisasi Pengelolaan Risiko PHE Organizational Structure of PHE Risk Management



Tugas dan Tanggung Jawab:

- Melakukan koordinasi pelaksanaan Risk Assessment (identifikasi, analisis dan evaluasi risiko) seluruh Asset, Fungsi dan Proyek;
- Menyusun laporan profil risiko Perusahaan secara berkala dan menyampaikannya kepada Komite Manajemen Risiko dan Dewan Direksi Perusahaan;
- Melakukan evaluasi risiko terhadap aktivitas atau kegiatan usaha yang memerlukan persetujuan Dewan Direksi;
- Memantau posisi risiko perusahaan yang dituangkan dalam bentuk pemetaan risiko dan menyampaikannya kepada Komite Manajemen Risiko dan Dewan Direksi;
- Mengkaji secara berkala kecukupan dan kelayakan dari Kebijakan dan Pedoman Manajemen Risiko.

Pengelolaan Strategis Manajemen Risiko

- Menerapkan sistem manajemen risiko yang sesuai dengan prinsip-prinsip Enterprise Risk Management (ERM).

Duties and Responsibilities:

- Coordinate the implementation of Risk Assessment (identification, analysis and risk evaluation) of all Assets, Functions and Projects;
- Prepare the Company's risk profile report regularly and submit it to the Risk Management Committee and Board of Directors of the Company;
- Conduct risk evaluation of activities or business operations requiring the approval of the Board of Directors;
- Monitor the company's risk position as set forth in the form of risk mapping and submitting it to the Risk Management Committee and Board of Directors;
- Periodically review the adequacy and feasibility of the Risk Management Policy and Guidelines.

Strategic Management of Risk Management

- Implement risk management system in accordance with the principles of Enterprise Risk Management (ERM).

- Dalam melakukan risk assessment, PHE membagi kegiatan Perusahaan dalam 2 (dua) kategori:

- › Risiko kegiatan usaha yang sedang berjalan (*on going business*)

Dalam hal ini Fungsi Manajemen Risiko mendampingi setiap fungsi dan Anak Perusahaan dalam menyusun strategi yang akan digunakan dengan melakukan identifikasi risiko yang mungkin terjadi. Dimulai dari proses penyusunan RKAP, Anak Perusahaan sebagai pemilik risiko diwajibkan untuk melakukan risk assessment beserta rencana mitigasinya.

- › Risiko Proyek

Dalam setiap Feasibility Study (FS) atau proyek baru, Anak Perusahaan diwajibkan menyusun risk register untuk melakukan identifikasi lebih dini terhadap risiko yang mungkin muncul dalam pelaksanaan proyek tersebut. Beberapa risiko proyek, di antaranya adalah pemboran eksplorasi, pengembangan lapangan baru, akuisisi, perpanjangan wilayah kerja migas dan alih kelola wilayah kerja migas.

- Perusahaan melakukan kajian risiko dalam portofolio bisnis untuk melihat potensi-potensi dari masing-masing Anak Perusahaan termasuk Anak Perusahaan yang akan habis masa kontraknya dilakukan kajian risiko untuk melihat dampak yang ditimbulkan bagi Perusahaan secara konsolidasi.
- Perusahaan juga memperhatikan kemungkinan risiko dari pihak eksternal (pemerintah, masyarakat, dan swasta) yang akan berdampak pada kegiatan operasional Perusahaan.

Hubungan Kerja dengan Pemantau Risiko

Secara berkala setiap 3 bulan, Unit Kerja Manajemen Risiko menyampaikan laporan manajemen risiko dan pelaksanaan mitigasi risiko yang telah dilakukan kepada fungsi Enterprise Risk Management Direktorat Perencanaan Investasi dan Manajemen Risiko melalui fungsi Business Portfolio & Risk Management Direktorat Hulu. Dewan Komite Manajemen Risiko dan jajaran Direksi secara rutin memantau setiap perkembangan manajemen risiko Perusahaan.

- In conducting risk assessment, PHE divides the Company's activities into 2 (two) categories:

- › Risks of ongoing business activities

The Risk Management Function assists each function and Subsidiary in formulating strategies to be used by identifying risks that may arise. Starting from the process of preparing RKAP, the Subsidiary as the risk owner is required to conduct risk assessment along with its mitigation plan.

- › Project Risk

In every Feasibility Study (FS) or new project, a Subsidiary is required to establish a risk register for early identification of risks that may arise in the execution of the project. Some of the project risks include exploration drilling, new field development, acquisition, extension of oil & gas working area and transfer of oil & gas working area.

- The Company conducts risk assessment in the business portfolio to see the potentials of each Subsidiary including Subsidiaries whose contract term is expiring by conducting consolidated risk assessment to identify the impact on the Company.
- The Company also takes into account the possible risks from external parties (government, public and private sector) that will impact on the Company's operational activities.

Work Relations with Risk Monitoring

Periodically every 3 months, the Risk Management Work Unit submits reports on the risk management and risk mitigation that have been performed to the Enterprise Risk Management function of the Directorate of Investment Planning and Risk Management through the Business Portfolio & Risk Management function of the Upstream Directorate. The Board of Risk Management Committee and Board of Directors regularly monitor every development of the Company's risk management.

Penjelasan Mengenai Risiko-risiko yang Dihadapi Perusahaan dan Upaya untuk Mengelola Risiko tersebut [102-15]

Profil Risiko Perusahaan dan Mitigasinya

Profil risiko PHE tidak terlepas dari analisis potensi dampak yang ditimbulkan oleh berbagai faktor eksternal terhadap Perusahaan. Selain itu, profil risiko juga dipengaruhi oleh potensi dampak kegiatan operasional Perusahaan terhadap pemangku kepentingan dan lingkungan sekitar. Setelah melalui proses identifikasi risiko menggunakan Fault Tree Analysis (FTA) dan beberapa tahapan *risk assessment*, Perusahaan menentukan risiko-risiko yang berpengaruh signifikan terhadap arah Perusahaan yang terangkum dalam Top Risk PHE. Profil Top Risk PHE 2017 adalah sebagai berikut:

Explanation of Risks Encountered by the Company and Efforts to Manage the Risks [102-15]

Company Risk Profile and Mitigation

PHE's risk profile is resulted from the analysis on the potential impacts of various external factors on the Company. In addition, the risk profile is also influenced by the potential impacts of the Company's operations on the stakeholders and the surrounding environment. After undergoing the risk identification process using Fault Tree Analysis (FTA) and several stages of risk assessment, the Company determines the risks that significantly affect the Company's direction summarized in the Top Risk of PHE. The Top Risk of PHE 2017 profile is as follows:

No	Risk Event	Mitigasi Mitigation
1	Tidak Tercapainya Target Produksi Gas Shortfall in Gas Production	<ul style="list-style-type: none"> Melakukan monitoring, evaluasi dan challenge kepada setiap usulan dan kegiatan operasional yang dapat mendorong peningkatan produksi. Monitoring, evaluation and challenge on any proposals and operational activities that can boost production increase. Memastikan penggantian pipa bawah laut sesuai dengan prioritas yg memiliki integrity kritis dan dampak produksi signifikan. Ensure replacement of subsea pipeline in accordance with priorities that have critical integrity and significant production impacts. Melakukan program inspeksi, pemeliharaan, dan perbaikan pipa bawah laut, finfan cooler dan kompresor. Conduct inspection program, maintenance, and repair of subsea pipeline, finfan cooler and compressor. Melakukan monitoring dan evaluasi selama proses workover dan intervensi/stimulasi. Conduct monitoring and evaluation during workover process and intervention/stimulation. Melakukan penjadwalan dengan prioritas terhadap kandidat sumur yang memiliki gain dan succes rate tinggi. Scheduling with prioritization of well candidates with high gain and succes rate. Memastikan pemasangan pile dan pepadatan tanah di SLSD. Ensure installation of pile and soil compaction in SLSD. Melakukan monitoring terhadap: <ul style="list-style-type: none"> Maintenance kilang Kualitas gas yang masuk ke kilang Optimalisasi produksi agar secara akumulasi produksi di akhir tahun tetap tercapai Conduct monitoring of: <ul style="list-style-type: none"> Refinery maintenance The quality of incoming gas to the refinery Optimization of production in order to achieve accumulated production by the end of the year Melakukan regular field review mengenai performa sumur, permasalahan dan solusi untuk menjaga kestabilan dan meningkatkan produksi. Conduct regular field reviews on wells' performance, problems and solutions to maintain stability and increase production. Melakukan koordinasi selective well surveillance sesuai dengan prioritas kebutuhan. Coordinate selective well surveillance according to priority needs.

No	Risk Event	Mitigasi Mitigation
2	Permasalahan perpajakan Taxation issues	<ul style="list-style-type: none"> Mempersiapkan data dan argumen untuk proses keberatan dan banding, serta tindak lanjut lainnya sesuai dengan peraturan perundangan. Prepare data and arguments for objection and appeal process, and other follow-up action in accordance with the laws and regulations. Menunjuk konsultan yang kredible dan representatif. Appoint a credible and representative consultant. Mengajukan Peninjauan Kembali (PK) ke Mahkamah Agung atas persetujuan Pertamina (Persero), apabila Pengadilan Pajak menolak permohonan banding. File a Judicial Review to the Supreme Court on the approval of Pertamina (Persero), if the Tax Court rejects the appeal. Menunjuk kuasa hukum untuk mendampingi selama proses PK ke Mahkamah Agung. Appoint a legal representative to assist during the Judicial Review process to the Supreme Court.
3	Kendala Penyelesaian Cost Recovery Cost Recovery Settlement Obstacle	<ul style="list-style-type: none"> Meningkatkan kontrol atas pembebanan biaya-biaya dan pembayaran. Improve control over charging fees and payments. Melakukan rapat koordinasi terkait Place Into Service (PIS) secara lebih efektif dan intensif termasuk melakukan koordinasi dengan SKK Migas guna akselerasi PIS. Conduct more effective and intensive coordination meetings on Place Into Service (PIS) including coordinate with SKK Migas for PIS acceleration. Melakukan monitoring dengan lebih ketat. Conduct monitoring more closely. Memastikan proses closed out AFE tercover dalam Tim Task Force dan KPI GM/SMT. Ensure closed out AFE process is covered in Team Task Force and KPI of GM/SMT
4	Tidak Tercapainya Target Produksi Minyak Shortfall in Oil Production	<ul style="list-style-type: none"> Melakukan monitoring, evaluasi dan challenge kepada setiap usulan dan kegiatan operasional yang dapat mendorong peningkatan produksi. Conduct monitoring, evaluation and challenge to any proposals and operational activities that can boost production increase. Memastikan penggantian pipa bawah laut sesuai dengan prioritas yg memilki integrity kritis dan dampak produksi signifikan. Ensure replacement of subsea pipeline in accordance with priorities that have critical integrity and significant production impacts. Melakukan program inspeksi, pemeliharaan, dan perbaikan pipa bawah laut, finfan cooler dan kompresor Conduct inspection program, maintenance, and repair of subsea pipeline, finfan cooler and compressor Melakukan monitoring dan evaluasi selama proses workover dan intervensi/stimulasi. Conduct monitoring and evaluation during work over process and intervention/stimulation. Melakukan penjadwalan dengan prioritasasi terhadap kandidat sumur yang memiliki gain dan succes rate tinggi. Scheduling with prioritization of well candidates with high gain and succes rate. Melakukan regular field review mengenai performa sumur, permasalahan dan solusi untuk menjaga kestabilan dan peningkatan produksi. Conduct regular field reviews on well performance, problems and solutions to maintain stability and increase production. Melakukan koordinasi selective well surveillance sesuai dengan prioritas kebutuhan. Coordinate selective well surveillance according to priority needs. Melakukan monitoring, evaluasi dan challenge untuk setiap usulan dan kegiatan operasional (produksi, well services & workover, proyek fasilitas) untuk dapat mendorong peningkatan produksi. Monitoring, evaluation and challenge for each proposal and operational activity (production, well services & workover, facility project) to boost production increase.
5	Gangguan Eksternal pada Fasilitas Operasi External Disruption to Operating Facilities	<ul style="list-style-type: none"> Komunikasi dan koordinasi dengan pihak terkait untuk mengurangi dampak reklamasi terhadap PHE ONWJ Komunikasi dan koordinasi dengan pihak terkait untuk mengurangi dampak reklamasi terhadap PHE ONWJ Melanjutkan studi internal untuk analisis dampak pelabuhan Patimban terkait mitigasi agar dampak terhadap produksi minimal. Continue an internal study for the impact analysis of Patimban port for mitigation so that the impact on production is minimal.
6	Permasalahan Komersial Commercial Issues	<ul style="list-style-type: none"> Melakukan koordinasi secara berkesinambungan dengan para stakeholder (buyer, seller, transporter). Continuous coordination with stakeholders (buyer, seller, transporter). Melakukan risk based inspection, predictive & preventive maintenance serta joint audit. Conduct risk based inspection, predictive & preventive maintenance and joint audit. Mencari potensi buyer baru. Seek new potential buyers.

No	Risk Event	Mitigasi Mitigation
7	Risiko Wanprestasi Default Risk	<ul style="list-style-type: none"> Monitoring biaya COGS, Operasional dan EBITDA sesuai dengan rencana/anggaran. Monitoring COGS, Operational costs and EBITDA in accordance with the plan/budget. Melakukan koordinasi dengan Pertamina (Persero) dan pihak terkait lainnya Coordinate with Pertamina (Persero) and other related parties
8	Biaya operasional melebihi anggaran Operational costs exceed the budget	<ul style="list-style-type: none"> Melakukan monitoring, evaluasi dan challenge kepada setiap usulan dan kegiatan operasional untuk melakukan efisiensi biaya. Conduct monitoring, evaluation and challenge to each proposal and operational activity for cost efficiency.
9	Gugatan dari pihak ketiga Lawsuit from third party	<ul style="list-style-type: none"> Melakukan koordinasi intensif dengan pihak terkait. Coordinate intensively with related parties.
10	Kecelakaan kerja Workplace Accident	<ul style="list-style-type: none"> Membuat HSSE Risk Register terhadap pekerjaan non rutin. Create HSSE Risk Register on non-routine jobs. Melakukan monitoring, kontrol dan mitigasi HSSE Risk Register secara berkala. Perform monitoring, control and mitigation of HSSE Risk Register regularly. Melakukan monitoring pelaksanaan 7 aspek fundamental keselamatan operasi. Conduct monitoring the implementation of the 7 fundamental aspects of operational safety. Melakukan monitoring Pelaksanaan CSMS Conduct monitoring of CSMS Implementation. Melakukan monitoring OFI to AFI hasil assessment ISRS. Conduct monitoring on OFI to AFI of ISRS assessment results.
11	Kebocoran pipa/ tumpahan minyak Pipe leak/oil spill	<ul style="list-style-type: none"> Melakukan monitoring facility Integrity dan mendorong agar rekomendasi hasil inspeksi dapat dilaksanakan sesuai RKAP. Conduct monitoring on Facility Integrity and encourage the recommendation of inspection results to be carried out according to RKAP. Melakukan monitoring Oil Spill Readiness dan exercise secara berkala. Conduct monitoring on Oil Spill Readiness and exercise regularly.
12	Tidak tercapainya penambahan target 2C Additional 2C target not achieved	<ul style="list-style-type: none"> Melakukan pendekatan yang baik kepada kepala daerah, masyarakat, dan pemilik lahan perkebunan Conduct appropriate approach to regional heads, communities, and plantation owners. Melakukan koordinasi dengan Fungsi Relation ONWJ dan SSO, serta pemerintah terkait perihal perijinan pemboran Coordinate with ONWJ Relation Function and SSO, as well as related government agencies regarding drilling permit Melakukan koordinasi secara intensif dengan Pertamina (Persero), PHE dan SKK Migas untuk mempercepat pengadaan Coordinate intensively with Pertamina (Persero), PHE and SKK Migas to accelerate procurement. Melakukan koordinasi dengan Anak Perusahaan Pertamina lain yang memiliki kontrak pemboran. Coordinate with other Pertamina Subsidiaries with drilling contracts. Menggunakan hasil survey Geohazard dalam menentukan koordinat lokasi sumur. Use Geohazard survey results in determining the coordinates of well locations. Melakukan Peer Review. Conduct Peer Review. Memasukkan Survey Seismic Pseudo 3D Hi Res sebagai referensi. Include Seismic Survey of Pseudo 3D Hi Res as reference Melakukan review design sumur dan program pemboran dengan drilling department. Review the well design and drilling program with drilling department. Melakukan monitoring pelaksanaan pemboran agar sesuai dengan target yang telah ditentukan. Conduct monitoring on the execution of drilling to fit the target that have been set.

Peta Risiko Top Risk PHE 2017 Risk Mapping of PHE Top Risk 2017

Probability (Probabilitas)



Keterangan :

Extreme Risk
High Risk
Medium Risk
Low Risk

● Inherent Risk
○ Residual Risk

Legenda

- | | |
|------------------------------------------------|-----------------------------------------------|
| 1. Tidak tercapainya target produksi gas | 7. Risiko wanprestasi |
| 2. Permasalahan perpajakan | 8. Biaya operasional melebihi anggaran |
| 3. Kendala penyelesaian cost recovery | 9. Gugatan dari pihak ketiga |
| 4. Tidak tercapainya target produksi minyak | 10. Kecelakaan kerja |
| 5. Gangguan eksternal pada fasilitas operasi | 11. Terjadinya kebocoran pipa/tumpahan minyak |
| 6. Permasalahan komersial | 12. Tidak tercapainya target penambahan 2C |
| 1. Shortfall in Gas Production | 7. Default Risk |
| 2. Taxation issues | 8. Operational costs exceed the budget |
| 3. Cost Recovery Settlement Obstacle | 9. Lawsuit from third party |
| 4. Shortfall in Oil Production | 10. Workplace Accident |
| 5. External Disruption to Operating Facilities | 11. Pipe leak/oil spill |
| 6. Commercial Issues | 12. Additional 2C target not achieved |

Penjelasan mengenai Hasil Reviu yang Dilakukan atas Sistem Manajemen Risiko pada Tahun Buku

Evaluasi Efektivitas Manajemen Risiko

PHE melakukan evaluasi terhadap Manajemen Risiko Perusahaan, antara lain melalui monitoring manajemen risiko yang bertujuan untuk memastikan rencana mitigasi risiko dijalankan oleh para *risk owner* dan mengurangi dampak yang merugikan bagi Perusahaan. Pada tahun 2017, PHE telah mengidentifikasi 12 risk event yang masuk ke dalam Top Risk PHE. Risiko tersebut diambil dari risiko-risiko yang ada dalam fungsi di Perusahaan dan Anak Perusahaan.

Tindak lanjut pengelolaan risiko dari risk event tersebut adalah disusunnya rencana mitigasi risiko oleh para *risk owner*/fungsi masing-masing yang kemudian dimonitor oleh Fungsi Planning, Economics & Risk Management. Laporan monitoring mitigasi Top Risk PHE ini dibuat untuk mitigasi yang dilakukan sepanjang tahun 2017. Dari 135 rencana mitigasi risiko, rencana mitigasi risiko yang telah berhasil direalisasi selama tahun 2017 sebanyak 134, sehingga pencapaian KPI Monitoring Manajemen Risiko tahun 2017 adalah 99,26%.

Untuk memastikan efektifitas pelaksanaan manajemen risiko, Fungsi Internal Audit telah menerapkan risk-based audit. Fungsi Internal Audit menggunakan risk register yang telah dibuat untuk menyusun Rencana Kerja Internal Audit (RKIA) tahun berikutnya. Selanjutnya Fungsi Internal Audit melakukan pemeriksaan atas pemantauan terhadap risiko tertentu beserta rencana mitigasinya.

Pada periode pelaporan telah dilakukan beberapa improvement untuk meningkatkan kualitas manajemen risiko Perusahaan, di antaranya:

Description of Results of Review Performed on Risk Management System for the Fiscal Year

Evaluation of Risk Management Effectiveness

PHE evaluates the Company's Risk Management, among others, through risk management monitoring aimed at ensuring that risk mitigation plans are implemented by risk managers and mitigating adverse impacts on the Company. In 2017, PHE has identified 12 risk events that were categorized as the Top Risk of PHE. These risks were derived from the existing risks in the Company and its Subsidiaries' functions.

Follow-up risk management of the risk events is the formulation of risk mitigation plans by the respective risk owners/functions which are then monitored by the Planning, Economics & Risk Management Function. The monitoring report of Top Risk of PHE mitigation was prepared for mitigation carried out throughout 2017. A total of 134 out of 135 risk mitigation plans have been successfully realized during 2017, thus the achievement of KPI of Risk Management Monitoring 2017 was 99.26%.

To ensure effective implementation of risk management, the Internal Audit Function has implemented risk-based audit. Internal Audit function uses the risk registers that have been made to prepare the Internal Audit Work Plan (RKIA) for the following year. Furthermore, the Internal Audit Function conducts examination on monitoring of certain risks and their mitigation plans.

During the reporting period, several improvements have been made for the quality of the Company's risk management, including:

- Membuat Tata Kerja Organisasi (TKO) Pengelolaan Risiko PT Pertamina Hulu Energi No. B-001/PHE010/2017-S0;
- Membuat Tata Kerja Individu (TKI) Penyusunan Risk Register On Going Business No. C-002/PHE010/2017-S9;
- Membuat Tata Kerja Individu (TKI) Perhitungan Risk Limit dan Expected Residual Risk No. C-003/PHE010/2017-S9;
- Penyempurnaan metode identifikasi risiko menggunakan Fault Tree Analysis (FTA).

Sosialisasi Manajemen Risiko

Dalam rangka menciptakan kesadaran risiko (*risk awareness*) terhadap manajemen risiko, Perusahaan melakukan sosialisasi kepada seluruh unit kerja dan karyawan. Sosialisasi manajemen risiko dilakukan dengan memanfaatkan berbagai media dan kesempatan pertemuan dengan seluruh karyawan Perusahaan pada segenap level organisasi. Kegiatan sosialisasi manajemen risiko sepanjang tahun 2017, diantaranya melalui workshop, rapat, mengirimkan perwakilan untuk mengikuti pelatihan, serta mengirimkan perwakilan ke kegiatan Sinergi Manajemen Risiko Pertamina (Persero) yang dikelola oleh fungsi Enterprise Risk Management Pertamina (Persero).

Sertifikasi Manajemen Risiko

Saat ini PHE dan Anak Perusahaan telah memiliki beberapa staf yang telah mendapatkan beberapa sertifikasi manajemen risiko bertaraf Internasional, yakni Financial Risk Manager (FRM) dari Global Association of Risk Professional, Certified Enterprise Risk Governance (CERG), Enterprise Risk Management Certified Professional (ERMCP) dan Enterprise Risk Management Associate Professional (ERMAP) dari Enterprise Risk Management Academy, Certified Risk Management Professional (CRMP) dari Lembaga Sertifikasi Profesi Manajemen Risiko dan Certified Risk Professional (CRP) dari Indonesia Risk & Business Advisory.

- Established Organizational Working Procedures (TKO) for Risk Management of PT Pertamina Hulu Energi No. B-001/PHE010/2017-S0;
- Established Individual Working Procedures (TKI) for Preparation of Ongoing Business Risk Register No. C-002/PHE010/2017-S9;
- Established Individual Working Procedures (TKI) for Calculation of Risk Limit and Expected Residual Risk No. C-003/PHE010/2017-S9;
- Improved risk identification method using Fault Tree Analysis (FTA).

Risk Management Dissemination

In order to create risk awareness of risk management, the Company conducts dissemination to all work units and employees. Risk management dissemination is conducted by utilizing various media and meeting opportunities with all employees of the Company at all levels of the organization. Risk management dissemination activities throughout 2017, included workshops, meetings, sending representatives to attend training, and sending representatives to Risk Management Synergy of Pertamina (Persero) which was managed by Enterprise Risk Management of Pertamina (Persero).

Risk Management Certification

Currently PHE and its Subsidiaries have several staff who have obtained several risk management international certifications, namely the Financial Risk Manager (FRM) of the Global Association of Risk Professional, Certified Enterprise Risk Governance (CERG), Enterprise Risk Management Certified Professional (ERMCP) and Enterprise Risk Management Associate Professional (ERMAP) from Enterprise Risk Management Academy, Certified Risk Management Professional (CRMP) from Risk Management Professional Certification Agency and Certified Risk Professional (CRP) from Indonesia Risk & Business Advisory.

Prestasi dan Penghargaan

Implementasi Enterprise Risk Management yang berkelanjutan memberikan kontribusi positif bagi PHE. Hal tersebut tercermin dengan diraihnya penghargaan pada ajang Annual Pertamina Subsidiary Awards (APSA) 2017. PHE menjadi runner up pada kategori Best Implementation in Enterprise Risk Management.

PHE juga menjadi finalis kategori Risk Champion pada ajang ASEAN Risk Awards 2017 yang diselenggarakan oleh Enterprise Risk Management Academy (ERMA) Singapore. ASEAN Risk Awards adalah ajang penilaian efektivitas perusahaan-perusahaan di kawasan Asia Tenggara dalam mengelola risiko. Penghargaan ini menunjukkan bahwa pengelolaan risiko di PHE telah berjalan dengan efektif.

Achievements and Awards

The sustainable implementation of Enterprise Risk Management has contributed positively to PHE. This was reflected in the award earned at the Annual Pertamina Subsidiary Awards (APSA) 2017. PHE was runner up in the category of Best Implementation in Enterprise Risk Management.

PHE was also a finalist of the Risk Champion category at the 2015 ASEAN Risk Awards organized by Enterprise Risk Management Academy (ERMA) Singapore. The ASEAN Risk Awards was an event for the assessment of the effectiveness of Southeast Asian companies in managing risks. This award event showed that risk management in PHE has been implemented effectively.



Uraian Mengenai Sistem Pengendalian Internal

Description on Internal Control System

PT Pertamina Hulu Energi (PHE) menerapkan sistem pengendalian intern, antara lain mencakup pengendalian keuangan dan operasional seluruh proses bisnis & fungsi-fungsi organisasi. Pengendalian internal adalah proses yang dirancang dan dijalankan oleh Dewan Komisaris, Direksi dan anggota manajemen untuk memberikan keyakinan yang memadai atas tercapainya efektivitas dan efisiensi operasi, keandalan pelaporan keuangan, serta kepatuhan terhadap hukum dan peraturan yang berlaku.

Kesesuaian Sistem Pengendalian Intern dengan Kerangka yang diakui secara Internasional (COSO – Internal Control Framework)

Penerapan pengendalian internal dilaksanakan berdasarkan Pedoman Pengelolaan Fungsi Internal Audit Nomor. 24/PHE000/2014-S0 tanggal 9 September 2014 menggunakan pendekatan kerangka kerja internasional yang diterbitkan COSO (The Committee of Sponsoring Organizations of the Treadway Commission), International Standards for The Professional Practice of Internal Auditing (IPPF), dan The Professional Practice Framework – The Institute of Internal Audit (IIA). Di samping itu, hal ini juga diatur dalam Pasal 26 Peraturan Menteri Negara BUMN No.PER-01/MBU/2011 sebagai pengganti Keputusan Menteri BUMN No.KEP-117/M-MBU/2002 tentang Penerapan Tata Kelola Perusahaan Yang Baik (Good Corporate Governance) pada Badan Usaha Milik Negara.

Pedoman Umum Sistem Pengendalian Internal PHE memiliki komponen pengendalian internal yang terdiri atas lingkungan pengendalian internal, penilaian risiko, aktivitas pengendalian, sistem informasi dan komunikasi, serta pemantauan. Sampai dengan akhir periode pelaporan, penerapan kelima komponen tersebut telah mendukung efektivitas dan efisiensi operasi, keandalan pelaporan keuangan, menjaga keamanan aset, kepatuhan terhadap perundang-undangan dan kontrak, sehingga dapat memberikan nilai tambah bagi Perusahaan.

PT Pertamina Hulu Energi (PHE) implements an internal control system covering financial and operational control of all business processes & organizational functions. Internal control is a process designed and executed by the Board of Commissioners, the Board of Directors and members of management to provide adequate assurance on the achievement of effectiveness and efficiency of operations, reliability of financial reporting, and compliance with applicable laws and regulations.

Compliance of Internal Control System With Internationally Recognized Framework (COSO - Internal Control Framework)

Internal control is implemented based on Internal Audit Function Management Guidelines No. 24/PHE000/2014-S0 dated September 9, 2014 using the international framework approach issued by the COSO (The Committee of Sponsoring Organizations of the Treadway Commission), the International Standards for the Professional Practice of Internal Auditing (IPPF), and the Professional Practice Framework - the Institute of Internal Audit (IIA). In addition, this is also stipulated in Article 26 of Regulation of the Minister of State-Owned Enterprises No. PER-01/MBU/2011 in lieu of Decree of the Minister of SOEs No.KEP-117/M-MBU/2002 on the Implementation of Good Corporate Governance in State-Owned Enterprises.

General Guidelines of PHE Internal Control System has the components of internal control environment, risk assessment, control activities, information and communication system, and monitoring. Until the end of the reporting period, the implementation of these five components has supported the effectiveness and efficiency of operations, reliability of financial reporting, maintaining asset security, compliance with laws and contracts, thus provided added value to the Company.

Lima Komponen Pengendalian Internal Berbasis COSO dan PER-01/MBU/2011

Five Components of Internal Control based on COSO and PER-01/MBU/2011

Komponen Pengendalian Internal Internal Control Components	Uraian Penerapan Implementation Description
Lingkungan Pengendalian Internal Internal Control Environment	<ul style="list-style-type: none"> PHE menyusun <i>code of conduct</i> dan kebijakan lain yang mengatur praktek bisnis, <i>conflicts of interest</i> atau standar etika dan perilaku bisnis. Pedoman tersebut dapat diakses secara langsung oleh pekerja dan <i>stakeholder</i>. PHE memiliki mekanisme untuk mengatur hubungan kerja antara manajemen pusat dan manajemen operasional. PHE telah menetapkan struktur organisasi formal yang memberikan gambaran jelas atas alur informasi, baik ke atas, ke bawah dan antar fungsi di dalam pengelolaan kegiatan Perusahaan. PHE has established code of conduct and other policies on business practices, conflict of interest or ethical standards and business conduct, guidelines that can be accessed directly by employees and stakeholders. PHE has mechanisms for managing work relations between central management and operational management. PHE has established a formal organizational structure that provides a clear description of the flow of information upwards, downwards and between functions in the management of the Company's activities.
Penilaian Risiko Risk Assessment	<ul style="list-style-type: none"> PHE menetapkan visi, misi, dan pedoman untuk mencapai visi dan misi tersebut, serta mengkomunikasikannya ke seluruh karyawan dan pihak terkait lainnya. PHE memiliki kebijakan Manajemen Risiko untuk mengidentifikasi, menilai, memetakan, dan memitigasi risiko yang berasal dari faktor eksternal. PHE mengantisipasi, mengidentifikasi dan menindaklanjuti kejadian rutin yang dapat mempengaruhi kegiatan operasional dan tujuan Perusahaan. PHE has established vision and mission, as well as the guidelines to achieve them, and communicates it to all employees and other stakeholders. PHE has a Risk Management policy to identify, assess, map and mitigate risks from external factors. PHE anticipates, identifies and acts on routine events that may affect the Company's operational activities and objectives.
Aktivitas Pengendalian Control Activities	<ul style="list-style-type: none"> PHE memiliki pedoman dan prosedur untuk pelaksanaan kegiatan di masing-masing fungsi dalam Perusahaan. Aktivitas pengendalian yang ditetapkan oleh PHE diimplementasikan dengan kebijakan dan prosedur yang jelas, fungsi pengawasan yang terpadu dan tindak lanjut atas pelanggaran yang terjadi. PHE has guidelines and procedures for the implementation of activities in each function within the Company. Control activities established by PHE are implemented with clear policies and procedures, integrated monitoring functions and follow-up of violations
Informasi dan Komunikasi Information and Communication	<ul style="list-style-type: none"> PHE mengumpulkan informasi dari dalam maupun dari luar untuk memperoleh gambaran akan kinerja Perusahaan yang berhubungan dengan tujuan yang telah ditetapkan dan melaporkan hasilnya kepada manajemen. Pengembangan atau perubahan sistem di PHE berdasarkan IT strategic plan yang berhubungan dengan rencana strategis dan responsif terhadap tujuan Perusahaan. Tugas dan tanggung jawab dikomunikasikan ke setiap pekerja, sehingga pekerja dapat mengerti tujuan kerja dan proses yang diperlukan dalam mencapai tujuan tersebut. PHE collects information from within and outside of the Company to obtain an overview of the Company's performance related to objectives that have been set and reports the results to management. Development or change of system at PHE based on IT strategic plan related to strategic plan and responsive to the Company's objectives. Duties and responsibilities are communicated to each employee, so that the employee can understand the work objectives and processes required to achieve them.
Pemantauan Monitoring	<ul style="list-style-type: none"> Pengendalian internal diterapkan dalam setiap kegiatan operasional PHE harus tertuang dalam bentuk dokumentasi. PHE mewajibkan setiap informasi dan keluhan dari pihak luar Perusahaan yang didapatkan melalui Pertamina Contact Center, diidentifikasi dan dievaluasi oleh Perusahaan secara tepat waktu, setiap pengaduan yang mengidentifikasi kelemahan kontrol harus ditindaklanjuti dengan perbaikannya. Setiap temuan audit yang dihasilkan dari kegiatan Internal Audit di PT PHE dikonfirmasi ke process owner terkait untuk mendapat persetujuan sebelum di laporkan kepada Dewan Direksi dan Komite Audit. Internal control applied in every PHE's operational activity must be documented. PHE requires any information and complaints from external parties obtained through Pertamina Contact Center, identified and evaluated by the Company in a timely manner, any complaints identifying control weaknesses should be followed up with rectifications. Any audit findings resulted from PT PHE's Internal Audit activities are confirmed to the concerned process owner for approval before being reported to the Board of Directors and the Audit Committee

Hasil Reviu yang Dilakukan atas Pelaksanaan Sistem Pengendalian Intern pada Tahun Buku 2017

Results of Review on the Internal Control System Implementation in the Fiscal Year

Pelaksanaan tinjauan atas penerapan sistem pengendalian internal menjadi tanggung jawab Internal Audit. Secara berkala Internal Audit melakukan tinjauan untuk mengukur efektivitas pengendalian yang telah ditetapkan. Tujuan dari tinjauan tersebut adalah:

- Memastikan keandalan dan integritas informasi akuntansi, keuangan dan operasi serta cara menghasilkan dan melaporkan informasi tersebut;
- Memastikan bahwa sistem sesuai dengan kebijakan Perusahaan, tujuan, standar dan prosedur, dan peraturan perundang-undangan yang berlaku;
- Melakukan evaluasi atas kecukupan pengamanan aset Perusahaan.

Pengendalian internal dalam hal keuangan, dilakukan melalui mekanisme pengawasan internal atas pelaporan keuangan (*Internal Control Over Financial reporting/ICOFR*). Mekanisme ICOFR merupakan proses yang dirancang dan dijalankan manajemen untuk memberikan keyakinan memadai atas keandalan dan penyiapan laporan keuangan yang ditujukan untuk keperluan eksternal sesuai dengan prinsip akuntansi yang berlaku.

Pelaksanaan ICOFR sebagai tinjauan (*review*) dalam hal keuangan Perusahaan, telah dilaksanakan Internal Audit selama kurun waktu periode pelaporan. Kesimpulan hasil sertifikasi yang dilaksanakan oleh Control Group, memperlihatkan tingkat kecukupan dan efektivitas ICOFR berada pada tingkat efektif.

Review on the internal control system implementation is the responsibility of the Internal Audit. Periodically the Internal Audit conducts reviews to measure the effectiveness of controls that have been established. The objectives of the review are:

- To ensure the reliability and integrity of accounting, financial and operating information and how to generate and report such information;
- To ensure that the system complies with Company policies, objectives, standards and procedures, as well as applicable laws and regulations;
- To evaluate the adequacy of Company's assets security.

Internal control on financial aspect is conducted through Internal Control Over Financial Reporting (ICOFR). ICOFR is mechanism designed and conducted by the management to provide reasonable assurance on the reliability and preparation of financial statements for external purposes based on applicable accounting principles.

The ICOFR as a review on the Company's financial aspect has been conducted by Internal Audit Unit during the reporting period. The conclusions of the certification results undertaken by the Control Group showed that the adequacy and effectiveness of ICOFR was at an effective level.

Tinjauan pengendalian internal atas operasional Perusahaan dilaksanakan melalui mekanisme *Internal Control Review* (ICR) oleh Internal Audit. Selama tahun 2017, Internal Audit sudah melakukan audit operasional di lingkungan PHE dan Anak Perusahaan. Hasil tinjauan memperlihatkan Perusahaan telah melaksanakan standar prosedur operasi (SOP) sesuai praktik-praktik terbaik pertambangan migas.

Perusahaan melakukan tinjauan pengendalian internal sebagai bentuk kepatuhan terhadap peraturan perundang-undangan, antara lain melalui penerapan mekanisme pelaporan (*whistleblowing system*) yang dikelola oleh Fungsi Compliance. Dari hasil tinjauan selama tahun 2017, diketahui secara umum kegiatan operasi dan usaha yang dijalankan PHE telah mematuhi peraturan perundang-undangan yang berlaku.

The review of internal control over the Company's operations is carried out through Internal Audit's Internal Control Review (ICR) mechanism. During 2017, Internal Audit Unit has conducted operational audits within PHE and its Subsidiaries. The results of the review showed that the Company has implemented standard operating procedures (SOP) in accordance with best practices of oil & gas mining.

The Company reviewed the internal control as a form of compliance with laws and regulations, including through the application of whistleblowing system managed by the Compliance Function. The results of the review during 2017 showed that generally the operations and businesses carried out by PHE have complied with the prevailing laws and regulations.



Bahasan Mengenai Kode Etik

Discussion on Code of Conduct

Komitmen PHE melaksanakan bisnis yang sah dan beretika, melalui langkah-langkah strategis untuk mencapai target yang direncanakan salah satunya dengan menerapkan Kode Etik atau Kode Perilaku (code of conduct). [102-16]

Pengungkapan *code of conduct* merupakan pengungkapan bahwa kode etik berlaku bagi seluruh level organisasi. Code of conduct menjadi prinsip dan dasar hubungan antara manajemen dan pekerja, serta hubungan dengan para pemangku kepentingan lainnya. Tujuan penerapan kode etik perilaku adalah:

- Meningkatkan kinerja Perusahaan, efisiensi dan pelayanan kepada pihak-pihak yang berkepentingan, seperti pemegang saham, pemerintah dan masyarakat lainnya;
- Mempermudah perolehan dana pembiayaan yang lebih murah, sehingga pada akhirnya akan meningkatkan nilai pemegang saham;
- Meningkatkan prinsip keterbukaan, akuntabilitas, pertanggungjawaban, independensi dan kewajaran, serta kehati-hatian dalam pengelolaan Perusahaan;
- Perusahaan dapat terlindungi dari intervensi eksternal dan tuntutan hukum.

Pokok - Pokok Kode Etik

Code of Conduct PHE terdiri atas dua bagian penting, yaitu:

1. Standar Etika Berusaha
2. Standar Tata Perilaku

Untuk saat ini, *Code of Conduct* baru tersedia dalam Bahasa Indonesia.

PHE's commitment to run a sound and ethical business, through strategic steps to achieve the targets that have been planned, including applying the Code of Conduct. The Code of Conduct and Integrity Pact are signed and renewed annually by the Board of Commissioners and the Board of Directors. [102-16]

Disclosure of code of conduct is description that the code applies to all levels of the organization. Code of conduct is the principle and foundation of the relationships between management and employees, as well as with other stakeholders. The purpose of applying the code of conduct are:

- Improve the Company's performance, efficiency and services to stakeholders, such as shareholders, government and other communities;
- Facilitate the access to cheaper financing funds, which will ultimately increase shareholder value;
- Enhance the principles of transparency, accountability, responsibility, independence, fairness, and prudence in managing the Company;
- The Company can be protected from external intervention and lawsuits.

Key Points of Code of Conduct

PHE Code of Conduct consists of two important parts, namely:

1. Standards of Business Ethics
2. Standards of Conduct

Currently, the Code of Conduct is only available in Indonesian language.

Standar Etika Perusahaan

Standards of Corporate Ethics

Bagian Section	Uraian Description
Etika Perusahaan dengan Pekerja Corporate Ethics with Employees	PHE memperlakukan pekerja secara setara (<i>fair</i>) dan tidak membedakan suku, agama dan ras dalam segala aspek. Corporate Ethics with Professional Organization
Etika Perusahaan dengan Pesaing Corporate Ethics with Competitors	PHE menempatkan pesaing sebagai pemacu peningkatan diri dan introspeksi. PHE sees competitors as a driver of self-improvement and introspection.
Etika Perusahaan dengan Penyedia Barang dan Jasa Corporate Ethics with Providers of Goods and Services	PHE menciptakan iklim kompetisi yang adil (<i>fair</i>) dan transparan dalam pengadaan barang dan jasa. PHE creates the fair competition and transparent climate in the procurement of goods and services.
Etika Perusahaan dengan Perusahaan Pasangan Usaha (PPU) Corporate Ethics with Counterparts Company (PPU)	PHE meningkatkan iklim saling percaya, menghargai, memupuk kebersamaan dengan PPU sesuai dengan kaidah-kaidah bisnis yang berlaku. PHE improves the climate of mutual trust, respect, and nurture alliance with PPU in accordance with the applied business norms.
Etika Perusahaan dengan Kreditor Corporate Ethics with Creditors	PHE menerima pinjaman hanya ditujukan untuk kepentingan bisnis dan peningkatan nilai tambah Perusahaan. PHE receives loans only for business purposes and to increase the Company's added value.
Etika Perusahaan dengan Media Massa Corporate Ethics with Mass Media	PHE menjadikan media masa sebagai mitra dan alat promosi untuk membangun citra yang baik. PHE perceives mass media as a partner and promotional tool to build a good image.
Etika Perusahaan dengan Organisasi Profesi Corporate Ethics with Professional Organization	PHE menjalin kerjasama yang baik dan berkelanjutan dengan organisasi profesi untuk memperoleh informasi perkembangan bisnis, mendapatkan peluang bisnis dan menyelesaikan permasalahan yang terjadi. PHE establishes good and sustainable cooperation with professional organizations to keep abreast of information on business development, find business opportunities and resolve problems that occur.

Standar Tata Perilaku

Standards of Conduct

Bagian Section	Uraian Description
Perilaku sebagai Atasan Terhadap Bawahan Conduct as Superior to Subordinate	<ul style="list-style-type: none"> • Menginspirasi dan memelopori pembaharuan dan modernisasi Perusahaan melalui pemikiran out of the box; • Menerima ide dan masukan dari bawahan sebagai pertimbangan pengambilan keputusan; • Memastikan seluruh unsur Perusahaan bekerjasama secara sinergis guna mendapatkan kinerja unggul dan meningkatkan pelayanan; • Mendengarkan keluhan Bawahan dan membantu solusi praktis; • Keteladanan dalam kedisiplinan atas jam kerja Perusahaan; • Melakukan <i>sharing knowledge</i> atas pendidikan dan pelatihan yang telah diikuti; • Memberikan motivasi, arahan dalam melaksanakan pekerjaan;

Bagian Section	Uraian Description
<p>Perilaku sebagai Atasan Terhadap Bawahan Conduct as Superior to Subordinate</p>	<ul style="list-style-type: none"> • Mendorong budaya kepatuhan terhadap COC dan kebijakan Perusahaan; • Melakukan koreksi atau teguran ke bawahan secara konstruktif, adil dan tanpa mematahkan semangat kerja yang bersangkutan; • Menanggapi setiap laporan yang diterima mengenai pelanggaran disiplin dan menindaklanjutinya secara adil dan transparan sesuai peraturan Perusahaan; • Tidak melakukan intimidasi atau tekanan, penghinaan, dan pelecehan terhadap bawahan; • Tidak menyalahgunakan wewenang dan jabatan; • Tidak menghambat kompetensi dan karir bawahan. • To inspire and pioneer the Company's reform and modernization through out of the box thinking; • Receive ideas and input from subordinates as considerations for decision-making; • Ensure all elements of the Company work together synergistically in order to achieve performance excellence and improve services; • Listen to subordinates' complaints and help with practical solutions; • As an exemplary role in discipline on the Company's working hours; • Share knowledge on education and training that have been undergone; • Give motivation, direction in performing the work; • Promote a culture of compliance with the COC and Company policies; • Make corrections or reprimand subordinates constructively, fairly and without lowering their morale; • Respond to every report received on disciplinary violation and follow up fairly and transparently according to Company regulations; • Do not intimidate or pressure, humiliate, and harass subordinates; • Do not abuse power and position; • Do not hinder the competence and career of subordinates.
<p>Perilaku sebagai Bawahan terhadap Atasan Conduct as Subordinate to Superior</p>	<ul style="list-style-type: none"> • Bekerja jujur dan profesional dalam menjalankan tugas dengan penuh tanggung jawab; • Bersikap dan bertingkah laku santun terhadap atasan dan sesama Insan PHE. • Selalu berusaha meningkatkan kemampuan, pengetahuan dan profesionalisme dalam melaksanakan tugas; • Memberikan saran dan masukan yang positif kepada atasan; • Berani dan bebas mengeluarkan pendapat secara santun dalam mendiskusikan kebijakan atasan yang tidak sesuai dengan aturan dan/atau tujuan Perusahaan dan menyampaikan saran untuk perbaikan; • Tidak membahas secara negatif kebijakan Atasan dengan sesama Bawahan yang berpotensi mengundangi fitnah dan kontra produktif terhadap kinerja Perusahaan; • Memberitahukan dan meminta izin kepada atasan apabila ada keperluan atau kepentingan diluar Perusahaan yang menggunakan waktu kerja dan atau kegiatan profesi yang dilakukan diluar jam kerja; • Mendengarkan teguran Atasan tanpa prasangka serta melaksanakan tuntutan perbaikan dengan lapang dada; • Melaksanakan pekerjaan rutin atau tugas yang menjadi tanggung jawab tanpa harus "diingatkan" atau "diperintah" Atasan; • Mematuhi peraturan Perusahaan dan menginformasikan kepada Atasan bila terdapat indikasi penyimpangan; • Patuh dan konsekuen terhadap hukum, kebijakan (<i>policy</i>), dan <i>Standard Operating Procedure</i> (SOP) yang berlaku; • Tidak melakukan tindakan yang di luar kewenangannya; • Mematuhi dan menghormati kesepakatan yang tertuang dalam Perjanjian Kerja Bersama (PKB). • Work honestly and professionally in carrying out duties with full responsibility; • Being and behave politely towards superiors and fellow personnel of PHE. • Strive to improve skills, knowledge and professionalism in performing tasks; • Provide advice and positive feedback to superiors; • Courageous and freely express opinion in discussing superior's policies that are not in compliance with the rules and/or objectives of the Company and provide recommendation for improvement; • Do not discuss negatively the superior's policies with fellow subordinates that may potentially cause slander and counter productive to the Company's performance; • Notify and ask for permission to the superior if there is any need or interest outside the Company that uses work time and or professional activities conducted outside working hours; • Listen to the superior's reprimand without prejudice and carry out the demands for rectification with open heart; • Carry out routine work or assignment without being "reminded" or "directed" by the superior;

Bagian Section	Uraian Description
<p>Perilaku sebagai Bawahan terhadap Atasan Conduct as Subordinate to Superior</p>	<ul style="list-style-type: none"> • Comply with Company regulations and inform the superiors if there are any indications of irregularities; • Comply and take consequence with applicable laws, policies, and Standard Operating Procedures (SOPs); • Do not take any actions beyond authority; • Comply with and honor the agreement stipulated in the Collective Labor Agreement (PKB).
<p>Perilaku sebagai Rekan Kerja Conduct as Coworkers</p>	<ul style="list-style-type: none"> • Saling mengingatkan untuk menyelesaikan pekerjaan secara tepat waktu, dalam arti tidak menunda pekerjaan; • Menerima keluhan, masukan dan saran yang diberikan dari unit kerja lain sebagai masukan untuk instropeksi kelompok dan untuk perbaikan kinerja; • Melakukan <i>sharing knowledge</i> yang diperoleh dari pelatihan kepada rekan-rekan sekerja. • Menyelesaikan permasalahan dengan fokus pada inti dan pencarian solusi; • Menerima kelebihan rekan kerja sebagai anugerah bagi kelompok dan Perusahaan; • Meluruskan berita negatif atau yang tidak benar mengenai Perusahaan yang muncul dalam perbincangan di luar Perusahaan; • Menjaga perilaku sopan dan santun baik di dalam maupun di luar pekerjaan; • Mengembangkan kemampuan dan keterampilan untuk bekerja dalam kelompok demi kemajuan Perusahaan; • Memiliki semangat kerja sama yang tinggi dan selalu siap membantu rekan ataupun unit kerja lain untuk kebaikan Perusahaan; • Menghargai orang lain, tidak meremehkan dan tidak melakukan diskriminasi dalam hubungan pekerjaan. • Menciptakan keterbukaan informasi sesama rekan kerja dan antar unit kerja untuk mendukung kerja sama dan koordinasi yang baik demi kemajuan Perusahaan, namun tetap menyimpan rahasia Perusahaan dan atau rahasia jabatan atau rahasia unit kerja dengan sebaik-baiknya; • Bersikap terbuka, simpatik dan membantu sesama rekan, saling menghormati dan menghargai pendapat orang lain, serta dapat menerima perbedaan pendapat dengan baik; • Memiliki semangat persaingan yang sehat untuk memacu prestasi kerja secara maksimal; • Menghindari tindakan dan ucapan yang mengandung unsur intimidasi, pelecehan, penghinaan, sikap mengejek, memfitnah dan merendahkan teman, serta saling menjatuhkan terhadap sesama rekan kerja; • Bekerja dengan harmonis berdasarkan dedikasi dan kepercayaan bersama untuk mencapai tujuan bersama. • Remind each other to complete the work in a timely manner, by not delaying work; • Receive complaints, feedback and suggestions provided from other work units as inputs for group's reflection and for performance improvement; • Share knowledge gained from training to co-workers. • Solve problems with a focus on the core of the problems and to find solution; • Accept the co-workers' achievements as advantage for the group and the Company; • Straighten out any negative or inaccurate news about the Company arising in the conversation outside the Company; • Maintain polite and courteous behavior both at work and outside work; • Develop competence and skills to work in a group for the Company's growth; • Have a high spirit of cooperation and always ready to help co-workers or employees in other work units for the good of the Company; • Respect others, do not underestimate nor discriminate in work relationships. • Establish transparency of information among co-workers and between work units to support good cooperation and coordination for the Company's development, while maintaining the Company confidentiality and/or secrets of the job position or work unit properly; • Be open, sympathetic and help others, respect and value others' opinions, and be able to accept disagreements well; • Have a healthy competition spirit to maximize work achievement; • Avoid actions and speeches that contain elements of intimidation, harassment, insult, mockery, slander and condescending, as well as defamation between co-workers; • Work harmoniously based on dedication and mutual trust to achieve common goals.

Penyebarluasan Kode Etik

- Penyebaran *code of conduct* dilakukan secara rutin dengan memanfaatkan berbagai media cetak, elektronik dan kesempatan internal event kepada seluruh pekerja Perusahaan, pada segala tingkatan, termasuk tenaga outsourcing. Media penyebaran *code of conduct* antara lain dilakukan melalui:
 - › Sosialisasi nilai-nilai *code of conduct* Perusahaan pada saat acara *formal meeting* antara Dewan Komisaris/ Direksi dengan para pegawai, Rakor PHE, *gathering* dan kegiatan *informal meeting* dengan olahraga/ *outbond* serta seni budaya;
 - › Sosialisasi nilai-nilai *code of conduct* Perusahaan melalui pemasangan banner;
 - › Sosialisasi nilai-nilai *code of conduct* melalui broadcast e-mail.
- Pertemuan dengan pembicara yang *capable* di bidangnya;
- Program pengembangan nilai-nilai dasar:
 - › *Value Based Development Program* (VBDP) untuk para pekerja;
 - › VBDP untuk para manajer;
 - › VBDP untuk eksekutif Perusahaan.

Pakta Integritas *Code of Conduct*

Code of conduct berlaku bagi seluruh level organisasi di PHE. Komitmen untuk melaksanakan *code of conduct* didokumentasikan dalam bentuk pernyataan (Pakta Integritas) yang diperbaharui dan ditandatangani setiap awal tahun.

Setiap insan PHE menerima satu salinan *code of conduct* dan menandatangani pernyataan bahwa telah menerima, memahami dan setuju untuk mematuhi *code of conduct*. Selanjutnya pernyataan yang telah ditandatangani, didokumentasikan oleh Fungsi SDM Perusahaan.

Code of Conduct Dissemination

- The dissemination of *code of conduct* is carried out regularly through various print and electronic media, as well as internal events to all employees of the Company, at all levels, including outsourced personnel. Due to the spread of *code of conduct*, among others:
 - › Dissemination of the Company's *Code of Conduct* values during formal meetings between the Board of Commissioners/Board of Directors with the employees, Coordination Meeting of PHE, gathering and informal meeting activities of sports/outbound as well as art and culture;
 - › Dissemination of the Company's *code of conduct* values through the installation of banners;
 - › Dissemination the *code of conduct* values through email broadcast.
- Meetings with speakers who are capable in their fields;;
- Basic values of development program:
 - › *Value Based Development Program* (VBDP) for employees;
 - › VBDP for managers;
 - › VBDP for Company executives.

Integrity Pact of *Code of Conduct*

Code of conduct applies to all levels of the organization at PHE. The commitment to carry out the *code of conduct* is documented in the form of Integrity Pact which is renewed and signed at the beginning of each year.

Each PHE personnel receives a copy of the *code of conduct* and signs the statement that he/she has received, understood and agreed to comply with the *code of conduct*. The statement that has been signed, is documented by the Company's HR Function.

Sanksi Untuk Masing - Masing Jenis Pelanggaran yang Diatur Dalam Kode Etik (Normatif)

PHE menetapkan sanksi bagi setiap pelanggaran *code of conduct*. Perusahaan menyediakan saluran untuk pelaporan setiap dugaan pelanggaran, melalui *whistleblowing system* (WBS). Setiap laporan akan ditindaklanjuti oleh Fungsi Internal Audit/Fungsi Compliance/Investigator Eksternal dan menyampaikan hasil kajian kepada Direksi.

Bagi setiap pelaporan yang terbukti, manajemen menindaklanjuti dengan tindakan pembinaan, sanksi, disiplin tindakan, perbaikan serta pencegahan yang harus dilaksanakan oleh atasan langsung. Selain itu juga terdapat mekanisme sanksi yang dijatuhkan sesuai dengan peraturan Perusahaan.

Pihak yang dilaporkan dengan dugaan melakukan penyimpangan/pelanggaran *code of conduct* diberikan hak untuk melakukan pembelaan dan didengar pembelaannya oleh Direksi. Pelaksanaan pembinaan, hukuman disiplin atau tindakan perbaikan, serta pencegahan dilaporkan kepada atasan langsung yang kemudian disampaikan kepada Fungsi Internal Audit.

Uraian tentang jumlah pelanggaran kode etik beserta sanksi yang diberikan pada tahun 2017 disajikan terpisah dalam bahasan mengenai *whistleblowing system* pada bagian lain dalam Laporan ini.

Sanctions for each Violation Stipulated in the Code of Conduct (Normative)

The PHE imposes sanctions on any violation of the code of conduct. The Company provides channels to report any alleged infringement, through a whistleblowing system (WBS). Each report will be followed up by the Internal Audit Function/Compliance Function/External Investigator and the results of the review are submitted to the Board of Directors.

For any proven report, the management follows up with advisory actions, sanctions, disciplinary punishment, rectification and prevention that should be carried out by direct supervisors. There is also a sanction mechanism imposed based on Company regulations.

The accused party who is reported for violation of the code of conduct is given the right to defend and be heard by the Board of Directors. Implementation of advisory action, disciplinary punishment or rectification, and prevention are reported to the immediate superior who is then submitted to the Internal Audit Function.

The description of the number of code of conduct violations and the sanctions given in the last fiscal year is presented separately in the discussion of whistleblowing system in other part of this Report.

Pengungkapan mengenai *Whistleblowing System* Disclosure on Whistleblowing System

Sejak tahun 2015 PT Pertamina Hulu Energi (PHE) telah memiliki sistem pelaporan pelanggaran (*whistleblowing system* atau WBS) untuk menampung pengaduan mengenai dugaan pelanggaran yang dilakukan Insan PHE dalam pelaksanaan tugas dan tanggung jawabnya di PHE maupun Anak Perusahaan.

Pengaduan dan pelaporan yang dimaksud berasal dari pihak internal maupun eksternal PHE dan Anak Perusahaannya terkait pelanggaran terhadap ketentuan hukum, ketentuan internal Perusahaan, maupun ketentuan etika dan *Code of Conduct*. [102-17]

PHE memiliki WBS sebagai sistem pelaporan yang berdiri sendiri dan dikelola secara independen oleh PHE, terlepas dari sistem dan mekanisme WBS Perusahaan induk PT Pertamina (Persero).

WBS yang dibangun PHE berlaku bagi seluruh insan PHE tanpa terkecuali. Hal ini ditetapkan melalui Keputusan Direksi No.RRD-027/PHE000/2014-S0 tanggal 26 September 2015 tentang Pembuatan Sistem Pelaporan Pelanggaran atau *Whistleblowing System* (WBS) PT Pertamina Hulu Energi (PHE), yang ditindaklanjuti dengan Surat Keputusan No.Kpts-117/PHE000/2015-S0 tanggal 31 Desember 2015 yang melakukan pengesahan terhadap Pedoman *Whistleblowing System* (WBS) PHE No.476/PHE040/2015-S0.

Since 2015, PT Pertamina Hulu Energi (PHE) has established a whistleblowing system (WBS) system to accommodate complaints about alleged violations committed by PHE personnel in performing their duties and responsibilities at PHE and its Subsidiaries.

Such complaints and come from internal and external parties of PHE and its Subsidiaries regarding violations of legal provisions, internal Company regulations, as well as provisions of ethics and Code of Conduct. [102-17]

PHE established WBS as a stand-alone reporting system and is managed independently by PHE, apart from the WBS system and mechanism of the parent company of PT Pertamina (Persero).

WBS was established by PHE is applicable to all PHE personnel without exception. This is stipulated by Board of Directors Decree No.RRD-027/PHE000/2014-S0 dated September 26, 2015 on the Establishment of the Pertamina Hulu Energi (PHE) Whistleblowing System (WBS), which is followed up by Decree No.Kpts-117/PHE000/2015-S0 dated December 31, 2015 which ratified the PHE Whistleblowing System (WBS) guidelines No.476/PHE040/2015-S0.

Prinsip-prinsip Dasar WBS PHE

PHE WBS Basic Principles

Prinsip Utama Main Principles	Uraian Description
Adil Fair	Sistem WBS PHE memberikan perlakuan yang sama bagi setiap laporan dan/atau pengaduan yang diajukan dan menjunjung tinggi asas praduga tidak bersalah bagi pihak yang dilaporkan dan/atau diadukan. The PHE WBS system provides equal treatment for every incoming report and/or complaint and upholds the presumption of innocence for the party being reported and/or complained.
Transparan Transparent	Setiap pelaporan/pengaduan yang disampaikan diproses berdasarkan mekanisme, batasan dan prosedur yang telah ditentukan berdasarkan pedoman ini. Every incoming report/complaint is processed based on the mechanisms, limitations and procedures specified under the guidelines.
Obyektif dan Independen Objective and Independent	Setiap laporan/aduan yang disampaikan akan dinilai berdasarkan fakta dan bukti yang ada dan tanpa adanya intervensi. Every incoming report/complaint will be reviewed based on facts and evidence available and without any intervention.
Kerahasiaan Pelaporan Reporting Confidentiality	Setiap pelapor/pengadu yang mengajukan laporan dan/atau pengaduan ke dalam sistem WBS PHE dijamin kerahasiaan identitasnya dan kerahasiaan atas informasi yang disampaikan. Every whistleblower/complainant filing a report and/or complaint to the PHE WBS system is guaranteed the confidentiality of his/her identity and the confidentiality of the information submitted.
Fokus Focus	Sistem WBS PHE memiliki batasan yang jelas terhadap jenis-jenis laporan/aduan yang dapat ditindaklanjuti sesuai dengan ketentuan yang ditetapkan berdasarkan pedoman WBS PHE.] The PHE WBS system has clear restrictions on the types of reports/complaints that can be followed up in accordance with the provisions established under the PHE WBS guidelines.

Penyampaian Pelaporan Pelanggaran

PHE menyediakan saluran penyampaian pelaporan dugaan pelanggaran:

- *Website*: <http://phe.pertamina.com> (Klik Bagian *Whistleblowing System* PHE)
- *Email*: wbsphe@pertamina.com
- *Drop Box* WBS PHE yang disediakan oleh Perusahaan
- Sarana/media lainnya yang ditetapkan oleh Perusahaan dan diinformasikan melalui website Perusahaan atau media lainnya.

PHE memberikan kemudahan akses melalui *website* dan email karena menggunakan *Electronic Data Base* (e-Database) yang bersifat aman dan terproteksi. Seluruh individu PHE, Anak Perusahaan dan yang bekerja bagi Perusahaan dapat menggunakan sarana tersebut.

Pengaduan yang disampaikan melalui WBS PHE, sekurang-kurangnya terdiri dari:

- Informasi mengenai data diri pelapor;
- Pokok permasalahan yang diadukan pihak-pihak yang terkait;

Penyampaian Pelaporan Pelanggaran

PHE provides reporting channel for alleged violation, as follows:

- *Website*: <http://phe.pertamina.com> (Click on *PHE Whistleblowing System*)
- *Email*: wbsphe@pertamina.com
- *Drop Box* PHE WBS provided by the Company
- *Other facilities/media* established by the Company and informed through Company website or other media.

PHE provides easy access through website and email because it uses Electronic Database (e-Database) which is secured and protected. All PHE individuals, Subsidiaries and those working for the Company may use the facilities.

Complaints filed through PHE WBS, at least consisting of:

- Information about the whistleblower's personal data;
- Subject of the matter filed by related parties;

- Lokasi kejadian;
- Waktu kejadian; dan
- Uraian apakah sebelumnya aduan/laporan atas hal ini pernah dilaporkan kepada pihak/orang lain baik secara formal maupun informal.

Lingkup pengaduan/pelaporan WBS PHE yang ditindaklanjuti hanya terkait dugaan pelanggaran hukum, ketentuan internal Perusahaan, serta ketentuan etika dan *code of conduct* yang diduga dilakukan oleh Insan PHE, khususnya untuk kasus:

- Korupsi;
- Suap;
- Gratifikasi;
- Konflik Kepentingan;
- Pencurian;
- Kecurangan/*Fraud*;
- Pelanggaran etika dan *code of conduct* yang berlaku di PHE dan/atau Anak Perusahaan.

Laporan yang tidak dapat ditindaklanjuti dalam WBS dan ditangani oleh fungsi terkait, jika terkait dengan lingkup kedinasan, antara lain:

- Pelanggaran terhadap ketentuan hukum di bidang lingkungan hidup;
- Perselisihan pribadi antar insan PHE atau antara insan PHE dengan pihak ketiga di luar lingkup kedinasan, permasalahan fasilitas SDM dan Perusahaan.

Perlindungan Bagi Whistleblower

PHE menjamin perlindungan terhadap pelapor dari segala bentuk ancaman, intimidasi, ataupun tindakan tidak menyenangkan dari pihak manapun selama pelapor menjaga kerahasiaan pelanggaran yang diadukan. PHE tidak akan melakukan upaya apapun untuk mencari identitas asli pelapor jika pengaduan bersifat anonim. Meskipun demikian, PHE dapat meminta informasi kepada pelapor mengenai tata cara untuk dapat menghubungi pelapor apabila diperlukan sehubungan dengan keperluan klarifikasi lebih lanjut atas aduan/laporan yang disampaikan.

- Location of the incident;
- Time of the incident; and
- Description whether previous complaint/report on the matter has been reported to other parties/persons both formally and informally.

The scope of PHE WBS complaints/report that can be followed up is limited to alleged violations of law, internal Company provisions, as well as provisions of ethics and code of conduct allegedly committed by PHE Personnel, in particular for the following cases:

- Corruption;
- Bribery;
- Gratification;
- Conflict of Interest;
- Theft;
- Fraud;
- Violation of ethics and code of conduct applicable in PHE and/or its Subsidiaries.

Reports that cannot be followed up by WBS and handled by related functions, if related to official service capacity, among others:

- Violation of legal provisions in the environmental sector;
- Personal disputes between PHE personnel or between PHE personnel and third party outside official service capacity, HR and corporate facilities issues.

Protection for Whistleblower

PHE ensures protection for whistleblower from any form of threat, intimidation or objectionable act by any party during which the whistleblower maintains the confidentiality of the offense being filed. PHE will not make any effort to seek out the original identity of the whistleblower if the complaint is anonymous. Nevertheless, PHE may request information to the whistleblower on the ways to contact him/her if necessary in connection with the need for further clarification of the complaint/report being filed.

Tindak lanjut atas setiap aduan/laporan pada WBS wajib mengedepankan kerahasiaan, asas praduga tidak bersalah dan asas-asas WBS PHE sebagaimana diatur di dalam Pedoman WBS PHE.

Penanganan Pengaduan Sistem WBS PHE

Setiap pelaporan/pengaduan yang disampaikan melalui WBS ditangani oleh Fungsi Sekretaris Perusahaan dengan penanggungjawab utama Chief Compliance Officer (CCO) PHE yang secara *ex-officio* dijabat oleh Direktur Keuangan dan Business Support PHE. Penanganan setiap pelaporan/pengaduan melalui tahapan.

Follow-up of any complaints/reports to the WBS shall uphold confidentiality, the presumption of innocence and the principles of the PHE WBS as stipulated in the PHE WBS Guidelines.

Complaint Handling of PHE WBS System

Every report/complaint filed through WBS is handled by the Corporate Secretary Function with the main person in charge the Chief Compliance Officer (CCO) of PHE which is the *ex-officio* position is held by Finance and Business Support Director of PHE. Each report/complaint is handled through several stages.



Hasil Penanganan Pelaporan/Pengaduan

Pihak yang mengelola pengaduan sistem WBS PHE adalah Fungsi Compliance. Pelaporan/pengaduan yang masuk ke dalam sistem WBS PHE memiliki potensi untuk menimbulkan benturan kepentingan antara para pihak yang terkait dengan sistem WBS PHE. Berdasarkan hal tersebut, maka diatur mekanisme tindak lanjut khusus untuk kondisi-kondisi tertentu sebagai berikut:

- Aduan/laporan yang berisi dugaan pelanggaran yang dilakukan Direksi dan/atau anggota Direksi akan diserahkan oleh Sekretaris Perusahaan kepada Dewan Komisaris.
- Aduan/laporan yang berisi dugaan pelanggaran yang dilakukan Dewan Komisaris akan diserahkan oleh Direktur Utama kepada para pemegang saham PHE.
- Aduan/laporan yang berisi dugaan pelanggaran yang dilakukan anggota Fungsi Relations yang diserahkan oleh Direktur Utama kepada Internal Audit.

Sepanjang tahun 2017, terdapat satu pengaduan/pelaporan yang disampaikan melalui WBS PHE. Hingga akhir periode pelaporan tercatat ada 6 (enam) laporan yang sudah diselesaikan dan tidak ada laporan masih dalam penanganan.

Results of Report/ Complaint Handling

The party handling the complaints in PHE WBS system is the Compliance Function. The incoming reports/complaints filed to the PHE WBS system have the potential to cause a conflict of interest between the parties related to the PHE WBS system. Therefore, a special follow-up mechanism has been established for certain conditions as follows:

- Each complaint/report on allegation of violation committed by the Board of Directors and/or members of the Board of Directors shall be filed by the Corporate Secretary to the Board of Commissioners.
- Each complaint/report on allegation of violation committed by the Board of Commissioners will be filed by the President Director to the shareholders of PHE.
- Each complaint/report on allegation of violation committed by a member of the Relations Function is filed by the President Director to the Internal Audit.

Throughout 2017, there was one complaint/report filed through PHE WBS. By the end of the reporting period there were 6 (six) reports that have been resolved and no reports were still in handling process.

Tabel jumlah pengaduan yang masuk dan diproses pada tahun buku terakhir

Table of incoming and processed complaints in the last fiscal year

Uraian Description	2017	2016	2015
Pelaporan/Pengaduan Report/Complaint			
Jumlah pelaporan/pengaduan pelanggaran kode etik Number of reports/complaints on violation of Code of Conduct	1	5	0
Jumlah pelaporan/pengaduan yang ditangani dan selesai Number of reports/complaints that have been handled and resolved	6	4	0
Jumlah pelaporan/pengaduan yang masih ditangani Number of reports/complaints that are still being handled	0	1	0
Tindak Lanjut Follow up			
Jumlah pelaporan/pengaduan selesai ditindaklanjuti Number of reports/complaints that have been followed up	1	0	0
Jumlah pelaporan/pengaduan yang masih ditangani Number of reports/complaints that are still being handled	0	0	0

Sanksi/tindak Lanjut atas Pengaduan yang telah Selesai Diproses pada Tahun Buku

Proses tindak lanjut atas pelaporan di tahun 2017 diserahkan ke Fungsi HR & GA.

Setiap pelaporan yang terbukti ditindaklanjuti dengan menjatuhkan sanksi terhadap pihak-pihak terlapor, sesuai Aturan Perusahaan dan ketentuan lain yang berlaku.

Sanctions/Follow up to Complaints that Have Been Processed for the Fiscal Year

The follow-up process on the reports in 2017 has been submitted to the HR & GA Function.

Reports that have been proven were followed up by imposing sanctions on the reported parties, in accordance with the Company's Rules and other applicable provisions.

Budaya Perusahaan Company's Culture

PHE membangun budaya Perusahaan sejalan dengan tata nilai yang telah ditetapkan oleh PT Pertamina (Persero). Tata nilai Perusahaan induk yang diterapkan manajemen dan pekerja PHE dikenal dengan "6C".

PHE builds the Company's culture in line with the values set by PT Pertamina (Persero). The parent company's values applied by PHE management and employees are referred to as "6C".

6c	
Clean	Dikelola secara profesional, menghindari benturan kepentingan, tidak menoleransi suap, menjunjung tinggi kepercayaan dan integritas. Berpedoman pada asas-asas tata kelola korporasi yang baik. Professionally managed, avoid conflict of interest, never tolerate bribery, respect trust and integrity based on good corporate governance principles.
Confident	Berperan dalam pembangunan ekonomi nasional, menjadi pelopor dalam reformasi BUMN dan membangun kebanggaan bangsa. Involvement in national economic development, as a pioneer in State-owned Enterprise reform, and to build national pride.
Commercial	Menciptakan nilai tambah dengan orientasi komersial, mengambil keputusan berdasarkan prinsip-prinsip bisnis yang sehat. Creating added value based on commercial orientation and make decisions based on fair business principles
Competitive	Mampu berkompetisi dalam skala regional maupun internasional, mendorong pertumbuhan melalui investasi, membangun budaya sadar biaya dan menghargai kinerja. Able to compete both regionally and internationally, support growth through investment, build a cost effective and performance oriented culture.
Customer Focused	Berorientasi pada kepentingan pelanggan dan berkomitmen untuk memberikan pelayanan terbaik kepada pelanggan. Focus on customers interests, and committed to providing the best service to customers.
Capable	Dikelola oleh pemimpin dan pekerja yang profesional dan memiliki talenta dan penguasaan teknis tinggi, berkomitmen dalam membangun. Managed by professional, skilled, and highly qualified leaders and workers, committed to building research and development capabilities.

Sosialisasi Budaya Perusahaan

Selama tahun 2017, PHE melakukan beberapa/kegiatan sebagai bentuk sosialisasi budaya perusahaan kepada para pejabat perusahaan maupun kalangan pegawai, di antaranya:

- Melakukan sosialisasi dalam acara HUT PHE baik disampaikan secara langsung oleh MC dan ditampilkan di layar utama;
- Memasang beberapa banner terkait 6C di beberapa tempat yang dipilih (sesuai kondisi lokasi dan ketersediaan)
- Melakukan survey untuk mengukur pemahaman dan penerapan budaya 6C melalui theme-o-meter untuk seluruh pekerja PHE.

Company Culture Dissemination

During 2017, PHE conducted several activities as a form dissemination of corporate culture to the Company's officials as well as employees, as follows:

- Conducting dissemination at the PHE Anniversary event both delivered directly by MC and displayed on the main screen;
- Installing some 6C related banners in selected places (according to location conditions and availability)
- Conducting a survey to measure the understanding and application of 6C culture through the theme-o-meter for all PHE employees.

Catatan: Pada tahun 2017 belum mengutamakan program sosialisasi 6C tetapi lebih fokus proses perubahan ke PHE SSO.
Note: In 2017, 6C dissemination program has not been a priority but rather focused on the transformation process to PHE SSO.

Perkara Penting yang Sedang Dihadapi Oleh Perusahaan, Entitas Anak, Serta Anggota Dewan Komisaris dan Anggota Direksi yang Menjabat Pada Periode Laporan Tahunan

Important Cases Faced by the Company, Subsidiary, as well as Members of the Board of Commissioners and Directors who are Serving in Annual Report Period

<p>Pokok Perkara Merit of the case/lawsuit</p>	<p>Gugatan Arbitrase yang diajukan oleh PHE RT terhadap Golden Spike Energy Indonesia (GSEI) di lembaga arbitrase internasional: International Chamber of Commerce (Arbitrase ICC). PHE RT dan GSEI adalah Kontraktor dalam JOB Pertamina-Golden Spike untuk wilayah kerja Raja. Gugatan adalah mengenai kegagalan GSEI memenuhi kewajiban pembayaran <i>cash call</i> yang menjadi kewajibannya. Arbitration Lawsuit filed by PT Pertamina Hulu Energi Raja Tempirai ("PHE RT") against PT Golden Spike Energy Indonesia ("GSEI") at the international arbitration institution: International Chamber of Commerce (ICC Arbitration). PHE RT and GSEI are Contractors in JOB Pertamina-Golden Spike for Raja working area. The lawsuit refers to GSEI's failure to fulfill its cash call payment obligations.</p>
<p>Status Penyelesaian Status of the Case/Lawsuit</p>	<p>Berdasarkan putusan ketiga dan final Arbitrase ICC, PHE RT mengajukan permohonan eksekutur di Pengadilan Negeri Jakarta Pusat. Based on the third and final verdict of ICC Arbitration, PHE RT filed for execution at the Central Jakarta District Court.</p>
<p>Risiko yang dihadapi perusahaan dan nilai nominal tuntutan/gugatan Risk encountered by the Company and nominal value of the charge/lawsuit</p>	<p>Berdasarkan putusan ketiga dan final dari Arbitrase ICC, PHE RT menindaklanjuti dengan mengajukan permohonan eksekusi putusan-putusan sebagai berikut:</p> <ul style="list-style-type: none"> • Hak PHE RT atas bagian hasil produksi dari GSEI selama dalam kondisi wanprestasi (default), tanpa kewajiban untuk mengembalikannya kepada GSEI di kemudian hari. • Hak PHE RT pada angka 1, berlaku terhitung sejak 1 Januari 2013 sampai dengan GSEI melunasi hutangnya, yang terdiri dari: <ul style="list-style-type: none"> › undercall GSEI sebesar US\$6.656.000 ditambah bunga sampai dengan dibayarkannya hutang tersebut; dan › Dana talangan atas biaya operasi yang merupakan kewajiban GSEI sejak Januari 2013 dengan jumlah sebesar US\$19.403.688 ditambah bunga sampai dengan dibayarkannya hutang tersebut. • Selain itu, GSEI wajib membayar kepada PHE RT sejumlah US\$8.500.000 ditambah bunga 6% pertahun terhitung sejak 29 Desember 2015 sampai dengan dilunasinya hutang tersebut, sebagai kompensasi atas hilangnya keuntungan PHE RT. • GSEI harus membayar kepada PHE RT costs of the arbitration sebesar EUR732.409. • Based on the third and final awards of the ICC Arbitration, PHE RT followed up by applying for the execution of the awards as follows: • PHE RT's rights for the portion of production sharing from GSEI during default in payment condition, without any obligation to return it to GSEI at a later date. • PHE RT's rights of point 1, effective from January 1, 2013 up to settlement of GSEI's debts, consisting of: <ul style="list-style-type: none"> › undercall of GSEI of US\$6,656,000 plus interest until the debt is paid; and › Bailout of operating expenses which is the obligation of GSEI since January 2013 with total amount of US\$19,403,688 plus interest until the debt is paid. • In addition, GSEI is required to pay PHE RT amounted to US\$8,500,000 plus 6% interest per annum starting from December 29, 2015 until the settlement of the debt, as compensation for PHE RT's loss of profits. • GSEI shall pay to PHE RT the arbitration costs of EUR732,409.

Sanksi/Putusan Sanction/Verdict	Perkara ini dimenangkan oleh PHE RT sehingga tidak ada sanksi yang didapat PHE maupun PHE RT Perkara ini dimenangkan oleh PHE RT sehingga tidak ada sanksi yang didapat PHE maupun PHE RT
Pokok Perkara/Gugatan Merit of the case/lawsuit	Gugatan pada Pengadilan Negeri Jakarta Pusat dengan Nomor Perkara No.455/Pdt.G/2016/PN.Jkt.Pst antara PT Korindo Jasa Petra (KJP) sebagai Penggugat, PT Pertamina Trans Kontinental (PTK) sebagai Tergugat, dan PT Pertamina Hulu Energi Offshore North West Java (PHE ONWJ) sebagai Turut Tergugat. Gugatan berkaitan dengan pelaksanaan Kontrak PC-1066 mengenai Technical Services For Arco Ardjuna Dry Docking antara PHE ONWJ dengan Kontraktor, yaitu Konsorsium yang terdiri dari KJP, PTK dan Jurong SML, PTE. Ltd. Lawsuit at Central Jakarta District Court with Case Number No.455/Pdt.G/2016/PN.Jkt.Pst between PT Korindo Jasa Petra (KJP) as Plaintiff, PT Pertamina Trans Kontinental (PTK) as Defendant and PT Pertamina Hulu Energi Offshore North West Java (PHE ONWJ) as Co-defendant. The lawsuit related to the implementation of PC-1066 Contract on Technical Services for Arco Ardjuna Dry Docking between PHE ONWJ and the Contractor, which is a Consortium consisting of KJP, PTK and Jurong SML, PTE. Ltd.
Status Penyelesaian Status Penyelesaian	Pada sidang pengadilan negeri, majelis hakim memutuskan bahwa gugatan tidak dapat diterima sehubungan dengan kompetensi absolut yang sudah disepakati dalam kontrak adalah arbitrase. Atau putusan tersebut KJP mengajukan upaya hukum banding. At the district court hearing, the panel of judges ruled that the lawsuit was unacceptable due to the absolute competence that has been agreed upon in the contract was arbitration case. Upon the ruling, KJP filed an appeal.
Risiko yang dihadapi perusahaan dan nilai nominal tuntutan/gugatan Risk encountered by the Company and nominal value of the charge/lawsuit	Eksposur terhadap klaim apabila gugatan KJP dikabulkan oleh majelis hakim: <ul style="list-style-type: none"> • Materil claim: sekitar US\$7,8 Juta & IDR 20 Juta • Immateril claim: sekitar US\$12 Juta Terhadap gugatan tersebut, PHE ONWJ dituntut untuk bertanggung jawab secara tanggung renteng dengan PTK sebagai Tergugat. Exposure to claims if KJP suit is granted by the panel of judges: <ul style="list-style-type: none"> • Material claim: approximately US\$7.8 million & IDR20 million • Immaterial claim: approximately US\$12 million To such lawsuit, PHE ONWJ is required to take joint responsibility with PTK as Defendant.
Sanksi/Putusan Sanction/Verdict	Belum ada putusan hukum berkekuatan tetap sehingga belum ada sanksi yang diterima PHE maupun PHE ONWJ. There has not been a legally binding verdict so no sanction has been received by PHE or PHE ONWJ.

Sampai dengan akhir periode pelaporan, PHE tidak pernah menerima sanksi administrasi yang dikenakan kepada perusahaan, anggota Dewan Komisaris dan Direksi oleh otoritas terkait seperti SKK Migas sebagai badan regulator kegiatan usaha hulu migas di Indonesia maupun pihak berwenang lain termasuk Otoritas Jasa Keuangan (OJK) dan pihak berwenang lain pada tahun buku.

Until the end of the reporting period, PHE has never received administrative sanctions imposed on the Company, members of the Board of Commissioners and the Board of Directors by relevant authorities such as SKK Migas as the regulatory body for upstream oil and gas activities in Indonesia as well as other authorities including the Financial Services Authority (OJK) and others in the fiscal year.



Supriyadi
VP Legal

Kepatuhan

Tidak adanya sanksi yang diterima PHE menegaskan komitmen Perusahaan untuk mematuhi setiap peraturan perundang-undangan yang berlaku. Untuk memastikan kepatuhan, PHE telah mengangkat Chief Compliance Officer (CCO) sebagai pejabat perusahaan yang bertanggung jawab atas penerapan GCG dan kepatuhan Perusahaan terhadap peraturan perundang-undangan yang berlaku.

Selama kurun waktu periode pelaporan, CCO bersama Fungsi Compliance & Corporate Administration menyelenggarakan kegiatan untuk memberikan pemahaman peraturan perundang-undangan yang berpengaruh pada bisnis PHE. Melalui kegiatan tersebut, diharapkan aktivitas pada unit-unit operasional dijalankan dengan hukum dan peraturan yang berlaku.

Compliance

The absence of sanctions received by PHE underlined the Company's commitment to comply with any applicable laws and regulations. To ensure compliance, PHE has appointed Chief Compliance Officer (CCO) as a company official responsible for the implementation of GCG and the Company's compliance with applicable laws and regulations.

During the reporting period, the CCO along with the Compliance & Corporate Administration Function organized activities to provide the employees with understanding of the laws and regulations affecting PHE business. Through these activities, activities in operational units were expected to be carried out in compliance with applicable laws and regulations.



Akses Informasi dan Data Perusahaan

Company Information and Data Access

PHE berkomitmen untuk memberikan akses data dan informasi kepada para *stakeholders* sebagai bagian dari bentuk transparansi dan upaya peningkatan penerapan GCG yang telah dilakukan selama ini. Namun di sisi lain, PHE juga menerapkan manajemen data untuk menjaga informasi penting yang wajib dirahasiakan.

PHE memiliki website, yaitu <http://phe.pertamina.com> sebagai akses informasi dan data Perusahaan kepada publik. Selain itu, PHE juga mendistribusikan informasi melalui media cetak dan elektronik, diantaranya majalah internal Energia PHE, broadcast email, buku-buku profil perusahaan, brosur-brosur, dan intranet.

Informasi lebih lanjut mengenai PHE dan Laporan ini dapat menghubungi: [102-53]

Aji Prayudi
Vice President Relations
PT Pertamina Hulu Energi
PHE Tower, Lantai 21-25
Jl. TB Simatupang Kav 99
Jakarta Selatan 12520, Indonesia
Telepon : +62 21 2954 7000
Faksimili : +62 21 2952 9076

PHE is committed to providing data and information access to stakeholders as a form of transparency and efforts to improve the implementation of GCG that have been done so far. However on the other hand, PHE also implements data management that can protect significant data which is classified as confidential information.

PHE has a website, <http://phe.pertamina.com>, as access to Company information and data to the public. In addition, PHE also distributes information through print and electronic media, including PHE Energia internal magazine, email broadcast, company profile books, brochures, and intranets.

Information and data to the public regarding PT Pertamina Hulu Energi (PHE) can be accessed through: [102-53]

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www.phe.pertamina.com



[phe.pertamina](https://www.instagram.com/phe.pertamina)

Penerapan atas Pedoman GCG Bagi Perusahaan Publik Penerbit Efek Bersifat Ekuitas

GCG Guidelines Implementation for Equity-Based Publicly-Listed Issuers

PHE adalah Perseroan Terbatas yang bukan merupakan perusahaan terbuka dan tidak menerbitkan efek bersifat ekuitas. Dengan demikian Laporan ini tidak menyertakan pemenuhan informasi penerapan atas pedoman tata kelola bagi perusahaan terbuka penerbit efek bersifat khusus, baik tentang rekomendasi yang sudah dilaksanakan maupun rekomendasi yang belum dilaksanakan.

PHE is a non-listed Limited Liability Company and does not issue securities in the form of equity. Thus, this Report does not include compliance with information disclosure on governance guidelines for publicly-listed special security issuers, whether the recommendations have been implemented or not.



Kebijakan Mengenai Keberagaman Komposisi Dewan Komisaris dan Direksi

Policy on the Diversity of the Board of Commissioners and Directors Composition

Kebijakan terkait komposisi Anggota Dewan Komisaris merupakan hak pemegang saham Perusahaan, sedangkan kebijakan terkait komposisi anggota Direksi ditentukan oleh Anggaran Dasar Perusahaan. Kebijakan mengenai keberagaman komposisi Dewan Komisaris dan Direksi diatur dalam Pedoman GCG No. 1141/PHE040/2014-S0. Penentuan komposisi anggota Dewan Komisaris dan Direksi dilakukan tanpa diskriminasi dan berdasarkan keahlian, pendidikan dan pengalaman yang mencakup bidang industri utama Perusahaan, keuangan, ekonomi, dan tata kelola Perusahaan.

Policies on the Board of Commissioners' composition are the rights of the Company's shareholders, while the policies on the composition of the members of the Board of Directors are determined by the Company's Articles of Association. The policy on the composition diversity of the Board of Commissioners and the Board of Directors is stipulated in the GCG Guideline No. 1141/PHE040/2014-S0. The determination of the composition of the members of the Board of Commissioners and the Board of Directors shall be conducted without discrimination and based on expertise, education and experience in the Company's main industry, financial, economic and corporate governance fields.

Tabel keberagaman komposisi Dewan Komisaris dan Direksi dalam pendidikan (bidang studi), pengalaman kerja, usia, dan jenis kelamin Tahun 2017

Table of Board of Commissioners and Directors composition diversity in education (field of study), work experience, age, and gender in 2017

Nama Name	Jabatan Position	Pendidikan (bidang studi) Education (field of study)	Bidang Pengalaman Kerja Work Experience Field	Usia Age	Jenis Kelamin Gender
Dewan Komisaris Board of Commissioners					
Syamsu Alam	Komisaris Utama President Commissioner	Geofisika Geophysics	Eksplorasi dan Pengembangan Migas Oil & Gas Exploration and Development	54 tahun 54 years old	Laki-laki Male
Yudi Wahyudi	Komisaris Commissioner	Ekonomi Akuntansi Economic Accounting	Keuangan dan Akuntansi Finance and Accounting	55 tahun 55 years old	Laki-laki Male
M. Teguh Pamuji	Komisaris Commissioner	Hukum International International Law	Kemasyarakatan dan Kelembagaan Community and Institutional	60 tahun 60 years old	Laki-laki Male
Mohamad Oemar	Komisaris Independen Independent Commissioner	Hubungan Internasional International Relations	Multilateral Multilateral	56 tahun 56 years old	Laki-laki Male
Prahoro Nurtjahyo	Komisaris Commissioner	Matematika dan Engineering Mathematics and Engineering	Engineering Engineering	47 Tahun 47 years old	Laki-laki Male

Nama Name	Jabatan Position	Pendidikan (bidang studi) Education (field of study)	Bidang Pengalaman Kerja Work Experience Field	Usia Age	Jenis Kelamin Gender
Direksi Board of Directors					
R. Gunung Sardjono Hadi	Direktur Utama President Director	Teknik Kimia & Teknik Mesin Chemical Engineering & Mechanical Engineering	Business Development Business Development	54 tahun 54 years old	Laki-laki Male
Rudy Ryacudu	Direktur Eksplorasi Director of Exploration	Teknik Geologi dan Business Administrasi Geological Engineering and Business Administration	Eksplorasi Exploration	56 tahun 56 years old	Laki-laki Male
Beni J. Ibradi	Direktur Operasi dan Produksi Director of Financial and Business Support	Tambang Mine	Operasi dan Produksi Migas Oil & Gas Operations and Production	57 tahun 57 years old	Laki-laki Male
Ari Budiarko	Direktur Keuangan dan Business Support Director of Development	Ekonomi Akuntansi dan Ekonomi Manajemen Accounting and Management	Ekonomi Akuntansi dan Utang Piutang Accounting and Debts	57 tahun 57 years old	Laki-laki Male
Vacant	Direktur Pengembangan Direktur Pengembangan	-	-	-	-

Catatan:

Sesuai dengan Keputusan RUPS PHE secara Sirkuler tanggal 24 Juli 2017 Sdr. Bambang Manumayoso tidak lagi menjabat sebagai Direktur Pengembangan.

Note:

In accordance with Resolution of Circular GMS of PHE dated July 24, 2017, Mr. Bambang Manumayoso has no longer served as Director of Development.



Tinjauan Operasional Pendukung

Supporting Operational Review

Pengembangan Teknologi Komunikasi Informasi dan Data Manajemen

Bersama dengan pemberlakuan Shared Service Organization (SSO), pada tahun 2017 PHE melakukan penataan organisasi Fungsi Teknologi Komunikasi Informasi (ICT) yang ada di PHE maupun Anak Perusahaan (AP). Fungsi ICT yang sebelumnya dimiliki PHE dan masing-masing AP, kemudian disatukan dan digabungkan dengan Fungsi Data Management (DM). Perusahaan membentuk organisasi baru: Fungsi ICT & Data Management.

Perubahan organisasi ini berdampak pada strategi layanan dan pengelolaan sumberdaya ICT & DM, baik aplikasi, data, infrastruktur, sumber daya manusia (SDM) maupun tata kelola yang mendukung organisasi baru. Pada sisi lain organisasi baru yang dibentuk tetap dituntut menerapkan tata kelola ICT yang baik sesuai dengan praktik-praktik terbaik.

Visi dan Misi Fungsi ICT & DM

- Visi
 - › Menjadi penyedia layanan teknologi informasi dan data management yang berkelas dunia (world class ICT & DM Service Provider).

Development of Information Communication Technology and Data Management

Along with the application of Shared Service Organization (SSO), in 2017 PHE restructured the organization of Information Communication Technology (ICT) Function in PHE and Subsidiaries (AP). ICT function that previously belong to PHE and each subsidiary, are then joined and combined with the Data Management (DM) function. The Company established a new organization: ICT & Data Management Function.

This organizational change had an impact on ICT & DM service strategies and resource management, including applications, data, infrastructure, human resources (HR) and governance that support the new organization. On the other hand, the newly established organization is also required to implement good ICT governance in accordance with best practices.

Vision and Mission of ICT & DM Function

- Vision
 - › To be a world class Information and Communication Technology (ICT) & Data Management (DM) service provider.



Bambang Rudi Prasetyo
VP ICT Data Management

- Misi

- › Untuk memposisikan ICT & DM sebagai strategic enabler – mencapai tujuan bisnis utama dengan memfokuskan pada hal-hal penting yaitu efektifitas, efisiensi, keamanan informasi, integritas, ketersediaan layanan, kepatuhan prosedur, dan kehandalan layanan (achieve business goal by focusing on effectiveness, efficiency, confidentiality, integrity, availability, compliance and reliability matters).
- › Secara berkesinambungan meningkatkan kontribusi dan nilai tambah manfaat ICT & DM bagi PHE dan Anak Perusahaan PHE (improve ICT & DM contribution and value to PHE business and subsidiaries) dalam meningkatkan laba, sebagaimana layaknya layanan sebuah perusahaan yang berkelas dunia.
- › Menyediakan teknologi informasi dan komunikasi, pengembangan dan pemeliharaan aplikasi dan data management (to provide information technology, application development and maintenance and data management), sebagai area layanan ICT & DM untuk PHE dan Anak Perusahaan PHE.

Strategi ICT & DM tahun 2017 difokuskan pada lima area baru, yakni aplikasi, data management, infrastruktur, tata kelola dan business demand yang mencakup PHE beserta seluruh AP. Pelaksanaan strategi secara garis besar diwujudkan dalam bentuk pemberian layanan sesuai Service Level Agreement (SLA), pelaksanaan Key ICT & DM Projects sesuai timeline, tata kelola yang sesuai dengan aturan internal dan eksternal Perusahaan serta tetap menjaga tingkat kepuasan pelanggan pada standar yang ditentukan.

Rencana Kerja ICT & DM tahun 2017 berpedoman pada ICT & DM Master Plan 2017. Rencana Induk tersebut ditandatangani Direktur Finance & Business Support PHE dan merupakan rencana induk transisi menuju SSO.

- Mission

- › To position ICT & DM as a strategic enabler - to achieve business goals by focusing on effectiveness, efficiency, confidentiality, integrity, availability, compliance and reliability matters.
- › To continually improve ICT & DM contribution and value to PHE business and subsidiaries to increase profit, as a world-class company.
- › To provide information technology, application development & maintenance, and data management, as ICT & DM service areas for PHE and Subsidiaries.

The ICT & DM Strategy of 2017 focused on five new areas of application, data management, infrastructure, governance and business demand that applied to PHE and all subsidiaries. The strategy was implemented in the form of service delivery according to Service Level Agreement (SLA), Key ICT & DM Projects was implemented according to timeline, governance in accordance with internal and external rules of the Company and maintain customer satisfaction level to the standard that has been set.

The ICT & DM Work Plan 2017 referred to ICT & DM Master Plan 2017. The Master Plan was signed by the Finance & Business Support Director of PHE and is the master plan for the transition to SSO.

ICT Master Plan 2017

▶

Sasaran ICT PHE:

1. Menyediakan **Data dan Informasi** yang aktual, valid dan terintegrasi
2. Menyediakan **Sistem Informasi** yang dapat mendukung operasional dan pengambilan keputusan
3. **Layanan ICT** dapat diakses secara mudah, cepat dan mobilitas tinggi
4. Mendefinisikan **Tata Kelola ICT** yang sesuai dengan proses bisnis

PHE ICT Objectives :

1. To provide actual, valid and integrated data and information
2. To provide information system that supports operation and decision making
3. ICT service can be easily and quickly accessed with high mobility
4. To define ICT Governance according to the Company's business process

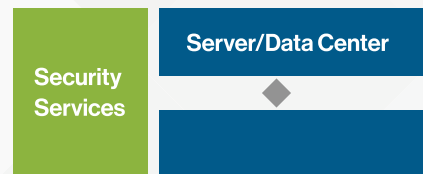
Business Architecture

- Core: Acquisition, Exploration, Development, Production & Abandon

Data Architecture

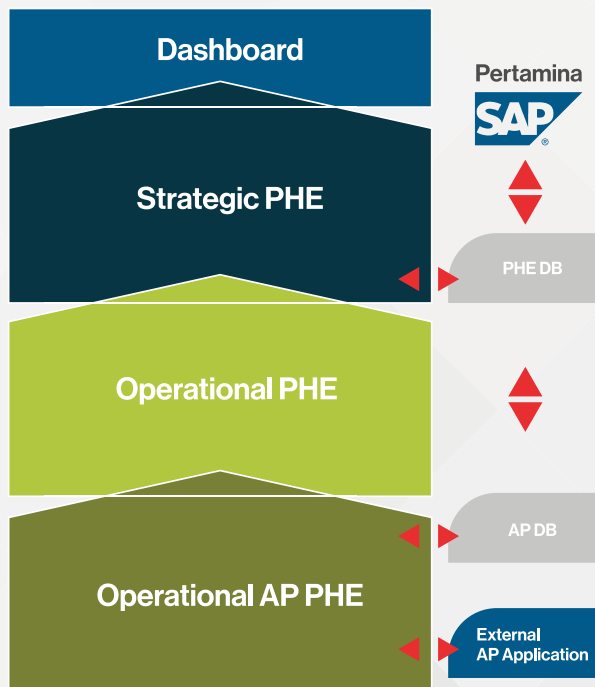
- Partner
- Risk Management
- Strategic Planning
- Asset
- Operation
- WP & B
- Supply Chain
- Maintenance
- Facilities (Surface)
- G&G
- Drilling & Completion
- Project Management
- QHSSE
- Production
- Reservoir
- Sales & Commercial
- HR
- Governance & Compliance
- Administration & GA
- Finance
- Accounting & Tax
- IT

Technology Architecture



- Support/Enabler: Operation, PPRM, IA, QHSSE, ICT & DM, Finance & Accounting, HRD, SCM, Legal & Relations.

Application Architecture



Client Peripheral

Common System Services

Telecommunication Network Infrastructure

Sasaran ICT PHE:

1. Akuisisi, Validasi dan Penyajian **Data & Informasi**
2. Standarisasi, Konsolidasi & Pengembangan **Aplikasi**
3. Optimasi dan Upgrade **Teknologi & Infrastruktur**
4. Standarisasi dan Konsolidasi **Tata Kelola**

Roadmap Initiative:

1. Acquisition, Validation and Presentation of Data & Information
2. Standardization, Consolidation & Development of Applications
3. Optimization and Upgrade of Technology & Infrastructure
4. Standardization and Consolidation of Governance

Strategi ICT & DM Tahun 2017

- Menyiapkan Project PHE One System yang merupakan aplikasi Enterprise Resources Planning (ERP) yang mencakup PHE dan AP. Aplikasi ini menggantikan aplikasi SAP eksisteng dengan target *go-live* Januari 2018.
- Melakukan standarisasi dan *re-live* aplikasi SAP untuk PHE dan AP
- Mengimplementasikan aplikasi non-ERP yakni business application dan petrotechnical application sesuai permintaan user.
- Melakukan pengelolaan business & upstream data management.
- Memberikan 13 jenis layanan Service Catalog ICT & DM, sesuai SLA yang sudah ditentukan.
- Menjaga *availability* dan *reliability* sumber daya ICT & DM.
- Mitigasi risiko dan pengelolaan tata kelola selalu dilaksanakan untuk memenuhi kepatuhan dan kesesuaian kebijakan perusahaan.
- Melakukan pekerjaan change management & project management terkait implikasi implementasi Aplikasi / Sistem Informasi.
- Stabilisasi organisasi SSO Fungsi ICT & Data Managment.
- Persiapan implementasi PHE Digital Transformation dan pengkajian teknologi informasi terbaru yang bisa diimplementasikan di Perusahaan.

Dalam melaksanakan tugas dan tanggung jawabnya, Fungsi ICT & DM didukung oleh beberapa fungsi pendukung, yakni:

- ICT Compliance & Governance
Bertanggung jawab dalam penyusunan dan pengelolaan RKAP dan Perencanaan Kerja & Anggaran (WP&B), tata kelola dan kinerja serta yang terkait dengan ICT architecture, strategi dan security.
Pekerjaan dan kegiatan yang sudah dilaksanakan di tahun 2017, di antaranya:
 - › Pengelolaan RKAP dan WP&B 2017 & 2018
 - › Pengelolaan invoicing, kontrak, charge back dan cost control terkait realisasi RKAP dan WP&B 2017.

ICT & DM Strategy 2017

- To prepare PHE One System Project as an Enterprise Resources Planning (ERP) application that included PHE and Subsidiaries. This application replaced the existing SAP application with go-live target in January 2018.
- To standardize and re-live SAP applications for PHE and Subsidiaries
- To implement non-ERP application ie business application and petrotechnical application according to user request.
- To conduct business & upstream data management.
- To provide 13 types of ICT & DM Service Catalog, according to the SLA that has been established.
- To maintain availability and reliability of ICT & DM resources.
- To conduct risk mitigation and governance management to comply and conform with the Company's policies.
- To perform change management & project management related to implication of Application/Information System implementation.
- To stabilize the SSO Organization of ICT & Data Management Function.
- To prepare for the implementation of PHE Digital Transformation and the latest information technology assessment that can be implemented in the Company.

In performing its duties and responsibilities, ICT & DM function is supported by several supporting functions, namely:

- ICT Compliance & Governance
Responsible for the preparation and management of RKAP and Work Planning & Budget (WP&B), governance and performance as well as matters related to ICT architecture, strategy and security.
Work and activities that have been implemented in 2017, including:
 - › Management of RKAP and WP&B 2017 & 2018.
 - › Management of invoicing, contracting, charge back and cost control related to the realization of RKAP and WP&B 2017.

- › Penyelesaian 15 Sistem Tata Kerja (STK) berupa 1 pedoman dan 14 TKO.
 - › Pelaksanaan assesment COBIT oleh audit eksternal dengan score 3.10
 - › Penyediaan evidence untuk audit internal, BPK, ISRS, ICoFR, dan monitoring kepatuhan GCG.
 - › Pengelolaan dan persiapan dokumen untuk penyusunan KPI, people review, performance dialog dan MoC SSO serta management report.
 - › Pengelolaan ITSM yang meliputi penyusunan service catalog dan implementasinya.
 - › Pelaksanaan training bagi pekerja PWTT ICT & DM sebanyak 180 mandays.
 - › Koordinasi terkait ICT asset management.
 - › Pengelolaan CSMS di lingkungan ICT & DM.
 - › Pelaksanaan knowledge sharing & innovation sebanyak 6.
 - › Penyelesaian ICT Master Plan 2017 dan Persiapan implementasi Enterprise Architecture 2018-2020.
 - › Penerapan ICT Risk Management, Security Risk Map/ Security Risk Identification, IT Security Prevention, IT Security Device Hardening, Vulnerability Management, Security Awareness Program dan internal & external security assessment (Penyusunan dokumen Security Lifecycle, Threat Landscape & penetration testing)
 - › Pelaksanaan Internal Cyber Security Maturity Audit.
- › Completion of 15 System & Working Procedures (STK) in the form of one guideline and 14 Organizational Working Procedures (TKO).
 - › Implementation of COBIT assessment by external audit with score 3.10
 - › Provision of evidence for internal audit, BPK, ISRS, ICoFR, and GCG compliance monitoring.
 - › Management and preparation of documents for the drafting of KPI, people review, performance dialogue and SSO MoC and management report.
 - › ITSM Management which includes the preparation of service catalog and its implementation.
 - › Implementation of 180 man-days of training for ICT & DM permanent employees (PWTT).
 - › Coordination for ICT asset management.
 - › Management of CSMS within ICT & DM environment.
 - › Implementation of 6 events on knowledge sharing & innovation
 - › Completion of ICT Master Plan 2017 and Preparation for implementation of Enterprise Architecture 2018-2020.
 - › Implementation of ICT Risk Management, Security Risk Map/Security Risk Identification, IT Security Prevention, IT Security Device Hardening, Vulnerability Management, Security Awareness Program and internal & external security assessment (Security Life cycle documentation, Threat Landscape & penetration testing)
 - › Implementation of Internal Cyber Security Maturity Audit.
- ICT Solution
Bertanggung jawab dalam pengelolaan dan implementasi Aplikasi ERP, Aplikasi non-ERP (non-petrotechnical), integrasi aplikasi dan content management.
Pekerjaan dan kegiatan yang sudah dilaksanakan di tahun 2017, di antaranya :
 - › Reimplementasi SAP dengan desain dan konfigurasi SAP yang ter-standarisasi untuk PHE dan seluruh AP. Reimplementasi meliputi modul Plant Maintenance (PM) untuk pemeliharaan alat produksi, modul Material Management (MM) untuk pengelolaan rantai suplai untuk barang dan jasa, modul Human Capital Management (HCM) untuk pengelolaan struktur
- ICT Solution
Responsible in the management and implementation of ERP, non-ERP (non-petrotechnical) applications, application integration and content management.
Work and activities that have been implemented in 2017, including:
 - › SAP reimplementation with standardized SAP design and configuration for PHE and all Subsidiaries. The reimplementation included Plant Maintenance (PM) modules for production equipment maintenance, Material Management (MM) modules for supply chain management of goods and services, Human Capital Management (HCM) modules for organizational structure management,

organisasi, data dan remunerasi pekerja, serta modul Finance, Controlling, Project System, Joint Venture Accounting (FI, CO, PS, JVA) untuk pengelolaan aset, pajak, keuangan, pencatatan biaya dan pelaporan akuntansi. Dalam reimplementasi terdapat juga penambahan beberapa modul SAP yang meliputi modul Fund Management (FM) untuk pengelolaan anggaran dan realisasi biaya, Travel Management (TM) untuk pengelolaan perjalanan dinas pekerja, Warehouse Management (WM) untuk pengelolaan penyimpanan barang dalam gudang, dan Sales & Distribution (SD) untuk pencatatan tagihan serta pelaporan revenue penjualan minyak dan gas.

- › Single Box SAP HCM untuk menempatkan data SDM Perusahaan dalam satu client/box SAP, sehingga pengelolaan modul HCM tidak berpengaruh dan tidak dipengaruhi oleh pengelolaan modul SAP lainnya.
- › Dukungan pemakaian dan pemeliharaan SAP dikoordinasikan secara internal oleh Tim ERP Application di bawah fungsi ICT & DM PHE, bekerja sama dengan fungsi CSS PT Pertamina (Persero).
- › Implementasi dan perapihan konten website baru PHE.
- › Development portal departemen di PT PHE dan AP PHE.
- › Development dan implementasi: website baru PHE SCM, aplikasi Gas Invoice Monitoring System, BI report Monthly Production Summary, aplikasi I-AM (untuk PHE SSO), aplikasi Millions dan E-Lacak (untuk PHE WMO), aplikasi RMS, KMS dan defracas (untuk PHE ONWJ), 19 aplikasi untuk PHE serta 15 aplikasi untuk kebutuhan PHE One System.
- › Enhancement aplikasi untuk kebutuhan PHE WMO (6 aplikasi), kebutuhan PHE ONWJ (2 aplikasi) dan APROSI untuk kebutuhan PHE Siak dan Kampar
- › Penyesuaian aplikasi existing Non ERP di PHE dan AP PHE terhadap Single Box HR.
- › Standarisasi aplikasi QHSSE dalam bentuk blueprint.
- › Dukungan meliputi training, support, problem solving, dan enhancement untuk aplikasi-aplikasi yang telah diimplementasi pada tahun sebelumnya.
- › Research dan development terhadap implementasi teknologi terbaru, seperti Business Intelligence, framework, enterprise architecture dan mobile application.

employee data and remuneration, and Finance, Controlling, Project System, Joint Venture Accounting (FI, CO, PS, JVA) for asset management, tax, finance, cost accounting and accounting reporting. In the reimplementation, there was also the addition of several SAP modules, including Fund Management (FM) modules for budget management and cost realization, Travel Management (TM) for employee business trip, Warehouse Management (WM) for storage of goods in warehouse management, and Sales & Distribution (SD) for billing recording and reporting of oil and gas sales revenue.

- › Single Box SAP HCM to place Company HR data in one SAP client/box, so HCM module management would have no effect and was not affected by management of other SAP modules.
- › Support of use and maintenance of SAP was coordinated internally by the ERP Application Team under PHE ICT & DM function, in collaboration with the CSS function of PT Pertamina (Persero).
- › Implementation of reorganizing content of PHE's new website.
- › Development of portal departments at PT PHE and PHE Subsidiaries.
- › Development and implementation: new website for PHE SCM; Gas Invoice Monitoring System application, BI report of Monthly Production Summary, I-AM application (for PHE SSO); Millions and E-Lacak applications (for PHE WMO); RMS, KMS and defracas applications (for PHE ONWJ); 19 applications for PHE and 15 applications for PHE One System.
- › Enhancement of six applications for PHE WMO, 2 applications for PHE ONWJ and APROSI for PHE Siak and Kampar.
- › Adjustment of existing non-ERP application at PHE and PHE Subsidiaries to HR Single Box.
- › Standardization of QHSSE applications in the form of blueprint.
- › Support, covering training, support, problem solving, and enhancement for applications that have been implemented in the previous year.
- › Research and development on the implementation of the latest technologies, such as Business Intelligence, framework, enterprise architecture and mobile application.

- › Standarisasi arsitektur, teknologi, dan proses bisnis pengembangan aplikasi Non ERP dalam bentuk STK Non ERP.
 - › Support availability aplikasi Non ERP sesuai dengan SLA yang disepakati.
 - › Support standarisasi aplikasi upstream Production.
 - › Support pembuatan future application design dan mapping process business vs existing application.
- Business & Upstream Data Management
Bertanggung jawab dalam pengelolaan dan implementasi Aplikasi Petrotechnical, Upstream Surface & Sub-surface Data Management, Business Data Management dan Database System.
Pekerjaan dan kegiatan yang sudah dilaksanakan di tahun 2017 adalah :
 - › Penyatuan SOT Produksi PHE SSO
Proyek ini merupakan penyatuan data produksi AP, seperti PHE NSO/B, ONWJ, WMO dan Siak-Kampar dalam pelaporan ke SKK MIGAS.
 - › Implementasi Drilling Summary Report
Penyatuan laporan harian aktifitas drilling dari berbagai AP PHE yang secara otomatis dikirim melalui email ke masing-masing pihak yang berkepentingan di lingkungan PHE.
 - › Implementasi GIS (Wilayah Kerja)
 - » Pengadaan aplikasi ArcGIS Enterprise untuk PHE Holding sebagai bagian dari proyek CDMS.
 - » Telah selesai pembuatan peta dasar WK AP PHE dalam format AcrGIS.
 - › Pengkajian Big Data (Upstream)
Pengkajian kemungkinan implementasi Big Data di lingkungan PHE dengan mengundang beberapa solution provider sebagai bahan masukan untuk penulisan kajian Big Data.
 - › Corporate Data Management System (CDMS)
Pembuatan repository untuk menyimpan data GGRPFD dari semua AP PHE kedalam satu system database di PHE. Proyek CDMS terbagi dalam tiga fase sampai tahun 2019. Tahun 2017 telah selesai dikerjakan hal-hal sebagai berikut:
- › Standardization of architecture, technology, and business process of Non-ERP application development in the form of Non ERP STK.
 - › Support availability for Non-ERP application in accordance with agreed SLA.
 - › Support for upstream Production application standardization.
 - › Support for future application design and mapping of process business vs existing application.
- Business & Upstream Data Management
Responsible for the management and implementation of Petrotechnical Applications, Upstream Surface & Sub-surface Data Management, Business Data Management and Database System.
The work and activities that have been implemented in 2017 are:
 - › Integration of SOT Production of PHE SSO
This project is an integration of Subsidiaries' production data, such as PHE NSO/B, ONWJ, WMO and Siak-Kampar in reports to SKK MIGAS.
 - › Implementation of Drilling Summary Report
The integration of daily reports of drilling activities from various PHE Subsidiariss that are automatically sent via email to the respective relevant parties within PHE.
 - › GIS Implementation (Work Area)
 - » Procurement of ArcGIS Enterprise application for PHE Holding as part of CDMS project.
 - » Completed the basic mapping of PHE subsidiaries' working areas in AcrGIS format.
 - › Big Data Assessment (Upstream)
Assessing the possibility of applying Big Data within PHE environment by inviting several solution providers as input for the review of Big Data.
 - › Corporate Data Management System (CDMS)
Creation of a repository for storing GGRPFD data from all PHE Subsidiaries into a single database system at PHE. The CDMS project is divided into three phases until 2019. In 2017 the following processes have been completed:

- » Proposal CDMS telah disetujui oleh Direksi PHE
 - » Telah mendapatkan persetujuan dari SKKMIGAS terkait cost sharing proyek ini.
 - » Penyusunan tim Proyek CDMS yang terdiri dari personel ICT-DM dan tim teknis dari masing-masing departemen, seperti Subsurface, Drilling, Production dan Facility/Engineering.
 - » Pembuatan grand design CDMS.
 - » Mulai pembuatan database CDMS dan data mapping mengacu kepada data model PPDM.
 - › Alih Kelola PSC yang akan habis masa kontrak, terutama terkait dengan data-data GGRPFD baik fisik maupun digital, serta aplikasi Petroteknikal yang digunakan oleh PSC dimaksud (OSSES, JOB PJOK dan JOB PPEJ).
 - › Perbaikan pengembangan (enhancement) aplikasi Electronic Document Management System (EDMS) Oracle Webcenter Content (OWC)
 - › Kontrak Payung Aplikasi GGRPFD; bekerjasama dengan Fungsi SCM
 - › Data Management Way (DM-Way) sebagai pedoman pengelolaan data-data GGRPFD.
 - › Perpanjangan Annual Support & Maintenance Database dan aplikasi Petroteknikal.
- ICT Operation
Bertanggung jawab dalam pengelolaan terkait layanan customer service & end user support, network, telecommunication, infrastructure, data center dan operasional lapangan. Pekerjaan dan kegiatan yang sudah dilaksanakan di tahun 2017, di antaranya:
 - › Implementasi single domain untuk PHE dan AP menjadi satu domain pertamina.com, dimana sebelumnya untuk AP PHE ONWJ dan PHE WMO menggunakan domain pheonwj.pertamina.com dan phewmo.pertamina.com.
 - › Enhancement terhadap monitoring system di data center yang terletak di Gedung Arkadia F lantai 4 dengan memasang perangkat untuk memonitor status dan performance dari power backup systems, khususnya pada bagian UPS battery.
- » CDMS proposal has been approved by PHE Directors
 - » Approval has been received from SKKMIGAS related to cost sharing of this project.
 - » Preparation of the CDMS Project team consisting of ICT-DM personnel and technical team from each department, such as Subsurface, Drilling, Production and Facility/Engineering.
 - » Establishment of CDMS grand design.
 - » The start of creation of CDMS database and data mapping referring to PPDM model data.
 - › Transfer of Management of expiring PSCs, especially related to both physical and digital data of, as well as Petrotechnical applications used by the targeted PSCs (OSSES, JOB PJOK and JOB PPEJ).
 - › Enhancement of the Electronic Document Management System (EDMS) application of Oracle Webcenter Content (OWC)
 - › GGRPFD Application Umbrella Contract; in cooperation with SCM Function
 - › Data Management Way (DM-Way) as a guideline for the management of GGRPFD data.
 - › Extension of Annual Support & Maintenance Database and Petrotechnical applications.
- ICT Operation
Responsible in management of customer service & end user support, network, telecommunication, infrastructure, data center and field operations.
Work and activities that have been implemented in 2017, including:
 - › Implementation of single domain for PHE and Subsidiaries into one domain of pertamina.com, where previously for subsidiaries PHE ONWJ and PHE WMO, using domain pheonwj.pertamina.com and phewmo.pertamina.com.
 - › Enhancement of the monitoring system at the data center located on the 4th Floor of Arkadia Building by installing devices to monitor the status and performance of power backup systems, especially on the UPS battery.

- › Penyatuan network PHE dan AP yang meliputi standarisasi SSID (Service Set Identifier) dan penyatuan Firewall dengan Next Generation Firewall di lokasi kerja PHE dan AP PHE serta melakukan migrasi alamat IP network di lokasi lapangan PHE Siak Kampar.
 - › Implementasi Backbone Telecommunication System di PHE ONWJ, PHE WMO dan PHE NSO/NSB meliputi Telekomunikasi, CCTV/Surveillance System, Trunking System dan Peralatan Telekomunikasi lainnya.
 - › Sentralisasi service desk PHE dan AP PHE.
 - › Implementasi Perjanjian Kerja Sama dengan salah satu provider telepon seluler untuk menunjang kegiatan operasi dan bisnis PHE dan semua Anak Perusahaan.
- › PHE and Subsidiaries network integration includes standardization of Service Set Identifier (SSID) and Firewall with the Next Generation Firewall at PHE and PHE Subsidiaries work sites and migrate IP network address at PHE Siak Kampar field location.
 - › Implementation of Backbone Telecommunication System at PHE ONWJ, PHE WMO and PHE NSO/NSB covering Telecommunication, CCTV/ Surveillance System, Trunking System and other Telecommunication Equipment.
 - › PHE and PHE Subsidiaries centralized service desk.
 - › Implementation of the Cooperation Agreement with one of the cellular phone providers to support the operations and business of PHE and all Subsidiaries.
- ICT Business Demand
Bertanggung jawab dalam project management, change management dan relationship management terkait pengelolaan ICT &DM dan layanan kepada user. Pekerjaan dan kegiatan yang sudah dilaksanakan di tahun 2017 adalah :
 - › Project Management Office (PMO) PHE One System.
 - › Penyiapan Tim Alih Kelola terkait ICT & DM.
 - › Sosialisasi kepada pekerja dan management PHE dan AP PHE terkait implementasi SSO ICT & DM dan seluruh layanan ICT & DM.
 - › ICT & DM gathering sebagai sarana penyatuan visi, misi dan rencana kerja Fungsi ICT & DM akibat diberlakukannya organisasi SSO.
 - › Assesment terhadap semua kebutuhan user terkait aplikasi serta standarisasi aplikasi.
 - › Survey layanan ICT & DM (user satisfaction).
 - › Pengelolaan training kepada user terkait implementasi aplikasi baru atau implementasi layanan lainnya.
- ICT Business Demand
Responsible for project management, change management and relationship management related to ICT & DM management and services to users. The work and activities that have been implemented in 2017 are:
 - › Project Management Office (PMO) of PHE One System.
 - › Preparation of management transfer of ICT & DM.
 - › Dissemination to PHE and PHE subsidiaries, as well as PHE management related to the implementation of ICT & DM SSO and all services of ICT & DM.
 - › ICT & DM gathering as a means to synchronize the perception towards the vision, mission and work plan of ICT & DM Function due to the implementation of SSO organization.
 - › Assessment on all user needs related to application and application standardization.
 - › ICT & DM service survey (user satisfaction).
 - › Management of training to users related to the implementation of new applications or other service implementations.

Tantangan ke Depan

Pemberlakuan SSO pada PHE dan seluruh AP, menjadikan tantangan Fungsi ICT & DM pada masa mendatang semakin kompleks. Ada beberapa tantangan yang harus segera ditindaklanjuti agar pelaksanaan tugas dan tanggung jawab Fungsi ICT & DM dapat maksimal:

- › Perubahan sistem dan aplikasi akibat perubahan bisnis dan organisasi SSO.
- › Integrasi sistem dan aplikasi yang semakin kompleks akibat beragamnya sistem dan aplikasi yang ada sekarang baik di PHE dan AP.
- › Standarisasi sistem, aplikasi dan data serta infrastruktur ICT & DM.
- › Kurangnya pengetahuan akibat perkembangan teknologi informasi yang sangat cepat serta perubahan tugas dan tanggung jawab dari pekerja.
- › Tuntutan tingkat layanan yang semakin tinggi dari user akibat perkembangan teknologi yang cepat.
- › Culture change terkait pengelolaan ICT & DM bagi pekerja ICT & DM serta pemanfaatan ICT & DM bagi user.
- › Pengelolaan ICT & DM pada blok baru hasil akuisisi.
- › Sinkronisasi dan penentuan skala prioritas pemenuhan kebutuhan bisnis inti dengan fungsi SSO
- › Kebutuhan user terkait aplikasi core business dengan fungsi SSO.
- › Peningkatan utilisasi aplikasi.
- › ICT risk management khususnya terkait ICT Security.
- › Integrasi proses pengadaan ICT & DM untuk PHE dan AP yang saat ini sebagian masih terpisah.
- › Implementasi digital transformation di PHE Group.

Future Challenges

SSO implementation at PHE and all subsidiaries, has made the challenges of ICT & DM Function in the future more complex. There are several challenges that must be addressed immediately in order to maximize the implementation of duties and responsibilities of ICT & DM Function:

- › System and application changes due to transformation to SSO business and organization.
- › The increasingly complex integration of systems and applications due to the variety of existing systems and applications both in PHE and Subsidiaries.
- › Standardization of system, application and data as well as ICT & DM infrastructure.
- › The lack of knowledge due to the rapid development of information technology and change of employees' duties and responsibilities.
- › The increasing demands for services from users due to rapid development of technology.
- › Culture change related to ICT & DM management for ICT & DM employees and ICT & DM utilization for users.
- › ICT & DM Management at newly acquired block.
- › Synchronization and scale of priority determination to meet the core business needs with SSO function
- › The users' need related to core business applications with SSO function.
- › Increased application utilization.
- › ICT risk management, especially related to ICT Security.
- › The integration of ICT & DM procurement process for PHE and Subsidiaries which partly remain separate currently.
- › Implementation of digital transformation at PHE Group.

Pengelolaan Rantai Pasok

Supply Chain Management

Pengelolaan rantai pasok (SCM) menjadi salah satu aspek penting yang mendukung pencapaian kinerja PHE pada tahun 2017. Fungsi SCM memegang peran sentral dalam upaya mengurangi biaya dari kegiatan rantai pasok, sehingga secara langsung berpengaruh pada pelaksanaan program efisiensi berkelanjutan.

Sebagai tindak lanjut pemberlakuan SSO, PHE melakukan perubahan organisasi dengan merumuskan kembali Visi dan Misi Fungsi SCM

- Visi
Menjadi Manajemen Rantai Pasokan untuk Eksplorasi dan Produksi Migas Kelas Dunia yang memiliki kinerja terbaik dan integritas tinggi.
- Misi
Melaksanakan manajemen rantai pasokan secara terpadu untuk menunjang operasi perusahaan berdasarkan prinsip kepatuhan, efektif, efisien, aman, transparan, setara, berwawasan lingkungan dan penggunaan teknologi informasi yang optimal.

Fungsi SCM dipimpin Vice President SCM SSO. Fungsi SCM dibantu beberapa fungsi pendukung dengan tanggung jawab masing-masing dan saling terintegrasi.

Supply chain management (SCM) is one of the important aspects supporting the achievement of PHE performance in 2017. SCM function played a central role in reducing the cost of supply chain activities, thus directly affected the implementation of sustainable efficiency programs

As a follow-up to the implementation of SSO, PHE made organizational change by reformulating the Vision and Mission of SCM Function

- Vision
To be the World Class Exploration and Production Oil & Gas SCM which has outstanding performance and high integrity.
- Mission
To implement the supply chain management in an integrated manner in order to support company's operations with the principles of compliance, effective, efficient, safe, transparent, equitable, environmentally and optimize the information technology.

The SCM function is headed by Vice President SCM SSO. The SCM function is assisted by several supporting functions that are integrated and with their respective responsibilities.

Fungsi Pendukung Supporting Function	Tanggung Jawab Responsibilities
<p>Pengelolaan Material dan Perencanaan Permintaan Strategis Material Management and Demand Strategic Planning</p>	<ul style="list-style-type: none"> • Mengelola, mengoptimalkan, pengalihan aset material (fokus pada komoditas utama OCTG dan jalur pipa). • Mengumpulkan, pemetaan, mengembangkan strategi untuk permintaan utama semua AP dalam memenuhi pasar yang ada atau menciptakan pasar baru dan menemukan penerapan teknologi yang lebih efisien, sinergi antar kelompok K3S/Pertamina. • Fokus pada pendekatan kemitraan strategis untuk AP Gross Split • Efektivitas dan efisiensi biaya. • Manage, optimize, transfer of material asset (focus on major commodity OCTG and line-pipe). • Collect, mapping, develop strategy for major demand of all AP to meet available market or create new market and searching for more efficient applicable technology, synergy among K3S/ Pertamina's group. • Focus on strategic partnership approach for Gross Split AP • Cost effectiveness and efficient.
<p>Pengadaan Procurement</p>	<ul style="list-style-type: none"> • Kepatuhan terhadap peraturan yang berlaku untuk memastikan kegiatan yang dilakukan memperoleh penggantian biaya (cost recovery) • Tidak ada gangguan terhadap operasi yang telah direncanakan dengan baik akibat masalah pengadaan. • Memimpin Strategi, Proses dan Inisiatif Pengadaan • Fokus pada peningkatan produksi atau menghindari kerugian produksi (sikap optimis atau can do attitude) • Compliance to applicable regulation to ensure any activities spent is cost recovery • No well planned operation disrupted due to procurement issue. • Lead for Procurement Strategy, Process and Initiatives • Focus on making more production or avoiding production loss ("can do attitude")
<p>Operasi Gudang dan Distribusi Material Warehouse Operations and Material Distribution</p>	<ul style="list-style-type: none"> • Mengelola pengoperasian gudang yang aman dan efisien • Memastikan distribusi material sesuai dengan spesifikasi dan jadwal operasi. • Mengoptimalkan penggunaan gudang antar kelompok K3S/Pertamina. • Mengelola & menangani dokumen resmi berkaitan dengan impor termasuk masterlist & bea cukai. • Mengelola & menangani proses penghapusan. • Manage the safe and efficient warehouse operations • Ensure material distribution meet operation spec and schedule. • Optimize warehouse utilization among K3S/Pertamina's group. • Manage & handle formalities related with importation documents including master list & customs clearance. • Manage & handle write off process.
<p>Kelautan & Udara Marine & Aviation</p>	<ul style="list-style-type: none"> • Dukungan Teknis dan keahlian K3L (HSSE) di bidang kelautan dan penerbangan. • Memastikan kapal dan helikopter yang dioperasikan sesuai dengan standar dan peraturan yang berlaku • Memastikan keandalan kapal & helikopter dengan memantau kinerja armada. • Inisiatif Strategis dalam Manajemen Armada & Efisiensi Bahan Bakar. • Support Technical and HSSE expertise for marine and aviation. • Ensure the operated vessels and helicopters comply with applicable standards and regulations • Ensure the vessels & helicopters reliability by monitoring the fleet performance. • Strategic initiatives on Fleet Management & Fuel Efficiency.
<p>Pengelolaan Kinerja Manajemen Rantai Pasokan dan Penunjang SCM Performance Management and Support</p>	<ul style="list-style-type: none"> • Melakukan pemantauan harian, pelaporan, memberikan rekomendasi dan melakukan pemutakhiran atas kinerja vendor dan pemasok (Vendor/Supplier). • Memimpin dalam pemantauan ketat di tier-1 atas kinerja Pemasok selama/pasca pelaksanaan terutama untuk skema GS AP. • Mendukung, memantau, melaporkan kegiatan SCM, menyediakan data yang dibutuhkan oleh stakeholders internal/eksternal. • Menyediakan sistem dan dukungan kepada organisasi SCM termasuk menerapkan teknologi, standar/peraturan baru. • Daily monitor, report, make recommendation and update of Vendor/Supplier Performance. • Lead in close monitoring tier-1 Supplier performance during/post execution especially for GS AP scheme. • Support, monitor, report of SCM activities, provide data required by internal/external stakeholders. • Provide system and support to SCM Organization including adopting new technology, standard/ regulation applied.

Pengadaan

Salah satu kegiatan penting dalam pengelolaan rantai pasok adalah pengadaan. Dalam pengertian luas, pengadaan dan pengelolaan rantai pasokan di PHE dapat digambarkan sebagai proses ketika PHE memutuskan cara terbaik untuk memenuhi kebutuhan akan barang dan jasa kepada penyedia eksternal dan mendapatkan pemasok terbaik untuk mendapatkan manfaat maksimum dalam hal kinerja, biaya & nilai dan memastikan prosesnya sesuai peraturan yang berlaku.

Fungsi SCM memiliki peran strategis dalam PHE, yakni membantu Perusahaan mengembangkan dan menerapkan strategi komoditas pasar, strategi kontrak dan proses yang dirancang untuk membantu fungsi lain mengelola pemasok dalam menyediakan barang dan jasa dibutuhkan.

Fungsi SCM telah menyusun Proses Bisnis untuk mendukung pengadaan serta hal-hal lain terkait pengelolaan rantai pasokan. Dalam melaksanakan kegiatan pengadaan, Fungsi SCM mengacu pada tiga ketentuan:

- Kontrak Bagi Hasil Produksi (PSC) Cost Recovery
 - › Petunjuk Pelaksanaan SKK MIGAS Pada Pengelolaan Rantai Pasokan Untuk Kontrak Bagi Hasil Produksi Juklak SKKMIGAS No. EDR-0167/SKKMH0000/2017/S7
 - › Pedoman Tata Kerja No.PTK-007/SKKMA0000/2017/SO (Revisi-04).
- PSC Gross Split:
 - › Pedoman Bagi Hasil Gross Split No 35/PHE450/2017-SO (Revisi 0).
- Pengadaan di PHE:
 - › SK nomor: 176/PHE000/2011-SO perihal Manajemen Pengadaan Barang/Jasa.



Iman Bastari
VP SCM

Procurement

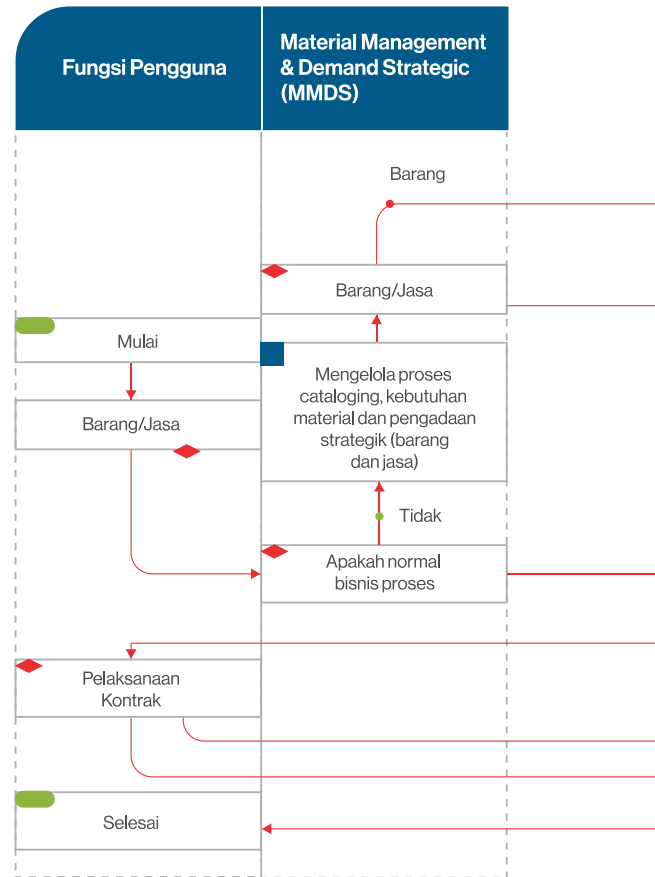
One of the important activities in supply chain management is procurement. In general, procurement and supply chain management at PHE can be described as a process of PHE deciding the best way to meet the need for goods and services towards external providers and get the best suppliers for maximum benefits in terms of performance, cost & value and ensures the process is in compliance with applicable regulations.

The SCM function has a strategic role in PHE, which helps the Company develop and implement market commodity strategies, contract strategies and process designed to help other functions manage suppliers in providing goods and services needed.

The SCM function has prepared Business Process to support procurement as well as other matters related to supply chain management. In carrying out procurement activities, the SCM function refers to three provisions:

- Production Sharing Contract (PSC) Cost Recovery
 - › Implementation Guidelines for SKK Migas in Supply Chain Management For Production Sharing Contracts Implementation Guidelines of SKK Migas No. EDR-0167/SKKMH0000/2017/S7
 - › Working Procedures No.PTK-007 SKKMA0000/2017/SO (Revision-04).
- Gross Split Profit :
 - › Sharing Guidelines No. 35/PHE450/2017-SO (Revision 0).
- Procurement at PHE:
 - › Decree Number 176/PHE000/2011-SO regarding Management of Goods/ Services Procurement.

Proses Bisnis Pengelolaan Rantai Pasokan Business Process of Supply Chain Management

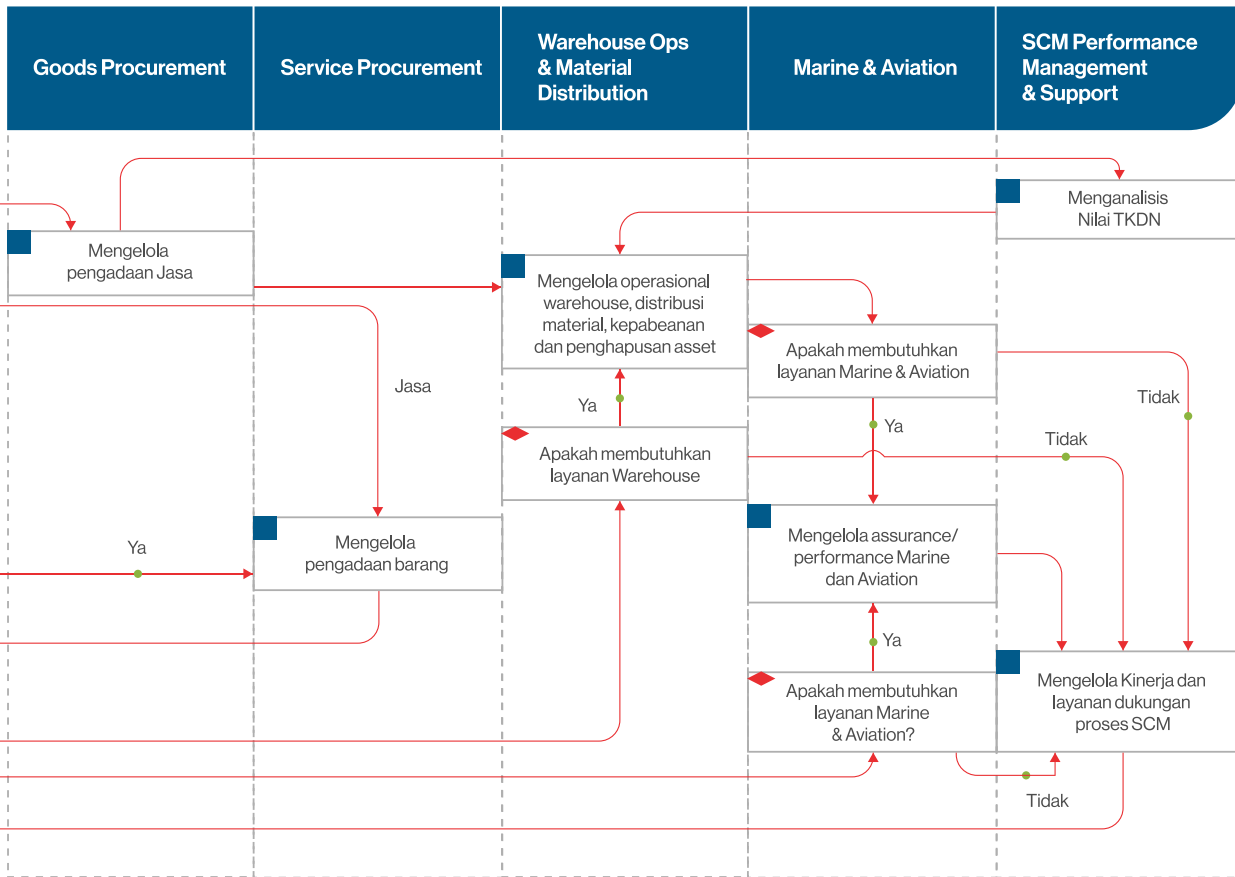


PHE One System

Memasuki tahun 2017 Fungsi SCM menindaklanjuti SSO dengan membuat sistem yang terintegrasi sehingga memudahkan konsolidasi dalam hal anggaran, pelaporan keuangan, aset, inventory, data SDM, serta maintenance-operation pada PHE. Integrasi yang dilakukan meliputi modul Material Management (MM) serta Inventory Management dan modul Warehouse Management (IM&WM).

PHE One System

Entering 2017, SCM Function followed up SSO by establishing an integrated system to facilitate consolidation in terms of budget, financial reporting, assets, inventory, HR data, and maintenance-operation at PHE. The integration covered Material Management (MM) as well as Inventory Management and Warehouse Management (IM & WM) modules.



Tabel Nilai Pengadaan PHE Tahun 2017
Table of PHE Procurement Value 2017

Bulan Month	Nilai Pengadaan (US\$) Procurement Value (US\$)
Januari January	4.203.393,75
Februari February	5.916.312,88
Maret March	10.916.825,67
April	3.247.303,74
Mei May	5.273.450,65
Juni June	3.841.222,66
Juli July	5.523.529,24
Agustus August	5.562.827,57
September	5.598.089,42
Oktober October	3.570.238,20
November	9.956.129,18
Desember December	3.563.190,54
Jumlah Total	67.172.513,50

Tanggung Jawab Sosial dan Lingkungan

Corporate Social and Environmental Responsibility

Sebagai warga korporasi yang baik (*good corporate citizenship*), PT Pertamina Hulu Energi (PHE) memahami peranannya sebagai entitas bisnis yang memiliki tanggung jawab sosial dan lingkungan.

As a good corporate citizen, PT Pertamina Hulu Energi (PHE) understands its role as a business entity with social and environmental responsibility.





Kebijakan TJSL

PHE melaksanakan tanggung jawab sosial dan lingkungan (TJSL) sebagai bentuk kepatuhan terhadap Undang-Undang (UU) No.40 Tahun 2007 tentang Perseroan Terbatas. Komitmen untuk memenuhi TJSL diwujudkan melalui Kebijakan CSR/TJSL PHE yang ditandatangani Direktur Utama dan diberlakukan pada tanggal 1 Oktober 2015. [102-32]

Pelaksanaan TJSL diwujudkan melalui tanggung jawab sosial perusahaan (CSR) yang disusun sesuai Pedoman ISO26000 tentang *Social Responsibility*, dengan mengedepankan prinsip-prinsip:

- Konsisten dengan pembangunan berkelanjutan dan kesejahteraan masyarakat;
- Mempertimbangkan ekspektasi semua *stakeholders*;
- Taat hukum dan konsisten dengan norma, baik nasional maupun internasional;
- Terintegrasi dengan kegiatan bisnis;
- Menjunjung tinggi nilai-nilai tata kelola Perusahaan yang baik.

Pelaksanaan CSR juga dirancang dengan memperhatikan tujuan pembangunan berkelanjutan (SDGs). Pelaksanaan CSR terintegrasi ke dalam kegiatan bisnis Perusahaan yang memiliki tujuan, antara lain:

- Mengatasi dampak negatif operasi Perusahaan melalui kepatuhan terhadap regulasi serta menciptakan nilai baru yang lebih baik kepada masyarakat dan lingkungan.
- Memberikan manfaat sosial, ekonomi, lingkungan kepada masyarakat terutama di sekitar wilayah operasi.
- Meningkatkan reputasi Perusahaan, efisiensi, pertumbuhan usaha dan menerapkan mitigasi risiko bisnis.

TJSL Policy

PHE carries out the social and environmental responsibilities (TJSL) as a form of compliance with Law No.40 of 2007 on Limited Liability Companies. The commitment to fulfill TJSL is realized through PHE CSR/TJSL Policy signed by the President Director and came into effect on October 1, 2015. [102-32]

The TJSL implementation is realized through corporate social responsibility (CSR) which is prepared in accordance with ISO26000 Guidance on Social Responsibility, with the following principles:

- Consistent with sustainable development and community welfare;
- Respect for all stakeholders' expectations;
- Respect for the laws and consistent with both national and international norms;
- Integrated with business activities;
- Uphold the values of good corporate governance.

The CSR implementation is also designed with regard to the Sustainable Development Goals (SDGs). The CSR implementation is integrated into the Company's business activities with the following objectives:

- Address the negative impacts of the Company's operations through compliance with regulations and creating better new values for communities and the environment.
- Provide social, economic, environmental benefits to the community, especially around the operating area.
- Increase the Company's reputation, efficiency, business growth and implement business risk mitigation.

KEBIJAKAN

CORPORATE SOCIAL RESPONSIBILITY (CSR) / TANGGUNG JAWAB SOSIAL DAN LINGKUNGAN (TJSL) PT PERTAMINA HULU ENERGI

CSR / TJSL Pertamina Hulu Energi (PHE) merupakan bentuk tanggung jawab perusahaan terhadap dampak yang diakibatkan oleh kebijakan dan kegiatannya kepada masyarakat dan lingkungan melalui perilaku yang transparan dan beretika.

Prinsip-prinsip TJSL PHE mengacu pada ISO 26000 yaitu :

- Konsisten dengan pembangunan berkelanjutan dan kesejahteraan masyarakat
- Mempertimbangkan ekspektasi semua stakeholder
- Taat hukum dan konsisten dengan norma baik nasional maupun internasional
- Terintegrasi dalam kegiatan bisnis
- Menjunjung tinggi nilai-nilai tata kelola perusahaan yang baik

Dalam hal mengintegrasikan program TJSL ke dalam kegiatan bisnis korporasi, maka PHE berkomitmen untuk :

- Mengatasi dampak negatif operasi perusahaan melalui kepatuhan terhadap regulasi serta menciptakan nilai baru yang lebih baik kepada masyarakat dan lingkungan.
- Memberikan manfaat sosial, ekonomi dan lingkungan kepada masyarakat terutama di sekitar wilayah operasi perusahaan.
- Meningkatkan reputasi perusahaan, efisiensi, pertumbuhan usaha dan menerapkan mitigasi resiko bisnis

Jakarta, 01 Oktober 2015

PT Pertamina Hulu Energi
Pl. Direktur Utama,


R. Gunung Sarjono Hadi





Pelaksanaan TJSL Tahun 2017

Pelaporan pelaksanaan TJSL selama tahun 2017 dalam Laporan Tahunan Terintegrasi ini disusun sesuai Peraturan Otoritas Jasa Keuangan dan standar penulisan pelaporan Global Reporting Initiatives (GRI). Laporan ini juga menyertakan informasi lainnya yang secara tidak langsung memiliki kaitan dengan topik material.

TJSL Implementation in 2017

The TJSL implementation report during 2017 in this Integrated Annual Report was prepared with reference to the Financial Services Authority Regulations and the reporting standards of the Global Reporting Initiatives (GRI). The report also included other information that was indirectly related to material topics.

Kinerja Keberlanjutan Sustainability Performance	Topik Material Material Topics
Ekonomi Economy	Kinerja Ekonomi Economic Performance
Lingkungan Environment	Emisi Emissions
	Energi Energy
	Keanekaragaman Hayati Biodiversity
Sosial Social	Komunitas Lokal Local Community
	Kesehatan dan Keselamatan Kerja Occupational Health and Safety

Kinerja Ekonomi Economic Performance

Pengungkapan Pendekatan Manajemen (DMA) [103-1] [103-2] [103-3]

Secara umum kinerja ekonomi PHE pada tahun 2017 lebih baik daripada tahun 2016. Selama tahun 2017 PHE dapat mempertahankan kinerja ekonomi melalui keberhasilan pemenuhan target produksi migas dan perolehan pendapatan dan laba. Efisiensi yang berkelanjutan dan membaiknya harga minyak dunia memengaruhi pencapaian tersebut.

Realisasi produksi minyak mentah tahun 2017 sebanyak 25.293 MBO atau 107% dari target 23.534 MBO, dan realisasi produksi gas bumi sebesar 264.082 MMSCF atau 94,15% dari target 280.501,18 MMSCF. Total perolehan Pendapatan Usaha pada tahun 2017 sebesar 1.999 juta atau 130% dari target USD1.778 juta dengan besaran laba bersih sebesar USD251 juta atau 148% dari target USD170 juta.

Sebagai bagian dari rantai pasok energi nasional, PHE terus berupaya mempertahankan tingkat produksi pada tahun-tahun mendatang untuk memastikan terjaganya ketahanan energi di dalam negeri. Kendali kinerja keberlanjutan ekonomi, menjadi bagian dari tugas dan tanggung jawab Direktur Operasi dan Produksi, Direktur Pengembangan, Direktur Eksplorasi serta Direktur Keuangan dan Penunjang Bisnis.

Uraian kinerja ekonomi PHE selama tahun 2017 disampaikan dalam Analisis dan Pembahasan Manajemen, pada bagian lain dalam Laporan ini. Sesuai dengan ketentuan dalam GRI Standard, uraian dalam bagian ini menjelaskan besaran nilai ekonomi diperoleh, nilai ekonomi didistribusikan, dan nilai ekonomi ditahan.

Disclosure of Management Approach (DMA) [103-1] [103-2] [103-3]

In general, PHE's economic performance in 2017 was better than in 2016. During 2017 PHE managed to maintain economic performance by successfully meeting the targets in oil & gas production, revenue and profit. Sustainable efficiency and improving world oil prices had an effect on the achievements.

The realization of crude oil production in 2017 was 25,293 MBO or 107% of the target at 23,534 MBO, and realization of natural gas production was 264,082 MMSCF or 94.15% of target at 280,501.18 MMSCF. Total Operating Revenue in 2017 was USD1,999 million or 130% of the target at USD1,778 million with a net profit amounted to USD251 million or 148% of the target at USD170 million.

As part of the national energy supply chain, PHE continues to maintain production levels in the coming years to ensure the sustainability of energy security in the country. The economic sustainability performance control is part of the duties and responsibilities of the Operations and Production Director, Development Director, Exploration Director and Finance and Business Support Director.

The description of PHE's economic performance during 2017 is presented in Management Discussion and Analysis, in other part of this Report. In accordance with the provisions of GRI Standard, the descriptions in this section explain the amount of the economic value generated, the economic value distributed, and the retained economic value.

Nilai Ekonomi Didapat dan Didistribusikan

Seluruh pendapatan PHE diperoleh dari hasil penjualan migas kepada pelanggan. Namun demikian sampai dengan 31 Desember 2017, Perusahaan juga menerima pengembalian biaya operasi dalam bentuk *cost recovery* dari Pemerintah melalui Satuan Kerja khusus Pelaksana Kegiatan Usaha Hulu Minyak dan Gas Bumi (SKK Migas), sebesar USD1.303,94. [201-1][201-4]

Memasuki tahun 2017 Pemerintah memberlakukan skema Gross Split kepada PHE, dalam pengelolaan Blok Offshore North West Java (ONWJ) melalui anak perusahaan PT PHE ONWJ. Ketentuan ini menghapuskan pengembalian biaya operasi dalam bentuk *cost recovery* dari Pemerintah.

Economic Values Generated and Distributed

PHE total revenues were generated from the sales of oil & gas to customers. However, up to December 31, 2017, the Company also received a refund of operating costs in the form of cost recovery from the Government through a Special Task Force for Upstream Oil and Gas Business (SKK Migas), amounted to USD1,303.94. [201-1][201-4]

Entering 2017, the Government applied Gross Split scheme to PHE, in the management of the Offshore Block North West Java (ONWJ) through a subsidiary, PT PHE ONWJ. This provision erased the refund of operating costs in the form of cost recovery from the Government.

Nilai Ekonomi Didapat dan Didistribusikan (Juta USD) [201-1]

Economic Value Generated and Distributed (Million Distributed) [201-1]

Uraian Description	2017	2016	2015
Nilai Ekonomi Dihasilkan Economic Value Generated			
Pendapatan Usaha Operating Revenues	1.999,08	1.533,13	1.782,13
Nilai Ekonomi Didistribusikan Economic Value Distributed			
Biaya Operasi Operating Cost	1.107,51	1.097,79	1.003,55
Gaji Karyawan dan Tunjangan Employee Salaries and Benefits	97,31	26,82	13,27
Pembayaran Kepada Penyandang Dana Payments to Providers of Capital	426,04	169,17	500,49
Pembayaran Kepada Pemerintah Payments to Government	116,24	47,67	61,44
Investasi Untuk Komunitas Community Investments	3,09	2,82	2,08
Total Distribusi Nilai Ekonomi Total Economic Value Distributed	1.750,19	1.344,27	1.580,83
Nilai Ekonomi Ditahan Economic Value Retained			
Jumlah Total	248,89	188,86	201,3

Keterangan: Kinerja Ekonomi PHE disampaikan secara konsolidasi sesuai dengan laporan keuangan yang diaudit.
Note: PHE's Economic Performance is presented in a consolidated form based on audited financial statements.

Distribusi Nilai Ekonomi yang Didapat

PHE mendistribusikan sebagian dari nilai ekonomi yang didapat kepada para *stakeholders* sesuai kebutuhan masing-masing:

- Pembayaran pajak dan PNBP sebagai penerimaan negara;
- Pembayaran imbal jasa pekerjaan kepada pekerja dan jaminan pensiun kepada pekerja purnatugas [201-1][201-3]
- Pembiayaan dana tanggung jawab sosial Perusahaan (CSR).

Distribution of Generated Economic Value

PHE distributes some of the generated economic value to the stakeholders according to their respective needs:

- Payment of tax and non-tax state revenue (PNBP) as state revenues;
- Payment of employee benefit to employees and pension benefit to retirees [201-1][201-3]
- Financing of Corporate Social Responsibility (CSR) fund.

Kontribusi Penerimaan Negara [201-1]

State Revenue Contribution [201-1]

Uraian Description	2017	2016	2015
Pendapatan Negara Bukan Pajak (PNBP) Non-tax State Revenues (PNBP)			
PNBP Lainnya Other PNBP	116,24	47,67	61,44
Subtotal PNBP Subtotal PNBP	116,24	47,67	61,44
Pajak Taxes			
Pajak Pertambahan Nilai Value Added Tax	40,22	47,81	68,79
Pajak Bumi dan Bangunan Land and Building Tax	13,61	18,99	33,71
Pajak Penghasilan Karyawan Employee Income Tax	34,56	23,10	19,12
Pajak Penghasilan Badan Corporate Income Tax	306,53	166,62	204,89
BBN dan Pajak Kendaraan/Retribusi Daerah Title Transfer Tax and Vehicle Tax/Regional Levies	0,01	-	-
Pajak Lainnya Other Taxes	0,68	0,36	0,15
Subtotal Pajak Subtotal Taxes	395,61	256,88	326,66
Jumlah Kontribusi Kepada Negara (Subtotal PNBP + Subtotal Pajak) Total Contribution to the State (Subtotal PNBP+Subtotal Taxes)	511,86	304,56	388,09

Pembayaran Imbal Jasa Pekerjaan

Penetapan imbal jasa pekerjaan bagi pekerja PHE mengacu ketentuan yang berlaku di PT Pertamina (Persero) sebagai induk perusahaan. Imbal jasa pekerjaan mempertimbangkan latar belakang profesional dan mengabaikan perihal gender maupun praktik-praktik diskriminasi. Secara keseluruhan nilai imbal jasa pekerjaan pekerja PHE pada jabatan terendah, lebih besar dibanding upah minimum yang ditetapkan pemerintah daerah di wilayah operasi PHE. [202-1]

Pada tahun 2017, Perusahaan juga melakukan pembayaran jaminan pensiun bagi pekerja PHE yang memasuki masa purnatugas. Total 19 pekerja PHE yang pensiun pada tahun 2017 dengan nilai pembayaran jaminan pensiun mencapai Rp52.691.940. [201-3]

Employee Benefit Payment

The determination of employee benefits for PHE employees refers to the applicable provisions in PT Pertamina (Persero) as the holding company. Employee benefits take professional background into consideration regardless of gender and other discriminatory practices. Overall, the amount of employee benefit of PHE employees at the lowest position is higher than the minimum wage set by the local government in the PHE operating area. [202-1]

In 2017, the Company also paid pension benefit for PHE employees who were entering their retirement. A total of 19 employees of PHE retired in 2017 with payment of pension benefit amounted to Rp52,691,940. [201-3]

Pembayaran Jaminan Pensiun [201-3]

Pension Benefit Payment [201-3]

Uraian Description	Satuan Unit	2017	2016	2015
Jumlah Karyawan Pensiun Number of Retirees	Orang People	19	0	0
Jumlah Jaminan Pensiunan Number of Pension Benefit	US\$	4.053	0	0

Pembiayaan CSR

PHE juga mendistribusikan sebagian dari nilai ekonomi yang didapat, sebagai investasi sosial melalui program CSR. Secara keseluruhan biaya investasi sosial yang direalisasikan Perusahaan pada tahun 2017 mencapai Rp42.079.600.453. Biaya tersebut digunakan untuk pelaksanaan program CSR termasuk program pemberdayaan masyarakat dan pembangunan infrastruktur. [203-1]

CSR Financing

PHE also distributes part of the economic value generated, as social investment through CSR program. Total social investments realized by the Company in 2017 reached Rp42,079,600,453. The funds were used for the implementation of CSR programs including community empowerment programs and infrastructure development.

[203-1]

Pembiayaan CSR

CSR Financing

Bentuk Kegiatan/Program Activity/Program	Nilai (Rp) Value (Rp)
Pendidikan Education	10.447.667.748
Lingkungan Environment	5.172.712.140
Kesehatan Health	4.401.530.850
Pemberdayaan Ekonomi Economic Empowerment	17.611.223.940
Infrastruktur Infrastructure	4.446.465.775
Jumlah Total	42.079.600.453

Corporate Social Responsibility yang Terkait dengan Lingkungan Hidup

Corporate Social Responsibility in Environment

Kebijakan Pengelolaan Lingkungan

Sebagai perusahaan di sektor hulu migas, PHE menyadari bahwa kegiatan operasi yang dilakukan berpotensi menimbulkan dampak terhadap lingkungan. Oleh sebab itu, PHE berkomitmen mengelola potensi dampak yang ditimbulkan melalui pemberlakuan Kebijakan Mutu, Keselamatan Kesehatan Kerja dan Lindungan Lingkungan (MK3LL) yang ditandatangani Direktur Utama pada 30 September 2015.

Sesuai dengan Kebijakan MK3LL, maka prioritas PHE terkait pengelolaan lingkungan meliputi:

- Memiliki kompetensi dalam melakukan kajian risiko dan pengelolaan risiko MK3LL yang sistematis dan efektif untuk mengantisipasi dan melaksanakan aktifitas pekerjaan sejak tahapan eksplorasi, pengembangan, operasi dan produksi, maupun penutupan operasi;
- Menciptakan kepemimpinan dan keteladanan dalam budaya aspek MK3LL dengan:
 - › Menghentikan tindakan dan kondisi tidak aman, melaporkan setiap kecelakaan dan melakukan investigasi;
 - › Mematuhi peraturan perundangan, sistem tata kerja yang berlaku, persyaratan dan harapan *stakeholders*;
 - › Menyediakan sumber daya yang kompeten dalam pengelolaan aspek MK3LL;
 - › Menyelesaikan pekerjaan dengan sistematis, tuntas dan penciptaan nilai tambah yang terukur; dan
 - › Menjadikan aspek MK3LL sebagai pertimbangan strategis pengambilan keputusan bisnis dan penilaian kerja.

Environmental Management Policy

As a company in the upstream oil and gas sector, PHE is aware that our operations have the potential impacts on the environment. Therefore, PHE is committed to managing these potential impacts through the implementation of Policy on Quality, Occupational Health, Safety, Security and Environment (QHSSE) signed by President Director on September 30, 2015.

In accordance with QHSSE Policy, PHE's priorities on environmental management are as follows:

- Competent in conducting systematic and effective risk assessment and risk management of QHSSE to anticipate and carry out works from exploration, development, operation and production, up to operation closure;
- Creating leadership and exemplary role in QHSSE culture by:
 - › Stopping unsafe actions and conditions, reporting any accidents and conducting investigation;
 - › Complying with laws and regulations, applicable system of procedures, requirements and expectations of stakeholders;
 - › Providing competent resources in the management of QHSSE;
 - › Complete the work systematically, thoroughly and creation of measurable added value; and
 - › Use the QHSSE aspects as strategic consideration for business decision making and work assessment.

- Bekerja sama dengan instansi terkait, mitra kerja, penyedia barang dan jasa, maupun pihak ketiga dalam pemuliaan budaya MK3LL;
 - Menerapkan Continuous Improvement Program (CIP), Manajemen Pengetahuan, Standarisasi Sistem Manajemen serta Pengukuran Kinerja Sistem Manajemen Operasi Perusahaan menjadi pilar utama untuk mendukung pencapaian Visi dan Misi Perusahaan; dan
 - Menjadi bagian budaya dan arus utama perusahaan kelas dunia yang secara sadar, terencana dan terlapor, upaya-upaya pengurangan emisi gas rumah kaca, pembinaan dan pemberdayaan masyarakat, pembangunan berkelanjutan dan pendekatan ekonomi hijau (optimalisasi sinergi antara *people, profit, planet*).
- Cooperate with relevant agencies, partners, suppliers of goods and services, as well as third parties in cultivating QHSSE culture;
 - Implement Continuous Improvement Program (CIP), Knowledge Management, Standardization of Management System and Performance Measurement of Operating Management System of the Company to become the main pillars in supporting the achievement of the Company's Vision and Mission; and
 - Become a part of the culture and mainstream of a conscious, planned and well-planned world-class company, greenhouse gas emission reduction efforts, community development and empowerment, sustainable development and green economy approach (synergy optimization among people, profit, planet).



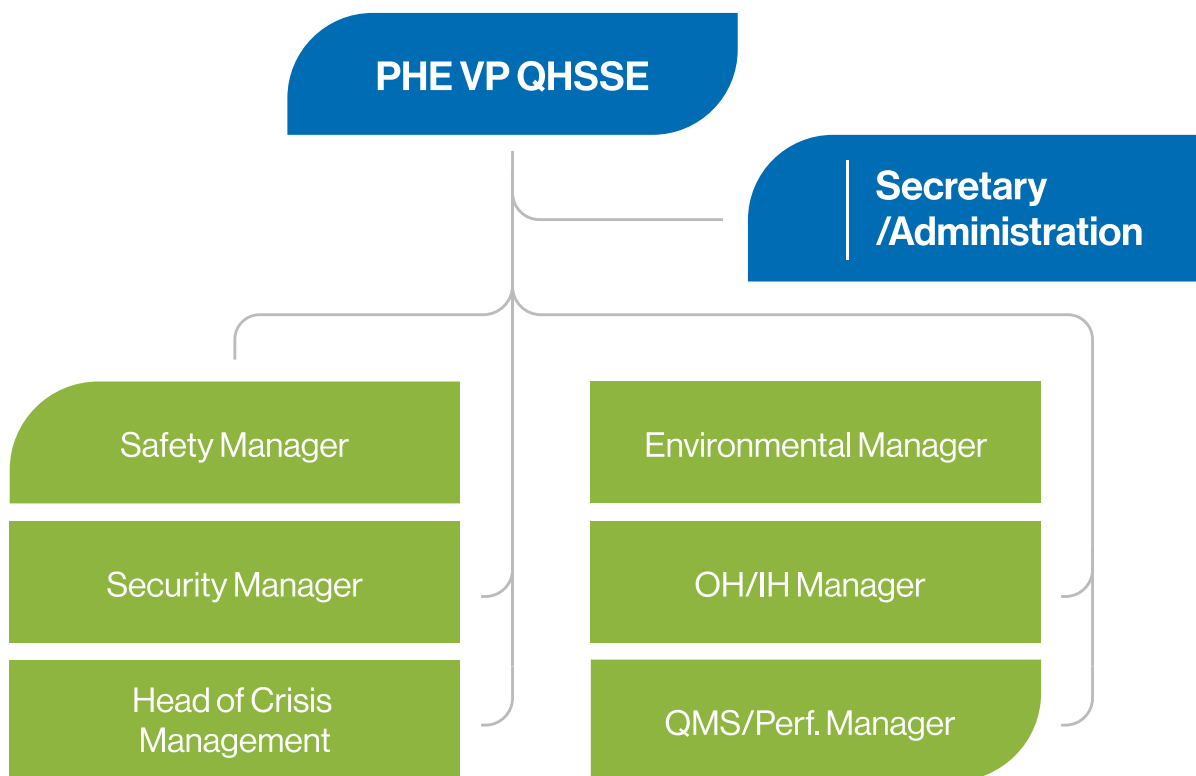
Struktur Organisasi MK3LL

Pelaksanaan Kebijakan MK3LL menjadi salah satu tugas dan tanggung jawab Departemen Quality, Health, Safety, Security and Environmental (QHSSE) yang dipimpin pejabat perusahaan setingkat Vice President dan dibantu oleh Safety Manager, OH-IH Manager, Environment Manager, Quality Management System Manager, Security Manager dan Emergency Response & Crisis Management Head. Melalui Fungsi QHSSE, PHE memastikan setiap kegiatan di wilayah kerja PHE termasuk Anak Perusahaan, senantiasa aman, sehat, ramah lingkungan, efisien dan berkualitas.

QHSSE Organizational Structure

The implementation of the QHSSE Policy is one of the duties and responsibilities of the Quality, Health, Safety, Security and Environment (QHSSE) Department headed by the company's Vice President and assisted by Safety Manager, OH-IH Manager, Environment Manager, Quality Management System Manager, Security Manager and Emergency Response & Crisis Management Head. Through the QHSSE Function, PHE ensures that every activity at PHE working area including subsidiaries is safe, healthy, environmentally friendly, efficient with good quality.

Struktur Organisasi QHSSE PHE PHE QHSSE Organizational Structure



Dalam menjalankan tanggung jawab keselamatan dan kesehatan kerja, PHE mengacu kepada beberapa peraturan dan perundangan yang berlaku, antara lain:

- Undang-Undang No.1 Tahun 1970 tentang Keselamatan Kerja.
- Undang-Undang No.22 Tahun 2001 tentang Minyak dan Gas Bumi.
- Undang-Undang No.2 Tahun 2004 tentang Penyelesaian Perselisihan Hubungan Industrial.
- Undang-Undang No.13 Tahun 2013 tentang Ketenagakerjaan.
- Peraturan Pemerintah (PP) No.19 Tahun 1973 tentang Pengaturan dan Pengawasan Keselamatan Kerja di Bidang Pertambangan.
- PP No.50 Tahun 2012 tentang Penerapan Sistem Manajemen Keselamatan dan Kesehatan Kerja.
- Keputusan Menteri Tenaga Kerja dan Transmigrasi No.KEP.234/MEN/2003 tentang Waktu Kerja dan Istirahat pada Sektor Usaha Energi dan Sumber Daya Mineral pada Daerah Tertentu.
- Peraturan Menteri Tenaga Kerja dan Transmigrasi No.PER.15/MEN/VII/2005 Tahun 2005 tentang Waktu Kerja dan Istirahat Pada Sektor Usaha Pertambangan Umum Pada Daerah Operasi Tertentu.
- Keputusan Menteri Tenaga Kerja No.433/KMK.04/1994 Tahun 1994 tentang Norma Penghitungan Khusus Penghasilan Kena Pajak atas Penghasilan dari Pekerjaan yang Diterima Tenaga Asing yang Bekerja pada Wajib Pajak Badan di Bidang Pengeboran Minyak dan Gas Bumi di Indonesia.
- Surat Keputusan Badan Pelaksana Kegiatan Usaha Hulu Minyak dan Gas Bumi (BPMIGAS) No.KEP-0051/BP00000/2008/S8 tentang Revisi Pedoman Pengelolaan Sumber Daya Manusia Kontraktor Kerja sama.
- Keputusan Menteri Tenaga Kerja No.KEP.425/MEN/1990 tentang Hari Keselamatan dan Kesehatan Kerja Nasional.
- Keputusan Menteri Tenaga Kerja No.386 Tahun 2014 tentang Petunjuk Pelaksanaan Bulan Kesehatan Kerja Nasional 2015-2019.

In performing responsibilities in occupational health and safety, PHE refers to a number of applicable laws and regulations, as follows:

- Law No.1 of 1970 on Occupational Safety.
- Law No.22 of 2001 on Oil and Gas.
- Law No.2 of 2004 on Settlement of Industrial Relations Dispute.
- Law No.13 of 2013 on Manpower.
- Government Regulation (PP) No.19 of 1973 on the Regulation and Supervision of Occupational Safety in Mining Sector.
- Government Regulation No.50 of 2012 on Implementation of Occupational Health and Safety Management System.
- Decree of Minister of Manpower and Transmigration No.KEP.234/MEN/2003 on Working Time and Rest Time in Energy and Mineral Resource Business Sector in Certain Operating Areas.
- Regulation of Minister of Manpower and Transmigration No. PER.15/Men/VII/2005 on Working and Rest Time in General Mining Business Sector In Certain Operating Areas.
- Decree of Minister of Manpower No.433/KMK.04/1994 on the Special Calculation Norms of Taxable Income on Income form Work Received by Foreign Worker Employed by Corporate Taxpayer in Oil and Gas Drilling Sector in Indonesia.
- Decree of Upstream Oil and Gas Regulatory Agency (BPMIGAS) No.KEP-0051/BP00000/2008/S8 on Revision of Guidelines on Human Resource Management of Cooperation Contractors.
- Decree of Minister of Manpower No. KEP 425/MEN/1990 on National Occupational Health and Safety Day.
- Decree of Minister of Manpower No. 386 of 2014 on the Implementation Guidelines of National Occupational Health Month 2015 - 2019.

Berdasarkan peraturan dan perundangan tersebut, PHE membuat suatu kebijakan manajemen terkait pelaksanaan tanggung jawab sosial terhadap ketenagakerjaan, keselamatan dan kesehatan kerja melalui Kebijakan Mutu, Keselamatan, Kesehatan, Keamanan dan Lindungan Lingkungan (MK3LL) yang ditandatangani pimpinan perusahaan pada tanggal 30 September 2015.

Based on these laws and regulations, PHE established a management policy regarding the implementation of social responsibility for employment, occupational health and safety through the Quality, Health, Safety, Security and Environmental Protection (QHSSE) Policy signed by the company's management on September 30, 2015.



Sertifikasi di Bidang Lingkungan yang Dimiliki

Sejalan dengan Kebijakan MK3LL, pengelolaan lingkungan dilakukan dengan mengedepankan kepatuhan terhadap ketentuan perundang-undangan yang berlaku. Selama tahun 2017, PHE tidak pernah mendapatkan sanksi terkait dugaan pelanggaran terhadap ketentuan perundang-undangan yang berlaku. [307-1]

Kepatuhan pada hukum juga diwujudkan PHE melalui komitmen menerapkan pengelolaan lingkungan sesuai standar internasional melalui sertifikasi ISO pada Anak Perusahaan:

- Sistem Manajemen Lingkungan ISO14001:2004;
- Sistem Manajemen Energi ISO 50001, dengan penerapan melalui strategi efisiensi melalui pendekatan: Hindari (*Avoid*) – Geser (*Shift*) dan Tingkatkan (*Improve*).

PHE juga mendorong Anak Perusahaan untuk ikut serta dalam PROPER. Pada tahun 2017 tercatat 12 Anak Perusahaan yang telah mengikuti PROPER, atau 100% dari total Anak Perusahaan yang sudah beroperasi produksi. Dari kesertaan pada program PROPER tercatat ada tiga Anak Perusahaan mendapatkan PROPER Emas, tiga Anak Perusahaan meraih PROPER Hijau dan enam Anak Perusahaan meraih PROPER Biru.

Target/Rencana Kegiatan Pada Tahun 2017 yang Ditetapkan Manajemen

PHE bersama dengan Anak Perusahaan terus berupaya untuk meningkatkan kualitas pengelolaan lingkungan. Sejumlah target telah ditetapkan manajemen pada tahun 2017, meliputi:

- Penyusunan Dokumen Analisis Mengenai Dampak Lingkungan/Izin Lingkungan untuk kegiatan pengeboran eksplorasi pada beberapa blok migas.
- Pengendalian pencemaran udara.
- Pengelolaan limbah mengandung bahan beracun dan berbahaya.

Certification in Environment

In line with the QHSSE Policy, environmental management is carried out by prioritizing compliance with applicable laws and regulations. During 2017, PHE never received any sanctions over alleged violation of applicable laws and regulations. [307-1]

Legal compliance is also realized by PHE through a commitment to implement environmental management in accordance with international standards through ISO certification at Subsidiaries:

- Environmental Management System ISO14001: 2004;
- Energy Management System ISO50001, with application of efficiency strategy through approach: Avoid - Shift and Improve.

PHE also encourages Subsidiaries to participate in PROPER program. In 2017, there were 12 Subsidiaries that joined PROPER, or 100% of total Subsidiaries already in production. The participation in the PROPER program resulted in three subsidiaries received Gold PROPER ratings, three Subsidiaries earned Green PROPER ratings and six Subsidiaries earned PROPER Blue ratings.

Target/Action Plan Established by Management in 2017

PHE together with the Subsidiaries strives to continuously improve the quality of environmental management. A number of targets have been set by management in 2017, including:

- Preparation of Environmental Impact Analysis/ Environmental Permit for exploration drilling activities on several oil & gas blocks.
- Air pollution control.
- Management of toxic and hazardous waste.

- Penerapan Sistem Manajemen Lingkungan.
- Pemanfaatan dan konservasi sumber daya: konservasi energi, penurunan emisi gas rumah kaca (GRK), konservasi air dan penurunan beban pencemaran, pemanfaatan limbah B3, pemanfaatan limbah non-B3 dan keanekaragaman hayati.
- Pengembangan masyarakat.

Target-target tersebut menjadi prioritas bagi Anak Perusahaan, untuk memenuhi kriteria pengelolaan lingkungan hidup sesuai dengan kriteria penilaian PROPER. Sampai dengan akhir tahun 2017, realisasi dari target-target tersebut telah membuahkan peringkat PROPER Emas untuk tiga Anak Perusahaan, yakni PHE WMO, JOB PTJM dan PHE ONWJ.

Pencapaian tersebut bertambah dari pencapaian sebelumnya sebanyak dua Anak Perusahaan, yakni PHE WMO dan JOB PTJM. Adapun PHE ONWJ sebelumnya mendapatkan peringkat PROPER Hijau sejak tahun 2015.

- Implementation of Environmental Management System.
- Resource utilization and conservation: energy conservation, greenhouse gas (GHG) emissions reduction, water conservation and pollution load reduction, B3 waste utilization, non-B3 waste utilization and biodiversity.
- Community development.

These targets were a priority for the Subsidiaries, to meet the PROPER assessment criteria of environmental management. Until the end of 2017, the realization of these targets has resulted in Gold PROPER ratings for three Subsidiaries, PHE WMO, JOB PTJM and PHE ONWJ.

The achievement increased from the previous achievement of two Subsidiaries, PHE WMO and JOB PTJM. PHE ONWJ previously earned a Green PROPER rating since 2015.

Kegiatan yang Dilakukan dan Dampak Kuantitatif Atas Kegiatan tersebut

Activities and Quantitative Impact of The Activities

Realisasi Kegiatan 2017 Realization of Activities 2017	Dampak Kuantitatif Quantitative Impact
Proses Produksi Proses Pendukung Production process Supporting Process	Pemakaian Energi: 14.841.377,99 GJ Energy Usage: 14,841,377.99 GJ
	Volume pencemaran udara: 975.119,02 ton (Data Januari – Juni 2017) Volume of air pollution: 975,119.02 tons (Data January-June 2017)
	Volume limbah B3: 754,72 ton (Data Januari – Juni 2017) Volume of B3 Waste: 754.72 tons (Data January-June 2017)
	Volume limbah non-B3: 18.966,21 ton (Data Januari – Juni 2017) Volume of Non B3 Waste: 18,966.21 tons (Data January-June 2017)
	Volume pemakaian air: 2.219.793,99 ton Volume of water consumption: 2,219,793.99 tons.
	Volume air limbah dihasilkan: 13.807.541,58 ton Volume of waste water produced: 13,807,541.58 tons

Penggunaan Materi dan Energi Ramah Lingkungan

Pengungkapan Pendekatan Manajemen (DMA)

Kegiatan operasi dan produksi PHE membutuhkan dukungan ketersediaan energi yang bersumber dari pemakaian listrik dan penggunaan bahan bakar minyak. Informasi terkait pengelolaan energi selama tahun 2017 dihitung secara total dari kegiatan operasi dan produksi PHE beserta Anak Perusahaan. Pengelolaan energi dilaksanakan dengan menerapkan ISO 50001 Sistem Manajemen Energi, dengan strategi: menghindar, menggeser dan meningkatkan.

Pengelolaan energi menjadi bagian dari tugas dan tanggung jawab Fungsi Quality, Health, Safety, Security and Environmental (QHSSE) PHE dan Anak Perusahaan. Secara berkala Fungsi QHSSE melakukan evaluasi untuk memastikan efektivitas pengelolaan energi dan mendorong dilakukannya inovasi berkelanjutan dalam hal efisiensi pemakaian energi. [103-1][103-2][103-3]

Salah satu aspek dalam pengelolaan lingkungan adalah penggunaan materi dan energi ramah lingkungan. Bergerak di sektor hulu migas, membuat PHE tidak mudah untuk menerapkan penggunaan materi dan energi ramah lingkungan.

Material utama yang menjadi bahan baku dalam proses produksi migas adalah kandungan hidrokarbon dalam bentuk fluida yang ada di perut bumi, dan bersifat habis terpakai tanpa bisa didaur ulang. Selain itu, bahan pembantu untuk proses pemisahan minyak mentah, kondensat dan gas bumi, juga bersifat habis terpakai.

[301-1][301-2]

Energi yang digunakan selama tahun 2017 terdiri atas:

- Energi untuk kebutuhan Kantor Pusat PHE
- Energi untuk kebutuhan operasional anjungan lepas pantai
- Energi untuk kebutuhan operasional stasiun pengumpul

Use of Environmentally Friendly Materials and Energy

Disclosure of Management Approach (DMA)

PHE's operations and production activities require the availability of energy sourced from electricity consumption and fuel oil usage. Information related to energy management during 2017 was calculated from overall operations and production activities of PHE and its Subsidiaries. Energy management was implemented by applying ISO50001 on Energy Management System, with strategies: avoid, shift and improve.

Energy management is part of the duties and responsibilities of Quality, Health, Safety, and Security (QHSSE) function of PHE and Subsidiaries. Periodically the QHSSE function perform evaluation to ensure the effectiveness of energy management and promote sustainable innovation in terms of energy efficiency. [103-1][103-2][103-3]

One aspect of environmental management is the use of environmentally friendly materials and energy. Engaging in the upstream oil & gas sector, it is not easy for PHE is to use environmentally friendly materials and energy.

The main material that becomes the raw material in the process of oil & gas production is the hydrocarbon content in fluid form located in the bowels of the earth, and is consumable that cannot be recycled. In addition, the auxiliary materials for separation process of crude oil, condensate and gas are also consumable.

[301-1][301-2]

The energy used during 2017 consisted of:

- Energy required for PHE Head Office
- Energy required for offshore platform operations
- Energy required for operations of gathering stations

Secara umum informasi penggunaan energi disampaikan sebagai data total, meliputi pemanfaatan energi yang bersumber dari pasokan listrik maupun penggunaan bahan bakar minyak (BBM). Laporan ini tidak merinci pemanfaatan energi pada masing-masing Anak Perusahaan. [302-1][302-2]

Salah satu konsumsi penggunaan energi yang signifikan dalam kegiatan PHE bersumber dari kegiatan operasi dan produksi. Pengelolaan energi dilakukan mengacu pada ISO 14001 (Sistem Manajemen Lingkungan) dan ISO 50001 (Sistem Manajemen Energi) dengan strategi: menghindari, menggeser dan meningkatkan.

Secara umum konsumsi energi PHE berfluktuasi pada rentang tahun 2013 – 2017. Dalam dua tahun terakhir, total pemakaian energi mengalami penurunan. Total pemakaian energi pada tahun 2016 sebesar 23.924.678,24 GJ, dan pada tahun 2017 mencapai 15.519.357,58 GJ.

In general, energy usage information is presented as total data, including energy sourced from electricity supply and fuel oil (BBM). This report does not specify the energy usage in each Subsidiary. [302-1][302-2]

One significant consumption of energy in PHE activities is by operations and production activities. Energy management is carried out in reference to ISO14001 (Environmental Management System) and ISO50001 (Energy Management System) with strategies: avoid, shift and improve.

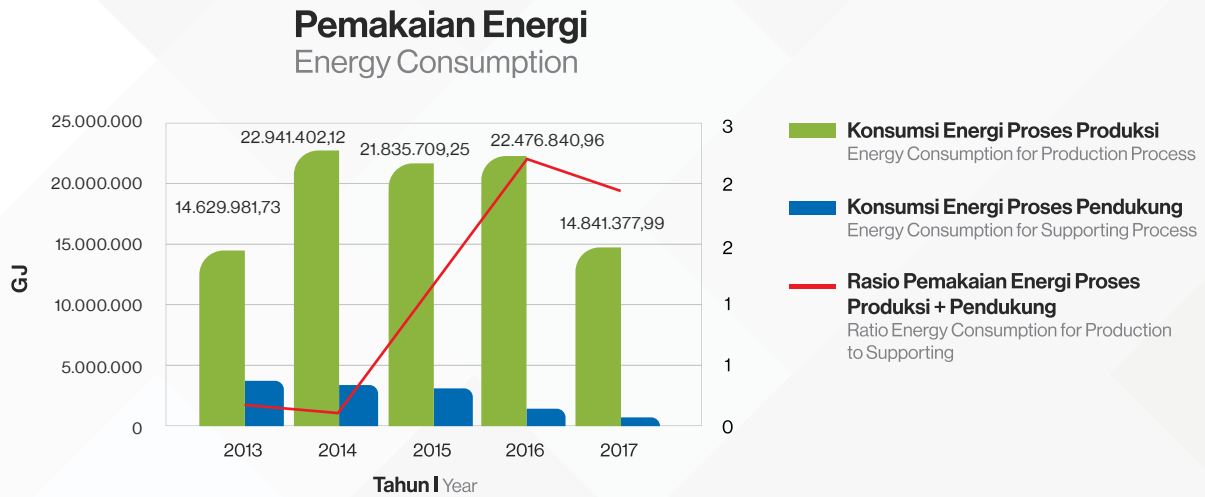
PHE's energy consumption fluctuated during the period of 2013 - 2017. In the last two years, total energy consumption has decreased. Total energy consumption in 2016 amounted to 23,924,678.24 GJ, and in 2017 reached 15,519,357.58 GJ.

Total Pemakaian Energi PHE

PHE Energy Consumption

Uraian Description	Konsumsi Energi (GJ) Energy Consumption (GJ)		
	2017	2016	2015
Konsumsi Energi Proses Produksi Energy Consumption for Production Process	14.841.377,99	22.476.840,96	21.835.709,25
Konsumsi Energi Proses Pendukung Energy Consumption for Supporting Process	677.979,59	1.447.837,28	3.045.122,59
Total Konsumsi Energi Total Energy Consumption	15.519.357,58	23.924.678,24	24.880.831,84

Grafik Pemakaian Energi PHE Chart of PHE Energy Consumption



Intensitas pemakaian energi selama lima tahun terakhir juga mengalami fluktuasi. Intensitas energi pada tahun 2017 mencapai 4,18 GJ/TOE produksi yang dihasilkan oleh perusahaan sebesar 3.547.258,21 TOE. Nilai tersebut mengalami peningkatan bila dibandingkan intensitas energi pada tahun 2016 dengan tingkat produksi terbesar.

The intensity of energy consumption during the last five years also fluctuated. Energy intensity in 2017 reached 4.18 GJ/TOE, and the Company's production was 3,547,258.21 TOE. The figure increased when compared to the energy intensity in 2016 with the largest production level.

Intensitas Pemakaian Energi PHE

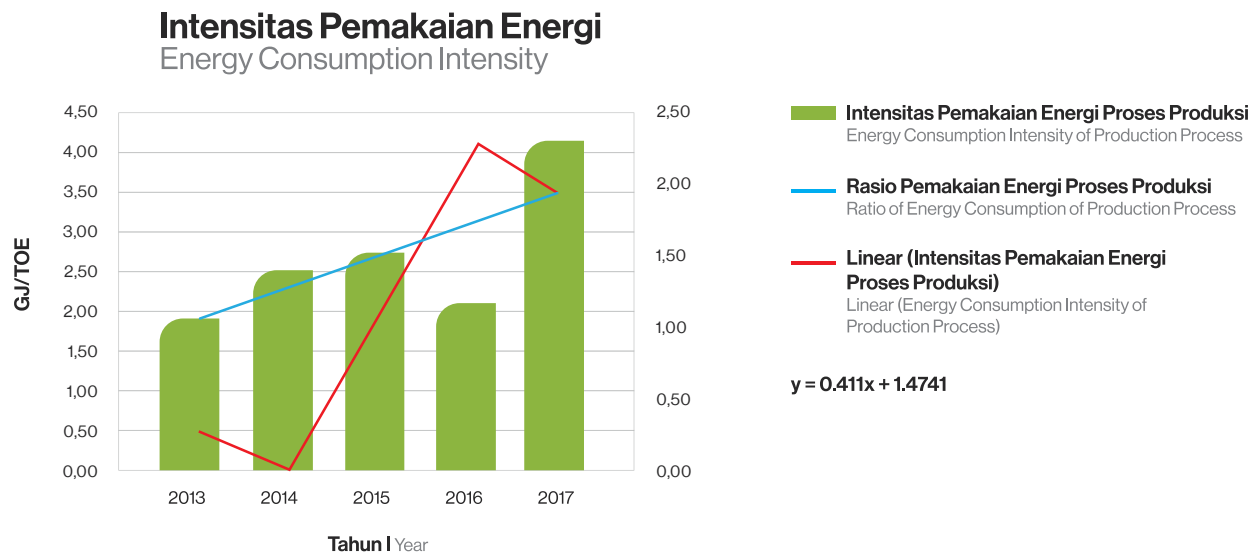
PHE Energy Consumption Intensity

Uraian Description	2017	2016	2015
	GJ/TOE		
Intensitas Pemakaian Energi Proses Produksi Intensity of Energy Consumption of Production Process	4,18	2,12	2,76
Rasio Pemakaian Energi Proses Produksi Ratio of Energy Consumption of Production Process	1,95	2,30	1,16



Iwan Jatmika
VP QHSSE

Grafik Intensitas Pemakaian Energi Chart Of Energy Consumption Intensity



Aspek penting dalam pengelolaan energi sesuai ISO 14001 dan ISO 50001 adalah pelaksanaan program efisiensi berkelanjutan. PHE telah melakukan berbagai upaya untuk meningkatkan efisiensi penggunaan energi. Nilai efisiensi energi pada tahun 2017 adalah 3.547.258,21 TOE (data Januari-Juni 2017). Adapun pencapaian nilai efisiensi energi pada tahun 2016 sebesar 10.578.484,94 TOE, yang merupakan pencapaian tertinggi efisiensi energi PHE dalam lima tahun terakhir.

An important aspect of energy management under ISO14001 and ISO50001 is the implementation of a sustainable efficiency program. PHE has made various efforts to improve energy efficiency. The energy efficiency in 2017 amounted to 3,547,258.21 TOE (data from January to June 2017). The energy efficiency in 2016 reached 10,578,484.94 TOE, which was the highest achievement of PHE energy efficiency in the last five years.

Efisiensi Pemakaian Energi PHE

PHE Energy Consumption Efficiency

Uraian Description	2017	2016	2015
	GJ/TOE		
Konsumsi Energi Energy Consumption	30.135.680,17	52.783.371,41	26.801.126,55
Hasil Absolut Efisiensi Energi Hasil Absolut Efisiensi Energi	15.529.357,58	23.924.678,24	24.880.831,84

PHE terus melanjutkan upaya efisiensi pemanfaatan energi. Berbagai upaya yang dilakukan sampai dengan tahun 2017, telah memperlihatkan pencapaian efisiensi energi dengan hasil cukup signifikan.

PHE continued its energy efficiency efforts. The various efforts undertaken until 2017 have demonstrated the achievement of energy efficiency with significant results.

Tabel Program Efisiensi Energi dan Hasil Dicapai

Table of Energy Efficiency Program and the Outcome

Program Program	Pencapaian Achievement
<p>Program efisiensi bahan bakar minyak (BBM) dengan penerapan teknologi berbasis satelit berupa Fuel Monitoring System (FMS) dan Vessel Tracking System (VTS) dalam optimalisasi perjalanan kapal, serta perbaikan pengelolaan kinerja kontraktor.</p> <p>Fuel oil efficiency program with the satellite-based technology application of Fuel Monitoring System (FMS) and Vessel Tracking System (VTS) in optimizing vessel trip, and improvement of contractor performance management.</p>	<p>Program ini telah mampu menurunkan konsumsi energi sebesar 3.615.421 GJ sejak 2014 sampai Juni 2017.</p> <p>This program has been able to reduce energy consumption by 3,615,421 GJ from 2014 to June 2017.</p>
<p>Program LPSU (Lima Power System Upgrade) merupakan program perbaikan sistem pembangkit listrik di Stasiun Lima.</p> <p>The LPSU (Lima Power System Upgrade) program is a power generation system improvement program at Lima Station.</p>	<p>Penurunan konsumsi energi sebesar 232.664 GJ pada tahun 2016 dan 109.412 GJ pada tahun 2017 (penghitungan sampai bulan Juni).</p> <p>Decrease in energy consumption by 232,664 GJ in 2016 and 109,412 GJ in 2017 (calculation as of June).</p>
<p>Program ejektor untuk menarik gas terperangkap dalam pipa minyak. Ejektor yang digunakan dihasilkan dari internal Perusahaan dan mampu bekerja pada tekanan rendah. Ejektor telah mendapatkan paten Nomor IDS000001467.</p> <p>Ejector program to pull gas trapped in oil pipeline. The ejector used is the Company's internal production and able to work at low pressure. The ejector has received patent Number IDS000001467.</p>	<p>Penurunan konsumsi energi sebesar sebesar 235.795 GJ (2015-2017).</p> <p>The energy consumption reduced by 235,795 GJ (2015-2017).</p>
<p>Program Den Gering merupakan upaya mengubah sistem pengelolaan air hasil kondensasi uap air pada sistem permurnian glycol/TGRS (Tri Etylene Glycol Regeneration System) pada proses pengeringan gas alam, dengan cara pengolahan melalui proses pengendapan dan penyaringan. Program ini telah memperoleh surat publikasi hak paten nomor 2017/S/00484 dengan nomor hak paten S0020173095.</p> <p>The Den Gering Program is an effort to change the management system of water resulted from condensation in the Glycol/TGRS (Triethylene Glycol Regeneration System) purification system in the natural gas drying process, by processing through the precipitation and filtration process. This program has received a patent publication letter number 2017/S/00484 with patent number S0020173095.</p>	<p>Pengurangan pemakaian bahan bakar gas sebesar 7.725 MMSCF dari tahun 2015-2016.</p> <p>Reduction of gas fuel consumption by 7,725 MMSCF from 2015-2016.</p>
<p>Menerapkan rekayasa sistem penangkal petir GPP (Gundala Putra Petir) untuk mengatasi shut down operasi akibat sambaran petir.</p> <p>Apply the engineering of the GPP (Gundala Putra Petir) lightning rod system to overcome the operation shutdown due to lightning strikes.</p>	<p>Konservasi energi dengan hasil absolut sebesar 29.777,36 GJ (2015), 19.999,83 GJ (2016) dan 17.381,83 GJ (2017).</p> <p>Energy conservation with absolute results of 29,777.36 GJ (2015), 19,999.83 GJ (2016) and 17,381.83 GJ (2017).</p>
<p>Program rekayasa subsistem operasi DCS Digimon SKN CGP sehingga mampu berfungsi lebih handal.</p> <p>The engineering program of DCS Digimon SKN CGP operating subsystem to be more reliable in its function.</p>	<p>Konservasi energi, dengan nilai absolut sebesar 8.575.880,77 GJ (2015); 5.759.951,66 GJ (2016); dan 5.135.566,38 GJ (2017).</p> <p>Energy conservation, with an absolute value of 8,575,880.77 GJ (2015); 5,759.951,66 GJ (2016); and 5,135,566.38 GJ (2017).</p>
<p>Program Pengurangan beban kerja Pembangkit Listrik Tenaga Gas dengan penggunaan Pembangkit Listrik Tenaga Uap (steam) dari pemanfaatan panas proses Acid Gas Conversion Unit (AGCU)</p> <p>Workload Reduction Program for Gas Fueled Power Plant with the use of Steam Power Plant from the heat generated by the Acid Gas Conversion Unit (AGCU) process.</p>	<p>Merupakan penerapan pertama pada sektor migas di Indonesia. Dari kegiatan ini diperoleh efisiensi energi sebesar 53.779,068 GJ.</p> <p>This is the first application in the oil and gas sector in Indonesia. This activity managed to achieve energy efficiency of 53,779.068 GJ.</p>
<p>Program Konversi associated gas menjadi fuel gas dengan pengaturan Air Fuel Module (AFM) dan Engine Sensor Manager (ESM). Program ini dilakukan untuk mengurangi penggunaan bahan bakar (fuel).</p> <p>The associated gas conversion program into fuel gas with Air Fuel Module (AFM) and Engine Sensor Manager (ESM) settings. This program is aimed at reducing the use of fuel.</p>	<p>Penurunan emisi dan efisiensi energi sebesar 19.530 GJ.</p> <p>Emissions reduction and energy efficiency of 19,530 GJ.</p>

Tabel Program Efisiensi Energi dan Hasil Dicapai

Table of Energy Efficiency Program and the Outcome

Program Program	Pencapaian Achievement
<p>Program penggantian sumber energi listrik (dari solar ke gas) di kapal tunda ketika bersandar di <i>jetty</i>. Kegiatan ini dimulai pada awal tahun 2017 sampai Juni 2017.</p> <p>The program of substituting the electricity source (from solar to gas) on the tugboat when mooring at the <i>jetty</i>. This activity started in early 2017 to June 2017.</p>	<p>Efisiensi energi sebesar 187,1 GJ. Energy efficiency of 187.1 GJ.</p>
<p>Modifikasi desain adalah dengan penambahan alat <i>switch on/off</i> dengan otomatis berdasarkan indikator temperatur minyak yang ada dalam pipa.</p> <p>Design modification is by adding tool of automatic on/off switch based on oil temperature indicator in the pipe.</p>	<p>Mematikan <i>sect feeding</i> secara otomatis dapat menghemat pemakaian energi listrik sebesar 196.712 GJ dalam dua tahun terakhir. Turning off <i>sect feeding</i> automatically managed to save electricity consumption by 196,712 GJ in the last two years.</p>

Tabel Rasio Efisiensi Energi Terhadap Total Pemakaian Energi PHE

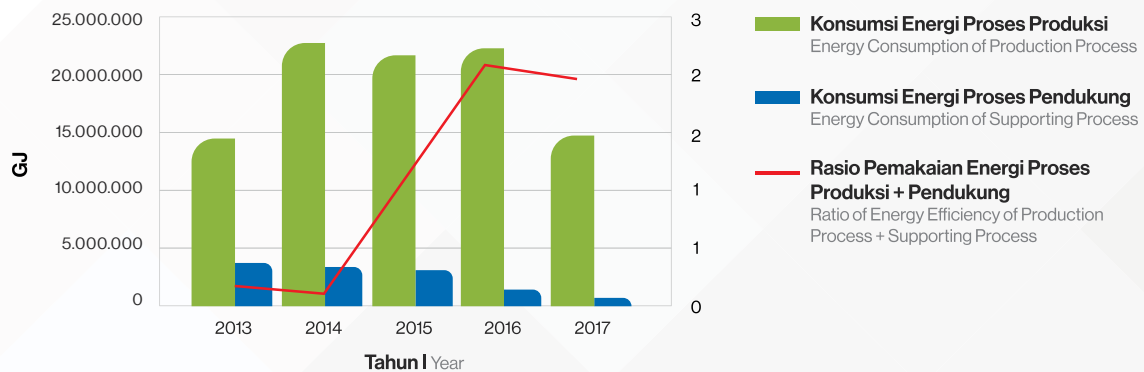
Table Ratio of Energy Efficiency to Total Energy Consumption of PHE

Status Energi Energy Status	Satuan Unit	2017	2016	2015
Konsumsi Energi Energy Consumption	GJ	15.519.357,58	23.924.678,24	24.880.831,84
Konsumsi Energi Proses Produksi Energy Consumption of Production Process	GJ	14.841.377,99	22.476.840,96	21.835.709,25
Konsumsi Energi Proses Pendukung Energy Consumption of Supporting Process	GJ	677.979,59	1.447.837,28	3.045.122,59
Hasil Absolut Efisiensi Energi Absolute Result of Energy Efficiency	GJ	30.135.680,17	52.783.371,41	26.801.126,55
a. Proses Produksi Production Process	GJ	28.945.404,27	51.704.941,58	25.397.052,08
b. Proses Pendukung Supporting Process	GJ	1.190.274,43	1.078.426,88	1.174.285,71
c. Kegiatan yang berhubungan dengan Comdev Comdev related Activities	GJ	-	990,00	334,00
Total Produksi Perusahaan Total Produksi Perusahaan	TOE	4.820.258,21	10.578.484,94	7.900.522,33
Rasio Efisiensi Energi Proses Produksi Ratio of Energy Efficiency of Production Process	%	1,95	2,30	1,16
Rasio Efisiensi Energi Proses Produksi + Pendukung Ratio of Energy Efficiency of Production Process + Supporting Process	%	1,95	2,07	1,11

Grafik Rasio Efisiensi Energi Terhadap Total Pemakaian Energi Chart of Energy Efficiency Ratio to Total Energy Consumption of PHE

Grafik Rasio Efisiensi Energi Terhadap Total Pemakaian Energi

Chart of Energy Efficiency Ratio to Total Energy Consumption



PHE tidak hanya membutuhkan energi untuk mendukung kegiatan operasional, namun juga menghasilkan produk berupa minyak mentah dan gas bumi sebagai sumber energi. Laporan ini tidak menyertakan penghitungan total energi dihasilkan di kinerja total lifting mentah dan gas bumi, karena masih mengalami proses pengolahan untuk menjadi produk akhir yang selanjutnya digunakan pemakai akhir sebagai sumber energi.

PHE not only requires energy to support operational activities, but also for production process in the form of crude oil and natural gas as a source of energy. This report excludes the calculation of total energy generated in the performance of total crude and natural gas lifting, as it still undergoes processing to become the final product used by end user as the energy source.

Sistem Pengolahan Limbah Perusahaan

Air limbah dihasilkan dari air terproduksi yang naik ke permukaan, air bekas hasil pengeboran dan air limbah domestik. Total air limbah yang dihasilkan dari proses produksi (air terproduksi) pada tahun 2017 mencapai 13.807.541,58 ton dan total air limbah yang dihasilkan dari fasilitas pendukung (domestik) sebanyak 155.767,63 ton. Selama tahun 2017 tidak terjadi tumpahan minyak mentah dalam jumlah signifikan yang berpotensi merusak lingkungan.

Company Waste Treatment System

Wastewater is generated from produced water that rises to the surface, wastewater from drilling and domestic wastewater. Total wastewater generated from production process (produced water) in 2017 reached 13,807,541,58 tons and total wastewater generated from supporting facility (domestic) was 155,767.63 tons. During 2017 there was no significant crude oil spill that potentially damaging to the environment.

Pengolahan Limbah B3 & Non-B3

Sesuai dengan karakteristik usaha PHE, tidak ada kegiatan transportasi Limbah Bahan Berbahaya dan Beracun (B3) untuk tujuan operasional. Limbah B3 yang dihasilkan PHE diserahkan kepada pihak ketiga untuk dimanfaatkan lebih lanjut. Hal tersebut diatur dalam kontrak dengan pihak ketiga untuk memastikan Limbah B3 diangkut dan dimanfaatkan sesuai dengan ketentuan regulasi.

PHE melakukan identifikasi setiap jenis Limbah B3 yang dihasilkan dari seluruh aktivitas yang meliputi sumber, karakteristik dan jumlah limbah B3. Kemudian melakukan pengurangan limbah B3 pada setiap proses kegiatan operasional PHE.

- Pada Proses Produksi:
 - › Pengurangan oli bekas di KL Gas Lift (Gas Seal Comp & Sistem Tandem); Unit pembangkit LIMA/LPSU melalui melalui Optimasi Proses; pada Logistik Marunda SB dan pengurangan oli bekas dari kegiatan pemeliharaan rutin di lokasi lainnya.
 - › Pengurangan limbah medis/obat kadaluarsa; limbah kemasan drum, *drum compacting*, *limbah cartridge dan Toner*, *oil sludge*, *used glycol*, pelumas bekas, aki bekas, kimia bekas dan kemasan bekas, sarung tangan dan kain majun, filter bekas amin, limbah tanah terkontaminasi, limbah karbon aktif, limbah OBM.
 - › Pengembalian drum kaleng, drum plastik dan drum oli bekas ke produser.
 - › Program aplikasi model WBM-700 untuk menggantikan penggunaan *oil based mud*.
 - › Prove Sulva Remover.
 - › Penggantian material *seal ring* TEG Pump dari *rubber* menjadi teflon.
- Pada Fasilitas Penunjang:
 - › Mengganti lampu TL dan *high pressure* sodium dengan lampu hemat energi (LED).
 - › Perubahan periode perawatan pencegahan.
 - › *Safety stock for warehouse inventory*.

B3 & Non-B3 Waste Treatment

In accordance with the characteristics of PHE business, there is no activity of Hazardous and Toxic (B3) Waste transport for operational purposes. B3 waste generated by PHE is handed over to third parties for further utilization. It is stipulated in a contract with a third party to ensure that B3 waste is transported and utilized in compliance with the provisions of regulation.

PHE identifies each type of B3 waste generated from all activities including sources, characteristics and volume of B3 waste. Then subsequently reduces B3 waste in every PHE operation process.

- At Production Process:
 - › Reduction of used oil in KL Gas Lift (Compressor Gas Seal & Tandem System); LIMA/LPSU generating units through Process Optimization; at Marunda SB Logistics and used oil reduction from regular maintenance activities at other locations.
 - › Medical/expired drug waste reduction; drum packaging waste, drum compacting, cartridge and toner waste, oil sludge, used glycol, used lubricants, used dry batteries, used chemicals and used packaging, gloves and cotton rags, used amine filter, waste contaminated soil, active carbon waste, OBM waste.
 - › Returning metal drums, plastic drums and used oil drums to the producer.
 - › WBM-700 model application program to replace the use of oil based mud.
 - › Prove Sulva Remover.
 - › Replacement of TEG Pump seal ring material from rubber to Teflon.
- At Supporting Facilities:
 - › Replace TL (fluorescent) and high pressure sodium lamps with energy saving lamp (LED).
 - › Changes to the period of preventive maintenance.
 - › *Safety stock for warehouse inventory*.

Tabel Ratio 3R LB3 Terhadap Total LB3 PT Pertamina Hulu Energi

Table of Ratio of B3 Waste to Total B3 Waste at PT Pertamina Hulu Energi

No	3R Limbah B3 3R of B3 Waste	Satuan Unit	2017	2016	2015
1	Total LB3 yang dihasilkan Total B3 waste generated	Ton	754,72	4.556,72	21.499,76
2	Total LB3 yang dihasilkan Proses Produksi Total B3 waste generated from Production Process	Ton	179,88	4.222,14	20.025,97
3	Total LB3 yang dihasilkan Kegiatan Pendukung Total B3 waste generated from Supporting Process	Ton	52,99	122,70	166,89
4	Hasil Absolut Pengurangan LB3 Absolute Results of B3 waste Reduction	Ton	3.925,64	16.029,82	96,08
5	a. Proses Produksi Production Process	Ton	3.901,50	15.949,61	19,81
	b. Proses Pendukung Supporting Process	Ton	19,14	53,22	27,27
	c. Kegiatan yang berhubungan dengan Comdev Comdev related activities	Ton	N/A	N/A	N/A
	d. Kegiatan lain-lain Other activities	Ton	N/A	N/A	N/A
6	Total Produksi Perusahaan Company Total Production	TOE	4.262.778,70	10.964.227,75	8.241.780,78
7	Intensitas Timbulan LB3 Intensity of B3 Waste Generation of Production Process	Ton/TOE	4,21976E-05	0,000385083	0,002429811
8	Intensitas Timbulan LB3 Proses Produksi Intensity of B3 Waste Generation of Production Process	Ton/TOE	4,21976E-05	0,000385083	0,002429811
9	Intensitas Timbulan LB3 Proses Produksi dan Kegiatan Pendukung Intensity of B3 Waste Generation of Supporting Process	Ton/TOE	0,000177049	0,000415599	0,00260863
10	Rasio Hasil 3R dengan Total LB3 yang dihasilkan Proses Produksi Ratio 3R Result to Total B3 Waste Generation from Production Process	%	21,68959968	3,777618077	0,000989215
11	Rasio Hasil 3R dengan Total LB3 yang dihasilkan Proses Produksi dan Kegiatan Pendukung Ratio 3R Result to Total B3 Waste Generation from Supporting Process	%	5,201456832	3,517839847	0,004468888

Kegiatan pengurangan limbah non-B3 dengan cara pada fasilitas produksi dan penunjang sebagai berikut:

- Pemanfaatan kertas untuk program kreatif dengan inovasi alat pembuat bubuk kertas/giant blender.
- Pemanfaatan kemasan plastik aluminium "share your waste" dengan inovasi penggunaan *dropbox*.
- Inovasi aplikasi Pemantauan Online Pengelolaan Sampah (SMS Online Modul Limbah Non B3)
- Bank sampah.

Activities of non-B3 waste reduction at the production and supporting facilities:

- Recycling paper for creative program with innovative pulp maker/giant blender tool.
- Recycling aluminum and plastic packaging through "share your waste" program with the innovative use of *dropbox*.
- Monitoring application innovation of Non B3 Waste SMS Online Module.
- Waste Bank.

- Komposting super kilat.
- Pengurangan kemasan plastik air minum dalam kemasan (AMDK).
- Pemakaian kertas bolak-balik, Web untuk kertas, program diet kertas.
- Pemanfaatan minyak goreng bekas sebagai bahan bakar alternatif dan pemanfaatan besi bekas.
- Super fast composting.
- Reduction of bottled drinking water (AMDK) packaging.
- Use of both sides of paper; Web for paper; paper diet program.
- Utilization of used cooking oil as an alternative fuel and utilization of scrap metal.

Tabel Ratio 3R Limbah Non-B3 Terhadap Total Limbah Non-B3 yang Dihasilkan PHE

Tabel Ratio 3R Limbah Non-B3 Terhadap Total Limbah Non-B3 yang Dihasilkan PHE

No	3R Limbah Non B3 3R of Non B3 Waste	Satuan Unit	2017	2016	2015
1	Total Limbah Padat Non B3 yang dihasilkan Total Non B3 Solid Waste Generated	Ton	18.966,21	42.867,48	53.125,59
2	Total Limbah Padat Non B3 yang dihasilkan Proses Produksi Total Non B3 Solid Waste Generated from Production Process	Ton	398,74	392,80	868,91
3	Total Limbah Padat Non B3 yang dihasilkan Kegiatan Pendukung Total Non B3 Solid Waste Generated from Supporting Process	Ton	293,82	745,90	1.123,17
4	Hasil Absolut 3R Limbah Padat Non B3 Absolute Result of 3R of Non B3 Solid Waste	Ton	509,02	632,48	1.080,67
	a. Proses Produksi Production Process	Ton	396,86	392,14	866,13
	b. Proses Pendukung Supporting Process	Ton	80,40	183,31	159,48
	c. Kegiatan yang berhubungan dengan Comdev Comdev related activities	Ton	5,35	8,06	6,77
5	Total Produksi Perusahaan Total Produksi Perusahaan	TOE	5.114.829,37	11.201.530,32	8.559.183,42
6	Intensitas Limbah Padat Non B3 Proses Produksi Intensity of Non B3 Solid Waste from Production Process	Ton/TOE	7,79576E-05	3,50666E-05	0,000101518
7	Intensitas Limbah Padat Non B3 Proses Produksi dan Kegiatan Pendukung Intensity of Non B3 Solid Waste from Supporting Process	Ton/TOE	0,003708083	0,003826931	0,006206852
8	Rasio Limbah Padat Non B3 Proses Produksi Ratio of Non B3 Solid Waste from Production Process	%	0,995285148	0,998319756	0,996800589
9	Rasio Limbah Padat Non B3 Proses Produksi dan Kegiatan Pendukung Ratio of Non B3 Solid Waste from Supporting Process	%	0,026838181	0,014754217	0,020341783

Pengelolaan dan Pengolahan Air Limbah

Pengelolaan dan pengolahan air limbah dilaksanakan melalui upaya penurunan beban pencemar air. Pengolahan yang dilakukan diharapkan dapat mengembalikan kualitas air limbah yang memenuhi baku mutu, sebelum dialirkan ke badan air atau digunakan kembali untuk keperluan lain.

Program penurunan beban pencemar air yang telah dilaksanakan hingga akhir tahun 2017:

- Program Downhole Water Reduction (DWR) merupakan intervensi pada zona tertentu di formasi sumur, untuk mereduksi kuantitas air limbah terproduksi yang naik ke permukaan. Tindakan yang dilakukan adalah pengaliran zat kimia berupa polimer yang bersifat *hydrophilic* dengan konsentrasi tertentu.
- Program Suntik Air, yaitu metode memasukkan air terproduksi dari sumur ke dalam sumur injeksi untuk mempertahankan tekanan dalam *reservoir* sekaligus mengurangi buangan air terproduksi ke laut. Program Suntik Air telah berhasil menurunkan beban pencemaran air di *offshore* sebesar 89 ton minyak/lemak (2016) dan 49,65 ton minyak/lemak sampai Juni 2017.
- Penggunaan *hydrocyclone* dan *degasser* dalam sistem injeksi air terproduksi. *Hydrocyclone* digunakan untuk menurunkan kandungan minyak dari 1.000 ppm menjadi <25 ppm. Sedangkan *degasser* berfungsi menghilangkan udara dalam air terproduksi sehingga memperbaiki kinerja pompa dalam proses injeksi. Gabungan subsistem *hydrocyclone* dan *degasser* dalam proses injeksi hanya dilakukan di JOB Jambi Merang. Subsistem ini sudah terpasang sejak pertama operasi dan berhasil melakukan perbaikan lingkungan dengan mengurangi beban pencemaran lingkungan dari air terproduksi.

Wastewater Management and Treatment

Wastewater treatment and processing is carried out through efforts to decrease the load of water pollutants. The treatment is expected to restore the quality of wastewater that meets standard of quality, before it is discharged into water bodies or reused for other purposes.

Water pollution load reduction programs that have been implemented until the end of 2017 as follows:

- Downhole Water Reduction (DWR) program, an intervention in a particular zone of well formation, to reduce the quantity of produced wastewater that rises to the surface. The action taken was flowing chemicals in the form of hydrophilic polymer with a certain concentration.
- Water Injection Program, the method of injecting produced water from the well into the injection well to maintain the pressure in the reservoir while reducing the discharge of produced water into the sea. The Water Injection program has managed to reduce the offshore water pollution load by 89 tons of oil/fat (2016) and 49.65 tons of oil/fat as of June 2017.
- Use of hydrocyclone and degasser in a produced water injection system. Hydrocyclone is used to lower the oil content from 1,000 ppm to <25 ppm. While degasser removing the air in the produced water to improve pump performance in the injection process. The combination of hydro cyclone subsystem and degasser in the injection process was only conducted at JOB Jambi Merang. This subsystem has been installed since the first operation and managed to improve the environment by reducing the environmental pollution load from the produced water.

Nilai absolut dari pengurangan beban pencemaran lingkungan adalah sebagai berikut; untuk COD sebesar 11,09 ton pada tahun 2013, 15,91 ton pada tahun 2014, 12,9 ton pada tahun 2015 dan 9,42 ton pada tahun 2016. Sedangkan penurunan beban pencemar lingkungan untuk minyak dan lemak terhitung sebesar 1,21 ton pada tahun 2013, 0,98 ton pada tahun 2014, 1,27 ton pada tahun 2015 dan 0,08 pada tahun 2016.

- Penggunaan ulang air limbah domestik melalui rekayasa penambahan pipa dari outlet instalasi pengolahan air limbah (IPAL) domestik dan ditampung di bak penampung, sehingga bisa digunakan untuk menyiram tanaman. Dampak lingkungan dari perbaikan ini adalah penggunaan ulang air sebesar 3.940 m³ (2013), 12.504 m³ (2014), 12.778 m³ (2015) dan 15.109 m³ (2016) dan 6.248 m³ (2017).
- Pembuatan jalur pipa sirkulasi balik *disposal water* dari Reverse Osmosis Unit (SNO-PK-9005) pada Demin Water treatment ke Clarifier Water Tank (SNO-T-8009) pada Utility Water Treatment untuk mengurangi konsumsi air tanah. Dampak lingkungan dari kegiatan ini diperoleh pengurangan konsumsi air tanah sebesar 1.447 m³ di tahun 2017 untuk penyiraman.
- Rekayasa Sistem Water Injeksi tanpa *Flaring* di Sukowati Pad A adalah program modifikasi water injeksi dengan memanfaatkan *water produce* untuk kegiatan pressure maintenance sumur Sukowati tanpa *flaring* Rekayasa system water injeksi tanpa *flaring* ini telah berhasil memanfaatkan air terproduksi sebesar 7.500 BWPD selama tahun 2016.
- Program Recycle Air WBM-700, yaitu penggunaan kembali air bekas hasil pemboran untuk keperluan pembuatan *water based mud* untuk menahan formasi pengeboran. Program ini telah berhasil mengefisienkan air tanah sebesar 9.000 m³ dalam kurun waktu tahun 2016 dan 9.000 m³ pada tahun 2017 sampai dengan bulan Juni 2017. Program ini sedang diajukan untuk hak paten di HAKI.

The absolute values of the reduction of environmental pollution load were as follows; for COD of 11.09 tons in 2013, 15.91 tons in 2014, 12.9 tons in 2015 and 9.42 tons in 2016. While the decrease in environmental pollutant load for oil and fats amounted to 1.21 tons in 2013, 0.98 tons in 2014, 1.27 tons in 2015 and 0.08 tons in 2016.

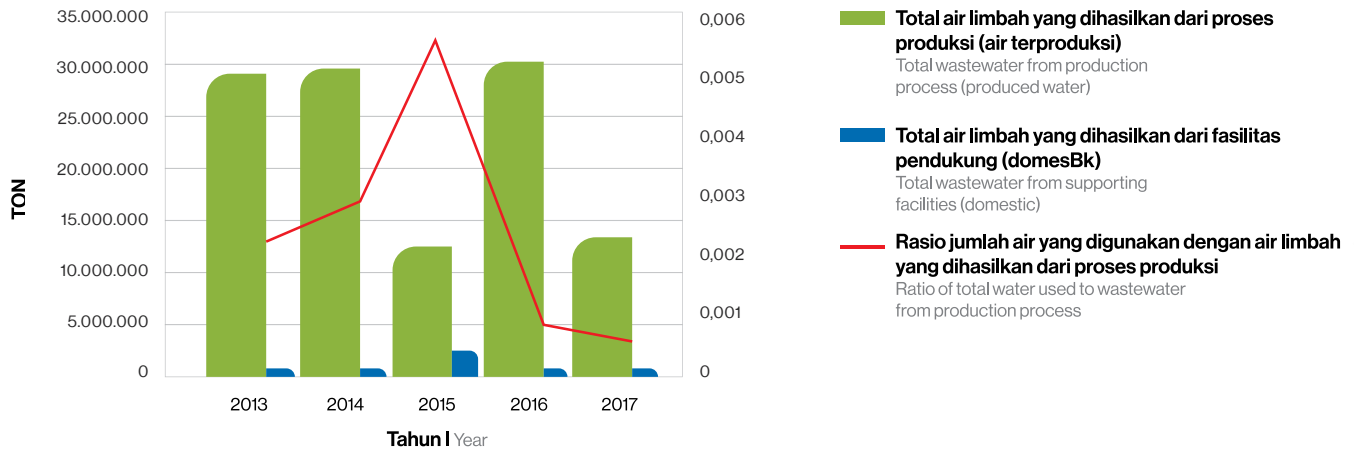
- Reuse of domestic wastewater through pipeline addition engineering from domestic wastewater treatment plant (WWTP) outlet and stored in reservoir to be used to water the plants. The environmental impacts of this improvement were water reuse of 3,940 m³ (2013), 12,504 m³ (2014), 12,778 m³ (2015) and 15,109 m³ (2016) and 6,248 m³ (2017).
- Installation of reverse Osmosis Unit (SNO-PK-9005) pipeline from Demin Water treatment to Clarifier Water Tank (SNO-T-8009) at Utility Water Treatment to reduce ground water consumption. The environmental impacts of this activity was reduction of groundwater consumption by 1,447 m³ in 2017 for watering.
- Engineering of Water Injection System without Flaring at Sukowati Pad A is a water injection modification program by utilizing produced water for pressure maintenance activities in Sukowati well without flaring. Engineering of injection water system without flaring has been successfully reused produced water by 7,500 BWPD during 2016.
- WBM-700 Water Recycle Program, reusing of used water from drilling for making of water-based mud to sustain drilling formation. The program has successfully reduced ground water by 9,000 m³ in 2016 and 9,000 m³ in 2017 as of June 2017. This program is being proposed for patent at Intellectual Property Rights Directorate General.

Tabel Rasio Hasil Penurunan Beban Pencemaran Air Terhadap Total Air Limbah Dihasilkan

Table of Ratio of Result of Pollution Load Decrease to Total Wastewater Produced

No	Air Limbah Wastewater	Satuan Unit	2017	2016	2015
1	Total Air Limbah Total Wastewater	Ton	13.962.523,11	30.569.679,10	12.726.120,61
2	Total air limbah yang dihasilkan dari proses produksi (air terproduksi) Total wastewater from production process (produced water)	Ton	13.807.541,58	30.259.620,97	12.418.165,49
3	Total air limbah yang dihasilkan dari fasilitas pendukung (domestik) Total wastewater from supporting facilities (domestic)	Ton	155.767,63	301.656,55	309.829,63
4	Hasil Absolut Beban Pencemaran Air Terproduksi Absolute Results of Produced Water Pollution Load	Ton Minyak dan Lemak Tons of Oil and Fat	9.060,21	24.775,81	68.780,91
	a. Proses Produksi Production Process	Ton Minyak dan Lemak Tons of Oil and Fat	N/A	N/A	N/A
	b. Proses Pendukung Supporting Process	Ton Minyak dan Lemak Tons of Oil and Fat	N/A	N/A	N/A
	c. Kegiatan yang berhubungan dengan Comdev Comdev related Activities	Ton Minyak dan Lemak Tons of Oil and Fat	N/A	N/A	N/A
5	Intensitas Air Limbah Wastewater Intensity	TOE	6.486.602,97	14.135.197,73	11.523.357,31
6	Intensitas Air Limbah Proses Produksi Wastewater Intensity of Production Process	Ton/TOE	2,13	2,14	1,08
7	Intensitas Air Limbah Proses Produksi dan Kegiatan Pendukung Wastewater Intensity of Supporting Activities	Ton/TOE	2,15	2,16	1,10
8	Rasio hasil penurunan beban pencemaran air terhadap total air limbah Ratio of water pollution load decrease to total wastewater	%	0,000656178	0,000818775	0,005538734
9	Rasio jumlah air yang digunakan dengan air limbah yang dihasilkan dari proses produksi Ratio of total water used to wastewater from production process	%	0,000648895	0,00081047	0,005404704

Air Limbah Wastewater



Pengendalian Emisi dan Menjaga Keanekaragaman Hayati

Pengungkapan Pendekatan Manajemen (DMA)

Kegiatan operasi dan produksi migas yang dilakukan PHE berpotensi menimbulkan dampak terhadap kualitas udara melalui pelepasan emisi gas suar dan terganggunya keanekaragaman hayati di sekitar lokasi kegiatan. Emisi gas suar turut berkontribusi terhadap efek gas rumah kaca (GRK) yang memicu pemanasan global, sementara terganggunya keanekaragaman hayati mengancam punahnya organisme yang ada.

Emission Control and Preserving Biodiversity

Disclosure of Management Approach (DMA)

Oil and gas operations and production activities conducted by PHE have the potential to affect air quality through the flare gas emissions and disturbance to biodiversity around the operating site. Flare gas emissions also contribute to the greenhouse gas (GHG) effect that triggers global warming, while disturbance to biodiversity threatens the existing organisms to extinction.

PHE berkomitmen untuk mengendalikan volume maupun kualitas gas suar dan emisi GRK lainnya serta menjaga keanekaragaman hayati. Pendekatan yang dilakukan adalah dengan menerapkan ISO 14001 Sistem Manajemen Lingkungan. Pengendalian emisi dan upaya menjaga keanekaragaman hayati, menjadi bagian dari tugas dan tanggung jawab Fungsi Quality, Health, Safety, Security and Environmental (QHSSE).

Perusahaan terus berupaya mengurangi volume emisi gas suar dengan mengolah kembali, sehingga bisa dimanfaatkan secara komersial. Sementara upaya menjaga keanekaragaman hayati dilakukan dengan melakukan rehabilitasi lahan serta konservasi. [103-1][103-2][103-3]

Penurunan Total Emisi dan Intensitas Emisi [305-1][302-2]

Kegiatan produksi migas PHE menghasilkan emisi cukup besar dalam lima tahun terakhir (2013 –2017). Selama kurun waktu tersebut, PHE bersama Anak Perusahaan terus berupaya mengurangi volume emisi yang dihasilkan. Langkah ini merupakan upaya mengurangi potensi pencemaran udara, sekaligus berkontribusi pada pengurangan emisi gas rumah kaca (GRK).

Total volume emisi yang dihasilkan pada tahun 2017 mencapai 975.119,02 ton (penghitungan Januari – Juni). Dengan asumsi pada Semester II 2017 memperlihatkan kondisi serupa, maka total emisi yang dihasilkan pada tahun 2017 memperlihatkan penurunan signifikan dibanding tahun 2016, sebesar 2.241.220,66 ton. Hal ini tidak terlepas dari pelaksanaan kebijakan Perusahaan dalam mengendalikan emisi, di antaranya pemanfaatan emisi gas suar (*flare gas*) dan reduksi emisi karbon.

PHE is committed to controlling the volume and quality of flare gas and other GHG emissions and preserving biodiversity. The approach is to apply ISO 14001 of Environmental Management System. Emission control and biodiversity management efforts are part of the duties and responsibilities of the Quality, Health, Safety, Security and Environmental (QHSSE) Function.

The Company continues to reduce the volume of flare gas emissions by reprocessing them so that they can be commercially utilized. Meanwhile the effort to preserve biodiversity is done by land rehabilitation and conservation. [103-1][103-2][103-3]

Decrease in Total Emissions and Emissions Intensity [305-1][302-2]

PHE's oil and gas production activities generate considerable emissions in the last five years (2013 -2017). During that period, PHE and Subsidiaries continued to reduce the volume of emissions generated. This move was an effort to reduce the potential air pollution, while contributing to the reduction of greenhouse gas (GHG) emissions.

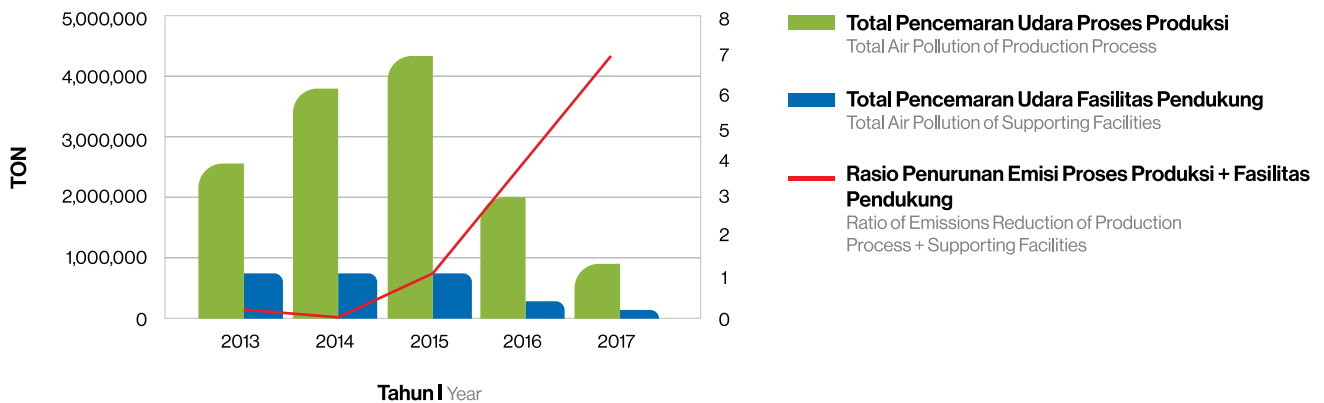
Total volume of emissions generated in 2017 reached 975,119.02 tons (January - June calculation). Assuming in the second half of 2017 showing similar conditions, total emissions generated in 2017 showed a significant decline compared to 2016, amounted to 2,241,220.66 tons. This can be attributed to the implementation of the Company's policies in controlling emissions, including the utilization of flare gas emissions and reduction of carbon emissions.

Total Emisi dihasilkan

Total Emissions Generated

Uraian Description	2017 (Januari – Juni) 2017 (January - June)	2016	2015
	Ton		
Total Emisi Proses Produksi Total Emissions of Production Process	855.097,97	2.070.134,65	4.301.850,25
Total Emisi Proses Pendukung Total Emissions of Supporting Process	120.021,05	171.086,01	725.334,96
Total Emisi Dihasilkan Total Emissions Generated	975.119,02	2.241.220,66	5.027.185,21

Penurunan Emisi Emissions Reduction



Keberhasilan PHE dan Anak Perusahaan dalam mengendalikan emisi yang dihasilkan, juga ditunjukkan dari penghitungan Intensitas Emisi yang dihasilkan. Intensitas emisi dihitung sebagai volume emisi dihasilkan per volume produk dihasilkan. Semakin rendah nilai Intensitas Emisi maka semakin kecil pula potensi pencemaran udara.

Nilai Intensitas Emisi Proses Produksi pada tahun 2017 adalah 0,17 ton/TOE untuk penghitungan Januari-Juni 2017. Dengan asumsi nilai Intensitas Emisi tidak mengalami perubahan, maka pencapaian tersebut lebih rendah dibanding nilai Intensitas Emisi Proses Produksi tahun 2016 sebesar 0,19 ton/TOE.

Pengendalian Emisi Gas Suar

Emisi lainnya adalah emisi hasil pembakaran gas suar atau flare gas. Gas suar adalah gas hasil kegiatan eksplorasi dan produksi migas yang dibakar karena tidak dapat ditangani oleh fasilitas produksi. Pembakaran gas suar berkontribusi langsung pada efek rumah kaca karena mengandung gas rumah kaca (GRK): CO₂ (karbon dioksida) dan CH₄ (metana). [305-1]

PHE memiliki kebijakan untuk terus mengurangi pembakaran gas suar dan memanfaatkannya secara komersial. Hal ini dilakukan sebagai kontribusi pada upaya bersama untuk mengurangi pemanasan global sebagai akibat dari efek rumah kaca. Selain itu, juga menjadi bentuk kepatuhan terhadap Peraturan Menteri ESDM No.32 Tahun 2017 tentang Pemanfaatan dan Harga Jual Gas Suar pada Kegiatan Usaha Hulu Minyak dan Gas Bumi.

PHE and Subsidiaries' achievement in controlling the emissions generated, also shown from the Intensity calculation of Emission generated. Emissions intensity is calculated as the volume of emissions generated per volume of production. The lower the Emission Intensity value the smaller the air pollution potential.

The Emissions Intensity Value of the Production Process in 2017 was 0.17 tons/TOE for calculation in January to June 2017. Assuming the Emission Intensity value has not changed, the achievement was lower than the Emissions of Production Process in 2014 at 0.19 tons/TOE.

Flare Gas Emission Control

Other emissions are flare gas emissions. Flare gas is gas produced by exploration activities and oil & gas production that is burned because it can not be handled by production facilities. Flare gas burning contributes directly to the greenhouse effect because it contains greenhouse gases (GHG): CO₂ (carbon dioxide) and CH₄ (methane). [305-1]

PHE has a policy of continuing to reduce the burning of flare gas and utilize it commercially. This aims as a contribution to joint efforts in reducing global warming as a result of the greenhouse effect. In addition, it is also a form of compliance with Regulation of Minister of Energy and Mineral Resources No.32 of 2017 on Utilization and Sales Price of Flare Gas in Upstream Oil and Gas Business Activities.

Sampai dengan akhir tahun 2017, realisasi upaya mengurangi pembakaran gas suar diwujudkan melalui investasi penyediaan alat pengolah gas suar yang menjadi bagian dari belanja modal PHE tahun 2017. Selain investasi sendiri, pembiayaan juga dilakukan bekerja sama dengan pihak lain yang menjadi pihak pemanfaat gas suar. [201-2]

Upaya lain untuk mengurangi gas suar yang telah terlaksana pada tahun 2017 adalah: [305-5]

- Joint Operation Body Pertamina Petrochina East Java (JOB PPEJ) berhasil mengurangi volume gas suar yang dihasilkan di *central processing area* (CPA) Lapangan Mudi dan Lapangan Sukowati, Blok Tuban, Jawa Timur. Dari rata-rata awal volume gas suar yang dihasilkan sebesar 3-4 MMSCFD menjadi 0,8 MMSCFD dan akan terus ditiadakan. Gas suar dimanfaatkan sebagai tambahan pasokan gas untuk PT Gasuma selaku pembeli gas suar. Melalui pengurangan gas suar, maka kondisi lingkungan dan masyarakat di sekitar lokasi pengeboran menjadi lebih baik lagi, dan perusahaan mendapatkan tambahan penghasilan dari penjualan gas suar.
- PHE ONWJ berhasil memanfaatkan gas (fluida) yang terperangkap dalam pipa menjadi bahan bakar turbin, sehingga mengurangi gas yang dibakar (*flare*). Pemanfaatan gas ini mampu menghemat energi sebesar 38TJ setiap tahun.
- PHE Jambi Merang melakukan rekayasa komponen *actuator valve flaring* PJKSK30 yang berhasil menyelamatkan energi sebesar 22.000TJ setiap tahun.
- Reaktivasi *vapor recovery* unit di anjungan Eco yang berhasil menyelamatkan energi sebesar 266,41GJ pada tahun 2017.

Until the end of 2017, the efforts to reduce the flare gas burning were realized through investment in the provision of flare gas processing equipment which was part of PHE's capital expenditure in 2017. In addition to its own investment, the financing was also done in cooperation with other parties who become the beneficiaries of flare gas. [201-2]

Other efforts to reduce the flare gas that has been implemented in 2017 are: [305-5]

- Joint Operation Body Pertamina Petrochina East Java (JOB PPEJ) succeeded in reducing the volume of flare gas generated in the central processing area (CPA) of Mudi Field and Sukowati Field, Tuban Block, East Java. The initial average volume of flare gas generated was reduced from 3 -4 MMSCFD to 0.8 MMSCFD and continued the effort to eliminate it. The flare gas was used as additional gas supply for PT Gasuma as the flare gas buyer. The flare gas reduction efforts has improved the environmental and community conditions around the drilling site and the Company received additional income from flare gas sales.
- PHE ONWJ succeeded in utilizing the gas (fluid) trapped in the pipeline to fuel the turbine, thereby reducing the flare gas, which saved 38 TJ of energy annually.
- PHE Jambi Merang has engineered the actuator valve flover component of PJKSK30 which managed in saving the energy of 22,000 TJ every year.
- The reactivation of the vapor recovery unit on the Eco platform has saved 266.41GJ in 2017.

Upaya lain yang dilakukan PHE untuk mengurangi emisi gas suar dan dampaknya terhadap efek rumah kaca adalah:

- PHE ONWJ melalui program Hutan Kapal Kehati Greenthink berhasil merehabilitasi wilayah kerja di Subang dengan penanaman pohon yang mampu menyerap 1.537,10 ton CO₂ per tahun.
- PHE WMO melalui program konservasi mangrove di Gresik dan Labuhan mampu menyerap 3.866,39 ton CO₂ pada tahun 2017.

Upaya ini dilakukan sebagai bentuk keterlibatan perusahaan dalam pencapaian pembangunan berkelanjutan (SDGs) pada goal 11 tentang *sustainable cities and communities* dan 13 terkait *climate action*.

Reduksi Emisi Karbon

Komitmen PHE untuk mendukung program Pemerintah untuk mengurangi GRK juga diwujudkan dalam berbagai program yang dilaksanakan pada kegiatan produksi dan kegiatan pendukung.

Kegiatan produksi

- Aplikasi Online PI-Track (Production Incident Tracking System); Pemasangan VRU; Penerapan Lapisan Internal Keramik pada Pipa Alir; 1 ½ train Turbin Compressor; Redesign Sistem Operasi dari sistem natural pressure ke compress pressure di anjungan tidak berpenghuni; Modifikasi Proses Penarikan Gas Terperangkap dalam Pipa Minyak Lima Power and Safety System Upgrade (LPSU; Insulasi Piping Fuel Gas; Pemanfaatan panas dengan menggunakan Heat Exchanger; Program DenGering; GRK 3/7 Free Emission dan Konvensional 3/7 free emission; Aplikasi Guruh Surpress and Cut dan Konvensional Aplikasi Guruh Surpress and Cut; Pengurangan emisi dengan sistem rekayasa *power incoming*.

Other efforts made by PHE to reduce the emission of flare gas and its impact on the greenhouse effect are:

- PHE ONWJ through the Kapal Greenting Forest program successfully rehabilitated the working area in Subang with tree planting that was able to absorb 1,537.10 tons of CO₂ per year.
- PHE WMO through mangrove conservation program in Gresik and Labuhan managed to absorb 3,866.39 tons of CO₂ in 2017.

This effort was aimed as a form of corporate involvement in achieving sustainable development goals (SDGs) of goal 11 on sustainable cities and communities and goal 13 on Climate Action.

Carbon Emission Reduction

PHE's commitment to support the Government's program in reducing GHGs is also embodied in various programs implemented in production and supporting activities.

Production activities:

- PI-Track (Production Incident Tracking System) Online Application; VRU Installation; Application of Ceramic Internal Layer on Flow Pipes; 1 ½ Turbine Compressor train; Redesign of Operating System from natural pressure system to compress pressure on unmanned platform; in Oil Piping of Lima Power and Safety System Upgrade (LPSU; Insulation of Fuel Gas Piping; Heat utilization using Heat Exchanger; DenGering Program; 3/7 GHG Free Emission and 3/7 Conventional free emission Application of Guruh Surpress and Cut, and Conventional Application of Guruh Surpress and Cut; Reduction of emissions with incoming power engineering systems.

- Rekayasa Komponen Actuator Valve Flaring PCA Jamer SK-30, pemanasan bertingkat pada Dehidration System, subsistem operasi DCS Digimon SKN CGP, perubahan sistem penangkal petir GPP (Gundala Putra Petir).
 - Penghematan energi proses produksi dengan sistem optima; Substitusi Power Incoming Geragai; Pemanfaatan *Sweat Gas* untuk bahan bakar Power Plant; Optimalisasi Produksi sumur Sukowati #28 Menggunakan metode *Gas lift* tanpa kompresor; Program meminimalkan Gas Buang di High Pressure (HP) Flare dengan Modifikasi Gas Outlet Separator PV-9700 dan Mengubah Parameter Proses Scrubber PV-3700 di CPA; Konversi *associated gas* menjadi *fuel gas* dengan pengaturan air fuel module (AFM) dan engine sensor manager (ESM); Konversi emisi gas buang dari proses menawar asam untuk produksi asam sulfat (H₂SO₄).
 - *Control panel* dan penerangan bertenaga surya; Pengurangan beban kerja Pembangkit Listrik Tenaga Gas dengan penggunaan Pembangkit Listrik Tenaga Uap (*Steam*) dari pemanfaatan panas proses AGCU; Automatisasi peralatan SECT Feeding.
- Engineering Component of Actuator Valve Flaring PCA Jamer SK-30, gradual heating on Dehidration System, DCS Digimon SKN CGP operating subsystem, change of GPP (Gundala Putra Petir) lightning protection system.
 - Production power savings with optima system: Geragai Power Incoming Substitution, Utilization of Sweat Gas for Power Plant Fuel, Production Optimization of Sukowati well #28 Using Gas lift method without compressor Program to minimize Flue Gas at High Pressure (HP) Flare with Modification of Gas Outlet Separator PV-9700 and change the parameters of Scrubber PV-3700 Process in CPA; Associated gas conversion into fuel gas by setting air fuel module (AFM) and engine sensor manager (ESM); Conversion of flue gas emissions from deacidification process for the production of sulfuric acid (H₂SO₄).
 - Control panel and solar-powered lighting; reduction of Gas Power Plant workload with the use of Steam Power Plant from utilization of AGCU process heat, SECT Feeding equipment automation

Fasilitas Pendukung

- Sistem Optimasi Online Operasi Kapal, Boat and Car Management 2/7.
- *Fork Lift* – penggantian bahan bakar diesel dengan motor listrik/baterai; Penggantian sumber energi listrik (dari solar ke gas) di *tug boat* ketika bersandar di *jetty*.
- Pemasangan Solar Panel/*Cell*; Penggantian Lampu dengan lampu hemat energi (LED), Pemanfaatan energi terbarukan dengan sistem surya *well pad*, Pemanfaatan *Solar Cell* untuk AC di Gedung Admin
- Retrofit – pergantian *refrigent air conditions*, Program Musicoolisasi untuk pendingin ruangan, Pengiriman air terproduksi dengan sistem pipa pendam, *Journey Management* perairan dengan sistem *min-max*.

Supporting Facilities

- Online Boat Operations Optimization System, Boat and Car Management 2/7.
- *Fork Lift* - diesel fuel replacement with electric motor/ batteries; substitution of electricity energy source (from diesel to gas) on *tug boat* while mooring at *jetty*.
- Installation of Solar Panel/*Cell*; Replacement of Lamp with energy saving lamp (LED); Utilization of renewable energy with *well pad* solar system; Utilization of Solar Cell for AC in the Admin Building
- Retrofit - replacement of refrigerant for air conditioners, Musicoolization program for air conditioner: Distribution of produced water with submerged pipeline system, *Journey Management* of waters with *min-max* system.

Tabel Total Emisi Reduksi Karbon Dibanding Total Emisi Dihasilkan PHE

Table of Total Carbon Emission Reduction Compared to Total Emission Generated by PHE

No	Status Emisi Emission Status	Satuan Unit	2017	2016	2015
1	Total Pencemaran Udara Total Air Pollution	Ton	975.119,02	3.145.447,46	5.027.090,85
2	Total Pencemaran Udara Proses Produksi Total Air Pollution of Production Process	Ton	855.097,97	2.070.134,65	4.301.850,25
3	Total Pencemaran Udara Fasilitas Pendukung Total Air Pollution of Supporting Facilities	Ton	119.589,44	171.086,01	725.334,96
4	Hasil Absolut Penurunan Emisi Absolute Results of Emission Reduction	Ton	7.038.699,78	12.754.446,74	6.280.082,12
	a. Proses Produksi Production Process	Ton	6.910.400,45	12.190.602,84	6.167.048,46
	b. Proses Pendukung Supporting Process	Ton	103.757,06	132.357,17	87.532,26
	c. Kegiatan yang berhubungan dengan Comdev Comdev Related Activities	Ton	N/A	N/A	N/A
5	Total Produksi Perusahaan Company Total Production	TOE	4.966.379,03	11.032.491,37	8.265.158,20
6	Intensitas Pencemaran Udara Proses Produksi Air Pollution Intensity of Production Process	Ton/TOE	0,17	0,19	0,52
7	Intensitas Pencemaran Udara Proses Produksi + Fasilitas Pendukung Air Pollution Intensity of Production Process+Supporting Facilities	Ton/TOE	0,20	0,29	0,61
8	Rasio Penurunan Emisi Proses Produksi Emission Reduction Ratio of Production Process	%	8,08	5,89	1,43
9	Rasio Penurunan Emisi Proses Produksi + Fasilitas Pendukung Emission Reduction Ratio of Production Process+Supporting Facilities	%	7,22	4,05	1,25

Menjaga Keanekaragaman Hayati

[G4-OG4]

Sebagian besar kegiatan operasi dan produksi PHE berlangsung di blok-blok migas lepas pantai yang dikelola Anak Perusahaan. Sampai dengan akhir tahun 2017 tidak ada anjungan lepas pantai yang berada atau berdekatan dengan wilayah taman laut nasional maupun area terumbu karang yang dilindungi. Tidak ada spesies terumbu karang, ikan maupun organisme lain yang termasuk dalam daftar dilindungi menurut IUCN Red List maupun berdasarkan Undang-Undang (UU) No.5 Tahun 1990 tentang Konservasi Sumber Daya Alami. [304-1][304-4]

Demikian pula dengan fasilitas pendukung yang berada di darat, tidak ada yang berada atau berdekatan dengan wilayah taman nasional atau area lain yang dilindungi. PHE memastikan tidak ada spesies tumbuhan maupun hewan dilindungi dalam kawasan yang digunakan sebagai fasilitas pendukung. [304-1][304-4]

PHE menyadari, keberadaan anjungan lepas pantai secara langsung maupun tidak langsung memengaruhi ekosistem terumbu karang yang ada di dalamnya. Demikian pula dengan keberadaan fasilitas pendukung di darat, yang berdampak pada perubahan rona lingkungan dan ekosistem di dalamnya. Kondisi ini disikapi Perusahaan dengan berbagai program yang ditujukan untuk menjaga keanekaragaman hayati sebagai bentuk partisipasi pencapaian tujuan pembangunan berkelanjutan (SDGs) pada goals 14 dan 15. [304-2][304-3]

Hingga akhir periode pelaporan PHE melakukan berbagai program khusus untuk melindungi keanekaragaman hayati yang berada di sekitar lingkungan operasi:

Preserving Biodiversity [G4-OG4]

Most of PHE's operations and production activities take place in offshore oil & gas blocks managed by Subsidiaries. Until the end of 2017, there were no offshore platforms located or adjacent to the national marine park area or protected coral reef areas. There were no coral species, fish or any other organisms included in the list of protected species based on the IUCN Red List nor by Law No. 5 of 1990 on Natural Resources Conservation. [304-1][304-4]

Similarly, with onshore supporting facilities, no sites were located or adjacent to the national park or other protected areas. PHE ensures that no protected plants and animals species are in the area used as a supporting facilities. [304-1][304-4]

PHE is aware that the existence of offshore platforms directly or indirectly affect the coral reef ecosystem in it. The existence of onshore supporting facilities, which impact on changes in environmental tone and ecosystem in it. This condition is addressed by the Company with various programs aimed at preserving biodiversity as a form of participation in achieving sustainable development goals (SDGs) of goals 14 and 15. [304-2][304-3]

Until the end of the reporting period PHE carried out special programs to protect biodiversity surrounding the operating environment:

Hutan Kapal Greenthink

Merehabilitasi lahan tidur sekitar sungai yang merupakan ekosistem ilalang (*grinting*: bahasa lokal, lahan tidur yang miskin hara, kandungan garam tinggi, terendam banjir rob dan air laut pasang) yang miskin keanekaragaman hayati, menjadi hutan heterogen dengan konsep Hutan Kapal Greenthink, yang mendukung pencapaian *goals* 15 SDGs.

Perbaikan lingkungan yang dilakukan telah dapat meningkatkan Indeks Keanekaragaman Hayati hutan dari 0,57 menjadi 3,18 dengan 1.003 pohon dan 57 spesies flora. Ekosistem yang terbentuk telah berhasil menyediakan habitat untuk 12 spesies satwa liar/dilindungi sesuai daftar berdasar Peraturan Pemerintah (PP) No.7 Tahun 1999 dan 29 satwa tergolong least concern daftar satwa berdasarkan IUCN Red List. Inovasi sistem ini juga berhasil meningkatkan kualitas air tanah (Hasil lab: layak untuk pertanian) dan berhasil menyerap CO₂ sebesar 1.537,10 ton.

Modul Honai

Modul Honai adalah alat (komponen) yang digunakan sebagai media tumbuh dan berkembang terumbu karang. Modul Honai terbuat dari campuran semen dan pasir yang didesain khusus sesuai karakter perairan di Kepulauan Biawak. Program ini sebagai bentuk partisipasi terhadap pencapaian tujuan pembangunan berkelanjutan (SDGs) pada *goals* 14 terkait *Life Below Water*.

Modul Honai berhasil meningkatkan kemampuan tumbuh terumbu karang dari 49,4% pada tahun 2016 menjadi 60% pada tahun 2017, dibandingkan dengan Modul Paralon yang hanya rata-rata mencapai 15 % per tahun.

Greenthink Forest

Rehabilitation of idle land around the river that is a grass ecosystem (*grinting*: local language, idle land with lack of nutrient, high salt content, inundated by tidal floods and high tide) that lack of biodiversity, into heterogeneous forest with the Greenthink Forest concept, which supports the SDGs achievement of goal 15.

The environmental rehabilitation have been able to increase the Forest Biodiversity Index from 0.57 to 3.18 with 1,003 trees and 57 species of flora. The ecosystem that has been built successfully provided habitat for 12 wildlife/protected species according to the list of Government Regulation (PP) No.7 of 1999 and 29 animals belong to least concern of wildlife list based on IUCN Red List. Innovation of this system also succeeded in improving the quality of groundwater (Laboratory Results: feasible for agriculture) and managed to absorb CO₂ amounted to 1,537.10 tons.

Honai Module

Honai Module is a component used as a medium for coral reefs growth and development. Honai Module is made from a mixture of cement and sand that is specially designed according to the character of the waters of the Biawak Islands. This program is a form of participation to the achievement of sustainable development goals (SDGs) of goal 14 on to *Life Below Water*.

Honai module succeeded in increasing coral reef growth from 49.4% in 2016 to 60% in 2017, compared to Paralon Module which only average 15% per year.

Kemampuan Modul Honai menyediakan media tumbuh dan perkembangan untuk terumbu karang berpengaruh terhadap perluasan area terumbu karang dari 0,2 ha (tahun 2016) menjadi 0,3 ha (tahun 2017). Kondisi terumbu karang yang membaik berdampak pada penambahan jumlah spesies ikan, dari 11 spesies pada tahun 2015 menjadi 20 spesies pada tahun 2017.

Efektifitas Modul Honai, mendorong PHE mendaftarkan paten atas Modul Honai ke Direktorat Jenderal Hak Kekayaan Intelektual (HKI) Kemenkuham. Modul Honai didaftarkan sebagai Hak Paten Desain Industri dengan nomor registrasi A00201602693 (2017 masa publikasi).

Pengembangan Kawasan Mangrove Desa Labuhan

Program keanekaragaman hayati berupa pengembangan kawasan mangrove di Desa Labuhan, Kecamatan Tanjungbumi, Kabupaten Bangkalan, Madura, Jawa Timur. Kawasan Mangrove ini sudah dikembangkan menjadi Taman Pendidikan Mangrove oleh Kelompok Tani Mangrove Cemara Sejahtera yang salah satu kelompoknya telah berhasil mendapatkan Penghargaan Local Hero Award dari Pertamina Persero serta Juara 1 untuk Kategori Hijau pada tanggal 16 Desember 2016. PHE WMO juga telah berhasil melakukan inovasi pembibitan dan penyemaian dengan media *hydrogel* serta kegiatan penandaan burung pantai (*shorebird*) di kawasan mangrove tersebut. Program ini berpartisipasi untuk mendukung pencapaian SDGs pada *goals* 14 terkait *Life Below Water*.

Kegiatan Bird Banding

Penandaan Burung Pantai (*Shorebird*) adalah kegiatan memberi penandaan bendera (*flagging*) terhadap burung pantai dan penandaan cincin (*ring*) selain burung pantai, sebagai *database* identifikasi burung di kawasan konservasi mangrove.

The ability of Honai Module to provide growth and development media for coral reefs affected the expansion of coral reef area from 0.2 ha in 2016 to 0.3 ha in 2017. Improved conditions of coral reefs have resulted in the increasing number of fish species, from 11 species in 2015 to 20 species in 2017.

The effectiveness of Honai Module, has encouraged PHE to register a patent on the Honai Module to the Directorate General of Intellectual Property Rights (HKI) of Ministry of Justice and Human Rights. Honai Module is registered as Industrial Design Patent with registration number A00201602693 (2017 publication period).

Development of Mangrove Area, Labuhan Village

Biodiversity program in the form of mangrove area development in Labuhan Village, Tanjungbumi District, Bangkalan Regency, Madura, East Java. This Mangrove area has been developed into Mangrove Education Park by Mangrove Cemara Sejahtera Farmer Group, one of its team has succeeded to earn Local Hero Award from Pertamina Persero and 1st place for Green Category on December 16, 2016. PHE WMO has also succeeded in innovating the nursery and seeding with *hydrogel* media as well as shorebird banding activities in the mangrove area. The program participated to support the achievement of SDGs of goal 14 on Life Below Water.

Bird Banding Activities

Shorebird banding is the activity of flagging the birds and marking of rings for non shorebirds, as bird identification database in mangrove conservation areas.

Kegiatan ini telah mendapatkan pengakuan Hak Cipta dari Kementerian Hukum & HAM Direktorat Jenderal HKI tentang Penandaan Burung Pantai (*Shorebird*) di Wilayah Madura dengan No. Pencatatan 086660 tanggal 7 April 2017.

Dengan adanya kegiatan bird banding maka masyarakat dan kelompok mangrove Cemara Sejahtera ikut merasakan manfaat dan ilmunya karena terjadi dampak lingkungan yang positif dengan adanya keberadaan beberapa spesies burung yang tinggal di kawasan mangrove.

Nilai tambah yang didapat adalah meningkatnya kesadaran masyarakat akan perlindungan satwa dimana telah terpasang beberapa rambu-rambu perlindungan satwa burung serta menara pantau satwa burung di kawasan Taman Pendidikan Mangrove.

Program Eagle Eye Camera Biodiversity Guard

JOB Pertamina Talisman Jambi Merang berhasil mengembangkan program dalam peningkatan perlindungan kawasan konservasi di Pulau Gading. Program inovasi tersebut dinamakan Eagle Eye Camera Biodiversity Guard, yaitu pemanfaatan kamera perangkap untuk mengawasi dan melindungi kawasan konservasi.

Pemantauan kamera tersebut berguna untuk menganalisa jumlah kelimpahan fauna yang berada di kawasan konservasi Pulau Gading. Fungsinya lainnya adalah berguna dalam pemantauan aktivitas perburuan liar, pembalakan liar, dan segala jenis aktivitas dari kegiatan ilegal.

This activity has received recognition of Copyright from the Ministry of Justice & Human Rights of the Directorate General of IPR on Shorebird Banding in Madura Region with No. Listing 086660 dated April 7, 2017.

With the bird banding activity, the community and Cemara Sejahtera mangrove group were also benefited and gained knowledge from the program because there has been a positive environmental impact with the existence of several species of birds inhabiting the mangrove area.

There was also an added value with the increased awareness of the community for animal protection as several bird protection signs installed and bird watching tower have been in the Mangrove Education Park area.

Eagle Eye Camera Biodiversity Guard Program

JOB Pertamina Talisman Jambi Merang has successfully developed a program to increase protection of conservation area in Pulau Gading. The innovation program is called Eagle Eye Camera Biodiversity Guard, which utilizes camera trap to monitor and protect conservation areas.

The camera monitoring is useful to analyze the number of fauna abundance in Pulau Gading conservation area. Another function is useful in monitoring activities of poaching, illegal logging, and all kinds of illegal activities.

Pada pelaksanaannya, program Eagle Eye Camera Biodiversity Guard berhasil melakukan perbaikan lingkungan dengan hasil absolut berupa peningkatan kelimpahan fauna tahun 2014 teridentifikasi 65 jenis, menjadi 166 jenis pada tahun 2015, dan tahun 2016 ditemukan 230 jenis. Sedangkan aksi pembalakan liar, perburuan liar dan aksi ilegal lainnya tidak ditemukan (nihil).

Rekayasa Perubahan Sistem Pemeliharaan ROW dengan Selimut Hidup (Mix LCC)

Right Of Ways (ROW) jalur pipa JOB Pertamina Talisman Jambi Merang sepanjang 108 km banyak ditumbuhi gulma jenis ilalang gajah hingga mencapai tinggi ± 2 meter.

Dalam prosedur perawatan, gulma akan dipotong rutin setiap tahun. Untuk mengurangi dan menghilangkan pemotongan berulang dilakukan penanaman LCC (Legume Cover Crop) di ROW dengan menggunakan metode pencampuran tiga jenis varietas unggul yang disebut Mix LCC.

Varietas unggul tersebut antara lain *Centrosema Purbecens*, *Pruraria Javanica* dan *Calopogium Mucunoides*. Kelebihan dari ketiga jenis ini adalah tahan terhadap cuaca panas yang ekstrem, tahan terhadap unsur hara tanah yang minim dan saling melengkapi secara alami ketika ditanam. Hasilnya penanaman ini mampu menghilangkan gulma ilalang. Sampai dengan tahun 2017 telah tertanam sepanjang 1 km dengan luasan 375 m².

Dampak perbaikan lingkungan yang dihasilkan dari inovasi ini adalah dapat menghilangkan erodivitas atau erosi tanah < 15 ton/ha/tahun, dapat menyuburkan tanah karena Mix LCC merupakan pupuk alami dan dapat menghilangkan gulma ilalang yang tumbuh sepanjang jalur ROW. Selain itu, juga perbaikan lingkungan dengan kemampuan menyerap CO₂ 19,8 ton/ha/tahun.

In its implementation, the Eagle Eye Camera Biodiversity Guard program successfully conducted environmental improvements with absolute results of an increase in fauna abundance of 65 species identified in 2014, to 166 species in 2015, and 230 species found in 2016. While illegal logging, poaching and other illegal acts were not found (nil).

Engineering of Change in ROW Maintenance System with Mix LCC

Right Of Ways (ROW) pipeline of JOB Pertamina Talisman Jambi Merang along 108 km has overgrown weeds of elephant grass that reached ± 2 meters high.

In the treatment procedure, weeds will be cut regularly every year. To reduce and avoid repetitive cutting, LCC (Legume Cover Crop) planting in ROW using method of mixing three superior varieties called Mix LCC.

The superior varieties include *Centrosema purbecens*, *Pruraria javanica* and *Calopogium mucunoides*. The advantages of these three varieties are resistant to extreme heat conditions, minimal resistant to soil nutrients and complement each other naturally when planted. The planting method managed to remove weeds. Until 2017, planting has been done along 1 km with an area of 375 m².

The impact of the environmental improvements resulting from this innovation was to eliminate soil erodibility <15 tons/ha/year, fertilizing the soil because Mix LCC is a natural fertilizer and can remove weeds that grow along the ROW line. In addition, environment improved with the ability to absorb CO₂ of 19.8 tons/ha/year.

Transplantasi Karang dengan Pengembangan Model *Bio-Reef* dan Model *Spider*

JOB Tomori melaksanakan Transplantasi Karang dengan rangkaian inovasi redesign model *artificial bio-reef* dan spider sebagai dimensi desain yang meningkatkan *survival rate*. Pengurangan dampak negatif terhadap lingkungan dibuktikan dengan peningkatan luasan tutupan karang dari semula kurang 2% pada tahun 2012 menjadi lebih dari 25% pada tahun 2017.

Penggunaan bibit terumbu karang dari fase tanam sebelumnya merupakan efisiensi sub sistem pada model *artificial bio-reef* yang telah diredesain. Perubahan perilaku pola tangkap nelayan yang dulunya menggunakan bom menjadi menggunakan alat tangkap yang ramah lingkungan merupakan inovasi pada dimensi pengguna.

Peningkatan populasi ikan karang (termasuk BCF) dan terumbu karang merupakan suatu investasi yang berpengaruh kepada kehidupan di ekosistem pesisir dan laut. Lokasi ini juga menjadi habitat bagi 214 jenis ikan karang sebagai salah satu indikator peningkatan keanekaragaman hayati. Pelibatan masyarakat dilakukan dengan mengajak nelayan setempat untuk turut serta melakukan transplantasi karang dan membuat rak pembibitan. Program ini sebagai bentuk partisipasi terhadap pencapaian tujuan pembangunan berkelanjutan (SDGs) pada goals 14 terkait *Life Below Water*.

Program Konservasi Maleo di Habitat In Situ Berbasis Observasi Perilaku

JOB Tomori mengembangkan konservasi Maleo berbasis Observasi Perilaku dengan melakukan inovasi dimensi desain yaitu penambahan alat kamera pengintai untuk meningkatkan validasi data pengamatan yang dilakukan di habitat in situ yaitu di Tanjung Peo, bagian dari Cagar Alam Morowali, Sulawesi Tengah.

Coral Transplants with the Development of Bio-Reef Model and Spider Model

JOB Tomori carried out Coral Transplantation with a series of redesigned innovations of artificial bio-reef and spider models as design dimensions that increase survival rate. Reduced negative impact on the environment was evidenced by an increased area in coral cover from less than 2% in 2012 to more than 25% in 2017.

The use of coral reef seeds from the previous planting phase was a sub-system efficiency in artificial bio-reef models that have been redesigned. The change in the fishing pattern behavior of fishermen who previously use bombs to use environmentally friendly fishing tools was an innovation in the user dimension.

Increased populations of reef fish (including BCF) and Coral reefs were an investment that affected life in coastal and marine ecosystems. This location also served as a habitat for 214 species of reef fish as an indicator of biodiversity improvement. Community was involved by inviting local fishermen to participate in coral transplantation and making nursery racks. This program was a form of participation towards the achievement of sustainable development goals (SDGs) of Goal 14 goal on Life Below Water.

Maleo Conservation Program at In Situ Habitat Based on Behavior Observation

JOB Tomori developed the Maleo Behavior Observation based conservation by innovating the design dimension by adding surveillance camera to improve the data validation of observation conducted in in situ habitat at Tanjung Peo, part of Morowali Nature Reserve, Central Sulawesi.

JOB Tomori juga melakukan kampanye penyadaran kepada masyarakat untuk tidak mengambil atau menjual telur Maleo yang biasa digunakan sebagai bahan ritual adat Tumpe dikarenakan Maleo merupakan fauna yang terancam langka berdasarkan IUCN Red List, Appendices I CITES, dan PP No.7 tahun 1999.

Program Konservasi Burung Jalak Kerbau

Program konservasi yang dilakukan JOB P-PEJ menyoal burung jalak kerbau yang merupakan hewan khas Kota Tuban, dengan tujuan menjaga keberlangsungan hidup serta kelestarian burung jalak kerbau. Program dilaksanakan dengan membuat penangkaran di area Mudi PAD B untuk mempermudah pemantauan atau monitoring burung jalak kerbau. Di dalam tempat penangkaran terdapat delapan ekor burung jalak kerbau yang hidup di dalamnya.

Program Konservasi Hutan Mangrove JOB P-PEJ

JOB P-PEJ bekerjasama dengan Lembaga Swadaya Masyarakat Mangrove Center Tuban melakukan pengayaan jenis mangrove di sepanjang perairan pantai di Kabupaten Tuban. Pada tahun 2016 dilakukan penanaman mangrove jenis *Api-api Avicennia sp.* sebanyak 2.000 batang. Pada tahun 2017 dilakukan pengayaan kembali dengan menanam pohon mangrove jenis *Rhizophora sp.* sebanyak 5.000 batang.

Program Penangkaran Rusa Sambar (*Cervus unicolor*)

Program Penangkaran Rusa Sambar *Cervus unicolor* di Kawasan Konservasi Makartitama, Kecamatan Peninjauan, Kabupaten Ogan Komering Ulu, Sumatra Selatan. Luas area penangkaran 10 ha dan sudah ditetapkan sebagai area konservasi oleh General Manager.

JOB Tomori also conducted a public awareness campaign to not take or sell Maleo eggs commonly used as a Tumpe customary ritual material because Maleo is a rare endangered fauna based on IUCN Red List, Appendices I CITES, and Government Regulation No. 7 of 1999.

Buffalo Starling Conservation Program

JOB P-PEJ conservation program targeted buffalo starling a typical animal of Tuban City, with the aim of maintaining the survival and sustainability of buffalo starlings. The program was carried out by captive breeding in Mudi PAD B area to ease monitoring of buffalo starling. There were eight buffalo starlings living inside the captive breeding area.

Mangrove Forest Conservation Program of JOB P-PEJ

JOB P-PEJ in collaboration with Non Governmental Organization Mangrove Center of Tuban conducted the enrichment of mangrove species along the waters of Tuban Regency. In 2016, a total of 2,000 trees of mangrove of *Avicennia sp.* were planted. In 2017, another enrichment was conducted with the planting of 5,000 trees of mangrove *Rhizophora sp.*

Cervus unicolor Captive Breeding Program

Cervus unicolor Captive Breeding Program was carried out in Makartitama Conservation Area, Peninjauan District, Ogan Komering Ulu Regency, South Sumatra. The 10 ha-area of captive breeding has been designated as a conservation area by the General Manager.

Program ini melibatkan berbagai *stakeholders*, yakni Universitas Lampung, LSM Primakarya, BKSDA Sumsel dan masyarakat sekitar lokasi. *Value creation* yang diperoleh dari inovasi ini adalah peningkatan populasi Rusa Sambar, sehingga dapat menjadi sarana penelitian dan pendidikan bagi masyarakat sekitar.

Penghijauan sebagai upaya menambah keanekaragaman tumbuhan

Penghijauan dilakukan di sekitar wilayah kerja JOB Pertamina Golden Spike dengan menanam pohon jenis buah, tanaman endemik (Pulai dan Tembesu), pohon mahoni dan Akasia untuk menambah keanekaragaman tumbuhan.

Program ini sebagai bentuk partisipasi terhadap pencapaian tujuan pembangunan berkelanjutan (SDGs) pada *goals* 15 terkait *Life on Land*.

This program involved various stakeholders, such as University of Lampung, NGO Primakarya, South Sumatra Natural Resources Conservation Agency (BKSDA) and the community around the location. Value creation from this innovation was the increased population Cervus Unicolor, which could be used as means of research and education for the surrounding community.

Reforestation as an effort to increase diversity of plants

Reforestation has been carried out around the area of JOB Pertamina Golden Spike by planting fruit tree of various species, endemic plants (Pulai and Tembesu), mahogany and Acacia trees to add to the diversity of plants.

This program was a form of participation towards the achievement of sustainable development goals (SDGs) of goal 15 on Life on Land.



Pengelolaan Pemakaian Air

PHE juga berkomitmen untuk mengelola pemakaian air secara bijak dan terus berupaya melakukan efisiensi pemakaian air setiap tahunnya. Dalam lima tahun terakhir, total volume pemakaian air memperlihatkan penurunan. Pada tahun 2017 total volume pemakaian air mencapai 2.215.285,06 ton, turun bila dibandingkan tahun 2016 sebanyak 4.675.880,74.

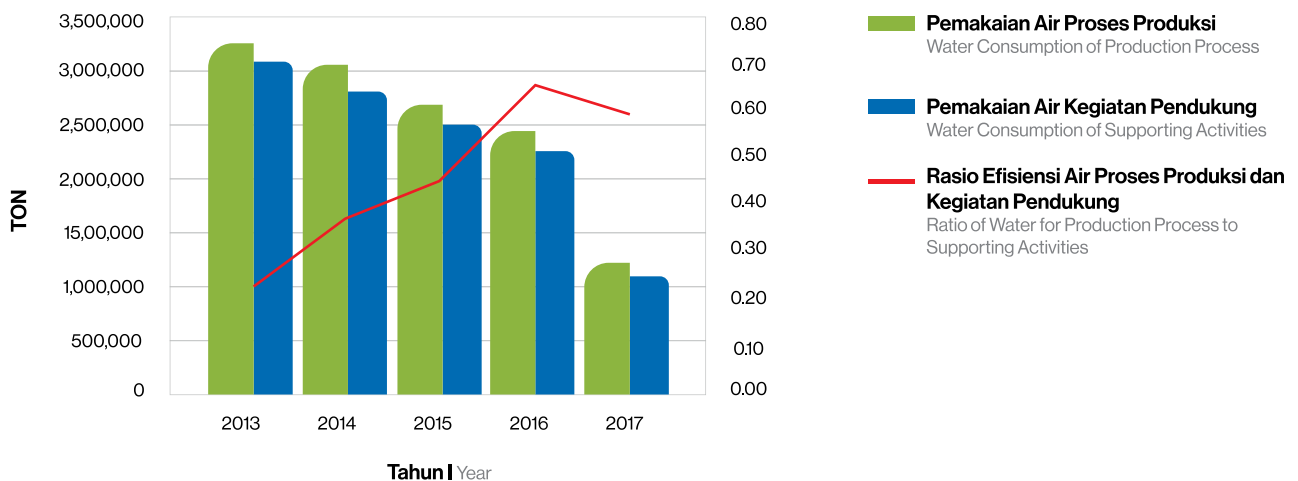
Water Consumption Management

PHE is also committed to managing water consumption wisely and continuously strives to conduct efficient consumption of water every year. In the last five years, the total volume of water consumption has been decreasing. In 2017 total volume of water consumption reached 2,215,285.06 tons, down compared to 4,675,880.74 in 2016.

Total Pemakaian Air | Total Water Consumption

Uraian Description	2017	2016	2015
	Ton		
Total Pemakaian Air Proses Produksi Total Water Consumption of Production Process	1.149.892,44	2.246.107,18	2.685.203,53
Total Pemakaian Air Proses Pendukung Total Water Consumption of Supporting Activities	1.065.392,62	2.249.773,56	2.507.187,93
Total Pemakaian Air Total Water Consumption	2.215.285,06	4.675.880,74	5.192.391,46

Pemakaian Air Water Consumption



Pengelolaan pemakaian air juga dilakukan dengan inisiatif efisiensi melalui metode konservasi, baik dalam proses produksi maupun penunjang operasi. Sampai dengan akhir tahun 2017 ada beberapa inisiatif efisiensi dan konservasi sumber daya air yang telah dilakukan PHE.

Water consumption management is also carried out through efficiency initiatives with conservation methods, both in production process and operating support. Until the end of 2017 there were several efficiency and water resource conservation initiatives that have been implemented by PHE.

Tabel Inisiatif Efisiensi Pemakaian Air dan Konservasi Sumberdaya Air

Table of Water Consumption Efficiency Initiatives and Water Resource Conservation

Inisiatif Initiative	Pencapaian Achievement
Melakukan redesain sistem perawatan fasilitas penyedia air bersih dengan rangka pipa apit untuk melancarkan penyediaan air baku dari laut, sehingga dapat mengeliminasi penggunaan air tanah di anjungan lepas pantai berpenghuni. Redesigning the maintenance system of clean water supply facility with pipe system to ease the supply of raw water from the sea in order to eliminate the use of groundwater on the inhabited offshore platform.	Program ini sedang dalam proses publikasi oleh Dirjen HKI Kemenkumham RI dengan nomor registrasi S00201703494. This program is in the process of publication by the Director General of IPR of Justice and Human Rights Ministry of the Republic of Indonesia with registration number S00201703494.
Program Den Gering, yaitu metode pemanfaatan air kondensasi dari uap TGRS (sistem permurnian glycol), sehingga bisa digunakan untuk kebutuhan sehari-hari. Den Gering Program, the method of condensation water utilization method from TGRS vapor (glycol purification system) so it can be used for daily needs.	Penghematan pembelian air di fasilitas onshore sebesar 44,8 m ³ (2016) dan 93,8 m ³ (sampai Juni 2017). Inovasi ini sudah didaftarkan paten HAKI nomor surat HKI.3-HI.05.01.03.2017/S/00484. The savings on water purchases at onshore facilities was 44.8 m ³ (2016) and 93.8 m ³ (as of June 2017). This innovation has been registered for patent of Intellectual Property Rights with letter no. HKI.3-HI.05.01.03.2017/S/00484.
Penggunaan ulang air demin proses untuk konservasi air tanah, dengan pembuatan jalur pipa yang menghubungkan <i>air reject</i> demin ke tangki <i>fire water</i> dan <i>portable tank (close loop system)</i> untuk dipergunakan sebagai air baku kebutuhan domestik dan kebutuhan lainnya. Reuse of water from demin process for groundwater conservation, by making pipelines connecting rejected demin water to fire water tank and portable tank (close loop system) to be reused as raw water for domestic and other needs.	Volume air yang dapat diresirkulasi sebesar 22 m ³ per hari dan berdampak terhadap tingkat efisiensi penggunaan air. Pada tahun 2013 diperoleh nilai absolut sebesar 3.523 m ³ , tahun 2014 sebesar 7.699 m ³ , tahun 2015 sebesar 6.044 m ³ dan 2016 sebesar 6.248 m ³ digunakan ulang sebagai air baku. The volume of water that can be recirculated amounted to 22 m ³ per day and has an impact on water use efficiency. In 2013, the absolute amount was 3,523 m ³ , 7,699 m ³ in 2014, 6,044 m ³ in 2015 and 6,248 m ³ in 2016 was reused as raw water.
Pemanfaatan air dari hasil pengolahan IPAL domestik dengan mengalirkannya ke bidang resapan di Area Akomodasi untuk mengurangi penggunaan air bersih. Utilization of water from domestic WWTP processing by channeling it into the absorption field in the Accommodation Area to reduce the use of clean water.	Diperoleh konservasi air sebesar 300 m ³ pada tahun 2016 dan digunakan untuk penyiraman. The amount of water conserved was 300 m ³ in 2016 and used for watering.

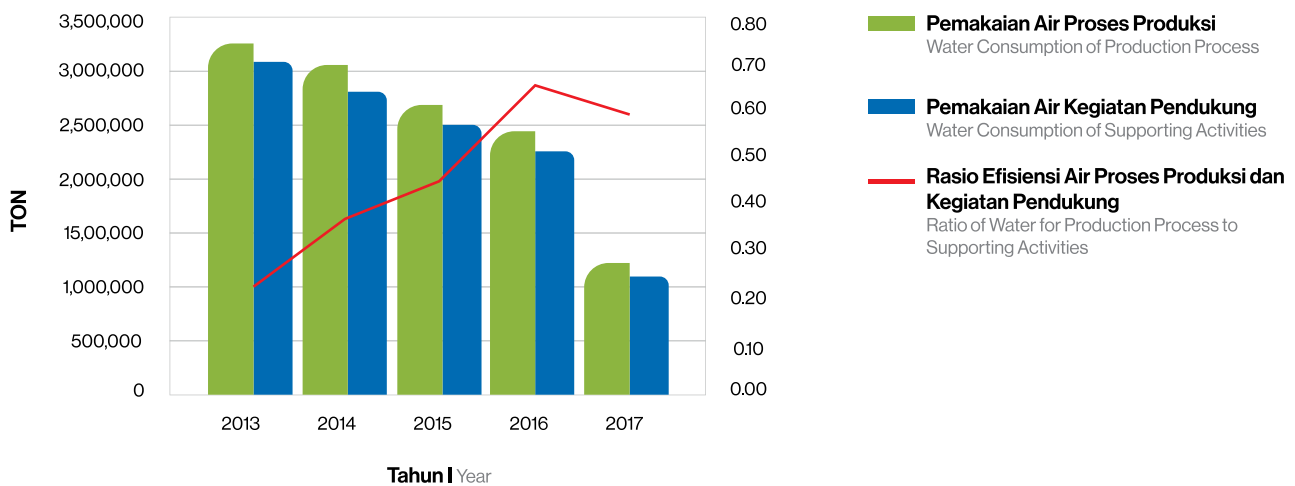
Tabel Rasio 3R Penggunaan Air terhadap Total Pemakaian Air PHE

Table of Ratio of 3R Water Consumption to Total Water Consumption of PHE

No	Uraian Description	Satuan Unit	2017	2016	2015
1	Pemakaian Air Water Consumption	Ton	2.219.793,99	4.841.966,53	5.400.897,05
2	Pemakaian Air Proses Produksi Water Consumption of Production Process	Ton	1.149.892,44	2.426.107,18	2.685.203,53
3	Pemakaian Air Kegiatan Pendukung Water Consumption of Supporting Activities	Ton	1.065.392,62	2.249.773,56	2.507.187,93
4	Hasil Absolut Efisiensi Air Absolute Result of Water Efficiency	Ton	1.291.243,84	3.244.230,37	2.443.639,81
	a. Proses Produksi Production Process	Ton	1.198.426,16	3.121.505,97	2.364.498,97
	b. Proses Pendukung Supporting Process	Ton	32.796,02	54.201,57	50.577,93
	c. Kegiatan yang berhubungan dengan Comdev Comdev related activities	Ton	60.000,00	30.000,00	N/A

No	Uraian Description	Satuan Unit	2017	2016	2015
5	Total Produksi Perusahaan Company Total Production	TOE	4.867.809,35	10.751.023,95	8.008.921,67
6	Intensitas Pemakaian Air Proses Produksi Water Consumption Intensity of Production Process	Ton/TOE	0,24	0,23	0,34
7	Intensitas Pemakaian Air Proses Produksi dan Kegiatan Pendukung Water Consumption Intensity of Production Process and Supporting Activities	Ton/TOE	0,46	0,45	0,67
8	Rasio Efisiensi Air Proses Produksi Water Efficiency Ratio of Production Process	%	1,04	1,29	0,88
9	Rasio Efisiensi Air Proses Produksi dan Kegiatan Pendukung Water Efficiency Ratio of Production Process and Supporting Activities	%	0,58	0,67	0,45

Pemakaian Air Water Consumption



Mekanisme Pengaduan Masalah Lingkungan

PHE memiliki mekanisme bagi pihak-pihak untuk menyampaikan pengaduan terkait masalah lingkungan, yakni melalui fungsi tertentu, baik di Kantor Pusat PHE maupun masing-masing Anak Perusahaan. Setiap pengaduan akan ditindaklanjuti dan diselesaikan dengan solusi saling menguntungkan.

Environmental Complaint Mechanism

PHE has a mechanism for the parties to file complaints on environmental issues through certain functions, both at PHE Head Office and each Subsidiary. Each complaint will be followed up and resolved with a mutually beneficial solution.

Laporan ini hanya menyertakan informasi tentang mekanisme pengaduan terkait masalah lingkungan yang disampaikan kepada Kantor Pusat PHE. Uraian dan informasi mengenai mekanisme pengaduan masalah lingkungan pada Anak Perusahaan, disampaikan dalam Laporan Tahunan maupun Keberlanjutan masing-masing Anak Perusahaan.

Pengaduan terkait masalah lingkungan ditangani oleh Fungsi Pengaduan Lingkungan Kesehatan, QHSSE pada Kantor Pusat PHE. Sampai dengan akhir tahun 2017 tidak ada pengaduan yang diterima yang berakhir dengan adanya sanksi denda maupun sanksi hukum lain dari pihak-pihak berwenang kepada PHE.

This report only included information on environmental complaint mechanism filed to PHE Head Office. Description and information on the environmental complaint mechanism at the subsidiaries were presented in the Annual Report and Sustainability of each subsidiary.

Complaints on environmental issues are handled by the Health Environment Complaint Function, QHSSE at PHE Head Office. Until the end of 2017, there were no incoming complaints that resulted in the fines or other legal sanctions from the authorities to PHE.



Corporate Social Responsibility yang Terkait dengan Pengembangan Sosial dan Kemasyarakatan

Corporate Social Responsibility in Social and Community Development

PT Pertamina Hulu Energi (PHE) memahami bahwa kehidupan masyarakat yang lebih baik akan memberikan dampak langsung berupa kepercayaan maupun dukungan bagi kegiatan operasi Perusahaan. Bagi PHE selain memenuhi ketentuan Pasal 74 UU Nomor 40/2007 Tentang Perseroan Terbatas, kegiatan pemberdayaan masyarakat atau *community involvement and development* (CID) merupakan bentuk dari tanggung jawab Perusahaan terhadap dampak yang diakibatkan oleh kebijakan dan kegiatan Perusahaan terhadap masyarakat dan lingkungan. Secara berkesinambungan PHE berupaya memberdayakan dan meningkatkan kesejahteraan masyarakat, terutama yang berada di sekitar Perusahaan. PHE melakukan tanggung jawab sosial secara transparan dan beretika.

Sistem Manajemen Terpadu CID-CSR PHE

Program CID-CSR PHE merupakan bagian yang terintegrasi dengan strategi Perusahaan secara berkelanjutan, berdasarkan Rencana Strategis CID-CSR PHE 2016 – 2020. Integrasi pelaksanaan CSR dengan strategi Perusahaan merupakan pendekatan yang dilakukan untuk memastikan Perusahaan dan Anak Perusahaan menjalankan bisnisnya dengan bertanggung jawab pada lingkungan dan *stakeholders*. Pemberdayaan masyarakat setempat dilaksanakan PHE melalui sistem terpadu pengembangan dan pelibatan komunitas (CID) dan penyelenggaraan tanggung jawab sosial perusahaan (CSR).

PT Pertamina Hulu Energi (PHE) understands that better life for the community will have a directly impact the trust and support for the Company's operations. For PHE, in addition to complying with the provisions of Article 74 of Law Number 40/2007 regarding Limited Liability Companies, Community Involvement and Development (CID) activities are a form of corporate responsibility for the impacts caused by the Company's policies and activities on community and the environment. PHE continuously strives to empower and improve the welfare of the community, especially those living around the Company. PHE performs social responsibility in a transparent and ethical manner.

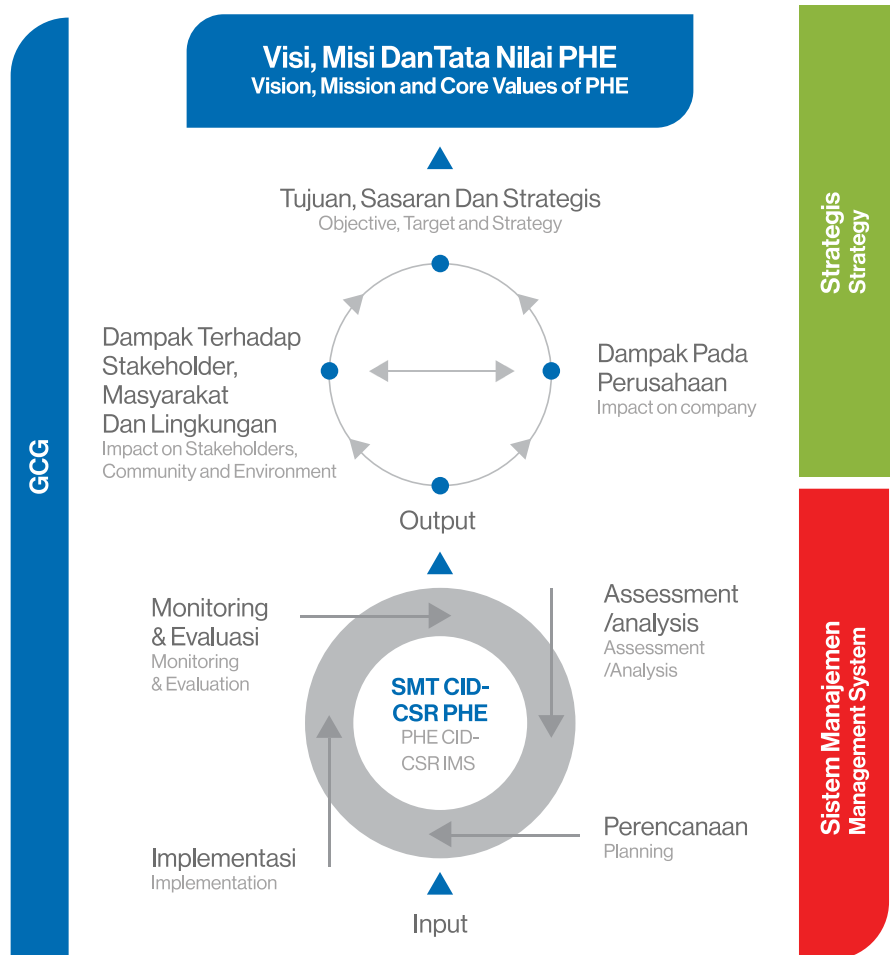
PHE CID-CSR Integrated Management System

PHE CID-CSR programs are a sustainable integral part of the Company's strategy, based on PHE CID-CSR Strategic Plan 2016-2020. Integration of CSR implementation with the Company's strategy is an approach taken to ensure the Company and its Subsidiaries run their business with responsibility to the environment and stakeholders. Local community empowerment is carried out by PHE through an integrated system of Community Involvement and Development (CID) and Corporate Social Responsibility (CSR).

Sistem Manajemen Terpadu CID-CSR PHE merupakan sistem manajemen lengkap dalam penanganan CID-CSR untuk mendukung pelaksanaan Kebijakan CSR/TJSL PHE dan Kebijakan Operasional CSR/TJSL PHE. Sistem ini meliputi keseluruhan proses, mulai dari *assessment*, perencanaan, pelaksanaan, pemantauan dan evaluasi, hingga pelaporan dan upaya perbaikan secara berkelanjutan.

PHE CID-CSR Integrated Management System is a complete management system in CID-CSR to support the implementation of PHE CSR/TJSL Policy and PHE CSR/TJSL Operational Policy. This system covers the entire process, from assessment, planning, implementation, monitoring and evaluation, to reporting and continuous improvement efforts.

Diagram Kerangka Kerja Sistem Manajemen Terpadu CID-CSR PHE Chart of Framework PHE CID-CSR Integrated Management System



Visi dan Misi CID-CSR PHE PHE CID-CSR Vision and Mission

Visi Vision

Menjadi pengelola CID-CSR terpadang dan profesional di sektor usaha hulu minyak dan gas bumi Indonesia.
To become a prominent and professional CID-CSR manager in the upstream oil and gas sector of Indonesia.

Misi Mission

- Mengembangkan sistem tata kelola CID-CSR yang akuntabel di PHE Group;
 - Membangun model CID-CSR yang sesuai dengan karakteristik kegiatan dan usaha hulu minyak dan gas bumi;
 - Meningkatkan kemampuan organisasi dan pengelola CID-CSR PHE Group;
 - Meningkatkan sinergi dengan para *stakeholders* dalam pengelolaan dan pelaksanaan CID-CSR, baik di tingkat pusat maupun daerah.
- To develop an accountable CID-CSR governance system in PHE Group;
 - To build CID-CSR model in accordance with the characteristics of upstream oil and gas activities and business;
 - To improve the organizational and managerial competencies of PHE Group CID-CSR;
 - To increase synergy with stakeholders in the management and implementation of CID-CSR, both at the central and regional levels.

Struktur Organisasi CSR

Pelaksanaan CSR PHE dalam konteks pengembangan masyarakat merupakan tugas dan tanggung jawab Fungsi Relations yang dipimpin pejabat perusahaan setingkat Vice President dan bertanggung jawab kepada Direktur Utama PHE. Saat ini koordinasi kegiatan CSR dilakukan oleh CSR Manager yang dibantu Assistant Manager East Area dan Assistant Manager West Area.

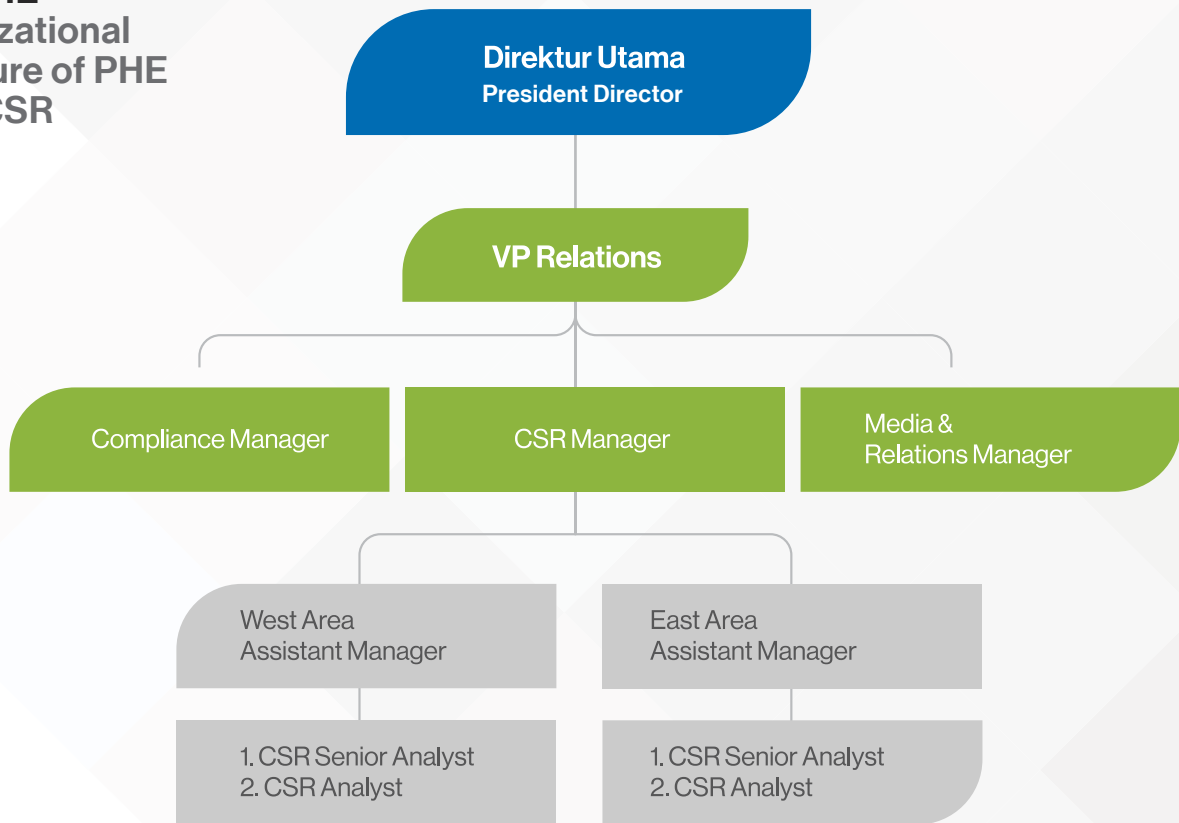
Dalam melaksanakan tugas dan tanggung jawabnya, Fungsi Relations (CSR) berkoordinasi dengan Fungsi CSR & SMEPP di PT Pertamina (Persero). Selain itu, Fungsi Relations khususnya Departemen CSR juga bersinergi dengan Unit Field Relations yang ada pada masing-masing entitas Anak Perusahaan.

CSR Organizational Structure

PHE CSR implementation in the context of community development is the duty and responsibility of the Relations Function headed by a company official of Vice President level and reports to PHE President Director. Currently the coordination of CSR activities is conducted by CSR Manager who is assisted by Assistant Manager of East Area and Assistant Manager of West Area.

In performing duties and responsibilities, the Relations (CSR) Function coordinates with the CSR & SMEPP Functions at PT Pertamina (Persero). In addition, the Relations Function, especially the CSR Department also synergizes with Field Relations Unit in each Subsidiary.

Struktur Organisasi CSR PHE Organizational Structure of PHE TJSL/CSR



Salah satu tugas dan tanggung Departemen CSR adalah mewakili Perusahaan melakukan komunikasi dengan para *stakeholders*. Dialog dan komunikasi yang terjalin, menjadi salah satu bentuk mekanisme pelibatan masyarakat sekitar dalam merumuskan program CSR/TJSL PHE. Uraian tentang hal ini disampaikan pada bahasan Tentang Laporan dan Pelibatan Pemangku Kepentingan di dalam Laporan ini. [102-33][102-34]

One of the duties and responsibilities of CSR Department is to represent the Company communicating with the stakeholders. Dialogue and communications that are built, became one of the mechanisms of engaging surrounding communities in formulating PHE CSR/TJSL programs. A description of this is presented in the section of Report and Stakeholder Engagement of this Report. [102-33][102-34]

Pemberdayaan Masyarakat Lokal

[413-1][413-2]

Komitmen PHE dalam melaksanakan CID-CSR tidak hanya menjadi bentuk kepatuhan terhadap peraturan perundang-undangan, tetapi juga dimaksudkan untuk meningkatkan kesejahteraan masyarakat terutama yang berada di sekitar Perusahaan. Ada empat bidang utama program CID-CSR yang menjadi prioritas PHE. Seluruh program yang dilaksanakan disinergikan dengan sasaran Pencapaian Tujuan Pembangunan Berkelanjutan/*Sustainable Development Goals* (SDGs). Semua program CID-CSR PHE dan Anak Perusahaan dirancang dan diimplementasikan berdasar prinsip partisipatif, kemitraan, asas saling menghormati, serta mengedepankan nilai-nilai etika dan transparansi. Pada tahun 2017, terdapat 5 program unggulan PHE dan Anak Perusahaan yang telah berjalan, yaitu:

Local Community Empowerment

[413-1][413-2]

PHE's commitment in implementing CID-CSR is not only a form of compliance with laws and regulations, but also aims to improve the community welfare, especially those living in the vicinity of the Company. There are four main areas of the CID-CSR programs that are prioritized by PHE. All programs implemented are synergized with the Sustainable Development Goals (SDGs). All PHE and Subsidiaries' CID-CSR programs are designed and implemented based on principles of participatory, partnerships, mutual respect, and promote ethics and transparency. In 2017, there were five main programs of PHE and Subsidiaries that have been implemented:

Program Unggulan CID-CSR PHE 2017 | PHE CID-CSR Main Programs in 2017

Program Unggulan Main Programs	
Taman Pendidikan Mangrove	Mangrove Education Park
Program Revitalisasi Lahan Tidur Menjadi Kawasan Ecoeduforestry (Hutan Pendidikan)	Revitalization Program of Idle Land into Ecoeduforestry Area (Education Forest)
Ecoriparian-Lentera Lestari Lalan	Ecoriparian-Lentera Lestari Lalan
Pemberdayaan Anak Jalanan Melalui 5R++	Street Children Empowerment Through 5R ++
Pengembangan Suku Anak Dalam	Development of Anak Dalam Tribe

Program-program CID-CSR PHE telah berkontribusi terhadap 14 dari 17 tujuan SDGs yang ditetapkan Perserikatan Bangsa Bangsa (PBB).

PHE's CID-CSR programs have contributed to 14 Sustainable Development Goals (SDGs) of 17 goals established by the United Nations (UN).

Tujuan Pembangunan Berkelanjutan | Sustainable Development Goals SDGs

Sasaran SDGs Sustainable Development Goals		
No Poverty (SDGs1)	Clean Water and Sanitation (SDGs 6)	Sustainable Cities and Communities (SDGs 11)
No Hunger (SDGs 2)	Gender Equality (SDGs 5)	Climate Action (SDGs 13)
Good Health (SDGs 3)	Good Jobs and Economic Growth (SDGs 8)	Life Below Water (SDGs 14)
Quality Education (SDGs 4)	Innovation and Infrastructure (SDGs 9)	Life on Land (SDGs 15)
Affordable and Clean Energy (SDGs 7)		Partnerships for the Goals (SDGs 17)

Target/Rencana Kegiatan pada Tahun 2017 Yang Ditetapkan Manajemen

- Pendampingan khusus bagi tiga Anak Perusahaan dengan target PROPER Emas 2017 dan tiga Anak Perusahaan dengan target PROPER Hijau;
- Pendampingan monitoring dan evaluasi program CID-CSR Anak Perusahaan untuk memastikan realisasi kegiatan sesuai target;
- Pendampingan studi pemetaan sosial (*social mapping*) dan pembinaan hubungan dengan pemangku kepentingan (*stakeholder engagement*);
- Diseminasi laporan pelaksanaan kegiatan CID-CSR PHE Group kepada *stakeholder* (minimal 1 buku dan 1 *paper*/jurnal ilmiah);
- Pengukuran dampak manfaat sosial program CID-CSR bagi Perusahaan melalui studi Indeks Kepuasan Masyarakat/perhitungan *Social Return On Investment* (SROI); dan
- Optimalisasi publikasi program CSR di media nasional.

Tantangan CID-CSR PHE 2017:

- Kegiatan pemberdayaan masyarakat yang dijalankan AP PHE tersebar di seluruh nusantara sesuai dengan luasnya wilayah operasi PHE, di mana sebagian lokasi berada di *remote area* yang memerlukan penyediaan alokasi sumber daya yang lebih tinggi
- Harmonisasi pengelolaan CID-CSR PHE dan Anak Perusahaan untuk mencapai alignment dengan visi misi CSR PHE

Tantangan tersebut disikapi dengan komitmen terhadap pemenuhan indikator kinerja kunci/*key performance indicator* (KPI) TJSL, anggaran serta keterlibatan dalam monitoring bersama, sehingga memunculkan program-program CID tepat sasaran, mendukung visi Perusahaan, dan memberikan dampak manfaat keberlanjutan bagi lingkungan, masyarakat dan Perusahaan. Komitmen bersama telah mengubah tantangan menjadi keunggulan PHE.

Target/Activity Plan in 2017 Established by Management

- Special assistance for three subsidiaries with a target to earn Gold PROPER 2017 and three subsidiaries targeting Green PROPER;
- Monitoring and evaluation assistance of CID-CSR programs of the subsidiaries to ensure the targeted activities realization;
- Assistance in social mapping study and stakeholder engagement;
- Dissemination of reports on the implementation of PHE Group's CID-CSR activities to stakeholders (at least 1 book and 1 *paper*/scientific journal);
- Measurement of the social benefit impact of the CID-CSR programs for the Company through a Community Satisfaction Index/Social Return On Investment (SROI) calculation, and
- Optimizing the publication of CSR programs in the national media.

PHE CID-CSR Challenges in 2017:

- Community empowerment activities carried out by PHE Subsidiaries were scattered throughout the archipelago in accordance with the area of PHE operations, where some sites were located in remote areas that required higher allocation of resources
- Harmonization of CID-CSR management of PHE and Subsidiaries to align with CSR vision and mission of PHE

The challenges were addressed by the commitment to meet the key performance indicator (KPI) of Social and Environmental Responsibility (TJSL), budget and involvement in joint monitoring in order to create CID programs that were on target, support the Company's vision, and benefit as the sustainability impact on the environment, community and the Company. The joint commitment has turned the challenges into advantages for PHE.

Pada 2017, tiga AP PHE yaitu PHE ONWJ, PHE WMO, dan JOB Pertamina-Talisman Jambi Merang berhasil meraih PROPER Emas melalui program-program unggulan masing-masing dalam memberdayakan masyarakat sekitar.

Kegiatan yang dilakukan dan Dampak Kuantitatif atas Kegiatan tersebut

Selama tahun 2017, PHE menyediakan dukungan pembiayaan pelaksanaan CSR sebesar Rp42.079.600.453. Jumlah tersebut naik dibanding realisasi dana untuk program/kegiatan CSR tahun 2016 sebesar Rp37.583.851.855. Hal ini didasari adanya pengembangan program, kegiatan replikasi dan munculnya inovasi yang berasal dari inisiatif masyarakat untuk keberlanjutan program.

Sumber dana untuk pembiayaan program CSR berasal dari PHE & Partner, Anak Perusahaan dan PT Pertamina (Persero).

In 2017, three PHE Subsidiaries, PHE ONWJ, PHE WMO, and JOB Pertamina-Talisman Jambi Merang, successfully achieved Gold PROPER ratings through their respective main programs in empowering the surrounding community.

Activities undertaken and Quantitative Impacts on the Activity

During 2017, PHE provided financial support for CSR implementation amounted to Rp42,079,600,453. The amount was higher than the fund realization for CSR programs/activities in 2016 amounted to Rp37,583,851,855. This was based on the development of programs and activities (replication) as well as the innovations originated from community initiatives for program sustainability.

Sources of funds for CSR program financing were from PHE & Partners, Subsidiaries and PT Pertamina (Persero).

Tabel Sumber Pembiayaan Dana CSR PHE (Rp)

Table of PHE CSR Fund Financing Sources (Rp)

Sumber Anggaran Sources of Budget	2017	2016	2015
PHE & Partners*	20.614.150.080	20.063.793.166	17.487.363.945
Anak Perusahaan Subsidiaries	14.426.416.527	13.923.029.089	7.716.131.768
PT Pertamina (Persero)	7.039.033.846	3.597.029.600	2.641.997.775
Jumlah Total	42.079.600.453	37.583.851.855	27.845.493.488

*Partner (Mitra PHE di JOB dan Perusahaan Patungan) | Partner (PHE Partners at JOB and Joint Ventures)

Program CID-CSR PHE Group secara konsisten mengarah pada program pemberdayaan dan peningkatan kapasitas. Sebanyak lebih dari 79% realisasi anggaran CID-CSR PHE Group 2017 dialokasikan untuk program-program pemberdayaan (*empowerment*) dan peningkatan kapasitas (*capacity building*).

The PHE Group's CID-CSR programs are consistently directed to empowerment and capacity building programs. More than 79% of PHE Group CID-CSR budget realization in 2017 was allocated for empowerment and capacity building programs.

Tabel Biaya yang Dikeluarkan CSR PHE (Rp)

Table of PHE CSR Costs (Rp)

Bidang Program Field of Program	2017	2016	2015
Pendidikan Education	10.447.667.748	7.869.075.225	4.600.952.328
Lingkungan Environment	5.172.712.140	6.235.722.116	3.812.332.176
Kesehatan Health	4.401.530.850	4.309.072.424	3.990.277.269
Pemberdayaan Ekonomi Economic Empowermen	17.611.223.940	14.489.877.195	7.871.894.849
Infrastruktur & Bencana Alam Infrastructure & Natural Disaster	4.446.465.775	4.680.104.895	7.570.036.866
Jumlah Total	42.079.600.453	37.583.851.855	27.845.493.488

Hingga akhir tahun 2017, program pemberdayaan masyarakat telah menysasar masyarakat khususnya di sekitar Perusahaan. Secara keseluruhan ada lebih dari 252 mitra binaan yang meliputi sekitar 293.000 orang penerima manfaat. Mereka tersebar pada lebih dari 241 desa binaan dan enam desa proklam di seluruh wilayah kerja PHE dan AP. Kesungguhan PHE untuk meningkatkan kesejahteraan masyarakat lokal, telah melahirkan pahlawan setempat (*local hero*) dan tujuh di antaranya menerima penghargaan sebagai *local hero* tingkat nasional sepanjang periode 2016-2017.

Dalam memberdayakan masyarakat setempat, PHE bersinergi dengan AP PHE. Kesungguhan AP PHE melaksanakan program pemberdayaan masyarakat telah menumbuhkan kepercayaan banyak pihak. Salah satunya, Tim Fasilitasi Penyelenggaraan Tanggung Jawab Sosial Lingkungan (TJSL) Perusahaan di Kabupaten Bangkalan, Jawa Timur menunjuk PT PHE WMO menjadi Ketua Forum CSR Kabupaten Bangkalan. Penunjukan sebagai Ketua Forum CSR menegaskan penghargaan dari semua pihak atas penyelenggaraan program pemberdayaan masyarakat yang dinilai mampu menjawab kebutuhan masyarakat setempat.

Until the end of 2017, community empowerment programs have targeted the communities, especially around the Company. Overall there were more than 252 fostered partners, comprising approximately 293,000 beneficiaries. They were spread in more than 241 partner villages and six villages under climate program (proklam) throughout PHE and PHE Subsidiaries' working areas. The sincerity of PHE to improve the welfare of local community has created local heroes and seven of them received awards as national local heroes throughout the period 2016-2017.

In empowering the local community, PHE synergized with PHE Subsidiaries. PHE Subsidiaries' resolve in implementing community empowerment program has built the trust of many parties. One of them was the Facilitation Team of Corporate Social and Environmental Responsibility (TJSL) in Bangkalan Regency, East Java, that appointed PT PHE WMO as the Chairman of Bangkalan Regency CSR Forum. The appointment as Chairman of the CSR Forum underlined the appreciation from all parties for the implementation of community empowerment programs that were considered capable of responding to the needs of local community.

Sampai dengan akhir tahun 2017, PHE bersama AP telah melaksanakan sejumlah program unggulan pemberdayaan masyarakat setempat. Penyelenggaraan program unggulan didasarkan pada kebutuhan masyarakat dan diselaraskan dengan pencapaian Tujuan Pembangunan Berkelanjutan (SDGs), ISO 26000 sebagai Panduan Tanggung Jawab Sosial, dan musyawarah rencana pembangunan (Musrenbang) pemerintah daerah setempat, serta kriteria dalam PROPER Emas sebagai tolok ukur keberhasilan pelaksanaan program.

Laporan ini menyajikan beberapa program unggulan, yang telah mendapatkan kesesuaian dengan kriteria PROPER Emas, dilaksanakan secara berkelanjutan dan memberikan manfaat signifikan terhadap peningkatan kesejahteraan serta kualitas hidup masyarakat di sekitar Perusahaan beroperasi.

Taman Pendidikan Mangrove

Sepanjang tahun 2017, PHE dan PHE WMO terus melanjutkan program pemberdayaan pada tahun sebelumnya, yaitu Program Taman Pendidikan Mangrove (TPM) di Desa Labuhan, Kecamatan Sepulu, Bangkalan, Jawa Timur. Fokus program ini adalah peningkatan kesejahteraan masyarakat di sekitar PHE WMO, melalui kegiatan konservasi lingkungan. Program ini mengintegrasikan upaya konservasi lingkungan dan pemberdayaan masyarakat melalui pengembangan kawasan konservasi mangrove yang juga difungsikan sebagai taman pendidikan dan ekowisata.

Dimulai pada tahun 2014, program TPM pada tahun 2017 memasuki tahapan Peningkatan Nilai Tambah Sosial Ekonomi Masyarakat Pesisir sesuai peta jalan/*roadmap* yang telah disusun. Hingga akhir 2017, kawasan TPM sudah menjadi kawasan yang memberikan kontribusi ekonomi dan sosial bagi masyarakat setempat dan pelestarian lingkungan di sekitarnya.

Until the end of 2017, PHE along with its subsidiaries have implemented a number of the main empowerment programs for local communities. The implementation of the main programs was based on community needs and aligned with the achievement of Sustainable Development Objectives (SDGs), ISO 26000 as Social Responsibility Guidance, and Forum for Development Planning (*Musrenbang*) of local government, as well as criteria in Gold PROPER ratings as a benchmark for successful program implementation.

This report presented several main programs, which have fulfilled the Gold PROPER criteria, were implemented continuously and provided significant benefits to welfare and quality of life improvement of communities around the Company's operating locations.

Mangrove Education Park

Throughout 2017, PHE and PHE WMO continued the empowerment program in the previous year, the Mangrove Education Park Program (TPM) in Labuhan Village, Sepulu District, Bangkalan Regency, East Java. The focus of this program was to improve the welfare of community around PHE WMO, through environmental conservation activities. The program integrated environmental conservation and community empowerment through the development of mangrove conservation area that also has the function as educational and ecotourism park.

Starting in 2014, the TPM program in 2017 entered the stage of Creation of Social Economic Added Value for Coastal Community according to the roadmap that has been established. By the end of 2017, the TPM area has become an area that contributed economic and social benefits to the local community and the preservation of the surrounding environment.

Peta Jalan Program Taman Pendidikan Mangrove Roadmap of Mangrove Education Park Program



Dalam pengembangan TPM, Perusahaan bekerja bersama kelompok binaan, yaitu Kelompok Tani Mangrove Cemara Sejahtera, lembaga mitra, pemerintah setempat dan *stakeholders* terkait. Kegiatan pada tahun 2017 menitikberatkan pada penambahan area konservasi dan kegiatan konservasi terumbu karang untuk menjawab dinamika ekologi, serta mengoptimalkan peluang ekonomi untuk memfasilitasi peningkatan jumlah pengunjung. Salah satunya melalui kegiatan pengembangan *homestay* penduduk, yang dapat menambah penghasilan masyarakat Desa Labuhan tanpa mengganggu ekologi.

Sesuai tahapan peta jalan tersebut, pada tahun 2017 pelaksanaan program mengalami dinamika baru yang menjadi indikator keberhasilan program, baik secara ekologi maupun aspek sosial.

- Keberhasilan aspek ekologi ditandai dengan kembalinya keanekaragaman berdasarkan peningkatan nilai Indeks Keanekaragaman Burung menjadi 3,03 dan terpantaunya pertumbuhan terumbu karang dari penanaman modul yang terbuat dari substrat. Penggunaan modul dari substrat dapat mempercepat waktu tumbuh terumbu karang dan merupakan yang pertama di Indonesia. Dari 30 set modul terumbu karang yang ditanam pada tahun 2017, seluruhnya berhasil tumbuh dengan kondisi 90% di antaranya tumbuh dengan baik.

In TPM development, the Company collaborated with the fostered groups, namely Cemara Sejahtera Mangrove Farmer Group, partner institutions, local government and related stakeholders. Activities in 2017 focused on adding conservation areas and coral reef conservation to address ecological dynamics, as well as optimizing economic opportunities to facilitate increased numbers of visitors. One of them through the development of the residents' homestay, which can increase the income of Labuhan Village community without disturbing the ecology.

Based on the roadmap stages, in 2017 the implementation of the program experienced a new dynamic that became an indicator of the success of the program, both ecologically and socially.

- The success of the ecological aspect is marked by the restored diversity based on the increase of the Bird Diversity Index value to 3.03 and the monitoring of coral growth from the planting of modules made from the substrate. The use of modules from the substrate can accelerate coral growth time and is the first in Indonesia. From 30 sets of coral reef modules planted in 2017, all managed to grow with 90% of them grew well.

- Keberhasilan sosial ditandai dari peningkatan jumlah pengunjung. Total pengunjung tahun 2017 mencapai 57.027 pengunjung, meningkat signifikan dibandingkan tahun 2016 sebesar 6.000 pengunjung. Peningkatan pengunjung menjadikan total pendapatan dari pengelolaan TPM sebesar Rp779.325.000 sepanjang 2017 dan pendapatan dari *multiplier effect* usaha kecil menengah (UKM) sebesar Rp441,7 juta.
- Program TPM juga menurunkan angka Rumah Tangga Miskin di Desa Labuhan sebanyak 79%, serta meningkatkan inklusifitas pemerintah lokal dan daerah, antara lain melalui penerbitan dua peraturan desa dan penunjukkan PHE WMO sebagai Ketua Forum TJSL kabupaten setempat.

Capaian program Taman Pendidikan Mangrove menunjukkan hasil yang sesuai dengan tahapan *road map* tahun ke-4 yang akan dicapai, yaitu Peningkatan Nilai Tambah Sosial Ekonomi Masyarakat Pesisir, dengan tetap memperhatikan keberlanjutan ekologi.

Hutan Kapal Kehati Greenthink (Hutan Pendidikan)

PHE bersama PHE ONWJ mengembangkan lahan yang semula tidak produktif seluas 2,5 hektar di Desa Cilamaya Girang, Kecamatan Blanakan, Kabupaten Subang, Jawa Barat, menjadi sebuah kawasan *ecoedutourism*. Kegiatan ini mampu mengubah Desa Cilamaya Girang menjadi kawasan *ecoeduforestry* yang bernama Kawasan Green Think Hutan Pendidikan sehingga masyarakat bisa merasakan manfaat keberadaan PHE ONWJ.

Beberapa tahun sebelumnya, relasi antara masyarakat sekitar dengan PHE ONWJ tidak terlalu harmonis sehingga mengakibatkan banyak aset PHE ONWJ yang dicuri. Pelaku diduga bukan warga sekitar, namun relasi yang kurang baik membuat masyarakat sekitar membiarkan daerah tersebut menjadi tempat transit para pencuri dan barang curian. Di samping itu, permasalahan lain adalah keberadaan 378 keluarga nelayan yang tidak memiliki pendapatan ketika musim paceklik, sering terjadi banjir rob musiman yang menyebabkan desa terisolasi akibat banjir dan lebih dari 36% siswa putus sekolah karena keterbatasan sarana pendidikan.

- The social success is marked by the increasing number of visitors. The total number of visitors in 2017 reached 57,027 visitors, significantly increased compared to the 6,000 visitors in 2016. The increase in visitors resulted in total revenues from TPM management amounted to Rp779,325,000 throughout 2017 and revenues from the multiplier effect of small and medium enterprises (SMEs) amounted to Rp441,7 million.
- The TPM program also reduced the number of Poor Households in Labuhan Village by 79%, and increased the inclusiveness of local and regional governments, through the issuance of two village regulations and the appointment of PHE WMO as the Chair of the TJSL Forum in the regency.

The achievement of the Mangrove Education Park program showed results in accordance with the 4th year of roadmap stage to be achieved, namely the Creation of Social Economic Added Value for Coastal Community, while maintaining ecological sustainability.

Green Think Biodiversity Ship (Education Forest)

PHE together with PHE ONWJ developed a previously unproductive land area of 2.5 hectares in Cilamaya Girang Village, Blanakan District, Subang Regency, West Java, into an ecoedutourism area. This activity managed to transform the Cilamaya Girang Village into an ecoeduforestry area called Green Think Education Forest in order to provide benefit for the community from the presence of PHE ONWJ.

Several years earlier, the relationship between the surrounding community and PHE ONWJ was not too harmonious, resulting in many theft of PHE ONWJ's assets. The alleged perpetrators were not local residents, but bad relations triggered the local community to allow the area to become a transit for the thieves and stolen goods. In addition, there were 378 fishermen families who had no income during the drought season, frequent seasonal tidal floods that caused the village isolated by floods and more than 36% of students were dropped out due to lack of education facilities.

PHE bersama PHE ONWJ kemudian memulai pendekatan baru, yakni keamanan berbasis komunitas atau *community-based security*. Langkah awal dilakukan melalui pembangunan sekolah dasar berbasis lingkungan sehingga hak dasar pendidikan masyarakat sekitar bisa terpenuhi, sekaligus menanamkan pendidikan lingkungan bagi warga sekolah. Langkah berikutnya adalah mengembangkan kawasan 'Green Think' Hutan Pendidikan yang dimulai pada tahun 2014 dengan memanfaatkan lahan seluas 2,5 hektar, bekerjasama dengan Perum Perhutani setempat.

Pembuatan hutan pendidikan dipilih dengan harapan dapat menambah wawasan lingkungan pada generasi muda. Hutan pendidikan juga diharapkan bisa menjadi kawasan *ecoedutourism* yang mampu meningkatkan nilai ekonomi masyarakat sekitar. Hutan ini akan dijadikan pusat pendidikan lingkungan untuk pelajar dan masyarakat, serta sebagai upaya mitigasi terhadap perubahan iklim.

Selain ditanami berbagai pohon, hutan pendidikan juga mengadopsi konsep *integrated farming system* atau sistem pertanian terpadu untuk menghidupkan perekonomian masyarakat desa. Beberapa kegiatan usaha meliputi budidaya tanaman produktif dan tanaman obat keluarga serta budidaya jamur merang. Selain itu, terdapat juga budidaya tambak ikan, pembuatan pupuk organik dan peternakan kambing, di samping usaha penyediaan lokasi bumi perkemahan. Dengan sistem terpadu ini, maka nelayan yang tidak bisa melaut akan kembali memiliki penghasilan.

Pada tahun 2017, program Green Think mampu memberikan dampak bagi lingkungan melalui pemanfaatan 2,5 ha lahan tidur dan penyerapan karbon CO₂eq sebesar 1.537,10 ton. Di samping itu, dari sisi ekonomi program ini berhasil memberikan pendapatan sebesar Rp244.000.000 per tahun bagi kelompok Binaan dan menciptakan tiga produk olahan hasil perikanan dan pertanian.

Dari segi sosial, program ini mampu memberdayakan 20 pensiunan nelayan dan 10 istri nelayan, melibatkan 40 guru sebagai duta lingkungan dan mengurangi angka putus sekolah hingga 0% pada tingkat sekolah dasar.

PHE with PHE ONWJ then started a new approach with community-based security. The initial step was done through the construction of environmentally based primary school so that the basic rights of education for the local community can be fulfilled, as well as to instill environmental education for the school community. The next step was to develop the Green Think Education Forest area which began in 2014 by utilizing 2.5 hectares of land, in collaboration with local forestry public service company Perum Perhutani.

Establishment of educational forest is chosen in the hope that it can add environmental insight to the younger generation. Educational forest is also expected to be an area of *ecoedutourism* that can create economic value for local community. The forest aimed to serve as environmental education center for students and community, as well as mitigation efforts on climate change.

In addition to planting various trees, the educational forest also adopted the concept of integrated farming system to revive the economy of rural community. Some business activities included productive crop cultivation and family medicinal plants and mushroom cultivation. There were also fish pond farming, organic fertilizer and goat farming, in addition to the business of providing the campground. With this integrated system, the fishermen who were not able to go to sea would have income again.

In 2017, the Green Think program managed to give impact on the environment through the utilization of 2.5 ha of idle land and CO₂eq carbon sequestration of 1,537.10 tons. The economic aspect of the program succeeded in generating revenues amounted to Rp244,000,000 per year for the fostered groups and created three processed products made from fishery and agricultural products.

In social aspect, the program managed to empower 20 retired fishermen and 10 fishermen wives, involving 40 teachers as environmental ambassadors and reducing dropout rates to 0% at the elementary school level.

Program ini juga mampu meningkatkan kesejahteraan 3.155 KK yang memanfaatkan kapal kehati dan membantu 16 sekolah memanfaatkan kawasan Green Think sebagai laboratorium Pendidikan Lingkungan Hidup (PLH). Program ini sebagai bentuk partisipasi terhadap pencapaian tujuan pembangunan berkelanjutan (SDGs) pada *goals* 1, 2, 14 dan 17.

Ecoriparian Lentera Lestari Lalan (3L)

PHE dan Anak Perusahaan JOB Pertamina Talisman Jambi Merang (JOB PTJM) pada tahun 2017 melanjutkan Program Barisan Selempang Cinta Bumi. Bersama masyarakat sebagai roda penggerak kegiatan, Perusahaan mengembangkan wilayah ecoriparian pertama di Kabupaten Musi Banyuasin, Sumatera Selatan. Inovasi ini dikembangkan melalui program berbasis ekonomi, pendidikan dan lingkungan, yaitu Eco Riparian Lentera Lestari Lalan sebagai alternatif solusi untuk mengatasi permasalahan sosial terkait pemanfaatan serta pelestarian Sungai Lalan.

Arah program Lentera Lestari Lalan adalah membentuk komunitas pelestari sungai untuk meningkatkan luasan cakupan edukasi ecoriparian dari segi sosial, sementara secara lingkungan terjadi konservasi dan peningkatan baku mutu sungai, sehingga secara tidak langsung meningkatkan ekonomi masyarakat.

Program ini difokuskan pada pengembangan Diorama Lalan yang merupakan Pusat Edukasi Eco Riparian yang dapat digunakan sebagai sarana wisata pendidikan berbasis lingkungan sungai, dilengkapi dengan aquarium ikan langka, etalase *urban farming*, dan *counter cafe sanjo*. Pusat Edukasi Eco Riparian ini mendayagunakan dermaga Bayung Lencir yang terletak di Sungai Lalan, bekerjasama dengan Dinas Perhubungan (Dishub) Kabupaten Musi Banyuasin dan Pemerintah Kecamatan Bayung Lencir.

Program ini sebagai bentuk partisipasi terhadap pencapaian tujuan pembangunan berkelanjutan (SDGs) pada *goals* 1, 2, 6, dan 14. Beberapa capaian dari program ini pada tahun 2017 di antaranya:

- Dari segi lingkungan mampu membentuk program kali bersih (Prokasih) yakni menjadikan sungai bebas sampah dan mengembalikan kualitas air dengan PH7.

The program was also able to improve the welfare of 3,155 families who utilized the biodiversity ship and assisted 16 schools to utilize the Green Think area as the Environmental Education (PLH) laboratory. This program was a form of participation towards the achievement of sustainable development goals (SDGs) of goals 1, 2, 14 and 17.

Ecoriparian Lentera Lestari Lalan (3L)

PHE and subsidiary JOB Pertamina Talisman Jambi Merang (JOB PTJM) in 2017 continued the Barisan Selempang Cinta Bumi Program. Together with the community as the organizer of activity, the Company developed the first ecoriparian area in Musi Banyuasin Regency, South Sumatra. This innovation was developed through economic, education and environmental program, namely Eco Riparian Lentera Lestari Lalan as an alternative solution to overcome social problems related to the utilization and preservation of Lalan River.

The direction of the Lentera Lestari Lalan program was to establish a river conservation community to increase the educational scope of ecoriparian in social aspect, while environmentally to conserve and improve the quality of rivers which indirectly can improve the community's economy.

The program was focused on the development of Lalan Diorama which was the Ecoriparian Education Center which can be used as a river-based environmental education facility, equipped with rare fish aquarium, urban farming display, and sanjo cafe counter. The Ecoriparian Education Center operates the Bayung Lencir jetty located in Lalan River, in cooperation with the Transportation Agency of Musi Banyuasin Regency and Bayung Lencir District Government.

This program is a form of participation towards the achievement of sustainable development goals (SDGs) of goals 1, 2, 6 and 14. Some of the achievements of this program in 2017 included:

- In environmental aspect, the program managed to establish clean river program (Program Kali Bersih/ Prokasih) which freed the river from waste and restored water quality with PH7.

Peningkatan kualitas air sungai juga merupakan hasil dari konservasi sungai dengan menyediakan instalasi pengolahan air limbah (IPAL).

- Dari sisi ekonomi program ini mampu memberikan pendapatan tambahan bagi masyarakat sebesar Rp12.000.000 per tahun dari Cafe Sanjo.
- Dari segi sosial, sebanyak 50 orang tergabung dalam anggota komunitas cinta sungai 'Sersan' atau Serdadu Sungai Lalan dan 1 komunitas pencinta ikan terbentuk di Sungai Lalan, serta terjalannya perkuatan kerjasama dengan *stakeholders*. Program ini juga mampu meningkatkan kesejahteraan masyarakat melalui Mading Ecoriparian yang mampu mengedukasi 500 orang per bulan dan mengedukasi 100 siswa per tahun melalui kampanye Ecoriparian. Pada tahun 2017, program ini juga menambah pengetahuan 50 pemancing per tahun terkait cara menangkap ikan yang benar dan 100 KK mengenai pengetahuan hidroponik dan aquaponik.

Pemberdayaan Anak Jalanan Melalui Ekonomi Kreatif (5R++ Oleh Anak Jalanan)

Dilatarbelakangi limbah kertas dari operasional kantor, PHE bersama Anak Perusahaan, PT Pertamina Hulu Energi Offshore North West Jakarta (PHE ONWJ) mengembangkan inovasi untuk memanfaatkan limbah kertas menjadi kegiatan pemberdayaan ekonomi kreatif. PHE ONWJ membina anak jalanan yang ada di Tanjung Priuk, Jakarta Utara untuk mendaur ulang limbah tersebut. Sebelumnya limbah kertas yang mencapai lebih dari satu ton per bulan, langsung dibuang ke tempat pembuangan akhir sampah.

PHE ONWJ kemudian bekerjasama dengan Yayasan Kumala untuk menggandeng anak jalanan dan membina mereka untuk ikut serta dalam program Pemberdayaan Anak Jalanan Melalui Ekonomi Kreatif (5R++ oleh Anak Jalanan). Pemberdayaan ekonomi ini bertujuan untuk menciptakan lapangan kerja baru dan meningkatkan kehidupan yang lebih baik. Hal ini untuk menjawab permasalahan lapangan kerja yang terbatas dan lingkungan sosial yang tidak kondusif di wilayah tersebut. Kegiatan yang dilakukan adalah mengelola sampah kertas dari PHE ONWJ menjadi bahan dasar pembuatan berbagai macam kerajinan yang bernilai ekonomi.

The improved water quality of the river was also the result of river conservation by providing wastewater treatment plant (WWTP).

- In the economic aspect, this program managed to provide additional income for the community amounted to Rp12,000,000 per year from Sanjo Cafe.
- In social aspect, as many as 50 people joined the membership of river lovers community the 'Sersan' or Lalan River Troops and one fishing lovers community formed in Lalan River, as well as strengthening cooperation with stakeholders. This program was also able to improve the community's welfare through the Ecoriparian Bulletin Board that managed to educate 500 people per month and educate 100 students per year through an Ecoriparian campaign. In 2017, the program also added knowledge of 50 fishermen per year on how to properly catch fish and 100 families on hydroponic and aquaponic knowledge.

Empowerment of Street Children through Creative Economy (5R++ By Street Children)

With the background of paper waste from office operations, PHE and subsidiary PT Pertamina Hulu Energi Offshore North West Jakarta (PHE ONWJ) developed innovation to utilize paper waste into creative economy empowerment activities. PHE ONWJ trained street children in Tanjung Priok, North Jakarta, to recycle the paper waste. Previously the paper waste reached more than 1 ton per month, and directly disposed to landfill.

PHE ONWJ then collaborated with Kumala Foundation to engage street children and foster them to participate in the Street Children Empowerment program through the Creative Economy (5R++ by Street Children). This economic empowerment aimed to create new jobs and improve to a better life. This was to address limited employment issues and an unfavorable social environment in the area. The activity was to recycle the paper waste from PHE ONWJ into the material of various kinds of handicraft that have economic value.

Sampah didaur ulang menjadi produk kreatif bernilai ekonomis, seperti kertas daur ulang, tempat *tissue*, *frame* foto, undangan dan kreasi lain.

Pengelolaan sampah kertas menjadi bahan baku produk kreatif yang dikembangkan PHE ONWJ dan Yayasan Kumala telah menggeser penerapan konsep 3R menjadi lebih luas lagi, yaitu menjadi 5R. Tidak hanya dengan konsep *reduce*, *reuse*, *recycle*, namun produk-produk kerajinan kreatif yang dihasilkan kemudian dijual (*resale*) sehingga mendatangkan kemanfaatan ekonomi. Selain itu, para pemuda yang tergabung di bawah Yayasan Kumala juga menyediakan jasa pelatihan produk daur ulang untuk mewujudkan keinginan berbagi keterampilan (*reshare*).

Program ini mendapatkan pengakuan sebagai pionir dan satu-satunya program pemberdayaan anak jalanan berbasis lingkungan di tingkat nasional dalam pengelolaan limbah non B3 daur ulang yang terintegrasi dengan konsep ekonomi kreatif. Pengakuan ini diberikan oleh Kementerian Pemuda dan Olahraga serta Kementerian Sosial Republik Indonesia. Program ini juga merupakan *Creating Share Value* (CSV) PHE.

Hingga akhir tahun 2017, kerja sama antara PHE ONWJ dan Yayasan Kumala berhasil membekali pengetahuan dan keterampilan untuk lebih dari 400 anak jalanan. Sebanyak 76 alumni berhasil menjadi penggerak ekonomi kreatif di tempat baru, baik sebagai karyawan, wirausaha maupun sebagai pelaku ekonomi kreatif.

Selain itu, program Pemberdayaan Anak Jalanan melalui Ekonomi Kreatif (5R++ oleh Anak Jalanan) juga telah menghasilkan 27 pelatih bersertifikat untuk proses daur ulang sampah non-B3. Inisiatif ini diharapkan akan menjadi bekal *life skill* daur ulang sampah bernilai ekonomis yang dapat terus ditularkan kepada kelompok lain.

Lebih lanjut, Program Ekonomi Kreatif (5R++ oleh Anak Jalanan) telah melakukan inovasi dengan menciptakan mesin pembuat bubur kertas. Inovasi tersebut telah didaftarkan dan mendapatkan hak paten dengan Nomor IDS000001561 dari Kementerian Hukum dan HAM Republik Indonesia. Dengan inovasi ini terjadi efisiensi

The waste was recycled into economically valuable creative products, such as recycled paper, tissue boxes, photo frames, invitation cards and other creations.

The management of paper waste into raw material of creative products developed by PHE ONWJ and Kumala Foundation has expanded the application of 3R concept, that is 5R. Not only with the concept of reduce, reuse, recycle, but to produce creative craft products to sold (*resale*) so as to bring economic benefits. In addition, the youth who are grouped in Kumala Foundation also provide training services for recycling product to realize the will to share their skills (*reshare*).

The program gained recognition as a pioneer and the only nationally environmentally-based street children empowerment program in the management of recycled non-B3 waste that is integrated with the concept of creative economy. This recognition was given by the Ministry of Youth and Sports, and Ministry of Social Affairs of the Republic of Indonesia. This program is also PHE's form of *Creating Shared Value* (CSV).

Until the end of 2017, the cooperation between PHE ONWJ and Kumala Foundation managed in providing knowledge and skills for more than 400 street children. A total of 76 alumni succeeded in driving the creative economy in new places, both as employees, entrepreneurs and as creative economic actors.

In addition, the Street Children Empowerment program through the Creative Economy (5R++ by Street Children) has also produced 27 certified trainers for non-B3 waste recycling process. This initiative is expected to be a life skill in recycling waste with economic value that can continue to be shared to other groups.

Furthermore, the Creative Economy Program (5R++ by Street Children) has made another innovation by creating pulping machines. The innovation has been registered and received a patent with Number IDS000001561 from the Ministry of Justice and Human Rights of the Republic of Indonesia. With this innovation there was an electricity

listrik 4,8 kWh atau setara penurunan emisi 1,5 ton CO₂Eq/tahun. Program mendukung pencapaian tujuan pembangunan berkelanjutan (SDGs) pada *goals* 1, 2, 8, dan 11.

Pengembangan Suku Anak Dalam 3T

Program Pengembangan Suku Anak Dalam di daerah tertinggal, terpencil, dan terluar (3T) merupakan salah satu program unggulan PHE dan Anak Perusahaan JOB PTJM. Program ini diwujudkan melalui inovasi pembangunan sekolah dan klinik apung, yang didasari dan untuk mengatasi kebiasaan masyarakat Suku Anak Dalam yang masih hidup secara nomaden atau berpindah-pindah. Inovasi program ini menjawab masalah sosial tahun 2017 yang dihadapi Suku Anak Dalam yakni tidak adanya akses pendidikan di wilayah 3T di sekitar wilayah operasi Perusahaan.

Inovasi sekolah apung sungai merupakan yang pertama di Indonesia. Keberadaan sekolah apung sungai dibarengi dengan kegiatan lain mencakup antara lain pendidikan lingkungan hidup, 'Melek Baco Tulis', pendidikan lingkungan hidup, dan penyediaan tenaga pengajar bekerjasama dengan Sobat Eksplorasi Anak Dalam Jambi'.

Peningkatan kesehatan dilakukan dengan penyediaan pengobatan gratis bagi warga Suku Anak Dalam. Selain itu Perusahaan juga menyediakan air bersih yang menjadi pangkal dari rendahnya tingkat kesehatan Suku Anak Dalam, dengan inovasi ayunan yang berfungsi sebagai pompa air dan dapat mengubah air yang tadinya berwarna coklat dengan kadar keasaman tinggi (PH4) menjadi air jernih layak konsumsi.

Tujuan yang ingin dicapai dalam pengembangan Suku Anak Dalam adalah secara ekonomi terjadi peningkatan pendapatan, secara sosial seluruh warga Suku Anak Dalam mendapatkan pengetahuan pelestarian lingkungan dan Perilaku Hidup Bersih dan Sehat (PHBS). Sementara dalam hal kesejahteraan sebanyak 100% anak usia sekolah melek baca tulis. Lebih lanjut, penyediaan akses kesehatan dasar untuk masyarakat, dan secara lingkungan terjadi peningkatan kualitas air sungai.

efficiency of 4.8 KWH or equivalent to emission reduction of 1.5 tons CO₂Eq/year. The program supported the achievement of sustainable development goals (SDGs) in goals 1, 2, 8, and 11.

Development Anak Dalam Tribe in 3T areas

The Development Program of Anak Dalam tribe in underdeveloped, remote, and outermost (3T) areas is one of the main programs of PHE and Subsidiary JOB PTJM. This program is realized through the innovation of school construction and floating clinic, which is based on and to overcome the habits of nomadic or migratory of the community Anak Dalam tribe. The innovation of this program addressed the social problems in 2017 faced by Anak Dalam tribe, which was lack of access to education in the 3T areas around the Company's operating area.

The river floating school innovation was the first in Indonesia. The existence of river floating schools were followed by other activities, including environmental education, 'Melek Baco Tulis' (literacy program) and the provision of teachers in collaboration with the 'Sobat Eksplorasi Anak Dalam Jambi'.

Health promotion is carried out by providing free medical treatment for Anak Dalam tribe. In addition, the Company also provided clean water which the lack of it is the root cause of the low level of health of Anak Dalam Tribe, with innovation of swing that works as a water pump and can change water that is brown in color with high acidity (PH4) into clear water that is fit for consumption.

The objectives to be achieved in the development of Anak Dalam Tribe economically is the increase in income, in social aspect is for all members of the tribe to get the knowledge of environmental conservation and Clean and Healthy Behavior (PHBS). While in terms of welfare, the objective is 100% of school age children are literate. Furthermore, the provision basic health access to the community, and in the environmental aspect, the objective is the improvement of river water quality.

Program ini sebagai bentuk partisipasi terhadap pencapaian tujuan pembangunan berkelanjutan (SDGs) pada *goals* 1,2, 3, 4, 6, dan 14.

Capaian program selama tahun 2017, di antaranya:

- Dari segi ekonomi, pendapatan masyarakat Suku Anak Dalam meningkat rata-rata Rp6.000.000 per tahun melalui beberapa program pemberdayaan yang dijalankan, di antaranya pelatihan pengolahan ikan asin.
- Dari sisi sosial sebanyak 25 KK memperoleh pengetahuan pelestarian lingkungan dan PHBS. Program ini juga berkontribusi dalam peningkatan kesejahteraan dengan bantuan akses pendidikan anak usia dini bagi 19 orang anak dan 25 KK memperoleh akses kesehatan dan air bersih.
- Dari segi lingkungan, sebanyak 5.000 bibit ikan disebar untuk pelestarian habitat ikan sungai dan penurunan emisi CO₂eq sebesar 15,20 ton per tahun.

Kontribusi pada Perbaikan Sarana dan Prasarana Publik

Pemberdayaan masyarakat di sekitar lokasi Perusahaan, juga dilaksanakan PHE bersama AP dengan melakukan pembangunan dan perbaikan infrastruktur. Tujuan utama dari program pembangunan infrastruktur adalah untuk mendukung kegiatan ekonomi masyarakat sekaligus berkontribusi bagi pembangunan infrastruktur di lingkungan masyarakat. Program ini sebagai bentuk partisipasi terhadap pencapaian tujuan pembangunan berkelanjutan (SDGs) pada *goals* 4 *Quality Education*, 6 *Clean Water and Sanitation*, dan 9 terkait *Industry, Innovation, and Infrastructure*.

Kontribusi terhadap pembangunan dan perbaikan infrastruktur didasarkan pada pemikiran bahwa ketangguhan ekonomi masyarakat tidak akan terwujud tanpa dukungan infrastruktur yang memadai. Pemberdayaan masyarakat perlu didukung dengan adanya pembangunan dan peningkatan sarana prasarana umum dan sosial, seperti jalan, jembatan, gedung sekolah, ataupun fasilitas air bersih dan sanitasi. Total investasi sosial PHE dan AP bagi perbaikan sarana dan prasarana publik pada tahun 2017 mencapai Rp4.446.465.775.

This program is a form of participation towards the achievement of sustainable development goals (SDGs) of goals 1,2, 3, 4, 6, and 14.

Program achievements during 2017, including:

- In the economic aspect, the income of Anak Dalam tribe increased by an average of Rp6,000,000 per year through the implementation of several empowerment programs, including the training of salted fish processing.
- In the social aspect, 25 families have gained knowledge of environmental conservation and PHBS. This program also contributed to the welfare improvement with the assistance for early childhood education access for 19 children, and 25 families get access to health and clean water.
- In environmental aspect, as many as 5,000 fish seeds were distributed for the conservation of river fish habitat and CO₂eq emissions reduction of 15.20 tons per year.

Contribution to Improvement of Public Facilities and Infrastructure

Community empowerment in the vicinity of Company location is also implemented by PHE with its subsidiaries through development and improvement of infrastructure. The main objective of the infrastructure development program is to support the community's economic activities while contributing to infrastructure development in their surrounding areas. This program is a form of participation towards the achievement of Sustainable Development Goals (SDGs) of goal 4 on Quality Education, goal 6 on Clean Water and Sanitation, and goal 9 on Industry, Innovation, and Infrastructure.

Contributions to infrastructure development and improvement are based on the notion that the community's economic resilience of will not materialize without adequate infrastructure support. Community empowerment needs to be supported by the development and improvement of public and social infrastructure, such as roads, bridges, school buildings, or clean water and sanitation facilities. Total PHE and PHE subsidiaries' social investment for public facilities and infrastructure improvement in 2017 reached Rp4,446,465,775.

Corporate Social Responsibility yang Terkait Dengan Ketenagakerjaan, Kesehatan, dan Keselamatan Kerja

Corporate Social Responsibility in Employment, Occupational Health and Safety

Pengungkapan Pendekatan Manajemen (DMA)

PT Pertamina Hulu Energi (PHE) bergerak di sektor industri hulu migas dengan sebagian besar kegiatan operasi dan produksi berlangsung di lepas pantai. Kondisi ini menuntut komitmen kepatuhan terhadap penerapan kesehatan dan keselamatan kerja (K3). Informasi dalam topik material mencakup kinerja K3 pada Anak Perusahaan dengan pendekatan pada pengelolaan risiko dan pencegahan kecelakaan kerja fatal (*zero fatality*) serta penyakit akibat kerja. Penerapan K3 menjadi tanggung jawab Fungsi Quality, Health, Safety, Security and Environmental (QHSSE) PHE dan Anak Perusahaan. Secara berkala Fungsi QHSSE melakukan pemantauan dan evaluasi terhadap seluruh aspek terkait K3. [103-1][103-2][103-3]

Pengelolaan Sumber Daya Manusia

PHE terus meningkatkan pengelolaan kapasitas dan kapabilitas tenaga kerja, guna mendukung pencapaian visi Perusahaan. Tenaga kerja yang andal dan profesional menjadi salah satu kunci memenangkan persaingan bisnis pada sektor hulu migas dan menjaga keberlanjutan usaha PHE.

PHE menyusun Peta Jalan Kebijakan Pengelolaan SDM Menuju *World Class People*. Peta jalan berupa rencana jangka panjang 2016–2030 yang terbagi atas lima gelombang pengelolaan sumber daya manusia (SDM) di PHE dan Anak Perusahaan. Peta jalan ditetapkan berdasarkan RJPP 2015 – 2019 yang telah disetujui oleh President Director PHE.

Disclosure of Management Approach (DMA)

PT Pertamina Hulu Energi (PHE) is engaged in the upstream oil & gas industry with most of the operations and production conducted offshore. This condition requires a commitment to compliance with the occupational health and safety (OHS) application. Information on material topics includes OHS performance in Subsidiaries with approaches to risk management, prevention of fatal accident (*zero fatality*), and occupational diseases. The OHS implementation is the responsibility of Quality, Health, Safety, Security and Environmental (QHSSE) Function of PHE and Subsidiaries. Periodically the QHSSE function monitors and evaluates all aspects related to OHS. [103-1][103-2][103-3]

Human Resource Management

PHE continues to improve the management of capacity and capability of the manpower, to support the achievement of the Company's vision. Reliable and professional manpower is one of the keys to winning business competition in the upstream oil & gas sector and maintaining the sustainability of PHE's business.

PHE established a Roadmap of the HR Management Policy Towards World Class People. The roadmap is a long-term plan for 2016-2030 that is divided into five waves of human resource management (PHM) in PHE and subsidiaries. The roadmap is based on the 2015 - 2019 Corporate Long Term Plan (RJPP) approved by the President Director of PHE.

Peta Jalan Kebijakan Pengelolaan SDM Menuju World Class People

Roadmap of HR Management Policy Towards World Class People

Gelombang Tahapan Waves of Stages	Periode Period		Target Target
Wave I	2016 – 2018	<ul style="list-style-type: none"> Pembentukan SSO; Standardisasi sistem & prosedur; Penetapan Pedoman Reward Management; Integrasi data pekerja; Penyempurnaan kebijakan pengembangan pekerja; Kebijakan Manajemen Kinerja; Penetapan skill group dan competency profiling; Kebijakan pengelolaan SDM aset baru; Kebijakan Pengelolaan Third Party Contract (TPC). 	<ul style="list-style-type: none"> SSO Establishment; Standardization of systems & procedures; Establishment of Reward Management Guidelines; Integration of employee data; Amendment of employee development policies; Performance Management Policy; Establishment of skill group and competency profiling; HR management policy of new assets; Third Party Contract Management Policy (TPC).
Wave II	2019 – 2021	<ul style="list-style-type: none"> Evaluasi SSO, work load analysis & FTE; Implementasi One Reward System; One PHE Building; Integrasi aset ex JOB: organisasi & remunerasi; Program akselerasi pengembangan pekerja; <i>Outsource activities mapping</i>; Integritas pengelolaan TPC. 	<ul style="list-style-type: none"> SSO evaluation, work load analysis & FTE; Implementation of One Reward System; One PHE Building; Integration of ex JOB assets: organization & remuneration; Acceleration program for the employee development; Outsource activities mapping; Integrity of TPC management.
Wave III	2022 – 2024	<ul style="list-style-type: none"> Optimalisasi organisasi; Implementasi <i>One Basket Benefit</i>; Mengembangkan multiskill employee: <i>onshore/offshore</i>; <i>Operations</i>; <i>Global Standard Employee Competency Mapping</i>; <i>Outsource Management System</i>. 	<ul style="list-style-type: none"> Organization optimization; One Basket Benefit implementation; Multi skill employee development: onshore/offshore; Operations; Global Standard Employee Competency Mapping; Outsource Management System.
Wave IV	2025 - 2027	<ul style="list-style-type: none"> Evaluasi organisasi, <i>work load analysis</i> & FTE; <i>Global standard employee</i>; <i>Global reward standard</i>; Meningkatkan <i>Head Count Productivity</i>. 	<ul style="list-style-type: none"> Organizational evaluation, work load analysis & FTE; Global standard employee; Global reward standard; Increase Head Count Productivity.
Wave V	2028 - 2030	<ul style="list-style-type: none"> Organisasi yang siap mengantisipasi setiap pengembangan usaha; Pekerja yang siap menerima tantangan berbagai penugasan; Kebijakan Pengelolaan <i>Third Party Contract</i> (TPC). 	<ul style="list-style-type: none"> Organization that is ready to anticipate every business development; Employees who are ready to accept the challenges of various assignments; Third Party Contract (TPC) Management Policy.



Muhammad Denis

VP Human Resource
& General Affair

Memasuki tahun 2017, PHE telah merealisasikan beberapa dari target gelombang I pengelolaan SDM untuk menuju manusia kelas dunia, di antaranya:

- Pembentukan SSO;
- Standarisasi sistem dan Prosedur masih berproses di tahun 2017 dan akan berlanjut di tahun 2018;
- Penetapan Pedoman Reward & Management sebagai kelanjutan proses dari tahun 2017;
- Proses integrasi data Pekerja yang telah dimulai dari tahun 2017,
- Kebijakan pengelolaan *Third Party Contract* (TPC).

Pengelolaan SDM dilaksanakan dengan tetap memperhatikan praktik-praktik terbaik ketenagakerjaan yang berlaku di Indonesia dan berstandar internasional.

Kesetaraan Gender dan Kesempatan Kerja

Kebijakan rekrutmen pekerja baru mengacu pada ketentuan yang berlaku di PT Pertamina (Persero), dengan memperhatikan kebutuhan organisasi dan rencana pengembangan usaha. Pekerja baru PHE bersumber dari pekerja PT Pertamina (Persero) yang ditempatkan di PHE, dan dari proses rekrutmen PHE.

Dalam melaksanakan proses rekrutmen, PHE memberikan kesempatan setara kepada setiap anak bangsa untuk bergabung dan berkarya sebagai pekerja. Proses seleksi dilaksanakan oleh Fungsi HR & GA bagian Rekrutmen dan berlangsung melalui mekanisme terbuka. Proses seleksi yang berlangsung memastikan tidak ada pekerja anak maupun pekerja paksa.

Pelaksanaan rekrutmen pekerja baru PHE mengacu pada:

- Undang-Undang No.21 Tahun 1999 tentang Pengesahan ILO Convention No.111 *Concerning Discrimination In Respect Of Employment And Occupation*.
- Pedoman Rekrutmen No.A-02/PHE430/2015-S0 tanggal 31 Maret 2015.
- *Code of Conduct* No.007/PHE040/2014-S0 tanggal 25 September 2014.

Entering the year 2017, PHE has realized some of wave I targets on human resource management towards world-class people, as follows:

- SSO Establishment;
- Standardization of systems and Procedures was still in progress in 2017 and would continue in 2018;
- Establishment of Reward & Management Guidelines as a continuation of the process in 2018;
- The process of integration employee data that started from 2017,
- Third Party Contract (TPC) management policy.

Human Resource Management is implemented with due regard to the best practices of employment applicable in Indonesia and international standard.

Gender Equality and Job Opportunity

The policy of new employee recruitment refers to the applicable provisions in PT Pertamina (Persero), taking into account organizational needs and business development plans. PHE new employees are sourced from employees of PT Pertamina (Persero) placed in PHE, and from PHE own recruitment process.

In implementing the recruitment process, PHE applies equal opportunity to every citizen to join and work as an employee. The selection process is carried out by Recruitment section of HR & GA Function and takes place through an open mechanism. The selection process ensures there are no child labor or forced labor.

The implementation of PHE's new employee recruitment refers to:

- Law No.21 of 1999 on the Ratification of ILO Convention No.111 *Concerning Discrimination In Respect Of Employment And Occupation*.
- Recruitment Guidelines No.A-02/PHE430/2015-S0 dated March 31, 2015.
- *Code of Conduct* No.007/PHE040/2014-S0 dated September 25, 2014.

Dalam pedoman rekrutmen dan *code of conduct* menjelaskan jaminan kesempatan yang sama kepada pekerja untuk mendapatkan pekerjaan, promosi dan pemberhentian kerja yang tidak diskriminatif. Ketentuan ini juga mendukung pencapaian tujuan pembangunan berkelanjutan (SDGs) pada goals 5 terkait Gender Equality. Di samping itu, menjunjung tinggi prinsip keadilan, kesetaraan, dan tanpa memandang latar belakang agama/kepercayaan, ras, bangsa, hubungan pribadi dan warna kulit. Kesungguhan PHE dalam memberikan kesempatan yang setara kepada setiap individu, menjadikan Perusahaan tidak pernah dihadapkan pada dugaan melakukan praktik-praktik diskriminasi. [406-1]

Penggunaan Tenaga Kerja Lokal

[203-2]

Kebijakan rekrutmen pekerja baru mengacu pada ketentuan yang berlaku di PT Pertamina (Persero), dengan memperhatikan kebutuhan organisasi dan rencana pengembangan usaha. Pekerja baru PHE bersumber dari pekerja PT Pertamina (Persero) yang ditempatkan di PHE, dan melalui proses rekrutmen PHE.

PHE memberikan kesempatan setara kepada setiap anak bangsa untuk bergabung dan berkarya sebagai pekerja. Proses seleksi dilaksanakan oleh Fungsi HR & GA bagian Rekrutmen dan berlangsung melalui mekanisme terbuka.

Sejalan dengan kebijakan Perusahaan dan pemenuhan TJSL, PHE berupaya untuk merekrut tenaga kerja lokal, yakni penduduk yang berada di sekitar Perusahaan. Namun hal tersebut belum sepenuhnya dapat dilakukan mengingat karakteristik kegiatan usaha PHE di sektor hulu migas yang membutuhkan keterampilan dan keahlian khusus.

Upaya melibatkan tenaga kerja lokal dijalankan secara terbatas, melalui jenis-jenis pekerjaan tertentu dan pemasok lokal.

The recruitment guidelines and code of conduct state the assurance of equal opportunity to employees for non-discriminatory employment, promotion and dismissal. This provision also supports the achievement of sustainable development goals (SDGs) of goal 5 on the Gender Equality. In addition, PHE also upholds the principles of justice, equality, regardless of religious/faith, race, nation, personal relationships and skin color background. The seriousness of PHE in giving equal opportunity to every individual has made the Company never faced with the allegation of discriminatory practices. [406-1]

Employment of Local Manpower

[203-2]

The new recruitment policy refers to the applicable provisions in PT Pertamina (Persero), taking into account organizational needs and business development plans. PHE's new employees are sourced from employees of PT Pertamina (Persero) placed in PHE, and through PHE own recruitment process.

PHE provides equal opportunities to every citizen to join and work as an employee. The selection process is carried out by Recruitment section of HR & GA Function and takes place through an open mechanism.

In line with Company policy and Social & Environmental Responsibility (TJSL) fulfillment, PHE strives to recruit local manpower, whom are the residents of the surrounding of the Company. However, it is not entirely feasible given the characteristics of PHE business activities in the upstream oil & gas sector that require special skills and expertise.

The efforts to involve local manpower are implemented in limited scale, through specific types of work and local suppliers.

PHE mewajibkan pemasok lokal untuk memaksimalkan penggunaan tenaga kerja lokal sebagai pekerja, sehingga masyarakat tetap dapat merasakan manfaat keberadaan PHE. [203-2]

PHE requires local suppliers to maximized the employment of local manpower as employees, so that the community can still benefit from the presence of PHE. [203-2]

Tingkat Perpindahan Pekerja Baru PHE

Selama tahun 2017, PHE merekrut 773 pekerja baru, terdiri dari 659 pria dan 114 wanita. Semua pekerja baru tersebut adalah berasal dari proses rekrutmen yang dilakukan oleh PHE. [401-1]

Sesuai ketentuan yang berlaku, pekerja baru adalah yang telah lulus masa pendidikan formal dan sudah di atas 17 tahun, sehingga dipastikan tidak ada pekerja PHE yang merupakan pekerja di bawah umur. Pekerja berasal dari berbagai daerah di Indonesia dan selanjutnya akan ditempatkan di Kantor Pusat PHE maupun Anak Perusahaan. [408-1]

Turnover Rate of PHE New Employees

During 2017, PHE recruited 773 new employees, consisting of 659 male and 114 female employees. All of these new employees were hired from the recruitment process by PHE. [401-1]

In accordance with the applicable provisions, the new employees were those who graduated from formal education and above 17 years of age, thus it was ascertained that there were no underage employees at PHE. The employees were originated from different parts of Indonesia and to be placed at PHE Head Office as well as Subsidiaries. [408-1]

Tabel Pegawai Baru PHE Tahun 2017 | Table of PHE New Employees in 2017

Gender Gender			Kelompok Usia Age Group			
Pria Male	Wanita Female	Jumlah Total	<20	21-30	31-40	Jumlah Total
659	114	773	0	120	240	360

Tabel Sumber Pegawai Baru PHE Tahun 2017 | Table of PHE New Employees' Sources in 2017

Sumber Rekrutmen Source of Recruitment	Wanita Female	Pria Male	Jumlah Total
PT Pertamina (Persero)	0	0	0
PHE	11	41	52
PHE ONWJ	103	564	667
PHE NSO NSB	0	35	35
PHE Randugunting	0	3	3
PHE Siak Kampar	0	13	13
PHE UH	0	3	3
Jumlah Total	114	659	773

Tabel Asal Pegawai Baru PHE Tahun 2017

Table of PHE New Employees' Origin in 2017

Asal Daerah (Provinsi) Origin (Province)	Jumlah Pekerja Baru Number of New Employees		
	Pria Male	Wanita Female	Jumlah Total
Jawa Barat West Java	233	58	292
Jakarta	353	87	440
Aceh	35	0	35
Pekanbaru	13	0	13
Kalimantan Selatan South Kalimantan	3	0	3

Tabel Penempatan Pegawai Baru PHE

Table of PHE New Employees' Placement

Penempatan Placement	Jumlah Pekerja Baru Number of New Employees		
	Pria Male	Wanita Female	Jumlah Total
Kantor Pusat PHE, Jakarta PHE Head Office, Jakarta	533	114	644
Anak Perusahaan Subsidiaries			
PHE ONWJ (Lapangan/WK) PHE ONWJ (Field/Working Area)	75	0	75
PHE NSO NSB (Aceh)	35	0	35
PHE Siak Kampar (Siak – Lirik)	13	0	13
PHE UH (Tanjung)	3	0	3

Rekrutmen pekerja baru didasari pada kebutuhan organisasi dan pengembangan bisnis PHE di masa mendatang. Salah satu pertimbangan rekrutmen pekerja baru adalah untuk menggantikan pekerja PHE yang telah meninggalkan Perusahaan karena beberapa sebab.

Selama tahun 2017 tercatat ada 225 pekerja yang meninggalkan PHE. Jumlah tersebut mencapai 13% dari total pekerja PHE. Penyebab pekerja meninggalkan PHE pada tahun 2017 salah satunya adalah memasuki masa pensiun. Pada tahun 2017, terdapat 19 orang yang memasuki usia pensiun. [401-1]

Recruitment of new employees is based on the organization's needs and PHE's business development in the future. One of considerations in the new employee recruitment is to replace PHE employees who leave the Company for various reasons.

During 2017 there were 225 employees who left PHE. The figure accounted for 13% of PHE's total employees. One of the reasons of employees leaving PHE in 2017 was retirement. In 2017, there were 19 people entering retirement age. [401-1]

Tabel Latar Belakang dan Tingkat Turnover Pegawai PHE Tahun 2017

Table of Reasons and Rate of PHE Employee Turnover in 2017

Latar Belakang Reasons	Jumlah Total	Jumlah Pegawai PHE Number of PHE Employees	%
Pensiun Retirement	19	1.754	1,1%
Pensiun Dini Early Retirement	0	0	0
Pindah Tugas - Ke PT Pertamina (Persero) - Ke Anak Usaha PT Pertamina (Persero) Transfer - To PT Pertamina (Persero) - To Subsidiaries of PT Pertamina (Persero)	206 6 200	1.754	12%
Mengundurkan Diri Resignation	0	0	0
Meninggal Dunia Pass away	0	0	0
Jumlah Total	225	1.754	13%

Sebagai salah satu strategi pengembangan pekerja dan untuk memenuhi kebutuhan organisasi di PHE, AP dan juga Pertamina (Persero) secara keseluruhan, maka perusahaan juga melakukan mutasi atau perpindahan tugas pekerja. Pada tahun 2017 sebanyak 206 orang pekerja PHE dan AP, yang terdiri dari 172 orang pekerja pria dan 34 orang pekerja wanita yang dimutasi dari Perusahaan.

As one of the strategies for employee development and to meet the overall organizational needs at PHE, Subsidiaries and Pertamina (Persero), the Company also conducts job transfer of employees. In 2017, 206 employees of PHE and subsidiaries, consisting of 172 male employees and 34 female employees were transferred from the Company.

Target/Rencana Kegiatan Pada Tahun 2017 yang Ditetapkan Manajemen

Target/Activity Plan in 2017 Established by Management

No	Rencana Kegiatan terkait Ketenagakerjaan, Kesehatan, dan Keselamatan Kerja Activity Plans on Employment, Occupational Health and Safety	
1	Management Walk Through (MWT)	Management Walk Through (MWT)
2	Loss Control Meeting (LCM)	Loss Control Meeting (LCM)
3	Self assessment 9 (sembilan) Aspek Fundamental	Self assessment of 9 (nine) Fundamental Aspects
4	Penerapan Contractor Safety Management System (CSMS)	Contractor Safety Management System (CSMS) implementation
5	Pengelolaan HSSE Risk Register	HSSE Risk Register management

Rencana Kegiatan terkait Ketenagakerjaan, Kesehatan, dan Keselamatan Kerja Activity Plans on Employment, Occupational Health and Safety		
6	Pengelolaan <i>fitness for work</i>	Fitness for work management
7	Penerapan Process Safety Management (PSM)	Process Safety Management (PSM) implementation
8	<i>Illness Incident</i> Investigasi di Anak Perusahaan	Illness Incident Investigation at Subsidiaries
9	<i>First Aid Training</i> untuk Anak Perusahaan	First Aid Training for Subsidiaries
10	<i>Medivac Assessment</i> di seluruh Anak Perusahaan	Medivac Assessment at all Subsidiaries
11	<i>Food Hygiene Assessment</i> di seluruh Anak Perusahaan	Food Hygiene Assessment at all Subsidiaries



Kegiatan yang Dilakukan dan Dampak Kuantitatif Atas Kegiatan tersebut

Activities Conducted and Quantitative Impact On Such Activities

Kegiatan	Dampak Kuantitatif Quantitative Impact	Activities
Management Walk Through (MWT) ke seluruh Anak Perusahaan sebagai komitmen manajemen dalam mengelola aspek keselamatan dan kesehatan kerja.		Management Walk Through (MWT) to all subsidiaries as the management's commitment in managing occupational safety and health aspect.
Loss Control Meeting (LCM) ke seluruh Anak Perusahaan sebagai komitmen manajemen dalam mengelola aspek keselamatan dan kesehatan kerja		Loss Control Meeting (LCM) to all subsidiaries as the management's commitment in managing aspects of occupational health and safety
Self assessment 9 (sembilan) Aspek Fundamental		Self assessment of 9 (nine) Fundamental Aspects
Penerapan Contractor Safety Management System (CSMS) untuk memastikan seluruh operasi kontraktor/ vendor dapat mengelola aspek HSSE tersebut dilaksanakan dengan cara menekan serendah mungkin atau bahkan meniadakan insiden melalui peningkatan pengetahuan, pemahaman dan kesadaran serta kepedulian terhadap aspek HSSE kepada semua pihak terkait.		Contractor Safety Management System (CSMS) implementation to ensure that all contractors/vendors' operations can manage the HSSE aspect by minimizing or even eliminating incidents through improvement of knowledge, understanding and awareness of HSSE aspects to all related stakeholders.
Pengelolaan HSSE Risk Register untuk mengelola risiko secara efektif dalam rangka mencegah insiden.		HSSE Risk Register management to effectively manage risk in order to prevent incidents.
Pengelolaan <i>fitness for work</i> untuk memastikan seluruh pekerja sehat tanpa ada risiko kesehatan untuk bekerja.	Penurunan insiden kecelakaan kerja dan <i>total recordable incident rate</i> di tahun 2017	Fitness for work management to ensure all employees are healthy without any health risks to work.
Beberapa anak perusahaan secara inisiatif menerapkan Sistem Manajemen K3 berdasarkan OHSAS 18001:2007 dan melaksanakan penilaian berbasis International Sustainability Rating System (ISRS) untuk menilai efektivitas dan efisiensi pengelolaan risiko pekerjaan.	Decrease in the incidence of workplace accidents and total recordable incident rate in 2017	Several subsidiaries initiated OHS Management System based on OHSAS 18001:2007 and conducted assessment based on International Sustainability Rating System (ISRS) to assess the effectiveness and efficiency of work risk management.
Utilisasi inovasi peralatan pengendalian risiko keselamatan dan kesehatan kerja pada proses produksi dan pendukung sesuai dengan hasil HSSE Risk Register.		Utilization of innovation in occupational health and safety risk control equipment in production and supporting process according to HSSE Risk Register results.
Penerapan Process Safety Management (PSM) untuk memastikan risiko yang berasal dari seluruh proses operasi dapat dikendalikan.		Process Safety Management (PSM) application to ensure the risks arising from the entire operation process can be controlled.
<i>Illness Incident</i> Investigasi di Anak Perusahaan		Illness Incident Investigation at Subsidiaries
<i>First Aid Training</i> untuk Anak Perusahaan		First Aid Training for Subsidiaries
<i>Medivac Assessment</i> di seluruh Anak Perusahaan		Medivac Assessment at all Subsidiaries
<i>Food Hygiene Assessment</i> di seluruh Anak Perusahaan		Food Hygiene Assessment at all Subsidiaries

Sarana dan Keselamatan Kerja

Kegiatan operasi PHE di sektor hulu migas meliputi wilayah darat (*onshore*) dan lepas pantai (*offshore*). Kondisi ini menghadapkan para pekerja pada risiko tinggi yang bisa mengancam keselamatan kerja, sehingga menuntut pengelolaan aspek keselamatan dan kesehatan kerja sebagai bagian dari aspek Mutu, Keselamatan Kesehatan Kerja dan Lindung Lingkungan (MK3LL).

Pengelolaan MK3LL menjadi bagian dari tugas dan tanggung jawab Fungsi Quality, Health, Safety, Security and Environmental (QHSSE). Berbagai upaya dilakukan PHE untuk memastikan kepatuhan dan penerapan praktik-praktik terbaik keselamatan dan kesehatan kerja (K3). Fungsi QHSSE juga memastikan terlaksananya kegiatan MK3LL dengan baik di seluruh wilayah kerja PHE.

Dalam penerapan K3, PHE telah memiliki Panitia Pembina Keselamatan dan Kesehatan Kerja (P2K3) yang berfungsi sebagai komite. Keanggotaan P2K3 terdiri dari Fungsi QHSSE sebagai perwakilan manajemen, serta perwakilan pekerja dari Anak Perusahaan PHE. [403-1]

Secara berkala Fungsi QHSSE dan perwakilan pekerja melakukan pertemuan untuk membahas kinerja MK3LL. Pembahasan mencakup Dewan Mutu dan Produktivitas, Program Penilaian Peringkat Kinerja Perusahaan (PROPER), *International Sustainability Rating System* (ISRS), *Total Recordable Incident Rate* (TRIR), *Sistem Manajemen Pengamanan* (SMP), OH-IH (*Occupational Health-Industrial Hygiene*) dan pembahasan terkait MK3LL lainnya.

PHE memastikan seluruh anak perusahaan memiliki sarana dan prasarana terkait aspek MK3LL. Hal ini dimaksudkan untuk meminimalisasi risiko dan mencegah terjadinya insiden akibat kegagalan operasi sesuai standar industri migas dan peraturan yang berlaku.

Facilities and Occupational Safety

PHE operating activities in the upstream oil & gas sector cover onshore and offshore areas. This conditions pose high risk to the employees that can threaten their occupational safety, which require the management of occupational health and safety aspects as part of the Quality, Occupational Health, Safety, Security and Environment (QHSSE).

The QHSSE management is part of the duties and responsibilities of Quality, Health, Safety, Security and Environmental (QHSSE) Function. Efforts have been made by PHE to ensure compliance and adoption of occupational health and safety (OHS) best practices. The QHSSE function also ensures the QHSSE activities are implemented properly in all working areas of PHE.

In the OHS implementation, PHE already has a Committee on Occupational Health and Safety (P2K3). The membership of P2K3 consists of QHSSE Function as management representatives and employee representatives of PHE Subsidiaries. [403-1]

Periodically, QHSSE function and employee representatives meet to discuss QHSSE performance. The discussions include the Quality and Productivity Council, the Corporate Performance Rating Assessment Program (PROPER), *International Sustainability Rating System* (ISRS), *Total Recordable Incident Rate* (TRIR), *Security Management System* (SMP), OH-IH (*Occupational Health-Industrial Hygiene*) and other QHSSE related discussions.

PHE ensures all subsidiaries have QHSSE facilities and infrastructure. It aims to minimize risks and prevent the occurrence of incidents due to failure of operations in accordance with oil & gas industry standards and regulations.

Komite K3 dan Pelatihan K3

Secara umum para pekerja PHE yang ditugaskan di lapangan terutama yang memiliki risiko tinggi kecelakaan kerja, PHE wajib menyediakan dan menggunakan alat pelindung diri (APD). Peralatan tersebut mencakup *safety helmet*, kacamata, sarung tangan, sepatu safety, dan APD lain untuk pekerjaan khusus. [403-3]

Dalam kurun waktu periode pelaporan, PHE telah melakukan berbagai upaya untuk menjaga kepatuhan penerapan K3 oleh para pekerja. Upaya tersebut di antaranya:

- *Emergency drill* di lingkungan kerja PHE Tower sebanyak 2 kali.
- Pelatihan lain, meliputi: *Fire Fighting*, *First Aider*, *Basic Sea Survival and HUET*. ISRS Assessor & Champion, PROPER, *Continuous Improvement Program (CIP)*, *Business Process Management* berbasis ISO 9001:2015 dan Penyusunan Dokumen Kinerja Ekselen berbasis Kriteria Kinerja Ekselen Pertamina (KKEP).
- Pemenuhan 9 (sembilan) Aspek Fundamental Keselamatan Operasi, meliputi Kontrol masuk, Surat Izin Kerja Aman (SIKA), Alat Pelindung Diri (APD), *Lock Out Tag Out (LOTO)*, *Material Safety Data Sheet (MSDS)*, *Housekeeping*, OH-IH (*Occupational Health-Industrial Hygiene*) dan *Land Transportation Safety*.
- Pemenuhan Sistem Manajemen Pengamanan (SMP).

Topik K3 Dalam Perjanjian Kerja Bersama

Komitmen PHE dalam menerapkan K3 juga dinyatakan dalam Perjanjian Kerja Bersama (PKB) yang berlaku. Ada 5 topik dalam PKB yang mengatur tentang K3, beserta uraiannya. [403-4]

OHS Committee and OHS Training

In general, PHE employees assigned to the field, are especially those with a high risk of workplace accidents, PHE is required to provide and use personal protective equipment (PPE). The equipment includes safety helmet, glasses, gloves, safety shoes, and other PPE for special work. [403-3]

During the reporting period, PHE has made various efforts to maintain comply with OHS application by the employees. These efforts include:

- Emergency drill at PHE Tower 2 times.
- Other trainings, including: Fire Fighting, First Aider, Basic Sea Survival and HUET. ISRS Assessor & Champion, PROPER, Continuous Improvement Program (CIP), Business Process Management based on ISO 9001: 2015 and Preparation of Performance Excellence document based on Pertamina Performance Excellence Criteria (KKEP).
- Compliance with 9 (nine) Fundamental Aspects of Operational Safety, including Incoming Control, Permit to Work (PTW), Personal Protective Equipment (PPE), Safe Work Permit System (SIKA), Lock Out Tag Out (LOTO), Material Safety Data Sheet (MSDS), Housekeeping, OH-IH (Occupational Health-Industrial Hygiene) and Land Transportation Safety.
- Compliance with Security Management System (SMP).

OHS Topics In Collective Labor Agreement

PHE's commitment to implement OHS is also stated in the current Collective Labor Agreement (CLA). There are 5 topics in CLA that regulate OHS, along with their description. [403-4]

Topik K3 Dalam Perjanjian Kerja Bersama ^[403-4]OHS Topics In Collective Labor Agreement ^[403-4]

No	Bab Tentang K3 Bab Tentang K3	Topik K3 Topik K3
1	Penyediaan dan kewajiban penggunaan Alat Pelindung Diri (APD) Provision and obligating of Personal Protective Equipment	Pasal 30 ayat 1. Dalam menjamin keselamatan kerja pekerja, Perusahaan senantiasa akan menyediakan alat-alat keselamatan kerja sesuai dengan ketentuan UU No. 1 Tahun 1970 tentang keselamatan kerja, dan ketentuan lain yang berlaku. Article 30 Verse 1. In Assuring the worker's safety, the company will always provide working safety gears in accordance with Law no. 1 of 1970 on Occupational Safety and other prevailing stipulations.
2	Adanya pembentukan dan peran komite bersama K3 The formation and role of OHS committee	Pasal 30 ayat 6. Perusahaan berhak menunjuk, mengangkat setiap pekerja untuk duduk dalam badan-badan yang dibentuk untuk pencegahan dan penanggulangan kecelakaan/kebakaran dan pencemaran lingkungan di lingkungan masing-masing. Article 30 Verse 6. The company has the right to appoint every workers who are positioned in agencies established to prevent and handle accidents/fire and environmental pollution in respective areas.
3	Adanya partisipasi perwakilan pekerja dalam audit K3 dan investigasi K3 Participation of workers representative in the OHS audit and investigation	Pasal 30 ayat 6. Perusahaan berhak menunjuk, mengangkat setiap pekerja untuk duduk dalam badan-badan yang dibentuk untuk pencegahan dan penanggulangan kecelakaan/kebakaran dan pencemaran lingkungan di lingkungannya masing-masing. Article 30 Verse 6. The company has the right to appoint every workers who are positioned in agencies established to prevent and handle accidents/fire and environmental pollution in respective areas.
4	Adanya pelatihan dan edukasi mengenai K3 Training and Education on OHS	Pasal 30 ayat 10. Setiap pekerja diwajibkan untuk mengikuti pelatihan QHSSE sebagai bagian safety awareness sesuai dengan kepentingan Perusahaan. Article 30 Verse 10. Every worker is require to attend QHSSE trainings as part of safety awareness in accordance with the company's interests.
5	Adanya mekanisme komplain/pengaduan mengenai K3 Complaint mechanism on OHS	Pasal 30 ayat 7. Pekerja wajib melaporkan setiap kejadian kecelakaan/kebakaran dan pencemaran lingkungan Perusahaan serta memberikan keterangan yang benar kepada petugas yang ditunjuk oleh Perusahaan untuk menyelidiki peristiwa tersebut. Article 30 Verse 7. Workers are required to report any accident/fire and environmental pollution of the company and to provide truthful information to the company's appointed official to investigate the incident.

Penerapan *International Sustainability Rating System*

PHE juga menerapkan audit *International Sustainability Rating System* (ISRS), yang menjadi bagian dari dukungan Peta Jalan Pertamina menuju HSSE *Excellence*. Pelaksanaan audit meliputi Anak Perusahaan dan dilakukan oleh pihak independen, internal PT Pertamina (Persero) dan internal PHE sebagai *baseline assessment*.

Melalui audit ISRS PHE dapat memastikan penerapan K3 telah dilaksanakan dengan baik dan benar serta berkelanjutan. Hasil audit ISRS memperlihatkan bahwa kepatuhan dan penerapan K3 pada Anak Perusahaan terus memperlihatkan peningkatan.

Implementation of *International Sustainability Rating System*

PHE also applies the *International Sustainability Rating System* (ISRS) audit, which is part of Pertamina Roadmap towards HSSE *Excellence*. The audit covers Subsidiaries and is conducted by an independent party, internal party of PT Pertamina (Persero) and internal party of PHE as *baseline assessment*.

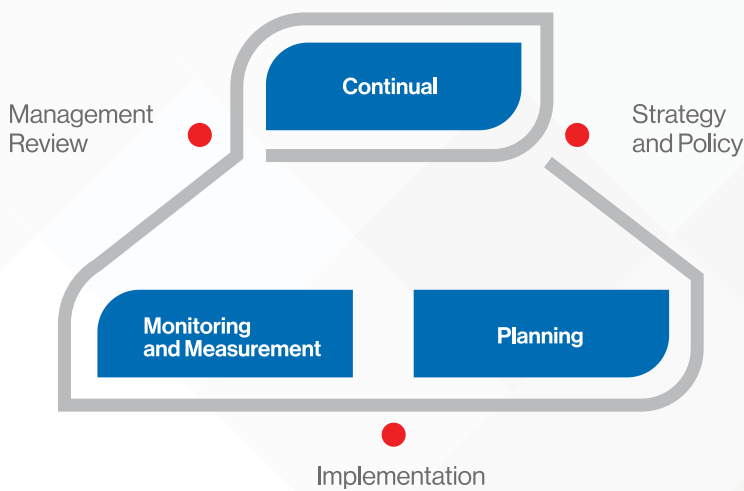
Through the ISRS audit, PHE can ensure the OHS implementation has been implemented properly, correctly and Sustainably. The results of the ISRS audit show that OHS compliance and implementation of subsidiaries continue to show improvement.

Tabel Target dan Pencapaian ISRS PHE Tahun 2017

Dalam mendukung Road Map Pertamina Menuju HSSE Excellence, PHE menerapkan Audit *International Sustainability Rating System* (ISRS), sebagai tolak ukur pelaksanaan HSSE Excellence. Pola penerapan HSSE Excellence menggunakan siklus P-D-C-A sebagai berikut:

Table of ISRS Target and Achievement of PHE in 2017

In support of Pertamina Roadmap Toward HSSE Excellence, PHE implemented the International Sustainability Rating System (ISRS) Audit, as a benchmark of HSSE Excellence implementation. The implementation pattern of HSSE Excellence used the P-D-C-A cycle as follows:



- 1. Leadership
- 2. Planning and Administration
- 3. Risk Evaluation
- 4. Human Resources
- 5. Compliance Assurance
- 6. Project Management
- 7. Training and Competence
- 8. Communication and Promotion
- 9. Risk Control
- 10. Asset Management
- 11. Contractor Management and Purchasing
- 12. Emergency Preparedness
- 13. Learning from events
- 14. Risk monitoring
- 15. Result and Review

Pada tahun 2017, dilaksanakan ISRS Assessment terhadap sejumlah Anak Perusahaan PHE, baik dilakukan secara eksternal oleh DNV-GL, internal Pertamina dan internal PHE (*baseline assessment*) sesuai dengan target yang ditetapkan oleh BOC – BOD Meeting pada bulan Februari 2017. Berikut data yang menyajikan pencapaian ISRS PHE tahun 2017 dimana target di tetapkan Level 7, kecuali target PHE NSO dan PHE NSB ditargetkan pada level 5.

In 2017, the ISRS Assessment of a number of PHE Subsidiaries was conducted by external party, DNV-GL, internal party of Pertamina and internal party of PHE (*baseline assessment*) in accordance with the targets set by the BOC - BOD Meeting in February 2017. The following data is PHE`s ISRS achievement in 2017, where the target was set at Level 7, except PHE NSO and PHE NSB, whose targets were set at level 5.

International Sustainability Rating System

International Sustainability Rating System		
ISRS Level 7-8	ISRS Level 5-6	ISRS Level 3-4
External Assessment DNV: 1. PHE ONWJ – 8 Level 8 1. PHE WMO – 8 Level 7 Internal Assessment Pertamina: 1. JOB PTJM – 8 Level 7 Baseline Assessment PHE: 1. PHE Randugunting – 7 Level 7* 2. PHE Nunukan – 7 Level 7 3. PHE UH – 7 Level 7* 4. PHE ABANG – 7 Level 5*	External Assessment DNV: 1. JOB PMEPTS – 8 Level 5 Internal Assessment Pertamina: 1. JOB PJOK – 7 Level 6 2. BOB PBSP – 7 Level 6 3. JOB PMEPS – 7 Level 5 4. JOB PPEJ – 7 Level 5 5. JOB PPS – 7 Level 5	Internal Assessment Pertamina: 1. JOB PGSIL – 7 Level 4 2. PHE NSB NSO – 7 Level 4 3. PHE Siak-Kampar – 7 Level 3

Process Safety Management (PSM) sudah diterapkan di Anak Perusahaan PHE yang telah menerapkan ISRS series 8.

Process Safety Management (PSM) has been implemented at PHE Subsidiaries adopting ISRS Series 8.

Perbaikan Penerapan K3 dan Apresiasi

Improvement of K3 Application and Appreciation

PHE menyadari pentingnya kepatuhan dan penerapan pada K3, mengingat risiko keselamatan dan kesehatan kerja yang dihadapi pekerja. Secara berkesinambungan PHE terus melakukan perbaikan dan peningkatan dalam penerapan K3.

PHE recognizes the importance of OHS compliance and implementation, given the risks of occupational health and safety faced by the employees. PHE continuously makes improvement and enhancement in the OHS application.

PHE terus mendorong pekerja untuk meningkatkan kompetensi di bidang MK3LL sesuai dengan fungsi dan tanggung jawabnya di dalam pekerjaan. *Training* dan *workshop* yang diikuti selama periode 2015 – 2016, yaitu :

PHE continues to encourage employees to improve competence in QHSSE in accordance with their work functions and responsibilities. Training and workshop that were attended during the period 2015 - 2016, as follows:

Bagian Division	Training
Quality Management	Penyusunan Risalah CIP Preparation of CIP Document.
	Auditor/Coaching CIP CIP Auditor/Coaching
	Juri Forum CIP CIP Forum Judges
	Upskilling gugus pemenang Forum CIP PHE, Upstream Innovations & Improvement Award (UIIA), Forum Internasional Upskilling winner cluster of PHE CIP Forum, Upstream Innovation & Improvement Award (UIIA), International Forum
	Penyusunan Dokumen Kinerja Ekselen (DKE) sesuai Kriteria Kinerja Ekselen Pertamina (KKEP) Preparation of Performance Excellence Document (DKE) according to Pertamina Performance Excellence Criteria (KKEP).
	Workshop DKE KKEP untuk Tim Penyusun DKE KKEP Workshop for Drafting Team

Bagian Division	Training
Health & safety	First Aid Training
	Fire Fighting Training
	Auditor International Sustainability Rating System (ISRS) Training International Sustainability Rating System (ISRS) Auditor Training
	Sistem Izin Kerja Aman (SIKA) Permit to Work (PTW)
	Upskilling ISRS untuk para Champion Upskilling ISRS for Champions
Environment	Beban Emisi Emission Load
	Oil Spill
	Workshop PROPER PROPER Workshop
Security	Workshop Security Security Workshop

Apresiasi dan Penghargaan

Komitmen PHE dan juga anak perusahaan pada kepatuhan dan penerapan K3 sepanjang tahun 2017, memperoleh apresiasi dan penghargaan dari berbagai pihak, di antaranya:

Appreciation and Awards

The commitment of PHE and its subsidiaries to the compliance and implementation of OHS throughout 2017, gained appreciation and awards from various parties, including:

PENGHARGAAN DAN PENCAPAIAN QHES2 2017 INTERNATIONAL, NASIONAL & INTERNAL PERTAMINA QHSE AWARDS AND ACHIEVEMENTS IN 2017 INTERNATIONAL, NATIONAL AND INTERNAL OF PERTAMINA



CONTINUOUS IMPROVMENT PROGRAM

<p>FT Prove Divergent (PHE ONWJ) meraih Gold Medal Award di Seoul International Invention Fair, Seoul, Korea Selatan</p>	<p>PC Djenggo dalam kategori Kaizen - Continual Improvement & Innovation Symposium Competition 2017 (CIISC), Dubai, UAE</p>	<p>PC PROVE Hi-Five (PHE WMO) raih 3 stars & The Best Overall Team (The Best Presentation) di Asia Pacific Quality Organization Conference Manila, Philippines</p>	<p>PC Prove Relokasi (PHE WMO) & PC PROVE Rencong Emas (PHE NSB NSO) Meraih Gold Medal Award di International Conventions on Quality Control Circles, Manila, Philippines</p>	<p>UPSTREAM INNOVATION AND IMPROVEMENT AWARD (UIIA) OVERALL WINNER OF UIIA 2017</p> <ul style="list-style-type: none"> Juara Umum UIIA 2017 Most Value Reserve I: FT-Prove Durian Nambo (JOB PMTS) Most Value Reserve II: PC-Prove Joker (PHE UH) The Best Innovation II: PC-Prove Kiss (JOB PTJM) Best CIP I-Prove: I-Prove Barez (PHE ONWJ) Best CIP FT-Prove: FT-Prove U-Clamps (PHE ONWJ) Penghargaan CIP Platinum: FT-Prove Sand Man (PHE ONWJ) FT-Prove Supersonik (PHE ONWJ) FT-Prove U-Clamp (PHE ONWJ) FT-Prove Bumi Siak (BOB PBSP) FT-Prove Durian Nambo (JOB PMEPTS) PC-Prove Hero (PHE WMO) PC-Prove Joker (PHE UH) PC-Prove Re-Core (JOB PPEJ) PC-Prove Air Serdang (JOB PJOK) PC-Prove Kiss (JOB PTJM) I-Prove Barez (PHE ONWJ) Penghargaan CIP Gold: FT-Prove New Play (PHE ONWJ) PC-Prove Dinda (PHE WMO) PC-Prove Pegasus (PHE WMO) PC-Prove Transformer (BOB PBSP) PC-Prove Kupi Gayo (PHE NSB-NSO) PC-Prove Nitro (PHE Randugunting)
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FT - Prove Sentris (PHE ONWJ) meraih Gold Medal di International Invention Taipei International Invention Show & Technomart Invention Contest (TIIS&TIC), Taiwan

INTERNATIONAL SUSTAINABILITY RATING SYSTEM

ISRS LEVEL 7-8	ISRS LEVEL 5-6	ISRS LEVEL 3-4
<p>External Assessment DNV: 1. PHE ONWJ - 8 Level 8 2. PHE WMO - 8 Level 7</p> <p>Internal Assessment Pertamina: 1. JOB PTJM - 8 Level 7</p> <p>Baseline Assessment PHE: 1. PHE Randugunting - 7 Level 7 2. PHE Nunukan - 7 Level 7 3. PHE UH - 7 Level 7 4. PHE ABANG - 7 Level 5*</p> <p>* Note: Angka baseline assessment untuk AP exploration</p>	<p>External Assessment DNV: 1. JOB PMEPTS - 8 Level 5</p> <p>Internal Assessment Pertamina: 1. JOB PJOK - 7 Level 6 2. BOB PBSP - 7 Level 6 3. JOB PMEPTS - 7 Level 5 4. JOB PPEJ - 7 Level 5 5. JOB PPS - 7 Level 5</p>	<p>Internal Assessment Pertamina: 1. JOB PGSIL - 7 Level 4 2. PHE Siak-Kampar - 7 Level 3</p>

PENGHARGAAN PROPER 2017 PROPER AWARDS 2017

EMAS GOLD	HIJAU GREEN	BIRU BLUE
<p>PHE WMO PHE ONWJ JOB PTJM</p>	<p>JOB PMEPTS JOB PJOK JOB PPRJ</p>	<p>JOB PGSIL BOB PBSP PHE NSB PHE NSO JOB PPS PHE KAMPAR</p>

PATRA NIRBAYA KARYA - PENGHARGAAN K3 KEMENTERIAN ESDM OHS AWARDS FROM MINISTRY OF ENERGY AND MINERAL RESOURCES

<p>BOB PBSP - Patra Nirbhaya Karya Utama Adinugraha I JOB PTJM - Patra Nirbhaya Karya Utama JOB PMEPTS - Patra Nirbhaya Karya Utama JOB PPEJ - Patra Nirbhaya Karya Utama</p>	<p>PHE WMO - Patra Nirbhaya Karya Utama JOB PPS - Patra Nirbhaya Karya Madya JOB PGSIL - Patra Nirbhaya Karya Pratama</p>
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PATRA DHARMA KARYA - PENGHARGAAN K3 KEMENTERIAN ESDM OHS AWARDS FROM MINISTRY OF ENERGY AND MINERAL RESOURCES

<p>PHE ONWJ - Patra Dharma Karya Madya PHE WMO - Patra Dharma Karya Muda</p>

PATRA ADHIKARYA BHUMI - PENGHARGAAN HSSE PERTAMINA HSSE AWARDS FROM PERTAMINA

<p>PHE ONWJ - Patra Adhikarya Bhumi Utama PHE WMO - Patra Adhikarya Bhumi Utama JOB PTJM - Patra Adhikarya Bhumi Utama</p>



Tingkat Kecelakaan Kerja

PHE menargetkan nihil kecelakaan kerja selama tahun 2017. Realisasi memperlihatkan bahwa selama tahun 2017 tercatat ada 6 kasus/kejadian kecelakaan kerja (*recordable cases*). Perusahaan memastikan, tidak ada kecelakaan kerja yang bersifat fatal dan mengakibatkan pekerja meninggal dunia. Hal ini menegaskan kesungguhan PHE dalam mewujudkan komitmen terhadap HSSE dan kampanye budaya keselamatan. [403-2]

Pada tahun 2017, jumlah kasus kecelakaan kerja terbanyak adalah 20 kasus. Jumlah tersebut lebih sedikit dibanding tahun 2016 sebanyak 29 kasus kecelakaan kerja yang didominasi kasus pertolongan pertama.

Berbagai upaya peningkatan kinerja aspek MK3LL terus dilakukan, namun insiden masih terjadi selama tahun 2017 di PHE. Selama tahun 2017, tidak terjadi kasus yang menyebabkan kehilangan waktu kerja (*Lost Time Incident*) tetapi masih terdapat 3 kasus menyebabkan pembatasan kerja (*restricted work day case*), dan 3 kasus memerlukan penanganan medis (*Medical Treatment Case*). Jumlah insiden tahun 2017 menurun bila dibandingkan dengan tahun 2016. Hal ini dikarenakan berkurangnya aktivitas selama tahun 2017 seperti pengeboran dan proyek. Sedangkan cakupan wilayah kerja PHE pada tahun 2017 bertambah. Berikut adalah tabel yang menunjukkan data insiden kecelakaan kerja di Pertamina dalam 3 tahun terakhir.

Workplace Accident Rate

PHE set a target of zero accident during 2017. The realization showed that during 2017 there were 6 recordable cases/incidents of workplace accidents. The Company ensured that there were no fatal workplace accidents that caused death to employees. This underlined PHE's seriousness in realizing its commitment to HSSE and the safety culture campaign. [403-2]

In 2017, the highest number of workplace accidents was 20 cases. The number was lower than 29 cases of workplace accidents in 2016, which was dominated by first aid cases.

Efforts to improve the performance of QHSSE aspects continued, but incidents still occurred during 2017 at PHE. During 2017, there were no Lost Time Incident occurred, but there were 3 cases of restricted work days, and 3 cases requiring medical treatment (Case Treatment). The number of incidents in 2017 decreased when compared to 2016. This was due to reduced activities during 2017, such as drilling and project. While the coverage of PHE working areas in 2017 increased. Below is a table showing the data of accidents in Pertamina during the last 3 years.

Tabel Insiden Kecelakaan Kerja PHE | Table of Workplace Accident Incidents at PHE [403-2]

Jenis Kasus Kecelakaan Kerja Types of Workplace Accidents	2017	2016	2015
Fatality	0	0	0
Last Time Incidents (LTI)	0	1	2
Restricted Work Day Case (RWDC)	3	1	2
Medical Treatment Case (MTC)	3	6	14
First Aid Case (FAC)	14	21	23
Total Kasus Total Cases	20	29	41

Total Recordable Incident Rate (TRIR)

Total Recordable Incident Rate (TRIR) yang dicapai PHE pada tahun 2017 adalah sebesar 0,17. Pencapaian tersebut lebih kecil dari target TRIR tahun 2017 sebesar 1,19 (semakin kecil TRIR semakin baik). Pencapaian ini merupakan upaya dari komitmen yang kuat dan implementasi dari kebijakan dan prosedur MK3LL di PHE dan di semua AP PHE.

TRIR tahun 2017 menurun bila dibandingkan dengan realisasi TRIR tahun 2016. Hal ini merupakan hasil dari komitmen manajemen dan pekerja kesehatan dan keselamatan kerja. Selain itu hal ini dikarenakan berkurangnya aktivitas kegiatan di wilayah kerja PHE baik pengeboran maupun proyek. Hal ini dapat terlihat pada menurunnya jumlah total jam kerja PHE tahun 2016 dan 2017.

Total Recordable Incident Rate (TRIR)

PHE's Total Recordable Incident Rate (TRIR) in 2017 was 0.17. The rate was lower than the TRIR 2017 target of 1.19 (the smaller TRIR the better). This achievement was due to effort from strong commitment and implementation of QHSSE policies and procedures at PHE and all subsidiaries.

TRIR in 2017 decreased when compared with the realization of TRIR in 2016. This was the result of the management and employees' commitment in occupational health and safety. In addition, this was also due to reduced activities in the working areas of PHE both drilling and projects. This was shown by decreasing total number of working hours at PHE during 2016 and 2017.

Tabel Jam Kerja, Kasus Terekam dan TRIR PHE

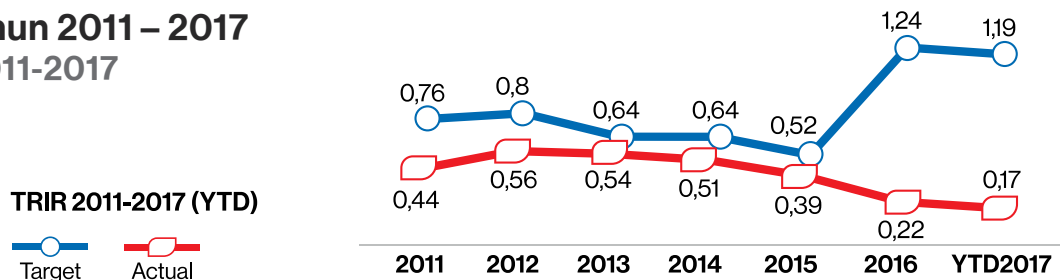
Table of Working Hours, Recordable Cases and TRIR of PHE

Tahun Year	Jam Kerja Working Hours	Kasus Terekam Recordable Cases	Realisasi TRIR TRIR Realization	Target TRIR TRIR Target
2017	34.579.231	6	0,17	1,19
2016	36.007.273	8	0,22	1,24
2015	46.978.745	18	0,39	0,52

Secara umum, pencapaian TRIR PHE dalam kurun waktu beberapa tahun terakhir memperlihatkan kecenderungan realisasi lebih kecil dibanding target. Pencapaian ini merupakan upaya dari komitmen yang kuat untuk menerapkan kebijakan dan prosedur MK3LL, baik di lingkungan PHE maupun Anak Perusahaan.

In general, PHE's TRIR in the last few years has shown the trend of smaller realization than the target. This achievement was due to the effort based on strong commitment to implement QHSSE policies and procedures, both within PHE and its Subsidiaries.

Grafik TRIR Tahun 2011 – 2017 Chart of TRIT 2011-2017





Komitmen pada Kesehatan Kerja

Aspek lain dalam penerapan K3 adalah perihal kesehatan kerja bagi para pekerja. PHE mewujudkannya melalui penyediaan fasilitas dan pelayanan kesehatan, serta melakukan pemeriksaan kesehatan pekerja secara berkala.

Berdasarkan Peraturan Perusahaan diatur bahwa pelaksanaan pemeriksaan kesehatan berkala dilakukan 1 kali dalam setahun. Melalui pemeriksaan kesehatan berkala akan diketahui potensi gangguan kesehatan/penyakit yang dihadapi pekerja, sehingga dengan cepat dan tepat bisa dilakukan tindakan medis, sehingga tidak mengganggu kegiatan operasi.

Tahun 2017, kegiatan kesehatan kerja dilakukan dengan memastikan bahwa semua karyawan PHE dan AP PHE mematuhi kebijakan 100% tertib Pemeriksaan Kesehatan Berkala (*Medical Check Up/MCU*). Dengan tekad yang kuat dan menjadikan lingkungan kerja yang aman dan sehat, kami telah menunjukkan peningkatan. Selain itu upaya PHE dalam mewujudkan kesehatan kerja yaitu dengan program-program promotif dan preventif yaitu pelaksanaan :

Commitment to Occupational Health

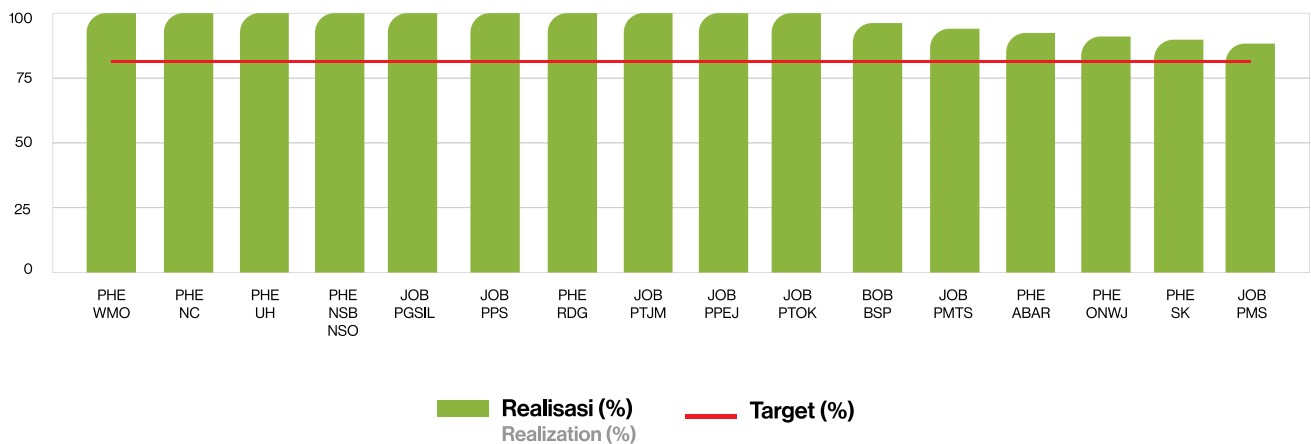
Another aspect of OHS implementation is the occupational health of employees. PHE realizes it through the provision of health facilities and services, as well as conducting periodic medical check up for employees.

Based on the Company Regulation, the implementation of periodic medical check up conducted once a year. The periodic medical check up will identify potential health problems/diseases encountered by employees, thus quick and accurate medical action can be taken, so as not to disrupt the operating activities.

In 2017, occupational health activities were carried out by ensuring that employees of PHE and all its subsidiaries comply with the policy on 100% Medical Check Up (MCU). With strong determination to create a safe and healthy working environment, we have shown improvement. In addition, PHE's efforts realized occupational health with the following promotive and preventive :

- Penyusunan Integrasi Pedoman terkait OH-IH, misalnya Pedoman OH-IH, TKO Penilaian Risiko Kesehatan, TKO Pemeriksaan Kesehatan Pekerja, TKO Pemantauan Hygiene Industri, TKO Pengelolaan Keamanan Pangan dan TKI Pemantauan Kesehatan Kerja di Lapangan.
- Broadcast Health Awareness setiap bulan selama tahun 2017.
- Melaksanakan review MCU.
- *Healthy Talk*.
- Donor Darah.
- *Pest Control*.
- *Indoor Air Quality*.
- *Workshop OH-IH*.
- Preparation of Guidelines Integration on OH-IH, such as OH-IH Guidelines, Technical Work Procedures (TKO) of Health Risk Assessment, TKO of Employee Medical Checks, TKO of Industrial Hygiene Monitoring, TKO of Food Safety Management and Individual Work Procedures of Occupational Health Field Monitoring.
- Broadcast Health Awareness every month during 2017.
- Conducting MCU review.
- Healthy Talk.
- Blood Donor.
- Pest Control.
- Indoor Air Quality.
- OH-IH Workshop.

MCU Compliance AP PHE Tahun 2017



Pendidikan dan Pelatihan

PHE berkomitmen melaksanakan program pengembangan kompetensi pekerja melalui pendidikan, pelatihan maupun berbagai penugasan. Pelaksanaan kegiatan pengembangan kompetensi didasari pada kebutuhan organisasi dengan mempertimbangkan kebutuhan masing-masing pekerja, berdasarkan hasil *people review* yang dilakukan setiap tahun.

People review dilaksanakan Fungsi Pengelolaan Sumber Daya Manusia (SDM). Tujuan dari kegiatan ini adalah untuk menggali dan mengembangkan kebutuhan masing-masing pekerja. Dari hasil *review* tersebut, PHE menyusun annual training plan bagi setiap pekerja. Pada tahun 2017, PHE menyelenggarakan 38.261 jam pelatihan/pendidikan yang diikuti oleh 1.789 peserta dari seluruh kelompok jabatan. [404-1]

Education and Training

PHE is committed to implementing employee competence development program through education, training and various assignments. Implementation of competence development activities according to the organization's needs by considering the needs of each employee, based on the results of *people review* conducted every year.

People review is conducted by Human Resource (HR) Management Function. The purpose of this activity is to explore and develop the needs of each worker. From the results of the review, PHE prepares annual training plan for every employee. In 2017, PHE held 38,261 hours of training/education, attended by 1,789 participants from all position groups. [404-1]

Tabel Jam Pelatihan dan Jumlah Peserta Tahun 2017

Table of Training Hours and Number of Participants in 2017

Perusahaan Organization	Jumlah Peserta Employee	Jumlah Program Man Course	Hari Pelatihan Training Days	Jam Pelatihan Training Hours
PHE	213	134	510	4080
PHE ABAR ANGGURSI	14	6	25	200
PHE NSB NSO	172	39	123	984
PHE NUNUKAN	41	17	67	536
PHE ONWJ	722	346	1.296	10.378
PHE SIAK KAMPAR	60	39	176	1.408
PHE UH	19	24	91	728
PHE WMO	548	808	2.562	19.947
TOTAL		1.433	4.850	38.262

Secara berkesinambungan, PHE juga menyelenggarakan program *in-house training* sebagai bagian dari inisiatif efisiensi, sekaligus mendorong budaya *knowledge sharing* dari para ahli internal. Selama tahun 2017 tercatat ada 338 kegiatan *knowledge sharing* (*Sharing CIP* dan *Forum Sharing*) yang diikuti oleh kurang lebih 389 pekerja PHE sebagai peserta.

PHE also continuously organizes in-house training programs as part of efficiency initiative, while promoting knowledge sharing culture from internal experts. During 2017 there were 338 knowledge sharing activities (*CIP Sharing* and *Sharing Forum*) attended by approximately 389 employees of PHE as participants.

Selain pelaksanaan pelatihan, *knowledge sharing* dilaksanakan melalui Knowledge Management Pertamina (KOMET). KOMET diterapkan sebagai upaya mengelola inovasi dan penyempurnaan dengan meningkatkan budaya berbagi pengetahuan, baik melalui kegiatan tatap muka (*offline*) maupun dengan memanfaatkan teknologi informasi (*online* atau webinar). PHE telah melaksanakan kegiatan Forum *Sharing* KOMET baik Forum *Sharing* KOMET dari Forum Presentasi CIP sebanyak 136 gugus, Forum KOMET *offline* sebanyak 49 kali dan Forum KOMET *online* (*webinar lync*) sebanyak 3 kali selama tahun seiring bertambahnya keterlibatan pekerja dalam program ini.

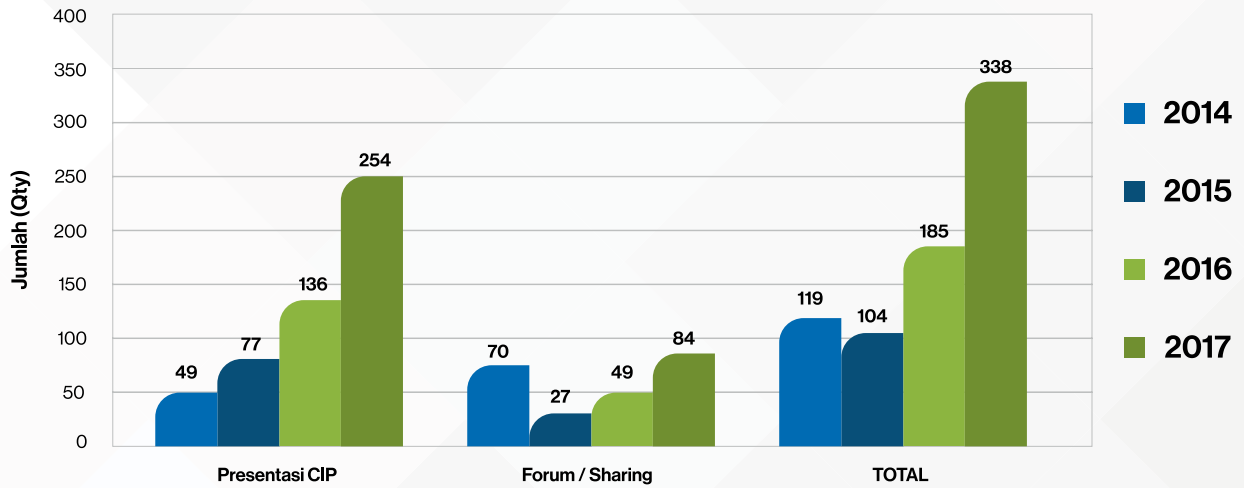
In addition to training, knowledge sharing is conducted through Pertamina Knowledge Management (KOMET). KOMET is implemented as an effort to manage innovation and improvement by enhancing knowledge sharing culture, both offline and using information technology (online or webinar). PHE has held KOMET Sharing Forum KOMET both from the CIP Forum Presentation of 136 clusters, 49 Offline KOMET forums and 3 online KOMET forum (webinar lync) during the year along with the increasing involvement of employees in this program.

Tabel Penyelenggaraan Knowledge Sharing

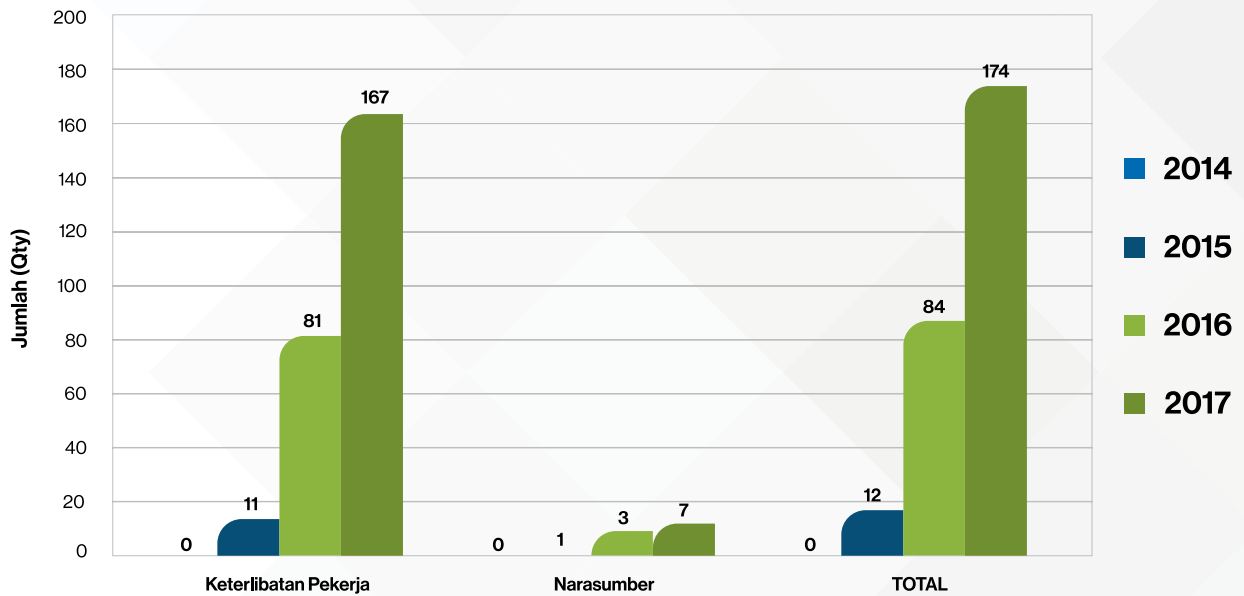
Table of Knowledge Sharing Implementation

No	Judul Theme	Narasumber Speaker	Fungsi/Unit Function/Unit
1	Optimalisasi kinerja perusahaan melalui pengelolaan portofolio di lingkungan PT PHE Optimization of company performance through environmental management portfolio of PT PHE	R Gunung SH	PHE
2	Meningkatkan kehandalan pipa alir dengan penerapan lapisan internal keramik di fasilitas produksi anjungan tak berpenghuni PT PHE ONWJ Improve pipeline reliability with the application of ceramic internal coating at uninhabited platform production facility of PT PHE ONWJ	Hermanto S	PHE ONWJ
3	Menurunkan kejadian sakit akibat pangan melalui penerapan Roti Kepang di PHE ONWJ Reduce the incidence of illness caused by food through braided bread program at PHE ONWJ	PC PROVE Patriot	PHE ONWJ
4	Peningkatan Pengelolaan Kinerja Lingkungan melalui program 3R Limbah Padat Non B3 di PHE WMO Improvement of Environmental Performance Management through the 3R of Non-B3 Solid Waste Program at PHE WMO	Agus Sucahyo	PHE WMO
5	Inovasi ATM air bersih untuk pemberdayaan masyarakat di sekitar Wilayah Operasi Inovasi ATM air bersih untuk pemberdayaan masyarakat di sekitar Wilayah Operasi	Adelina Novianti	JOB PTJM
6	KOMET Internal WMO KOMET Internal WMO	Widia	PHE WMO
7	Peningkatan Kinerja Pengelolaan Lingkungan Program pengurangan emisi di PHE ONWJ Improvement of Environmental Management Performance in the emission reduction program at PHE ONWJ	Machfud	PHE ONWJ

Komet Sharing PHE Trendline 2014-2017



Komet Webinar Lync PHE Trendline 2014-2017



Remunerasi bagi Pegawai

Besaran remunerasi bagi pekerja PHE ditetapkan berdasarkan *market review* dengan memperhatikan ketentuan yang berlaku di PT Pertamina (Persero) sebagai induk perusahaan. Remunerasi yang diberikan didasarkan pada pertimbangan profesional dan mengabaikan faktor-faktor yang mengindikasikan diskriminasi.

Remunerasi yang diterima pegawai PHE terdiri dari gaji pokok, tunjangan, insentif dan bonus. Tunjangan yang diberikan didasarkan pada pertimbangan status kepegawaian, jabatan, masa kerja dan penempatan. Adapun insentif dan bonus diberikan berdasarkan penilaian kinerja pekerja serta kinerja Perusahaan.

Secara umum, besaran remunerasi yang diterima pegawai PHE pada jabatan terendah, masih lebih besar dari ketentuan upah minimum regional maupun upah minimum sektoral, yang ditetapkan pemerintah daerah setempat. Besaran remunerasi pekerja jabatan terendah di Kantor Pusat PHE di Jakarta, masih lebih tinggi 100% dari ketentuan Upah Minimum Sektoral Provinsi DKI Jakarta 2017 yang ditetapkan Rp3.475.000 untuk sektor kimia, energi dan pertambangan berdasarkan Pergub No.20 Tahun 2017 tanggal 23 Februari 2017. [202-1]

Mekanisme Pengaduan Masalah Ketenagakerjaan

Hubungan industrial antara PHE dengan pekerja dibangun atas dasar saling menghargai dan berpedoman pada Undang-Undang No.13 Tahun 2013 tentang Ketenagakerjaan. Perusahaan memberi akses kepada setiap pekerja untuk berserikat dan menyatakan pendapat, termasuk menyampaikan pengaduan terkait masalah ketenagakerjaan.

Pekerja PHE telah membentuk lembaga serikat, yakni Organisasi Karyawan Pertamina Hulu Energi (OK PHE) yang berdiri tahun 2016. Selanjutnya OK PHE akan bertindak mewakili pekerja dalam setiap perundingan dengan manajemen, terkait ketenagakerjaan termasuk membuat Perjanjian Kerja Bersama (PKB).

Remuneration for Employees

The amount of remuneration for PHE's employees is determined based on market review with due regard to the applicable provisions in PT Pertamina (Persero) as the holding company. The remuneration provided is based on professional considerations and regardless of factors that indicate discrimination.

Remuneration received by PHE's employees consists of basic salary, benefits, incentives and bonuses. The benefits provided are based on consideration of employment status, position, working period and placement. The incentives and bonuses are given based on performance assessment of employees as well as the Company's performance.

In general, the amount of remuneration received by PHE's employees in the lowest position is still higher than the regional and sectoral minimum wage set by the local regional government. The amount of remuneration of the lowest ranked employees at PHE Head Office in Jakarta is still 100% higher than Jakarta Provincial Minimum Wage in 2015 set at Rp3,475,000 for chemical, energy and mining sectors based on Gubernatorial Regulation No. 20 of 2017 dated February 23, 2017. [202-1]

Grievance Mechanism on Employment Issues

The industrial relations between PHE and employees are built on mutual respect and guided by Law No.13 of 2013 on Manpower. The Company gives every employee the access to associate and to express opinion, including filing grievances on employment matters.

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Sesuai Aturan Perusahaan, pekerja dapat menyampaikan pengaduan terkait masalah ketenagakerjaan maupun pekerjaan melalui mekanisme:

- Melalui atasan langsung
Selanjutnya atasan langsung akan memutuskan solusi atas pengaduan yang disampaikan. Apabila atasan langsung tidak dapat menyelesaikan, maka disampaikan kepada pejabat perusahaan pada jenjang yang lebih tinggi, sampai didapat solusi.
- Lembaga Bipartit
Apabila pejabat perusahaan tidak dapat memutuskan solusi, maka dilakukan perundingan antara manajemen dengan pekerja maupun serikat pekerja yang mewakili.
- Lembaga Tripartit
Mekanisme lembaga tripartit ditempuh apabila lembaga bipartit tidak bisa menyelesaikan pengaduan yang disampaikan. Perundingan tripartit melibatkan manajemen, pekerja dan pihak ketiga sebagai fasilitator perundingan.

Selama tahun 2017 PHE menerima lima pengaduan dari pekerja, terkait masalah ketenagakerjaan dan pekerjaan. Dari jumlah tersebut mekanisme penyelesaian yang ditempuh meliputi:

- Sebanyak 3 pengaduan telah dapat diselesaikan oleh atasan langsung maupun pejabat perusahaan yang lebih tinggi.
- Sebanyak 2 pengaduan telah dapat diselesaikan melalui mekanisme bipartit.

According to Company Rules, employees may file grievances related to employment and work issues through the following mechanisms:

- Through immediate superior
The immediate superior will decide on the solution to the grievance filed. If the immediate superior can not resolve the issue, then it will be filed to company official at a higher level, until the solution is reached.
- Bipartite institution
If a company official can not decide on a solution, negotiations are made between management and employees and representatives of the labor union.
- Tripartite Institutions
The tripartite institute mechanism is pursued if the bipartite institution can not resolve the grievance. Tripartite negotiations involve management, employees and third parties as facilitators of negotiations.

During 2017 PHE received five cases of grievances from employees on employment and work issues. Of these, the settlement mechanisms include:

- A total of 3 grievances have been resolved by the immediate superior as well as higher company officials.
- A total of 2 grievances have been resolved through the bipartite mechanism.



Corporate Social Responsibility yang Terkait Dengan Tanggung Jawab Kepada Konsumen dan Produk

Corporate Social Responsibility in Consumers and Products

Sejalan dengan budaya perusahaan PT Pertamina (Persero), yakni *customer focus*, PHE berupaya mengutamakan kepuasan pelanggan dengan memastikan produk yang dikirimkan sesuai persyaratan yang telah disepakati dalam perjanjian jual beli. PHE juga memastikan, pengiriman produk tetap memperhatikan aspek kesehatan, keselamatan dan lingkungan.

Untuk menjamin proses kerja yang baik untuk seluruh Stakeholder sesuai dengan tujuan perusahaan, PHE melakukan evaluasi terhadap pemasok dan vendor sejak proses seleksi penyedia barang dan jasa dilakukan. Proses dilakukan melalui mekanisme Sistem Pengadaan Barang dan Jasa di Fungsi SCM. Pelaksanaan evaluasi terkait dengan pemenuhan ketentuan dan persyaratan dari pemasok dan vendor yang akan bekerja sama dengan PHE mengacu pada SK No. 176/PHE000/2011-S0 mengenai Manajemen Pengadaan Barang dan Jasa yang di dalamnya memuat STK (Pedoman, TKO dan TKI) Pengadaan Barang dan Jasa.

Selain pelaksanaan evaluasi, PHE juga mewajibkan para pemasok dan vendor untuk melakukan perlindungan terhadap para pekerja untuk memenuhi aspek SMK3 sesuai dengan peraturan dan perundangan dan standar internasional (ISO/OHSAS/ISRS) yang berlaku. Seluruh persyaratan aspek SMK3 tersebut dievaluasi dalam penerapan Pedoman Contractor Safety Management System (CSMS) No. A-005/PHE020/2016-S0. Selain itu PHE juga mewajibkan para pemasok dan vendor untuk memberikan hari libur, cuti hamil dan penyediaan lingkungan kerjanya yang sehat sesuai peraturan perundangan yang berlaku. PHE juga mewajibkan pemasok dan vendor untuk membayar pekerja sesuai dengan Upah Minimum Provinsi (UMP), memberikan kontrak kerja yang jelas dan tidak merugikan pekerja.

In line with the corporate culture of PT Pertamina (Persero), which is customer focus, PHE strives to prioritize customer satisfaction by ensuring the products delivered comply with the terms agreed in the sale and purchase agreement. PHE also ensures that product shipments pay attention to health, safety and environmental aspects.

In order to ensure a good working process for all stakeholders in accordance with the company's objectives, PHE evaluates suppliers and vendors since the selection process of suppliers of goods and services is performed. The process is done through the mechanism of Procurement of Goods and Services System in SCM Function. Evaluation is performed in compliance with provisions and requirements from suppliers and vendors that will cooperate with PHE and refers to Decree No. 176/PHE000/2011-S0 on the Procurement of Goods and Services Management which contains System and Working Procedure (STK), consisting of Guidelines, TKO and TKI for Procurement of Goods and Services.

In addition to the evaluation, PHE also requires suppliers and vendors to protect their workers to meet QHSSE aspects in accordance with applicable international laws and regulations (ISO/OHSAS/ISRS). All aspects of QHSSE are evaluated in the application of Contractor Safety Management System (CSMS) No. A-005/PHE020/2016-S0. In addition PHE also requires suppliers and vendors to provide days off, maternity leave and the provision of a healthy working environment in accordance with applicable laws and regulations. PHE also requires suppliers and vendors to pay their workers in accordance with the Provincial Minimum Wage (UMP), providing clear and non-detrimental employment contracts.

PHE belum melakukan audit ketenagakerjaan terhadap pemasok dan vendor namun PHE akan mengambil tindakan apabila terdapat pemasok dan vendor yang tidak memenuhi perjanjian termasuk melakukan pemutusan perjanjian jika diperlukan. PHE dapat memberikan teguran tertulis, memerintahkan pemasok dan vendor untuk menyesuaikan dengan peraturan perundangan dan standar yang berlaku, memberi sanksi, menghentikan kerja sama bahkan bisa memberi kategori sanksi merah atau hitam kepada pemasok dan vendor yang tidak juga memperbaiki kinerjanya.

Sistem Manajemen Mutu

Produk yang dihasilkan PHE adalah minyak mentah dan gas bumi. Kekhususan ini menjadikan pelanggan yang menjadi pembeli minyak mentah dan gas bumi adalah perusahaan tertentu. Meskipun demikian, PHE tetap berkomitmen menjamin pasokan dan mutu dari setiap minyak mentah dan gas bumi yang dikirimkan.

PHE berkomitmen terhadap penerapan 4 (empat) Pilar Quality Management Pertamina dimulai dari penetapan Dewan Mutu & Produktivitas PHE yang ditetapkan melalui Surat Perintah No. Print – 018 PHE/000/2015-S0 tentang Struktur Organisasi Dewan Mutu dan Produktivitas dengan tugas dan tanggung jawab sebagai berikut:

- Mengelola dan mendorong perbaikan berkelanjutan perusahaan mencakup *Continuous Improvement Program (CIP)*, *Knowledge Management (KM)* dan *Quality Management Assessment (QMA)* dengan tujuan mendukung dan meningkatkan pencapaian target bisnis (RKAP/RJPP).
- Mengelola implementasi *Continuous Improvement Program (CIP)* melalui Proyek Kendali Mutu (PKM)/ *Project Collaboration Improvement (PC-Prove)*, Gugus Kendali Mutu (GKM)/ *Functional Team Improvement (FT-Prove)*, dan Sistem Saran (SS)/ *Individual Improvement (I-Prove)* yang dikelola dengan PDCA. Untuk kelancaran implementasi CIP/kegiatan mutu, maka ditunjuk *Person In Charge (PIC)* di masing-masing Field untuk berkoordinasi dengan Fungsi Manajemen Mutu Anak Perusahaan dan Kantor Pusat PHE.

PHE has not conducted an employment audit of suppliers and vendors but will take action if there are suppliers and vendors who do not comply with the agreement including contract termination if necessary. PHE may provide written reminder, ordering suppliers and vendors to comply with applicable laws and regulations, impose sanctions, terminate cooperation and even give red or black categories of sanctions to suppliers and vendors who do not improve their performance.

Quality Management System

PHE's products are crude oil and natural gas. The specialty of products makes the customer who becomes the buyer of crude oil and natural gas is a particular company. However, PHE remains committed to ensuring the supply and quality of any crude oil and gas delivered.

PHE is committed to the implementation of the 4 (four) Pillars of Pertamina Quality Management starting from the establishment of PHE Quality & Productivity Board based on Letter of Instruction No. Print - 018 PHE/000/2015-S0 on the Organizational Structure of the Quality and Productivity Board with the following duties and responsibilities:

- Managing and promoting continuous improvement of the company covering *Continuous Improvement Program (CIP)*, *Knowledge Management (KM)* and *Quality Management Assessment (QMA)* with the aim of supporting and enhancing the achievement of business targets (RKAP/RJPP).
- Managing the implementation of *Continuous Improvement Program (CIP)* through the *Project Collaboration Improvement (PC-Prove)*, *Quality Control Circle (QCC)*/ *Functional Team Improvement (FT-Prove)*, and *Suggestion System (SS)*/ *Individual Improvement (I-Prove)* managed by PDCA. For smooth implementation of CIP/quality activities, a *Person In Charge (PIC)* is appointed at each Field to coordinate with Quality Management Function of Subsidiary and PHE Head Office.

- Mengelola pengembangan proses bisnis PHE dimana outputnya menyediakan Sistem Tata Kerja yang sesuai dengan proses bisnis perusahaan.
- Pengembangan Sistem Manajemen Mutu dalam bentuk PHE's Enterprise Management System (PEMS) berbasis ISO 9001:2015 untuk menjalankan roda bisnis PHE.
- Mengelola program audit/penilaian sistem manajemen HSSE terintegrasi berbasis ISRS.
- Melakukan dan mengelola perubahan budaya kerja pekerja dengan melakukan sosialisasi, perencanaan dan evaluasi implementasi program-program *culture change* antara lain: *Overall Meeting Effectiveness* (OME), *Performance Dialogue* (PD), *People Review*, *Coaching* dan *Tools* lain yang dianggap perlu.
- Mengelola program sertifikasi bidang Quality dan HSE untuk dijadikan tolak ukur pemenuhan persyaratan internasional sebagai perusahaan kelas dunia.
- PIC di masing-masing *Field* melaporkan progress kegiatan mutu secara periodik dan berjenjang kepada Fungsi Manajemen Mutu Anak Perusahaan dan Kantor Pusat PHE.
- Managing the development of PHE business process in which the output provides a Working Procedure System that is in aligned with the Company's business processes.
- Development of Quality Management System in the form of PHE's Enterprise Management System (PEMS) based on ISO 9001: 2015 to run PHE's business.
- Managing the audit/assessment program on the ISSS-based integrated HSSE management system.
- Conducting and managing work culture changes by disseminating, planning and evaluating the implementation of culture change programs, among others: Overall Meeting Effectiveness (OME), Performance Dialogue (PD), People Review, Coaching and other tools deemed necessary.
- Managing Quality and HSE certification programs to serve as a benchmark to meet international requirements as a world-class company.
- The PIC in each Field reports on the progress of quality activities periodically and gradually to the Quality Management Function of Subsidiaries and the Head Office of PHE.

Komitmen tersebut diwujudkan dengan penerapan Sistem Manajemen Mutu (SMM) dalam bentuk PHE's Enterprise Management System (PEMS) berbasis ISO 9001:2015 sebagai bagian dari strategi usaha dan berorientasi pada kepuasan pelanggan. Penerapan PEMS sejalan dengan penerapan Empat Pilar Quality Management Pertamina, serta menjadi bagian dari tugas dan tanggung jawab Tim Quality Management. Keberadaan Tim Quality Management memastikan penerapan PEMS dilaksanakan secara efektif, komprehensif, konsisten dan berkelanjutan.

Kami terus berupaya meningkatkan penerapan prinsip-prinsip Sistem Manajemen Mutu (SMM) untuk mendukung tercapainya Visi dan Misi PHE. Sejalan dengan pertumbuhan bisnis Perusahaan, kami berupaya terus menerus melakukan akselerasi untuk mewujudkan Visi dan Misi PHE menjadi perusahaan minyak dan gas bumi kelas dunia. Melalui Tim Quality Management, kami melakukan penerapan SMM secara efektif, komprehensif, konsisten dan berkelanjutan.

The commitment is realized through the Quality Management System (SMM) implementation in the form of PHE's Enterprise Management System (PEMS) based on ISO 9001:2015 as part of business strategy and customer satisfaction oriented. The implementation of PEMS is in line with the application of the Four Pillars of Pertamina Quality Management, as well as being part of the duties and responsibilities of the Quality Management Team. The Quality Management Team ensures that PEMS is implemented effectively, comprehensively, consistently and sustainably.

We continuously strive to improve the implementation of Quality Management System (SMM) principles to support the achievement of the Vision and Mission of PHE. In line with the Company's business growth, we strive to continuously accelerate the realization of Vision and Mission of PHE to become a world-class oil and gas company. Through our Quality Management Team, we perform effective, comprehensive, consistent and sustainable implementation of SMM.

Penerapan SMM melalui Program CIP yang konsisten telah melibatkan beberapa pekerja PHE dan Anak Perusahaan dalam rangka meningkatkan produksi, penambahan cadangan, efisiensi, *operational excellence*, sistem kerja dan aspek HSSE.

Continous Improvement Program

Penerapan SMM melalui *Continous Improvement Program* (CIP) konsisten melibatkan beberapa pekerja PHE dan anak perusahaan dalam rangka meningkatkan produksi, penambahan cadangan, efisiensi, *operational excellence*, sistem kerja dan aspek HSSE. Komitmen PHE dalam menerapkan program CIP secara berkesinambungan menjamin kelangsungan usaha, sehingga PHE tetap bisa menjamin pasokan maupun mutu minyak mentah dan gas bumi kepada pelanggan.

Sejumlah inovasi dan pengembangan yang dilakukan PHE dalam penerapan CIP pada tahun 2017 mencakup: Peningkatan produksi, peningkatan cadangan migas, *operational excellent*, sistem manajemen dan HSSE.

Menjaga Kesehatan dan Keselamatan Pelanggan

Produk minyak mentah dan gas bumi yang dihasilkan PHE adalah produk yang harus diolah menjadi produk akhir untuk dapat digunakan dan dimanfaatkan. Pembeli yang menjadi pelanggan menjadikan minyak mentah dan gas bumi sebagai bahan baku untuk diolah menjadi sumber energi.

Dari lokasi produksi di lepas pantai, minyak mentah disalurkan ke pembeli menggunakan pipa atau kapal tanker menuju ke kilang pengolahan. Adapun gas bumi dikirim ke pembeli dari lokasi produksi dengan menggunakan jaringan pipa. Proses pengiriman minyak mentah dan gas bumi dilakukan sesuai dengan standar prosedur operasi (SOP) yang diatur dalam:

- Pedoman PHE No. A-001/PHE460/2015-S0 tentang Pengelolaan Customer Focus Atas Produk Minyak dan Gas PHE.
- Tata Kerja Organisasi PHE No. B-001/PHE000/2017-S0 tentang Pengukuran Kepuasan dan Harapan Pelanggan.

The SMM implementation through a consistent CIP Program has involved PHE and Subsidiaries to increase production, additional reserves, efficiency, operational excellence, work system and HSSE aspects.

Continous Improvement Program

The SMM implementation through the Continuous Improvement Program (CIP) consistently involves several employees of PHE and subsidiaries in order to increase production, additional reserves, efficiency, operational excellence, work system and HSSE aspects. PHE's commitment in implementing the CIP program continuously ensures its business sustainability, thus PHE can guarantee the supply and quality of crude oil and natural gas to customers.

A number of innovations and developments by PHE in the CIP e implementation during 2017 included: production increase, oil and gas reserves increase, operational excellence, management system and HSSE.

Maintaining Customer Health and Safety

Crude oil and natural gas are PHE's products that must be processed into finished products to be used and utilized. Buyers who become PHE's customers use crude oil and natural gas as raw materials to be processed into energy sources.

From offshore production sites, crude oil is distributed to buyers using pipelines or tankers to a processing plant. The natural gas is sent to buyers from the production site by using pipelines. The distribution process of crude oil and natural gas is carried out in accordance with standard operating procedures (SOPs) set forth in:

- PHE Guidelines No. A-001/PHE460/2015-S0 on Customer Focus Management on Oil and Gas Products of PHE.
- Organization Working Procedure of PHE No. B-001/PHE000/2017-S0 on Measuring Customer Satisfaction and Expectation.

Secara berkala SOP yang berlaku terus diuji dan dievaluasi untuk memastikan keandalan, mulai dari proses pemuatan, pengiriman hingga pembongkaran dalam mata rantai penyaluran minyak mentah dan gas. Sesuai dengan SOP, maka proses penyaluran minyak mentah dan gas bumi dilakukan dengan pengawasan ketat dan mempertimbangkan keselamatan orang yang terlibat. PHE memastikan selama tahun 2017, tidak ada peristiwa kecelakaan dalam proses penyaluran minyak mentah dan gas bumi kepada pelanggan yang membahayakan keselamatan orang yang terlibat. [416-1][416-2]

Hal lain yang menjadi perhatian dalam proses penyaluran minyak mentah dan gas bumi adalah pencegahan tumpahan minyak mentah ke lingkungan sekitar maupun kebocoran gas bumi. PHE telah memiliki standar prosedur operasi sebagai antisipasi bila terjadi tumpahan minyak mentah maupun kebocoran gas bumi. Secara berkala SOP tersebut dikaji untuk memastikan keandalannya. Sampai dengan akhir tahun 2017 tidak ada kejadian tumpahan minyak mentah maupun kebocoran gas yang berpengaruh terhadap lingkungan. [416-1][416-2]

Informasi Barang dan Jasa

PHE berkomitmen mengutamakan kepuasan pelanggan dalam menyalurkan produk minyak mentah dan gas bumi. Komitmen tersebut dibuktikan melalui pemenuhan persyaratan sebagaimana tertuang dalam Perjanjian Jual Beli, yang meliputi informasi produk, penyaluran produk, dan respon/penanganan atas keluhan pelanggan.

Sesuai dengan Pedoman PHE No.A-001/PHE460/2015-S0 tentang Pengelolaan *Customer Focus* atas Produk Minyak dan Gas PHE, maka sebelum penyaluran dilakukan, PHE melalui Anak Perusahaan menginformasikan secara jelas perihal spesifikasi produk, sarana dan prasarana *lifting* serta prosedur yang berlaku.

Periodically, the applicable SOPs are continuously reviewed and evaluated to ensure the reliability, from loading, shipment and unloading in the supply chain of crude oil and gas. In accordance with SOP, the process of distributing crude oil and natural gas is carried out under stringent supervision and consider the safety of the personnel involved. PHE ensures that in 2017, there were no accidents in the distribution process of crude oil and natural gas to customers that endangered the safety of the people involved. [416-1][416-2]

Another thing that is of concern in the distribution process of crude oil and natural gas is the prevention of crude oil spills into the environment and leakage of natural gas. PHE has standard operating procedures to anticipate in case of crude oil spill or gas leak. Periodically the SOP is reviewed to ensure its reliability. Until the end of 2017 there were no incidences of crude oil spill or gas leak that affected the environment. [416-1][416-2]

Information of Goods and Services

PHE is committed to prioritize customer satisfaction in distributing crude oil and natural gas products. This commitment is evidenced by the compliance with the requirements stipulated in the Sale and Purchase Agreement, which includes product information, product distribution, and response/handling of customer complaints.

In accordance with the guideline of PHE No.A-001/PHE460/2015-S0 concerning the Customer Focus on Management of PHE Oil and Gas Products, prior to distribution, PHE through subsidiaries clearly informs the product specifications, lifting facilities and infrastructure, as well as applicable procedures.

PHE memastikan minyak mentah dan gas bumi yang disalurkan telah sesuai dengan spesifikasi, persyaratan maupun kondisi yang disepakati dalam klausul Perjanjian Jual Beli Minyak Mentah/Kondensat (PJBM/K) ataupun Perjanjian Jual Beli Gas (PJBG). [417-1]

PHE ensures that crude oil and natural gas are distributed in accordance with the specifications, terms and conditions agreed in the clause of the Crude/Condensate Sale and Purchase Agreement (PJBM/K) or Gas Sales and Purchase Agreement (PJBG). [417-1]

Tabel Informasi Produk Kepada Pelanggan

Table of Product Information to Customers

Informasi Terkait Penyaluran Minyak Mentah Information on Crude Oil Distribution	Informasi Terkait Penyaluran Gas Bumi Information on Natural Gas Distribution
Crude assay	Spesifikasi Gas Gas Specification
Volume	Volume
Prosedur Penyerahan Delivery Procedure	Prosedur Penyerahan Delivery Procedure

PHE menyediakan saluran bagi pelanggan untuk menyampaikan keluhan terkait ketidaksesuaian informasi minyak mentah dan gas bumi yang disalurkan. Setiap keluhan yang disampaikan, ditindaklanjuti dan diselesaikan oleh fungsi-fungsi terkait. [417-2]

PHE provides a channel for customers to file complaints regarding the inaccuracy of information on crude oil and natural gas supplied. Any complaints filed, are followed up and resolved by related functions. [417-2]

Target/Rencana Kegiatan Pada Tahun 2017 yang Ditetapkan Manajemen

Target/Activity Plan In 2017 Established by Management

No	Rencana Kegiatan terkait Kepuasan Pelanggan Activity Plan on Customer Satisfaction
1	Rapat Koordinasi <i>Lifting</i> Coordination Meeting on Lifting
2	Shipping Coordination Meeting (SCM)
3	Gas Coordination Meeting (GCM)
4	Basic Communication (Bascom) Meeting
5	Survey Kepuasan Pelanggan Customer Satisfaction Survey



Eko Agus Sardjono
VP Commercial

Kegiatan yang Dilakukan dan Dampak Kuantitatif Atas Kegiatan Tersebut

Activities Conducted and Quantitative Impact on Such Activities

Kegiatan Activities	Dampak Kuantitatif Quantitative Impact
Rapat Koordinasi Lifting Coordination Meeting on Lifting	Kegiatan berupa pertemuan secara intensif yang akan menghasilkan koordinasi yang lebih baik antar para pihak, sehingga tidak memiliki dampak yang dapat diukur secara kuantitatif. Intensive meetings that would result in better coordination between the parties, so as to have no impact that quantitatively measurable.
Shipping Coordination Meeting (SCM)	
Gas Coordination Meeting (GCM)	
Basic Communication (Bascom) Meeting	
Survey Kepuasan Pelanggan Customer Satisfaction Survey	

Hasil Kepuasan Pelanggan Tahun 2017

Ukuran kepuasan dan keterlibatan pelanggan yang diukur oleh PHE adalah sebagai berikut:

- Ketepatan kualitas minyak dan gas yang dikirimkan;
- Ketepatan jumlah/volume minyak dan gas;
- Ketepatan waktu pengiriman;
- Kecepatan dan respon keluhan telah sesuai dengan harapan pelanggan; dan
- Sikap proaktif & komunikasi efektif untuk memenuhi layanan yang dibutuhkan pelanggan terkait kualitas dan kuantitas produk.

Berdasarkan kuesioner yang dikembalikan dapat disimpulkan bahwa responden menyatakan puas atas pelayanan yang diberikan PHE. Sebanyak 83,1% menyatakan puas terhadap *product quantity*, 16,9% sangat puas terhadap *product quantity*, sebanyak 83,2% menyatakan puas terhadap *product quality*, 16,8% sangat puas terhadap *product quality*, serta 95,9% puas terhadap mekanisme penanganan keluhan yang dilakukan PHE dan 4,1% yang menyatakan sangat puas. Sebanyak 82,5% menyatakan akan merekomendasikan PHE kepada calon pelanggan lain dan 17,5% tidak mengisi *survey* pelanggan *customer referral*.

Results of Customer Satisfaction In 2017

The measurement of customer satisfaction and engagement by PHE are as follows:

- The quality of oil and gas delivery;
- The accuracy of the amount/volume of oil and gas;
- Delivery timeliness;
- The promptness and response to complaints have been in accordance with customer expectations; and
- Proactive & effective communication to meet the customers requirement for services, with indicators related to the quality and quantity of the product.

Based on the questionnaire that came back, it could be concluded that the respondents stated their satisfaction over PHE's services. Some 83.1% stated satisfied with the product quantity, 16.9% very satisfied with the product quantity, 83.2% stated satisfied with product quality, 16.8% were very satisfied with product quality, and 95.9% were satisfied with complaint handling mechanism by PHE and 4.1% stated that they were very satisfied. As many as 82.5% said they would recommend PHE to other prospective customers and 17.5% did not fill the customer survey of customer referral.

Sarana, Jumlah dan Penanggulangan Pengaduan Konsumen

Sebagai wujud bentuk tanggung jawab dan fokus PHE terhadap layanan atas produk yang dihasilkan, PHE menyediakan beberapa saluran keluhan pelanggan:

- Telepon 021-2954 7000
- Email commercial.phe@pertamina.com
- Surat kepada VP Commercial PHE
- PHE Tower Lantai 10 Jl TB Simatupang Kav 99 Jakarta Selatan

Selain itu PHE juga mendengarkan hal-hal yang disampaikan pelanggan melalui rapat-rapat, baik yang dilakukan secara berkala maupun insidental

- *Shipping Coordination Meeting* (SCM) mingguan yang dikoordinasi oleh SKK Migas;
- Rapat Koordinasi Lifting bulanan yang dikoordinasi oleh Direktorat Hulu Pertamina;
- *Basic Communication* (BasCom) dua kali dalam sebulan;
- *Gas Coordination Meeting* (GCM) bulanan yang dikoordinasi oleh SKK Migas;
- *Courtesy visit*.

Pengelolaan keluhan pelanggan dilaksanakan secara terpadu. Fungsi Commercial mengidentifikasi permasalahan yang timbul dan berkoordinasi dengan fungsi-fungsi terkait maupun Anak Perusahaan untuk menyelesaikan permasalahan secara cepat dan tepat untuk meminimalisasi dampak dari permasalahan tersebut. Pengelolaan keluhan pelanggan di PHE dan AP dilaksanakan dengan mengacu pada:

- Undang-Undang No.8 Tahun 1999 tentang Perlindungan Konsumen;
- Pedoman PHE No.A-001/PHE460/2015-S0 tentang Pengelolaan Customer Focus Atas Produk Minyak & Gas PHE;
- Prosedur No.JM-CS-SOP-001 revisi ke-1 tentang Concern Complaint Grievance Management Procedures (CCGMP); dan
- Tata Kerja Organisasi (TKO) No.PHEWMO/MRKT/XXX/J/STK/2015/B006.

Facilities, Amount and Handling of Consumer Complaint

As a form of PHE's responsibility and focus on services for the resulting product, PHE provides several channels for customer complaints:

- Telephone: 021-2954 7000
- Email: commercial.phe@pertamina.com
- Mail to VP Commercial of PHE
- PHE Tower 10th Floor, Jl TB Simatupang Kav 99, South Jakarta

In addition PHE also pays attention to the matters conveyed by the customers through meetings, which are either held periodically or incidentally, including:

- Weekly Shipping Coordination Meeting (SCM), coordinated by SKK Migas;
- Monthly Coordination Meeting on Lifting, coordinated by Upstream Directorate of Pertamina;
- Basic Communication (BasCom), held twice a month;
- Monthly Gas Coordination Meeting (GCM), coordinated by SKK Migas;
- Courtesy visit.

Customer complaint management is implemented in an integrated manner. Commercial Function identifies the problems that arise and coordinate with related functions and subsidiaries to solve the problems promptly and appropriately to minimize the impact of the problem. Customer complaint management at PHE and subsidiaries is implemented with reference to:

- Law No.8 of 1999 on Consumer Protection;
- PHE Guidelines No.A-001/PHE460/2015-S0 on Customer Focus Management on Oil & Gas Products of PHE;
- Procedure No.JM-CS-SOP-001, 1st revision, on Concern Complaint Grievance Management Procedures (CCGMP); and
- Organizational work Procedure (TKO) No. PHEWMO/MRKT/XXX/J/STK/2015/B006.

Selama tahun 2017 PHE menerima 2 keluhan yang disampaikan pelanggan. Setiap keluhan yang disampaikan kemudian diselesaikan secara berjenjang dimulai dari Fungsi Operasi di lapangan yang dikelola anak perusahaan. Selanjutnya diselesaikan oleh Fungsi Marketing dan Commercial pada anak perusahaan, hingga melibatkan Fungsi Commercial PHE dan fungsi terkait lainnya. Seluruh keluhan telah ditindaklanjuti oleh fungsi-fungsi terkait dan hasilnya diinformasikan kepada pelanggan yang menyampaikan keluhan.

During 2017, PHE received two complaints filed by customers. Each incoming complaint was then resolved in stages starting from the Operation Function in the field managed by subsidiary. Subsequently, it was resolved by the Marketing and Commercial Function of subsidiary, to involve Commercial Function of PHE and other related functions. All complaints have been followed up by related functions and the results were notified to the customers filing the complaints.

Materi Keluhan Subject of Complaint	Jumlah Total	Tindak Lanjut Follow Up
Penyaluran gas di bawah nominasi Gas distribution below nomination	2	Optimisasi penyaluran gas Gas distribution optimization

Menjaga Kepuasan Pelanggan

Sebagai bentuk komitmen kepedulian kepada pelanggan, Direksi PHE telah memerintahkan setiap Anak Perusahaan untuk melakukan survei kepuasan pelanggan. Berdasarkan Surat Direktur Utama No031/PHE000/2016-S0 tertanggal 9 Februari 2016, diatur bahwa kegiatan survei dilaksanakan minimal satu kali dalam setahun.

Dari hasil survei kepuasan pelanggan yang dilakukan pada tahun 2017, diketahui bahwa secara umum pelanggan telah menyatakan puas atas layanan yang diberikan dan kualitas produk yang dikirimkan.

- Nilai tertinggi Indeks Kepuasan Pelanggan sebesar 6 diperoleh PT Pertamina Hulu Energi Ogan Komering;
- Nilai terendah Indeks Kepuasan Pelanggan sebesar 4,96 diperoleh PT West Madura Offshore (WMO).

Maintaining Customer Satisfaction

As a commitment to customer care, PHE Board of Directors have ordered each subsidiary to conduct a customer satisfaction survey. The Letter of President Director No. 031/PHE000/2016-S0 dated February 9, 2016, stipulates that the survey shall be conducted at least once a year.

The results of customer satisfaction survey conducted in 2017, identified that in general the customers have expressed satisfaction over the services provided and the quality of delivered products.

- The highest Customer Satisfaction Index of 6 was received by PT Pertamina Hulu Energi Ogan Komering;
- The lowest Customer Satisfaction Index of 4.96 was received by PT West Madura Offshore (WMO).

Anak Perusahaan Subsidiaries	Pelaksana Survei Surveyor	Indeks Kepuasan Pelanggan Customer Satisfaction Index
PHE ONWJ	PHE ONWJ	5,41
PHE WMO	PHE WMO	4,96
JOBP-TJM	JOBP-TJM	4,96
JOBP-PEJ	JOBP-PEJ	4,96
JOBP-TOK	JOBP-TOK	6,00
JOBP-PS	JOBP-PS	5,00
JOBP-MTS	JOBP-MTS	4,96

Sosialisasi dan Dukungan pada Antikorupsi

Socialization and Support to Anticorruption

PT Pertamina Hulu Energi (PHE) mempunyai komitmen untuk menjalankan perusahaan secara profesional dengan menghindari benturan kepentingan, menjunjung tinggi kepercayaan dan integritas dengan berpedoman pada tata kelola korporasi yang baik. Komitmen ini sejalan dengan budaya bersih (*clean*) PT Pertamina (Persero) dan kode etik (*code of conduct*) sebagai pedoman aktivitas operasional sehari-hari.

Pejabat perusahaan dan pekerja PHE juga menandatangani pakta integritas, sebagai bentuk komitmen bersama untuk memberikan kinerja terbaik dengan tetap menjunjung tinggi perilaku bersih. Pakta Integritas adalah pernyataan atau janji kepada diri sendiri tentang komitmen melaksanakan seluruh tugas, fungsi, tanggung jawab, wewenang dan peran sesuai dengan peraturan perundang-undangan dan kesanggupan untuk tidak melakukan korupsi, kolusi dan nepotisme.

Dalam pakta integritas setiap pejabat perusahaan maupun pekerja PHE berjanji untuk menggunakan seluruh potensi untuk mewujudkan tujuan perusahaan, bertanggung jawab terhadap seluruh tugas yang diberikan, menghindari konflik kepentingan dan tidak menolerir suap.

Pelaporan LHKPN

Khusus untuk para pekerja dengan jabatan Manager/setara ke atas di Perusahaan diwajibkan untuk menyampaikan Laporan Harta Kekayaan Penyelenggara Negara (LHKPN). Hal ini dikuatkan SK Direktur Utama PT Pertamina (Persero) No.KPTS-56/C00000/2013-S0 yang memberlakukan Pedoman No.A-001/N00010/2013-S9 tentang Kewajiban Penyampaian Laporan Harta Kekayaan Penyelenggara Negara (LHKPN) bagi Pejabat di Lingkungan PT Pertamina (Persero) yang diberlakukan kepada Anak Perusahaan PT Pertamina (Persero). Terkait dengan kewajiban pelaporan LHKPN di PHE dan Anak Perusahaan PHE,

PT Pertamina Hulu Energi (PHE) is committed to running the company professionally by avoiding conflicts of interest, upholding trust and integrity guided by good corporate governance. This commitment is in line with the clean culture of PT Pertamina (Persero) and the code of conduct as a guideline for daily operational activities.

Company officials and PHE's employees also sign an integrity pact, as a form of joint commitment to give the best performance while upholding clean conduct. The Integrity Pact is a statement or a personal pledge about the commitment to perform all duties, functions, responsibilities, authorities and roles in compliance with laws and regulations and the ability to never commit corruption, collusion and nepotism.

In the integrity pact, every company official or PHE employee pledges to use all the potential to realize the company's goals, to be responsible for all duties, avoid conflicts of interest and not tolerate bribery.

LHKPN Reporting

Employees with the position of manager/equivalent and above in the Company are required to submit the State Official Wealth Reports (LHKPN). This was established by the Decree of the President Director of PT Pertamina (Persero) No.KPTS-56/ C00000/2013-S0 which brought into force the Guidelines No.A-001/N00010/2013-S9 on Obligation to Submit State Official Wealth Reports (LHKPN) for officials within PT Pertamina (Persero), which is applicable to subsidiaries of PT Pertamina (Persero). The obligation of LHKPN's reporting within PHE and PHE Subsidiaries,

diatur melalui SK Direktur Utama PHE Nomor: Kpts-052/PHE000/2016-S0 dan Pedoman Nomor 333/PHE040/2016-S0 tentang Kewajiban Penyampaian Laporan Harta Kekayaan Penyelenggara Negara (LHKPN) di Lingkungan Perusahaan PHE dan JOB/BOB.

PHE bersama Komisi Pemberantasan Korupsi (KPK) telah melakukan sosialisasi terkait pelaporan LHKPN, termasuk tata cara pelaporan. Hal ini diatur dalam Peraturan KPK No.7 Tahun 2016 tentang Tata Cara Pendaftaran, Pengumuman dan Pemeriksaan Laporan Harta Kekayaan Pejabat Negara (LHKPN) sebagai pengganti Keputusan No 07/KPK/02/2005 yang sudah tidak berlaku lagi mulai tanggal 8 Juli 2017. Untuk pemberlakuan e-LHKPN sebagaimana sesuai dengan Peraturan KPK No. 7 Tahun 2016 mulai dilakukan per-1 Januari 2018.

Selama masa transisi, sesuai dengan Surat Edaran KPK Nomor: SE-08/01/10/2016 tentang Petunjuk Teknis Penyampaian dan Pengelolaan Laporan Harta Kekayaan Penyelenggara Negara Setelah Diberlakukannya Peraturan KPK Nomor 07 Tahun 2016 tentang Tata Cara Pendaftaran Pengumuman dan Pemeriksaan Harta Kekayaan Penyelenggara Negara, terhitung semenjak 1 Januari 2017, pelaksanaan pelaporan LHKPN menjadi sebagai berikut:

- Bagi Wajib Lapo LHKPN yang baru pertama kali diangkat sebagai Manager/setara atau Wajib Lapo yang pensiun;
- Bagi Wajib Lapo yang sudah pernah menyampaikan LHKPN baik Model KPK-A atau Model KPK-B dan mengalami perubahan jabatan atau terkena kewajiban update dua tahunan, maka harta kekayaan yang dilaporkan adalah posisi per-31 Desember 2017 dan diserahkan kepada KPK paling lambat pada 31 Maret 2018.

Sebagaimana poin ketentuan KPK, pada tahun 2017, ada 3 pekerja yang baru pertama kali diangkat sebagai Manager/setara di PHE dan telah melaporkan LHKPN. Pelaporan LHKPN hanya dikhususkan bagi pekerja yang baru menjabat pertama kali sebagai Manager/setara, sehingga kriteria wajib lapo LHKPN yang lama, yaitu wajib lapo 2 tahun sekali dan setiap mutasi harus lapo itu tidak diwajibkan lagi, karena pada tahun 2018 akan dilakukan pelaporan 1 tahun 1 kali seperti SPT.

is regulated through Decree of President Director of PHE Number: Kpts-052/PHE000/2016-S0 and Guideline No. 333/PHE040/2016-S0 on Obligation to Submit State Official Wealth Reports (LHKPN) within the Company's Environment of PHE and JOB/BOB.

PHE and the Corruption Eradication Commission (KPK) have conducted dissemination on LHKPN reporting, including its procedure. This is stipulated in Regulation of KPK No.7 of 2016 concerning Registration Procedure, Announcement and Examination of State Official Wealth Reports (LHKPN) in lieu of Decree No. 07/KPK/02/2005 which was no longer valid as of July 8, 2017. Meanwhile, the imposition of e-LHKPN in accordance with KPK Regulation No. 7 of 2016, took effect on January 1, 2018.

During the transitional period, in accordance with the Circular Letter of KPK Number: SE-08/01/10/2016 regarding Technical Guidelines for the Submission and Management of State Official Wealth Report After the enforcement of KPK Regulation Number 07 of 2016 on the Procedure for Registration, the Announcement and Examination of State Official Property, as of January 1, 2017, the implementation of LHKPN reporting is as follows:

- For state officials who are obliged to submit LHKPN for the first time due to their appointment as the Manager/ equivalent or obliged state officials who retired;
- For state officials who have submitted LHKPN either KPK-A or KPK-B and have their position changed or are exposed to the biennial update obligation, the reported property is the position as of December 31, 2017 and submission to KPK at the latest on March 31, 2018.

In accordance with KPK rules, in 2017, there were 3 new employees who were appointed as Managers/equivalents in PHE for the first time and obliged to submit LHKPN. The LHKPN reporting is only reserved for newly appointed Manager/equivalent, thus the previous LHKPN reporting criteria, which requires to report every 2 years and every time of job transfer was no longer applied, because in 2018 the reporting is to be done once a year similar to tax return (SPT) reporting.

Ketentuan Tentang Gratifikasi

Inisiatif lain terkait dukungan pada antikorupsi adalah pelaporan pemberian barang atau barang gratifikasi yang diterima pejabat perusahaan maupun pekerja PHE. Terkait barang gratifikasi, PHE memberlakukan kebijakan:

- Setiap pemberian gratifikasi berupa uang/barang/fasilitas yang berhubungan dengan status dan jabatan pekerja, wajib untuk ditolak;
- Setiap pemberian gratifikasi berupa uang/barang/fasilitas yang diberikan kepada pekerja PHE sebagai wakil resmi Perusahaan dalam kedinasan, wajib untuk ditolak;
- Setiap pemberian yang diterima oleh pekerja PHE berdasarkan perjanjian yang sah atau karena pekerja PHE yang bersangkutan meraih prestasi tertentu, dapat diterima;
- Semua bentuk gratifikasi, wajib dilaporkan melalui compliance online maupun Fungsi Relations, Fungsi GCG & Compliance.

Pada kurun waktu periode pelaporan, PHE tidak menerima laporan terkait gratifikasi, sehingga tidak ada tindak lanjut yang dilakukan Perusahaan.

Ketentuan Tentang Suap

PHE secara tegas melarang seluruh jajaran Perusahaan, baik Dewan Komisaris, Direksi maupun pejabat perusahaan yang lain dan pekerja untuk melakukan praktik menerima *kickback* dalam seluruh bisnis operasional. Pemberian *kickback* termasuk suap didefinisikan sebagai sejumlah uang, *fee*, komisi, sesuatu yang berharga yang diterima baik secara langsung maupun tidak langsung dari supplier dengan tujuan mendapatkan perlakuan khusus sehubungan kontrak antara pemasok dan Perusahaan.

Hingga akhir tahun 2017, Perusahaan tidak menerima laporan terkait dugaan pemberian suap oleh pihak lain kepada Dewan Komisaris, Direksi, pejabat perusahaan maupun pekerja PHE. Perusahaan juga tidak menerima laporan terkait dugaan adanya anggota Dewan Komisaris, Direksi, pejabat perusahaan maupun pekerja PHE yang menerima suap dari pihak-pihak lain.

Provisions About Gratification

Another initiative related to support for anti-corruption is the reporting of gratification received by company officials and employees of PHE. In relation to the gratification items, PHE implements the policy:

- Any gratification in the form of money/goods/facilities relating to the status and position of the employee, shall be denied;
- Any gratification in the form of money/goods/facilities given to a PHE employee as official representative of the Company in the official matters, shall be denied;
- Any gift received by a PHE employee under a valid agreement or because the PHE employee concerned earns a certain achievement, is acceptable;
- All forms of gratification shall be reported through online compliance as well as Relations Function, GCG & Compliance Function.

In the reporting period, PHE did not receive any reports on gratification, so there was no follow-up action taken by the Company.

Provisions About Bribery

PHE specifically prohibits personnel of all levels of the Company, whether the Board of Commissioners, the Board of Directors or other company officials and employees to commit practices of receiving kickbacks in all operations of the business. Giving kickback is categorized as bribery, which is defined as a sum of money, fees, commissions, or something of value received directly or indirectly from supplier for the purpose of getting preferential treatment related to contract between the supplier and the Company. Until the end of 2017, the Company did not receive any reports related to bribery allegation by other parties to the Board of Commissioners, Board of Directors, company officials or PHE employees. The Company did not receive any reports regarding the suspicion of members of the Board of Commissioners, Board of Directors, company officials or PHE employees accepting bribes from other parties.

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Daftar Singkatan

Abbreviation List

AP	Anak Perusahaan/Subsidiary	IoT	Internet of Things
BOB	Badan Operasi Bersama/Joint Operating Body	ICOFR	Internal Control over Financial Reporting
BoC	Board of Commissioners	ICP	Indonesia Crude Price
BoD	Board of Director	ICT	Information Communication Technology
BOPD	Barrel Oil Per Day/Barrel Minyak Per Hari	IDCC	Integrated Development Command Center
CGR	Kondensat/Gas Ratio	IRF	Integrated Reporting Framework
CID	Community Involvement & Development	ISRS	International Sustainability Rating System
COC	Code of Conduct	JOA	Joint Operating Agreement
CSR	Corporate Social Responsibility	JOB	Joint Operating Body
CSMS	Contractor Safety Management System	KCH	Komite Cadangan Hulu/Upper Reserve Committee
EBT	Energi Baru dan Terbarukan	KBH	Kontrak Bagi Hasil/Production Sharing Contract
ESOP	Employee Stock Option Program	KKKS	Kontraktor Kontrak Kerjasama
FEED	Front End and Engineering Design	LHKPN	Laporan Harta Kekayaan Penyelenggara Negara
FID	Final Investment Decision	Migas	Minyak dan Gas

Daftar Singkatan

Abbreviation List

MK3LL	Mutu, Keselamatan Kesehatan Kerja dan Lindung Lingkungan	GTC	General Term Contract
MMBO	Million Metric Barrel Of Oil	PSAK	Pernyataan Standar Akuntansi
MMSCFD	Million Metric Standard Cubic Feet Per Day	PSC	Production Sharing Contract
MSOP	Management Stock Option Program	PUDW	Pertamina Upstream Development Way (PUDW)
MRSDM	Manajemen Risiko Dan Sumber Daya Manusia Risk Management and Human Resources	RKAP	Rencana Kerja Dan Anggaran Perusahaan
MTOE	Million Tonnes Of Oil Equivalent	SSO	Share Service Organization
PEAR	Pertamina AFE Tracking	SSOP	Sistem Sinergi Optimalisasi Produksi/Synergy System of Production Optimization
PI	Participating Interest/ pengalihan saham	TJSL	Tanggung Jawab Sosial Lingkungan
PIS	Placed into Service	TRIR	Total Recordable Incident Rate
PKB	Perjanjian Kerja Bersama	TSCF	Trillions Of Standard Cubic Feet
POC	Proof of Concept	QHSSE	Quality Health Safety Security and Environment
POD	Plan of Development	WBS	Whistleblowing System
POFD	Plan of Further Development	MBO	Million Barrel Of Oil
GCG	Good Corporate Governance	MCU	Medical Check Up
PROPER	Program Penilaian Peringkat Kinerja Perusahaan Dan Pengelolaan Lingkungan		

Referensi Kriteria Annual Report Award 2016

2016 Reference of Annual Report Award Criteria

No	Materi Subject	Penjelasan Description	Halaman Page
I Umum General			
1	Laporan tahunan disajikan dalam bahasa Indonesia yang baik dan benar dan dianjurkan menyajikan juga dalam bahasa Inggris. In good and correct Indonesian, it is recommended to present the report also in English		-
2	Laporan tahunan dicetak dengan kualitas yang baik dan menggunakan jenis dan ukuran huruf yang mudah dibaca. The annual report should be printed in good quality paper, using the font type and size that allow for easy reading		-
3	Laporan tahunan mencantumkan identitas perusahaan dengan jelas. Should state clearly the identity of the company.	Nama perusahaan dan tahun annual report ditampilkan di: • Sampul muka • Samping • Sampul belakang, dan • Setiap halaman	Name of company and year of the Annual Report is placed on: • The front cover • Sides • Back cover, and • Each page
4	Laporan tahunan ditampilkan di website perusahaan. Mencakup laporan tahunan terkini dan paling kurang 4 tahun terakhir. The annual report should be printed in good quality paper, using the font type and size that allow for easy reading.		180
II Ikhtisar Data Keuangan Penting Summary of Key Financial Information			
1	Informasi hasil usaha perusahaan dalam bentuk perbandingan selama 3 (tiga) tahun buku atau sejak memulai usahanya jika perusahaan tersebut menjalankan kegiatan usahanya selama kurang dari 3 (tiga) tahun. Result of the Company information in comparative form over a period of 3 financial years or since the commencement of business if the company has been running its business activities for less than 3 years.	Informasi memuat antara lain: • Penjualan/pendapatan usaha • Laba (rugi) > Diatribusikan kepada pemilik entitas induk, dan > Diatribusikan kepada kepentingan nonpengendali • Penghasilan komprehensif periode berjalan > Diatribusikan kepada pemilik entitas induk, dan > Diatribusikan kepada kepentingan nonpengendali, dan • Laba (rugi) per saham. Catatan: Apabila perusahaan tidak memiliki entitas anak, perusahaan menyajikan laba (rugi) dan penghasilan komprehensif periode berjalan secara total.	The information contained includes: • Sales/income from business • Profit (loss) > Attributable to owners, and > Attributable to non-controlling shareholders • Total of profit (loss) and other comprehensive income > Attributable to owners, and > Attributable to non-controlling shareholders, and • Net profit (loss) per share. Note: profit (loss) and other comprehensive income disclosed in total if the company doesn't have subsidiaries.
2	Informasi posisi keuangan perusahaan dalam bentuk perbandingan selama 3 (tiga) tahun buku atau sejak memulai usahanya jika perusahaan tersebut menjalankan kegiatan usahanya selama kurang dari 3 (tiga) tahun. Financial information in comparative form over a period of 3 (three) financial years or since the commencement of business if the company has been running its business activities for less than 3 years.	Informasi memuat antara lain: • Jumlah investasi pada entitas asosiasi, • Jumlah aset, • Jumlah liabilitas, dan • Jumlah ekuitas	The information contained includes: • Investments in associated entities, • Total assets, • Total liabilities, and • Total equity

No	Materi Subject	Penjelasan Description		Halaman Page
3	Rasio keuangan dalam bentuk perbandingan selama 3 (tiga) tahun buku atau sejak memulai usahanya jika perusahaan tersebut menjalankan kegiatan usahanya selama kurang dari 3 (tiga) tahun. Informasi memuat 5 (lima) rasio keuangan yang umum dan relevan dengan industri perusahaan. Financial Ratio in comparative form over a period of 3 (three) financial years or since the commencement of business if the company has been running its business activities for less than 3 (three) years. The information contains 5 (five) general financial ratios and relevant to the industry.			17
4	Informasi harga saham dalam bentuk tabel dan grafik. Information regarding share price in the form of tables and graphs.	<ul style="list-style-type: none"> Jumlah saham yang beredar Informasi dalam bentuk tabel yang memuat: <ul style="list-style-type: none"> Kapitalisasi pasar berdasarkan harga pada Bursa Efek tempat saham dicatatkan Harga saham tertinggi, terendah, dan penutupan berdasarkan harga pada Bursa Efek tempat saham dicatatkan, dan Volume perdagangan saham pada Bursa Efek tempat saham dicatatkan Informasi dalam bentuk grafik yang memuat paling kurang: <ul style="list-style-type: none"> Harga penutupan berdasarkan harga pada Bursa Efek tempat saham dicatatkan, dan Volume perdagangan saham pada Bursa Efek tempat saham dicatatkan untuk setiap masa triwulan dalam 2 (dua) tahun buku terakhir <p>Catatan: apabila perusahaan tidak memiliki kapitalisasi pasar, infor harga saham, dan volume perdagangan saham, agar diungkapkan.</p>	<ul style="list-style-type: none"> Outstanding shares Information presented on table which contains: <ul style="list-style-type: none"> Market capitalisation based on price at Stock Exchange where the shares are listed Highest, lowest and closing price based on price at Stock Exchange where the shares are listed, and Stock trading volume at Stock Exchange where the shares are listed. Information presented on graphs which contains at least: <ul style="list-style-type: none"> Closing price based on price at Stock Exchange where the company shares are listed Quarterly stock trading volume at Stock Exchange where the shares are listed in the last 2 (two) fiscal years <p>Note: should be disclosed if the company does not have market capitalisation, stock price information, and stock trading volume.</p>	22
5	Informasi mengenai obligasi, sukuk atau obligasi konversi yang masih beredar dalam 2 (dua) tahun buku terakhir. Information regarding bonds, sharia bonds or convertible bonds issued and which are still outstanding in the last 2 financial years.	<p>Informasi memuat:</p> <ul style="list-style-type: none"> Jumlah obligasi/sukuk/obligasi konversi yang beredar (outstanding) Tingkat bunga/imbalan Tanggal jatuh tempo, dan Peringkat obligasi/sukuk tahun 2015 dan 2016 <p>Catatan: apabila perusahaan tidak memiliki obligasi/sukuk/obligasi konversi, agar diungkapkan</p>	<p>The information contained includes:</p> <ul style="list-style-type: none"> The amount/value of bonds/convertible bonds outstanding Interest rate Maturity date, and Rating of bonds <p>Note: should be disclosed if the company does not have bonds/value of bonds/convertible bonds.</p>	25
III Laporan Dewan Komisaris dan Direksi Board of Commissioners and Board of Directors Report				
1	Laporan Dewan Komisaris Board of Directors Report	<p>Memuat hal-hal sebagai berikut:</p> <ul style="list-style-type: none"> Penilaian atas kinerja Direksi mengenai pengelolaan perusahaan dan dasar penilaiannya Pandangan atas prospek usaha perusahaan yang disusun oleh Direksi dan dasar pertimbangannya Pandangan atas penerapan/ pengelolaan whistleblowing system (WBS) di perusahaan dan peran Dewan Komisaris dalam WBS tersebut, dan Perubahan komposisi Dewan Komisaris (jika ada) dan alasan perubahannya. 	<p>Contains the following items:</p> <ul style="list-style-type: none"> Assessment on the performance of the Board of Directors in managing the company and the basis of such assessment View on the prospects of the company's business as established by the Board of Directors, and the basis of such view Assessment of the performance of the committees under the Board of Commissioners, and Changes in the composition of the Board of Commissioners (if any) and the reasons of the changes. 	28

No	Materi Subject	Penjelasan Description	Halaman Page	
2	Laporan Direksi Board of Directors Report	Memuat hal-hal sebagai berikut: <ul style="list-style-type: none"> Analisis atas kinerja perusahaan, yang mencakup antara lain: <ul style="list-style-type: none"> kebijakan strategis, perbandingan antara hasil yang dicapai dengan yang ditargetkan, dan kendala-kendala yang dihadapi perusahaan dan langkah-langkah penyelesaiannya, Analisis tentang prospek usaha, Perkembangan penerapan tata kelola perusahaan pada tahun buku, dan Perubahan komposisi anggota Direksi (jika ada) dan alasan perubahannya. 	Contains the following items: <ul style="list-style-type: none"> Company performance analysis, that includes such as: <ul style="list-style-type: none"> strategic policies, target and result comparison, and challenges faced by the company and solving steps, Business prospect analysis, Corporate governance implementation growth within the fiscal year, and Changes in the composition of the Board of Directors (if any) and the reasons of the changes. 	40
3	Tanda tangan anggota Dewan Komisaris dan anggota Direksi Signature of members of the Board of Directors and Board of Commissioners	Memuat hal-hal sebagai berikut: <ul style="list-style-type: none"> Tanda tangan dituangkan pada lembaran tersendiri Pernyataan bahwa Dewan Komisaris dan Direksi bertanggung jawab penuh atas kebenaran isi laporan tahunan Ditandatangani seluruh anggota Dewan Komisaris dan anggota Direksi dengan menyebutkan nama dan jabatannya, dan Penjelasan tertulis dalam surat tersendiri dari yang bersangkutan dalam hal terdapat anggota Dewan Komisaris atau anggota Direksi yang tidak menandatangani laporan tahunan, atau penjelasan tertulis dalam surat tersendiri dari anggota yang lain dalam hal tidak terdapat penjelasan tertulis dari yang bersangkutan. 	Contains the following items: <ul style="list-style-type: none"> Signatures are set on a separate page Statement that the Board of Directors and the Board of Commissioners are fully responsible for the accuracy of the annual report Signed by all members of the Board of Commissioners and Board of Directors, stating their names and titles/positions, and A written explanation in a separate letter from each member of the Board of Commissioners or Board of Directors who refuses to sign the annual report, or: written explanation in a separate letter from the other members in the event that there is no written explanation provided by the said member. 	53
IV Profil Perusahaan Company Profile				
1	Nama dan alamat lengkap perusahaan Name and address of the company	Informasi memuat antara lain: nama dan alamat, kode pos, no. Telp, no. Fax, email, dan website.	Includes information on name and address, zip code, telephone and/or facsimile, email, website.	72
2	Riwayat singkat perusahaan Brief history of the company	Mencakup antara lain: tanggal/tahun pendirian, nama, perubahan nama perusahaan (jika ada), dan tanggal efektif perubahan nama perusahaan. Catatan: apabila perusahaan tidak pernah melakukan perubahan nama, agar diungkapkan.	Includes among others: date/year of establishment, name and change in the company name, if any. Note: should be disclosed if the company never change the name.	77
3	Bidang usaha Field of business	Uraian mengenai antara lain: <ul style="list-style-type: none"> Kegiatan usaha perusahaan menurut anggaran dasar terakhir Kegiatan usaha yang dijalankan, dan Produk dan/atau jasa yang dihasilkan 	The descriptions contains the following items: <ul style="list-style-type: none"> The company's business activities in accordance with the last articles of associations The company's business activities, and The types of products and or services produced 	93
4	Struktur Organisasi Organisational structure	Dalam bentuk bagan, meliputi nama dan jabatan paling kurang sampai dengan struktur satu tingkat di bawah direksi.	In the form of a chart, including the names and titles, at least until one level below the board of directors on the structure.	102

No	Materi Subject	Penjelasan Description	Halaman Page	
5	Visi, Misi, dan Budaya Perusahaan Company, Vision and Mission	Mencakup: <ul style="list-style-type: none"> • Visi perusahaan • Misi perusahaan • Keterangan bahwa visi dan misi tersebut telah direviu dan disetujui oleh Direksi/Dewan Komisaris pada tahun buku • Pernyataan mengenai budaya perusahaan (corporate culture) yang dimiliki perusahaan. 	The information should contain: <ul style="list-style-type: none"> • Company vision • Company mission • A note that the vision and mission statements have been approved by the Board of Directors/ Commissioners • Statement concerning the corporate culture 	90
6	Identitas dan riwayat hidup singkat anggota Dewan Komisaris Name, title, and brief curriculum vitae of the members of the Board of Commissioners	Informasi memuat antara lain: <ul style="list-style-type: none"> • Nama • Jabatan dan periode jabatan (termasuk jabatan pada perusahaan atau lembaga lain) • Umur • Domisili • Pendidikan (Bidang Studi dan Lembaga Pendidikan) • Pengalaman kerja (Jabatan, Instansi, dan Periode Menjabat), dan • Riwayat penunjukkan (periode dan jabatan) sebagai anggota Dewan Komisaris di Perusahaan sejak pertama kali ditunjuk 	The information should contain: <ul style="list-style-type: none"> • Name • Title (including position in other company or institution) • Age • Domicile • Education (Field of Study and Institutions) • Working experience (Position, Institution/Company and Period Served), and • Appointment history as the Board of Commissioners in the Company 	104
7	Identitas dan riwayat hidup singkat anggota Direksi Name, title, and brief curriculum vitae of the members of the Board of Directors.	Informasi memuat antara lain: <ul style="list-style-type: none"> • Nama • Jabatan dan periode jabatan (termasuk jabatan pada perusahaan atau lembaga lain) • Umur • Domisili • Pendidikan (Bidang Studi dan Lembaga Pendidikan) • Pengalaman kerja (Jabatan, Instansi, dan Periode Menjabat), dan • Riwayat penunjukkan (periode dan jabatan) sebagai anggota Dewan Komisaris di Perusahaan sejak pertama kali ditunjuk 	The information should contain: <ul style="list-style-type: none"> • Name • Title (including position in other company or institution) • Age • Domicile • Education (Field of Study and Institutions) • Working experience (Position, Institution/Company and Period Served), and • Appointment history as the Board of Commissioners in the Company 	114
8	Jumlah karyawan (komparatif 2 tahun) dan data pengembangan kompetensi karyawan yang mencerminkan adanya kesempatan untuk masing-masing level organisasi. Number of employees (comparative in two years) and description of competence building (for example: education and training of employees).	Informasi memuat antara lain: <ul style="list-style-type: none"> • Jumlah karyawan untuk masing-masing level organisasi • Jumlah karyawan untuk masing-masing tingkat pendidikan • Jumlah karyawan berdasarkan status kepegawaian • Data pengembangan kompetensi karyawan yang telah dilakukan pada tahun buku yang terdiri dari pihak (level jabatan) yang mengikuti pelatihan, jenis pelatihan, dan tujuan pelatihan • Biaya pengembangan kompetensi karyawan yang telah dikeluarkan pada tahun buku. 	The information should contain: <ul style="list-style-type: none"> • The number of employees for each level of the organisation • The number of employees for each level of education • The number of employees based on employment status • The description and data of employees competencies development program that has been conducted, which also reflect equal opportunity to all employees, for each level of the organisation • Expenses of employee's competencies development program incurred. 	134
9	Komposisi Pemegang saham Composition of shareholders	Mencakup antara lain: <ul style="list-style-type: none"> • Rincian nama pemegang saham yang meliputi 20 pemegang saham terbesar dan persentase kepemilikannya 	Should include: <ul style="list-style-type: none"> • The details include the name of 20 largest shareholders and their percentage of ownership 	141

No	Materi Subject	Penjelasan Description	Halaman Page	
		<ul style="list-style-type: none"> Rincian pemegang saham dan persentase kepemilikannya meliputi: <ul style="list-style-type: none"> Nama pemegang saham yang memiliki 5% atau lebih saham Kelompok pemegang saham masyarakat dengan kepemilikan saham masing-masing kurang dari 5%. Nama Direktur dan Komisaris serta persentase kepemilikan sahamnya secara langsung dan tidak langsung. Catatan: apabila Direktur dan Komisaris tidak memiliki saham langsung dan tidak langsung, agar diungkapkan. 	<ul style="list-style-type: none"> The details of shareholders and their percentage of ownership, including: <ul style="list-style-type: none"> Names of shareholders having 5% or more shares Group of public shareholders with less than 5% ownership each. Name of Directors and Commissioners with their share direct and indirect share ownership percentage. <p>Note: should be disclosed if the Directors and Commissioners do not own direct or indirect shares.</p>	
10	Daftar entitas anak dan/atau entitas asosiasi List of Subsidiary and/or Affiliate companies	<p>Dalam bentuk tabel memuat informasi antara lain:</p> <ul style="list-style-type: none"> Nama entitas anak dan/atau asosiasi Persentase kepemilikan saham Keterangan tentang bidang usaha entitas anak dan/atau entitas asosiasi, dan Keterangan status operasi entitas anak dan/atau entitas asosiasi (telah beroperasi atau belum beroperasi). 	<p>The information contains, among others:</p> <ul style="list-style-type: none"> Name of Subsidiary/Affiliate Percentage of share ownership Information on the field of business of Subsidiary/Affiliate, and Explanation regarding the operational status of the Subsidiary/Affiliate (already operating or not yet operating) 	143
11	Struktur grup perusahaan Company's group structure	Struktur grup perusahaan dalam bentuk bagan yang menggambarkan entitas induk, entitas anak, entitas asosiasi, joint venture, dan special purpose vehicle (SPV).	Company's group structure in the form of a chart, that flows subsidiaries, associated entities, joint venture and special purpose vehicle (SPV).	167
12	Kronologi penerbitan saham (termasuk private placement) dan/atau pencatatan saham dari awal penerbitan sampai dengan akhir tahun buku. Chronology of shares listing.	<p>Mencakup antara lain:</p> <ul style="list-style-type: none"> Tahun penerbitan saham, jumlah saham, nilai nominal saham, dan harga penawaran saham untuk masing-masing tindakan korporasi (corporate action) Jumlah saham tercatat setelah masing-masing tindakan korporasi (corporate action) Nama bursa di mana saham perusahaan dicatatkan <p>Catatan: apabila perusahaan tidak memiliki kronologi pencatatan saham, agar diungkapkan.</p>	<p>Includes among others:</p> <ul style="list-style-type: none"> The issuance of shares, number of shares, par values shares, and stock price for every corporate actions The number of listed shares after every corporate actions Name of Stock Exchange where the company shares are listed <p>Note: should be disclosed if the company does not have chronology of shares listing.</p>	168
13	Kronologi penerbitan dan/atau pencatatan efek lainnya dari awal penerbitan sampai dengan akhir tahun buku. Chronology of other securities listing	<p>Mencakup antara lain:</p> <ul style="list-style-type: none"> Nama efek lainnya, tahun penerbitan efek lainnya, tingkat bunga/imbalance efek lainnya, dan tanggal jatuh tempo efek lainnya Nilai penawaran efek lainnya Nama bursa di mana efek lainnya dicatatkan Peringkat efek. <p>Catatan: apabila perusahaan tidak memiliki kronologi penerbitan dan pencatatan efek lainnya, agar diungkapkan.</p>	<p>Includes among others:</p> <ul style="list-style-type: none"> Chronology of other securities listing Types of corporate action that caused changes in the number of securities Changes in the number of securities from the initial listing up to the end of the financial year Rating of the securities. <p>Note: should be disclosed if the company does not have chronology of other securities listing.</p>	168
14	Nama dan alamat lembaga dan/atau profesi penunjang Name and address of capital market institutions and or supporting professions	<p>Informasi memuat antara lain:</p> <ul style="list-style-type: none"> Nama dan alamat BAE/pihak yang mengadministrasikan saham perusahaan Nama dan alamat Kantor Akuntan Publik Nama dan alamat perusahaan pemeringkat efek. 	<p>The information contains, among others:</p> <ul style="list-style-type: none"> Name and address of Share Registrar/parties administering the company's shares Name and address of the Public Accountants' Office Name and address of the Securities Rating company 	169

No	Materi Subject	Penjelasan Description	Halaman Page	
15	Penghargaan yang diterima dalam tahun buku terakhir dan/atau Sertifikasi yang masih berlaku dalam tahun buku terakhir baik yang berskala nasional maupun internasional. Award and/or certification received by the company on last fiscal year, both on a national scale and international scale.	Informasi memuat antara lain: <ul style="list-style-type: none"> Nama penghargaan dan/atau Sertifikasi Tahun perolehan penghargaan dan/atau Sertifikasi Badan pemberi penghargaan dan/atau Sertifikasi Masa berlaku (untuk Sertifikasi). 	Information should include: <ul style="list-style-type: none"> Name of the award and or certification Year of receiving the award Institution presenting the award and or certification Period of validity (for certificates). 	172
16	Nama dan alamat entitas anak dan/atau kantor cabang atau kantor perwakilan (jika ada). Name and address of subsidiary companies and or branch office or representative office (if any)	Memuat informasi antara lain: <ul style="list-style-type: none"> Nama dan alamat entitas anak Nama dan alamat kantor cabang/ perwakilan Catatan: apabila perusahaan tidak memiliki entitas anak, kantor cabang, dan kantor perwakilan, agar diungkapkan.	Information should include: <ul style="list-style-type: none"> Name and address of business entities Name and address of branch/ representative office Note: should be disclosed if there is no business entities/branches/representatives.	166
17	Informasi pada Website Perusahaan Information presented on Company's website	Meliputi paling kurang: <ul style="list-style-type: none"> Informasi pemegang saham sampai dengan pemilik akhir individu Isi Kode Etik Informasi Rapat Umum Pemegang Saham (RUPS) paling kurang meliputi bahan mata acara yang dibahas dalam RUPS, ringkasan risalah RUPS, dan informasi tanggal penting yaitu tanggal pengumuman RUPS, tanggal pemanggilan RUPS, tanggal RUPS, tanggal ringkasan risalah RUPS diumumkan Laporan keuangan tahunan terpisah (5 tahun terakhir) Profil Dewan Komisaris dan Direksi Piagam/Charter Dewan Komisaris, Direksi, Komite-komite, dan Unit Audit Internal. 	Includes at least: <ul style="list-style-type: none"> Shareholder information up to the ultimate beneficial owner The Content of the Code of Conduct Information about General Meeting of Shareholders (GMS) shall at least cover the agenda which discussed in the GMS, summary of minutes of the GMS, and information on important dates, namely the date of the GMS announcement, the date of the GMS notice, the date of the GMS summary of minutes announced, Separate annual financial statements (last 5 years) Board of Commissioners and Board of Directors Profile Charter of the Board of Commissioners, Board of Directors, Committees, and Internal Audit Unit. 	178
18	Pendidikan dan/atau pelatihan Dewan Komisaris, Direksi, Komite-komite, Sekretaris Perusahaan, dan Unit Audit Internal. Education and/or training for the Board of Commissioners, Board of Directors, Committees, Corporate Secretary, and Internal Audit Unit.	Meliputi paling kurang informasi (jenis dan pihak yang relevan dalam mengikut): <ul style="list-style-type: none"> Pendidikan dan/atau pelatihan untuk Dewan Komisaris Pendidikan dan/atau pelatihan untuk Direksi Pendidikan dan/atau pelatihan untuk Komite Audit; Pendidikan dan/atau pelatihan untuk Komite Nominasi dan Remunerasi Pendidikan dan/atau pelatihan untuk Komite Lainnya Pendidikan dan/atau pelatihan untuk Sekretaris Perusahaan, dan Pendidikan dan/atau pelatihan untuk Unit Audit Internal. yang diikuti pada tahun buku Catatan: apabila tidak terdapat pendidikan dan/atau pelatihan pada tahun buku, agar diungkapkan.	Covering at least contains information about (type and relevant parties to participate): <ul style="list-style-type: none"> Education and/or training for the Board of Commissioners Education and/or training for the Board of Directors Education and/or training for Audit Committee Education and/or training for Nomination and Remuneration Committee Education and/or training for other Committees Education and/or training for Corporate Secretary, and Education and/or training for Internal Audit Unit, within the fiscal year Note: should be disclosed if there is no education and/or training in the fiscal year.	181 113 125 369 312 381 387 396

No	Materi Subject	Penjelasan Description	Halaman Page	
V	Analisa dan Pembahasan Manajemen atas Kinerja Perusahaan Management Analysis and Discussion on Company Performance			
1	Tinjauan operasi per segmen usaha Explanation of each business segment.	Memuat uraian mengenai <ul style="list-style-type: none"> • Penjelasan masing-masing segmen usaha. • Kinerja per segmen usaha, antara lain: <ul style="list-style-type: none"> › Produksi › Peningkatan/penurunan kapasitas produksi › Penjualan/pendapatan usaha › Profitabilitas. 	<ul style="list-style-type: none"> • Explanation of each business segment. • Performance by business segments, among others: <ul style="list-style-type: none"> › Production › Increase/decrease in production capacity › Sales/income from business › Profitability. 	189
2	Uraian atas kinerja keuangan perusahaan Description of company's financial performance.	Analisis kinerja keuangan yang mencakup perbandingan antara kinerja keuangan tahun yang bersangkutan dengan tahun sebelumnya dan penyebab kenaikan/penurunan suatu akun (dalam bentuk narasi dan tabel), antara lain mengenai: <ul style="list-style-type: none"> • Aset lancar, aset tidak lancar, dan total aset • Liabilitas jangka pendek, liabilitas jangka panjang dan total liabilitas • Ekuitas • Penjualan/pendapatan usaha, beban, laba (rugi), penghasilan komprehensif lain, dan penghasilan komprehensif periode berjalan • Arus kas 	Financial performance analysis which includes a comparison between the financial performance of the current year and that of the previous year, and the cause of the increase/decrease (in the form of narration and tables), among others concerning: <ul style="list-style-type: none"> • Current assets, non-current assets, and total assets • Short term liabilities, long term liabilities, total liabilities • Equity • Sales/operating revenues, expenses and profit (loss), Other comprehensive revenues, and total comprehensive profit (loss) • Cash flows 	220
3	Bahasan dan analisis tentang kemampuan membayar utang dan tingkat kolektibilitas piutang perusahaan, dengan menyajikan perhitungan rasio yang relevan sesuai dengan jenis industry perusahaan. Discussion and analysis on the capacity to pay debts and the company's accounts receivable collectibility, by presenting the relevant ratios calculated in accordance with the type of industry of the company.	Penjelasan tentang: <ul style="list-style-type: none"> • Kemampuan membayar hutang, baik jangka pendek maupun jangka panjang • Tingkat kolektibilitas piutang 	Explanation on: <ul style="list-style-type: none"> • Capacity to pay debts in long term and short term • Accounts receivable collectibility 	239
4	Bahasan tentang struktur modal (capital structure) dan kebijakan manajemen atas struktur modal (capital structure policy). Discussion on capital structure and capital structure policies.	Penjelasan atas: <ul style="list-style-type: none"> • Rincian struktur modal (capital structure) yang terdiri dari utang berbasis bunga/sukuk dan ekuitas • Kebijakan manajemen atas struktur modal (capital structure policies) • Dasar pemilihan kebijakan manajemen atas struktur modal 	Explanation on: <ul style="list-style-type: none"> • Details of capital structure consisting of subordinated bonds and equity • Management policies of the capital structure, and the basis of the such policies • Basic of management policy choice on capital structure 	241
5	Bahasan mengenai ikatan yang material untuk investasi barang modal (bukan ikatan pendanaan) pada tahun buku terakhir. Discussion on materialities for the investment of capital goods, on last fiscal year.	Penjelasan tentang: <ul style="list-style-type: none"> • Nama pihak yang melakukan ikatan • Tujuan dari ikatan tersebut • Sumber dana yang diharapkan untuk memenuhi ikatan-ikatan tersebut • Mata uang yang menjadi denominasi • Langkah-langkah yang direncanakan perusahaan untuk melindungi risiko dari posisi mata uang asing yang terkait. <p>Catatan: apabila perusahaan tidak mempunyai ikatan terkait investasi barang modal pada tahun buku terakhir agar diungkapkan.</p>	Explanation on: <ul style="list-style-type: none"> • Name of the related party. • Objective of the relation. • Financial source which expected to fulfill the realations. • Denominated currency. • Steps taken by the Company to protect the position of related foreign currency against risks. <p>Note: Should be disclosed if the company has no material ties in investments in capital goods on last fiscal year</p>	243

No	Materi Subject	Penjelasan Description		Halaman Page
6	Bahasan mengenai investasi barang modal yang direalisasikan pada tahun buku terakhir. Discussion on investment of capital goods realised in the last fiscal year.	Penjelasan tentang: • Jenis investasi barang modal • Tujuan investasi barang modal • Nilai investasi barang modal yang dikeluarkan pada tahun buku terakhir Catatan: apabila tidak terdapat realisasi investasi barang modal, agar diungkapkan.	Explanation on: • Type of the investment of capital goods • The purpose of the investment of capital goods • Value of the investment of capital goods realised in the last fiscal year Note: Should be disclosed if the company has no investments in capital goods realised.	243
7	Informasi perbandingan antara target pada awal tahun buku dengan hasil yang dicapai (realisasi), dan target atau proyeksi yang ingin dicapai untuk satu tahun mendatang mengenai pendapatan, laba, dan lainnya yang dianggap penting bagi perusahaan. Information about the comparison between the target at the beginning of the fiscal year with the results achieved (realisation), and the target or projected to be achieved for the coming year regarding revenue, earnings, capital structure, or others that are considered important for the company.	Informasi memuat antara lain: Perbandingan antara target pada awal tahun buku dengan hasil yang dicapai (realisasi) Target atau proyeksi yang ingin dicapai dalam 1 (satu) tahun mendatang.	Information should include: The comparison between the target at the beginning of the fiscal year with the results achieved (realisation) The target or projected to be achieved for the coming year (at least 1 year).	248-251
8	Informasi dan fakta material yang terjadi setelah tanggal laporan akuntan. Material Information and facts that occurred after the date of the accountant's report (subsequent events).	Uraian kejadian penting setelah tanggal laporan akuntan termasuk dampaknya terhadap kinerja dan risiko usaha di masa mendatang. Catatan: apabila tidak ada kejadian penting setelah tanggal laporan akuntan, agar diungkapkan.	Description of important events after the date of the accountant's report including their impact on performance and business risks in the future. Note: should be disclosed if there is no significant events after the date of accountant report.	247
9	Uraian tentang prospek usaha perusahaan. Description of the company's business prospects.	Uraian mengenai prospek perusahaan dikaitkan dengan industri dan ekonomi secara umum disertai data pendukung kuantitatif dari sumber data yang layak dipercaya.	Information on the company prospects in connection with industry, economy in general, accompanied with supporting quantitative data if there is a reliable data source.	252
10	Uraian tentang aspek pemasaran. Information on marketing aspects.	Uraian tentang aspek pemasaran atas produk dan/atau jasa perusahaan, antara lain strategi pemasaran dan pangsa pasar.	Information regarding the marketing of the company's products and services, among others concerning the market segmen	256
11	Uraian mengenai kebijakan dividen dan jumlah dividen kas per saham dan jumlah dividen per tahun yang diumumkan atau dibayar selama 2 (dua) tahun buku terakhir. Description regarding the dividend policy and the date and amount of cash dividend per share and amount of dividend per year as announced or paid during the past two (2) years.	Memuat uraian mengenai: • Kebijakan pembagian dividen • Total dividen yang dibagikan • Jumlah dividen kas per saham • Payout ratio • Tanggal pengumuman dan pembayaran dividen kas. untuk masing-masing tahun Catatan: apabila tidak ada pembagian dividen, agar diungkapkan alasannya.	Contains description on: • Dividen policy • Amount of dividend • Cash dividend per share • Pay-out ratio • The announcement date of cash dividend payment for each year Note: if there is no dividend payment, disclose the reasons for not making a dividend payment.	258
12	Program kepemilikan saham oleh karyawan dan/atau manajemen yang dilaksanakan perusahaan (ESOP/MSOP) yang masih ada sampai tahun buku. Management and/or Employee Stock Ownership Program implemented by the company (ESOP/MSOP)	Memuat uraian mengenai: • Jumlah saham ESOP/MSOP dan realisasinya • Jangka waktu • Persyaratan karyawan dan/atau manajemen yang berhak • Harga exercise Catatan: apabila tidak memiliki program dimaksud, agar diungkapkan.	Contains description on: • Amount of ESOP/MSOP shares and the realisation • Time periode • Requirements of rightful employee and/or management • Exercise price Note: should be disclosed if there is no such program.	266

No	Materi Subject	Penjelasan Description	Halaman Page	
13	<p>Realisasi penggunaan dana hasil penawaran umum (dalam hal perusahaan masih diwajibkan menyampaikan laporan realisasi penggunaan dana).</p> <p>Use of proceeds from the public offering (in the event that the company is still obligated to report such use of proceeds).</p>	<p>Memuat uraian mengenai:</p> <ul style="list-style-type: none"> Total perolehan dana Rencana penggunaan dana Rincian penggunaan dana Saldo dana Tanggal persetujuan RUPS/RUPO atas perubahan penggunaan dana (jika ada) <p>Catatan: apabila tidak memiliki informasi realisasi penggunaan dana hasil penawaran umum, agar diungkapkan.</p>	<p>Contains information on:</p> <ul style="list-style-type: none"> Total funds obtained Plan for funds utilisation Details of funds utilisation Remaining balance of funds Date of General Meeting of Shareholder (or Bondholder) approval on change in the funds utilisation plan (if any) <p>Note: should be disclosed if does not have information regarding utilisation realisation of public offering result fund</p>	259
14	<p>Informasi transaksi material yang mengandung benturan kepentingan dan/ atau transaksi dengan pihak afiliasi.</p> <p>Information on material transactions with conflict of interest and/or transactions with related parties.</p>	<p>Memuat uraian mengenai:</p> <ul style="list-style-type: none"> Nama pihak yang bertransaksi dan sifat hubungan afiliasi Penjelasan mengenai kewajaran transaksi Alasan dilakukannya transaksi Realisasi transaksi pada periode tahun buku terakhir Kebijakan perusahaan terkait dengan mekanisme review atas transaksi Pemenuhan peraturan dan ketentuan terkait <p>Catatan: apabila tidak mempunyai transaksi dimaksud, agar diungkapkan.</p>	<p>Contains information on:</p> <ul style="list-style-type: none"> Name of the transacting parties and nature of related parties A description of the fairness of the transaction Reason for the transaction Realisation of transactions during the period Company policies regarding the review mechanism on the transactions Compliance with related rules and regulations <p>Note: should be disclosed if there are no such transactions.</p>	261
15	<p>Uraian mengenai perubahan peraturan perundang-undangan terhadap perusahaan pada tahun buku terakhir.</p> <p>Description of changes in regulation which have a significant effect on the company.</p>	<p>Uraian memuat antara lain:</p> <ul style="list-style-type: none"> Nama peraturan perundang-undangan yang mengalami perubahan Dampaknya (kuantitatif dan/atau kualitatif) terhadap perusahaan (jika signifikan) atau pernyataan bahwa dampaknya tidak signifikan. <p>Catatan: apabila tidak terdapat perubahan peraturan perundang-undangan pada tahun buku terakhir, agar diungkapkan.</p>	<p>Description should contain:</p> <ul style="list-style-type: none"> Name of legislation that is changed Impact (quantitatively and/or qualitatively) to the company (if significant) or statement that the impact is insignificant <p>Note: should be disclosed if there is no changes in legislation within the last fiscal year</p>	267
16	<p>Uraian mengenai perubahan kebijakan akuntansi yang diterapkan perusahaan pada tahun buku terakhir.</p> <p>Description of changes in the accounting policy.</p>	<p>Uraian memuat antara lain:</p> <ul style="list-style-type: none"> Perubahan kebijakan akuntansi; Alasan perubahan kebijakan akuntansi; dan Dampaknya secara kuantitatif terhadap laporan keuangan. <p>Catatan: apabila tidak terdapat perubahan kebijakan akuntansi pada tahun buku terakhir, agar diungkapkan.</p>	<p>Description should contain:</p> <ul style="list-style-type: none"> Changes of accounting policies; Reasons for the change of accounting policy; and Quantitative impact to the financial report. <p>Note: should be disclosed if there is no changes in accounting policy within the last fiscal year</p>	271
17	<p>Informasi kelangsungan usaha.</p> <p>Information of Business continuity.</p>	<p>Pengungkapan informasi mengenai:</p> <ul style="list-style-type: none"> Hal-hal yang berpotensi berpengaruh signifikan terhadap kelangsungan usaha perusahaan pada tahun buku terakhir Assessment manajemen atas hal-hal pada angka 1 Asumsi yang digunakan manajemen dalam melakukan assessment <p>Catatan: apabila tidak terdapat hal-hal yang berpotensi berpengaruh signifikan terhadap kelangsungan usaha perusahaan pada tahun buku terakhir, agar diungkapkan asumsi yang mendasari manajemen dalam meyakini bahwa tidak terdapat hal-hal yang berpotensi berpengaruh signifikan terhadap kelangsungan usaha perusahaan pada tahun buku terakhir.</p>	<p>Disclosure about:</p> <ul style="list-style-type: none"> Issues with significant potential to affect company's business continuity in the last fiscal year Management assessment on issues in number 1 Assumptions used by management in doing assessment <p>Notes: if there are no issues of significant potential to affect business continuity in the last fiscal year, should be disclosed underlying assumption which is used by management to assure that there are no issues of significant potential to affect business continuity in the last fiscal year.</p>	271

No	Materi Subject	Penjelasan Description	Halaman Page	
VI	Good Corporate Governance			
1	Uraian Dewan Komisaris. Information on the Board of Commissioners.	Uraian memuat antara lain: <ul style="list-style-type: none"> • Uraian tanggung jawab Dewan Komisaris • Penilaian atas kinerja masing-masing komite yang berada di bawah Dewan Komisaris dan dasar penilaiannya • Pengungkapan mengenai Board Charter (pedoman dan tata tertib kerja Dewan Komisaris). 	The information should contain: <ul style="list-style-type: none"> • Description of the responsibility of the Board of Commissioners. • Assessment of the performance of each committee under the Board of Commissioners and the basis of its assessment. • Disclosing the Board Charter (guidance and work procedure of the Board of Commissioners). 	294
2	Komisaris Independen (jumlahnya minimal 30% dari total Dewan Komisaris). Information about Independent Commissioner	Meliputi antara lain: <ul style="list-style-type: none"> • Kriteria penentuan Komisaris Independen • Pernyataan tentang independensi masing-masing Komisaris Independen. 	The information should contain: <ul style="list-style-type: none"> • The criteria of Independent Commissioner • Statement about the independency of each Independent Commissioner. 	313
3	Uraian Direksi. Information on the Board of Directors	Uraian memuat antara lain: <ul style="list-style-type: none"> • Ruang lingkup pekerjaan dan tanggung jawab masing-masing anggota Direksi • Pengungkapan mengenai Board Charter (pedoman dan tata tertib kerja Direksi) 	The information should include: <ul style="list-style-type: none"> • Scope of work and responsibility of each member of the Board of Directors • Disclosing the Board Charter (guidance and work procedure of the Board of Directors) 	316
4	Penilaian Penerapan GCG untuk tahun buku 2016 yang meliputi paling kurang aspek Dewan Komisaris dan Direksi. Assessment GCG implementation in 2016 fiscal year on members of the Board of Commissioners and Board of Directors.	Memuat uraian mengenai: <ul style="list-style-type: none"> • Kriteria yang digunakan dalam penilaian • Pihak yang melakukan penilaian • Skor penilaian masing-masing kriteria • Rekomendasi hasil penilaian • Alasan belum/tidak diterapkannya rekomendasi <p>Catatan: apabila tidak ada penilaian penerapan GCG untuk tahun buku 2016, agar diungkapkan.</p>	Description should contain: <ul style="list-style-type: none"> • Criteria used in the assessment • Party who performs the assessment • Assessment result for each criteria • Assessment result recommendation • Reasons for not yet/not implemented recommendation <p>Note: should be disclosed if there is no GCG implementation in 2016 fiscal year.</p>	351
5	Uraian mengenai kebijakan remunerasi bagi Dewan Komisaris dan Direksi. Description of the remuneration policy for the Board of Directors that is related to the company performance.	Mencakup antara lain: <ul style="list-style-type: none"> • Pengungkapan prosedur pengusulan sampai dengan penetapan remunerasi Dewan Komisaris • Pengungkapan prosedur pengusulan sampai dengan penetapan remunerasi Direksi • Struktur remunerasi yang menunjukkan komponen remunerasi dan jumlah nominal per komponen untuk setiap anggota Dewan Komisaris • Struktur remunerasi yang menunjukkan komponen remunerasi dan jumlah nominal per komponen untuk setiap anggota Direksi • Pengungkapan indikator untuk penetapan remunerasi Direksi • Pengungkapan bonus kinerja, bonus non kinerja, dan/atau opsi saham yang diterima setiap anggota Dewan Komisaris dan Direksi (jika ada) 	Includes among others: <ul style="list-style-type: none"> • Board of Commissioners Remuneration procedures • Board of Directors Remuneration procedures • Remuneration structure, disclosing the type and amount of short-term and long-term compensation/post service benefits for each member of the Board of Commissioners • Remuneration structure, disclosing the type and amount of short-term and long-term compensation/post service benefits for each member of the Board of Directors • Performance indicators to determine the remuneration of the Board of Directors • Performance bonus, non-performance bonus, and/or stock options received by the Board of Commissioners and the Board of Directors disclosure (if any) 	355

No	Materi Subject	Penjelasan Description	Halaman Page	
		<p>Catatan: apabila tidak terdapat bonus kinerja, bonus non kinerja, dan opsi saham yang diterima setiap anggota Dewan Komisaris dan Direksi, agar diungkapkan.</p>	<p>Note: should be disclosed if there is no performance bonus, non-performance bonus, and stock options received by the Board of Commissioners and the Board of Directors.</p>	
6	<p>Frekuensi dan Tingkat Kehadiran Rapat yang dihadiri mayoritas anggota pada rapat Dewan Komisaris (minimal 1 kali dalam 2 bulan), Rapat Direksi (minimal 1 kali dalam 1 bulan), dan Rapat Gabungan Dewan Komisaris dengan Direksi (minimal 1 kali dalam 4 bulan).</p> <p>Frequency of Boards of Commissioners meetings, Board of Director meetings, and joint meetings Board of Commissioners and Board of Directors</p>	<p>Informasi memuat antara lain:</p> <ul style="list-style-type: none"> • Tanggal Rapat • Peserta Rapat • Agenda Rapat <p>untuk masing-masing rapat Dewan Komisaris, Direksi, dan rapat gabungan.</p>	<p>Information include:</p> <ul style="list-style-type: none"> • Date of meetings • Meeting participants • Meeting Agenda <p>for each Board of Commissioners meetings, Board of Directors meeting and joint meetings.</p>	302, 305 & 334
7	<p>Informasi mengenai pemegang saham utama dan pengendali, baik langsung maupun tidak langsung, sampai kepada pemilik individu.</p> <p>Information regarding major and controlling shareholders, either direct or indirect, and individual shareholders.</p>	<p>Dalam bentuk skema atau diagram yang memisahkan pemegang saham utama dengan pemegang saham pengendali. Catatan: yang dimaksud pemegang saham utama adalah pihak yang, baik secara langsung maupun tidak langsung, memiliki sekurang-kurangnya 20% (dua puluh perseratus) hak suara dari seluruh saham yang mempunyai hak suara yang dikeluarkan oleh suatu Perseroan, tetapi bukan pemegang saham pengendali.</p>	<p>Presented in scheme or diagram which separates major shareholders with controlling shareholders.</p> <p>Note: major shareholders is a party who, direct or indirectly, owns at least 20% (twenty per cent) voting rights of all shares with voting rights issued by a Company, but not a controlling shareholders.</p>	287
8	<p>Pengungkapan hubungan afiliasi antara anggota Direksi, Dewan Komisaris, dan Pemegang Saham Utama dan/atau pengendali.</p> <p>Disclosure of affiliation with other members of the Board of Commissioners and Board of Directors and major and/or controlling shareholders</p>	<p>Mencakup antara lain:</p> <ul style="list-style-type: none"> • Hubungan afiliasi antara anggota Direksi dengan anggota Direksi lainnya • Hubungan afiliasi antara anggota Direksi dan anggota Dewan Komisaris • Hubungan afiliasi antara anggota Direksi dengan Pemegang Saham Utama dan/atau Pengendali • Hubungan afiliasi antara anggota Dewan Komisaris dengan anggota Komisaris lainnya; dan • Hubungan afiliasi antara anggota Dewan Komisaris dengan Pemegang Saham Utama dan/atau Pengendali <p>Catatan: apabila tidak mempunyai hubungan afiliasi dimaksud, agar diungkapkan.</p>	<p>Includes among others:</p> <ul style="list-style-type: none"> • Affiliation between member of the Board of Directors and other Board of Directors members • Affiliation between member of the Board of Directors and Board of Commissioners members • Affiliation between member of the Board of Directors and major and/or controlling shareholders • Affiliation between member of the Board of Commissioners and other Board of Commissioners members • Affiliation between member of the Board of Commissioners and major and/or controlling shareholders <p>Note: should be disclosed if there are no such affiliation.</p>	112 & 125
9	<p>Komite Audit</p> <p>Audit Committee</p>	<p>Mencakup antara lain:</p> <ul style="list-style-type: none"> • Nama, jabatan, dan periode jabatan anggota komite audit • Riwayat pendidikan (Bidang Studi dan Lembaga Pendidikan) dan pengalaman kerja (Jabatan, Instansi, dan Periode Menjabat) anggota komite audit • Independensi anggota komite audit • Uraian tugas dan tanggung jawab • Uraian pelaksanaan kegiatan komite audit pada tahun buku • Frekuensi pertemuan dan tingkat kehadiran komite audit 	<p>Includes among others:</p> <ul style="list-style-type: none"> • Name and title of the members of the Audit Committee • Qualification of education and work experience of Audit Committee members • Independence of the members of the Audit Committee • Description of tasks and responsibilities • Brief report on the activities carried out by the Audit Committee • Frequency of meetings and the attendance of the Audit Committee 	361

No	Materi Subject	Penjelasan Description	Halaman Page	
10	Komite Nominasi dan/atau Remunerasi. Nomination and Remuneration Committee/ Function.	Mencakup antara lain: <ul style="list-style-type: none"> Nama, jabatan, dan riwayat hidup singkat anggota komite nominasi dan/atau remunerasi Independensi komite nominasi dan/atau remunerasi Uraian tugas dan tanggung jawab Uraian pelaksanaan kegiatan komite nominasi dan/atau remunerasi pada tahun buku Frekuensi pertemuan dan tingkat kehadiran komite nominasi dan/atau remunerasi Pernyataan adanya pedoman komite nominasi dan/atau remunerasi Kebijakan mengenai suksesi direksi. 	Includes among others: <ul style="list-style-type: none"> Name, title, and brief curriculum vitae of the members of the Nomination and/or Remuneration Committee/Function Independence of the members of the Nomination and/or Remuneration Committee/Function Description of the tasks and responsibilities Activities carried out by the Nomination and/or Remuneration Committee/Function Frequency of meetings and the attendance rate of the Nomination and/or Remuneration Committee/Function Statement about Nomination and/or Remuneration Committee/Function guidelines Board of Directors succession policy. 	312
11	Komite-komite lain di bawah Dewan Komisaris yang dimiliki oleh perusahaan. Other committees of the company under the Board of Commissioners.	Mencakup antara lain: <ul style="list-style-type: none"> Nama, jabatan, dan riwayat hidup singkat anggota komite lain Independensi komite lain Uraian tugas dan tanggung jawab Uraian pelaksanaan kegiatan komite lain pada tahun buku Frekuensi pertemuan dan tingkat kehadiran komite lain. 	Includes among others: <ul style="list-style-type: none"> Name, title, and brief curriculum vitae of the members of the committees Independence of the members of the committee Description of the tasks and responsibilities Activities carried out by the committees Frequency of meetings and the attendance rate of other committee. 	371
12	Uraian tugas dan Fungsi Sekretaris Perusahaan. Description of tasks and function of the Corporate Secretary.	Mencakup antara lain: <ul style="list-style-type: none"> Nama, dan riwayat jabatan singkat sekretaris perusahaan Domisili Uraian tugas dan tanggung jawab Uraian pelaksanaan tugas sekretaris perusahaan pada tahun buku. 	Includes: <ul style="list-style-type: none"> Name, brief curriculum vitae of Corporate Secretary Domicile Duties and responsibilities description Duties execution of Corporate Secretary description within the fiscal year. 	383
13	Uraian mengenai Unit Audit Internal. Description of Internal Audit Unit.	Mencakup antara lain: <ul style="list-style-type: none"> Nama ketua Unit Audit Internal Jumlah pegawai (Auditor Internal) pada Unit Audit Internal Sertifikasi sebagai profesi Audit Internal Kedudukan Unit Audit Internal dalam struktur perusahaan Uraian pelaksanaan kegiatan Unit Audit Internal pada tahun buku Pihak yang mengangkat dan memberhentikan Ketua Unit Audit Internal. 	Includes among others: <ul style="list-style-type: none"> Name of Internal Audit Unit Head Number of employees in the Internal Audit Unit Certification of Internal Audit profession Internal Audit Unit position in company's structure Duties execution of Internal Audit Unit description within the fiscal year Party who appoints and dismisses Internal Audit Unit Head. 	389

No	Materi Subject	Penjelasan Description	Halaman Page	
14	Akuntan Publik Public Accountant	Informasi memuat antara lain: <ul style="list-style-type: none"> Nama dan tahun akuntan publik yang melakukan audit laporan keuangan tahunan selama 5 tahun terakhir Nama dan tahun Kantor Akuntan Publik yang melakukan audit laporan keuangan tahunan selama 5 tahun terakhir Besarnya fee untuk masing-masing jenis jasa yang diberikan oleh Kantor Akuntan Publik pada tahun buku terakhir Jasa lain yang diberikan Kantor Akuntan Publik dan akuntan publik selain jasa audit laporan keuangan tahunan pada tahun buku terakhir. 	The information should contain: <ul style="list-style-type: none"> Name and year of service of the public accountant who audited annual financial report for the last 5 years Name and year of service of the Public Accounting Firm who audited annual financial report for the last 5 years The amount of fees for the audit and other attestation services (in the event that such accountant provides other attestation services together with the audit) Other service provided by the accountant in addition to financial audit in the last fiscal year. 	407
15	Uraian mengenai manajemen risiko perusahaan. Description of the company's risk management.	Mencakup antara lain: <ul style="list-style-type: none"> Penjelasan mengenai sistem manajemen risiko yang diterapkan perusahaan Penjelasan mengenai hasil reviu yang dilakukan atas sistem manajemen risiko pada tahun buku Penjelasan mengenai risiko-risiko yang dihadapi perusahaan Upaya untuk mengelola risiko tersebut. 	Includes among others: <ul style="list-style-type: none"> Description of risk management systems Description of evaluation on the effectiveness of risk management systems Description of risks faced by the company Efforts to manage these risks. 	408
16	Uraian mengenai sistem pengendalian intern. Description of internal control systems.	Mencakup antara lain: <ul style="list-style-type: none"> Penjelasan singkat mengenai sistem pengendalian intern, antara lain mencakup pengendalian keuangan dan operasional Penjelasan kesesuaian sistem pengendalian intern dengan kerangka yang diakui secara internasional (COSO –) Penjelasan mengenai hasil reviu yang dilakukan atas pelaksanaan sistem pengendalian intern pada tahun buku. 	Includes among others: <ul style="list-style-type: none"> Short description of the internal control system, including financial and operational control Description of compatibility between the internal control system and internationally recognised internal control framework (COSO) Description of evaluation on the effectiveness of internal control system. 	422
17	Uraian mengenai corporate social responsibility yang terkait dengan lingkungan hidup Description of corporate social responsibility activities related to environment	Mencakup antara lain informasi tentang: <ul style="list-style-type: none"> Target/rencana kegiatan pada tahun 2016 yang ditetapkan manajemen Kegiatan yang dilakukan dan dampak kuantitatif atas kegiatan tersebut; dan terkait program lingkungan hidup yang berhubungan dengan kegiatan operasional perusahaan, seperti penggunaan material dan energi yang ramah lingkungan dan dapat didaur ulang, sistem pengolahan limbah perusahaan, mekanisme pengaduan masalah lingkungan, pertimbangan aspek lingkungan dalam pemberian kredit kepada nasabah, dan lain-lain Sertifikasi di bidang lingkungan yang dimiliki. 	Contains information on, among others: <ul style="list-style-type: none"> Management Policies Activities conducted, environment-related activities, that relevant with operational activity of the company, such as usage of recycled materials, energy, waste treatment, etc Environment-related certification. 	472

No	Materi Subject	Penjelasan Description	Halaman Page	
18	<p>Uraian mengenai corporate social responsibility yang terkait dengan ketenagakerjaan, kesehatan, dan keselamatan kerja.</p> <p>Description of corporate social responsibility related to the workforce, work health and safety.</p>	<p>Mencakup antara lain informasi tentang:</p> <ul style="list-style-type: none"> • Target/rencana kegiatan pada tahun 2016 yang ditetapkan manajemen; dan • Kegiatan yang dilakukan dan dampak kuantitatif atas kegiatan tersebut terkait praktik ketenagakerjaan, kesehatan, dan keselamatan kerja, seperti kesetaraan gender dan kesempatan kerja, sarana dan keselamatan kerja, tingkat turnover karyawan, tingkat kecelakaan kerja, remunerasi, mekanisme pengaduan masalah ketenagakerjaan, dan lainlain. 	<p>Contains information on, among others:</p> <ul style="list-style-type: none"> • Management Policies • Activities conducted health and safety-related activities, such as gender equality, equal work opportunity, work and safety facilities, employee turnover, work incident rate, training, etc. 	529
19	<p>Uraian mengenai corporate social responsibility yang terkait dengan pengembangan sosial dan kemasyarakatan.</p> <p>Description of corporate social responsibility activities related to social and community development.</p>	<p>Mencakup antara lain informasi tentang:</p> <ul style="list-style-type: none"> • Target/rencana kegiatan pada tahun 2016 yang ditetapkan manajemen • Kegiatan yang dilakukan dan dampak atas kegiatan tersebut • Biaya yang dikeluarkan terkait pengembangan sosial dan kemasyarakatan, seperti penggunaan tenaga kerja lokal, pemberdayaan masyarakat sekitar perusahaan, perbaikan sarana dan prasarana sosial, bentuk donasi lainnya, komunikasi mengenai kebijakan dan prosedur anti korupsi, pelatihan mengenai anti korupsi, dan lain-lain. 	<p>Contains information on, among others:</p> <ul style="list-style-type: none"> • Management Policies • Activities conducted • Cost of the activities social and community development related activities, such as the use of local work force, empowerment of local communities, paid for public social facilities, social donations, etc. 	512
20	<p>Uraian mengenai corporate social responsibility yang terkait dengan tanggung jawab kepada konsumen.</p> <p>Description of corporate social responsibility activities related to responsibility to the consumer</p>	<p>Mencakup antara lain:</p> <ul style="list-style-type: none"> • Target/rencana kegiatan yang pada tahun 2016 ditetapkan manajemen, dan • Kegiatan yang dilakukan dan dampak atas kegiatan tersebut terkait tanggung jawab produk, seperti kesehatan dan keselamatan konsumen, informasi produk, sarana, jumlah dan penanggulangan atas pengaduan konsumen, dan lain-lain. 	<p>Contains information on, among others:</p> <ul style="list-style-type: none"> • Management Policies • Activities conducted consumer protection related activities, such as consumer health and safety, product information, facility for consumer complaint, number and resolution of consumer complaint cases, etc. 	554
21	<p>Perkara penting yang sedang dihadapi oleh perusahaan, entitas anak, serta anggota Dewan Komisaris dan anggota Direksi yang menjabat pada periode laporan tahunan.</p> <p>Important cases faced by the company, subsidiary, as well as members of the Board of Commissioners and the Board of Directors who are serving in annual report period.</p>	<p>Mencakup antara lain:</p> <ul style="list-style-type: none"> • Pokok perkara/gugatan • Status penyelesaian perkara/gugatan • Risiko yang dihadapi perusahaan dan nilai nominal tuntutan/gugatan • Sanksi administrasi yang dikenakan kepada perusahaan, anggota Dewan Komisaris dan Direksi, oleh otoritas terkait (pasar modal, perbankan dan lainnya) pada tahun buku terakhir (atau terdapat pernyataan bahwa tidak dikenakan sanksi administrasi). <p>Catatan: dalam hal perusahaan, entitas anak, anggota Dewan Komisaris, dan anggota Direksi tidak memiliki perkara penting, agar diungkapkan.</p>	<ul style="list-style-type: none"> • Substance of the case/claim • Status of settlement of case/claim • Potential impacts on the financial condition of the company • Administrative sanctions imposed on the Company, the Board of Commissioners and Board of Directors, by the related authorities (capital markets, banking and others) in the last financial year (or there is a statement that is not subject to administrative sanctions). <p>Notes: in case not litigants, to be disclosed.</p>	439
22	<p>Akses informasi dan data perusahaan.</p> <p>Access to corporate information and data.</p>	<p>Uraian mengenai tersedianya akses informasi dan data perusahaan kepada publik, misalnya melalui website (dalam bahasa Indonesia dan bahasa Inggris), media massa, mailing list, buletin, pertemuan dengan analis, dan sebagainya.</p>	<p>Description on the availability of access to corporate information and data to the public, for example through website, mass media, mailing list, bulletin, analyst meeting, etc</p>	442

No	Materi Subject	Penjelasan Description		Halaman Page
23	Bahasan mengenai kode etik. Discussion of company code of conduct.	<p>Memuat uraian antara lain:</p> <ul style="list-style-type: none"> • Pokok-pokok kode etik • Pengungkapan bahwa kode etik berlaku bagi seluruh level organisasi • Penyebarluasan kode etik • Sanksi untuk masing-masing jenis pelanggaran yang diatur dalam kode etik (normatif); dan • Jumlah pelanggaran kode etik beserta sanksi yang diberikan pada tahun buku terakhir <p>Catatan: apabila tidak terdapat pelanggaran kode etik pada tahun buku terakhir, agar diungkapkan.</p>	<p>Contains information on:</p> <ul style="list-style-type: none"> • Content of the Code of Conduct • Disclosure on the relevancy of the code of conduct for all levels of the organisation • Socialisation of the Code of Conduct • Type of sanctions for each code of conduct violation • Number of violations and sanctions given regarding code of conduct in the last fiscal year. <p>Note: if there is no code of conduct violation in the last fiscal year, should be disclosed.</p>	426
24	Pengungkapan mengenai whistleblowing system. Disclosure on the whistleblowing system	<p>Memuat uraian tentang mekanisme whistleblowing system antara lain:</p> <ul style="list-style-type: none"> • Penyampaian laporan pelanggaran • Perlindungan bagi whistleblower • Penanganan pengaduan • Pihak yang mengelola pengaduan • Jumlah pengaduan yang masuk dan diproses pada tahun buku terakhir • Sanksi/tindak lanjut atas pengaduan yang telah selesai diproses pada tahun buku. <p>Catatan: apabila tidak terdapat pengaduan yang masuk dan telah selesai diproses pada tahun buku terakhir, agar diungkapkan.</p>	<p>Description of the mechanism of the whistleblowing system, including:</p> <ul style="list-style-type: none"> • Mechanism for violation reporting • Protection for the whistleblower • Handling of violation report • The unit responsible for handling of violation report • Number of received complaint and processed in the last fiscal year and the follow-up handling • Sanction/follow-up on received complaints which have been completed in the fiscal year. <p>Note: if there are no received complaints in the last fiscal year, should be disclosed.</p>	432
25	Kebijakan mengenai keberagaman komposisi Dewan Komisaris dan Direksi. The diversity of the Board of Commissioners and Board of Directors composition.	<p>Uraian kebijakan tertulis Perusahaan mengenai keberagaman komposisi Dewan Komisaris dan Direksi dalam pendidikan (bidang studi), pengalaman kerja, usia, dan jenis kelamin.</p> <p>Catatan: apabila tidak ada kebijakan dimaksud, agar diungkapkan alasan dan pertimbangannya.</p>	<p>Description of the Company's policy on diversity of the Board of Commissioners and Board of Directors composition on Education (field of study), work experience, age, and gender.</p> <p>Note: the reasons and consideration should be disclosed, if there are no such policy.</p>	444
VII Informasi Keuangan Financial Information				
1	Surat Pernyataan Direksi dan/atau Dewan Komisaris tentang Tanggung Jawab atas Laporan Keuangan. Statement by the Board of Directors concerning the Responsibility of the Board of Directors on the Financial Statement	Kesesuaian dengan peraturan terkait tentang Tanggung Jawab atas Laporan Keuangan.	Compliance with regulation regarding responsibility on the Financial Statement.	601
2	Opini auditor independen atas laporan keuangan. Independent auditor's opinion on the financial statement.			603-604
3	Deskripsi Auditor Independen di Opini. Description of the Independent Auditor in the Opinion.	<p>Deskripsi memuat tentang:</p> <ul style="list-style-type: none"> • Nama dan tanda tangan • Tanggal Laporan Audit • Nomor ijin KAP dan nomor ijin Akuntan Publik. 	<p>The description contains:</p> <ul style="list-style-type: none"> • Name and signature • Date of the audit report; and • KAP license number and Public Accountant license number. 	603-604

No	Materi Subject	Penjelasan Description		Halaman Page
4	Laporan keuangan yang lengkap. Comprehensive financial statement.	Memuat secara lengkap unsur-unsur laporan keuangan: <ul style="list-style-type: none"> Laporan posisi keuangan Laporan laba rugi dan penghasilan komprehensif lain Laporan perubahan ekuitas Laporan arus kas Catatan atas laporan keuangan Informasi komparatif mengenai periode sebelumnya Laporan posisi keuangan pada awal periode sebelumnya ketika entitas menerapkan suatu kebijakan akuntansi secara retrospektif atau membuat penyajian kembali pos-pos laporan keuangan, atau ketika entitas mereklasifikasi pos-pos dalam laporan keuangannya (jika relevan). 	Contains all elements of the financial statement: <ul style="list-style-type: none"> Financial Position (Balance sheet) Comprehensive Profit loss statement Statement of changes in equity Statement of Cash flows Notes to the financial statement Comparative information about previous period Financial position at the start of comparative periods when the company implement retrospective application of accounting policies, or re-stated its accounts of financial statements, or re-classified the accounts of its financial statements (if relevant). 	lampiran 1/1 - 5/107
5	Perbandingan tingkat profitabilitas. Comparison of profitability.	Perbandingan kinerja/laba (rugi) tahun berjalan dengan tahun sebelumnya.	Comparison of profit (loss) from operations for the year by the previous year.	lampiran 2/1-2/2
6	Laporan Arus Kas. Cash Flow Report.	Memenuhi ketentuan sebagai berikut: <ul style="list-style-type: none"> Pengelompokan dalam tiga kategori aktivitas: operasi, investasi, dan pendanaan Penggunaan metode langsung (direct method) untuk melaporkan arus kas dari aktivitas operasi Pemisahan penyajian antara penerimaan kas dan atau pengeluaran kas selama tahun berjalan pada aktivitas operasi, investasi dan pendanaan Pengungkapan transaksi non kas harus dicantumkan dalam catatan atas laporan keuangan 	Meets the following provisions: <ul style="list-style-type: none"> Grouped into three categories of activity: operational activity, investment, and funding Uses a direct method reporting for cash flows for operational activity Separating the presentation between cash receipt and or cash expended during the current year for operational, investment, and funding activities Disclosing activities that do not influence the cash flow 	lampiran 4
7	Ikhtisar Kebijakan Akuntansi. Summary of Accounting Policy.	Meliputi sekurang-kurangnya: <ul style="list-style-type: none"> Pernyataan kepatuhan terhadap SAK Dasar pengukuran dan penyusunan laporan keuangan Pajak penghasilan Imbalan kerja Instrumen Keuangan 	Includes at least: <ul style="list-style-type: none"> Statement of compliance to Financial Accounting Standard Basis for the measurement and preparation of financial statements Income tax Work compensation Financial instruments 	lampiran 5/20-5/49
8	Pengungkapan transaksi pihak berelasi. Disclosure on transaction with related parties.	Hal-hal yang diungkapkan antara lain: <ul style="list-style-type: none"> Nama pihak berelasi, serta sifat dan hubungan dengan pihak berelasi Nilai transaksi beserta persentasenya terhadap total pendapatan dan beban terkait Jumlah saldo beserta persentasenya terhadap total aset atau liabilitas terkait 	Disclosure of, among others: <ul style="list-style-type: none"> Name of related party, and nature of relation with related party Amount of transaction and its percentage to total related revenues and expenses Total balance of transaction and its percentage to total assets or liabilities 	lampiran 5/86-5/92
9	Pengungkapan yang berhubungan dengan perpajakan. Disclosure related to taxation.	Hal-hal yang harus diungkapkan: <ul style="list-style-type: none"> Rekonsiliasi fiskal dan perhitungan beban pajak kini Penjelasan hubungan antara beban (penghasilan) pajak dan laba akuntansi Pernyataan bahwa Laba Kena Pajak (LKP) hasil rekonsiliasi dijadikan dasar dalam pengisian SPT Tahunan PPh Badan tahun 2016 	Issues that should be disclosed: <ul style="list-style-type: none"> Fifiscal reconciliation and calculation of current tax Explanation on the relation between tax expenses (benefit) and accounting/book profit Statement that the amount of Taxable Profit as calculated through reconciliation is in accordance with the Tax Return 	Lampiran 5/75-5/85

No	Materi Subject	Penjelasan Description	Halaman Page
		<ul style="list-style-type: none"> Rincian aset dan liabilitas pajak tangguhan yang diakui pada laporan posisi keuangan untuk setiap periode penyajian, dan jumlah beban (penghasilan) pajak tangguhan yang diakui pada laporan laba rugi apabila jumlah tersebut tidak terlihat dari jumlah aset atau liabilitas pajak tangguhan yang diakui pada laporan posisi keuangana Pengungkapan ada atau tidak ada sengketa pajak. 	<ul style="list-style-type: none"> Details of deferred tax assets and liabilities recognised on the financial position (balance sheet) for each reporting period, and the amount of deferred tax expenses (benefit) recognised in the profit/loss statement in the event that the amount is not recognisable from the amount of deferred tax assets and liabilities presented on the financial position (balance sheet) Disclosure of whether or not there is a tax dispute.
10	Pengungkapan yang berhubungan dengan aset tetap. Disclosure related to Fixed Assets.	Hal-hal yang harus diungkapkan: <ul style="list-style-type: none"> Metode penyusutan yang digunakan Uraian mengenai kebijakan akuntansi yang dipilih antara model revaluasi dan model biaya Metode dan asumsi signifikan yang digunakan dalam mengestimasi nilai wajar aset tetap (untuk model revaluasi) atau pengungkapan nilai wajar aset tetap (untuk model biaya) Rekonsiliasi jumlah tercatat bruto dan akumulasi penyusutan aset tetap pada awal dan akhir periode dengan menunjukkan: penambahan, pengurangan dan reklasifikasi. 	Issues that should be disclosed: <ul style="list-style-type: none"> Depreciation method used Description of the selected accounting policies between the revaluation model and cost model The methods and significant assumptions used in estimating the fair value of fixed assets (revaluation model) or disclosure of the fair value of fixed assets (cost model) Reconciliation of the gross book value and accumulated depreciation of fixed assets at the beginning and end of the reporting period, showing any addition, reduction and reclassification.
11	Pengungkapan yang berhubungan dengan segmen operasi. Disclosures relating to operating segment.	Hal-hal yang harus diungkapkan: <ul style="list-style-type: none"> Informasi umum yang meliputi faktor-faktor yang digunakan untuk mengidentifikasi segmen yang dilaporkan Informasi tentang laba rugi, aset, dan liabilitas segmen yang dilaporkan Rekonsiliasi dari total pendapatan segmen, laba rugi segmen yang dilaporkan, aset segmen, liabilitas segmen, dan unsur material segmen lainnya terhadap jumlah terkait dalam entitas Pengungkapan pada level entitas, yang meliputi informasi tentang produk dan/atau jasa, wilayah geografis dan pelanggan utama. 	Issues that should be disclosed: <ul style="list-style-type: none"> General information which includes the factors used to identify segments that are reported Information about income, assets, and liabilities of the reported segment Reconciliation of total segment revenues, reported segment profit or loss, segment assets, segment liabilities and other segment material elements to the related number of the entity Disclosures at entity level, which includes information about products and/or services, geographic areas and major customers.
12	Pengungkapan yang berhubungan dengan Instrumen Keuangan. Disclosures relating to Financial Instruments.	Hal-hal yang harus diungkapkan: <ul style="list-style-type: none"> Rincian instrumen keuangan yang dimiliki berdasarkan klasifikasinya Nilai wajar dan hirarkinya untuk setiap kelompok instrumen keuangan Penjelasan risiko yang terkait dengan instrumen keuangan: risiko pasar, risiko kredit dan risiko likuiditas Kebijakan manajemen risiko Analisis risiko yang terkait dengan instrumen keuangan secara kuantitatif. 	Issues that should be disclosed: <ul style="list-style-type: none"> The Detail of financial instruments based on the classification The fair value of each class of financial instruments Risk management policy Explanation of the risks associated with financial instruments: market risk, credit risk and liquidity risk Risk analysis related to financial instruments quantitatively.
13	Penerbitan laporan keuangan. Publication of financial statements.	Hal-hal yang diungkapkan antara lain: <ul style="list-style-type: none"> Tanggal laporan keuangan diotorisasi untuk terbit Pihak yang bertanggung jawab mengotorisasi laporan keuangan. 	Issues to be disclosed include: <ul style="list-style-type: none"> The date that the financial statements is authorised to be published The party responsible to authorise the published financial statements.

Indikator GRI

GRI Indicators

Referensi POJK dan Indeks Isi GRI [102-55] | POJK References and GRI Content Index

Referensi silang GRI Standard & POJK GRI Standard & POJK Cross References	Pengungkapan Disclosure	Halaman dan/ laman Page numbers &/URLs	Tidak dicantumkan Omission
GRI 101: Dasar 2016 GRI 101: Foundation 2016			
Pengungkapan Umum General Disclosures			
GRI 102: Pengungkapan Umum 2016 GRI 102: General Disclosures 2016	102-1 Nama organisasi Name of the organization	72	
	102-2 Kegiatan, merek, produk, dan jasa Activities, brands, products, & services	72,94	
	102-3 Lokasi kantor pusat Location of headquarters	72	
	102-4 Lokasi operasi Location of operations	79,86	
	102-5 Kepemilikan dan bentuk hukum Ownership and legal form	72,141	
	102-6 Pasar yang dilayani Markets served	73,94 & 257	
	102-7 Skala organisasi Scale of the organization	14,73,102 & 134	
	102-8 Informasi mengenai karyawan Information on employees	134-138	
	102-9 Rantai pasokan Supply chain	187	
	102-10 Perubahan signifikan Significant changes	95	
	102-11 Pendekatan atau Prinsip Pencegahan Precautionary Principle or approach	176	
	102-12 Inisiatif eksternal External initiatives	174	
	102-13 Keanggotaan asosiasi Membership of associations	171	
	102-14 Pernyataan dari pembuat keputusan senior Statement from senior decision-maker	28 & 40	
	102-15 Dampak penting, risiko, dan peluang Key impacts, risks, and opportunities	414	
	102-16 Nilai, prinsip, standar, dan norma perilaku Values, principles, standards, and norms of behavior	90,301,329 & 426	
	102-17 Mekanisme untuk saran dan masalah etika Mechanisms for advice and concerns about ethics	432	
	102-18 Struktur tata kelola Governance structure	285	

Referensi silang GRI Standard & POJK GRI Standard & POJK Cross References	Pengungkapan Disclosure	Halaman dan/ laman Page numbers &/URLs	Tidak dicantumkan Omission
GRI 102: Pengungkapan Umum 2016 GRI 102: General Disclosures 2016	102-22 Komposisi badan tata kelola tertinggi dan komitennya Composition of the highest governance body and its committees	295	
	102-23 Ketua badan tata kelola tertinggi Chair of the highest governance body	287	
	102-24 Menominasikan dan memilih badan tata kelola tertinggi Nominating and selecting the highest governance body	294 & 316	
	102-27 Pengetahuan kolektif badan tata kelola tertinggi Collective knowledge of highest governance body	113 & 125	
	102-28 Mengevaluasi kinerja badan tata kelola tertinggi Evaluating the highest governance body's performance	308 & 346	
	102-32 Peran badan tata kelola tertinggi dalam pelaporan keberlanjutan Highest governance body's role in sustainability reporting	464	
	102-33 Mengomunikasikan hal-hal kritis Communicating critical concerns	515	
	102-34 Sifat dan jumlah total hal-hal kritis Nature and total number of critical concerns	515	
	102-35 Kebijakan remunerasi Remuneration policies	355 & 358	
	102-36 Proses untuk menentukan remunerasi Process for determining remuneration	355 & 358	
	102-37 Keterlibatan para pemangku kepentingan dalam remunerasi Stakeholders' involvement in remuneration	355 & 358	
	102-38 Rasio kompensasi total tahunan Annual total compensation ratio	357 & 360	
	102-39 Persentase kenaikan pada total rasio kompensasi total tahunan Percentage increase in annual total compensation ratio	357 & 360	
	102-40 Daftar kelompok pemangku kepentingan List of stakeholder groups	66	
	102-41 Perjanjian perundingan kolektif Collective bargaining agreements	140	
	102-42 Mengidentifikasi dan memilih pemangku kepentingan Identifying and selecting stakeholders	66	
	102-43 Pendekatan terhadap keterlibatan pemangku kepentingan Approach to stakeholder engagement	68	
	102-44 Topik utama dan masalah Key topics and concerns	67	
102-45 Entitas yang termasuk dalam laporan keuangan dikonsolidasi Entities included in the consolidated financial statements	62,64 & 65		
102-46 Menetapkan isi laporan dan Batasan topik Defining report content and topic Boundaries	63		

Referensi silang GRI Standard & POJK GRI Standard & POJK Cross References	Pengungkapan Disclosure	Halaman dan/ laman Page numbers &/URLs	Tidak dicantumkan Omission
GRI 102: Pengungkapan Umum 2016 GRI 102: General Disclosures 2016	102-47 Daftar topik material List of material topics	63	
	102-48 Penyajian kembali informasi Restatements of information	63	
	102-49 Perubahan dalam pelaporan Changes in reporting	60	
	102-50 Periode pelaporan Reporting period	56	
	102-51 Tanggal laporan terbaru Date of most recent report	56	
	102-52 Siklus pelaporan Reporting cycle	56	
	102-53 Kontak Contact	69 & 76	
	102-54 Kesesuaian dengan Standar GRI In accordance with the GRI Standards	61	
	102-55 Indeks isi GRI GRI content index	586	
	102-56 Assurance oleh pihak eksternal External assurance	-	
POJK 51/OJK.03/2017	2. Ikhtisar kinerja aspek keberlanjutan An overview of the sustainability performance aspect	14, 19, 472 & 512	
	3 Profil Profile	14, 72, 86, 95, 134, 141 & 171	
	4. Penjelasan Direksi Explanation of the Board of Directors	40	
	5.a Tugas bagi Direksi dan Dewan Komisaris terkait kinerja keberlanjutan Board of Directors and Board of Commissioners duties on sustainability performance	294 & 316	
	5.b Pengembangan kompetensi anggota Direksi terkait kinerja keberlanjutan Competencies development carried out on members of the Board of Directors regarding to sustainability performance	125	
	5.c Penjelasan mengenai prosedur Perusahaan Publik dalam mengendalikan risiko keberlanjutan Company procedures in controlling the risk of sustainability	408	
	5.d Keterlibatan pemangku kepentingan berdasarkan hasil penilaian (assessment) manajemen, RUPS, surat keputusan atau lainnya Stakeholder involvement based on management assessment, GSM, decision letter or other	67 & 68	
	6.f.2 Jumlah dan persentase produk dan jasa yang sudah dievaluasi keamanannya bagi pelanggan Number and percentage of products and services that have been evaluated for the customer's safety	557	
	6.f.5 Survei kepuasan pelanggan Survey of customer satisfaction	560	
Topik Material Material Topics			
Kinerja Ekonomi Economic Performance			
GRI 103: Pendekatan Manajemen 2016 GRI 103: Management Approach 2016	103-1 Penjelasan topik material dan Batasannya Explanation of the material topics	467	
	103-2 Pendekatan manajemen dan komponennya The management approach and its components	467	
	103-3 Evaluasi pendekatan manajemen Evaluation of the management approach	467	

Referensi silang GRI Standard & POJK GRI Standard & POJK Cross References	Pengungkapan Disclosure	Halaman dan/ laman Page numbers &/URLs	Tidak dicantumkan Omission
GRI 201: Kinerja Ekonomi 2016 GRI 201: Economic Performance 2016	201-1 Nilai ekonomi langsung yang dihasilkan dan didistribusikan Direct economic value generated and distributed	468 & 469	
	201-2 Implikasi finansial serta risiko dan peluang lain akibat dari perubahan iklim Financial implications and other risks and opportunities due to climate change	496	
	201-3 Kewajiban program pensiun manfaat pasti dan program pensiun lainnya Defined benefit plan obligations and other retirement plans	469 & 470	
	201-4 Bantuan finansial yang diterima dari pemerintah Financial assistance received from government	468	
POJK 51/OJK.03/2017	6.b.1 Perbandingan target dan kinerja produksi, portofolio, pembiayaan, pendapatan dan laba rugi Comparison of targets and performance of production, portfolio, financing, income and profit and loss	248	
	6.c.1 Komitmen Perusahaan untuk memberikan produk dan/atau jasa The Company's commitment to provide products and / or services equivalent to consumers	555	
Keberadaan Pasar Market Presence			
GRI 202 : Keberadaan Pasar 2016 GRI 202 : Market Presence 2016	202-1 Rasio standar upah karyawan entry-level berdasarkan jenis kelamin terhadap upah minimum regional Ratios of standard entry level wage by gender compared to local minimum wage	470 & 552	
Dampak Ekonomi Tidak Langsung Indirect Economic Impacts			
GRI 203 : Dampak Ekonomi Tidak Langsung 2016 GRI 203 : Indirect Economic Impacts 2016	203-1 Investasi infrastruktur dan dukungan layanan Infrastructure investments and services supported	471	
	203-2 Dampak ekonomi tidak langsung yang signifikan Significant indirect economic impacts	532 & 533	
Material Materials			
GRI 301 : Material 2016 GRI 301: Materials 2016	301-1 Material yang digunakan berdasarkan berat atau volume Materials used by weight or volume	479	
	301-2 Material input dari daur ulang yang digunakan Recycled input materials used	479	
Energi Energy			
GRI 103: Pendekatan Manajemen 2016 GRI 103: Management Approach 2016	103-1 Penjelasan topik material dan Batasannya Explanation of the material topics	479	
	103-2 Pendekatan manajemen dan komponennya The management approach and its components	479	
	103-3 Evaluasi pendekatan manajemen Evaluation of the management approach	479	
GRI 302: Energi 2016 GRI 302: Energy 2016	302-1 Konsumsi energi dalam organisasi Energy consumption within the organization	480	
	302-2 Konsumsi energi di luar organisasi Energy consumption outside of the organization	480	
POJK 51/OJK.03/2017	6.d.3.a Jumlah dan intensitas energi Number and intensity of energy	479	
	6.d.3.b Upaya dan pencapaian efisiensi energi, termasuk sumber energi terbarukan Efforts and achievements of energy efficiency, including renewable energy sources	479	

Referensi silang GRI Standard & POJK GRI Standard & POJK Cross References	Pengungkapan Disclosure	Halaman dan/ laman Page numbers &/URLs	Tidak dicantumkan Omission
Rehabilitasi Pasca Tambang dan Keanekaragaman Hayati Post Mining Rehabilitation & Biodiversity			
GRI 103: Pendekatan Manajemen 2016 GRI 103: Management Approach 2016	103-1 Penjelasan topik material dan Batasannya Explanation of the material topics	492 & 493	
	103-2 Pendekatan manajemen dan komponennya The management approach and its components	492 & 493	
	103-3 Evaluasi pendekatan manajemen Evaluation of the management approach	492 & 493	
GRI 304: Biodiversity 2016 GRI 304: Keanekaragaman Hayati 2016	304-4 Spesies Daftar Merah IUCN dan spesies daftar konservasi nasional dengan habitat dalam wilayah yang terkena efek operasi IUCN Red List species and national conservation list species with habitats in areas affected by operations	500	
G4 Oil & Gas Sector Supplement 2013 G4 Suplemen Sektor Minyak dan Gas 2013	OG4 – Jumlah dan Persentase Wilayah Operasi yang Signifikan dalam Risiko Keanekaragaman Hayati yang telah dinilai dan dipantau Number and Percentage of Significant Operating Sites in Which Biodiversity Risk has been Assessed and Monitored	500	
POJK 51/OJK.03/2017	6.d.1 Biaya Lingkungan Hidup yang dikeluarkan Environmental costs incurred	471 & 233	
	6.e.2 Kegiatan atau wilayah operasional yang menghasilkan dampak lingkungan hidup Activities or operational areas that have an impact to the surrounding environment	479 - 511	
	6.e.3.a Dampak dari wilayah operasional yang dekat atau berada di daerah konservasi Impacts of operational areas that are near or in conservation area	500	
	6.e.3.b Upaya konservasi keanekaragaman hayati Efforts to conserve biodiversity	500	
	6.e.6 Jumlah dan materi pengaduan Lingkungan Hidup yang diterima dan diselesaikan Number and material of the environment complaints received and completed	510	
Emisi Emission			
GRI 103: Pendekatan Manajemen 2016 GRI 103: Management Approach 2016	103-1 Penjelasan topik material dan Batasannya Explanation of the material topics	492 & 493	
	103-2 Pendekatan manajemen dan komponennya The management approach and its components	492 & 493	
	103-3 Evaluasi pendekatan manajemen W Evaluation of the management approach	492 & 493	

Referensi silang GRI Standard & POJK GRI Standard & POJK Cross References	Pengungkapan Disclosure	Halaman dan/ laman Page numbers &/URLs	Tidak dicantumkan Omission
GRI 305 : Emisi 2016 GRI 305 : Emissions 2016	305-1 Emisi GRK (Cakupan 1) langsung Direct (Scope 1) GHG emissions	493 & 495	
	305-5 Pengurangan emisi GRK Reduction of GHG emissions	496	
POJK 51/OJK.03/2017	6.e.4.a Jumlah dan intensitas emisi berdasarkan jenisnya Number and intensity of emissions by type	492	
	6.e.4.b Upaya dan pencapaian pengurangan emisi yang dilakukan Efforts and achievement of emission reductions	493 & 497	
Kepatuhan Lingkungan Environmental Compliance			
GRI 307 : Kepatuhan Lingkungan 2016 GRI 307 : Environmental Compliance 2016	307 – 1 Ketidakpatuhan terhadap undang-undang dan peraturan tentang lingkungan hidup Non-compliance with environmental laws and regulations	477	
Kepegawaian Employment			
GRI 401 : Kepegawaian 2016 GRI 401 : Employment 2016	401-1 Perekrutan karyawan baru dan pergantian karyawan New employee hires and employee turnover	533 & 534	
Kesehatan dan Keselamatan Kerja Occupational Health & Safety			
GRI 103: Pendekatan Manajemen 2016 GRI 103: Management Approach 2016	103-1 Penjelasan topik material dan Batasannya Explanation of the material topics	529	
	103-2 Pendekatan manajemen dan komponennya The management approach and its components	529	
	103-3 Evaluasi pendekatan manajemen Evaluation of the management approach	529	
GRI 403: Kesehatan dan Keselamatan Kerja 2016 GRI 403: Occupational Health & Safety 2016	403-1 Perwakilan pekerja dalam komite resmi gabungan manajemen-pekerja untuk kesehatan dan keselamatan Workers representation in formal joint management-worker health and safety committees	538	
	403-2 Jenis kecelakaan kerja dan tingkat kecelakaan kerja, penyakit akibat pekerjaan, hari kerja yang hilang, dan ketidakhadiran, serta jumlah kematian terkait pekerjaan Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	545	
	403-3 Para pekerja dengan risiko kecelakaan atau penyakit berbahaya tinggi terkait dengan pekerjaan mereka Workers with high incidence or high risk of diseases related to their occupation	539	
	403-4 Topik kesehatan dan keselamatan yang tercakup dalam perjanjian resmi dengan serikat buruh Health and safety topics covered in formal agreements with trade unions	539 & 540	
POJK 51/OJK.03/2017	6.c.2.c Lingkungan bekerja yang layak dan aman Decent and safe working Environment	539 & 547	
Pelatihan dan Pendidikan Training and Education			
GRI 404 : Pelatihan dan Pendidikan 2016 GRI 404 Training and Education 2016	404-1 Rata-rata jam pelatihan per tahun per karyawan Average hours of training per year per employee	139 & 549	

Referensi silang GRI Standard & POJK GRI Standard & POJK Cross References	Pengungkapan Disclosure	Halaman dan/ laman Page numbers &/URLs	Tidak dicantumkan Omission
Non-diskriminasi Non-discrimination			
GRI 406 : Non-diskriminasi 2016 GRI 406 : Non-discrimination 2016	406-1 Insiden diskriminasi dan tindakan perbaikan yang dilakukan Incidents of discrimination and corrective actions taken	532	
Pekerja Anak Child Labor			
GRI 408 : Pekerja Anak 2016 GRI 408 : Child Labor 2016	408-1 Operasi dan pemasok yang berisiko signifikan terhadap insiden pekerja anak Operations and suppliers at significant risk for incidents of child labor	533	
Komunitas Lokal Local Communities			
GRI 103: Pendekatan Manajemen 2016 GRI 103: Management Approach 2016	103-1 Penjelasan topik material dan Batasannya Explanation of the material topics	516	
	103-2 Pendekatan manajemen dan komponennya The management approach and its components	516	
	103-3 Evaluasi pendekatan manajemen Evaluation of the management approach	516	
GRI 413: Komunitas Lokal 2016 GRI 413: Local Communities 2016	413-1 Operasi dengan keterlibatan masyarakat lokal, penilaian dampak, dan program pengembangan Operations with local community engagement, impact assessments, and development programs	67, 68 & 516	
	413-2 Operasi yang secara aktual dan yang berpotensi memiliki dampak negatif signifikan terhadap masyarakat lokal Operations with significant actual and potential negative impacts on local communities	67, 68 & 516	
G4 Oil & Gas Sector Supplement 2013 G4 Suplemen Sektor Minyak dan Gas 2013	OG10 – Jumlah dan Deskripsi Sengketa Signifikan dengan Masyarakat Lokal dan Masyarakat Adat Number and Description of Significant Disputes with Local Communities and Indigenous Peoples	67	
	OG11 – Number of Sites that have been Decommissioned and Sites that are in the Process of being Decommissioned	67	
POJK 51/OJK.03/2017	6.c.3.a Informasi kegiatan atau wilayah operasional yang menghasilkan dampak positif dan dampak negatif terhadap masyarakat sekitar Information on activities or operational areas that generate positive impacts and negative impacts on local communities	497	
	6.c.3.b Mekanisme dan jumlah pengaduan masyarakat yang diterima dan ditindaklanjuti The mechanism and number of public complaints received and acted upon	432-437	
	6.c.3.c TJSL pada tujuan pembangunan berkelanjutan meliputi jenis dan capaian kegiatan program pemberdayaan masyarakat Social and environmental responsibility on sustainable development objectives includes the types and achievements of community empowerment program activities.	516	
Penilaian Sosial Pemasok Supplier Social Assessment			
GRI 414 : Penilaian Sosial Pemasok 2016 GRI 414 : Supplier Social Assessment 2016	414- 1 Seleksi pemasok baru dengan menggunakan kriteria sosial New suppliers that were screened using social criteria	187	

Referensi silang GRI Standard & POJK GRI Standard & POJK Cross References	Pengungkapan Disclosure	Halaman dan/ laman Page numbers &/URLs	Tidak dicantumkan Omission
Kesehatan dan Keselamatan Pelanggan Customer Health and Safety			
GRI 416 : Kesehatan dan Keselamatan Pelanggan 2016 GRI 416: Customer Health and Safety 2016	416-1 Penilaian dampak kesehatan dan keselamatan dari berbagai kategori produk dan jasa Assessment of the health and safety impacts of product and service categories	558	
	416-2 Insiden ketidakpatuhan sehubungan dengan dampak kesehatan dan keselamatan dari produk dan jasa Incidents of non-compliance concerning the health and safety impacts of products and services	558	
Pemasaran dan Pelabelan Marketing and Labeling			
GRI 417 : Pemasaran dan Pelabelan 2016 GRI 417: Marketing and Labeling 2016	417-2 Insiden ketidakpatuhan terkait informasi dan pelabelan produk dan jasa Requirements for product and service information and labeling	559	
Reserves			
G4 Oil & Gas Sector Supplement 2013 G4 Suplemen Sektor Minyak dan Gas 2013	OG1 Volume dan Perkiraan Cadangan dan Produksi yang Terbukti Volume and Type of Estimated Proved Reserves and Production	191, 192, 193 & 194	
Sumber Daya Manusia Human Resource			
POJK 51/OJK.03/2017	6.c.2.a Kesetaraan kesempatan bekerja dan ada atau tidaknya tenaga kerja paksa dan tenaga kerja anak Equality of employment opportunities and the presence or absence of forced labor and child labor	531	
	6.c.2.b Persentase remunerasi pegawai tetap di tingkat terendah terhadap upah minimum regional Percentage of permanent employee remuneration at the lowest level against the regional minimum wage	470	
	6.c.2.d Pelatihan dan pengembangan kemampuan pegawai Training and education for employees	139	
Limbah dan Effluen Waste & Effluents			
POJK 51/OJK.03/2017	6.d.2 Penggunaan material yang ramah lingkungan Use of environmentally friendly materials	479	
	6.e.5.a Jumlah limbah dan efluen yang dihasilkan berdasarkan jenis The amount of waste and effluent produced by type	489	
	6.e.5.b Mekanisme pengelolaan limbah dan efluen Waste and effluent management mechanisms	489	
	6.e.5.c Tumpahan yang terjadi (jika ada) Spill occurring (if any)	489	

Indeks Integrated Report Framework

Integrated Report Framework Index

Bab Chapter	Integrated Report Framework	Halaman Page
Tentang Laporan Dan Pelibatan Pemangku Kepentingan Tentang Laporan Dan Pelibatan Pemangku Kepentingan	Basis of Preparation and Presentation & General Reporting Guidance	55
Profil Perusahaan Profil Perusahaan	Business Model & Strategy and Resource Allocation	71
Analisa dan Pembahasan Manajemen atas Kinerja Perusahaan Analisa dan Pembahasan Manajemen atas Kinerja Perusahaan	Organizational Overview and External Environment, Performance & Outlook	183
Laporan Tata Kelola Perusahaan Laporan Tata Kelola Perusahaan	Risks and Opportunities & Governance	274
Tanggung Jawab Sosial Perusaaan Tanggung Jawab Sosial Perusaaan	-	

Indeks Tujuan Pembangunan Berkelanjutan

Sustainable Development Goals (SDGs)

No	Goals	Deskripsi/Description	Inisiatif/Initiative	Halaman/ Page
1	SDGs1	Tanpa kemiskinan No Poverty	Kapal Kehati Green Think (Hutan Pendidikan), Ecoriparian Lentera Lestari Lalan (3L), Pemberdayaan Anak Jalanan Melalui Ekonomi Kreatif (5R++ Oleh Anak Jalanan), Pengembangan Suku Anak Dalam 3T	522, 524, 525, 527
2	SDGs 2	Tanpa kelaparan No Hunger	Kapal Kehati Green Think (Hutan Pendidikan), Ecoriparian Lentera Lestari Lalan (3L), Pemberdayaan Anak Jalanan Melalui Ekonomi Kreatif (5R++ Oleh Anak Jalanan), Pengembangan Suku Anak Dalam 3T	522, 524, 525, 527
3	SDGs3	Kehidupan sehat Good Health	Pengembangan Suku Anak Dalam 3T	527
4	SDGs 4	Pendidikan berkualitas Quality Education	Pengembangan Suku Anak Dalam 3T, Kontribusi pada Perbaikan Sarana dan Prasarana Publik	527, 528
5	SDGs 5	Kesetaraan gender Gender Equality	Kesetaraan Gender dan Kesempatan Kerja	531
6	SDGs 6	Air bersih dan sanitasi layak Clean Water and Sanitation	Ecoriparian Lentera Lestari Lalan (3L), Pengembangan Suku Anak Dalam 3T, Kontribusi pada Perbaikan Sarana dan Prasarana Publik	524, 527, 528
7	SDGs 8	Pekerjaan layak dan pertumbuhan ekonomi Good Jobs and Economic Growth	Pemberdayaan Anak Jalanan Melalui Ekonomi Kreatif (5R++ Oleh Anak Jalanan)	525
8	SDGs 9	Industri, inovasi dan infrastruktur Innovation and Infrastructure	Kontribusi pada Perbaikan Sarana dan Prasarana Publik	528
9	SDGs 11	Kota dan komunitas berkelanjutan Sustainable Cities and Communities	Pemberdayaan Anak Jalanan Melalui Ekonomi Kreatif (5R++ Oleh Anak Jalanan), Pengendalian Emisi Gas Suar,	495-497, 525
10	SDGs 13	Penanganan perubahan iklim Climate Action	Pengendalian Emisi Gas Suar,	495-497,
11	SDGs 14	Ekosistem laut Life Below Water	Menjaga Keanekaragaman Hayati, Modul Honai, Pengembangan Kawasan Mangrove Desa Labuhan, Transplantasi Karang dengan Pengembangan Model Bio-Reff dan Model Spider, Kapal Kehati Green Think (Hutan Pendidikan), Pengembangan Suku Anak Dalam 3T	500, 501, 502, 505, 527
12	SDGs 15	Ekosistem darat Life on Land	Menjaga Keanekaragaman Hayati, Hutan Kapal Kehati Greenthink, Penghijauan sebagai upaya menambah keanekaragaman tumbuhan	500, 501, 507
13	SDGs 17	Kemitraan untuk mencapai tujuan Partnerships for the Goals	Hutan Kapal Kehati Greenthink (Hutan Pendidikan)	522

Lembar Umpan Balik Feedback Form

Kami mohon kesediaan para pemangku kepentingan untuk memberikan umpan balik setelah membaca Laporan Tahunan Terintegrasi ini dengan mengirim email atau mengirim formulir ini melalui fax/pos.

We would like to ask all stakeholders to kindly provide feedback after reading this Integrated Annual Report by sending email or this form by fax/mail.

Profil Anda | Your Profile

Nama (bila berkenan) | Name (if you please)

Surel | Email

Institusi/Perusahaan | Institution/Company

Telp/Hp | Phone/Mobile

Golongan Pemangku Kepentingan | Stakeholders Group



Pemerintah
Governance

Industri
Industry

Media
Media

LSM
NGO

Masyarakat
Community

Lembaga Pendidikan
Academic Group

Perusahaan
Corporate

Lain-lain, mohon sebutkan.....
Other, please state

Mohon Pilih Jawaban Yang Paling Sesuai | Please Choose The Most Appropriate Answer

Laporan ini
bermanfaat bagi Anda
This report is useful to You

Sangat Tidak Setuju
Strongly Disagree

Tidak Setuju
Disagree

Netral
Neutral

Sangat Setuju
Strongly Agree

Setuju
Agree

Laporan ini sudah
mengambarkan
kinerja Perusahaan
dalam pembangunan
berkelanjutan
This report describe
Company's performance in
sustainability development

Sangat Tidak Setuju
Strongly Disagree

Tidak Setuju
Disagree

Netral
Neutral

Sangat Setuju
Strongly Agree

Setuju
Agree

Laporan ini mudah
dimengerti
This report is easy to
understand

Sangat Tidak Setuju
Strongly Disagree

Tidak Setuju
Disagree

Netral
Neutral

Sangat Setuju
Strongly Agree

Setuju
Agree

Mohon Pilih Jawaban Yang Paling Sesuai | Please Choose The Most Appropriate Answer

Laporan ini meningkatkan kepercayaan Anda pada keberlanjutan Perusahaan

This report increase Your trust to the Company's sustainability

Sangat Tidak Setuju
Strongly Disagree

Tidak Setuju
Disagree

Netral
Neutral

Sangat Setuju
Strongly Agree

Setuju
Agree

Seberapa puas Anda dengan Laporan Tahunan Terintegrasi PT Pertamina Hulu Energi

How satisfied are You with the Integrated Annual Report of PT Pertamina Hulu Energi?

Sangat Tidak Setuju
Strongly Disagree

Tidak Setuju
Disagree

Netral
Neutral

Sangat Setuju
Strongly Agree

Setuju
Agree

Penilaian terhadap kegiatan manajemen keberlanjutan PT Pertamina Hulu Energi Assessment to the sustainability activities of PT Pertamina Hulu Energi

Aspek material apa yang paling penting bagi anda?

Which aspect material is the most important to You?

- **Kinerja Ekonomi** | Economic Performance _____ ()
- **Emisi** | Emissions _____ ()
- **Energi** | Energy _____ ()
- **Keanekaragaman Hayati** | Biodiversity _____ ()
- **Kesehatan dan Keselamatan Kerja** | Occupational Health and Safety _____ ()
- **Masyarakat Lokal** | Local Communities _____ ()

Mohon berikan nilai 1=paling penting, hingga 6=paling kurang penting

Please give score 1=most important up to 6= least important

Mohon berikan saran/usul/komentar Anda atas Laporan ini

Please advice/suggestion/comments on this report statements:

Terima kasih atas partisipasi Anda.
Mohon agar lembar umpan balik ini dikirimkan kembali ke alamat:

Thank you for Your participation.
Kindly send this feedback form to address follows:

PT Pertamina Hulu Energi
Sekretaris Perusahaan Corporate Secretary
Jl. TB. Simatupang Kav 99
Jakarta Selatan 12520 - Indonesia
Telepon: +6221 2954 7000
Faksimili: +6221 2952 7086
Email: wnurluzia@pertamina.com
Website: phe.pertamina.com

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Laporan Keuangan Audited

Audited Financial
Statements



**PT Pertamina Hulu Energi
dan entitas anak/*and subsidiaries***

Laporan keuangan konsolidasian tanggal 31 Desember 2017 dan
untuk tahun yang berakhir pada tanggal tersebut
beserta laporan auditor independen/
*Consolidated financial statements as of December 31, 2017 and
for the year then ended with independent auditors' report*

**SURAT PERNYATAAN DIREKSI TENTANG/
DIRECTORS' STATEMENT REGARDING**

**TANGGUNG JAWAB ATAS
LAPORAN KEUANGAN KONSOLIDASIAN
UNTUK TANGGAL 31 DESEMBER 2017 DAN 2016
SERTA UNTUK TAHUN YANG BERAKHIR PADA
TANGGAL-TANGGAL 31 DESEMBER 2017 DAN 2016**

**THE RESPONSIBILITY FOR THE
CONSOLIDATED FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2017 AND 2016
AND FOR THE YEARS ENDED
DECEMBER 31, 2017 AND 2016**

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Atas nama Direksi, kami yang bertanda tangan di bawah ini:

On behalf of the Board of Directors, we, the undersigned:

1. Nama : R. Gunung Sardjono Hadi
Alamat Kantor : Jl. TB Simatupang Kav. 99
Jakarta 12520
Telepon : 021 - 29547011
Jabatan : PJ Direktur Utama

1. Name : R. Gunung Sardjono Hadi
Office Address : Jl. TB Simatupang Kav. 99
Jakarta 12520
Telephone : 021 - 29547011
Position : Acting President Director

2. Nama : Huddie Dewanto
Alamat Kantor : Jl. TB Simatupang Kav. 99
Jakarta 12520
Telepon : 021 - 29547014
Jabatan : PJ Direktur Keuangan dan
Business Support

2. Name : Huddie Dewanto
Office Address : Jl. TB Simatupang Kav. 99
Jakarta 12520
Telephone : 021 - 29547014
Position : Acting Finance and Business
Support Director

menyatakan bahwa:

declare that:

1. Kami bertanggung jawab atas penyusunan dan penyajian laporan keuangan konsolidasian PT Pertamina Hulu Energi dan Entitas Anak;
2. Laporan keuangan konsolidasian PT Pertamina Hulu Energi dan Entitas Anak telah disusun dan disajikan sesuai dengan Standar Akuntansi Keuangan Indonesia;
3. a. Semua informasi dalam laporan keuangan konsolidasian PT Pertamina Hulu Energi dan Entitas Anak telah dimuat secara lengkap dan benar;
b. Laporan keuangan konsolidasian PT Pertamina Hulu Energi dan Entitas Anak tidak mengandung informasi atau fakta material yang tidak benar dan tidak menghilangkan informasi atau fakta material; dan
4. Kami bertanggung jawab atas sistem pengendalian internal PT Pertamina Hulu Energi dan Entitas Anak.

1. We are responsible for the preparation and presentation of the consolidated financial statements of PT Pertamina Hulu Energi and Subsidiaries;
2. The consolidated financial statements of PT Pertamina Hulu Energi and Subsidiaries have been prepared and presented in accordance with Indonesian Financial Accounting Standards;
3. a. All information has been fully and correctly disclosed in the consolidated financial statements of PT Pertamina Hulu Energi and Subsidiaries;
b. The consolidated financial statements of PT Pertamina Hulu Energi and Subsidiaries do not contain false material information or facts, nor do they omit material information or facts; and
4. We are responsible for the internal control systems of PT Pertamina Hulu Energi and Subsidiaries.

Demikian pernyataan ini dibuat dengan sebenarnya.

This statement is confirmed to the best of our knowledge and belief.

Jakarta, 12 Februari/February 12, 2018

Atas nama dan mewakili Direksi

For and on behalf of the Board of Directors




R. Gunung Sardjono Hadi
PJ Direktur Utama/
Acting President Director

201

Huddie Dewanto
PJ Direktur Keuangan dan Business Support/
Acting Finance and Business Support Director

The original consolidated financial statements included herein
are in the Indonesian language.

**PT PERTAMINA HULU ENERGI
DAN ENTITAS ANAK
LAPORAN KEUANGAN KONSOLIDASIAN
TANGGAL 31 DESEMBER 2017 DAN
UNTUK TAHUN YANG BERAKHIR PADA TANGGAL
TERSEBUT
BESERTA LAPORAN AUDITOR INDEPENDEN**

**PT PERTAMINA HULU ENERGI
AND SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2017 AND
FOR THE YEAR THEN ENDED WITH
INDEPENDENT AUDITORS' REPORT**

Daftar Isi

Table of Contents

	Lampiran/ Schedule	
Laporan Auditor Independen		<i>Independent Auditors' Report</i>
Laporan Posisi Keuangan Konsolidasian.....	1	<i>..... Consolidated Statement of Financial Position</i>
Laporan Laba Rugi dan Penghasilan Komprehensif Lain Konsolidasian.....	2	<i>..... Consolidated Statement of Profit or Loss and Other Comprehensive Income</i>
Laporan Perubahan Ekuitas Konsolidasian	3	<i>..... Consolidated Statement of Changes in Equity</i>
Laporan Arus Kas Konsolidasian	4	<i>..... Consolidated Statement of Cash Flows</i>
Catatan Atas Laporan Keuangan Konsolidasian.....	5	<i>..... Notes to the Consolidated Financial Statements</i>



Purwantono, Sungkoro & Surja

Indonesia Stock Exchange Building
Tower 2, 7th Floor
Jl. Jend. Sudirman Kav. 52-53
Jakarta 12190, Indonesia

Tel : +62 21 5289 5000
Fax : +62 21 5289 4100
ey.com/id

The original report included herein is in Indonesian language.

Laporan Auditor Independen

Laporan No. **RPC-5658/PSS/2018**

Pemegang Saham, Dewan Komisaris, dan Direksi PT Pertamina Hulu Energi

Kami telah mengaudit laporan keuangan konsolidasian PT Pertamina Hulu Energi dan entitas anak terlampir, yang terdiri dari laporan posisi keuangan konsolidasian tanggal 31 Desember 2017, serta laporan laba rugi dan penghasilan komprehensif lain, laporan perubahan ekuitas, dan laporan arus kas konsolidasian untuk tahun yang berakhir pada tanggal tersebut, dan suatu ikhtisar kebijakan akuntansi signifikan dan informasi penjelasan lainnya.

Tanggung jawab manajemen atas laporan keuangan

Manajemen bertanggung jawab atas penyusunan dan penyajian wajar laporan keuangan tersebut sesuai dengan Standar Akuntansi Keuangan di Indonesia, dan atas pengendalian internal yang dianggap perlu oleh manajemen untuk memungkinkan penyusunan laporan keuangan yang bebas dari kesalahan penyajian material, baik yang disebabkan oleh kecurangan maupun kesalahan.

Tanggung jawab auditor

Tanggung jawab kami adalah untuk menyatakan suatu opini atas laporan keuangan tersebut berdasarkan audit kami. Kami melaksanakan audit kami berdasarkan Standar Audit yang ditetapkan oleh Institut Akuntan Publik Indonesia. Standar tersebut mengharuskan kami untuk mematuhi ketentuan etika serta merencanakan dan melaksanakan audit untuk memperoleh keyakinan memadai tentang apakah laporan keuangan tersebut bebas dari kesalahan penyajian material.

Independent Auditors' Report

Report No. **RPC-5658/PSS/2018**

The Shareholders and the Boards of Commissioners and Directors PT Pertamina Hulu Energi

We have audited the accompanying consolidated financial statements of PT Pertamina Hulu Energi and subsidiaries, which comprise the consolidated statement of financial position as of December 31, 2017, and the consolidated statements of profit or loss and other comprehensive income, changes in equity, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of such financial statements in accordance with Indonesian Financial Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on such financial statements based on our audit. We conducted our audit in accordance with Standards on Auditing established by the Indonesian Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether such financial statements are free from material misstatement.

Laporan Auditor Independen (lanjutan)

Laporan No. RPC-5658/PSS/2018 (lanjutan)

Tanggung jawab auditor (lanjutan)

Suatu audit melibatkan pelaksanaan prosedur untuk memperoleh bukti audit tentang angka-angka dan pengungkapan dalam laporan keuangan. Prosedur yang dipilih bergantung pada pertimbangan auditor, termasuk penilaian atas risiko kesalahan penyajian material dalam laporan keuangan, baik yang disebabkan oleh kecurangan maupun kesalahan. Dalam melakukan penilaian risiko tersebut, auditor mempertimbangkan pengendalian internal yang relevan dengan penyusunan dan penyajian wajar laporan keuangan entitas untuk merancang prosedur audit yang tepat sesuai dengan kondisinya, tetapi bukan untuk tujuan menyatakan opini atas keefektifitasan pengendalian internal entitas. Suatu audit juga mencakup pengevaluasian atas ketepatan kebijakan akuntansi yang digunakan dan kewajaran estimasi akuntansi yang dibuat oleh manajemen, serta pengevaluasian atas penyajian laporan keuangan secara keseluruhan.

Kami yakin bahwa bukti audit yang telah kami peroleh adalah cukup dan tepat untuk menyedikan suatu basis bagi opini audit kami.

Opini

Menurut opini kami, laporan keuangan konsolidasian terlampir menyajikan secara wajar, dalam semua hal yang material, posisi keuangan konsolidasian PT Pertamina Hulu Energi dan entitas anak tanggal 31 Desember 2017, serta kinerja keuangan dan arus kas konsolidasiannya untuk tahun yang berakhir pada tanggal tersebut, sesuai dengan Standar Akuntansi Keuangan di Indonesia.

Independent Auditors' Report (continued)

Report No. RPC-5658/PSS/2018 (continued)

Auditors' responsibility (continued)

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of PT Pertamina Hulu Energi and subsidiaries as of December 31, 2017, and their consolidated financial performance and cash flows for the year then ended, in accordance with Indonesian Financial Accounting Standards.

Purwantono, Sungkoro & Surja



Widya Arijanti

Registrasi Akuntan Publik No. AP.0702/Public Accountant Registration No. AP.0702

12 Februari 2018/February 12, 2018

The original consolidated financial statements included herein are in the Indonesian language.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 1/1 Schedule

**LAPORAN POSISI KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**CONSOLIDATED STATEMENT OF
FINANCIAL POSITION
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

	<u>2017</u>	<u>Catatan/ Notes</u>	<u>2016</u>	
ASET				ASSETS
ASET LANCAR				CURRENT ASSETS
Kas dan setara kas	107.503.492	6,31b	119.676.501	Cash and cash equivalents
Kas yang dibatasi penggunaannya - bagian lancar	21.310.895	7,31b	17.667.717	Restricted cash - current portion
Piutang usaha				Trade receivables
- Pihak berelasi	80.347.247	8,31c	52.429.573	Related parties -
- Pihak ketiga	97.951.513	8	72.902.101	Third parties -
Piutang Pemerintah	72.339.183	9	57.008.527	Due from the Government
Piutang lain-lain				Other receivables
- Pihak berelasi	131.921.392	10,31d	111.683.954	Related parties -
- Pihak ketiga	110.350.773	10	138.108.151	Third parties -
Persediaan	106.856.668	11	99.712.071	Inventories
Piutang pajak lainnya - bagian lancar	9.265.692	30a	23.444.032	Other taxes receivable - current portion
Piutang pajak penghasilan dan dividen - bagian lancar	9.283.437	30a	2.542.799	Corporate and dividend taxes receivable - current portion
Uang muka dan biaya dibayar di muka	<u>94.402.146</u>	12	<u>116.496.815</u>	Advances and prepayments
Jumlah Aset Lancar	<u>841.532.438</u>		<u>811.672.241</u>	Total Current Assets
ASET TIDAK LANCAR				NON-CURRENT ASSETS
Kas yang dibatasi penggunaannya - bagian tidak lancar	34.250.940	7,31b	23.057.065	Restricted cash - non-current portion
Aset pajak tangguhan	134.770.074	30e	104.626.623	Deferred tax assets
Goodwill - neto	53.751.675	15	60.641.808	Goodwill - net
Investasi jangka panjang	240.521.506	13	198.558.634	Long-term investments
Piutang pajak lainnya bagian tidak lancar	51.817.758	30a	82.190.882	Other taxes receivable non-current portion
Aset minyak dan gas bumi	3.407.037.958	14	3.614.464.224	Oil and gas properties
Aset tidak lancar lainnya	<u>17.104.443</u>		<u>13.178.922</u>	Other non-current assets
Jumlah Aset Tidak Lancar	<u>3.939.254.354</u>		<u>4.096.718.158</u>	Total Non-Current Assets
JUMLAH ASET	<u>4.780.786.792</u>		<u>4.908.390.399</u>	TOTAL ASSETS

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian ini secara keseluruhan.

The accompanying notes to the consolidated financial statements form an integral part of these consolidated financial statements taken as a whole.

The original consolidated financial statements included herein are in the Indonesian language.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 1/2 Schedule

**LAPORAN POSISI KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**CONSOLIDATED STATEMENT OF
FINANCIAL POSITION
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

	<u>2017</u>	<u>Catatan/ Notes</u>	<u>2016</u>	
LIABILITAS				LIABILITIES
LIABILITAS JANGKA PENDEK				CURRENT LIABILITIES
Utang usaha				Trade payables
- Pihak berelasi	583.320.844	16,31e	350.297.974	Related parties -
- Pihak ketiga	70.198.367	16	114.404.777	Third parties -
Utang Pemerintah	59.678.373	17	59.347.267	Due to the Government
Utang pajak lainnya	16.586.594	30b	7.933.942	Other taxes payable
Utang pajak penghasilan dan dividen	56.733.273	30b	67.916.841	Corporate and dividend taxes payable
Utang lain-lain				Other payables
- Pihak berelasi	2.840.655	18,31f	5.964.122	Related parties -
- Pihak ketiga	302.782.818	18	152.881.126	Third parties -
Beban yang masih harus dibayar	272.106.946	19	174.422.965	Accrued expenses
Pendapatan tangguhan	21.186.263	20	17.768.748	Deferred revenue
Pinjaman jangka pendek - pihak berelasi	<u>92.242.736</u>	31g	<u>278.222.620</u>	Short-term loan - related party
Jumlah Liabilitas Jangka Pendek	<u>1.477.676.869</u>		<u>1.229.160.382</u>	Total Current Liabilities
LIABILITAS JANGKA PANJANG				NON-CURRENT LIABILITIES
Liabilitas pajak tangguhan	310.847.054	30e	484.938.756	Deferred tax liabilities
Pinjaman jangka panjang - pihak berelasi	172.495.226	31g	636.711.451	Long-term loan - related party
Provisi untuk biaya restorasi dan reklamasi lingkungan hidup	696.924.522	22	578.100.285	Provision for environmental restoration and reclamation costs
Liabilitas imbalan kerja karyawan	<u>54.497.921</u>	21	<u>39.136.408</u>	Employee benefits liabilities
Jumlah Liabilitas Jangka Panjang	<u>1.234.764.723</u>		<u>1.738.886.900</u>	Total Non-Current Liabilities
JUMLAH LIABILITAS	<u>2.712.441.592</u>		<u>2.968.047.282</u>	TOTAL LIABILITIES

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian ini secara keseluruhan.

The accompanying notes to the consolidated financial statements form an integral part of these consolidated financial statements taken as a whole.

The original consolidated financial statements included herein are in the Indonesian language.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 1/3 Schedule

**LAPORAN POSISI KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**CONSOLIDATED STATEMENT OF
FINANCIAL POSITION
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

	<u>2017</u>	<u>Catatan/ Notes</u>	<u>2016</u>	
EKUITAS				EQUITY
Ekuitas yang diatribusikan kepada pemilik entitas induk				Equity attributable to owners of the parent
Modal saham				<i>Share capital</i>
Modal dasar - 400.000.000 saham biasa, nilai nominal Rp2.500 (nilai penuh) per saham				<i>Authorized - 400,000,000 ordinary shares, at par value of Rp2,500 (full amount) per share</i>
Modal ditempatkan dan disetor penuh - 200.000.000 saham	53.575.745	23	53.575.745	<i>Issued and paid-up capital - 200,000,000 shares</i>
Tambahan modal disetor	(18.178.111)		(18.178.111)	<i>Additional paid in capital</i>
Selisih kurs karena penjabaran laporan keuangan konsolidasian dalam mata uang asing	16.558.556		21.529.835	<i>Differences arising from translation of foreign currency consolidated financial statements</i>
Pengukuran kembali atas liabilitas imbalan pasti neto	(2.993.194)		(2.735.859)	<i>Remeasurement of net defined benefit liabilities</i>
Cadangan penyesuaian nilai wajar - setelah pajak	-		2.472.837	<i>Reserve for fair value adjustment - net of tax</i>
Saldo laba				<i>Retained earnings</i>
- Ditetapkan penggunaannya	1.385.713.821	25	1.425.163.410	<i>Appropriated -</i>
- Belum ditentukan penggunaannya	<u>614.029.447</u>		<u>439.850.555</u>	<i>Unappropriated -</i>
Jumlah ekuitas yang diatribusikan kepada pemilik entitas induk	<u>2.048.706.264</u>		<u>1.921.678.412</u>	Total equity attributable to the owners of the parent
Kepentingan nonpengendali	<u>19.638.936</u>		<u>18.664.705</u>	Non-controlling interest
JUMLAH EKUITAS	<u>2.068.345.200</u>		<u>1.940.343.117</u>	TOTAL EQUITY
JUMLAH LIABILITAS DAN EKUITAS	<u>4.780.786.792</u>		<u>4.908.390.399</u>	TOTAL LIABILITIES AND EQUITY

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian ini secara keseluruhan.

The accompanying notes to the consolidated financial statements form an integral part of these consolidated financial statements taken as a whole.

The original consolidated financial statements included herein are in the Indonesian language.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 2/1 Schedule

**LAPORAN LABA RUGI DAN PENGHASILAN
KOMPREHENSIF LAIN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2017**

(Dinyatakan dalam Dollar AS, kecuali dinyatakan lain)

**CONSOLIDATED STATEMENT OF PROFIT
OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

	<u>2017</u>	Catatan/ <u>Notes</u>	<u>2016</u>	
PENDAPATAN USAHA	1.999.083.884	26	1.533.131.673	REVENUES
BEBAN POKOK PENJUALAN				COSTS OF REVENUE
Beban eksplorasi	(44.198.002)	27	(23.613.540)	Exploration expenses
Beban produksi	(703.807.823)	28	(590.217.058)	Production expenses
Beban depresiasi, deplesi, dan amortisasi	<u>(535.728.756)</u>	14	<u>(497.829.129)</u>	Depreciation, depletion, and amortisation expenses
Jumlah beban pokok penjualan	<u>(1.283.734.581)</u>		<u>(1.111.659.727)</u>	Total costs of revenue
LABA KOTOR	<u>715.349.303</u>		<u>421.471.946</u>	GROSS PROFIT
Kerugian akibat penurunan nilai <i>goodwill</i> dan aset minyak dan gas bumi	(239.341.283)	14,15	(54.437.125)	Loss due to goodwill and oil and gas properties impairment
Beban umum dan administrasi	(110.288.665)	29	(35.753.234)	General and Administration expenses
Beban pendanaan - neto	(57.166.081)	31g	(60.233.712)	Finance costs - net
Pendapatan/(beban) lain-lain - neto	<u>36.863.316</u>		<u>(17.592.622)</u>	Other income/(expenses) - net
	<u>(369.932.713)</u>		<u>(168.016.693)</u>	
LABA SEBELUM PAJAK PENGHASILAN	<u>345.416.590</u>		<u>253.455.253</u>	PROFIT BEFORE INCOME TAX
Beban/(manfaat) pajak penghasilan:				Income tax expense/(benefit):
Kini	298.589.707	30c	226.489.321	Current
Tangguhan	(201.844.675)	30e	(159.493.956)	Deferred
Penyesuaian tahun lalu	<u>(2.206.117)</u>	30c	<u>(4.558.525)</u>	Adjustment in respect of prior years
JUMLAH BEBAN PAJAK PENGHASILAN - NETO	<u>94.538.915</u>		<u>62.436.840</u>	TOTAL INCOME TAX EXPENSE - NET
LABA TAHUN BERJALAN	250.877.675		191.018.413	PROFIT FOR THE YEAR
PENGHASILAN KOMPREHENSIF LAIN: Pos-pos yang tidak akan direklasifikasi ke laba rugi				OTHER COMPREHENSIVE INCOME: Items not to be reclassified to profit and loss
Pengukuran kembali atas liabilitas imbangan pasti neto	(257.335)		1.224.875	Remeasurement of net defined benefit liabilities
Pos-pos yang akan direklasifikasi ke laba rugi				Items to be reclassified to profit and loss
Selisih kurs karena penjabaran laporan keuangan konsolidasian dalam mata uang asing	<u>(4.971.279)</u>		<u>566.490</u>	Differences arising from translation of foreign currency consolidated financial statements
Pendapatan komprehensif lain - neto setelah pajak	<u>(5.228.614)</u>		<u>1.791.365</u>	Other comprehensive income - net of tax
JUMLAH PENGHASILAN KOMPREHENSIF TAHUN BERJALAN	<u>245.649.061</u>		<u>192.809.778</u>	TOTAL COMPREHENSIVE INCOME FOR THE YEAR

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian ini secara keseluruhan.

The accompanying notes to the consolidated financial statements form an integral part of these consolidated financial statements taken as a whole.

The original consolidated financial statements included herein are in the Indonesian language.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 2/2 Schedule

**LAPORAN LABA RUGI DAN PENGHASILAN
KOMPREHENSIF LAIN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2017**

(Dinyatakan dalam Dollar AS, kecuali dinyatakan lain)

**CONSOLIDATED STATEMENT OF PROFIT
OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

	<u>2017</u>	<u>Catatan/ Notes</u>	<u>2016</u>	
LABA TAHUN BERJALAN YANG DAPAT DIATRIBUSIKAN KEPADA:				PROFIT FOR THE YEAR ATTRIBUTABLE TO:
- Pemilik entitas induk	248.885.418		188.862.641	Owners of the parent -
- Kepentingan nonpengendali	<u>1.992.257</u>		<u>2.155.772</u>	Non-controlling interests -
JUMLAH	<u>250.877.675</u>		<u>191.018.413</u>	TOTAL
JUMLAH PENGHASILAN KOMPREHENSIF TAHUN BERJALAN YANG DAPAT DIATRIBUSIKAN KEPADA:				TOTAL COMPREHENSIVE INCOME FOR THE YEAR ATTRIBUTABLE TO:
- Pemilik entitas induk	243.656.804		190.654.006	Owners of the parent -
- Kepentingan nonpengendali	<u>1.992.257</u>		<u>2.155.772</u>	Non-controlling interests -
JUMLAH	<u>245.649.061</u>		<u>192.809.778</u>	TOTAL

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian ini secara keseluruhan.

The accompanying notes to the consolidated financial statements form an integral part of these consolidated financial statements taken as a whole.

The original consolidated financial statements included herein are in the Indonesian language.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 3 Schedule

LAPORAN PERUBAHAN EKUITAS KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2017

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED
DECEMBER 31, 2017

(Expressed in US Dollars, unless otherwise stated)

Diatribusikan kepada pemilik entitas induk/Attributable to the owners of the parent

Catatan/ Notes	Modal saham/ Share capital	Saldo laba/Retained earnings		Tambahkan modal disetor/ Additional paid in capital	Pengukuran kembali atas liabilitas imbalan pasti neto/ Remeasurement of net defined benefit liabilities	Selisih kurs karena penjabaran laporan keuangan konsolidasian dalam mata uang asing/ Differences arising from translation of foreign currency consolidated financial statements	Cadangan penyesuaian nilai wajar - neto setelah pajak/ Reserve for fair value adjustment - net of tax	Jumlah ekuitas yang diatribusikan kepada pemilik entitas induk/ Total equity attributable to owners of the parent	Kepentingan nonpengendali/ Non-controlling interests	Jumlah ekuitas/ Total equity	
		Ditentukan penggunaannya/ Appropriated	Belum ditentukan penggunaannya/ Unappropriated								
Saldo 1 Januari 2016	53.575.745	1.223.867.372	449.022.165	(16.765.261)	(3.960.734)	20.963.345	2.472.837	1.729.175.469	19.858.200	1.749.033.669	Balance as at January 1, 2016
Pembelian saham kepentingan nonpengendali di Entitas Anak	-	-	3.261.787	(1.412.850)	-	-	-	1.848.937	(3.349.267)	(1.500.330)	Acquisition of non-controlling interest shares in Subsidiaries
Jumlah penghasilan komprehensif tahun berjalan	-	-	188.862.641	-	1.224.875	566.490	-	190.654.006	2.155.772	192.809.778	Total comprehensive income for the year
Cadangan wajib serta cadangan umum dan investasi	-	201.296.038	(201.296.038)	-	-	-	-	-	-	-	Statutory reserve and general and investment reserve
Saldo 31 Desember 2016	53.575.745	1.425.163.410	439.850.555	(18.178.111)	(2.735.859)	21.529.835	2.472.837	1.921.678.412	18.664.705	1.940.343.117	Balance as at December 31, 2016
Pembagian dividen	24	(114.156.115)	-	-	-	-	-	(114.156.115)	(1.018.026)	(115.174.141)	Dividend declared
Cadangan wajib serta cadangan umum dan investasi	25	74.706.526	(74.706.526)	-	-	-	-	-	-	-	Statutory reserve and investment reserve
Jumlah penghasilan komprehensif tahun berjalan	-	-	248.885.418	-	(257.335)	(4.971.279)	(2.472.837)	241.183.967	1.992.257	243.176.224	Total comprehensive income for the year
Saldo 31 Desember 2017	53.575.745	1.385.713.821	614.029.447	(18.178.111)	(2.993.194)	16.558.556	-	2.048.706.264	19.638.936	2.068.345.200	Balance as at December 31, 2017

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian ini secara keseluruhan.

The accompanying notes to the consolidated financial statements form an integral part of these consolidated financial statements taken as a whole.

The original consolidated financial statements included herein are in the Indonesian language.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 4 Schedule

**LAPORAN ARUS KAS KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2017**

(Dinyatakan dalam Dollar AS, kecuali dinyatakan lain)

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

	<u>2017</u>	<u>2016</u>	
ARUS KAS DARI AKTIVITAS OPERASI:			CASH FLOWS FROM OPERATING ACTIVITIES:
Penerimaan kas dari pelanggan	1.066.431.503	985.586.581	Cash receipts from customers
Pembayaran kas kepada pemasok	(633.783.456)	(647.678.562)	Cash paid to suppliers
Penyediaan dana dari Pertamina	719.197.017	357.103.889	Cash provided by Pertamina
Pembayaran kas untuk pajak penghasilan dan pajak lainnya	(440.573.034)	(259.618.014)	Cash paid for income taxes and other taxes
Penerimaan kas dari Pemerintah	63.218.382	76.985.789	Cash receipts from the Government
Pembayaran kas untuk aktivitas operasi lainnya	(59.991.606)	(69.458.982)	Cash paid to other operating activities
Pembayaran kas ke Pemerintah	(116.244.793)	(47.674.593)	Cash paid to the Government
Pembayaran manfaat pensiun	(2.536.912)	(3.722.736)	Cash paid for retirement benefits
Kas neto yang diperoleh dari aktivitas operasi	<u>595.717.101</u>	<u>391.523.372</u>	Net cash generated from operating activities
ARUS KAS DARI AKTIVITAS INVESTASI:			CASH FLOWS FROM INVESTING ACTIVITIES:
Pembelian aset minyak dan gas bumi	(166.571.155)	(255.268.803)	Purchase of oil and gas properties
Pinjaman ke PT Donggi Senoro LNG	-	(28.739.000)	Loan to PT Donggi Senoro LNG
Penjualan/(penambahan) investasi di entitas anak dan perusahaan asosiasi	67.305	(1.416.773)	Sales/(Additions) of investments in subsidiaries and associated company
Penerimaan dividen dari perusahaan asosiasi	-	125.337	Dividend received from associated company
Kas neto yang digunakan untuk aktivitas investasi	<u>(166.503.850)</u>	<u>(285.299.239)</u>	Net cash used in investing activities
ARUS KAS DARI AKTIVITAS PENDANAAN:			CASH FLOWS FROM FINANCING ACTIVITIES:
Pembayaran pinjaman kepada Pertamina	(425.466.317)	(44.136.989)	Loan repayment to Pertamina
Pembayaran dividen	(14.326.565)	(125.035.438)	Payment of dividend
Penambahan dana yang dibatasi penggunaannya	(14.837.053)	(11.767.010)	Addition to restricted funds
Penerimaan pembayaran pinjaman	13.750.000	9.250.000	Loan repayment receipt
Kas neto yang digunakan untuk aktivitas pendanaan	<u>(440.879.935)</u>	<u>(171.689.437)</u>	Net cash used in financing activities
PENURUNAN NETO KAS DAN SETARA KAS	(11.666.684)	(65.465.304)	NET DECREASE IN CASH AND CASH EQUIVALENTS
Efek perubahan nilai kurs pada kas dan setara kas	(506.325)	(177.840)	Effect of exchange rate changes on cash and cash equivalents
SALDO KAS DAN SETARA KAS PADA AWAL TAHUN	<u>119.676.501</u>	<u>185.319.645</u>	CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR
SALDO KAS DAN SETARA KAS PADA AKHIR TAHUN	<u>107.503.492</u>	<u>119.676.501</u>	CASH AND CASH EQUIVALENTS AT END OF THE YEAR

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian ini secara keseluruhan.

The accompanying notes to the consolidated financial statements form an integral part of these consolidated financial statements taken as a whole.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/1 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

1. UMUM

a. PT Pertamina Hulu Energi

i. Pendirian Perusahaan

PT Pertamina Hulu Energi ("Perusahaan" atau "PHE") didirikan dengan nama PT Aroma Operation Service. Anggaran Dasar Perusahaan diumumkan dalam Berita Negara Republik Indonesia No. 63, tertanggal 3 Agustus 1990, Tambahan Berita Negara No. 2749 dan disetujui oleh Menteri Kehakiman Republik Indonesia dengan Surat Keputusan No. 02-2367.HT.01.01.TH90 tertanggal 21 April 1990.

Berdasarkan Akta Notaris Saal Bumela, S.H., No. 5 tertanggal 5 Februari 2002 sesuai dengan keputusan Rapat Umum Pemegang Saham Luar Biasa tertanggal 31 Desember 2001, nama Perusahaan diganti menjadi PT Pertamina Hulu Energi.

Berdasarkan Akta Notaris Marianne Vincentia Hamdani, S.H., No. 30 tertanggal 13 Agustus 2007 dan sesuai dengan keputusan Rapat Pemegang Saham tertanggal 29 Juni 2007, nama Perusahaan berubah menjadi PT Pertamina Hulu Energi dan maksud, tujuan serta kegiatan usaha Perusahaan juga diubah. Perubahan tersebut telah disetujui oleh Menteri Hukum dan Hak Asasi Manusia Republik Indonesia dengan Surat Keputusan No. C.00839.HT.01.04.TH2007 tertanggal 11 Oktober 2007.

Anggaran Dasar Perusahaan telah mengalami beberapa kali perubahan. Perubahan terakhir atas Anggaran Dasar Perusahaan dilakukan berdasarkan Akta Notaris Marianne Vincentia Hamdani, S.H., No. 14 tertanggal 10 Juli 2013 berhubungan dengan perubahan beberapa pasal dalam Anggaran Dasar Perusahaan. Perubahan tersebut telah disetujui oleh Menteri Hukum dan Hak Asasi Manusia Republik Indonesia dengan Surat Keputusan No. AHU-AH.01.10-34801.tahun 2013 tertanggal 23 Agustus 2013.

1. GENERAL

a. PT Pertamina Hulu Energi

i. The Company's establishment

PT Pertamina Hulu Energi (the "Company" or "PHE") was established as PT Aroma Operation Service. The Company's Articles of Association were published in the State Gazette of the Republic of Indonesia No. 63, dated August 3, 1990, State Gazette Supplement No. 2749 and were approved by the Minister of Justice of the Republic of Indonesia in Decree No. 02-2367.HT.01.01.TH90 dated April 21, 1990.

Based on Notarial Deed of Saal Bumela, S.H., No. 5 dated February 5, 2002, in accordance with a decision of an Extraordinary General Shareholders' Meeting dated December 31, 2001, the Company's name was changed into PT Pertamina Hulu Energi.

Based on Notarial Deed of Marianne Vincentia Hamdani, S.H., No. 30 dated August 13, 2007 in accordance with a decision of Shareholders' Meeting dated June 29, 2007, the Company's name was changed into PT Pertamina Hulu Energi and the Company's objectives and scope of activities was also changed. The amendment was approved by the Minister of Law and Human Rights of the Republic of Indonesia in Decree No. C.00839.HT.01.04.TH2007 dated October 11, 2007.

The Company's Articles of Association have been amended several times. The latest amendment made to the Articles of Association of the Company is based on Notarial Deed of Marianne Vincentia Hamdani, S.H., No. 14 dated July 10, 2013 related to the change in certain articles of the Company's Articles of Association. The amendment was approved by the Minister of Law and Human Rights of the Republic of Indonesia in Decree No. AHU-AH.01.10-34801.year 2013 dated August 23, 2013.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/2 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

1. UMUM (lanjutan)

a. PT Pertamina Hulu Energi (lanjutan)

i. Pendirian Perusahaan (lanjutan)

Sesuai dengan Anggaran Dasar, Perusahaan bergerak dalam bidang usaha hulu minyak dan gas bumi. Entitas Anak Perusahaan bergerak dalam bidang usaha hulu minyak, gas bumi dan gas metana batubara.

Perusahaan merupakan salah satu entitas anak PT Pertamina (Persero) ("Pertamina") yang saat ini membawahi kepentingan Pertamina yang bergerak dalam bidang usaha hulu minyak dan gas bumi.

Pendirian Perusahaan merupakan tindak lanjut dari diterbitkannya Undang-Undang No. 22 tahun 2001 tertanggal 23 November 2001 tentang Minyak dan Gas Bumi dan Peraturan Pemerintah No. 31 tahun 2003 tertanggal 18 Juni 2003 tentang pengalihan bentuk Perusahaan Pertambangan Minyak dan Gas Bumi Negara (PERTAMINA, "Pertamina Lama") menjadi Perusahaan Perseroan (Persero).

Berdasarkan ketentuan Pasal 104 Peraturan Pemerintah No. 35 tahun 2004 tentang Kegiatan Usaha Hulu Minyak dan Gas Bumi, Pertamina wajib membentuk entitas anak dalam kurun waktu dua tahun sejak didirikan untuk meneruskan perjanjian kontrak hulu minyak dan gas bumi Pertamina di Indonesia.

ii. Domisili Perusahaan

Perusahaan berdomisili di Jakarta dengan lokasi kantor pusat di Gedung PHE Tower, Jl. TB Simatupang Kav 99, Jakarta 12520, Indonesia.

1. GENERAL (continued)

a. PT Pertamina Hulu Energi (continued)

i. The Company's establishment (continued)

In accordance with the Articles of Association, the Company is engaged in upstream oil and gas activities. The Company's Subsidiaries are engaged in upstream oil, gas and coal bed methane activities.

The Company is one of the subsidiaries of PT Pertamina (Persero) ("Pertamina") which holds Pertamina's interests in upstream oil and gas activities.

The Company's establishment is in response to the issue of Law No. 22 year 2001 dated November 23, 2001 regarding Oil and Gas and Government Regulation No. 31 year 2003 dated June 18, 2003 regarding the change in the status of Perusahaan Pertambangan Minyak dan Gas Bumi Negara (PERTAMINA, the "former Pertamina Entity") to a State Enterprise (Persero).

Pursuant to Article 104 of Government Regulation No. 35 year 2004 regarding Upstream Oil and Gas Activities, Pertamina was required to establish subsidiaries within two years of its establishment in order to assume Pertamina's upstream oil and gas contract arrangements in Indonesia.

ii. The Company's domicile

The Company is domiciled in Jakarta and its head office is located at the PHE Tower Building, Jl. TB Simatupang Kav 99, Jakarta 12520, Indonesia.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/3 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

1. UMUM (lanjutan)

a. PT Pertamina Hulu Energi (lanjutan)

iii. Komisaris dan Direksi Perusahaan

Susunan Dewan Komisaris Perusahaan pada tanggal 31 Desember 2017 dan 2016 sebagai berikut:

	<u>2017</u>
Komisaris:	
Presiden Komisaris	Syamsu Alam
Komisaris	Yudi Wahyudi
Komisaris	Mochamad Teguh Pamudji
Komisaris	Mohamad Oemar*
Komisaris	Prahoru Yulijanto Nurtjahyo**

* Komisaris Independen
** Terhitung mulai tanggal 3 Januari 2017

1. GENERAL (continued)

a. PT Pertamina Hulu Energi (continued)

iii. The Company's Commissioners and Directors

The composition of the Board of Commissioners of the Company as at December 31, 2017 and 2016 was as follows:

	<u>2016</u>	
		Commissioners:
	Syamsu Alam	President Commissioner
	Yudi Wahyudi	Commissioner
	Mochamad Teguh Pamudji	Commissioner
	Mohamad Oemar*	Commissioner
	-	Commissioner

* Independent Commissioner
** Since January 3, 2017

Susunan dari Direksi Perusahaan pada tanggal 31 Desember 2017 dan 2016 sebagai berikut:

	<u>2017</u>
Direksi:	
PJ Direktur Utama	R. Gunung Sardjono Hadi
PJ Direktur Operasi dan Produksi	Beni Jaffilius Ibradi
PJ Direktur Keuangan dan Business Support	Ari Budiarko
PJ Direktur Eksplorasi	Rudy Ryacudu
PJ Direktur Pengembangan	-*

*Terhitung mulai tanggal 24 Juli 2017

The composition of the Board of Directors of the Company as at December 31, 2017 and 2016 was as follows:

	<u>2016</u>	
		Directors:
	R. Gunung Sardjono Hadi	Acting President Director
	Beni Jaffilius Ibradi	Acting Operation and Production Director
	Ari Budiarko	Acting Finance and Business Support Director
	Rudy Ryacudu	Acting Exploration Director
	Bambang Manumayoso	Acting Development Director

*Since July 24, 2017

iv. Jumlah karyawan

Pada tanggal 31 Desember 2017 Perusahaan mempunyai 923 karyawan (31 Desember 2016: 486 karyawan). Informasi jumlah karyawan ini tidak diaudit.

iv. Number of employees

As at December 31, 2017, the Company has 923 employees (December 31, 2016: 486 employees) Information on the number of employees is not audited.

The original consolidated financial statements included herein are in the Indonesian language.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/4 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

1. UMUM (lanjutan)

b. Entitas Anak

Entitas anak PHE ("Entitas Anak") yang termasuk dalam laporan keuangan konsolidasian pada tanggal 31 Desember 2017 adalah sebagai berikut:

1. GENERAL (continued)

b. Subsidiaries

PHE's subsidiaries (the "Subsidiary" or the "Subsidiaries") included in the consolidated financial statements as at December 31, 2017 are as follows:

No.	Nama Entitas Anak dan Wilayah Kerja/ Name of Subsidiaries and Working Area	Kegiatan Usaha/ Nature of Business	Tanggal Pendirian/ Date of Establishment	Persentase Kepemilikan/ Percentage of Ownership
1.	Pertamina Hulu Energi Offshore North West Java Ltd. ("ONWJ Ltd.") - Blok Offshore Northwest Java ("ONWJ")/Offshore Northwest Java ("ONWJ") Block	Eksplorasi untuk dan produksi minyak dan gas bumi/Exploration for and production of oil and gas	7 Agustus 1964/ August 7, 1964	100%
2.	PT Pertamina Hulu Energi Tuban - Blok Tuban/Tuban Block	Eksplorasi untuk dan produksi minyak dan gas bumi/Exploration for and production of oil and gas	28 Februari 2003/ February 28, 2003	99,99%
3.	PT Pertamina Hulu Energi Randugunting - Blok Randugunting/Randugunting Block	Eksplorasi untuk dan produksi minyak dan gas bumi/Exploration for and production of oil and gas	7 Agustus 2007/ August 7, 2007	99%
4.	PT Pertamina Hulu Energi Jabung - Blok Jabung/Jabung Block	Eksplorasi untuk dan produksi minyak dan gas bumi/Exploration for and production of oil and gas	18 Desember 2007/December 18, 2007	99%
5.	PT Pertamina Hulu Energi Tomori Sulawesi - Blok Senoro Toili/Senoro Toili Block	Eksplorasi untuk dan produksi minyak dan gas bumi/Exploration for and production of oil and gas	18 Desember 2007/December 18, 2007	99%
6.	PT Pertamina Hulu Energi Jambi Merang - Blok Jambi Merang/Jambi Merang Block	Eksplorasi untuk dan produksi minyak dan gas bumi/Exploration for and production of oil and gas	18 Desember 2007/December 18, 2007	99%
7.	PT Pertamina Hulu Energi Simenggaris - Blok Simenggaris/Simenggaris Block	Eksplorasi untuk dan produksi minyak dan gas bumi/Exploration for and production of oil and gas	18 Desember 2007/December 18, 2007	99%
8.	PT Pertamina Hulu Energi Salawati - Blok Salawati Kepala Burung/Salawati Kepala Burung Block	Eksplorasi untuk dan produksi minyak dan gas bumi/Exploration for and production of oil and gas	18 Desember 2007/December 18, 2007	99%
9.	PT Pertamina Hulu Energi Raja Tempirai - Blok Pendopo - Raja/Pendopo - Raja Block	Eksplorasi untuk dan produksi minyak dan gas bumi/Exploration for and production of oil and gas	18 Desember 2007/December 18, 2007	99%
10.	PT Pertamina Hulu Energi Gebang N Sumatera - Blok Gebang/Gebang Block	Eksplorasi untuk dan produksi minyak dan gas bumi/Exploration for and production of oil and gas	18 Desember 2007/December 18, 2007	99%
11.	PT Pertamina Hulu Energi South Jambi B - Blok South Jambi B/South Jambi B Block	Eksplorasi untuk dan produksi minyak dan gas bumi/Exploration for and production of oil and gas	18 Desember 2007/December 18, 2007	99%
12.	PT Pertamina Hulu Energi Kakap - Blok Kakap/Kakap Block	Eksplorasi untuk dan produksi minyak dan gas bumi/Exploration for and production of oil and gas	18 Desember 2007/December 18, 2007	99%
13.	PT Pertamina Hulu Energi Tuban East Java - Blok Tuban/Tuban Block	Eksplorasi untuk dan produksi minyak dan gas bumi/Exploration for and production of oil and gas	18 Desember 2007/December 18, 2007	99%
14.	PT Pertamina Hulu Energi Ogan Komering - Blok Ogan Komering/Ogan Komering Block	Eksplorasi untuk dan produksi minyak dan gas bumi/Exploration for and production of oil and gas	18 Desember 2007/December 18, 2007	99%
15.	PT Pertamina Hulu Energi W Madura Offshore - Blok West Madura/West Madura Block	Eksplorasi untuk dan produksi minyak dan gas bumi/Exploration for and production of oil and gas	18 Desember 2007/December 18, 2007	99%
16.	PT Pertamina Hulu Energi Tengah K - Blok Tengah/Tengah Block	Eksplorasi untuk dan produksi minyak dan gas bumi/Exploration for and production of oil and gas	18 Desember 2007/December 18, 2007	99%
17.	PT Pertamina Hulu Energi Corridor - Blok Corridor/Corridor Block	Eksplorasi untuk dan produksi minyak dan gas bumi/Exploration for and production of oil and gas	18 Desember 2007/December 18, 2007	99%
18.	PT Pertamina Hulu Energi Salawati Basin - Blok Kepala Burung/Kepala Burung Block	Eksplorasi untuk dan produksi minyak dan gas bumi/Exploration for and production of oil and gas	18 Desember 2007/December 18, 2007	99%

The original consolidated financial statements included herein are in the Indonesian language.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/5 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

1. UMUM (lanjutan)

1. GENERAL (continued)

b. Entitas Anak (lanjutan)

b. Subsidiaries (continued)

No.	Nama Entitas Anak dan Wilayah Kerja/ Name of Subsidiaries and Working Area	Kegiatan Usaha/ Nature of Business	Tanggal Pendirian/ Date of Establishment	Persentase Kepemilikan/ Percentage of Ownership
19.	PT Pertamina Hulu Energi Makassar Strait - Blok Makassar Strait/Makassar Strait Block	Eksplorasi untuk dan produksi minyak dan gas bumi/Exploration for and production of oil and gas	18 Desember 2007/December 18, 2007	99%
20.	PT Pertamina Hulu Energi Donggala - Blok Donggala/Donggala Block	Eksplorasi untuk dan produksi minyak dan gas bumi/Exploration for and production of oil and gas	18 Desember 2007/December 18, 2007	99%
21.	PT Pertamina Hulu Energi Karama - Blok Karama/Karama Block	Eksplorasi untuk dan produksi minyak dan gas bumi/Exploration for and production of oil and gas	23 November 2007/November 23, 2007	99%
22.	PT Pertamina Hulu Energi NSO - Blok NSO/NSO Block	Eksplorasi untuk dan produksi minyak dan gas bumi/Exploration for and production of oil and gas	15 Januari 2008/January 15, 2008	99%
23.	PT Pertamina Hulu Energi Coastal Plains Pekanbaru - Blok Coastal Plains dan Pekanbaru ("CPP")/CPP Block	Eksplorasi untuk dan produksi minyak dan gas bumi/Exploration for and production of oil and gas	15 Januari 2008/January 15, 2008	99%
24.	PT Pertamina Hulu Energi Metana Kalimantan A - Blok Sangatta I/Sangatta I Block	Eksplorasi untuk dan produksi gas metana batubara/Exploration for and production of coal bed methane	12 November 2008/November 12, 2008	100%
25.	PT Pertamina Hulu Energi Metana Kalimantan B - Blok Sangatta II/Sangatta II Block	Eksplorasi untuk dan produksi gas metana batubara/Exploration for and production of coal bed methane	5 Mei 2009/May 5, 2009	100%
26.	PT Pertamina Hulu Energi Metana Sumatera Tanjung Enim - Blok Tanjung Enim/Tanjung Enim Block	Eksplorasi untuk dan produksi gas metana batubara/Exploration for and production of coal bed methane	27 Juli 2009/July 27, 2009	99,90%
27.	PT Pertamina Hulu Energi Metana Sumatera 2 - Blok Muara Enim/Muara Enim Block	Eksplorasi untuk dan produksi gas metana batubara/Exploration for and production of coal bed methane	27 Juli 2009/July 27, 2009	99,90%
28.	Pertamina Hulu Energi Australia, Pty. Ltd. - Basker Manta Gummy Field Offshore Gippsland Basin	Eksplorasi untuk dan produksi minyak dan gas bumi/Exploration for and production of oil and gas	29 Juli 2009/July 29, 2009	100%
29.	PT Pertamina Hulu Energi West Glagah Kambuna - Blok West Glagah Kambuna/West Glagah Kambuna Block	Eksplorasi untuk dan produksi minyak dan gas bumi/Exploration for and production of oil and gas	6 Oktober 2009/October 6, 2009	99%
30.	PT Pertamina Hulu Energi ONWJ - Blok ONWJ/ONWJ Block	Eksplorasi untuk dan produksi minyak dan gas bumi/Exploration for and production of oil and gas	11 Desember 2009/December 11, 2009	99%
31.	PT Pertamina Hulu Energi Semai II - Blok Semai II/Semai II Block	Eksplorasi untuk dan produksi minyak dan gas bumi/Exploration for and production of oil and gas	26 Maret 2010/March 26, 2010	99%
32.	PT Pertamina Hulu Energi Metana Sumatera 1 - Blok Muara Enim I/Muara Enim I Block	Eksplorasi untuk dan produksi gas metana batubara/Exploration for and production of coal bed methane	9 September 2010/September 9, 2010	99,90%
33.	PT Pertamina Hulu Energi OSES - Blok OSES/OSES Block	Eksplorasi untuk dan produksi minyak dan gas bumi/Exploration for and production of oil and gas	28 September 2010/September 28, 2010	99,90%
34.	PT Pertamina Hulu Energi Metana Sumatera 5 - Blok Muara Enim II/Muara Enim II Block	Eksplorasi untuk dan produksi gas metana batubara/Exploration for and production of coal bed methane	16 November 2010/November 16, 2010	99,90%
35.	PT Pertamina Hulu Energi Metan Tanjung II - Blok Tanjung II/Tanjung II Block	Eksplorasi untuk dan produksi gas metana batubara/Exploration for and production of coal bed methane	25 November 2010/November 25, 2010	100%
36.	PT Pertamina Hulu Energi Metan Tanjung IV - Blok Tanjung IV/Tanjung IV Block	Eksplorasi untuk dan produksi gas metana batubara/Exploration for and production of coal bed methane	29 November 2010/November 29, 2010	100%
37.	PT Pertamina Hulu Energi Metana Sumatera 4 - Blok Muara Enim III/Muara Enim III Block	Eksplorasi untuk dan produksi gas metana batubara/Exploration for and production of coal bed methane	23 Maret 2011/March 23, 2011	99%
38.	PT Pertamina Hulu Energi Metana Suban I - Blok Suban I/Suban I Block	Eksplorasi untuk dan produksi gas metana batubara/Exploration for and production of coal bed methane	22 Juli 2011/July 22, 2011	100%
39.	PT Pertamina Hulu Energi Metana Suban II - Blok Suban II/Suban II Block	Eksplorasi untuk dan produksi gas metana batubara/Exploration for and production of coal bed methane	22 Juli 2011/July 22, 2011	100%

The original consolidated financial statements included herein are in the Indonesian language.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/6 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

1. UMUM (lanjutan)

1. GENERAL (continued)

b. Entitas Anak (lanjutan)

b. Subsidiaries (continued)

No.	Nama Entitas Anak dan Wilayah Kerja/ Name of Subsidiaries and Working Area	Kegiatan Usaha/ Nature of Business	Tanggal Pendirian/ Date of Establishment	Persentase Kepemilikan/ Percentage of Ownership
40.	PT Pertamina Hulu Energi Metana Sumatera 3 - Blok Air Benakat I/Air Benakat I Block	Eksplorasi untuk dan produksi gas metana batubara/Exploration for and production of coal bed methane	26 April 2012/ April 26, 2012	99,50%
41.	PT Pertamina Hulu Energi Metana Sumatera 6 - Blok Air Benakat II/Air Benakat II Block	Eksplorasi untuk dan produksi gas metana batubara/Exploration for and production of coal bed methane	26 April 2012/ April 26, 2012	99,50%
42.	PT Pertamina Hulu Energi Metana Sumatera 7 - Blok Air Benakat III/Air Benakat III Block	Eksplorasi untuk dan produksi gas metana batubara/Exploration for and production of coal bed methane	26 April 2012/ April 26, 2012	99,50%
43.	PT Pertamina Hulu Energi MNK Sumatera Utara - Blok MNK Sumbagut/MNK Sumbagut Block	Eksplorasi untuk dan produksi minyak dan gas bumi nonkonvensional/Exploration for and production of nonconventional oil and gas	27 November 2012/ November 27, 2012	99,50%
44.	Pertamina Hulu Energi Nunukan Company - Blok Nunukan/Nunukan Block	Eksplorasi untuk dan produksi minyak dan gas bumi/Exploration for and production of oil and gas	14 Desember 2006/ December 14, 2006	100%
45.	Pertamina Hulu Energi Ambalat Ltd.- Blok Ambalat/Ambalat Block	Eksplorasi untuk dan produksi minyak dan gas bumi/Exploration for and production of oil and gas	7 September 1999/ September 7, 1999	100%
46.	Pertamina Hulu Energi Bukit Ltd - Blok Bukit/Bukat Block	Eksplorasi untuk dan produksi minyak dan gas bumi/Exploration for and production of oil and gas	14 September 1992/ September 14, 1992	100%
47.	PT Pertamina Hulu Energi Babar Selaru - Blok Babar Selaru/Babar Selaru Block	Eksplorasi untuk dan produksi minyak dan gas bumi/Exploration for and production of oil and gas	1 Februari 2013/ February 1, 2013	100%
48.	PT Pertamina Hulu Energi NSB - Blok B/B Block	Eksplorasi untuk dan produksi minyak dan gas bumi/Exploration for and production of oil and gas	26 Agustus 2013/ August 26, 2013	99,50%
49.	Pertamina Hulu Energi Oil and Gas - Blok A (Natuna Sea)/A Block (Natuna Sea)	Eksplorasi untuk dan produksi minyak dan gas bumi/Exploration for and production of oil and gas	28 November 2013/ November 28, 2013	100%
50.	PT Pertamina Hulu Energi Siak - Blok Siak/Siak Block	Eksplorasi untuk dan produksi minyak dan gas bumi/Exploration for and production of oil and gas	16 Mei 2014/ May 16, 2014	99%
51.	PT Pertamina Hulu Energi East Sepinggan - Blok East Sepinggan/East Sepinggan Block	Eksplorasi untuk dan produksi minyak dan gas bumi/Exploration for and production of oil and gas	11 Juli 2014/ July 11, 2014	100%
52.	PT Pertamina Hulu Energi Abar - Blok Abar/Abar Block	Eksplorasi untuk dan produksi minyak dan gas bumi/Exploration for and production of oil and gas	12 Februari 2015/ February 12, 2015	100%
53.	PT Pertamina Hulu Energi Anggursi - Blok Anggursi/Anggursi Block	Eksplorasi untuk dan produksi minyak dan gas bumi/Exploration for and production of oil and gas	12 Februari 2015/ February 12, 2015	100%
54.	PT Pertamina Hulu Energi MNK Sakakemang - Blok MNK Sakakemang/MNK Sakakemang Block	Eksplorasi untuk dan produksi minyak dan gas bumi/Exploration for and production of oil and gas	19 Mei 2015/ May 19, 2015	99%
55.	PT Pertamina Hulu Energi Kampar - Blok Kampar/Kampar Block	Eksplorasi untuk dan produksi minyak dan gas bumi/Exploration for and production of oil and gas	19 Mei 2015/ May 19, 2015	99%
56.	PT Pertamina Hulu Energi Arun	Portofolio kegiatan usaha Perusahaan/the Company's business portfolio	9 Juli 2015/ July 9, 2015	99%
57.	PT Pertamina Hulu Energi Ambalat Timur	Eksplorasi untuk dan produksi minyak dan gas bumi/Exploration for and production of oil and gas	25 Mei 2016/ May 25, 2016	99%
58.	PT Pertamina Hulu Energi Ambalat	Eksplorasi untuk dan produksi minyak dan gas bumi/Exploration for and production of oil and gas	24 September 2017/ September 24, 2017	99%
59.	PT Pertamina Hulu Energi Lepas Pantai Bunyu	Eksplorasi untuk dan produksi minyak dan gas bumi/Exploration for and production of oil and gas	24 September 2017/ September 24, 2017	99%

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/7 Schedule

CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017

(Expressed in US Dollars, unless otherwise stated)

2. KESEPAKATAN KONTRAK MINYAK DAN GAS BUMI

a. Kontrak Bagi Hasil

Kontrak Bagi Hasil ("KBH") dibuat oleh kontraktor KBH dengan Pemerintah melalui Satuan Kerja Khusus Pelaksana Kegiatan Usaha Hulu Minyak dan Gas Bumi ("SKK Migas" - sebelumnya Badan Pelaksana Kegiatan Usaha Hulu Minyak dan Gas Bumi/"BP MIGAS") untuk jangka waktu kontrak antara 20-30 tahun. Periode tersebut dapat diperpanjang sesuai dengan peraturan yang berlaku.

i. Wilayah kerja

Wilayah kerja KBH adalah wilayah kontraktor KBH melaksanakan kegiatan operasi minyak dan gas bumi. Kontraktor KBH wajib mengembalikan persentase tertentu dari luas wilayah kerja yang ditentukan kepada Pemerintah melalui SKK Migas selama periode KBH.

ii. Bagi hasil produksi minyak mentah dan gas bumi

Pembagian hasil produksi minyak mentah dan gas bumi dihitung secara tahunan, yang merupakan jumlah *lifting* minyak mentah dan gas bumi setiap periode yang berakhir pada tanggal 31 Desember setelah dikurangi kredit investasi, *First Tranche Petroleum* ("FTP") dan *cost recovery*.

Kontraktor KBH dikenai pajak atas pendapatan kena pajak dari kegiatan KBH berdasarkan bagian kontraktor atas hasil produksi minyak mentah dan gas bumi, dikurangi bonus-bonus, dengan tarif pajak penghasilan gabungan yang terdiri dari pajak penghasilan dan pajak dividen.

iii. Cost recovery

Pengembalian biaya operasi (*cost recovery*) tiap tahun terdiri dari:

- i. Biaya non-kapital tahun berjalan;
- ii. Penyusutan biaya kapital tahun berjalan; dan
- iii. Biaya operasi tahun sebelumnya yang belum memperoleh penggantian (*unrecovered costs*).

2. OIL AND GAS CONTRACT ARRANGEMENTS

a. Production Sharing Contracts

Production Sharing Contracts ("PSCs") are entered into by PSC contractors with the Government through the Special Task Force For Upstream Oil and Gas Business Activities ("SKK Migas" - formerly Oil and Gas Upstream Activities Agency/"BP MIGAS") acting on behalf of the Government for a period of 20-30 years. The period may be extended in accordance with applicable regulations.

i. Working area

The PSC working area is a designated area in which the PSC contractors may conduct oil and gas operations. PSC contractors must return a certain percentage of this designated working area to SKK Migas on behalf of the Government during the term of the PSC.

ii. Crude oil and natural gas production sharing

Equity crude oil and natural gas production is determined annually, representing the total liftings of crude oil and natural gas in each period ended December 31 net of investment credit, First Tranche Petroleum ("FTP") and cost recovery.

The PSC contractors are subject to tax on their taxable income from their PSC operations based on their share of equity crude oil and natural gas production, less bonuses, at a combined rate comprising corporate income tax and dividend tax.

iii. Cost recovery

Annual cost recovery comprises:

- i. Current year non-capital costs;*
- ii. Current year amortisation of capital costs; and*
- iii. Previous years unrecovered operating costs.*

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/8 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

**2. KESEPAKATAN KONTRAK MINYAK DAN GAS
BUMI (lanjutan)**

a. Kontrak Bagi Hasil (lanjutan)

iv. Harga minyak mentah dan gas bumi

Bagian kontraktor KBH atas produksi minyak mentah dinilai dengan Harga Minyak Indonesia ("ICP"). Gas bumi yang dikirim kepada pihak ketiga dan pihak berelasi dinilai dengan harga yang ditetapkan dalam perjanjian jual beli gas.

v. Domestic Market Obligation ("DMO")

Minyak mentah

Kontraktor KBH wajib memenuhi kebutuhan dalam negeri berdasarkan perhitungan setiap tahun sebagai berikut:

1. Mengalikan jumlah minyak mentah yang diproduksi dari wilayah kerja dengan hasil pembagian antara jumlah kebutuhan minyak mentah dalam negeri sebagai pembilang dan jumlah seluruh minyak mentah yang diproduksi oleh seluruh perusahaan perminyakan di Indonesia sebagai penyebut.
2. Menghitung 25% jumlah minyak mentah yang diproduksi dari wilayah kerja KBH.
3. Mengalikan jumlah minyak mentah yang lebih kecil antara hitungan (1) atau (2) dengan persentase bagi hasil kontraktor.

Harga DMO untuk minyak mentah adalah harga rata-rata tertimbang dari seluruh jenis minyak mentah yang dijual oleh kontraktor KBH atau harga lain yang ditentukan dalam KBH tersebut.

Gas bumi

Kontraktor KBH wajib memenuhi kebutuhan dalam negeri Indonesia sebesar 25% dari total gas bumi yang diproduksi dari wilayah kerja kontraktor dikalikan dengan persentase bagi hasil Kontraktor.

**2. OIL AND GAS CONTRACT ARRANGEMENTS
(continued)**

a. Production Sharing Contracts (continued)

iv. Crude oil and natural gas prices

The PSC contractors' crude oil production is priced at Indonesian Crude Prices ("ICP"). Natural gas delivered to third parties and related parties is valued based on the prices stipulated in the respective gas sales and purchase contracts.

v. Domestic Market Obligation ("DMO")

Crude oil

The PSC Contractors are required to supply the domestic market in accordance with the following annual calculation:

1. Multiply the total quantity of crude oil produced from the contract area by a fraction, the numerator of which is the total quantity of crude oil to be supplied and the denominator is the entire crude oil production of all petroleum companies in Indonesia.
2. Compute 25% of the total quantity of crude oil produced in the PSC's working area.
3. Multiply the lower computed, either under (1) or (2) by the percentage of the contractor's entitlement.

The price of DMO for crude oil supplied is equal to the weighted average of all types of crude oil sold by the PSC contractors or other price determined under the PSC.

Natural gas

The PSC Contractors are required to supply the domestic market in Indonesia with 25% of the total quantity of natural gas produced in the working area multiplied by the Contractor's entitlement percentage.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/9 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

2. KESEPAKATAN KONTRAK MINYAK DAN GAS BUMI (lanjutan)

a. Kontrak Bagi Hasil (lanjutan)

**v. Domestic Market Obligation (“DMO”)
(lanjutan)**

Harga DMO untuk gas bumi ditentukan berdasarkan harga jual yang disepakati di dalam kontrak penjualan.

vi. First Tranche Petroleum (“FTP”)

Pemerintah dan Kontraktor berhak untuk menerima sebesar 10% - 20% dari jumlah produksi minyak mentah dan gas bumi setiap tahunnya, sebelum dikurangi dengan pengembalian biaya operasi dan kredit investasi.

vii. Hak milik atas persediaan, perlengkapan dan peralatan

Persediaan, perlengkapan dan peralatan yang dibeli oleh kontraktor KBH untuk kegiatan operasi minyak mentah dan gas bumi merupakan milik Pemerintah, akan tetapi, kontraktor KBH memiliki hak untuk menggunakan persediaan, perlengkapan dan peralatan tersebut sampai dinyatakan surplus atau ditinggalkan dengan persetujuan SKK Migas.

Pada tanggal 31 Desember 2017, kesepakatan KBH yang dimiliki Perusahaan dan Entitas Anak adalah sebagai berikut:

i. Indonesian Participation Arrangements (“IP”)

Melalui kesepakatan IP, Pertamina, sebagai Badan Usaha Milik Negara, mendapat tawaran untuk memiliki 10% kepemilikan di KBH pada saat pertama kali Rencana Pengembangan (“POD”) disetujui oleh Pemerintah Indonesia (“Pemerintah”), yang diwakili oleh SKK Migas. Penyertaan di Blok Jabung sebesar 14,28% merupakan perolehan tambahan penyertaan sebesar 4,28% oleh Pertamina. Penyertaan sebesar 5% di Blok Tengah merupakan 10% dari 50% kepemilikan kontraktor asing. Pertamina menyerahkan kepemilikan IP ini kepada Entitas Anak PHE pada tanggal 1 Januari 2008. Pada tanggal 31 Desember 2017, kesepakatan kemitraan Entitas Anak melalui IP adalah sebagai berikut:

**2. OIL AND GAS CONTRACT ARRANGEMENTS
(continued)**

a. Production Sharing Contracts (continued)

**v. Domestic Market Obligation (“DMO”)
(continued)**

The price of DMO for natural gas is determined based on the agreed contracted sales prices.

vi. First Tranche Petroleum (“FTP”)

The Government and Contractors are entitled to receive an amount ranging from 10% - 20% of the total production of crude oil and natural gas each year, before any deduction for recovery of operating costs and investment credit.

vii. Ownership of materials, supplies and equipment

Materials, supplies and equipment acquired by the PSC Contractors for crude oil and natural gas operations belongs to the Government, however, the PSC Contractors have the right to utilise such materials, supplies and equipment until they are declared surplus or abandoned with the approval of SKK Migas.

As at December 31, 2017, the Company's and Subsidiaries' PSC arrangements were as follows:

i. Indonesian Participation Arrangements (“IP”)

Through IP arrangements, Pertamina, a State-Owned Enterprise, is offered a 10% working interest in PSCs at the first time Plans of Development (“POD”) are approved by the Government of Indonesia (the “Government”), represented by SKK Migas. The 14.28% interest in the Jabung Block reflects the acquisition of an additional interest of 4.28% by Pertamina. The 5% interest in the Tengah Block represents 10% of the 50% foreign contractor's share. Pertamina assigned these IP interests to the PHE's Subsidiaries on January 1, 2008. As at December 31, 2017, the Subsidiaries' IP partnership arrangements are as follows:

The original consolidated financial statements included herein are in the Indonesian language.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/10 Schedule

CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017

(Expressed in US Dollars, unless otherwise stated)

2. KESEPAKATAN KONTRAK MINYAK DAN GAS 2. OIL AND GAS CONTRACT ARRANGEMENTS
BUMI (lanjutan) (continued)

a. Kontrak Bagi Hasil (lanjutan)

a. Production Sharing Contracts (continued)

i. Indonesian Participation Arrangements
("IP") (lanjutan)

i. Indonesian Participation Arrangements
("IP") (continued)

Mitra Usaha/ Partners	Wilayah Kerja/ Working Area	Wilayah/ Area	Tanggal Efektif Kontrak/ Effective Date of Contract	Tanggal Mulai Produksi/ Production Commencement Date	Tanggal Jatuh Tempo Kontrak/ Expiry Date of Contract	Persentase Partisipasi/ Percentage of Participation	Produksi/ Production	Periode Kontrak/ Contract Period
Total E&P Indonesia Inpx Co.	Blok Tengah/ Tengah Block	Kalimantan Timur/East Kalimantan	05/10/1988	27/11/2007	04/10/2018	5%	Minyak dan gas bumi/Oil and gas	30 tahun/ years
Chevron Makassar Ltd. Tip Top Makassar Ltd.	Blok Makassar Strait/ Makassar Strait Block	Kalimantan Timur/East Kalimantan	26/01/1990	01/07/2000	25/01/2020	10%	Minyak dan gas bumi/Oil and gas	30 tahun/ years
Petrochina International (Bermuda) Ltd. Petrogas (Basin) Ltd. RH Petrogas Salawati Basin B.V.	Blok Kepala Burung/Kepala Burung Block	Papua	07/10/1996	07/10/1996	6/10/2026	10%	Minyak dan gas bumi/Oil and gas	30 tahun/ years
Petrochina International Jabung Ltd. Petronas Carigali Jabung Ltd.	Blok Jabung/Jabung Block	Jambi	27/02/1993	13/09/1996	26/02/2023	14,28%	Minyak dan gas bumi/Oil and gas	30 tahun/ years
ConocoPhillips (Grissik) Ltd. Talisman (Corridor) Ltd.	Blok Corridor/ Corridor Block	Sumatera Selatan/ South Sumatera	20/12/2003	01/08/1987	19/12/2023	10%	Minyak dan gas bumi/Oil and gas	20 tahun/ years
Star Energy (Kakap) Ltd. Singapore Petroleum Co. Ltd. Premier Oil Kakap BV	Blok Kakap/Kakap Block	Kepulauan Natuna/ Natuna Archipelago	22/03/2005	01/01/1987	21/03/2028	10%	Minyak dan gas bumi/Oil and gas	23 tahun/ years

The original consolidated financial statements included herein are in the Indonesian language.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/11 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

2. KESEPAKATAN KONTRAK MINYAK DAN GAS BUMI (lanjutan)

a. Kontrak Bagi Hasil (lanjutan)

ii. Kepemilikan di KBH yang diperoleh setelah berlakunya Undang-Undang No. 22 tahun 2001, tentang Minyak dan Gas Bumi

1. Minyak dan Gas Bumi

Pada tanggal 31 Desember 2017, kesepakatan kemitraan minyak dan gas bumi yang telah ditandatangani adalah sebagai berikut:

2. OIL AND GAS CONTRACT ARRANGEMENTS (continued)

a. Production Sharing Contracts (continued)

ii. PSC interests acquired after the issuance of Law No. 22 year 2001, related to Oil and Gas

1. Oil and Gas

As at December 31, 2017, the oil and gas partnership arrangements which have been entered into are as follows:

Mitra Usaha KBH/PSC Partners	Wilayah Kerja/ Working Area	Wilayah/ Area	Tanggal Efektif Kontrak/ Effective Date of Contract	Tanggal Mulai Produksi/ Production Commencement Date	Tanggal Jatuh Tempo Kontrak/ Expiry Date of Contract	Persentase Partisipasi/ Percentage of Participation	Produksi/ Production	Periode Kontrak/ Contract Period
Petrochina International Java Ltd. PT PHE Tuban East Java	Blok Tuban/ Tuban Block	Jawa Timur/ East Java	29/02/1988	12/02/1997	28/02/2018	25%	Minyak dan gas bumi/Oil and gas	30 tahun/ years
CNOOC SES Ltd. Korea National Oil Corporation Orchard Energy Ltd.	Blok Offshore Southeast Sumatera/ Offshore Southeast Sumatera Block	Sumatera Tenggara/ Southeast Sumatera	06/09/1998	1975	05/09/2018	20,55%	Minyak dan gas bumi/Oil and gas	20 tahun/ years
PT Bumi Siak Pusako	Blok Coastal Plains Pekanbaru/ Coastal Plains Pekanbaru Block	Riau	06/08/2002	06/08/2002	05/08/2022	50%	Minyak dan gas bumi/Oil and gas	20 tahun/ years
Kodeco Energy Co. Ltd. Mandiri Madura Barat	Blok West Madura/ West Madura Block*	Jawa Timur/ East Java	07/05/2011	27/09/1984	06/05/2031	80%	Minyak dan gas bumi/Oil and gas	20 tahun/ years
StatOil Indonesia Karama AS	Blok Karama/ Karama Block	Selat Makassar/ Makassar Strait	21/03/2007	-	20/03/2037	49%	-	30 tahun/ years
Petronas Carigali Sdn.Bhd. Petrovietnam	Blok Randugunting/ Randugunting Block*	Jawa Tengah & Jawa Timur/ Central & East Java	09/08/2007	-	08/08/2037	40%	-	30 tahun/ years

* Entitas Anak Perusahaan ini adalah operator atas blok-blok ini/ The Company's Subsidiaries are the operators of these blocks

The original consolidated financial statements included herein are in the Indonesian language.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/12 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

2. KESEPAKATAN KONTRAK MINYAK DAN GAS BUMI (lanjutan)

a. Kontrak Bagi Hasil (lanjutan)

ii. Kepemilikan di KBH yang diperoleh setelah berlakunya Undang-Undang No. 22 tahun 2001, tentang Minyak dan Gas Bumi (lanjutan)

1. Minyak dan Gas Bumi (lanjutan)

2. OIL AND GAS CONTRACT ARRANGEMENTS (continued)

a. Production Sharing Contracts (continued)

ii. PSC interests acquired after the issuance of Law No. 22 year 2001, related to Oil and Gas (continued)

1. Oil and Gas (continued)

Mitra Usaha KBH/PSC Partners	Wilayah Kerja/ Working Area	Wilayah/ Area	Tanggal Efektif Kontrak/ Effective Date of Contract	Tanggal Mulai Produksi/ Production Commencement Date	Tanggal Jatuh Tempo Kontrak/ Expiry Date of Contract	Persentase Partisipasi/ Percentage of Participation	Produksi/ Production	Periode Kontrak/ Contract Period
Premier Oil Natuna Sea Ltd. Kufpec Indonesia (Natuna) BV Natuna 1 BV (Petronas Carigali Indonesia Operation)	Blok A (Natuna Sea)/A Block (Natuna Sea)	Natuna Sea	15/01/1999, PSC extension 16/10/2009	-	14/01/2019, PSC extension 15/10/2029	23%	Minyak dan gas bumi/Oil and gas	20 tahun/ years
ENI Bukat Ltd.	Blok Bukat/ Bukat Block	Kalimantan Timur/East Kalimantan	24/02/1998	-	23/02/2028	33,75%	-	30 tahun/ years
ENI Ambalat Ltd.	Blok Ambalat/ Ambalat Block	Kalimantan Timur/East Kalimantan	27/09/1999	-	26/09/2029	33,75%	-	30 tahun/ years
Medco E&P Nunukan Videocon Indonesia Nunukan Bpri Ventures Indonesia BV	Blok Nunukan/ Nunukan Block*	Kalimantan Timur/East Kalimantan	12/12/2004	-	11/12/2034	64,50%	-	30 tahun/ years
Konsorsium Murphy (Murphy Oil Corporation, Inpex Corporation and PTTEP Ltd.)	Blok Semai II Offshore/ Semai II Offshore Block	Papua Barat/ West Papua	13/11/2008	-	12/11/2038	15%	-	30 tahun/ years
Petronas Carigali (West Glagah Kambuna) Sdn. Bhd.	Blok West Glagah Kambuna/ West Glagah Kambuna Block	Sumatera Utara/North Sumatera	30/11/2009	-	29/11/2039	40%	-	30 tahun/ years
Inpex Babar Selaru Limited	Blok Babar Selaru/ Babar Selaru Block	Maluku Lepas Pantail/ Offshore Maluku	21/11/2011	-	20/11/2041	15%	Minyak dan gas bumi/Oil and gas	30 tahun/ years

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The original consolidated financial statements included herein are in the Indonesian language.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/13 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

2. KESEPAKATAN KONTRAK MINYAK DAN GAS BUMI (lanjutan)

2. OIL AND GAS CONTRACT ARRANGEMENTS (continued)

a. Kontrak Bagi Hasil (lanjutan)

a. Production Sharing Contracts (continued)

ii. Kepemilikan di KBH yang diperoleh setelah berlakunya Undang-Undang No. 22 tahun 2001, tentang Minyak dan Gas Bumi (lanjutan)

ii. PSC interests acquired after the issuance of Law No. 22 year 2001, related to Oil and Gas (continued)

1. Minyak dan Gas Bumi (lanjutan)

1. Oil and Gas (continued)

Mitra Usaha KBH/PSC Partners	Wilayah Kerja/ Working Area	Wilayah/ Area	Tanggal Efektif Kontrak/ Effective Date of Contract	Tanggal Mulai Produksi/ Production Commencement Date	Tanggal Jatuh Tempo Kontrak/ Expiry Date of Contract	Persentase Partisipasi/ Percentage of Participation	Produksi/ Production	Periode Kontrak/ Contract Period
Tidak ada/ None	Blok B/ B Block*	Sumatera Utara/North Sumatera	04/10/1998	01/10/2015	04/10/2018	100%	Minyak dan gas bumi/Oil and gas	20 tahun/ years
Tidak ada/ None	Blok NSO/ NSO Block*	Utara Sumatera Lepas Pantai/ North Sumatera Offshore	16/10/1998	01/10/2015	16/10/2018	100%	Minyak dan gas bumi/Oil and gas	20 tahun/ years
Tidak ada/ None	Blok Siak/ Siak Block*	Riau	26/05/2014	28/05/2014	25/05/2034	100%	Minyak dan gas bumi/Oil and gas	20 tahun/ years
Eni East Sepinggan Ltd.	Blok East Sepinggan/ East Sepinggan Block	Sepinggan Timur/ East Sepinggan	20/07/2012	-	20/07/2042	15%	Minyak dan gas bumi/Oil and gas	30 tahun/ years
Tidak ada/ None	Blok Abar/ Abar Block*	Jawa Barat Lepas Pantai/ West Java Offshore	22/05/2015	-	22/05/2045	100%	Minyak dan gas bumi/Oil and gas	30 tahun/ years
Tidak ada/ None	Blok Anggursi/ Anggursi Block*	Utara Jawa Barat Lepas Pantai/ North Offshore West Java	22/05/2015	-	22/05/2045	100%	Minyak dan gas bumi/Oil and gas	30 tahun/ years
Tidak ada/ None	Blok East Ambalat/ East Ambalat Block*	Kalimantan Utara/North Kalimantan	25/05/2016	-	25/05/2046	100%	Minyak dan gas bumi/Oil and gas	30 tahun/ years

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The original consolidated financial statements included herein are in the Indonesian language.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/14 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

2. KESEPAKATAN KONTRAK MINYAK DAN GAS BUMI (lanjutan) **2. OIL AND GAS CONTRACT ARRANGEMENTS (continued)**

a. Kontrak Bagi Hasil (lanjutan)

ii. Kepemilikan di KBH yang diperoleh setelah berlakunya Undang-Undang No. 22 tahun 2001, tentang Minyak dan Gas Bumi (lanjutan)

2. Gas Metana Batubara

Per tanggal 31 Desember 2017, kesepakatan kemitraan Gas Metana Batubara ("GMB") dalam kegiatan eksplorasi yang telah ditandatangani adalah sebagai berikut:

Mitra Usaha KBH/PSC Partners	Wilayah kerja/ Working Area	Wilayah/ Area	Tanggal Efektif Kontrak/ Effective Date of Contract	Tanggal Jatuh Tempo Kontrak/ Expiry Date of Contract	Persentase Partisipasi/ Percentage of Participation	Produksi/ Production	Periode Kontrak/ Contract Period
Sangatta West CBM, Inc.	Blok Sangatta I/Sangatta I Block	Kalimantan Timur/East Kalimantan	13/11/2008	12/11/2038	52%	-	30 tahun/ years
PT Visi Multi Artha	Blok Sangatta II/ Sangatta II Block	Kalimantan Timur/East Kalimantan	05/05/2009	04/05/2039	40%	-	30 tahun/ years
Arrow Energy (Tanjung Enim) Pte., Ltd. PT Bukit Asam Metana Enim	Blok Tanjung Enim/ Tanjung Enim Block	Sumatera Selatan/South Sumatera	04/08/2009	03/08/2039	27,5%	-	30 tahun/ years
PT Trisula CBM Energy	Blok Muara Enim/ Muara Enim Block	Sumatera Selatan/South Sumatera	30/11/2009	29/11/2039	60%	-	30 tahun/ years
Konsorsium KP SGH Batubara (PT Indo Gas Methan)	Blok Muara Enim I/ Muara Enim I Block*	Sumatera Selatan/South Sumatera	03/12/2010	02/12/2040	65%	-	30 tahun/ years
Tidak ada/None	Blok Tanjung II/ Tanjung II Block*	Kalimantan Selatan/South Kalimantan	03/12/2010	02/12/2040	100%	-	30 tahun/ years
Indo CBM Sumbagsel 2 Pte. Ltd. PT Metana Enim Energi	Blok Muara Enim II/ Muara Enim II Block	Sumatera Selatan/South Sumatera	01/04/2011	31/03/2041	40%	-	30 tahun/ years

* Entitas Anak Perusahaan ini adalah operator atas blok-blok ini/The Company's Subsidiaries are the operators of these blocks

a. Production Sharing Contracts (continued)

ii. PSC interests acquired after the issuance of Law No. 22 year 2001, related to Oil and Gas (continued)

2. Coal Bed Methane

As at December 31, 2017, Coal Bed Methane ("CBM") partnership arrangements in exploration activities which have been entered into are as follows:

The original consolidated financial statements included herein are in the Indonesian language.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/15 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

2. KESEPAKATAN KONTRAK MINYAK DAN GAS BUMI (lanjutan)

a. Kontrak Bagi Hasil (lanjutan)

ii. Kepemilikan di KBH yang diperoleh setelah berlakunya Undang-Undang No. 22 tahun 2001, tentang Minyak dan Gas Bumi (lanjutan)

2. Gas Metana Batubara (lanjutan)

Mitra Usaha KBH/PSC Partners	Wilayah kerja/ Working Area	Wilayah/ Area	Tanggal Efektif Kontrak/ Effective Date of Contract	Tanggal Jatuh Tempo Kontrak/ Expiry Date of Contract	Persentase Partisipasi/ Percentage of Participation	Produksi/ Production	Periode Kontrak/ Contract Period
BP Tanjung IV Limited	Blok Tanjung IV/ Tanjung IV Block*	Kalimantan Selatan/South Kalimantan	01/04/2011	31/03/2041	56%	-	30 tahun/ years
PT Baturaja Metana Indonesia	Blok Muara Enim III/ Muara Enim III Block*	Sumatera Selatan/South Sumatera	01/04/2011	31/03/2041	73%	-	30 tahun/ years
PT Suban Energi	Blok Suban I/ Suban I Block*	Sumatera Selatan/South Sumatera	01/08/2011	31/07/2041	58%	-	30 tahun/ years
PT Suban Methan Gas	Blok Suban II/ Suban II Block*	Sumatera Selatan/South Sumatera	01/08/2011	31/07/2041	50%	-	30 tahun/ years
PT Petrobara Sentosa	Blok Air Benakat I/ Air Benakat I Block*	Sumatera Selatan/South Sumatera	18/04/2012	17/04/2042	79,5%	-	30 tahun/ years
PT Prima Gas Sejahtera	Blok Air Benakat II/ Air Benakat II Block*	Sumatera Selatan/South Sumatera	18/04/2012	17/04/2042	69,7%	-	30 tahun/ years
PT Unigas Geosinklinal Makmur	Blok Air Benakat III/ Air Benakat III Block*	Sumatera Selatan/South Sumatera	18/04/2012	17/04/2042	73,5%	-	30 tahun/ years

* Entitas Anak Perusahaan ini adalah operator atas blok-blok ini/ The Company's Subsidiaries are the operators of these blocks

3. Minyak dan Gas Bumi Nonkonvensional

Per tanggal 31 Desember 2017, kesepakatan kemitraan Minyak dan Gas Bumi Nonkonvensional yang telah ditandatangani adalah sebagai berikut:

2. OIL AND GAS CONTRACT ARRANGEMENTS (continued)

a. Production Sharing Contracts (continued)

ii. PSC interests acquired after the issuance of Law No. 22 year 2001, related to Oil and Gas (continued)

2. Coal Bed Methane (continued)

3. Unconventional Oil and Gas

As at December 31, 2017, an Unconventional Oil and Gas partnership arrangements which have been entered into are as follows:

Mitra Usaha KBH/ PSC Partner	Wilayah kerja/ Working Area	Wilayah/ Area	Tanggal Efektif Kontrak/ Effective Date of Contract	Tanggal Jatuh Tempo Kontrak/ Expiry Date of Contract	Persentase Partisipasi/ Percentage of Participation	Produksi/ Production	Periode Kontrak/ Contract Period
Tidak ada/None	Blok MNK Sumbagut/ MNK Sumbagut Block*	Sumatera Utara/ North Sumatera	15/05/2013	14/05/2043	100%	-	30 tahun/ years
Bukit Energy Resources Sakakemang Deep Pte.Ltd.	Blok MNK Sakakemang/ MNK Sakakemang Block	Sumatera Selatan/South Sumatera	22/05/2015	22/05/2045	50%	-	30 tahun/ years

* Entitas Anak Perusahaan ini adalah operator atas blok-blok ini/ The Company's Subsidiaries are the operators of these blocks

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/16 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

2. KESEPAKATAN KONTRAK MINYAK DAN GAS BUMI (lanjutan)

b. Kontrak Gross Split (“Gross Split”)

Pada tanggal 13 Januari 2017 Peraturan Menteri Energi dan Sumber Daya Mineral No.08/2017 tentang ketentuan-ketentuan pokok Kontrak Bagi Hasil Tanpa Mekanisme Pengembalian Biaya Operasi atau disebut sebagai KBH *Gross Split* diterbitkan.

Dalam KBH *Gross Split*, hasil produksi minyak dan gas bumi dibagi antara Pemerintah Indonesia dan Kontraktor berdasarkan 3 kriteria sebagai berikut:

1. *Base Split*
2. *Variable Split*
3. *Progressive Split*

Pemerintah juga telah mengatur hal-hal terkait KBH *Gross Split* sebagai berikut :

- i. Rezim pajak yang berlaku untuk KBH *Gross Split* adalah sesuai dengan ketentuan perundang-undangan di bidang pajak penghasilan;
- ii. Kontraktor KBH *Gross Split* diwajibkan mengganti biaya investasi yang dikeluarkan oleh kontraktor KBH lama yang belum mendapatkan penggantian;
- iii. Aset minyak dan gas bumi eks-KBH lama yang dimiliki oleh Direktorat Jenderal Kekayaan Negara (“DJKN”) akan digunakan oleh kontraktor KBH *Gross Split* dengan skema sewa.

Per tanggal 31 Desember 2017, kesepakatan KBH *Gross Split* yang telah ditandatangani adalah sebagai berikut:

2. OIL AND GAS CONTRACT ARRANGEMENTS (continued)

b. Gross Split Contracts (“Gross Split”)

On January 13, 2017, the regulation of the Minister of Energy and Mineral Resources No.08/2017 regarding principles of the Production Sharing Contract without Cost Recovery Mechanism, also known as *Gross Split PSC* was issued.

In *Gross Split PSC* the sharing of oil and gas production between the Government of Indonesia and the Contractors is based on the following 3 criteria:

1. *Base Split*
2. *Variable Split*
3. *Progressive Split*

The Government has also arranged matters related to *Gross Split PSC* as follow:

- i. The tax regime applicable to the *Gross Split PSC* is in accordance with the provisions of the income tax law;
- ii. The contractors of *Gross Split PSC* must reimburse unrecovered investment costs to the old *PSC* contractors;
- iii. The oil and gas assets of the old *PSC* which are now owned by the Directorate General of State Assets (“DJKN”) are used by the *Gross Split PSC* contractors based on lease scheme.

As of December 31, 2017, the signed *Gross Split PSC* is as follow:

Mitra Usaha KBH/PSC Partners	Wilayah Kerja/ Working Area	Wilayah/ Area	Tanggal Efektif Kontrak/ Effective Date of Contract	Tanggal Mulai Produksi/ Commencement Date	Tanggal Jatuh Tempo Kontrak/ Expiry Date of Contract	Persentase Partisipasi/ Percentage of Participation	Produksi/ Production	Periode Kontrak/ Contract Period
Tidak ada/ None	Blok Offshore North West Java/ Offshore North West Java Block*	Jawa Barat/ West Java	18/01/2017	27/08/1971	18/01/2037	100%	Minyak dan gas bumi/ Oil and gas	20 tahun/ years

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/17 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

2. KESEPAKATAN KONTRAK MINYAK DAN GAS BUMI (lanjutan)

c. Joint Operating Body-Production Sharing Contracts ("JOB-PSC")

Dalam JOB-PSC, kegiatan operasional dilakukan oleh suatu badan operasi bersama antara Entitas Anak dan kontraktor. Bagian Entitas Anak atas kewajiban pembiayaan ditanggung lebih dahulu oleh para kontraktor dan dibayar oleh Entitas Anak melalui bagiannya atas produksi minyak mentah dan gas bumi, ditambah dengan 50% uplift. Setelah semua pembiayaan dibayar kembali, maka hasil produksi minyak mentah dan gas bumi dibagi antara Entitas Anak dan kontraktor sesuai persentase partisipasi masing-masing dalam JOB-PSC. Bagian kontraktor atas produksi minyak mentah dan gas bumi ditentukan dengan cara yang sama sesuai KBH.

Pada tanggal 31 Desember 2017, kesepakatan kemitraan JOB-PSC Entitas Anak adalah sebagai berikut:

2. OIL AND GAS CONTRACT ARRANGEMENTS (continued)

c. Joint Operating Body-Production Sharing Contracts ("JOB-PSC")

In a JOB-PSC, operations are conducted by a joint operating body between the Subsidiaries and the contractors. The Subsidiaries' share of expenditures is paid in advance by the contractors and is repaid by the Subsidiaries out of their share of crude oil and natural gas production, with a 50% uplift. After all expenditures are repaid, the crude oil and natural gas production is divided between the Subsidiaries and the contractors based on their respective percentages of participation in the JOB-PSC. The contractors' share of crude oil and natural gas production is determined in the same manner as for a PSC.

As at December 31, 2017, the Subsidiaries' JOB-PSC partnership arrangements are as follows:

Mitra Usaha JOB-PSC/ JOB-PSC Partners	Wilayah Kerja/ Working Area	Wilayah/ Area	Tanggal Efektif Kontrak/ Effective Date of Contract	Tanggal Mulai Produksi/ Production Commencement Date	Tanggal Jatuh Tempo Kontrak/ Expiry Date of Contract	Persentase Partisipasi/ Percentage of Participation	Produksi/ Production	Periode Kontrak/ Contract Period
Petrochina International Java Ltd. PT PHE Tuban	Blok Tuban/ Tuban Block	Jawa Timur/ East Java	29/02/1988	12/02/1997	28/02/2018	50%	Minyak dan gas bumi/Oil and gas	30 tahun/ years
Jadestone Energy International Holding Inc.	Blok Ogan Komering/ Ogan Komering Block	Sumatera Selatan/ South Sumatera	29/02/1988	11/07/1991	28/02/2018	50%	Minyak dan gas bumi/Oil and gas	30 tahun/ years
Talisman (Jambi Merang) Ltd. Pacific Oil and Gas Ltd.	Blok Jambi Merang/ Jambi Merang Block	Jambi	10/02/1989	22/02/2011	09/02/2019	50%	Minyak dan gas bumi/Oil and gas	30 tahun/ years
PT Golden Spike Energy Indonesia	Blok Raja dan Pendopo/ Raja and Pendopo Block	Sumatera Selatan/ South Sumatera	06/07/1989	21/11/1992	05/07/2019	50%	Minyak dan gas bumi/Oil and gas	30 tahun/ years
Petrochina International Kepala Burung Ltd. RHP Salawati Island BV Petrogas (Island) Ltd.	Blok Salawati Island/ Salawati Island Block	Papua	23/04/1990	21/01/1993	22/04/2020	50%	Minyak dan gas bumi/Oil and gas	30 tahun/ years
PT Medco E&P Tomori Sulawesi Mitsubishi Corporation	Blok Senoro Toili/ Senoro Toili Block	Sulawesi Tengah/ Central Sulawesi	04/12/1997	Agustus 2006/ August 2006	30/11/2027	50%	Minyak dan gas bumi/Oil and gas	30 tahun/ years
Medco Simenggaris Pty., Ltd. Salamander Energy Ltd.	Blok Simenggaris/ Simenggaris Block	Kalimantan Timur/ East Kalimantan	24/02/1998	30/11/2015	23/02/2028	37,5%	Minyak dan gas bumi/Oil and gas	30 tahun/ years

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/18 Schedule

CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017

(Expressed in US Dollars, unless otherwise stated)

2. KESEPAKATAN KONTRAK MINYAK DAN GAS BUMI (lanjutan)

2. OIL AND GAS CONTRACT ARRANGEMENTS (continued)

d. Pertamina *Participating Interests* ("PPI")

d. *Pertamina Participating Interests* ("PPI")

Berdasarkan kesepakatan PPI, Entitas Anak mempunyai kepemilikan di dalam kontrak yang serupa dengan kontrak JOB-PSC. Sisa kepemilikan dimiliki oleh kontraktor yang bertindak sebagai operator. Kewajiban pembiayaan Entitas Anak dapat dilakukan secara langsung oleh Entitas Anak, atau dapat pula ditanggung lebih dahulu oleh para kontraktor dan akan dibayar oleh Entitas Anak dengan cara dipotongkan dari bagian Entitas Anak atas produksi minyak mentah dan gas bumi, ditambah dengan 50% *uplift*. Produksi minyak mentah dan gas bumi dibagi antara Entitas Anak dan kontraktor sesuai dengan persentase kepemilikan masing-masing. Bagian kontraktor atas produksi minyak mentah dan gas bumi ditentukan dengan cara yang sama sesuai KBH.

Through PPI arrangements, the Subsidiaries own working interests in contracts similar to JOB-PSC contracts. The remaining working interests are owned by a contractor who acts as operator. The Subsidiaries' share of expenses is either funded by the Subsidiaries on a current basis, or paid in advance by the contractors and repaid by the Subsidiaries out of their share of crude oil and natural gas production, with a 50% *uplift*. The crude oil and natural gas production is divided between the Subsidiaries and the contractors based on their respective percentages of participation in the PSC. The contractors' share of crude oil and natural gas production is determined in the same manner as for a PSC.

Pada tanggal 31 Desember 2017, kesepakatan kemitraan PPI Entitas Anak adalah sebagai berikut:

As at December 31, 2017, the Subsidiaries' PPI arrangements are as follows:

Mitra Usaha PPI/ PPI Partners	Wilayah Kerja/ Working Area	Wilayah/ Area	Tanggal Efektif Kontrak/ Effective Date of Contract	Tanggal Mulai Produksi/ Production Commencement Date	Tanggal Jatuh Tempo Kontrak/ Expiry Date of Contract	Persentase Partisipasi/ Percentage of Participation	Produksi/ Production	Periode Kontrak/ Contract Period
Total E&P Indonesia Inpex Tengah Ltd.	Blok Tengah/ Tengah Block	Kalimantan Timur/East Kalimantan	05/10/1988	01/06/1990	04/10/2018	50%	Minyak dan gas bumi/Oil and gas	30 tahun/ years
ConocoPhillips (South Jambi) Ltd. Petrochina International Jambi B Ltd.	Blok B/ B Block	Jambi Selatan/ South Jambi	26/01/1990	26/09/2000	25/01/2020	25%	Minyak dan gas bumi/Oil and gas	30 tahun/ years

e. Kepemilikan kontrak minyak dan gas bumi di luar negeri

e. *Foreign oil and gas contract interests*

Pada tanggal 31 Desember 2017, Perusahaan dan Entitas Anak memiliki secara langsung maupun secara tidak langsung kepemilikan pada kontrak minyak mentah dan gas bumi di luar negeri sebagai berikut:

As at December 31, 2017, the Company and Subsidiaries directly and indirectly held foreign oil and gas interests as follows:

Nama PBO/ Name of JOC	Mitra Usaha PBO / JOC Partners	Wilayah Kerja/ Working Area	Area	Tanggal Efektif Kontrak/ Effective Date of Contract	Tanggal Mulai Produksi/ Production Commencement Date	Persentase Kepemilikan/ Percentage of Participation	Produksi/ Production	Periode Kontrak/ Contract Period
Petronas Carigali Pertamina Petrovietnam Operating Company Sdn. Bhd ("PCPP")	Petronas Carigali Sdn. Bhd. Petrovietnam	Blok Offshore Sarawak/ Offshore Sarawak Block (SK 305)*	Malaysia	16/06/2003	26/07/2010	30%	Minyak dan gas bumi/Oil and gas	29 tahun/ years

* Blok ini merupakan Pengendalian Bersama Operasi ("PBO")/This Block is Joint Operating Contract ("JOC")

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/19 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

2. KESEPAKATAN KONTRAK MINYAK DAN GAS BUMI (lanjutan)

f. Kontrak unitisasi

Sesuai dengan Peraturan Pemerintah No. 35 Tahun 2004 tentang Kegiatan Usaha Hulu Minyak dan Gas Bumi, Kontraktor KBH diwajibkan untuk melakukan unitisasi apabila terbukti adanya reservoir yang memasuki Wilayah Kerja Kontraktor lainnya. Menteri Energi dan Sumber Daya Mineral menentukan operator pelaksana unitisasi berdasarkan kesepakatan di antara para Kontraktor yang melakukan unitisasi setelah mendapatkan pertimbangan SKK Migas.

Karena beberapa pelampiran reservoir Entitas Anak memasuki Wilayah Kerja Kontraktor lainnya, Entitas Anak melakukan perikatan Perjanjian Unitisasi dengan beberapa kontraktor.

Pada tanggal 31 Desember 2017, Entitas Anak memiliki Perjanjian Unitisasi sebagai berikut:

2. OIL AND GAS CONTRACT ARRANGEMENTS (continued)

f. Unitisation agreements

In accordance with Government Regulation No. 35 Year 2004 on Upstream Oil and Gas Business Activities, a contractor is required to conduct unitisation if it is proven that its reservoir extends into another contractor's Working Area. The Minister of Energy and Mineral Resources will determine the operator for the unitisation based on the agreement between the contractors entering the unitisation agreements after considering the opinion of SKK Migas.

Since several of the Subsidiaries' oil and gas reservoirs extend into other Contractor's Working Areas, the Subsidiaries entered into Unitisation Agreements with several contractors.

As at December 31, 2017, the Subsidiaries' Unitisation Agreements were as follows:

Para Pihak/ Parties	Operator	Lapangan/ Field	Lokasi/ Location	Mulai Kontrak/Start Contract	Produksi/ Production	Akhir Kontrak/End Contract	Periode Kontrak/ Contract Period
PHE Jambi Merang, Talisman Jambi Merang, PO&G, Conoco Phillips (Corridor), PHE Corridor, Talisman Corridor Ltd.	ConocoPhillips (Grissik) Ltd.	Gelam	Sumatera Selatan/ South Sumatera	05/06/1996	-	09/02/2019	23 tahun/ years
PHE Tengah, Total E&P Indonesia, Inpex	Total E&P Indonesia	Sisi Nubi	Kalimantan Timur/ East Kalimantan	02/02/1998	20/11/2007	04/10/2018	20 tahun/ years
PHE Corridor, PEP, Talisman Corridor Ltd., ConocoPhillips (Grissik) Ltd.	ConocoPhillips (Grissik) Ltd.	Suban	Suban, Jambi	11/03/2013	Juni 2011	23/01/2023	10 tahun/ years
PHE Siak, Chevron	Chevron	Manggala South dan/ and Batang	Riau	28/05/2014	28/05/2014	28/05/2034	20 tahun/ years
PHE Salawati Basin, PEP, PetroChina International Bermuda Ltd., Petrogas (Basin) Ltd., RHP Salawati Basin B.V.	Petrochina International Bermuda	Wakamuk	Sorong, Papua	13/11/2006	13/11/2006	16/09/2035	29 tahun/ years
PHE Tuban East Java, PHE Tuban, Petrochina International East Java	JOB Pertamina-Petrochina East Java	Sukowati	Tuban, Jawa Timur/ East Java	02/07/2004	02/07/2004	16/09/2035	31 tahun/ years
PHE ONWJ, PEP	PHE ONWJ	MB Unit	Jawa Barat/ West Java	23/12/1985	23/12/1985	16/09/2035	50 tahun/ years
PHE Ogan Komering PEP, CNEES & BVI OK	JOB Pertamina-Jadestone (OK) Energy	Air Sedang	Air Sedang, Sumatera Selatan/ South Sumatera	22/07/1991	22/07/1991	16/09/2035	44 tahun/ years

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/20 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

3. IKHTISAR KEBIJAKAN AKUNTANSI PENTING

Laporan keuangan konsolidasian PT Pertamina Hulu Energi dan Entitas Anak telah diselesaikan dan disetujui untuk diterbitkan oleh Direksi Perusahaan pada tanggal 12 Februari 2018.

Kebijakan akuntansi dan pelaporan keuangan yang diterapkan oleh Perusahaan sesuai dengan standar akuntansi keuangan di Indonesia, yaitu Pernyataan Standar Akuntansi Keuangan ("PSAK"). Kebijakan akuntansi diterapkan secara konsisten dalam penyusunan laporan keuangan konsolidasian untuk tanggal 31 Desember 2017 dan 2016 oleh Perusahaan dan Entitas Anak.

a. Dasar penyusunan laporan keuangan konsolidasian

Laporan keuangan konsolidasian telah disusun dengan harga perolehan, kecuali aset keuangan yang tersedia untuk dijual dan aset keuangan dan liabilitas keuangan yang diukur pada nilai wajar melalui laporan laba rugi.

Laporan arus kas konsolidasian disusun dengan menggunakan metode langsung dengan mengklasifikasikan arus kas menjadi kegiatan operasi, investasi dan pendanaan.

Laporan keuangan konsolidasian disajikan dalam ribuan Dolar Amerika Serikat (US\$ atau Dolar AS), mata uang fungsional Perusahaan dan Entitas Anak, kecuali dinyatakan lain.

Untuk memberikan pemahaman yang lebih baik atas kinerja keuangan Perusahaan dan Entitas Anak, karena sifat dan jumlahnya yang signifikan, beberapa pos pendapatan dan beban disajikan secara terpisah.

Penyusunan laporan keuangan sesuai dengan Standar Akuntansi Keuangan di Indonesia mengharuskan penggunaan estimasi dan asumsi. Hal tersebut juga mengharuskan manajemen untuk membuat pertimbangan dalam proses penerapan kebijakan akuntansi Perusahaan dan Entitas Anak. Area yang kompleks atau memerlukan tingkat pertimbangan yang lebih tinggi atau area dimana asumsi dan estimasi dapat berdampak signifikan terhadap laporan keuangan konsolidasian diungkapkan di Catatan 4.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of PT Pertamina Hulu Energi and Subsidiaries were completed and authorized for issue by the Company's Directors on February 12, 2018.

The accounting and financial reporting policies adopted by the Company conform to the Indonesian financial accounting standards, which are based on Indonesian Statements of Financial Accounting Standards ("SFAS"). The accounting policies were applied consistently in the preparation of the consolidated financial statements as of December 31, 2017 and 2016 by the Company and Subsidiaries.

a. Basis of consolidated financial statements preparation

The consolidated financial statements have been prepared on the basis of historical cost, except for available-for-sale financial assets and financial assets and financial liabilities which are measured at fair value through profit or loss.

The consolidated statement of cash flows are prepared based on the direct method by classifying cash flows on the basis of operating, investing and financing activities.

The consolidated financial statements are presented in thousands of US Dollars (US\$), the Company's and Subsidiaries' functional currency, unless otherwise stated.

In order to provide further understanding of the financial performance of the Company and Subsidiaries, due to the significance of their nature or amount, several items of income or expense have been shown separately.

The preparation of financial statements in conformity with Indonesian Financial Accounting Standards requires the use of certain critical accounting estimates and assumptions. It also requires management to exercise its judgement in the process of applying the Company's and Subsidiaries' accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/21 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

**3. IKHTISAR KEBIJAKAN AKUNTANSI PENTING
(lanjutan)**

b. Perubahan kebijakan akuntansi dan pengungkapan

i. Penerapan dari standar dan interpretasi baru/revisi berikut, tidak menimbulkan perubahan besar terhadap kebijakan akuntansi Perusahaan and Entitas Anak dan efek material terhadap laporan keuangan konsolidasian

Standar baru, revisi terhadap standar yang telah ada dan interpretasi berikut ini, telah diterbitkan dan wajib untuk diterapkan untuk pertama kali untuk tahun buku Perusahaan dan Entitas Anak yang dimulai pada atau setelah tanggal 1 Januari 2017 atau periode setelahnya. Perusahaan dan Entitas Anak telah mengadopsinya tetapi tidak ada dampaknya karena tidak relevan terhadap bisnis Perusahaan dan Entitas Anak saat ini.

- Amandemen PSAK 1 (2015): Penyajian Laporan Keuangan
- PSAK 3 (Penyesuaian 2016): Laporan Keuangan Interim
- PSAK 24 (Penyesuaian 2016): Imbalan Kerja
- PSAK 58 (Penyesuaian 2016): Aset Tidak Lancar yang Dimiliki Untuk Dijual dan Operasi yang Dihentikan
- PSAK 60 (Penyesuaian 2016): Instrumen Keuangan: Pengungkapan

ii. Standar baru, revisi dan interpretasi yang telah diterbitkan, namun belum berlaku efektif

Berikut ini adalah beberapa standar akuntansi yang telah disahkan oleh Dewan Standar Akuntansi Keuangan ("DSAK") yang dipandang relevan terhadap pelaporan keuangan Perusahaan dan Entitas Anak namun belum berlaku efektif untuk laporan keuangan konsolidasian 31 Desember 2017 dan untuk tahun yang berakhir pada tanggal tersebut:

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

b. Changes in accounting policies and disclosures

i. The adoption of these new/revised standards and interpretations did not result in substantial changes to the Company and Subsidiaries accounting policies and had no material effect on the amounts reported in the consolidated financial statements

The following new standards, amendments to existing standards and interpretations have been published and are mandatory for the first time for the Company's and Subsidiaries' financial year beginning on January 1, 2017 or later periods. The Company and Subsidiaries have adopted them but they have no impact since they are not currently relevant to the Company's and Subsidiaries' business.

- Amendment to SFAS 1 (2015): Presentation of Financial Statements
- SFAS 3 (Improvement 2016): Interim Financial Reporting
- SFAS 24 (Improvement 2016): Employee Benefit
- SFAS 58 (Improvement 2016): Non-Current Assets Held for Sale and Discontinued Operation
- SFAS 60 (Improvement 2016): Financial Instruments: Disclosures

ii. New standards, amendments and interpretations issued but not yet effective

The following are several accounting standards issued by the Indonesian Financial Accounting Standards Board ("DSAK") that are considered relevant to the financial reporting of the Company and Subsidiaries but not yet effective for consolidated financial statements as of December 31, 2017 and for the year then ended:

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/22 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

**3. IKHTISAR KEBIJAKAN AKUNTANSI PENTING
(lanjutan)**

**b. Perubahan kebijakan akuntansi dan
pengungkapan (lanjutan)**

**ii. Standar baru, revisi dan interpretasi yang
telah diterbitkan, namun belum berlaku
efektif (lanjutan)**

- Amandemen PSAK 2: Laporan Arus Kas tentang Prakarsa Pengungkapan, berlaku efektif 1 Januari 2018 dengan penerapan dini diperkenankan. Amandemen ini mensyaratkan entitas untuk menyediakan pengungkapan yang memungkinkan pengguna laporan keuangan untuk mengevaluasi perubahan pada liabilitas yang timbul dari aktivitas pendanaan, termasuk perubahan yang timbul dari arus kas maupun perubahan non-kas.
- Penyesuaian PSAK 15: Investasi pada Entitas Asosiasi dan Ventura Bersama, berlaku efektif 1 Januari 2018. Penyesuaian ini mengklarifikasi bahwa pada saat pengakuan awal, entitas dapat memilih untuk mengukur investasinya pada nilai wajar atas dasar investasi-per-investasi.
- Amandemen PSAK 46: Pajak Penghasilan tentang Pengakuan Aset Pajak Tangguhan untuk Rugi yang Belum Direalisasi, berlaku efektif 1 Januari 2018 dengan penerapan dini diperkenankan. Amandemen ini mengklarifikasi bahwa untuk menentukan apakah laba kena pajak akan tersedia sehingga perbedaan temporer yang dapat dikurangkan dapat dimanfaatkan, estimasi atas kemungkinan besar laba kena pajak masa depan dapat mencakup pemulihan beberapa aset entitas melebihi jumlah tercatatnya

**3. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

**b. Changes in accounting policies and
disclosures (continued)**

**ii. New standards, amendments and
interpretations issued but not yet effective
(continued)**

- *Amendment to SFAS 2: Statement of Cash Flows on the Disclosures Initiative, effective January 1, 2018 with earlier application is permitted. This amendment requires entities to provide disclosures that enable the financial statements users to evaluate the changes in liabilities arising from financing activities, including changes from cash flow and noncash.*
- *Improvement to SFAS 15: Investment in associate and joint venture, effective January 1, 2018. This improvement clarifies that at initial recognition, an entity may elect to measure its investment at fair value on an investment-per-investment basis.*
- *Amendment to SFAS 46: Income Taxes on the Recognition of Deferred Tax Assets for Unrealized Losses, effective January 1, 2018 with earlier application is permitted. This amendment clarifies that to determine whether the taxable income will be available so that the deductible temporary differences can be utilized, estimates of the most likely future taxable income can include recovery of certain assets of the entity exceeding their carrying amounts.*

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/23 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

**3. IKHTISAR KEBIJAKAN AKUNTANSI PENTING
(lanjutan)**

**b. Perubahan kebijakan akuntansi dan
pengungkapan (lanjutan)**

**ii. Standar baru, revisi dan interpretasi yang
telah diterbitkan, namun belum berlaku
efektif (lanjutan)**

- Penyesuaian PSAK 67: Pengungkapan Kepentingan dalam Entitas Lain, berlaku efektif 1 Januari 2018. Penyesuaian PSAK ini mengklarifikasi bahwa persyaratan pengungkapan dalam PSAK 67, diterapkan pada setiap kepentingan dalam entitas yang diklasifikasikan sesuai dengan PSAK 58: Aset Tidak Lancar yang Dikuasai untuk Dijual dan Operasi yang Dihentikan.
- PSAK 71: Instrumen Keuangan, berlaku efektif 1 Januari 2020 dengan penerapan dini diperkenankan. PSAK ini merevisi persyaratan terkait klasifikasi dan pengukuran instrumen keuangan, termasuk model kerugian kredit ekspektasian untuk menghitung penurunan nilai aset keuangan, dan persyaratan akuntansi lindung nilai secara umum yang baru.
- Amendemen PSAK 15: Investasi pada Entitas Asosiasi dan Ventura Bersama tentang Kepentingan Jangka Panjang pada Entitas Asosiasi dan Ventura Bersama yang mengatur bahwa entitas juga menerapkan PSAK 71 atas instrumen keuangan pada entitas asosiasi atau ventura bersama dimana metode ekuitas tidak diterapkan. Hal ini termasuk kepentingan jangka panjang yang secara substansi membentuk bagian investasi neto entitas pada entitas asosiasi atau ventura bersama. Penerapan dini amendemen ini diperkenankan.
- Amendemen PSAK 62: Kontrak Asuransi, berlaku efektif 1 Januari 2020, yang merupakan amendemen lanjutan dikarenakan oleh penerbitan PSAK 71. Standar yang diamandemen memberikan petunjuk bagi entitas yang mengeluarkan kontrak asuransi, terutama perusahaan asuransi, tentang bagaimana menerapkan PSAK 71.

**3. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

**b. Changes in accounting policies and
disclosures (continued)**

**ii. New standards, amendments and
interpretations issued but not yet effective
(continued)**

- *Improvement to SFAS 67: Disclosure of Interest in Other Entities, effective January 1, 2018. This improvement clarifies that the disclosure requirements in SFAS 67, are also applied to any interest in an entity classified in accordance with SFAS 58: Non-Current Assets Purchased for Sale and Discontinued Operations.*
- *SFAS 71: Financial Instruments, effective January 1, 2020 with earlier application is permitted. This SFAS revised the requirements related to the classification and measurement of financial instruments, including the expectation credit loss model for calculation of impairment of financial assets, and new general hedging accounting requirements*
- *Amendment of SFAS 15: Long-term Interest in Associates and Joint Ventures which regulates that the entity also implement SFAS 71 on financial instruments at associates and joint ventures when equity method is not applicable. This includes long-term interest which form net investment in associates and joint ventures substantially. Early application of this ammendment is permitted.*
- *Amendment of SFAS 62: Insurance Contract, effective January 1, 2020 which is a consequential amendment due to the issuance of SFAS 71. The amended standard provides guidance for entity who's issuing insurance contract, especially insurance company, on how to implementing SFAS 71.*

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/24 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

**3. IKHTISAR KEBIJAKAN AKUNTANSI PENTING
(lanjutan)**

b. Perubahan kebijakan akuntansi dan pengungkapan (lanjutan)

ii. Standar baru, revisi dan interpretasi yang telah diterbitkan, namun belum berlaku efektif (lanjutan)

- PSAK 72: Pendapatan dari Kontrak dengan Pelanggan, berlaku efektif 1 Januari 2020 dengan penerapan dini diperkenankan. PSAK ini menetapkan kerangka yang komprehensif untuk menentukan bagaimana, kapan dan seberapa besar suatu pendapatan dapat diakui.

PSAK 72 menggantikan sejumlah standar akuntansi pendapatan yang ada saat ini, termasuk PSAK 23: Pendapatan, PSAK 34: Kontrak Konstruksi dan ISAK 10: Program Loyalitas Pelanggan.

- PSAK 73: Sewa, berlaku efektif 1 Januari 2020 dengan penerapan dini diperkenankan khusus bagi entitas yang telah menerapkan PSAK 72 yang menetapkan prinsip pengakuan, pengukuran, penyajian, dan pengungkapan atas sewa dengan memperkenalkan model akuntansi tunggal khususnya untuk penyewa. Penyewa disyaratkan untuk mengakui aset hak-guna dan liabilitas sewa.
- Amandemen PSAK 71: Instrumen Keuangan tentang fitur percepatan pelunasan dengan kompensasi negatif yang mengatur bahwa aset keuangan dengan fitur percepatan pelunasan yang dapat menghasilkan kompensasi negatif memenuhi kualifikasi sebagai arus kas kontraktual yang berasal semata dari pembayaran pokok dan bunga. Penerapan dini amandemen ini diperkenankan.

Perusahaan dan Entitas Anak sedang mengevaluasi dampak dari standar akuntansi tersebut dan belum menentukan dampaknya terhadap laporan keuangan Perusahaan.

**3. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

b. Changes in accounting policies and disclosures (continued)

ii. New standards, amendments and interpretations issued but not yet effective (continued)

- SFAS 72: Revenue from Contracts with Customers, effective January 1, 2020 with earlier application is permitted. This SFAS sets out a comprehensive framework to determine how, when and how much revenue can be recognized.

SFAS 72 supersedes some current revenue accounting standards, including SFAS 23: Revenue, SFAS 34: Construction Contracts and IFAS 10: Customer Loyalty Programs.

- SFAS 73: Lease, effective January 1, 2020 with earlier application is permitted only for entities that apply SFAS 72 which establishes the principles of recognition, measurement, presentation, and disclosure of leases by introducing a single accounting model specifically for lessee. Lessee are required to recognize right-of-use assets and lease liabilities.

- Amendment of SFAS 71: Financial Instruments regarding prepayment features with negative compensation which regulates that financial assets with prepayment features that can result in negative compensation meets qualification as contractual cashflows that are solely payments of principal and interest. Early application of this amendment is permitted.

The Company and Subsidiaries are presently evaluating and has not yet determined the effects of these accounting standards on its financial statements.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/25 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

**3. IKHTISAR KEBIJAKAN AKUNTANSI PENTING
(lanjutan)**

c. Prinsip konsolidasi

Entitas anak adalah entitas yang dikendalikan oleh Perusahaan. Perusahaan memiliki pengendalian atas entitas ketika Perusahaan terekspos atau memiliki hak atas imbal hasil variabel dari keterlibatannya dengan entitas dan memiliki kemampuan untuk mempengaruhi imbal hasil variabel tersebut melalui kekuasaan yang dimiliki atas entitas. Ketika menilai apakah Perusahaan memiliki kekuasaan, hanya hak substantif (baik dari Perusahaan maupun pihak lain) yang diperhitungkan.

Perusahaan dan Entitas Anak menggunakan metode akuisisi untuk mencatat kombinasi bisnis. Imbalan yang dialihkan untuk akuisisi suatu Entitas Anak adalah sebesar nilai wajar aset yang dialihkan, liabilitas yang diakui dan kepentingan ekuitas yang diterbitkan oleh Perusahaan dan Entitas Anak. Imbalan yang dialihkan termasuk nilai wajar aset atau liabilitas yang timbul dari kesepakatan imbalan kontinjensi. Biaya terkait akuisisi dibebankan ketika terjadi. Aset teridentifikasi yang diperoleh dan liabilitas serta liabilitas kontinjensi yang diambil alih dalam suatu kombinasi bisnis diukur pada awalnya sebesar nilai wajar pada tanggal akuisisi. Untuk setiap akuisisi, Perusahaan dan Entitas Anak mengakui kepentingan nonpengendali pada pihak yang diakuisisi baik sebesar nilai wajar atau sebesar bagian proporsional kepentingan nonpengendali atas aset neto pihak yang diakuisisi.

Goodwill merupakan selisih lebih antara harga perolehan investasi dan nilai wajar bagian Perusahaan dan Entitas Anak atas aset neto Entitas Anak yang diakuisisi pada tanggal akuisisi. *Goodwill* dari akuisisi entitas anak termasuk dalam kategori "aset tak berwujud". *Goodwill* diuji penurunan nilainya setiap tahun dan dicatat sebesar harga perolehan dikurangi dengan akumulasi kerugian penurunan nilai. Kerugian penurunan nilai atas *goodwill* tidak dapat dipulihkan. Keuntungan dan kerugian pelepasan Entitas Anak mencakup jumlah tercatat *goodwill* yang terkait dengan Entitas Anak yang dijual.

**3. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

c. Principles of consolidation

Subsidiaries are entities controlled by the Company. The Company controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. When assessing whether the Company has power, only substantive rights (held by the Company and other parties) are considered.

The Company and Subsidiaries use the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Company and Subsidiaries. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Company and Subsidiaries recognise any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

Goodwill represents the excess of the acquisition cost over the fair value of the Company's and Subsidiaries' share of the net assets of the acquired subsidiaries at the dates of acquisition. Goodwill on acquisitions of subsidiaries is included as an "intangible asset". Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of Subsidiaries include the carrying amount of goodwill relating to the Subsidiaries sold.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/26 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

**3. IKHTISAR KEBIJAKAN AKUNTANSI PENTING
(lanjutan)**

c. Prinsip konsolidasi (lanjutan)

Transaksi pihak berelasi, saldo dan keuntungan/kerugian antar entitas Perusahaan dan Anak Perusahaan yang belum direalisasi telah dieliminasi.

Kepentingan nonpengendali merupakan proporsi atas hasil usaha dan aset neto entitas anak yang tidak diatribusikan pada Perusahaan dan Anak Perusahaan.

d. Transaksi-transaksi dengan pihak berelasi

Perusahaan dan Entitas Anak melakukan transaksi dengan pihak-pihak berelasi sebagaimana didefinisikan dalam PSAK 7: Pengungkapan Pihak-pihak Berelasi. Seluruh transaksi dan saldo signifikan dengan pihak-pihak berelasi diungkapkan dalam catatan atas laporan keuangan konsolidasian.

e. Kas dan setara kas

Kas dan setara kas termasuk kas, bank dan deposito berjangka yang jatuh tempo dalam jangka waktu tiga bulan atau kurang sejak tanggal penempatan yang tidak digunakan sebagai jaminan atau tidak dibatasi penggunaannya.

Untuk tujuan laporan arus kas, kas dan setara kas disajikan setelah dikurangi cerukan.

Kas dan setara kas yang dibatasi penggunaannya yang akan digunakan untuk membayar liabilitas yang akan jatuh tempo dalam waktu satu tahun disajikan sebagai kas yang dibatasi penggunaannya dan disajikan sebagai bagian dari aset lancar. Kas dan setara kas yang dibatasi penggunaannya untuk membayar liabilitas yang akan jatuh tempo dalam waktu lebih dari satu tahun dari tanggal laporan posisi keuangan konsolidasian disajikan dalam aset lain-lain dan disajikan sebagai bagian dari aset tidak lancar.

**3. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

c. Principles of consolidation (continued)

Intercompany transactions, balances and unrealized gains/losses on transactions between the company and subsidiaries are eliminated.

Non-controlling interest represents the proportion of the results and net assets of subsidiaries which are not attributable to the Company and subsidiaries.

d. Related party transactions

The Company and Subsidiaries enter into transactions with related parties as defined in SFAS 7: Related Parties Disclosures. All significant transactions and balances with related parties are disclosed in the notes to the consolidated financial statements.

e. Cash and cash equivalents

Cash and cash equivalents are cash on hand, cash in banks and time deposits with maturity periods of three months or less at the time of placement which are not used as collateral or are not restricted.

For the purpose of the statements of cash flows, cash and cash equivalents are presented net of overdrafts.

Cash and cash equivalents which are restricted for repayment of currently maturing obligations are presented as restricted cash under the current assets section, cash and cash equivalents which are restricted to repay obligations maturing after one year from the date of consolidated statement of financial position are presented as part of other assets under the non-current assets section.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/27 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

**3. IKHTISAR KEBIJAKAN AKUNTANSI PENTING
(lanjutan)**

f. Instrumen keuangan

i. Aset keuangan

Pengakuan awal

Aset keuangan diklasifikasikan sebagai aset keuangan yang diukur pada nilai wajar melalui laba rugi, pinjaman yang diberikan dan piutang, investasi dimiliki hingga jatuh tempo, aset keuangan tersedia untuk dijual, atau sebagai derivatif yang ditetapkan sebagai instrumen lindung nilai dalam lindung nilai yang efektif. Pengklasifikasian ini tergantung pada hakekat dan tujuan aset keuangan diperoleh dan ditetapkan pada saat pengakuan awal. Tidak terdapat klasifikasi aset keuangan Perusahaan dan Entitas Anak sebagai aset keuangan yang dimiliki hingga jatuh tempo (*HTM*).

Aset keuangan pada awalnya diakui pada nilai wajar, dan dalam hal aset keuangan yang tidak diakui pada nilai wajar melalui laba rugi nilai wajar tersebut, ditambah dengan biaya transaksi yang dapat diatributisasikan secara langsung.

Pengukuran setelah pengakuan

Pengukuran setelah pengakuan awal atas aset keuangan bergantung pada klasifikasi sebagai berikut:

- Aset keuangan yang diukur pada nilai wajar melalui laba rugi

Aset keuangan yang diukur pada nilai wajar melalui laba rugi termasuk aset keuangan untuk diperdagangkan dan aset keuangan yang ditetapkan pada saat pengakuan awal untuk diukur pada nilai wajar melalui laba rugi.

**3. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

f. Financial instruments

i. Financial assets

Initial recognition

Financial assets are classified as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, available-for-sale financial assets, or as derivatives designated as hedging instruments in an effective hedge. The classification depends on the nature and purpose for which the asset was acquired and is determined at the time of initial recognition. The Company and Subsidiaries has not classified any of its financial assets as Held To Maturity (*HTM*).

Financial assets are recognized initially at fair value, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs are added to the fair value.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

- Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/28 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

**3. IKHTISAR KEBIJAKAN AKUNTANSI PENTING
(lanjutan)**

f. Instrumen keuangan (lanjutan)

i. Aset keuangan (lanjutan)

Pengukuran setelah pengakuan (lanjutan)

- Pinjaman yang diberikan dan piutang

Pinjaman yang diberikan dan piutang adalah aset keuangan non derivatif dengan pembayaran tetap atau telah ditentukan, yang tidak mempunyai kuota di pasar aktif.

- Aset keuangan tersedia untuk dijual

Aset keuangan tersedia untuk dijual adalah aset keuangan nonderivatif yang ditetapkan sebagai tersedia untuk dijual atau yang tidak diklasifikasikan dalam dua kategori sebelumnya. Setelah pengukuran awal, aset keuangan tersedia untuk dijual diukur dengan nilai wajar dengan keuntungan atau kerugian yang belum terealisasi diakui dalam ekuitas sampai investasi tersebut dihentikan pengakuannya. Pada saat itu, keuntungan atau kerugian kumulatif yang sebelumnya diakui dalam ekuitas akan direklasifikasi ke laporan laba rugi dan penghasilan komprehensif lain konsolidasian sebagai penyesuaian reklasifikasi.

Penghentian pengakuan

Penghentian pengakuan atas suatu aset keuangan, atau, bila dapat diterapkan untuk bagian dari aset keuangan atau bagian dari kelompok aset keuangan serupa, terjadi bila:

- hak kontraktual atas arus kas yang berasal dari aset keuangan tersebut berakhir; atau

**3. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

f. Financial instruments (continued)

i. Financial assets (continued)

Subsequent measurement (continued)

- Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

- Available-for-sale (AFS) financial assets

AFS financial assets are non-derivative financial assets that are designated as available-for-sale or are not classified in any of the two preceding categories. After initial measurement, AFS financial assets are measured at fair value with unrealized gains or losses recognized in equity until the investment is derecognized. At that time, the cumulative gain or loss previously recognized in equity is reclassified to the consolidated statements of profit and loss and other comprehensive income as a reclassification adjustment.

Derecognition

A financial asset, or where applicable, a part of a financial asset or part of a group of similar financial assets, is derecognized when:

- the contractual rights to receive cash flows from the asset have expired; or

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/29 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

**3. IKHTISAR KEBIJAKAN AKUNTANSI PENTING
(lanjutan)**

f. Instrumen keuangan (lanjutan)

i. Aset keuangan (lanjutan)

Penghentian pengakuan (lanjutan)

- Perusahaan dan Entitas Anak telah mengalihkan hak untuk menerima arus kas yang berasal dari aset keuangan tersebut atau menanggung kewajiban untuk membayar arus kas yang diterima tersebut tanpa penundaan yang signifikan kepada pihak ketiga melalui suatu kesepakatan penyerahan dan (a) Perusahaan dan Entitas Anak secara substansial memindahkan seluruh risiko dan manfaat atas kepemilikan aset keuangan tersebut, atau (b) Perusahaan dan Entitas Anak secara substansial tidak memindahkan dan tidak memiliki seluruh risiko dan manfaat atas kepemilikan aset keuangan tersebut, namun telah memindahkan pengendalian atas aset keuangan tersebut.

ii. Liabilitas keuangan

Pengakuan awal

Liabilitas keuangan diklasifikasikan sebagai liabilitas keuangan yang diukur pada nilai wajar melalui laba rugi dan liabilitas keuangan lainnya. Perusahaan dan Entitas Anak menentukan klasifikasi liabilitas keuangan pada saat pengakuan awal.

Liabilitas keuangan pada awalnya diukur pada nilai wajar dan, dalam hal liabilitas keuangan yang diukur dengan biaya perolehan diamortisasi, ditambah biaya transaksi yang dapat diatribusikan secara langsung.

Liabilitas keuangan Perusahaan dan Entitas Anak yang dikategorikan sebagai liabilitas keuangan lainnya meliputi pinjaman jangka pendek, utang usaha, utang Pemerintah, beban masih harus dibayar, liabilitas jangka panjang, utang lain-lain, utang obligasi, dan utang jangka panjang lain-lain.

**3. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

f. Financial instruments (continued)

i. Financial assets (continued)

Derecognition (continued)

- the Company and Subsidiaries have transferred their rights to receive cash flows from the asset or have assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement, and either (a) the Company and Subsidiaries have transferred substantially all the risks and rewards of the financial asset, or (b) the Company and Subsidiaries have neither transferred nor retained substantially all the risks and rewards of the asset, but have transferred control of the asset.

ii. Financial liabilities

Initial recognition

Financial liabilities are classified as financial liabilities at fair value through profit or loss and other financial liabilities. The Company and Subsidiaries determine the classification of its financial liabilities at initial recognition.

Financial liabilities are recognized initially at fair value and, in the case of financial liabilities recognized at amortized cost, include directly attributable transaction costs.

The Company and Subsidiaries' financial liabilities which are classified as other financial liabilities include short-term loans, trade payables, due to the Government, accrued expenses, long-term liabilities, other payables, bonds payable and other non-current payables.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/30 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

**3. IKHTISAR KEBIJAKAN AKUNTANSI PENTING
(lanjutan)**

**3. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

f. Instrumen keuangan (lanjutan)

f. Financial instruments (continued)

ii. Liabilitas keuangan (lanjutan)

ii. Financial liabilities (continued)

Pengukuran setelah pengakuan awal

Subsequent measurement

Pengukuran liabilitas keuangan tergantung pada klasifikasinya sebagai berikut:

The measurement of financial liabilities depends on their classification as follows:

- Liabilitas keuangan yang diukur pada nilai wajar melalui laba rugi

- Financial liabilities at fair value through profit or loss

Liabilitas keuangan yang diukur pada nilai wajar melalui laba rugi termasuk liabilitas keuangan untuk diperdagangkan dan liabilitas keuangan yang ditetapkan pada saat pengakuan awal untuk diukur pada nilai wajar melalui laba rugi.

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition at fair value through profit or loss.

Liabilitas keuangan diklasifikasikan sebagai kelompok diperdagangkan jika mereka diperoleh untuk tujuan dijual atau dibeli kembali dalam waktu dekat. Liabilitas derivatif juga diklasifikasikan sebagai kelompok diperdagangkan kecuali mereka ditetapkan sebagai instrumen lindung nilai efektif.

Financial liabilities are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivative liabilities are also classified as held for trading unless they are designated as effective hedging instruments.

Keuntungan atau kerugian atas liabilitas yang dimiliki untuk diperdagangkan diakui dalam laporan laba rugi dan penghasilan komprehensif lain konsolidasian.

Gains or losses on liabilities held for trading are recognized in the consolidated statement of profit or loss and other comprehensive income.

- Liabilitas keuangan pada biaya perolehan diamortisasi

- Financial liabilities at amortized cost

Setelah pengakuan awal, liabilitas keuangan yang diukur pada biaya perolehan diamortisasi yang dikenakan bunga selanjutnya diukur pada biaya perolehan diamortisasi dengan menggunakan metode SBE. Pada tanggal pelaporan, biaya bunga yang masih harus dibayar dicatat secara terpisah dari pokok pinjaman terkait dalam bagian liabilitas lancar. Keuntungan dan kerugian diakui dalam laporan laba rugi dan penghasilan komprehensif lain konsolidasian ketika liabilitas dihentikan pengakuannya serta melalui proses amortisasi menggunakan metode SBE.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at cost using the EIR method. At the reporting date, the accrued interest is recorded separately from the respective principal loans as part of current liabilities. Gains and losses are recognized in the consolidated statement of profit or loss and other comprehensive income when the liabilities are derecognized as well as through the amortization process using the EIR method.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/31 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

**3. IKHTISAR KEBIJAKAN AKUNTANSI PENTING
(lanjutan)**

f. Instrumen keuangan (lanjutan)

ii. Liabilitas keuangan (lanjutan)

Penghentian pengakuan

Ketika sebuah liabilitas keuangan ditukar dengan liabilitas keuangan lain dari pemberi pinjaman yang sama atas persyaratan yang secara substansial berbeda, atau bila persyaratan dari liabilitas keuangan tersebut secara substansial dimodifikasi, pertukaran atau modifikasi persyaratan tersebut dicatat sebagai penghentian pengakuan liabilitas keuangan awal dan pengakuan liabilitas keuangan baru, dan selisih antara nilai tercatat masing-masing liabilitas keuangan tersebut diakui dalam laporan laba rugi dan penghasilan komprehensif lain konsolidasian.

Liabilitas keuangan dihentikan pengakuannya pada saat liabilitas tersebut dihentikan atau dibatalkan atau kadaluarsa.

Metode Suku Bunga Efektif (SBE)

Metode SBE adalah metode yang digunakan untuk menghitung biaya perolehan diamortisasi dari aset keuangan dan mengalokasikan pendapatan bunga selama periode yang relevan.

iii. Saling hapus antar instrumen keuangan

Aset keuangan dan liabilitas keuangan disajikan secara saling hapus dan nilai netonya disajikan dalam laporan posisi keuangan konsolidasian, jika terdapat hak yang berkekuatan hukum untuk melakukan saling hapus atas jumlah yang telah diakui tersebut dan ada niat untuk menyelesaikan secara neto, atau merealisasikan aset dan menyelesaikan liabilitas secara simultan.

**3. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

f. Financial instruments (continued)

ii. Financial liabilities (continued)

Derecognition

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the consolidated statement of profit or loss and other comprehensive income.

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or has expired.

Effective Interest Rate (EIR) method

The EIR method is a method of calculating the amortized cost of a financial asset and of allocating interest income over the relevant period.

iii. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the consolidated statements of financial position, when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/32 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

**3. IKHTISAR KEBIJAKAN AKUNTANSI PENTING
(lanjutan)**

f. Instrumen keuangan (lanjutan)

**iv. Instrumen keuangan derivatif dan
akuntansi lindung nilai**

Perusahaan dan Entitas Anak menggunakan instrumen keuangan kontrak *forward* mata uang asing untuk melakukan lindung nilai atas risiko mata uang asing. Instrumen keuangan tersebut pada awalnya diakui sebesar nilai wajar pada tanggal kontrak derivatif dimulai dan selanjutnya diukur kembali pada nilai wajar. Derivatif dicatat sebagai aset keuangan saat nilai wajarnya positif dan sebagai liabilitas keuangan saat nilai wajarnya negatif.

Perusahaan mempunyai kontrak *forward* antar mata uang yang digunakan sebagai lindung nilai atas eksposur perubahan dalam arus kas sehubungan dengan perubahan nilai tukar mata uang asing. Kontrak *swap* tersebut tidak memenuhi persyaratan akuntansi lindung nilai.

g. Penurunan nilai dari aset keuangan

**i. Aset yang dicatat berdasarkan biaya
perolehan diamortisasi**

Pada setiap akhir periode pelaporan, Perusahaan dan Entitas Anak mengevaluasi apakah terdapat bukti yang objektif bahwa aset keuangan atau suatu kelompok aset keuangan mengalami penurunan nilai.

**3. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

f. Financial instruments (continued)

**iv. Derivative financial instruments and
hedge accounting**

The Company and Subsidiaries use derivative foreign currency forward contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The Company entered into forward currency swap contracts that are used as a hedge for the exposure to changes in cash flows relating to interest payments and bonds repayment due to changes in foreign exchange rates. Such swap contracts does not meet the criteria of hedge accounting.

g. Impairment of financial assets

i. Assets carried at amortized cost

The Company and Subsidiaries assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/33 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

**3. IKHTISAR KEBIJAKAN AKUNTANSI PENTING
(lanjutan)**

**3. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

g. Penurunan nilai dari aset keuangan (lanjutan)

g. Impairment of financial assets (continued)

**i. Aset yang dicatat berdasarkan biaya
perolehan diamortisasi (lanjutan)**

**i. Assets carried at amortized cost
(continued)**

Kriteria yang digunakan Perusahaan dan Entitas Anak untuk menentukan bahwa ada bukti objektif dari suatu penurunan nilai meliputi:

The criteria that the Company and Subsidiaries uses to determine that there is objective evidence of an impairment loss include:

- debitur gagal membayar atau menunggak pembayaran;
- kesulitan keuangan signifikan yang dialami debitur;
- pelanggaran kontrak, seperti terjadinya wanprestasi atau tunggakan pembayaran pokok atau bunga;
- pemberi pinjaman, dengan alasan ekonomi atau hukum sehubungan dengan kesulitan keuangan yang dialami pihak peminjam, memberikan keringanan kepada pihak peminjam yang tidak mungkin diberikan jika pihak peminjam tidak mengalami kesulitan tersebut;
- terdapat kemungkinan besar bahwa debitur akan dinyatakan pailit atau melakukan reorganisasi keuangan lainnya;
- hilangnya pasar aktif dari aset keuangan akibat kesulitan keuangan; atau
- data yang dapat diobservasi mengindikasikan adanya penurunan yang dapat diukur atas estimasi arus kas masa depan dari kelompok aset keuangan sejak pengakuan awal aset dimaksud, meskipun penurunannya belum dapat diidentifikasi ke aset keuangan secara individual dalam kelompok aset tersebut, termasuk antara lain:
 - memburuknya status pembayaran pihak peminjam dalam kelompok tersebut; dan
 - kondisi ekonomi nasional atau lokal yang berkorelasi dengan wanprestasi atas aset dalam kelompok tersebut.

- default or delinquency in payments by the debtor;
- significant financial difficulty of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- the lenders, for economic or legal reasons relating to the borrower's financial difficulty, granting to the borrower a concession that the lenders would not otherwise consider;
- the probability that the debtor will enter bankruptcy or other financial reorganisation;
- the disappearance of an active market for that financial asset because of financial difficulties; or
- observable data indicating that there is a measurable decrease in the estimated future cash flows from a portfolio of financial assets since the initial recognition of those assets, although the decrease cannot yet be traced to the individual financial assets in the portfolio, including:
 - adverse changes in the payment status of borrowers in the portfolio; and
 - national or local economic conditions that correlate with defaults on the assets in the portfolio.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/34 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

**3. IKHTISAR KEBIJAKAN AKUNTANSI PENTING
(lanjutan)**

g. Penurunan nilai dari aset keuangan (lanjutan)

i. Aset yang dicatat berdasarkan biaya perolehan diamortisasi (lanjutan)

Jika terdapat bukti objektif bahwa kerugian penurunan nilai telah terjadi, maka jumlah kerugian tersebut diukur sebesar selisih nilai tercatat aset dengan nilai kini estimasi arus kas masa depan (tidak termasuk kerugian kredit di masa depan yang belum terjadi) yang didiskonto dengan menggunakan suku bunga efektif awal dari aset tersebut. Nilai tercatat aset tersebut dikurangi, baik secara langsung maupun menggunakan pos provisi. Jumlah kerugian yang terjadi diakui pada laporan laba-rugi.

Jika, pada periode berikutnya, jumlah kerugian penurunan nilai berkurang dan pengurangan tersebut dapat dikaitkan secara objektif dengan peristiwa yang terjadi setelah penurunan nilai diakui (seperti meningkatnya peringkat kredit debitur), maka kerugian penurunan nilai yang sebelumnya diakui akan dipulihkan, baik secara langsung, atau dengan menyesuaikan pos provisinya. Jumlah pemulihan tersebut diakui pada laporan laba-rugi dan jumlahnya tidak boleh mengakibatkan nilai tercatat aset keuangan melebihi biaya perolehan diamortisasi pada tanggal pemulihan dilakukan seandainya tidak ada penurunan nilai.

ii. Aset yang tersedia untuk dijual

Ketika penurunan nilai wajar atas aset keuangan yang diklasifikasikan dalam kelompok tersedia untuk dijual telah diakui secara langsung dalam ekuitas dan terdapat bukti objektif bahwa aset tersebut mengalami penurunan nilai, maka kerugian kumulatif yang sebelumnya diakui secara langsung dalam ekuitas harus dikeluarkan dari ekuitas dan diakui pada laporan laba-rugi meskipun aset keuangan tersebut belum dihentikan pengakuannya. Jumlah kerugian kumulatif yang dikeluarkan dari ekuitas dan diakui pada laporan laba-rugi merupakan selisih antara biaya perolehan dengan nilai wajar kini, dikurangi kerugian penurunan nilai aset keuangan yang sebelumnya telah diakui pada laporan laba-rugi.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

g. Impairment of financial assets (continued)

i. Assets carried at amortized cost (continued)

If there is an objective evidence that an impairment loss has occurred, the amount of loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced either directly or through the use of a provision account. The amount of the loss is recognized in the profit or loss.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized (such as an improvement in the debtor's credit rating), the previously recognized impairment loss will be reversed either directly or by adjusting the provision account. The reversal amount is recognized in the profit or loss and the amount cannot exceed what the amortized cost would have been had the impairment not been recognized at the date the impairment was reversed.

ii. Assets classified as available for sale

When a decline in the fair value of an available-for-sale financial asset has been recognized directly in equity and there is objective evidence that the assets are impaired, the cumulative loss that had been recognized in equity will be reclassified from equity to the profit or loss even though the financial asset has not been derecognized. The amount of the cumulative loss that is reclassified from equity to the profit or loss is the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognized in the profit or loss.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/35 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

**3. IKHTISAR KEBIJAKAN AKUNTANSI PENTING
(lanjutan)**

g. Penurunan nilai dari aset keuangan (lanjutan)

ii. Aset yang tersedia untuk dijual (lanjutan)

Kerugian penurunan nilai atas instrumen ekuitas yang telah diakui pada laporan laba-rugi tidak dapat dipulihkan melalui laporan laba-rugi.

h. Piutang usaha dan piutang lain-lain

Piutang usaha merupakan jumlah tagihan dari pelanggan atas penjualan minyak mentah dan gas bumi dalam kegiatan usaha normal. Piutang lain-lain adalah jumlah piutang pihak ketiga atau pihak berelasi di luar kegiatan usaha. Bila pembayaran diharapkan akan diterima dalam jangka waktu satu periode atau kurang, maka diklasifikasikan sebagai aset lancar. Bila tidak, disajikan sebagai aset tidak lancar.

Piutang usaha dan piutang lain-lain pada awalnya diakui sebesar nilai wajar dan selanjutnya diukur pada biaya perolehan diamortisasi dengan menggunakan metode bunga efektif, dikurangi dengan provisi untuk penurunan nilai.

i. Persediaan

Persediaan material seperti suku cadang, bahan kimia dan sebagainya, dicatat berdasarkan nilai yang lebih rendah antara harga perolehan dengan metode rata-rata tertimbang dengan nilai realisasi neto.

Penyisihan penurunan nilai persediaan usang, tidak terpakai dan lambat pergerakannya dilakukan berdasarkan analisis manajemen terhadap kondisi material tersebut pada akhir tahun.

Perusahaan dan Entitas Anak tidak mengakui persediaan minyak mentah dan gas bumi karena persediaan tersebut merupakan milik Pemerintah sampai minyak mentah dan gas bumi tersebut dijual.

**3. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

g. Impairment of financial assets (continued)

**ii. Assets classified as available for sale
(continued)**

The impairment losses recognized in the profit or loss on equity instrument cannot be reversed through the profit or loss.

h. Trade receivables and other receivables

Trade receivables are amounts due from customers for crude oil and natural gas sales in the ordinary course of business. Other receivables are amounts due from third or related parties for transactions beyond the ordinary course of business. If collection is expected in one period or less, they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

i. Inventories

Materials such as spare parts, chemicals and others are stated at the lower of weighted average cost and net realisable value.

An allowance for obsolete, unuseable and slow-moving materials is provided based on management's analysis of the condition of such materials at the end of the year.

The Company and Subsidiaries do not recognise inventories of crude oil and natural gas as such inventories remain the property of the Government until sold.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/36 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

**3. IKHTISAR KEBIJAKAN AKUNTANSI PENTING
(lanjutan)**

j. Biaya dibayar di muka

Biaya dibayar di muka diamortisasi dengan menggunakan metode garis lurus selama periode manfaat masing-masing biaya dibayar di muka.

k. Investasi jangka panjang

Entitas asosiasi adalah seluruh entitas dimana Perusahaan dan Entitas Anak memiliki pengaruh signifikan namun bukan pengendalian, biasanya melalui kepemilikan hak suara antara 20% dan 50%. Investasi entitas asosiasi dicatat dengan metode ekuitas dan diakui awalnya sebesar harga perolehan. Nilai investasi Perusahaan dan Entitas Anak atas entitas asosiasi termasuk *goodwill* yang diidentifikasi ketika akuisisi, dikurangi akumulasi kerugian dan penurunan nilai.

Bagian Perusahaan dan Entitas Anak atas laba atau rugi entitas asosiasi pasca akuisisi diakui dalam laba rugi dan bagian atas mutasi pendapatan komprehensif lainnya pasca akuisisi diakui di dalam penghasilan komprehensif.

Keuntungan dan kerugian dilusi yang timbul dari investasi entitas asosiasi diakui dalam laba rugi.

Keuntungan yang belum direalisasi atas transaksi antara Perusahaan dan Entitas Anak dan entitas asosiasinya dieliminasi sebesar kepentingan Perusahaan dan Entitas Anak pada entitas asosiasi. Kerugian yang belum direalisasi juga dieliminasi kecuali transaksi tersebut memberikan bukti penurunan nilai aset yang ditransfer. Kebijakan akuntansi entitas asosiasi disesuaikan jika diperlukan untuk memastikan konsistensi dengan kebijakan yang diterapkan oleh Perusahaan dan Entitas Anak.

**3. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

j. Prepayments

Prepayments are amortised on a straight-line basis over the estimated beneficial periods of the prepayments.

k. Long-term investments

Associates are all entities over which the Company and Subsidiaries have significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting and are initially recognised at cost. The Company's and Subsidiaries' investments in associates include goodwill identified on acquisition, net of any accumulated impairment loss.

The Company's and Subsidiaries' share of their associates' post-acquisition profits or losses are recognised in profit or loss and their share of post-acquisition movements in other comprehensive income are recognised in other comprehensive income.

Dilution gains and losses arising from investments in associates are recognised in profit or loss.

Unrealised gains on transactions between the Company and Subsidiaries and their associates are eliminated to the extent of the Company's and Subsidiaries' interests in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Company and Subsidiaries.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/37 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

**3. IKHTISAR KEBIJAKAN AKUNTANSI PENTING
(lanjutan)**

I. Aset minyak dan gas bumi

i. Aset eksplorasi dan evaluasi

Pengeluaran-pengeluaran sehubungan dengan kegiatan eksplorasi dan evaluasi minyak dan gas dicatat dengan menggunakan metode akuntansi *successful efforts*. Biaya-biaya yang terjadi diakumulasikan berdasarkan lapangan per lapangan atau sumur per sumur.

Biaya geologi dan geofisika, termasuk survei seismik untuk tujuan eksplorasi dibebankan pada saat terjadi.

Biaya-biaya pengeboran sumur eksplorasi dan biaya-biaya pengeboran sumur eksplorasi - tes stratigrafi dikapitalisasi sebagai bagian dari aset dalam penyelesaian sumur eksplorasi dan evaluasi, di dalam aset minyak dan gas bumi hingga ditentukan apakah sumur tersebut menemukan cadangan terbukti. Jika sumur tersebut menemukan cadangan terbukti, kapitalisasi biaya pengeboran sumur dievaluasi terhadap penurunan nilai dan ditransfer menjadi aset dalam penyelesaian-sumur pengembangan (walaupun sumur tersebut nantinya tidak akan dijadikan sumur produksi). Jika sumur tersebut tidak menemukan cadangan terbukti, dibebankan ke dalam biaya pengeboran sumur yang telah dikapitalisasi akan laporan laba-rugi sebagai beban sumur kering (*dry hole*).

Aset eksplorasi dan evaluasi direklasifikasi dari aset eksplorasi dan evaluasi ketika prosedur evaluasi telah selesai. Aset eksplorasi dan evaluasi yang cadangannya secara komersial telah terbukti akan direklasifikasi menjadi aset pengembangan. Aset eksplorasi dan evaluasi diuji penurunan nilai sebelum direklasifikasi keluar dari eksplorasi dan evaluasi.

**3. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

I. Oil and gas properties

i. Exploration and evaluation assets

Oil and natural gas exploration and evaluation expenditures are accounted for using the successful efforts method of accounting. Costs are accumulated on a field by field basis or a well by well basis.

Geological and geophysical costs, including seismic surveys for exploration purposes are expensed as incurred.

The costs of drilling exploratory wells and the costs of drilling exploratory - type stratigraphic test wells are capitalised as part of assets under construction - exploratory and evaluation wells, within oil and gas properties pending determination of whether the wells have found proved reserves. If the wells have found proved reserves, the capitalised costs of drilling the wells are tested for impairment and transferred to assets under construction - development wells (even though the well may not be completed as a production well). If the well has not found proved reserves, the capitalised costs of drilling the well are then charged to profit and loss as a dry hole.

Exploration and evaluation assets are reclassified from exploration and evaluation assets when evaluation procedures have been completed. Exploration and evaluation assets for which commercially-viable reserves have been identified are reclassified to development assets. Exploration and evaluation assets are assessed for impairment immediately prior to reclassification out of exploration and evaluation.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/38 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

**3. IKHTISAR KEBIJAKAN AKUNTANSI PENTING
(lanjutan)**

I. Aset minyak dan gas bumi (lanjutan)

ii. Aset pengembangan

Biaya-biaya pengeboran sumur dalam pengembangan termasuk biaya pengeboran sumur pengembangan yang tidak menghasilkan dan sumur pengembangan stratigrafi dikapitalisasi sebagai bagian dari aset dalam penyelesaian sumur pengembangan hingga proses pengeboran selesai. Pada saat pengembangan sumur telah selesai pada lapangan tertentu, maka sumur tersebut akan ditransfer sebagai sumur produksi.

iii. Aset produksi

Aset produksi merupakan agregasi aset eksplorasi dan evaluasi dan pengeluaran pengembangan yang berhubungan dengan sumur berproduksi. Aset produksi didepresiasi menggunakan metode unit produksi berdasarkan cadangan terbukti yang telah dikembangkan sejak dimulainya produksi komersialnya dari masing-masing lapangan.

Operasi Bersama

Operasi bersama mengakui aset, kewajiban, pendapatan dari penjualan bagiannya atas output yang dihasilkan dari operasi bersama, bagiannya atas pendapatan dari penjualan output oleh operasi bersama dan beban terkait dengan kepentingannya dalam operasi bersama.

**3. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

I. Oil and gas properties (continued)

ii. Development assets

The costs of drilling development wells including the costs of drilling unsuccessful development wells and development-type stratigraphic wells are capitalised as part of assets under construction of development wells until drilling is completed. When the development well is completed in a specific field, it is transferred to production wells.

iii. Production assets

Production assets are aggregated exploration and evaluation assets and development expenditures associated with the producing wells. Production assets are depleted using a unit-of-production method on the basis of proved developed reserves, from the date of commercial production of the respective field.

Joint Operations

The joint operator recognises the assets, liabilities, revenue from the sale of its share of the output generated from operations together with a share of the revenues from the sale of the output by the joint operation and expenses related to its interests in the joint operation.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/39 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

**3. IKHTISAR KEBIJAKAN AKUNTANSI PENTING
(lanjutan)**

m. Sewa

Perusahaan dan Entitas Anak mengklasifikasikan sewa berdasarkan sejauh mana risiko dan manfaat yang terkait dengan kepemilikan aset sewaan berada pada *lessor* atau *lessee*, dan pada substansi transaksi daripada bentuk kontraknya, pada tanggal pengakuan awal.

Suatu sewa diklasifikasikan sebagai sewa pembiayaan jika sewa tersebut mengalihkan secara substansial seluruh risiko dan manfaat yang terkait dengan kepemilikan aset sewa. Sewa tersebut dikapitalisasi sebesar yang lebih kecil nilai wajar aset sewaan dan nilai kini pembayaran sewa minimum. Pembayaran sewa minimum harus dipisahkan antara bagian yang merupakan beban keuangan dan bagian yang merupakan pelunasan liabilitas, sedemikian rupa sehingga menghasilkan suatu tingkat suku bunga periodik yang konstan atas saldo liabilitas. Beban keuangan dibebankan langsung dalam laporan laba rugi.

Suatu sewa diklasifikasikan sebagai sewa operasi jika sewa tidak mengalihkan secara substansial seluruh risiko dan manfaat yang terkait dengan kepemilikan aset. Dengan demikian, pembayaran sewa diakui pada laporan laba rugi dengan dasar garis lurus (*straight-line basis*) selama masa sewa.

n. Provisi untuk biaya restorasi dan reklamasi lingkungan hidup

Provisi untuk biaya pembongkaran dan restorasi dicatat untuk mengakui kewajiban hukum berkaitan dengan penarikan aset minyak dan gas bumi dan aset jangka panjang lainnya termasuk fasilitas produksi yang berasal dari akuisisi, konstruksi atau pengembangan dan/atau operasi normal dari aset tersebut. Penarikan aset tersebut (selain penghentian sementara), adalah penghentian pemakaian termasuk penjualan, peninggalan, pendaurulangan atau penghapusan dengan cara lain.

**3. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

m. Leases

The Company and Subsidiaries classifies leases based on the extent to which risks and rewards incidental to the ownership of a leased asset are vested upon the lessor or the lessee, and the substance of the transaction rather than the form of the contract, at the time of initial recognition.

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of the leased assets. Such leases are capitalized at the inception of the lease at the fair value of the leased property or, if lower, at the present value of minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant periodic rate of interest on the remaining balance of the liability. Finance charges are charged directly to profit or loss.

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of the leased asset. Accordingly, the related lease payments are recognized in profit or loss on a straight-line basis over the lease term.

n. Provision for environmental restoration and reclamation costs

The provision for decommissioning and site restoration costs provides for the legal obligations associated with the retirement of oil and gas properties and other long-term assets including the production facilities that result from the acquisition, construction or development and/or the normal operation of such assets. The retirement of such assets is their (other than temporary) removal from service including their sale, abandonment, recycling or disposal in some other manner.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/40 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

**3. IKHTISAR KEBIJAKAN AKUNTANSI PENTING
(lanjutan)**

n. Provisi untuk biaya restorasi dan reklamasi lingkungan hidup (lanjutan)

Kewajiban ini diakui sebagai liabilitas pada saat timbulnya kewajiban konstruktif yang berkaitan dengan penarikan sebuah aset dan pada awalnya diakui sebesar nilai wajarnya. Biaya penarikan aset dalam jumlah yang setara dengan jumlah liabilitas dikapitalisasi sebagai bagian dari suatu aset tertentu dan kemudian disusutkan atau didepleksi selama masa manfaat aset tersebut. Kewajiban ini diukur pada nilai kini dari perkiraan pengeluaran yang diperlukan untuk menyelesaikan kewajiban, menggunakan tingkat diskonto sebelum pajak yang mencerminkan penilaian pasar atas nilai waktu uang dan risiko yang terkait dengan kewajiban tersebut.

Perubahan dalam pengukuran kewajiban tersebut yang timbul dari perubahan estimasi waktu atau jumlah pengeluaran sumber daya ekonomis yang diperlukan untuk menyelesaikan kewajiban tersebut, atau perubahan dalam tingkat diskonto, akan ditambahkan pada atau dikurangkan dari harga perolehan aset yang bersangkutan pada periode berjalan. Jumlah yang dikurangkan dari harga perolehan aset tidak boleh melebihi jumlah tercatatnya. Jika penurunan dalam liabilitas melebihi nilai tercatat aset, kelebihan tersebut segera diakui dalam laba rugi. Jika penyesuaian tersebut menghasilkan penambahan pada harga perolehan aset, Perusahaan dan Entitas Anak akan mempertimbangkan apakah hal ini mengindikasikan bahwa nilai tercatat aset yang baru mungkin tidak bisa dipulihkan secara penuh. Jika terdapat indikasi tersebut, Perusahaan dan Entitas Anak akan melakukan pengujian penurunan nilai terhadap aset tersebut dengan melakukan estimasi atas nilai yang dapat dipulihkan dan akan mencatat kerugian dari penurunan nilai.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

n. Provision for environmental restoration and reclamation costs (continued)

These obligations are recognised as liabilities when a constructive obligation with respect to the retirement of an asset is incurred, with the initial measurement of the obligation at fair value. An asset retirement cost equivalent to these liabilities is capitalised as part of the related asset's carrying value and is subsequently depreciated or depleted over the asset's useful life. These obligations are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

The changes in the measurement of these obligations that result from changes in the estimated timing or amount of the outflow of resources embodying economic benefits required to settle the obligation, or a change in the discount rate will be added to or deducted from the cost of the related asset in the current period. The amount deducted from the cost of the asset should not exceed its carrying amount. If a decrease in the liability exceeds the carrying amount of the asset, the excess is recognised immediately in profit or loss. If the adjustment results in an addition to the acquisition cost of an asset, the Company and Subsidiaries will consider whether this is an indication that the new carrying amount of the asset may not be fully recoverable. If there is such an indication, the Company and Subsidiaries will test the asset for impairment by estimating its recoverable amount and will account for any impairment loss incurred.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/41 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

**3. IKHTISAR KEBIJAKAN AKUNTANSI PENTING
(lanjutan)**

n. Provisi untuk biaya restorasi dan reklamasi lingkungan hidup (lanjutan)

Provisi untuk hal-hal yang berkaitan dengan lingkungan yang tidak berkaitan dengan penarikan aset, dimana Perusahaan dan Entitas Anak merupakan pihak yang bertanggung jawab, diakui ketika:

- Perusahaan dan Entitas Anak memiliki kewajiban kini, baik yang bersifat hukum maupun konstruktif, sebagai akibat dari peristiwa masa lalu;
- besar kemungkinan penyelesaian kewajiban tersebut mengakibatkan arus keluar sumber daya; dan
- estimasi yang andal mengenai jumlah kewajiban tersebut dapat ditentukan.

Perusahaan dan Entitas Anak diharuskan menempatkan dana di akun bank yang dibatasi penggunaannya, jika ada, yang merupakan dana untuk tujuan restorasi lokasi aset, purna operasi dan kewajiban pasca operasi tersebut. Dana ini disimpan dalam rekening bersama antara SKK Migas dan Perusahaan dan Entitas Anak dan hanya dapat digunakan untuk tujuan tersebut di atas dan dengan persetujuan dari SKK Migas, atau jumlah tersebut ditransfer ke SKK Migas apabila kegiatan tersebut tidak dilakukan oleh Perusahaan dan Entitas Anak.

o. Pengakuan pendapatan dan beban

Pendapatan dari produksi minyak mentah dan gas bumi diakui berdasarkan metode *provisional entitlements* pada saat *lifting*. Perbedaan *lifting* aktual minyak mentah dan gas bumi menghasilkan piutang ketika *entitlements* final melebihi *lifting* minyak mentah dan gas bumi (posisi *underlifting*) dan menghasilkan Utang ketika *lifting* minyak mentah dan gas bumi melebihi *entitlements* final (posisi *overlifting*). Volume *underlifting* dan *overlifting* dinilai berdasarkan harga rata-rata tertimbang tahunan Minyak Mentah Indonesia - ICP (untuk minyak mentah) dan harga yang ditetapkan dalam Perjanjian Jual Beli Gas yang bersangkutan (untuk gas bumi).

Beban diakui pada saat terjadi berdasarkan konsep akrual.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

n. Provision for environmental restoration and reclamation costs (continued)

Provision for environmental issues that may not involve the retirement of an asset, where the Company and Subsidiaries are the responsible parties, are recognised when:

- the Company and Subsidiaries have a present legal or constructive obligation as a result of past events;
- it is probable that an outflow of resources will be required to settle the obligation; and
- the amount has been reliably estimated.

The Company and Subsidiaries are required to place funds in restricted bank accounts, where applicable, which represent the deposits for the site restoration, decommissioning and post operation obligations. These deposits are maintained in joint bank accounts between SKK Migas and the Company and Subsidiaries and can only be used for such purposes with approval from SKK Migas, or the amounts should be transferred to SKK Migas if the activities are not conducted by the Company and Subsidiaries.

o. Revenue and expense recognition

Revenues from the production of crude oil and natural gas are recognised on the basis of the *provisional entitlements* method at the point of *lifting*. Differences between actual *liftings* of crude oil and natural gas result in a receivable when final *entitlements* exceed *liftings* of crude oil and natural gas (*underlifting* position) and in a payable when *liftings* of oil and natural gas exceed final *entitlements* (*overlifting* position). *Underlifting* and *overlifting* volumes are valued based on the annual weighted average Indonesian Crude Price - ICP (for crude oil) and the price as determined in the respective Sale and Purchase Contracts (for natural gas).

Expenses are recognised when incurred on an accrual basis.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/42 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

**3. IKHTISAR KEBIJAKAN AKUNTANSI PENTING
(lanjutan)**

**p. Program pensiun dan imbalan kerja
karyawan**

Perusahaan menerima pembebanan biaya jasa kini atas kewajiban pensiun dan imbalan kerja untuk karyawan PT Pertamina (Persero) yang statusnya diperbantukan ke Perusahaan.

Perusahaan memberikan imbalan pasca kerja kepada karyawan tetap (yang statusnya bukan perbantuan) sesuai dengan Kontrak Kerja Bersama ("KKB"). Imbalan pasca kerja karyawan diakui berdasarkan ketentuan Undang-Undang Ketenagakerjaan No. 13/2003 tanggal 25 Maret 2003 (Undang-Undang) atau program imbalan pasca kerja Perusahaan, mana yang lebih tinggi.

Operator di KBH yang *participating interest* dimiliki oleh Entitas Anak, memberikan imbalan pasca kerja bagi semua karyawan tetapnya (karyawan yang direkrut secara langsung) sesuai dengan KKB Entitas Anak.

Kewajiban program pensiun imbalan pasti yang diakui dalam laporan posisi keuangan adalah nilai kini kewajiban imbalan pasti pada tanggal laporan keuangan dikurangi nilai wajar aset program. Besarnya kewajiban imbalan pasti ditentukan berdasarkan perhitungan aktuaris independen yang dilakukan secara tahunan menggunakan metode *projected unit credit*. Nilai kini kewajiban imbalan pasti ditentukan dengan mendiskonto estimasi arus kas keluar masa depan menggunakan tingkat suku bunga obligasi korporat berkualitas tinggi dalam mata uang yang sama dengan mata uang imbalan yang akan dibayarkan dan waktu jatuh tempo yang kurang lebih sama dengan waktu jatuh tempo imbalan yang bersangkutan. Jika tidak terdapat pasar aktif untuk obligasi korporat tersebut, digunakan tingkat suku bunga obligasi pemerintah.

Beban yang diakui di laba rugi termasuk biaya jasa kini, beban/pendapatan bunga, biaya jasa lalu dan keuntungan/kerugian penyelesaian. Keuntungan dan kerugian dari kurtailmen atau penyelesaian program manfaat pasti diakui ketika kurtailmen atau penyelesaian tersebut terjadi.

**3. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

p. Pension plan and employee benefits

The Company is charged for current service costs for pension and other employee benefit obligations for PT Pertamina (Persero) employees seconded to the Company.

The Company provides post-employment benefits covering all of its permanent employees (non seconded employees) in accordance with its Employment Agreement Contract ("KKB"). Employee benefits involving the Company's post-employment benefit plans are recognised in accordance with Labor Law No. 13/2003 dated March 25, 2003, or the Company's plan, whichever benefit is higher.

The operators of the PSCs in which participating interests are owned by the Subsidiaries, provide post-employment benefits covering all of their permanent employees (direct hired employees) in accordance with the Subsidiaries' KKBs.

The liability recognised in the statement of financial position in respect of the defined benefit pension plans is the present value of the defined benefit obligations at the end of the reporting date less the fair value of plan assets. The defined benefit obligations are calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligations is determined by discounting the estimated future cash outflows using the interest rates of high quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms of maturity approximating the terms of the related pension obligations. If there is no deep market for such bonds, the market rates on government bonds are used.

Expense charged to profit or loss includes current service costs, interest expense/income, past service cost and gains and losses on settlements. Gains or losses on the curtailment or settlement of a defined benefit plan are recognised when the curtailment or settlement occurs.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/43 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

**3. IKHTISAR KEBIJAKAN AKUNTANSI PENTING
(lanjutan)**

**p. Program pensiun dan imbalan kerja
karyawan (lanjutan)**

Pengukuran kembali yang timbul dari program pensiun manfaat pasti diakui dalam pendapatan komprehensif lain. Pengukuran kembali terdiri dari keuntungan dan kerugian aktuarial, imbal hasil aset program (diluar pendapatan bunga yang sudah diakumulasi dalam perhitungan bunga neto (aset)) dan setiap perubahan atas dampak batas atas aset (diluar pendapatan bunga yang sudah diakumulasi dalam perhitungan bunga neto (aset)).

Pesangon pemutusan kontrak kerja terutang ketika Perusahaan atau Entitas Anak memberhentikan hubungan kerja sebelum usia pensiun normal atau ketika karyawan menerima penawaran mengundurkan diri secara sukarela dengan kompensasi imbalan pesangon. Perusahaan dan Entitas Anak mengakui pesangon pemutusan kontrak kerja pada tanggal yang lebih awal di antara: (a) ketika Perusahaan dan Entitas Anak tidak dapat lagi menarik tawaran atas imbalan tersebut; dan (b) ketika mereka mengakui biaya untuk restrukturisasi yang melibatkan pembayaran pesangon. Dalam hal terdapat penawaran untuk mendorong pengunduran diri secara sukarela, pesangon pemutusan kontrak kerja diukur berdasarkan jumlah karyawan yang diperkirakan menerima tawaran tersebut. Pesangon yang jatuh tempo lebih dari 12 bulan setelah periode pelaporan harus didiskontokan ke nilai masa kini.

q. Penjabaran mata uang asing

i. Mata uang fungsional dan penyajian

Pos-pos yang disertakan dalam laporan keuangan konsolidasian Perusahaan dan Entitas Anak diukur menggunakan mata uang yang sesuai dengan lingkungan ekonomi utama dimana Perusahaan dan Entitas Anak beroperasi ("mata uang fungsional").

Laporan keuangan konsolidasian disajikan dalam Dolar Amerika Serikat (US\$ atau Dolar AS) yang merupakan mata uang fungsional Perusahaan dan Entitas Anak.

**3. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

**p. Pension plan and employee benefits
(continued)**

Remeasurements arising from defined benefit retirement plans are recognised in other comprehensive income. Remeasurements comprise actuarial gains and losses, the return on plan assets (excluding amounts included in net interest on the net defined benefit liability (asset)) and any change in the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability (asset)).

Termination benefits are payable when an employee's employment is terminated by the Company or Subsidiaries before the normal retirement date or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Company and Subsidiaries recognise the termination benefits at the earlier of the following dates: (a) when the Company and Subsidiaries can no longer withdraw the offer of those benefits; and (b) when they recognise restructuring costs involving the payment of termination benefits. In the case of an offer made to encourage voluntary resignation, the termination benefits are measured based on the number of employees who are expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

q. Foreign currency translation

i. Functional and presentation currency

Items included in the consolidated financial statements of the Company and Subsidiaries are measured using the currency of the primary economic environment in which the Company and Subsidiaries operate (the "functional currency").

The consolidated financial statements are presented in United States Dollars (US\$ or US Dollars), which is the functional currency of the Company and Subsidiaries.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/44 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

**3. IKHTISAR KEBIJAKAN AKUNTANSI PENTING
(lanjutan)**

q. Penjabaran mata uang asing (lanjutan)

ii. Transaksi dan saldo

Transaksi dalam mata uang selain Dolar AS dijabarkan ke dalam mata uang Dolar AS dengan menggunakan kurs yang berlaku pada tanggal transaksi. Pada setiap tanggal pelaporan, aset dan liabilitas moneter dalam mata uang selain Dolar AS dijabarkan ke dalam mata uang Dolar AS menggunakan kurs penutup. Kurs yang digunakan sebagai acuan adalah kurs yang dikeluarkan oleh Bank Indonesia. Keuntungan dan kerugian selisih kurs yang timbul dari penyelesaian transaksi dalam mata uang selain Dolar AS dan dari penjabaran aset dan liabilitas moneter dalam mata uang selain Dolar AS diakui di dalam laba rugi, kecuali jika ditangguhkan di dalam ekuitas sebagai lindung nilai arus kas dan lindung nilai investasi neto yang memenuhi syarat.

Perubahan nilai wajar efek moneter yang didenominasikan dalam mata uang selain Dolar AS yang diklasifikasikan sebagai tersedia untuk dijual dianalisa antara selisih penjabaran yang timbul dari perubahan biaya perolehan diamortisasi efek dan perubahan nilai tercatat efek lainnya. Selisih penjabaran terkait dengan perubahan biaya perolehan diamortisasi diakui di dalam laba rugi dan perubahan nilai tercatat lainnya diakui pada penghasilan komprehensif lainnya.

Kurs yang digunakan pada tanggal pelaporan adalah sebagai berikut (dalam nilai penuh):

**3. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

q. Foreign currency translation (continued)

ii. Transactions and balances

Transactions denominated in currencies other than US Dollars are converted into US Dollars using the exchange rates prevailing at the dates of the transactions. At each reporting date, monetary assets and liabilities denominated in currencies other than US Dollars are translated into US Dollars using the closing exchange rate. The exchange rates used as the benchmark are the rates which are issued by Bank Indonesia. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in currencies other than US Dollars are recognised in profit or loss, except when deferred in equity as qualifying cash flow hedges and qualifying net investment hedges.

Changes in the fair value of monetary securities denominated in currencies other than US Dollars and classified as available-for-sale are analysed between translation differences resulting from changes in the amortised cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in amortised cost are recognised in profit or loss and other changes in carrying amount are recognised in other comprehensive income.

At the reporting date, the exchange rates (full amounts) used, were as follows:

	<u>2017</u>	<u>2016</u>	
1.000 Rupiah/Dolar AS	0,07	0,07	1,000 Rupiah/US Dollar
Dolar Australia/Dolar AS	0,78	0,72	Australian Dollar/US Dollar

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/45 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

**3. IKHTISAR KEBIJAKAN AKUNTANSI PENTING
(lanjutan)**

r. Pajak penghasilan

Beban pajak terdiri dari pajak kini dan pajak tangguhan. Pajak diakui dalam laporan laba rugi, kecuali jika pajak tersebut terkait dengan transaksi atau kejadian yang langsung diakui ke ekuitas. Dalam hal ini, pajak tersebut masing-masing diakui di pendapatan komprehensif lain atau langsung di ekuitas.

Beban pajak kini dihitung berdasarkan taksiran laba kena pajak tahun berjalan dan Pajak penghasilan kini Entitas Anak dihitung berdasarkan tarif pajak efektif gabungan yang ditetapkan dalam KBH bersangkutan.

Pajak penghasilan tangguhan diakui, dengan menggunakan metode *balance sheet liability* untuk semua perbedaan temporer antara dasar pengenaan pajak aset dan liabilitas dengan nilai tercatatnya pada laporan keuangan. Namun, liabilitas pajak penghasilan tangguhan tidak diakui jika berasal dari pengakuan awal *goodwill* atau pada saat pengakuan awal aset dan liabilitas yang timbul dari transaksi selain kombinasi bisnis yang pada saat transaksi tersebut tidak mempengaruhi laba rugi akuntansi dan laba rugi kena pajak. Pajak penghasilan tangguhan ditentukan dengan menggunakan tarif pajak yang telah berlaku atau secara substantif telah berlaku pada akhir periode pelaporan dan diharapkan diterapkan ketika aset pajak penghasilan tangguhan direalisasi atau liabilitas pajak penghasilan tangguhan diselesaikan.

Aset dan liabilitas pajak tangguhan yang berasal dari kegiatan di luar kegiatan KBH dihitung dengan menggunakan tarif pajak yang berlaku atau secara substansial telah berlaku pada tanggal neraca. Untuk aset dan liabilitas pajak tangguhan terkait kegiatan KBH dihitung dengan menggunakan tarif pajak yang berlaku pada tanggal efektifnya KBH atau tanggal perpanjangan atau tanggal perubahan KBH. Perubahan nilai tercatat aset dan liabilitas pajak tangguhan yang disebabkan oleh perubahan tarif pajak dibebankan pada tahun berjalan, kecuali untuk transaksi-transaksi yang sebelumnya telah langsung dibebankan atau dikreditkan ke ekuitas.

**3. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

r. Income tax

Tax expense comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Current tax expense is provided based on the estimated taxable income for the year and the Subsidiaries' current income tax charge is calculated on the basis of the combined effective tax rate as per the respective PSCs.

Deferred income tax is recognised, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill and deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates that have been enacted or substantially enacted as at the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets and liabilities involving activities other than PSC activities are measured at the tax rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax assets and liabilities involving PSC activities are measured at the tax rates in effect at the effective dates of the PSCs or extensions or amendments of such PSCs. Changes in deferred tax assets and liabilities as a result of amendments of tax rates are recognised in the current year, except for transactions previously charged or credited directly to equity.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/46 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

**3. IKHTISAR KEBIJAKAN AKUNTANSI PENTING
(lanjutan)**

r. Pajak penghasilan (lanjutan)

Aset pajak tangguhan yang berhubungan dengan saldo rugi fiskal yang belum digunakan dan biaya KBH yang belum memperoleh penggantian (*unrecovered costs*) diakui apabila besar kemungkinan jumlah laba fiskal pada masa mendatang akan memadai untuk dikompensasi dengan saldo rugi fiskal yang belum digunakan dan biaya KBH yang belum memperoleh penggantian.

Aset dan liabilitas pajak penghasilan tangguhan dapat saling hapus apabila terdapat hak yang berkekuatan hukum untuk melakukan saling hapus antara aset pajak kini dengan liabilitas pajak kini dan apabila aset dan liabilitas pajak penghasilan tangguhan dikenakan oleh otoritas perpajakan yang sama, baik atas entitas kena pajak yang sama ataupun berbeda dan adanya niat untuk melakukan penyelesaian saldo-saldo tersebut secara neto.

Koreksi terhadap kewajiban perpajakan dicatat pada saat surat ketetapan pajak diterima, atau dalam hal Perusahaan dan Entitas Anak mengajukan banding, ketika: (1) pada saat hasil dari banding tersebut ditetapkan, kecuali bila terdapat ketidakpastian yang signifikan atas hasil banding tersebut, maka koreksi berdasarkan surat ketetapan pajak terhadap kewajiban perpajakan tersebut dicatat pada saat pengajuan banding dibuat, atau (2) pada saat dimana berdasarkan pengetahuan dari perkembangan atas kasus lain yang serupa dengan kasus yang sedang dalam proses banding, berdasarkan ketentuan Pengadilan Pajak atau Mahkamah Agung, dimana ada ketidakpastian signifikan atas hasil proses banding, maka pada saat itu perubahan kewajiban perpajakan diakui berdasarkan jumlah ketetapan pajak yang diajukan banding.

**3. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

r. Income tax (continued)

Deferred tax assets relating to the carry forward of unused tax losses and unrecovered PSCs costs are recognized to the extent that it is probable that in the future, taxable income will be available against the unused tax losses and unrecovered PSCs costs.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority for either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Amendments to taxation obligations are recorded when an assessment is received or, for assessment amounts appealed against by the Company and Subsidiaries, when: (1) the result of the appeal is determined, unless there is significant uncertainty as to the outcome of such an appeal, in which event the impact of the amendment of tax obligations based on an assessment is recognised at the time of making such an appeal, or (2) at the time based on knowledge of developments in similar cases involving matters appealed, in rulings by the Tax Court or the Supreme Court, that a positive appeal outcome is adjudged to be significantly uncertain, in which event the impact of an amendment of tax obligations is recognised based on assessment amounts appealed.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/47 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

**3. IKHTISAR KEBIJAKAN AKUNTANSI PENTING
(lanjutan)**

s. Utang usaha dan utang lain-lain

Utang usaha dan utang lain-lain pada awalnya diakui pada nilai wajar dan kemudian diukur dengan harga perolehan diamortisasi yang menggunakan metode suku bunga efektif. Utang diklasifikasikan sebagai liabilitas jangka pendek apabila pembayaran jatuh tempo dalam waktu satu tahun atau kurang (atau dalam siklus normal operasi dari bisnis jika lebih lama). Jika tidak, utang usaha tersebut disajikan sebagai liabilitas jangka panjang.

t. Pendapatan tangguhan

Pendapatan tangguhan merupakan jumlah yang telah ditagihkan dan diterima sehubungan dengan transaksi gas "ambil atau bayar" yang akan diakui sebagai pendapatan ketika kuantitas gas tersebut telah dikirimkan ke pelanggan atau pada saat perjanjian tersebut berakhir.

u. Carried interests

Perusahaan melalui Entitas Anak memiliki KBH untuk melakukan eksplorasi dan produksi minyak dan gas bumi bersama dengan kontraktor lain. Dalam kontrak kerjasama JOB dan PPI, jika Entitas Anak memilih untuk tidak melakukan pendanaan maka kewajiban pembiayaan operasi minyak dan gas bumi menjadi tanggung jawab kontraktor. Sebagai kompensasi kepada kontraktor yang membiayai beban bagian Entitas Anak, kontraktor berhak mendapatkan penggantian untuk seluruh biaya yang telah dikeluarkan atas nama Entitas Anak yang diambil dari hasil produksi minyak dan gas bumi bagian *participating interest* Entitas Anak ditambah *uplift* sebesar 50%. Oleh karena itu, kompensasi dan *uplift*, dalam bentuk minyak dan gas bumi tidak diakui sebagai pendapatan oleh Entitas Anak.

Apabila tidak ada produksi minyak dan gas bumi yang dihasilkan ataupun produksi yang dihasilkan oleh bagian Entitas Anak tidak mencukupi untuk membayar seluruh pembiayaan yang telah dikeluarkan oleh kontraktor atas nama Entitas Anak, maka Entitas Anak tidak diharuskan untuk mengganti pembiayaan yang telah dikeluarkan oleh kontraktor tersebut dan oleh karenanya Entitas Anak tidak mengakui adanya liabilitas kepada kontraktor.

**3. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

s. Trade and other payables

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. Payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business, if longer). If not, they are presented as non-current liabilities.

t. Deferred revenue

Deferred revenue represents amounts billed and collected involving "take or pay" gas quantities, which will be recognized as revenue when the related gas quantity are delivered to customers or when the contract expires.

u. Carried interests

The Company through its Subsidiaries is involved in PSCs to conduct oil and gas exploration and production together with other contractors. Under JOB and PPI arrangements, if the Subsidiaries decide not to fund the oil and gas operations, the obligation to finance oil and gas operations is the responsibility of the other contractors. As compensation for the contractors for carrying the Subsidiaries' portion of expenditures, the contractors are entitled to obtain reimbursement for all sunk costs incurred on behalf of the Subsidiaries out of the Subsidiaries' participating interests in crude oil and natural gas produced in the contract areas plus an uplift of 50%. Therefore, the reimbursements and the related uplifts, which are settled in terms of oil and natural gas liftings, are not recognised as the Subsidiaries' revenue.

In the event that there is no oil and natural gas production entitlement or the value of the Subsidiaries' share of oil and natural gas production entitlements is less than the funding incurred by the contractors on behalf of the Subsidiaries, the Subsidiaries have no obligation to reimburse the contractors for such a funding amount and therefore the Subsidiaries do not recognise any liability to the contractors for such amounts.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/48 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

**3. IKHTISAR KEBIJAKAN AKUNTANSI PENTING
(lanjutan)**

v. Penurunan nilai aset non-keuangan

Sumur eksplorasi diuji untuk penurunan nilai pada saat akan direklasifikasi sebagai sumur pengembangan, atau apabila terdapat kejadian atau perubahan keadaan yang mengindikasikan bahwa nilai tercatat tidak dapat dipulihkan. Rugi penurunan nilai diakui sebesar jumlah dimana nilai tercatat dari sumur eksplorasi tersebut melebihi jumlah terpulihkan, yang merupakan nilai tertinggi antara nilai wajar aset dikurangi biaya untuk menjual atau nilai pakai dari sumur eksplorasi. Dalam rangka menguji penurunan nilai, aset dikelompokkan kepada unit penghasil kas yang ada dari lapangan produksi yang terletak di wilayah geografis yang sama. Rugi penurunan nilai diakui dalam laba rugi. Pemulihan penyisihan penurunan nilai diakui sebagai pendapatan dalam tahun dimana pemulihan tersebut terjadi.

Aset minyak dan gas bumi yang telah menemukan cadangan terbukti (aset pengembangan dan produksi) dan aset minyak dan gas bumi lainnya ditelaah untuk penurunan nilai ketika kejadian atau perubahan keadaan mengindikasikan bahwa nilai tercatat tidak dapat dipulihkan. Rugi penurunan nilai diakui sebesar jumlah dimana nilai tercatat dari aset tersebut melebihi jumlah terpulihkan, yang merupakan nilai tertinggi antara nilai wajar aset dikurangi biaya untuk menjual atau nilai pakai dari aset tersebut. Dalam rangka menguji penurunan nilai, aset dikelompokkan hingga unit terkecil yang menghasilkan arus kas terpisah. Rugi penurunan nilai diakui dalam laba rugi. Pemulihan penyisihan penurunan nilai diakui sebagai pendapatan dalam tahun dimana pemulihan tersebut terjadi.

w. Dividen

Distribusi dividen kepada pemegang saham Perusahaan dan Entitas Anak diakui sebagai liabilitas dalam laporan keuangan dalam periode dimana pembagian dividen diumumkan.

**3. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

v. Impairment of non-financial assets

Exploration wells are tested for impairment when reclassified to development wells, or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the exploration wells exceeds their recoverable amount, which is the higher of the fair value less cost to sell or value in use of the exploration wells. For the purpose of assessing impairment, assets are grouped at the existing cash generating units of production fields that are located in the same geographical region. Impairment losses are recognised in profit or loss. Reversal of an impairment is recorded as income in the year when the reversal occurs.

Oil and gas properties with proven reserves (development and producing assets) and other oil and gas assets are reviewed for impairment losses when events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of such properties exceed their recoverable amount, which is the higher of the fair value less cost to sell of such assets or their value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows. Impairment losses are recognised in profit or loss. Reversal of an impairment is recorded as income in the year when the reversal occurs.

w. Dividends

Dividend distributions to the Company's and Subsidiaries' shareholders are recognised as a liability in the financial statements in the period in which the dividends are declared.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/49 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

**3. IKHTISAR KEBIJAKAN AKUNTANSI PENTING
(lanjutan)**

x. Pengaturan bersama

Perusahaan dan Entitas Anak merupakan pihak dalam pengaturan bersama apabila terdapat pengaturan kontraktual yang memberikan pengendalian bersama atas aktivitas relevan kepada Perusahaan dan Entitas Anak dan minimal satu pihak lainnya. Pengendalian bersama diuji dengan prinsip yang sama dengan penilaian pengendalian atas entitas anak.

Perusahaan dan Entitas Anak mengklasifikasikan kepentingannya dalam pengaturan bersama sebagai berikut:

- Ventura bersama: ketika Perusahaan dan Entitas Anak memiliki hak hanya pada aset neto dari pengaturan bersama
- Operasi bersama: ketika Perusahaan dan Entitas Anak memiliki hak atas aset dan kewajiban atas liabilitas yang terkait dengan pengaturan bersama.

Dalam melakukan penilaian klasifikasi kepentingan dalam pengaturan bersama, Perusahaan dan Entitas Anak mempertimbangkan hal-hal berikut:

- struktur pengaturan bersama;
- bentuk hukum pengaturan bersama apabila dibentuk melalui kendaraan terpisah;
- persyaratan pengaturan kontraktual bersama;

ketika relevan, fakta dan keadaan lain (termasuk pengaturan kontraktual lain).

Perusahaan dan Entitas Anak mencatat kepentingannya dalam ventura bersama menggunakan metode ekuitas.

Selisih lebih biaya investasi pada ventura bersama dibandingkan dengan nilai wajar aset teridentifikasi, liabilitas dan liabilitas kontingen teridentifikasi Perusahaan dan Entitas Anak dikapitalisasi dan termasuk dalam jumlah tercatat investasi pada ventura bersama. Jika terdapat indikasi bahwa investasi pada ventura bersama mengalami penurunan nilai, maka dilakukan uji penurunan nilai dengan cara yang sama dengan uji penurunan nilai pada aset nonkeuangan.

Perusahaan dan Entitas Anak mencatat kepentingannya dalam operasi bersama dengan mengakui hak atas aset, kewajiban atas liabilitas, pendapatan dan beban sesuai dengan ketentuan hak dan kewajiban dalam ketentuan kontraktual.

**3. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

x. Joint arrangements

The Company and Subsidiaries are parties to joint arrangements when there is a contractual arrangement that confers joint control over the relevant activities of the arrangement to the Company and Subsidiaries and at least one other party. Joint control is assessed under the same principles as control over subsidiaries.

The Company and Subsidiaries classify their interests in joint arrangements as either:

- Joint ventures: where the Company and Subsidiaries have rights to only the net assets of the joint arrangement
- Joint operations: where the Company and Subsidiaries have both the rights to assets and obligations for the liabilities of the joint arrangement.

In assessing the classification of interests in joint arrangements, the Company and Subsidiaries consider:

- the structure of the joint arrangement;
- the legal form of joint arrangements structured through a separate vehicle;
- the contractual terms of the joint arrangement agreement;

any other facts and circumstances (including any other contractual arrangements).

The Company and Subsidiaries account for their interests in joint ventures using the equity method.

Any premium paid for an investment in a joint venture above the fair value of the Company's and Subsidiaries' share of the identifiable assets, liabilities and contingent liabilities acquired is capitalised and included in the carrying amount of the investment in joint venture. Where there is objective evidence that the investment in a joint venture has been impaired the carrying amount of the investment is tested for impairment in the same way as other non-financial assets.

The Company and Subsidiaries account for their interests in joint operations by recognising their share of assets, liabilities, revenues and expenses in accordance with their contractually conferred rights and obligations.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/50 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

**4. ESTIMASI DAN PERTIMBANGAN AKUNTANSI
PENTING**

Penyusunan laporan keuangan konsolidasian dilakukan sesuai dengan Standar Akuntansi Keuangan di Indonesia, dimana prinsip tersebut mengharuskan manajemen untuk membuat estimasi dan asumsi yang mempengaruhi jumlah aset dan liabilitas yang dilaporkan dan pengungkapan aset dan liabilitas kontinjen pada tanggal laporan keuangan konsolidasian, serta jumlah pendapatan dan beban selama periode pelaporan. Estimasi, asumsi dan penilaian tersebut dievaluasi secara terus menerus dan berdasarkan pengalaman historis dan faktor-faktor lainnya, termasuk harapan akan terjadi atau tidak terjadinya peristiwa di masa mendatang.

Perusahaan dan Entitas Anak telah mengidentifikasi kebijakan akuntansi penting berikut dimana dibutuhkan pertimbangan, estimasi dan asumsi signifikan yang dibuat dan dimana hasil aktual dapat berbeda dari estimasi tersebut berdasarkan asumsi dan kondisi yang berbeda dan dapat mempengaruhi secara material hasil keuangan atau posisi keuangan yang dilaporkan dalam periode mendatang.

a. Pertimbangan

Pertimbangan-pertimbangan berikut dibuat oleh manajemen dalam proses penerapan kebijakan akuntansi Perusahaan dan Entitas Anak yang memiliki dampak yang paling signifikan terhadap jumlah-jumlah yang diakui dalam laporan keuangan Perusahaan dan Entitas Anak.

i. Biaya eksplorasi dan evaluasi

Kebijakan akuntansi Perusahaan dan Entitas Anak untuk biaya eksplorasi dan evaluasi mengakibatkan biaya tertentu dikapitalisasi untuk sebuah *area of interest* yang dianggap dapat dipulihkan oleh eksploitasi di masa depan atau penjualan atau dimana kegiatan belum mencapai tahap tertentu yang memungkinkan dilakukan penilaian yang wajar atas keberadaan cadangan. Kebijakan ini mengharuskan manajemen untuk membuat estimasi dan asumsi tertentu atas peristiwa dan keadaan di masa depan, khususnya apakah operasi eksploitasi dapat dilaksanakan secara ekonomis.

**4. CRITICAL ACCOUNTING ESTIMATES AND
JUDGEMENTS**

The preparation of the consolidated financial statements is in conformity with Indonesian Financial Accounting Standards, which requires management to make estimates and assumptions that impact the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and also the amounts of revenue and expenses during the reporting period. Estimations, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of the occurrence of future events.

The Company and Subsidiaries have identified the following critical accounting policies under which significant judgements, estimates and assumptions are made and where actual results may differ from these estimates under different assumptions and conditions and may materially affect financial results or the financial position reported in future periods.

a. Judgements

The following judgements are made by management in the process of applying the Company's and Subsidiaries' accounting policies that have the most significant effects on the amounts recognised in the Company's and Subsidiaries' financial statements.

i. Exploration and evaluation expenditure

The Company's and Subsidiaries' accounting policies for exploration and evaluation expenditure results in certain items of expenditure being capitalised for an area of interest where it is considered likely to be recoverable by future exploitation or sale or where the activities have not reached a stage which permits a reasonable assessment of the existence of reserves. This policy requires management to make certain estimates and assumptions as to future events and circumstances, in particular whether an economically viable extraction operation can be established.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/51 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

**4. ESTIMASI DAN PERTIMBANGAN AKUNTANSI
PENTING (lanjutan)**

a. Pertimbangan (lanjutan)

ii. Biaya pengembangan

Kegiatan pengembangan dimulai setelah dilakukan pengesahan proyek oleh tingkat manajemen yang berwenang. Pertimbangan diterapkan oleh manajemen dalam menentukan kelayakan suatu proyek secara ekonomis.

b. Estimasi dan asumsi

Asumsi utama mengenai masa depan dan sumber utama lain dalam mengestimasi ketidakpastian pada tanggal pelaporan yang mempunyai risiko signifikan yang dapat menyebabkan penyesuaian material terhadap nilai tercatat aset dan liabilitas dalam periode berikutnya diungkapkan di bawah ini. Perusahaan dan Entitas Anak berdasarkan asumsi dan estimasi pada parameter yang tersedia saat laporan keuangan konsolidasian disusun.

i. Estimasi cadangan

Cadangan minyak dan gas bumi terbukti adalah perkiraan jumlah minyak mentah, gas alam dan gas alam cair yang berdasarkan data geologis dan teknis dapat diambil dengan tingkat kepastian yang memadai di tahun-tahun mendatang dari reservoir yang ada berdasarkan kondisi ekonomi dan operasi yang sekarang ada, yaitu harga dan biaya pada tanggal estimasi tersebut dibuat. Cadangan terbukti meliputi: (i) cadangan terbukti dikembangkan: jumlah hidrokarbon yang diharapkan akan diambil melalui sumur, fasilitas dan metode operasi yang sekarang ada; (ii) cadangan terbukti yang belum dikembangkan: jumlah hidrokarbon yang diharapkan dapat diambil setelah adanya pengeboran di area baru atau dari sumur yang telah ada dimana dibutuhkan biaya yang relatif besar untuk penyelesaiannya.

Berdasarkan jumlah cadangan ini, Perusahaan telah menetapkan pengeluaran program pengembangan yang bertujuan untuk mengembangkan cadangan tersebut. Cadangan terbukti tidak termasuk cadangan terindikasi dan cadangan tereka.

**4. CRITICAL ACCOUNTING ESTIMATES AND
JUDGEMENTS (continued)**

a. Judgements (continued)

ii. Development expenditure

Development activities commence after a project is sanctioned by the appropriate level of management. Judgement is applied by management in determining when a project is economically viable.

b. Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period are disclosed below. The Company and Subsidiaries based its assumptions and estimates on parameters available when the consolidated financial statements were prepared.

i. Reserves estimates

Oil and gas properties with proven reserves are the estimated quantities of crude oil, natural gas and natural gas liquids which geological and engineering data demonstrate with reasonable certainty to be recoverable in future years from known reservoirs under existing economic and operating conditions, i.e., prices and costs as at the date the estimate is made. Proved reserves include: (i) proved developed reserves: amounts of hydrocarbons that are expected to be retrieved through existing wells, facilities and operating methods; and (ii) undeveloped proved reserves: amounts of hydrocarbons that are expected to be retrieved as a result of new wells on undrilled areas or from existing wells where relatively major expenditures is required for completion.

Based on these reserves amounts the Company has already defined a clear development expenditure program which is an expression of the Company's determination to develop existing reserves. Proved reserves do not include probable or possible reserves.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/52 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

**4. ESTIMASI DAN PERTIMBANGAN AKUNTANSI
PENTING (lanjutan)**

b. Estimasi dan asumsi (lanjutan)

i. Estimasi cadangan (lanjutan)

Keakuratan estimasi cadangan terbukti tergantung pada sejumlah faktor, asumsi dan variabel seperti: kualitas data geologi, teknis dan ekonomi yang tersedia beserta interpretasi dan pertimbangan terkait, hasil pengeboran, pengujian dan produksi setelah tanggal estimasi, kinerja produksi reservoir, teknik produksi, proyeksi tingkat produksi di masa mendatang, estimasi besaran biaya dan waktu terjadinya pengeluaran pengembangan, ketersediaan pasar komersial, harga komoditi yang diharapkan dan nilai tukar.

Karena asumsi ekonomis yang digunakan untuk mengestimasi cadangan berubah dari waktu ke waktu dan tambahan data geologi yang dihasilkan selama operasi, estimasi cadangan dapat berubah dari waktu ke waktu. Perubahan cadangan yang dilaporkan dapat mempengaruhi hasil dan posisi keuangan Perusahaan dalam berbagai cara, diantaranya:

- Penyusutan dan amortisasi yang dibebankan ke dalam laporan laba rugi dan penghasilan komprehensif lain dapat berubah apabila beban-beban tersebut ditentukan berdasarkan unit produksi, atau jika masa manfaat ekonomi sumur aset berubah.
- Provisi biaya pembongkaran, restorasi lokasi aset dan hal-hal yang berkaitan dengan lingkungan dapat berubah apabila terjadi perubahan dalam perkiraan cadangan yang mempengaruhi ekspektasi tentang waktu sehingga turut mempengaruhi estimasi biaya kegiatan ini.
- Nilai tercatat aset/liabilitas pajak tangguhan dapat berubah karena perubahan estimasi pemulihan manfaat pajak.

Perusahaan menetapkan cadangan terbukti berdasarkan pada prinsip *Petroleum Resources Management System* ("PRMS") 2007. Karakteristik alamiah reservoir minyak dan gas bumi yang penuh ketidakpastian dapat menyebabkan terjadinya perubahan estimasi cadangan karena penambahan data yang diperoleh Perusahaan.

**4. CRITICAL ACCOUNTING ESTIMATES AND
JUDGEMENTS (continued)**

b. Estimates and assumptions (continued)

i. Reserve estimates (continued)

The accuracy of proved reserve estimates depends on a number of factors, assumptions and variables such as: the quality of available geological, technical and economic data and their interpretation and judgment, results of drilling, testing and production after the date of the estimates, the production performance of the reservoirs, production techniques, projecting future rates of production, the anticipated cost and timing of development expenditures, the availability for commercial market, anticipated commodity prices and exchange rates.

As the economic assumptions used to estimate reserves change from year to year and additional geological data are generated during the course of operations, estimates of reserves may change from year to year. Changes in reported reserves may affect the Company's financial results and financial position in a number of ways, including:

- Depreciation and amortisation charged in the statements of profit or loss and other comprehensive income may change where such charges are determined on a unit of production basis, or where the useful economic lives of assets change.
- Provision for decommissioning, site restoration and environmental provision may change where changes in estimated reserves affect expectations about the timing or the cost of these activities.
- The carrying value of deferred tax assets/liabilities may change due to changes in estimated recoverability of the tax benefits.

The Company has establish proven reserves based on the principle of *Petroleum Resources Management System* ("PRMS") 2007. The characteristics of the estimation of natural reservoirs of oil and gas reserve uncertainty may lead to changes due to the addition of data obtained by the Company.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/53 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

**4. ESTIMASI DAN PERTIMBANGAN AKUNTANSI
PENTING (lanjutan)**

b. Estimasi dan Asumsi (lanjutan)

ii. Provisi untuk biaya pembongkaran dan restorasi

Kebijakan akuntansi Perusahaan dan Entitas Anak atas pengakuan provisi untuk biaya pembongkaran dan restorasi membutuhkan estimasi dan asumsi yang signifikan seperti: persyaratan kerangka hukum dan peraturan yang relevan, besarnya kemungkinan kontaminasi serta waktu, luas dan biaya yang dibutuhkan untuk kegiatan biaya pembongkaran dan restorasi. Ketidakpastian ini dapat mengakibatkan perbedaan antara jumlah pengeluaran aktual di masa depan dari jumlah yang disisihkan pada saat ini. Provisi yang diakui pada setiap lokasi ditinjau secara berkala dan diperbarui berdasarkan fakta-fakta dan keadaan pada saat itu.

iii. Pajak penghasilan

Pertimbangan dan asumsi dibutuhkan dalam menentukan penyisihan modal dan pengurangan beban tertentu selama estimasi provisi pajak penghasilan untuk Perusahaan dan Entitas Anak. Banyak transaksi dan perhitungan yang dapat menyebabkan ketidakpastian di dalam penentuan kewajiban pajak. Apabila terdapat perbedaan perhitungan pajak dengan jumlah yang telah dicatat, perbedaan tersebut akan berdampak pada pajak penghasilan dan pajak tangguhan dalam periode dimana penentuan pajak tersebut dibuat.

Aset pajak tangguhan, termasuk yang timbul dari rugi fiskal, penyisihan modal dan perbedaan temporer, diakui hanya apabila dianggap lebih mungkin dari pada tidak bahwa aset pajak tangguhan dapat diterima kembali, dimana hal ini tergantung pada kecukupan pembentukan laba kena pajak di masa depan. Asumsi pembentukan laba kena pajak di masa depan bergantung pada estimasi manajemen untuk arus kas di masa depan. Hal ini bergantung pada estimasi produksi, volume penjualan, harga komoditas, cadangan, biaya operasi, biaya penutupan dan rehabilitasi, belanja modal, dividen dan transaksi manajemen lainnya di masa depan.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

b. Estimates and Assumptions (continued)

ii. Provision for decommissioning and site restoration

The Company's and Subsidiaries' accounting policies for the recognition of decommissioning and site restoration provisions require significant estimates and assumptions such as: requirements of the relevant legal and regulatory framework, the magnitude of possible contamination and the timing, extent and costs of required decommissioning and site restoration activities. These uncertainties may result in future actual expenditure differing from the amounts currently provided. The provision recognised for each site is periodically reviewed and updated based on the facts and circumstances available at the time.

iii. Income taxes

Judgement and assumptions are required in determining capital allowances and the deductibility of certain expenses during the estimation of the provision for income taxes for the Company and Subsidiaries. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, these differences will have an impact on the income tax and deferred income tax provisions in the period in which the determination is made.

Deferred tax assets, including those arising from unrecouped tax losses, capital allowances and temporary differences, are recognised only where it is considered more likely than not that they will be recovered, which is dependent on the generation of sufficient future taxable profits. Assumptions about the generation of future taxable profits depend on management's estimates of future cash flows. These depend on estimates of future production, sales volumes, commodity prices, reserves, operating costs, closure and rehabilitation costs, capital expenditure, dividends and other capital management transactions.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/54 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

**4. ESTIMASI DAN PERTIMBANGAN AKUNTANSI
PENTING (lanjutan)**

b. Estimasi dan asumsi (lanjutan)

iv. Penurunan nilai aset non-keuangan

Sesuai dengan kebijakan akuntansi Perusahaan dan Entitas Anak, setiap aset atau unit penghasil kas dievaluasi pada setiap periode pelaporan untuk menentukan ada tidaknya indikasi penurunan nilai aset. Jika terdapat indikasi tersebut, akan dilakukan perkiraan atas nilai aset yang dapat dipulihkan kembali dan kerugian akibat penurunan nilai akan diakui sebesar selisih antara nilai tercatat aset dengan nilai yang dapat dipulihkan kembali dari aset tersebut. Jumlah nilai yang dapat dipulihkan kembali dari sebuah aset atau kelompok aset penghasil kas diukur berdasarkan nilai yang lebih tinggi antara nilai wajar dikurangi biaya untuk menjual dan perhitungan nilai pakai.

Aset yang memiliki masa manfaat yang tak terbatas, seperti *goodwill* atau aset tak berwujud yang belum siap untuk digunakan, tidak diamortisasi dan diuji setiap tahun untuk penurunan nilai.

Penentuan nilai wajar dan nilai pakai membutuhkan manajemen untuk membuat estimasi dan asumsi atas produksi yang diharapkan dan volume penjualan, harga komoditas (mempertimbangkan harga saat ini dan masa lalu, tren harga dan faktor-faktor terkait), cadangan (lihat "Estimasi Cadangan" di atas), biaya operasi, biaya pembongkaran dan restorasi serta belanja modal di masa depan.

Estimasi dan asumsi ini terpapar risiko dan ketidakpastian; sehingga ada kemungkinan perubahan situasi dapat mengubah proyeksi ini, yang dapat mempengaruhi nilai aset yang dapat dipulihkan kembali. Dalam keadaan seperti itu, sebagian atau seluruh nilai tercatat aset mungkin akan mengalami penurunan nilai lebih lanjut atau terjadi pengurangan rugi penurunan nilai yang dampaknya akan dicatat dalam laporan laba rugi.

**4. CRITICAL ACCOUNTING ESTIMATES AND
JUDGEMENTS (continued)**

b. Estimates and assumptions (continued)

iv. Impairment of non-financial assets

In accordance with the Company's and Subsidiaries' accounting policies, each asset or cash generating unit is evaluated every reporting period to determine whether there are any indications of impairment. If any such indication exists, a formal estimate of the recoverable amount is performed and an impairment loss recognised to the extent that the carrying amount exceeds the recoverable amount. The recoverable amount of an asset or cash generating unit is measured at the higher of fair value less costs to sell and value in use.

Assets that have an indefinite useful life - for example, goodwill or intangible assets not ready to use - are not subject to amortisation and are tested annually for impairment.

The determination of fair value and value in use requires management to make estimates and assumptions about expected production and sales volumes, commodity prices (considering current and historical prices, price trends and related factors), reserves (see "Reserve estimates" above), operating costs, decommissioning and site restoration costs and future capital expenditure.

These estimates and assumptions are subject to risk and uncertainty; hence there is a possibility that changes in circumstances will alter these projections, which may impact the recoverable amount of the assets. In such circumstances, some or all of the carrying value of the assets may be further impaired, or the impairment charge reduced, with impact recorded in the profit or loss.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/55 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

**4. ESTIMASI DAN PERTIMBANGAN AKUNTANSI
PENTING (lanjutan)**

b. Estimasi dan asumsi (lanjutan)

v. Aset minyak dan gas bumi

Perusahaan menerapkan metode *successful efforts* untuk akuntansi kegiatan eksplorasi dan evaluasi minyak dan gas bumi.

Untuk sumur eksplorasi dan sumur uji eksplorasi stratigrafi, biaya yang secara langsung terkait dengan pengeboran sumur-sumur tersebut, dikapitalisasi dahulu sebagai aset dalam penyelesaian dalam akun aset minyak dan gas bumi, hingga ditentukan apakah telah ditemukan cadangan minyak dan gas yang berpotensi ekonomis berdasarkan pengeboran tersebut. Penentuan ini biasanya dilakukan dalam waktu satu tahun setelah penyelesaian sumur, tetapi dapat memakan waktu lebih lama, tergantung pada kompleksitas struktur geologi. Kebijakan ini mengharuskan manajemen untuk membuat estimasi dan asumsi tertentu atas peristiwa dan keadaan di masa depan, khususnya apakah operasi eksploitasi dapat dilaksanakan secara ekonomis.

Setiap estimasi dan asumsi tersebut dapat berubah seiring tersedianya informasi baru. Jika sumur tidak menemukan cadangan yang memiliki potensi ekonomi, biaya sumur akan dibebankan sebagai beban sumur kering (*dry hole*) dan diklasifikasikan sebagai biaya eksplorasi.

**4. CRITICAL ACCOUNTING ESTIMATES AND
JUDGEMENTS (continued)**

b. Estimates and assumptions (continued)

v. Oil and gas properties

The Company follows the principles of the *successful efforts* method of accounting for its oil and natural gas exploration and evaluation activities.

For exploration and exploratory-type stratigraphic test wells, costs directly associated with the drilling of those wells are initially capitalized as assets under construction within oil and gas properties, pending determination of whether potentially economically viable oil and gas reserves have been discovered by the drilling effort. The determination is usually made within one year after well completion, but can take longer, depending on the complexity of the geological structure. This policy requires management to make certain estimates and assumptions as to future events and circumstances, in particular whether an economically viable extraction operation can be established.

Such estimates and assumptions may change as new information becomes available. If the well does not discover potentially economically viable oil and gas quantities, the well costs are expensed as a dry hole and are reported in exploration expense.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/56 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

**5. AKUISISI ENTITAS ANAK DAN PARTICIPATING
INTEREST**

- a. Pengalihan kepemilikan saham Perusahaan di PT Pertamina Drilling Services Indonesia dan PT Pertamina Hulu Indonesia kepada PT Pertamina Dana Ventura**

Pada tanggal 14 Desember 2017, Perusahaan mengalihkan saham sebesar 0,11% di PT Pertamina Drilling Services Indonesia dan 0,07% di PT Pertamina Hulu Indonesia kepada PT Pertamina Dana Ventura.

- b. KBH Gross Split Blok ONWJ**

Pada tanggal 18 Januari 2017, PHE ONWJ dan SKK Migas menandatangani KBH Gross Split blok ONWJ yang berlaku efektif sejak tanggal 19 Januari 2017 dengan jangka waktu kontrak selama 20 tahun.

- c. Akusisi saham entitas anak PHE yang dimiliki Pertagas**

Keputusan Pemegang Saham Perusahaan secara sirkuler tanggal 29 Desember 2016, menyetujui pengalihan saham yang dimiliki oleh PT Pertagas di 27 entitas anak PT PHE kepada PT PHE Arun. Disetujui pula peningkatan penyertaan modal Perusahaan di PT PHE Arun sebesar nilai yang diperlukan oleh PHE Arun untuk membeli saham tersebut dengan harga sesuai hasil *appraisal*.

- d. Perolehan *participating interest* di Blok East Ambalat**

Berdasarkan Keputusan Menteri Energi dan Sumber Daya Mineral tanggal 12 Mei 2016, Pertamina telah ditunjuk sebagai pengelola Wilayah Kerja East Ambalat. Pada tanggal 25 Mei 2016, PT PHE Ambalat Timur dan SKK Migas menandatangani KBH atas Blok East Ambalat untuk jangka waktu kontrak 30 tahun.

**5. ACQUISITION OF SUBSIDIARIES AND
PARTICIPATING INTERESTS**

- a. Transfer of the Company's shares in PT Pertamina Drilling Services Indonesia and PT Pertamina Hulu Indonesia to PT Pertamina Dana Ventura**

On December 14, 2017, the Company transfers 0.11% shares in PT Pertamina Drilling Services Indonesia and 0.07% in PT Pertamina Hulu Indonesia to PT Pertamina Dana Ventura.

- b. ONWJ Gross Split PSC**

On January 18, 2017, PHE ONWJ and SKK Migas signed the ONWJ block Gross Split PSC which became effective starting from January 19, 2017 with a 20 years contract period.

- c. Acquisition of PHE subsidiaries' participating interest held by Pertagas**

A Circular General Meeting of the Company's shareholders dated December 29, 2016 approved the transfer of ownership of shares previously held by PT Pertagas in the Company's 27 subsidiaries to PT PHE Arun. An increase to PT PHE Arun's capital has also been approved to the extent the amount required by PT PHE Arun to acquire such shares based on appraised values.

- d. Acquisition of participating interest in the East Ambalat Block**

Based on the Decree of the Minister of Energy and Mineral Resources dated May 12, 2016, Pertamina has been appointed as the operator of East Ambalat Contract Area. On May 25, 2016, PT PHE East Ambalat and SKK Migas signed a PSC for the East Ambalat Block for a period of 30 years.

The original consolidated financial statements included herein are in the Indonesian language.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/57 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

6. KAS DAN SETARA KAS

6. CASH AND CASH EQUIVALENTS

	<u>2017</u>	<u>2016</u>	
Kas	1.760	45.750	Cash on hand
Kas di bank	<u>107.501.732</u>	<u>119.630.751</u>	Cash in banks
Jumlah	<u>107.503.492</u>	<u>119.676.501</u>	Total

Rincian kas dan setara kas berdasarkan mata uang dan masing-masing bank adalah sebagai berikut:

The details of cash and cash equivalents based on currency and by individual bank are as follows:

	<u>2017</u>	<u>2016</u>	
Kas			Cash on hand
Dolar AS	351	37.560	US Dollars
Rupiah	<u>1.409</u>	<u>8.190</u>	Rupiah
Jumlah kas	<u>1.760</u>	<u>45.750</u>	Total cash on hand
Bank			Cash in banks
Rekening Dolar AS:			US Dollar accounts:
Entitas berelasi dengan Pemerintah			Government related entities
- PT Bank Mandiri (Persero) Tbk	19.474.517	32.046.319	PT Bank Mandiri (Persero) Tbk -
- PT Bank Negara Indonesia (Persero) Tbk	11.299.471	37.437.470	PT Bank Negara Indonesia (Persero) Tbk -
- PT Bank Rakyat Indonesia (Persero) Tbk	<u>19.772.377</u>	<u>16.433.405</u>	PT Bank Rakyat Indonesia (Persero) Tbk -
Sub jumlah	<u>50.546.365</u>	<u>85.917.194</u>	Sub total
Pihak ketiga			Third party
- Citibank. N.A.	<u>-</u>	<u>193.075</u>	Citibank. N.A. -
Sub jumlah	<u>-</u>	<u>193.075</u>	Sub total
Rekening Rupiah:			Rupiah accounts:
Entitas berelasi dengan Pemerintah			Government related entities
- PT Bank Negara Indonesia (Persero) Tbk	17.858.617	17.205.134	PT Bank Negara Indonesia (Persero) Tbk -
- PT Bank Mandiri (Persero) Tbk	11.401.360	8.942.306	PT Bank Mandiri (Persero) Tbk -
- PT Bank Rakyat Indonesia (Persero) Tbk	5.466.977	7.004.808	PT Bank Rakyat Indonesia (Persero) Tbk -
- PT Bank Tabungan Negara	<u>22.228.413</u>	<u>305.263</u>	PT Bank Tabungan Negara -
Sub jumlah	<u>56.955.367</u>	<u>33.457.511</u>	Sub total
Pihak ketiga			Third party
- Citibank. N.A.	<u>-</u>	<u>62.971</u>	Citibank. N.A. -
Sub jumlah	<u>-</u>	<u>62.971</u>	Sub total
Jumlah bank	<u>107.501.732</u>	<u>119.630.751</u>	Total cash in banks
Jumlah kas dan setara kas	<u>107.503.492</u>	<u>119.676.501</u>	Total cash and cash equivalents

Lihat Catatan 31b untuk jumlah kas dan setara kas - entitas berelasi dengan Pemerintah.

Refer to Note 31b for total cash and cash equivalents - Government related entities.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/58 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

7. KAS YANG DIBATASI PENGGUNAANNYA

7. RESTRICTED CASH

	<u>2017</u>	<u>2016</u>	
Bagian lancar			<u>Current portion</u>
PHE W Madura Offshore			PHE W Madura Offshore
Entitas berelasi dengan Pemerintah			Government related entities
- PT Bank Negara Indonesia			PT Bank Negara Indonesia -
(Persero) Tbk	3.155.294	12.116	(Persero) Tbk
PHE Metana Sumatera 3,6,7 dan PT PHE MNK Sumatera Utara			PHE Metana Sumatera 3,6,7 and PHE MNK Sumatera Utara
Entitas berelasi dengan Pemerintah			Government related entity
- PT Bank Rakyat Indonesia			PT Bank Rakyat Indonesia -
(Persero) Tbk	6.185.000	6.185.000	(Persero) Tbk
PHE Metana Suban I, Suban II, PT PHE MNK Sakakemang PHE Sangatta II dan CPP			PHE Metana Suban I, Suban II PHE MNK Sakakemang PHE Sangatta II and CPP
Entitas berelasi dengan Pemerintah			Government related entity
- PT Bank Rakyat Indonesia			PT Bank Rakyat Indonesia -
(Persero) Tbk	3.670.601	3.170.601	(Persero) Tbk
PHE Abar, Anggursi, Siak, PHE Kampar, Ambalat Timur dan North Merangin			PHE Abar, Anggursi, Siak PHE Kampar and Ambalat Timur and North Merangin
Entitas berelasi dengan Pemerintah			Government related entity
- PT Bank Rakyat Indonesia			PT Bank Rakyat Indonesia -
(Persero) Tbk	8.300.000	8.300.000	(Persero) Tbk
Jumlah kas yang dibatasi penggunaannya - bagian lancar	<u>21.310.895</u>	<u>17.667.717</u>	Total restricted cash current portion
Bagian tidak lancar			<u>Non-current portion</u>
PHE W Madura Offshore			PHE W Madura Offshore
Entitas berelasi dengan Pemerintah			Government related entity
- PT Bank Negara Indonesia			PT Bank Negara Indonesia -
(Persero) Tbk	17.440.611	15.840.561	(Persero) Tbk
PHE NSO dan PHE NSB			PHE NSO and PHE NSB
Entitas berelasi dengan Pemerintah			Government related entity
- PT PT Bank Negara Indonesia			PT Bank Negara Indonesia -
(Persero) Tbk	4.109.138	-	(Persero) Tbk
PHE ONWJ			PHE ONWJ
Entitas berelasi dengan Pemerintah			Government related entity
- PT Bank Negara Indonesia			PT Bank Negara Indonesia -
(Persero) Tbk	12.701.191	7.216.504	(Persero) Tbk
Jumlah kas yang dibatasi penggunaannya - bagian tidak lancar	<u>34.250.940</u>	<u>23.057.065</u>	Total restricted cash non-current portion
Jumlah kas yang dibatasi penggunaannya	<u>55.561.835</u>	<u>40.724.782</u>	Total restricted cash

Kas yang dibatasi penggunaannya bagian tidak lancar merupakan dana yang terikat untuk biaya restorasi dan reklamasi lingkungan hidup untuk KBH Blok West Madura, KBH Blok NSO, KBH Blok NSB dan KBH Blok ONWJ, sedangkan bagian lancar untuk KBH Blok West Madura merupakan pendapatan yang belum didistribusi dan bagian lancar untuk entitas lainnya merupakan deposito yang wajib ditempatkan dalam rangka pelaksanaan program kerja entitas anak PHE.

Lihat Catatan 31b untuk jumlah kas yang dibatasi penggunaannya - entitas berelasi dengan Pemerintah.

The non-current portion of restricted cash represents funds for environmental restoration and reclamation costs for the West Madura Block PSC, NSO Block PSC, NSB Block PSC, and ONWJ Block PSC while the current portion of West Madura Block PSC represents undistributed revenue and current portion for other entities is the required deposit related to the work programs to be carried out by PHE's subsidiaries.

Refer to Note 31b for total restricted cash - Government related entities.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/59 Schedule

CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017

(Expressed in US Dollars, unless otherwise stated)

8. PIUTANG USAHA

8. TRADE RECEIVABLES

	<u>2017</u>	<u>2016</u>	
Piutang usaha - pihak berelasi (lihat Catatan 31c)	<u>80.347.247</u>	<u>52.429.573</u>	Trade receivables related parties - (refer to Note 31c)
Piutang usaha - pihak ketiga:			Trade receivables - third parties:
Vitol Asia Pte Ltd.	22.580.120	-	Vitol Asia Pte Ltd.
Talisman Jambi Merang Ltd.	19.190.000	3.432.209	Talisman Jambi Merang Ltd.
CNOOC SES Ltd.	12.173.779	7.311.201	CNOOC SES Ltd.
ConocoPhillips (Grissik) Ltd.	9.165.000	1.119.170	ConocoPhillips (Grissik) Ltd.
Total E&P Indonesia	8.024.652	13.206.329	Total E&P Indonesia
Sembcorp Gas Pte. Ltd.	6.381.604	6.381.604	Sembcorp Gas Pte. Ltd.
PT Chevron Pacific Indonesia	5.707.670	3.143.294	PT Chevron Pacific Indonesia
Petrochina International Jabung Ltd.	4.024.808	5.147.417	Petrochina International Jabung Ltd.
Perusahaan Daerah Pertambangan dan Energi	2.531.699	-	Perusahaan Daerah Pertambangan dan Energi
Chevron Makassar Ltd.	2.489.754	-	Chevron Makassar Ltd.
Premier Oil	1.272.000	-	Premier Oil
Gas Supply Pte Ltd.	-	12.957.689	Gas Supply Pte Ltd
Petrochina International Kepala Burung Ltd.	-	6.666.000	Petrochina International Kepala Burung Ltd.
Gasuma Corporindo	-	1.907.345	Gasuma Corporindo
Lain-lain	4.410.427	11.629.843	Others
Jumlah piutang usaha - pihak ketiga	<u>97.951.513</u>	<u>72.902.101</u>	Total trade receivables - third parties

Manajemen berpendapat bahwa seluruh piutang usaha dapat ditagih secara penuh, sehingga penyisihan penurunan nilai tidak diperlukan.

Management believes that the trade receivables are fully collectible and therefore a provision for impairment is considered not necessary.

9. PIUTANG PEMERINTAH

9. DUE FROM THE GOVERNMENT

	<u>2017</u>	<u>2016</u>	
Underlifting	34.535.430	20.069.506	Underlifting
DMO fees - bagian lancar	<u>37.803.753</u>	<u>36.939.021</u>	DMO fees - current portion
Jumlah bagian lancar	<u>72.339.183</u>	<u>57.008.527</u>	Total current portion

Piutang *underlifting* merupakan piutang Entitas Anak dari SKK Migas karena volume *lifting* minyak mentah dan gas bumi SKK Migas melebihi *entitlement*-nya.

Underlifting receivables represent Subsidiaries' receivables from SKK Migas due to SKK Migas's crude oil and natural gas lifting volumes exceeding its entitlements.

Piutang DMO fees merupakan tagihan kepada Pemerintah sehubungan dengan kewajiban Entitas Anak dalam menyediakan minyak mentah untuk memenuhi kebutuhan pasar dalam negeri sesuai KBH.

DMO fee receivables represent amounts due from the Government in relation to the Subsidiaries' obligations to supply crude oil to meet the domestic market demand in accordance with the PSCs.

Manajemen berpendapat bahwa seluruh piutang Pemerintah dapat ditagih secara penuh, sehingga penyisihan penurunan nilai tidak diperlukan.

Management believes that the due from the Government is fully collectible and therefore a provision for impairment is considered not necessary.

The original consolidated financial statements included herein are in the Indonesian language.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/60 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

10. PIUTANG LAIN-LAIN

	<u>2017</u>
Piutang lain-lain - pihak berelasi (lihat Catatan 31d)	<u>131.921.392</u>
Piutang lain-lain - pihak ketiga:	
Piutang yang berasal dari operasi minyak dan gas bumi pada Entitas Anak	106.893.736
Uang jaminan	3.303.213
Lain-lain	<u>153.824</u>
Jumlah	<u>110.350.773</u>

Manajemen berpendapat bahwa seluruh piutang lain-lain dapat ditagih secara penuh, sehingga penyisihan penurunan nilai tidak diperlukan.

10. OTHER RECEIVABLES

	<u>2016</u>	
	<u>111.683.954</u>	Other receivables related parties - (refer to Note 31d)
		Other receivables third parties -
		<i>Receivables involving Subsidiaries'</i>
		<i>oil and gas operations</i>
		<i>Security deposits</i>
		<i>Others</i>
Jumlah	<u>138.108.151</u>	Total

Management believes that the other receivables are fully collectible and therefore a provision for impairment is not considered necessary.

11. PERSEDIAAN

	<u>2017</u>
Material umum	126.931.806
Dikurangi:	
Penyisihan penurunan nilai	<u>(20.075.138)</u>
Jumlah	<u>106.856.668</u>

Persediaan merupakan material umum yang ada di Entitas Anak.

Manajemen berkeyakinan bahwa jumlah penyisihan penurunan nilai telah mencukupi untuk menutup penurunan nilai persediaan usang, tidak terpakai dan lambat pergerakannya.

11. INVENTORIES

	<u>2016</u>	
	<u>116.214.416</u>	<i>General materials</i>
		Less:
	<u>(16.502.345)</u>	<i>Allowance for decline in value</i>
Jumlah	<u>99.712.071</u>	Total

Inventories consist of the Subsidiaries' general materials.

Management believes that the allowance for decline in value is adequate to cover the allowance for obsolete, unuseable and slow-moving materials.

12. UANG MUKA DAN BIAYA DIBAYAR DI MUKA

	<u>2017</u>
Uang muka <i>cash call</i>	55.125.787
Biaya dibayar di muka	38.613.322
Lain-lain	<u>663.037</u>
Jumlah	<u>94.402.146</u>

Uang muka *cash call* merupakan uang muka yang diberikan kepada operator KBH dalam rangka melakukan aktivitas eksplorasi dan produksi minyak dan gas bumi.

12. ADVANCES AND PREPAYMENTS

	<u>2016</u>	
	<u>86.021.055</u>	<i>Cash call advances</i>
	<u>29.973.784</u>	<i>Prepayments</i>
	<u>501.976</u>	<i>Others</i>
Jumlah	<u>116.496.815</u>	Total

Cash call advances represent advances made to PSC operators for oil and natural gas exploration and production activities.

The original consolidated financial statements included herein are in the Indonesian language.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/61 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

12. UANG MUKA DAN BIAYA DIBAYAR DI MUKA
(lanjutan)

Biaya dibayar di muka sebagian besar terdiri dari pembayaran di muka atas asuransi dan sewa Entitas Anak.

12. ADVANCES AND PREPAYMENTS (continued)

Prepayments mainly consist of the Subsidiaries' prepaid insurance and prepaid rentals.

13. INVESTASI JANGKA PANJANG

Perusahaan memiliki investasi jangka panjang sebagai berikut:

13. LONG-TERM INVESTMENTS

The Company's long-term investments are as follows:

	<u>2017</u>	<u>2016</u>	
Investasi pada perusahaan asosiasi	240.454.154	195.099.746	Investments in associates
Investasi tersedia untuk dijual	7.352	3.398.888	Available-for-sale investments
Investasi diukur pada biaya perolehan	<u>60.000</u>	<u>60.000</u>	Investment measured at cost
Jumlah	<u>240.521.506</u>	<u>198.558.634</u>	Total

a. Investasi pada perusahaan asosiasi

a. Investments in associates

Perusahaan	Kepemilikan/ Ownership		Saldo/ Balance		Companies
	2017	2016	2017	2016	
PT Donggi Senoro LNG	29%	29%	240.438.344	195.083.936	PT Donggi Senoro LNG
PCPP Operating Company Sdn. Bhd.	30%	30%	<u>15.810</u>	<u>15.810</u>	PCPP Operating Company Sdn. Bhd.
Jumlah			<u>240.454.154</u>	<u>195.099.746</u>	Total

Berikut adalah pergerakan investasi di PT Donggi Senoro LNG:

The following is the movement of the investment in PT Donggi Senoro LNG:

	<u>2017</u>	<u>2016</u>	
Saldo awal tahun	195.083.936	176.831.523	Balance at beginning of the year
Koreksi atas saldo tahun lalu	200.250	-	Correction of last year's balance
Laba tahun berjalan yang diatribusikan	<u>45.154.158</u>	<u>18.252.413</u>	Share of income - current year
Saldo akhir tahun	<u>240.438.344</u>	<u>195.083.936</u>	Balance at end of the year

Total aset, liabilitas, pendapatan dan laba PT Donggi Senoro LNG adalah sebagai berikut:

PT Donggi Senoro LNG's total assets, liabilities, revenue and income are as follows:

	Negara berdiri/ Country of incorporation	Aset/ Assets	Liabilitas/ Liabilities	Pendapatan/ Revenues	Laba/ Income	Persentase kepemilikan PHE/ Percentage interest held by PHE
2017						
PT Donggi Senoro LNG	Indonesia	2.466.692.904	1.627.337.532	998.208.211	155.703.994	29
2016						
PT Donggi Senoro LNG	Indonesia	2.412.120.441	1.739.417.213	755.295.340	64.840.051	29

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/62 Schedule

CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017

(Expressed in US Dollars, unless otherwise stated)

13. INVESTASI JANGKA PANJANG (lanjutan)

b. Investasi pada perusahaan asosiasi

Berdasarkan penelaahan manajemen Perusahaan, tidak terdapat kejadian-kejadian atau perubahan-perubahan keadaan yang mengindikasikan adanya penurunan nilai investasi pada tanggal 31 Desember 2017 dan 2016.

c. Investasi tersedia untuk dijual

13. LONG-TERM INVESTMENTS (continued)

b. Investments in associates

Based on the review of the Company's management, there were no events or changes in circumstances which indicated that there is an impairment in the value of this investment as at December 31, 2017 and 2016.

c. Available-for-sale investments

2017						
Perusahaan	Persentase kepemilikan/ Percentage of ownership	Saldo awal/ Beginning balance	Penambahan/ Additions	Keuntungan neto yang ditransfer ke ekuitas/ Net gain transferred to equity	Saldo akhir/ Ending balance	Companies
PT Pertamina Drilling Services Indonesia	0,11%	3.391.461	(3.391.461)	-	-	PT Pertamina Drilling Services Indonesia
PT Pertagas Niaga	1,00%	2.795	-	-	2.795	PT Pertagas Niaga
PT Patra Drilling Contractor	0,04%	4.388	-	-	4.388	PT Patra Drilling Contractor
PT Pertamina Hulu Indonesia	0,07%	75	(75)	-	-	PT Pertamina Hulu Indonesia
PT Pertamina Hulu Mahakam	0,07%	75	-	-	75	PT Pertamina Hulu Mahakam
PT Pertamina Geothermal Energi Lawu	1,00%	94	-	-	94	PT Pertamina Geothermal Energi Lawu
Jumlah		3.398.888	(3.391.536)	-	7.352	Total
2016						
Perusahaan	Persentase kepemilikan/ Percentage of ownership	Saldo awal/ Beginning balance	Penambahan/ Additions	Keuntungan neto yang ditransfer ke ekuitas/ Net gain transferred to equity	Saldo akhir/ Ending balance	Companies
PT Pertamina Drilling Services Indonesia	0,11%	3.391.461	-	-	3.391.461	PT Pertamina Drilling Services Indonesia
PT Pertagas Niaga	1,00%	2.795	-	-	2.795	PT Pertagas Niaga
PT Patra Drilling Contractor	0,04%	4.388	-	-	4.388	PT Patra Drilling Contractor
PT Pertamina Hulu Indonesia	0,07%	-	75	-	75	PT Pertamina Hulu Indonesia
PT Pertamina Hulu Mahakam	0,07%	-	75	-	75	PT Pertamina Hulu Mahakam
PT Pertamina Geothermal Energi Lawu	1,00%	-	94	-	94	PT Pertamina Geothermal Energi Lawu
Jumlah		3.398.644	244	-	3.398.888	Total

Nilai wajar dari investasi tersedia untuk dijual dihitung berdasarkan diskonto arus kas dengan menggunakan suku bunga pasar dan tingkat risiko premium spesifik untuk investasi ini.

The fair value of available-for-sale investments is calculated based on discounted cash flows using the market interest rate and the risk premium rate specific to these investments.

d. Investasi diukur pada biaya perolehan

Perusahaan memiliki investasi yang diukur pada biaya perolehan berupa kepemilikan 30% saham di PT Arun NGL sebesar US\$60.000. Saat ini, PT Arun NGL dalam proses likuidasi.

d. Investment measured at cost

The Company has an investment measured at cost in the form of a 30% share ownership interest in PT Arun NGL acquired for an amount of US\$60,000. Currently, PT Arun NGL is in liquidation process.

The original consolidated financial statements included herein are in the Indonesian language.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/63 Schedule

CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017

(Expressed in US Dollars, unless otherwise stated)

14. ASET MINYAK DAN GAS BUMI

14. OIL AND GAS PROPERTIES

		2017					
	Saldo awal/ Beginning balance	Penambahan/ Additions	Pengurangan/ Deduction	Pengalihan/ Reklasifikasi/ Transfers/ Reclassifications	Penurunan nilai aset/ Impairment of assets	Saldo akhir/ Ending balance	
Biaya perolehan							Acquisition costs
Sumur	3.920.107.314	118.170.374	-	122.161.667	-	4.160.439.355	Wells
Instalasi	1.393.783.074	-	-	263.440.909	-	1.657.223.983	Installations
Signature and production bonuses	41.735.000	5.000.000	-	-	-	46.735.000	Signature and production bonuses
Sub jumlah	5.355.625.388	123.170.374	-	385.602.576	-	5.864.398.338	Subtotal
Aset dalam penyelesaian							Assets under constructions
Sumur eksplorasi dan evaluasi	323.935.016	11.743.632	-	(52.136.102)	-	283.542.546	Exploration and evaluation wells
Sumur pengembangan	392.370.814	428.191.331	-	(333.466.474)	-	487.095.671	Development wells
Jumlah	6.071.931.218	563.105.337	-	-	-	6.635.036.555	Total
Akumulasi Penyusutan, deplesi dan amortisasi							Accumulated depreciation, depletion and amortisation
Sumur	(2.189.782.001)	(325.672.745)	-	-	(226.595.847)	(2.742.050.593)	Wells
Instalasi	(265.692.704)	(208.068.876)	-	-	-	(473.761.580)	Installations
Signature and production bonuses	(1.992.289)	(1.987.135)	-	-	(8.207.000)	(12.186.424)	Signature and production bonuses
Jumlah	(2.457.466.994)	(535.728.756)	-	-	(234.802.847)	(3.227.998.597)	Total
Nilai buku neto	3.614.464.224					3.407.037.958	Net book value
		2016					
	Saldo awal/ Beginning balance	Penambahan/ Additions	Pengurangan/ Deductions	Pengalihan/ Reklasifikasi/ Transfers/ Reclassifications	Penurunan nilai aset/ Impairment of assets	Saldo akhir/ Ending balance	
Biaya perolehan							Acquisition costs
Sumur	3.677.243.004	39.649.499	-	203.214.811	-	3.920.107.314	Wells
Instalasi	1.279.421.176	-	-	114.361.898	-	1.393.783.074	Installations
Signature and production bonuses	41.735.000	-	-	-	-	41.735.000	Signature and production bonuses
Sub jumlah	4.998.399.180	39.649.499	-	317.576.709	-	5.355.625.388	Subtotal
Aset dalam penyelesaian							Assets under constructions
Sumur eksplorasi dan evaluasi	302.189.775	21.755.519	(10.278)	-	-	323.935.016	Exploration and evaluation wells
Sumur pengembangan	476.899.440	233.513.284	(465.201)	(317.576.709)	-	392.370.814	Development wells
Jumlah	5.777.488.395	294.918.302	(475.479)	-	-	6.071.931.218	Total
Akumulasi Penyusutan, deplesi dan amortisasi							Accumulated depreciation, depletion and amortisation
Sumur	(1.714.810.993)	(420.533.883)	-	-	(54.437.125)	(2.189.782.001)	Wells
Instalasi	(187.368.886)	(78.323.818)	-	-	-	(265.692.704)	Installations
Signature and production bonuses	(1.992.289)	-	-	-	-	(1.992.289)	Signature and production bonuses
Jumlah	(1.904.172.168)	(498.857.701)	-	-	(54.437.125)	(2.457.466.994)	Total
Nilai buku neto	3.873.316.227					3.614.464.224	Net book value

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/64 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

14. ASET MINYAK DAN GAS BUMI (lanjutan)

Penyusutan, deplesi dan amortisasi yang dibebankan pada beban pokok penjualan untuk tahun yang berakhir 31 Desember 2017 dan 2016, masing-masing adalah senilai US\$535.728.756 dan US\$498.857.701.

Selama tahun 2017 terdapat koreksi nilai aset minyak dan gas bumi berupa pengukuran kembali atas nilai penutupan dan pemulihan sumur Perusahaan sehingga naik sebesar US\$118.170.734 (2016: naik sebesar US\$39.649.499).

Penurunan nilai aset minyak dan gas bumi

Manajemen melakukan pengujian penurunan nilai pada tahun 2017 untuk semua Blok karena terdapat indikasi eksternal dari perkembangan harga minyak. Manajemen telah mengevaluasi aspek komersial dan teknikal berdasarkan hasil dari produksi terkini.

Uji penurunan nilai aset minyak dan gas bumi dilakukan untuk seluruh Blok. Manajemen mengevaluasi aspek komersial dan teknikal berdasarkan kondisi harga dan produksi terkini.

Estimasi jumlah terpulihkan dan nilai buku aset minyak dan gas bumi yang diturunkan nilainya pada tanggal 31 Desember 2017 dan 2016 adalah sebagai berikut:

14. OIL AND GAS PROPERTIES (continued)

Depreciation, depletion and amortisation charged to cost of revenue for the years ended December 31, 2017 and 2016 amounted to US\$535,728,756 and US\$498,857,701, respectively.

For the year 2017, there is a correction value of oil and natural gas assets in the form of the remeasurement of the abandonment and site restoration, which caused an increase by US\$118,170,734 (2016: increased by US\$39,649,499).

Impairment of oil and gas properties

Management performed impairment testing of all Blocks in 2017 due to external indication from the oil price trends. Management has performed technical and commercial evaluations based on the result of recent production.

Impairment testing was performed for all Blocks. Management evaluates the commercial and technical aspects based on the current price conditions and production.

Estimated recoverable amounts and book values of the oil and gas properties impaired as at December 31, 2017 and 2016 is as follows:

The original consolidated financial statements included herein are in the Indonesian language.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/65 Schedule

CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017

(Expressed in US Dollars, unless otherwise stated)

14. ASET MINYAK DAN GAS BUMI (lanjutan)

14. OIL AND GAS PROPERTIES (continued)

Penurunan nilai aset minyak dan gas bumi
(lanjutan)

Impairment of oil and gas properties (continued)

31 Desember 2017/December 31, 2017

	Estimasi jumlah terpulihan/ Estimated recoverable amount (US\$)	Nilai buku/ Book value (US\$)	Kerugian penurunan nilai/ Impairment loss (US\$)	Jumlah saldo goodwill/ Outstanding goodwill amount	Penurunan nilai pada aset/ Impairment loss on asset
Blok Raja Tempirai/ Raja Tempirai Block	-	4.050.144	4.050.144	-	4.050.144
Blok Tuban/ Tuban Block	14.800.267	19.524.741	4.724.474	4.538.436	186.038
Blok Salawati Kepala Burung/ Salawati Kepala Burung Block	5.339.504	11.924.121	6.584.617	-	6.584.617
Blok Simenggaris/ Simenggaris Block	14.313.407	15.235.731	922.324	-	922.324
Blok Tengah/ Tengah Block	2.970.765	7.961.079	4.990.314	-	4.990.314
Blok Kepala Burung/ Kepala Burung Block	-	2.572.293	2.572.293	-	2.572.293
Blok Ambalat/ Ambalat Block	-	7.696.462	7.696.462	2.351.697	5.344.765
Blok A (Natuna Sea)/ (Natuna Sea) A Block	99.337.254	132.828.779	33.491.525	-	33.491.525
Blok West Madura Offshore (WMO)/ West Madura Offshore (WMO) Block	719.351.138	855.487.181	136.136.043	-	136.136.043
Blok Muara Enim I/ Muara Enim I Block	-	4.436.153	4.436.153	-	4.436.153
Blok Tanjung II/ Tanjung II Block	-	11.742.899	11.742.899	-	11.742.899
Blok Muara Enim III/ Muara Enim III Block	-	4.145.136	4.145.136	-	4.145.136
Blok Suban I/ Suban I Block	-	835.509	835.509	-	835.509
Blok Suban II/ Suban II Block	-	2.355.784	2.355.784	-	2.355.784
Blok Air Benakat I/ Air Benakat I Block	-	795.000	795.000	-	795.000
Blok Air Benakat II/ Air Benakat II Block	-	697.000	697.000	-	697.000
Blok Air Benakat III/ Air Benakat III Block	-	3.237.434	3.237.434	-	3.237.434
Blok Sangatta I/ Sangatta I Block	-	3.399.865	3.399.865	-	3.399.865
Blok Sangatta II/ Sangatta II Block	-	1.843.364	1.843.364	-	1.843.364
Blok Tanjung Enim/ Tanjung Enim Block	-	275.000	275.000	-	275.000
Blok Muara Enim/ Muara Enim Block	-	600.000	600.000	-	600.000
Blok Muara Enim II/ Muara Enim II Block	-	400.000	400.000	-	400.000
Blok Babar Selaru/ Babar Selaru Block	-	5.761.639	5.761.639	-	5.761.639
Jumlah/ Total	856.112.335	1.097.805.314	241.692.979	6.890.133	234.802.846

31 Desember 2016/December 31, 2016

	Estimasi jumlah terpulihan/ Estimated recoverable amount (US\$)	Nilai buku/ Book value (US\$)	Kerugian penurunan nilai/ Impairment loss (US\$)	Jumlah saldo goodwill/ Outstanding goodwill amount	Penurunan nilai pada aset/ Impairment loss on asset
Blok Natuna A/ Natuna A Block	151.422.658	186.782.890	35.360.232	-	35.360.232
Blok OSES/ OSES Block	32.423.958	36.361.789	3.937.831	-	3.937.831
Blok Kakap/ Kakap Block	9.806.759	10.870.258	1.063.499	-	1.063.499
Blok Salawati Basin/ Salawati Basin Block	1.884.937	9.563.708	7.678.771	-	7.678.771
Blok Makassar Strait/ Makassar Strait Block	-	6.396.792	6.396.792	-	6.396.792
Jumlah/ Total	195.538.312	249.975.437	54.437.125	-	54.437.125

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/66 Schedule

CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017

(Expressed in US Dollars, unless otherwise stated)

14. ASET MINYAK DAN GAS BUMI (lanjutan)

Penurunan nilai aset minyak dan gas bumi
(lanjutan)

Berdasarkan pengujian penurunan nilai di tahun 2017, Perusahaan mengakui kerugian akibat penurunan nilai aset minyak dan gas bumi untuk 23 blok tersebut di atas sebesar US\$234.802.847 (2016: 5 blok sebesar US\$54.437.125).

Jumlah terpulihkan dari Blok minyak dan gas bumi menggunakan dasar perhitungan nilai wajar dikurangi biaya untuk menjual atau nilai pakai, mana yang memberikan nilai lebih tinggi.

Perusahaan menggunakan pendekatan pendapatan (*income approach*) yang diprediksi berdasarkan nilai arus kas masa depan yang akan dihasilkan oleh usaha kedepannya.

Metode *discounted cash flow* ("DCF") yang digunakan melibatkan proyeksi arus kas dan perubahan nilai arus kas menjadi nilai sekarang ("*Present Value*") melalui diskonto.

Asumsi harga minyak dan gas bumi serta tingkat diskonto yang digunakan adalah sebagai berikut:

14. OIL AND GAS PROPERTIES (continued)

Impairment of oil and gas properties (continued)

Based on the impairment testing in 2017, the Company has recognised impairment of oil and gas properties for 23 blocks above amounting US\$234,802,847 (2016: 5 Blocks totally of US\$54,437,125).

The estimated recoverable amounts of these oil and gas Blocks are based on the fair value less cost to sell calculations or value in use, whichever value is higher.

The Company used an income approach which is predicted based upon the value of the future cash flows that a business will generate going forward.

The discounted cash flow ("DCF") method used involved projecting cash flows and converting them into a present value equivalent through discounting.

The assumptions of oil and gas prices and the discount rate used are as follows:

Asumsi 2017/2017 Assumptions						
Proyeksi ICP/ICP Projection						
	2018	2019	2020	2021	2022	
Harga minyak/barel	US\$53,8	US\$58,3	US\$59,5	US\$59,5	US\$60,8	Oil price/barrel
Selanjutnya bertambah US\$1,4 - US\$1,8 per tahun/ Subsequently increases by US\$1.4 - US\$1.8 per annum						
Harga gas bumi	Sesuai kontrak penjualan gas/Based on the gas sales agreements					Natural gas price
Tingkat diskonto	7.86% p.a.					Discount rate
Asumsi 2016/2016 Assumptions						
Proyeksi ICP/ICP Projection						
	2017	2018	2019	2020	2021	
Harga minyak/barel	US\$51,8	US\$57,0	US\$59,0	US\$62,2	US\$63,6	Oil price/barrel
Selanjutnya bertambah US\$1,5 - US\$2,0 per tahun/ Subsequently increases by US\$1.5 - US\$2.0 per annum						
Harga gas bumi	Sesuai kontrak penjualan gas/Based on the gas sales agreements					Natural gas price
Tingkat diskonto	8.58% p.a.					Discount rate

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/67 Schedule

CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017

(Expressed in US Dollars, unless otherwise stated)

15. GOODWILL

	<u>2017</u>
Harga perolehan	113.470.830
Akumulasi amortisasi	(26.754.664)
Penurunan nilai goodwill	<u>(32.964.491)</u>
Jumlah goodwill - neto	<u>53.751.675</u>

Saldo goodwill berasal dari akuisisi Perusahaan atas PT PHE Tuban (dahulu "PT Medco E&P Tuban") pada tahun 2008, ONWJ Ltd. (dahulu "BP West Java Ltd.") pada tahun 2009 dan PT PHE Oil and Gas dan akuisisi lainnya di tahun 2013.

Ringkasan alokasi goodwill adalah sebagai berikut:

	<u>2017</u>
PT PHE ONWJ	53.337.025
PT PHE Tuban	-
Lain-lain	<u>414.650</u>
Jumlah	<u>53.751.675</u>

Berdasarkan pengujian penurunan nilai di tahun 2017, Perusahaan mengakui kerugian akibat penurunan nilai goodwill untuk 2 blok sebesar US\$6.890.123 (2016: US\$nil).

Manajemen berkeyakinan bahwa jumlah penurunan nilai goodwill telah mencukupi.

15. GOODWILL

	<u>2016</u>	
	113.470.830	<i>Acquisition cost</i>
	(26.754.664)	<i>Accumulated amortisation</i>
	<u>(26.074.358)</u>	<i>Impairment of goodwill</i>
Total goodwill - net	<u>60.641.808</u>	

The balance of goodwill arose from the Company's acquisitions of PT PHE Tuban (formerly "PT Medco E&P Tuban") in 2008, ONWJ Ltd. (formerly "BP West Java Ltd.") in 2009 and PT PHE Oil and Gas and other acquisitions in 2013.

A summary of the goodwill allocation is presented below:

	<u>2016</u>	
	53.337.025	<i>PT PHE ONWJ</i>
	4.538.436	<i>PT PHE Tuban</i>
	<u>2.766.347</u>	<i>Others</i>
Total	<u>60.641.808</u>	

Based on the impairment testing in 2017, the Company has recognised impairment of goodwill for 2 blocks amounting US\$6,890,123 (2016: US\$nil).

Management believes that the impairment recognised for goodwill is adequate.

16. UTANG USAHA

	<u>2017</u>
Utang usaha - pihak berelasi (lihat Catatan 31e)	<u>583.320.844</u>
Utang usaha - pihak ketiga:	
Petrochina International East Java Ltd.	31.413.350
Petrochina International Kepala Burung Ltd.	9.372.253
PT Timas Suplindo	8.418.870
Medco E&P Tomori Sulawesi	4.267.890
PT Rekayasa Industri	3.880.000
PT Energi Mega Persada	3.100.756
Talisman (Jambi Merang) Ltd.	2.726.381
PT Sudjaca Palembang	1.516.355
Lain-lain	<u>5.502.512</u>
Jumlah	<u>70.198.367</u>

16. TRADE PAYABLES

	<u>2016</u>	
Trade payables - related parties (refer to Note 31e)	<u>350.297.974</u>	
Trade payable - third parties:		
	16.559.017	<i>Petrochina International East Java Ltd.</i>
	2.701.274	<i>Petrochina International Kepala Burung Ltd.</i>
	35.102.761	<i>PT Timas Suplindo</i>
	10.440.631	<i>Medco E&P Tomori Sulawesi</i>
	1.455.971	<i>PT Rekayasa Industri</i>
	1.455.971	<i>PT Energi Mega Persada</i>
	1.096.403	<i>Talisman (Jambi Merang) Ltd.</i>
	1.075.784	<i>PT Sudjaca Palembang</i>
	<u>44.516.965</u>	<i>Others</i>
Total	<u>114.404.777</u>	

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/68 Schedule

CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017

(Expressed in US Dollars, unless otherwise stated)

17. UTANG PEMERINTAH

17. DUE TO THE GOVERNMENT

	<u>2017</u>	<u>2016</u>	
Utang Pemerintah	<u>59.678.373</u>	<u>59.347.267</u>	Due to the Government
Utang kepada Pemerintah sebesar US\$59.678.373 terdiri dari liabilitas <i>overlifting</i> dan Penerimaan Negara Bukan Pajak ("PNBP") yang merupakan liabilitas Entitas Anak kepada SKK Migas karena <i>lifting</i> minyak mentah dan gas bumi Entitas Anak melebihi <i>entitlement</i> -nya.			<i>Amounts due to the Government of US\$59,678,373, consists of overlifting liabilities and Non-tax State Revenue ("PNBP") representing the Subsidiaries' payables to SKK Migas as a result of the Subsidiaries' crude oil and natural gas liftings being higher than their entitlements.</i>

18. UTANG LAIN-LAIN

18. OTHER PAYABLES

	<u>2017</u>	<u>2016</u>	
Utang lain-lain - pihak berelasi (lihat Catatan 31f)	<u>2.840.655</u>	<u>5.964.122</u>	Other payables - related parties (refer to Note 31f)
Utang lain-lain - pihak ketiga: Utang yang berasal dari operasi minyak dan gas bumi Entitas Anak	249.064.759	147.077.244	Other payable - third parties: <i>Payables involving Subsidiaries' oil and gas operations</i>
Utang kepada operator - kekurangan <i>cash calls</i>	<u>53.718.059</u>	<u>5.803.882</u>	<i>Due to operators - under cash calls</i>
Jumlah	<u>302.782.818</u>	<u>152.881.126</u>	Total

19. BEBAN YANG MASIH HARUS DIBAYAR

19. ACCRUED EXPENSES

	<u>2017</u>	<u>2016</u>	
Beban yang masih harus dibayar yang berasal dari operasi minyak dan gas bumi Entitas Anak	210.176.990	154.631.952	<i>Accrued expenses involving Subsidiaries' oil and gas operations</i>
Insentif karyawan	<u>61.929.956</u>	<u>19.791.013</u>	<i>Employee incentives</i>
Jumlah	<u>272.106.946</u>	<u>174.422.965</u>	Total

20. PENDAPATAN TANGGUHAN

20. DEFERRED REVENUE

	<u>2017</u>	<u>2016</u>	
Pendapatan tangguhan atas <i>gas take or pay</i>			<i>Deferred revenue involving gas take or pay</i>
- KBH Blok Jambi Merang	17.239.851	7.762.960	<i>Jambi Merang Block PSC -</i>
- KBH Blok Corridor	2.766.696	72.353	<i>Corridor Block PSC -</i>
- KBH Blok OSES	690.881	1.961.497	<i>OSES Block PSC -</i>
- KBH Blok Makassar Strait	147.509	2.083.908	<i>Block Makassar Strait PSC -</i>
- KBH Blok Tengah K	-	5.602.019	<i>Tengah K Block PSC -</i>
- Lain-lain	<u>341.326</u>	<u>286.011</u>	<i>Others -</i>
Jumlah	<u>21.186.263</u>	<u>17.768.748</u>	Total

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/69 Schedule

CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017

(Expressed in US Dollars, unless otherwise stated)

21. LIABILITAS IMBALAN KERJA KARYAWAN

a. Provisi imbalan kerja karyawan

Taksiran imbalan kerja Perusahaan dan sebagian besar Entitas Anak per 31 Desember 2017 dan 2016 dihitung berdasarkan laporan penilaian dari aktuaris independen, PT Dayamandiri Dharmakonsilindo.

21. EMPLOYEE BENEFITS LIABILITIES

a. Provision for employee benefits

The estimated employee benefits obligations of the Company and most of its subsidiaries as of December 31, 2017 and 2016 were determined based on the valuation reports of an independent actuary, PT Dayamandiri Dharmakonsilindo.

	<u>2017</u>	<u>2016</u>	
<u>Perusahaan</u>			<u>The Company</u>
Pensiun dan imbalan pascakerja lainnya			Pension and other post employment benefits
- PAP*	13.213.052	7.228.142	PAP* -
- MPPK**	2.427.747	824.431	MPPK** -
- Cuti	411.209	403.145	Leave -
- Biaya pemulangan	210.858	61.265	Repatriation cost -
Jumlah - Perusahaan	<u>16.262.866</u>	<u>8.516.983</u>	Total - the Company
<u>Entitas Anak</u>			<u>Subsidiaries</u>
Pensiun dan imbalan pascakerja lainnya	38.235.055	30.619.425	Pension and other post employment benefits
Jumlah - Entitas Anak	<u>38.235.055</u>	<u>30.619.425</u>	Total - Subsidiaries
Jumlah	<u>54.497.921</u>	<u>39.136.408</u>	Total

* Penghargaan Atas Pengabdian/Appreciation for Loyalty
** Masa Persiapan Purna Karya/Pension Preparation Period

Rincian estimasi liabilitas imbalan pascakerja dan imbalan jangka panjang lainnya untuk masing-masing program yang diselenggarakan Perusahaan pada tanggal 31 Desember 2017 dan 2016 sebagai berikut:

The details of estimated post-employment benefit obligations and other long-term employment benefits for each of the programs operated by the Company as of December 31, 2017 dan 2016 were as follows:

<u>31 Desember 2017/December 31, 2017</u>						
	<u>PAP/PAP</u>	<u>Pemulangan/ Repatriasi</u>	<u>Cuti/ Leave</u>	<u>MPPK/ MPPK</u>	<u>Jumlah/ Total</u>	
Nilai kini kewajiban imbalan pasti	16.898.378	210.859	411.209	2.427.747	19.948.193	Present value of the defined benefit obligations
Nilai wajar aset program	(3.685.327)	-	-	-	(3.685.327)	Fair value of plan assets
Jumlah - Perusahaan	<u>13.213.051</u>	<u>210.859</u>	<u>411.209</u>	<u>2.427.747</u>	<u>16.262.866</u>	Total - the Company
<u>31 Desember 2016/December 31, 2016</u>						
	<u>PAP/PAP</u>	<u>Pemulangan/ Repatriasi</u>	<u>Cuti/ Leave</u>	<u>MPPK/ MPPK</u>	<u>Jumlah/ Total</u>	
Nilai kini kewajiban imbalan pasti	8.634.810	61.265	403.145	824.431	9.923.651	Present value of the defined benefit obligations
Nilai wajar aset program	(1.406.669)	-	-	-	(1.406.669)	Fair value of plan assets
Jumlah - Perusahaan	<u>7.228.141</u>	<u>61.265</u>	<u>403.145</u>	<u>824.431</u>	<u>8.516.982</u>	Total - the Company

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/70 Schedule

CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017

(Expressed in US Dollars, unless otherwise stated)

21. LIABILITAS IMBALAN KERJA KARYAWAN 21. EMPLOYEE BENEFITS LIABILITIES (continued)
(lanjutan)

b. Biaya imbalan kerja

Rincian biaya imbalan kerja neto untuk setiap program imbalan pascakerja dan imbalan jangka panjang lainnya yang diselenggarakan Perusahaan untuk tahun yang berakhir pada tanggal-tanggal 31 Desember 2017 dan 2016 sebagai berikut:

b. Employee benefits expense

Details of the net employee benefit expense for each of the post-employment benefit programs and other long-term employment benefits provided by the Company for the years ended December 31, 2017 and 2016 were as follows:

2017						
PAP/PAP	Pemulangan/ Repatriasi	Cuti/ Leave	MPPK/ MPPK	Jumlah/ Total		
Biaya jasa kini	6.530.096	105.788	687.349	1.370.463	8.693.696	Current service costs
Biaya jasa lalu yang timbul dari perubahan manfaat	216.939	23.450	(633.034)	-	(392.645)	Past service cost due to changes in benefit
Bunga neto atas (aset)/liabilitas imbalan pasti neto	526.359	5.324	25.378	72.003	629.064	Net interest on net defined benefit (asset)/liabilities
Perhitungan kembali nilai kini liabilitas imbalan pasti	1.528.756	17.377	(36.376)	195.276	1.705.033	Remeasurement of present value of the defined benefit obligations
Total yang diakui dalam laba rugi	8.802.150	151.939	43.317	1.637.742	10.635.148	Total amounts recognized in profit or loss
2016						
PAP/PAP	Pemulangan/ Repatriasi	Cuti/ Leave	MPPK/ MPPK	Jumlah/ Total		
Biaya jasa kini	1.823.850	13.398	219.342	166.941	2.223.531	Current service costs
Bunga neto atas (aset)/liabilitas imbalan pasti neto	521.427	3.846	28.198	46.587	600.058	Net interest on net defined benefit (asset)/liabilities
Perhitungan kembali nilai kini liabilitas imbalan pasti	765.555	2.985	(132.310)	117.958	754.188	Remeasurement of present value of the defined benefit obligations
Total yang diakui dalam laba rugi	3.110.832	20.229	115.230	331.486	3.577.777	Total amounts recognized in profit or loss

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/71 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

21. LIABILITAS IMBALAN KERJA KARYAWAN
(lanjutan)

21. EMPLOYEE BENEFITS LIABILITIES (continued)

c. Asumsi-asumsi aktuarial

Asumsi-asumsi aktuarial signifikan yang diterapkan dalam perhitungan liabilitas imbalan pascakerja untuk Perusahaan sebagai berikut:

c. Actuarial assumptions

Significant actuarial assumptions applied in the calculation of post-employment benefit obligations for the Company as follows:

	<u>2017</u>	<u>2016</u>	
Tingkat diskonto			<i>Discount rate</i>
- Karyawan Perbantuan	5,80%	9,00%	<i>Seconded Employee -</i>
- Karyawan Rekrut Langsung	7,50%	9,30%	<i>Direct Hire Employee -</i>
Tingkat inflasi (jangka panjang)	7,00%	7,00%	<i>Inflation rate (long-term)</i>
Tingkat pengembalian aset program			<i>Return on plan asset</i>
- Karyawan Perbantuan	5,80%	9,00%	<i>Seconded Employee -</i>
- Karyawan Rekrut Langsung	7,50%	9,30%	<i>Direct Hire Employee -</i>
Kenaikan gaji	9,50%	9,50%	<i>Salary increases</i>
Faktor demografis			<i>Demographic factors:</i>
- Tingkat kematian Pekerja aktif	Tabel Mortalita Indonesia 3 (2011) ("TMI 3" (2011))	Tabel Mortalita Indonesia 3 (2011) ("TMI 3" (2011))	<i>Mortality - Active employees</i>
- Tingkat cacat - Pengunduran diri	0,75% x TMI 3 (2011) 1% sampai usia 20 dan menurun secara linear sebesar 0,028% per tahun sampai usia 55/ 1% at age 20 and linearly decreasing by 0,028% per year until 55 years of age	0,75% x TMI 3 (2011) 1% sampai usia 20 dan menurun secara linear sebesar 0,028% per tahun sampai usia 55/ 1% at age 20 and linearly decreasing by 0,028% per year until 55 years of age	<i>Disability - Resignation -</i>
- Pensiun	100% di usia 56/ 100% at age 56	100% di usia 56/ 100% at age 56	<i>Pension -</i>
Usia pensiun normal	56 tahun/years	56 tahun/years	<i>Normal retirement age</i>

Analisis sensitivitas kualitatif untuk asumsi-asumsi yang signifikan pada tanggal 31 Desember 2017 sebagai berikut:

The qualitative sensitivity analysis for significant assumptions as of December 31, 2017 as follows:

	<u>Kenaikan tingkat diskonto/ Increase in discount rate by 1%</u>	<u>Penurunan tingkat diskonto/ Decrease in discount rate by 1%</u>	
Dampak terhadap liabilitas imbalan pasti	(2.161.058)	2.570.390	<i>Effect on defined benefit obligation</i>
	<u>Kenaikan tingkat upah/ Increase in salary rate by 1%</u>	<u>Penurunan tingkat upah/ Decrease in salary rate by 1%</u>	
Dampak terhadap liabilitas imbalan pasti	2.538.236	(2.169.542)	<i>Effect on defined benefit obligation</i>

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/72 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

22. PROVISI UNTUK BIAYA RESTORASI DAN REKLAMASI LINGKUNGAN HIDUP

Entitas Anak mengakui provisi atas kewajiban penutupan dan restorasi area, pembongkaran, penutupan dan penanganan pasca operasi ("ARO") sehubungan dengan aset minyak dan gas bumi.

ARO merupakan nilai kini atas biaya restorasi dan reklamasi lingkungan hidup yang diperkirakan terjadi selama periode KBH. Penyisihan ini telah dihitung oleh manajemen. Manajemen berkeyakinan, berdasarkan kondisi ekonomi saat ini, bahwa asumsi-asumsi yang digunakan untuk menghitung liabilitas masa yang akan datang adalah wajar. Estimasi tersebut dikaji ulang secara rutin dan disesuaikan apabila ada perubahan asumsi yang material. Namun demikian, biaya restorasi aktual sangat bergantung pada harga pasar di masa depan untuk pekerjaan pembongkaran yang mencerminkan keadaan pasar pada masa terkait. Selain itu, estimasi waktu pembebanan ARO juga tergantung pada kapan lapangan tersebut berhenti berproduksi secara ekonomis.

Mutasi untuk provisi biaya restorasi dan reklamasi lingkungan hidup adalah sebagai berikut:

	<u>2017</u>
Saldo awal tahun	578.100.285
Penambahan dan revisi atas estimasi selama tahun berjalan	94.283.534
Biaya akresi	<u>24.540.703</u>
Saldo akhir tahun	<u>696.924.522</u>

23. MODAL SAHAM

Pada tanggal 31 Desember 2017 dan 2016, jumlah modal Perusahaan yang telah ditempatkan dan disetor adalah sebagai berikut:

<u>Pemegang saham</u>	<u>Jumlah saham ditempatkan dan disetor penuh/ Number of issued and paid-up shares</u>	<u>Persentase kepemilikan/ Percentage of ownership</u>	<u>Modal ditempatkan dan disetor/ Issued and paid- up share capital</u>	<u>Shareholders</u>
PT Pertamina (Persero)	197.440.000	98,72%	52.889.975	PT Pertamina (Persero)
PT Pertamina Dana Ventura	<u>2.560.000</u>	<u>1,28%</u>	<u>685.770</u>	PT Pertamina Dana Ventura
Jumlah	<u>200.000.000</u>	<u>100,00%</u>	<u>53.575.745</u>	Total

22. PROVISION FOR ENVIRONMENTAL RESTORATION AND RECLAMATION COSTS

The Subsidiaries recognise a provision for abandonment and site restoration, dismantling, closure and post operations obligations ("ARO") associated with facilities involving oil and gas properties.

ARO represents the present value of environmental restoration and reclamation costs which are expected to be incurred during the terms of the PSCs. These provisions have been calculated by management. Assumptions, based on the current economic environment, have been made which management believes are a reasonable basis upon which to estimate the future liability. These estimations are reviewed regularly to take into account any material changes in the assumptions. However, actual restoration costs will ultimately depend upon future market prices for decommissioning work required which will reflect market conditions at the relevant time. Furthermore, the timing of ARO expenditures is also dependent on when the fields cease to produce at economically viable rates.

The movements in the provision for environmental restoration and reclamation costs are as follows:

	<u>2017</u>	<u>2016</u>	
Saldo awal tahun	578.100.285	523.926.617	Balance at beginning of year
Penambahan dan revisi atas estimasi selama tahun berjalan	94.283.534	40.066.150	Additions and revisions of estimates during the year
Biaya akresi	<u>24.540.703</u>	<u>14.107.518</u>	Accretion expense
Saldo akhir tahun	<u>696.924.522</u>	<u>578.100.285</u>	Balance at end of year

23. SHARE CAPITAL

As at December 31, 2017 and 2016, the Company's issued and paid-up share capital position is as follows:

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/73 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

24. DIVIDEN

Berdasarkan hasil Rapat Umum Pemegang Saham Tahunan, Perusahaan mengumumkan pembagian dividen tahun 2017 dan 2016 sebagai berikut:

24. DIVIDENDS

Based on results of the Annual General Meetings of Shareholders, the Company declared dividends in 2017 and 2016 as follows:

<u>Tanggal/ Date</u>	<u>Laba neto untuk tahun yang berakhir/ Net income for the years ended</u>	<u>Dividen yang dibagikan/ Dividends declared</u>
14 April/April 14, 2016	31 Desember/December 31, 2015	-
1 Maret/March 1, 2017	31 Desember/December 31, 2016	114.156.115

Berdasarkan hasil Rapat Umum Pemegang Saham Tahunan tanggal 1 Maret 2017, ditetapkan pembagian dividen atas laba neto untuk tahun 2016, kepada pemegang saham sebesar US\$114.156.115.

Based on the results of the Annual General Meeting of Shareholders dated March 1, 2017, it is decided that dividends be distributed from 2016 net income to shareholders in the amount of US\$114,156,115.

Semua dividen kepada Pertamina telah diselesaikan pada tahun 2017 melalui *cash settlement* sebesar US\$14.326.565 (2016: US\$125.035.438) dan *offsetting* dengan piutang pihak berelasi Pertamina sebesar US\$99.829.550 (2016: US\$250.892.819).

Dividends due to Pertamina were settled in 2017 by way of cash settlement of US\$14,326,565 (2016: US\$125,035,438) and by way of offsetting against related party receivables due from Pertamina in the amount of US\$99,829,550 (2016: US\$250,892,819).

25. SALDO LABA DICADANGKAN

Amandemen Undang-Undang Perseroan Terbatas Republik Indonesia No. 40/2007 yang diterbitkan pada bulan Agustus 2007 mengharuskan pembentukan cadangan wajib dari laba ditahan sejumlah minimal 20% dari jumlah modal yang ditempatkan dan disetor.

25. APPROPRIATED RETAINED EARNINGS

An amendment to the Limited Liability Company Law of the Republic of Indonesia No. 40/2007, issued in August 2007 requires the establishment of a statutory reserve for retained earnings amounting to at least 20% of a company's issued and paid up capital.

Jumlah cadangan umum dan investasi per tanggal 31 Desember 2017 adalah US\$1.385.713.821 (2016: US\$1.425.163.410).

The total general and investment reserves as at December 31, 2017 amounted to US\$1,385,713,821 (2016: US\$1,425,163,410).

26. PENDAPATAN USAHA

Pihak berelasi (lihat Catatan 31h)
Pendapatan minyak mentah
Pendapatan gas

Jumlah pendapatan usaha - pihak berelasi

Pihak ketiga dan Pemerintah
Pendapatan gas
DMO fees - minyak mentah
Pendapatan minyak mentah

Jumlah pendapatan usaha - pihak ketiga dan Pemerintah

Jumlah

<u>2017</u>	<u>2016</u>
789.079.672	502.915.850
811.529.981	762.150.323
<u>1.600.609.653</u>	<u>1.265.066.173</u>
282.100.142	116.784.920
41.668.268	45.214.493
74.705.821	106.066.087
<u>398.474.231</u>	<u>268.065.500</u>
<u>1.999.083.884</u>	<u>1.533.131.673</u>

Related parties (refer to Note 31h)
Crude oil revenues
Natural gas revenues

Total revenues - related parties

Third parties and Government
Natural gas revenues
DMO fees - crude oil
Crude oil revenues

Total revenues - third parties and Government

Total

The original consolidated financial statements included herein
are in the Indonesian language.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/74 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

27. BEBAN EKSPLORASI

27. EXPLORATION EXPENSES

	<u>2017</u>	<u>2016</u>	
Administrasi dan eksplorasi	39.638.479	19.432.698	<i>Administration and exploration</i>
Geologi dan geofisika	4.535.589	4.052.406	<i>Geological and geophysical</i>
Lain-lain	<u>23.934</u>	<u>128.436</u>	<i>Others</i>
Jumlah	<u>44.198.002</u>	<u>23.613.540</u>	Total

28. BEBAN PRODUKSI

28. PRODUCTION EXPENSES

	<u>2017</u>	<u>2016</u>	
Pemeliharaan sumur dan <i>workover</i>	311.540.933	269.092.633	<i>Well service and workover</i>
Perbaikan dan pemeliharaan	183.943.731	172.910.960	<i>Repair and maintenance</i>
<i>Overhead</i> dan sewa	156.377.414	121.179.070	<i>Overhead and rental</i>
Lain-lain	<u>51.945.745</u>	<u>27.034.395</u>	<i>Others</i>
Jumlah	<u>703.807.823</u>	<u>590.217.058</u>	Total

29. BEBAN UMUM DAN ADMINISTRASI

29. GENERAL AND ADMINISTRATION EXPENSES

	<u>2017</u>	<u>2016</u>	
Gaji dan tunjangan pekerja	97.313.452	26.817.172	<i>Employee salaries and benefit</i>
Pajak final dan denda	4.711.975	1.376.944	<i>Final tax and penalty</i>
Kantor	2.890.459	1.061.212	<i>Office</i>
Sewa	2.778.459	1.648.215	<i>Rental</i>
Jasa konsultan dan profesional	1.492.209	3.672.277	<i>Consultant and professional fees</i>
Perjalanan dinas	975.089	411.657	<i>Travel</i>
Pemeliharaan	49.542	291.977	<i>Maintenance</i>
Lain-lain	<u>77.480</u>	<u>473.780</u>	<i>Others</i>
Jumlah	<u>110.288.665</u>	<u>35.753.234</u>	Total

The original consolidated financial statements included herein are in the Indonesian language.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/75 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**
(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**
(Expressed in US Dollars, unless otherwise stated)

30. PERPAJAKAN

30. TAXATION

a. Piutang pajak

a. Taxes receivable

	<u>2017</u>	<u>2016</u>	
Piutang pajak lainnya			Other taxes receivable
Entitas Anak			Subsidiaries
- PPN yang dapat ditagihkan kembali	26.638.317	40.816.657	Reimbursable VAT -
- Pajak pengalihan atas SKPKB	29.951.467	59.902.933	Transfer tax -
- <i>Withholding taxes</i> dan PPN atas SKPKB	4.343.387	4.645.025	due to tax assessments
- Pajak Bumi dan Bangunan	<u>150.279</u>	<u>270.299</u>	Withholding taxes and VAT - due to tax assessments
			Land and Buildings Tax -
Jumlah piutang pajak lainnya	61.083.450	105.634.914	Total other taxes receivable
Dikurangi: piutang pajak lainnya - bagian tidak lancar	<u>(51.817.758)</u>	<u>(82.190.882)</u>	Less: other taxes receivable non-current portion -
Jumlah piutang pajak lainnya - bagian lancar	<u>9.265.692</u>	<u>23.444.032</u>	Total other taxes receivable - current portion
Piutang pajak penghasilan dan dividen			Corporate and dividend taxes receivable
Entitas Anak			Subsidiaries
- Pajak penghasilan dan dividen	<u>9.283.437</u>	<u>2.542.799</u>	Corporate and dividend taxes -
Jumlah piutang pajak penghasilan dan dividen	9.283.437	2.542.799	Total corporate and dividend taxes receivable
Dikurangi: pajak penghasilan dan dividen - bagian tidak lancar	<u>-</u>	<u>-</u>	Less: corporate and dividend taxes - non-current portion
Jumlah piutang pajak penghasilan dan dividen - bagian lancar	<u>9.283.437</u>	<u>2.542.799</u>	Total corporate and dividend taxes receivable - current portion

The original consolidated financial statements included herein are in the Indonesian language.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/76 Schedule

CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017

(Expressed in US Dollars, unless otherwise stated)

30. PERPAJAKAN (lanjutan)

30. TAXATION (continued)

b. Utang pajak

b. Taxes payable

	<u>2017</u>	<u>2016</u>	
Utang pajak lainnya			Other taxes payable
Perusahaan			The Company
Pasal 21	814.149	191.750	Article 21
Pasal 4(2)	5.994	49.211	Article 4(2)
Pasal 23	160.658	21.731	Article 23
Pasal 15	229	21.977	Article 15
Entitas Anak			Subsidiaries
PPN	12.447.663	5.131.884	VAT
Pasal 21	2.419.580	1.169.311	Article 21
Pasal 23	420.508	438.603	Article 23
Pasal 4(2)	249.855	832.526	Article 4(2)
Pasal 15	67.958	76.949	Article 15
Jumlah utang pajak lainnya	<u>16.586.594</u>	<u>7.933.942</u>	Total other taxes payable

	<u>2017</u>	<u>2016</u>	
Utang pajak penghasilan dan dividen			Corporate and dividend taxes payable
Perusahaan			the Company
Pajak penghasilan	-	-	Corporate taxes
Entitas Anak			Subsidiaries
Pajak penghasilan dan dividen	56.733.273	67.916.841	Corporate and dividend taxes
Jumlah utang pajak penghasilan dan dividen	<u>56.733.273</u>	<u>67.916.841</u>	Total corporate and dividend taxes payable

c. Beban/(manfaat) pajak penghasilan

c. Income tax expense/(benefit)

	<u>2017</u>	<u>2016</u>	
Perusahaan			The Company
Tanggunghan	(27.038.731)	(4.446.757)	Deferred
Sub jumlah	(27.038.731)	(4.446.757)	Subtotal
Entitas Anak			Subsidiaries
Kini	298.589.707	226.489.321	Current
Tanggunghan	(174.805.944)	(155.047.199)	Deferred
Penyesuaian tahun lalu	(2.206.117)	(4.558.525)	Adjustments in respect of prior years
Sub jumlah	121.577.646	66.883.597	Subtotal
Jumlah			Total
Kini	298.589.707	226.489.321	Current
Tanggunghan	(201.844.675)	(159.493.956)	Deferred
Penyesuaian tahun lalu	(2.206.117)	(4.558.525)	Adjustments in respect of prior years
Jumlah beban pajak penghasilan	<u>94.538.915</u>	<u>62.436.840</u>	Total income tax expense

The original consolidated financial statements included herein are in the Indonesian language.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/77 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

30. PERPAJAKAN (lanjutan)

30. TAXATION (continued)

d. Pajak kini

d. Current taxes

Perhitungan pajak penghasilan kini dilakukan berdasarkan estimasi penghasilan kena pajak. Nilai tersebut akan disesuaikan kembali ketika Surat Pemberitahuan Tahunan disampaikan ke Direktorat Jenderal Pajak.

Current income tax computations are based on estimated taxable income. The amounts will be adjusted when Annual Tax Returns are submitted to the Directorate General of Tax.

Rekonsiliasi antara beban pajak penghasilan dengan jumlah teoretis beban pajak penghasilan yang dihitung berdasarkan laba sebelum pajak penghasilan Perusahaan sebagai berikut:

The reconciliation between income tax expense and the theoretical tax amount on the Company's profit before income tax is as follows:

	<u>2017</u>	<u>2016</u>	
Laba konsolidasian sebelum beban pajak penghasilan	345.416.590	253.455.253	Consolidated profit before income tax expense
Ditambah:			Add:
Eliminasi konsolidasian	114.895.580	14.571.133	Consolidation eliminations
Laba sebelum pajak			Profit before income tax
- Entitas Anak	<u>(429.944.623)</u>	<u>(292.137.173)</u>	Subsidiaries -
Laba/(rugi) sebelum pajak penghasilan - Perusahaan	<u>30.367.547</u>	<u>(24.110.787)</u>	Income/(loss) before income tax - the Company
Pajak penghasilan dengan tarif pajak 25%	7.591.887	(6.027.696)	Income tax at the rate of 25%
Ditambah/(dikurangi):			Add/(deduct):
- Pendapatan dividen	(25.218.625)	(7.381)	Dividend income -
- Keuntungan usaha dari Perusahaan Asosiasi	(11.338.602)	(4.563.103)	Income from Associates -
- Pendapatan yang dikenakan pajak final	(1.586.063)	(1.837.868)	Income subject to final tax -
- Lain-lain	<u>3.512.672</u>	<u>7.989.291</u>	Others -
Manfaat pajak penghasilan Perusahaan	(27.038.731)	(4.446.757)	Income tax benefit of the Company
Beban pajak penghasilan			Corporate income tax expense
- Entitas Anak	123.783.763	71.442.122	Subsidiaries -
Penyesuaian tahun lalu	<u>(2.206.117)</u>	<u>(4.558.525)</u>	Adjustments in respect of prior years
Beban pajak penghasilan konsolidasian	<u>94.538.915</u>	<u>62.436.840</u>	Consolidated corporate income tax expense
Laba konsolidasian sebelum beban pajak penghasilan	345.416.597	253.455.253	Consolidated profit before income tax expense
Ditambah:			Add:
Eliminasi konsolidasian	114.895.580	14.571.133	Consolidation eliminations
Laba sebelum pajak			Profit before income tax
- Entitas Anak	<u>(429.944.630)</u>	<u>(292.137.173)</u>	Subsidiaries -
Laba/(rugi) sebelum pajak penghasilan - Perusahaan	<u>30.367.547</u>	<u>(24.110.787)</u>	Profit/loss before income tax - the Company
Pajak penghasilan dengan tarif pajak 25%	7.591.887	(6.027.695)	Income tax at the rate of 25%

The original consolidated financial statements included herein are in the Indonesian language.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/78 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

30. PERPAJAKAN (lanjutan)

30. TAXATION (continued)

d. Pajak kini (lanjutan)

d. Current taxes (continued)

	<u>2017</u>	<u>2016</u>	
Perbedaan tetap:			Permanent differences:
- Pendapatan dividen	(25.218.625)	(7.381)	Dividend income -
- Keuntungan usaha dari Perusahaan Asosiasi	(11.338.602)	(4.563.103)	Gain from Associates -
- Pendapatan yang dikenakan pajak final	(1.586.063)	(1.837.868)	Income subject to final tax -
- Lain-lain	3.512.672	7.989.290	Others -
Perbedaan temporer:			Temporary differences:
Provisi imbalan kerja karyawan	1.182.742	665.633	Provision for employee benefits
Provisi insentif dan bonus kinerja	11.476.513	1.495.602	Provision for incentives and performance bonuses
Selisih nilai wajar atas nilai buku	<u>14.379.476</u>	<u>2.285.522</u>	Excess of fair value over net book value
Beban pajak penghasilan kini - Perusahaan	<u>-</u>	<u>-</u>	Current income tax expense - the Company
Beban pajak penghasilan kini - Entitas Anak	<u>298.589.707</u>	<u>226.489.321</u>	Current income tax expense - Subsidiaries
Beban pajak penghasilan kini konsolidasian	<u>298.589.707</u>	<u>226.489.321</u>	Consolidated current income tax expense
Dikurangi:			Less:
Kurang bayar tahun lalu pajak dibayar di muka	<u>(241.856.434)</u>	<u>(158.572.480)</u>	previous year underpayment prepaid taxes
Kekurangan pembayaran pajak penghasilan badan dan dividen	<u>56.733.273</u>	<u>67.916.841</u>	Under payment of corporate and dividend tax
Laba sebelum pajak penghasilan - konsolidasian	<u>345.416.590</u>	<u>253.455.253</u>	Profit before income tax - consolidation
Pajak penghasilan dihitung dengan tarif pajak efektif	143.520.593	107.541.061	Income tax calculated at the effective tax rates
Keuntungan usaha dari Perusahaan Asosiasi	(18.844.757)	(7.744.499)	Gain from Associates
Pendapatan yang dikenakan pajak final	(975.785)	(491.320)	Income subject to final tax
Penyesuaian lain-lain	<u>(29.161.1396)</u>	<u>(36.868.402)</u>	Other adjustments
Beban pajak penghasilan konsolidasian	<u>94.538.915</u>	<u>62.436.840</u>	Consolidated corporate income tax expense

Rata-rata tarif pajak yang digunakan adalah 41,55% (2016: 42,43%).

The average applicable tax rate was 41.55% (2016: 42.43%).

Dalam laporan keuangan konsolidasian ini, jumlah penghasilan kena pajak didasarkan atas perhitungan menurut standar akuntansi.

In these consolidated financial statements, the amount of taxable income is calculated based on accounting standard.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/79 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

30. PERPAJAKAN (lanjutan)

e. Pajak tangguhan

	<u>2017</u>	<u>2016</u>
Aset pajak tangguhan		
Entitas Anak:		
Aset minyak dan gas bumi	(8.352.808)	(40.417.795)
Provisi untuk biaya restorasi dan pembongkaran	105.709.247	108.101.692
Provisi imbalan kerja karyawan	8.539.524	6.650.914
Provisi penurunan nilai persediaan	3.801.796	4.032.321
Provisi aset pajak tangguhan yang tidak diakui	(1.074.792)	(1.074.792)
Rugi fiskal yang dapat dibawa ke masa depan	-	14.967.314
Pendapatan tangguhan	<u>7.358.003</u>	<u>7.471.520</u>
	<u>115.980.970</u>	<u>99.731.174</u>

	<u>2017</u>	<u>2016</u>
Aset pajak tangguhan pada awal tahun	99.731.174	56.225.809
Penyesuaian atas penyisihan Imbalan kerja karyawan	58.063	-
Dikreditkan pada laporan laba-rugi	<u>16.191.733</u>	<u>43.505.365</u>

Aset pajak tangguhan pada akhir periode - Entitas Anak	<u>115.980.970</u>	<u>99.731.174</u>
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Pemanfaatan aset pajak tangguhan yang diakui Perusahaan dan Entitas Anak tergantung pada kelebihan laba pajak masa yang akan datang atas laba yang timbul dari pemulihan perbedaan temporer kena pajak yang tersedia. Perusahaan melakukan penyisihan penilaian atas aset pajak tangguhan tertentu untuk kompensasi kerugian telah ditetapkan apabila tidak adanya bukti yang cukup mengenai kemungkinan aset pajak tangguhan tersebut dapat dimanfaatkan sebelum kadaluwarsa.

30. TAXATION (continued)

e. Deferred tax

Deferred tax assets
Subsidiaries:
Oil and gas properties
Provision for decommissioning and site restoration
Provision for employee benefits
Provision for decline in value of inventories
Provision for unrecognized deferred tax assets
Carried forward tax losses
Deferred revenue

Deferred tax assets at beginning of the year
Adjustment for provision for employee benefit
Credited to consolidated statements profit or loss

Deferred tax assets at end of the year - Subsidiaries

The utilisation of deferred tax assets recognised by the Company and Subsidiaries is dependent upon future taxable income in excess of income resulting from the reversal of existing taxable temporary differences. The Company do a valuation allowance for certain deferred tax assets has been established if there is insufficient evidence that it is probable that certain tax losses carried forward will be utilised before expiring.

The original consolidated financial statements included herein are in the Indonesian language.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/80 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

30. PERPAJAKAN (lanjutan)

30. TAXATION (continued)

e. Pajak tangguhan (lanjutan)

e. Deferred tax (continued)

	<u>2017</u>	<u>2016</u>	
Aset pajak tangguhan Perusahaan:			Deferred tax assets the Company:
Penyisihan imbalan kerja karyawan	4.065.717	2.496.441	Provision for employee benefits
Perubahan nilai wajar atas investasi tersedia untuk dijual	-	(847.865)	Changes in fair value of available-for-sale investments
Penyisihan insentif dan bonus kinerja	<u>14.723.387</u>	<u>3.246.873</u>	Provision for incentives and performance bonuses
	<u>18.789.104</u>	<u>4.895.449</u>	
	<u>2017</u>	<u>2016</u>	
Aset pajak tangguhan awal tahun	4.895.449	2.542.078	Deferred tax assets at beginning of the year
Dikreditkan pada investasi tersedia untuk dijual	847.865	-	Credited to available-for-sale investments
Dikreditkan pada penghasilan komprehensif lainnya	386.535	-	Credited to other comprehensive income
Dikreditkan pada laporan laba rugi dan penghasilan komprehensif lain konsolidasian	<u>12.659.255</u>	<u>2.353.371</u>	Credited to consolidated statements of profit or loss and other comprehensive income
Aset pajak tangguhan pada akhir tahun - Perusahaan	<u>18.789.104</u>	<u>4.895.449</u>	Deferred tax assets at end of the year - the Company
Aset pajak tangguhan pada akhir tahun pada konsolidasi - Jumlah	<u>134.770.074</u>	<u>104.626.623</u>	Deferred tax assets at end of the year on consolidation - Total
	<u>2017</u>	<u>2016</u>	
Liabilitas pajak tangguhan Entitas Anak:			Deferred tax liabilities Subsidiaries:
Aset minyak dan gas bumi	(415.237.253)	(574.269.896)	Oil and gas properties
Penyisihan untuk biaya pembongkaran dan restorasi	107.813.144	110.517.568	Provision for decommissioning and site restoration
Penyisihan imbalan kerja karyawan	7.283.036	5.777.631	Provision for employee benefits
Penyisihan penurunan nilai persediaan	2.682.091	875.576	Provision for decline in value of inventories
Pendapatan tangguhan	1.301.607	(13.041)	Deferred revenue
Lain-lain	<u>(575.880)</u>	<u>3.018.377</u>	Others
	<u>(296.733.255)</u>	<u>(454.093.785)</u>	
	<u>2017</u>	<u>2016</u>	
Liabilitas pajak tangguhan pada awal tahun	(454.093.785)	(564.378.548)	Deferred tax liabilities at beginning of the year
Penambahan atas Gross up Blok ONWJ	(988.797)	-	Addition for Gross up ONWJ PSC
Penyesuaian atas penyisihan imbalan kerja karyawan	(264.882)	-	Adjustment for provision for employee benefits
Dikreditkan pada laporan laba rugi dan penghasilan komprehensif lain konsolidasian	<u>158.614.209</u>	<u>110.284.763</u>	Credited to consolidated statements of profit or loss and other comprehensive income
Liabilitas pajak tangguhan pada akhir tahun - Entitas Anak	<u>(296.733.255)</u>	<u>(454.093.785)</u>	Deferred tax liabilities at end of the year - Subsidiaries

The original consolidated financial statements included herein are in the Indonesian language.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/81 Schedule

CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017

(Expressed in US Dollars, unless otherwise stated)

30. PERPAJAKAN (lanjutan)

e. Pajak tangguhan (lanjutan)

	<u>2017</u>	<u>2016</u>
Liabilitas pajak tangguhan:		
Transaksi pada konsolidasian:		
Selisih nilai wajar atas nilai buku	(14.113.799)	(30.844.971)
	<u>(14.113.799)</u>	<u>(30.844.971)</u>
	<u>2017</u>	<u>2016</u>
Liabilitas pajak tangguhan pada awal tahun	(30.844.971)	(33.130.493)
Dikreditkan pada goodwill	2.351.696	-
Dikreditkan pada laporan laba rugi dan penghasilan komprehensif lain konsolidasian	14.379.476	2.285.522
	<u>(14.113.799)</u>	<u>(30.844.971)</u>
Liabilitas pajak tangguhan pada akhir tahun - Perusahaan	<u>(14.113.799)</u>	<u>(30.844.971)</u>
Liabilitas pajak tangguhan pada akhir tahun konsolidasi - Jumlah	<u>(310.847.054)</u>	<u>(484.938.756)</u>

Deferred tax liabilities:
Transactions on consolidation:
Excess of fair value over net book value

Deferred tax liabilities at beginning of the year
Credited to goodwill
Credited to consolidated statements of profit or loss and other comprehensive income

Deferred tax liabilities at end of the year - the Company
Deferred tax liabilities at end of the year - on consolidation - Total

f. Administrasi

Perusahaan dan Entitas Anak menghitung dan membayar sendiri jumlah pajak yang terutang. Berdasarkan perubahan terakhir Undang-Undang Pajak Penghasilan yang mulai berlaku efektif sejak tanggal 1 Januari 2008, Direktorat Jenderal Pajak dapat menetapkan dan mengubah liabilitas pajak dalam batas waktu 5 (lima) tahun sejak tanggal terutangnya pajak.

f. Administration

The Company and Subsidiaries calculate and pay their tax obligations separately. Based on the most recent amendments of the Income Tax Law effective on January 1, 2008, the Directorate General of Tax may decide and amend tax liabilities within a period of 5 (five) years from the date taxes payable become due.

g. Lain-lain

i. PHE ONWJ Ltd.

Nomor dan tanggal penerbitan surat ketetapan/ Number and issue date of assessment letter	Tahun pajak/ Fiscal year	Jenis pajak/ Type of taxes
0003/204/01/091/11-0003/204/09/091/11 28 Oktober/October 2011	2001 - 2009	Pajak atas bunga, dividen dan royalti/ Tax on Interest, dividends and royalties
0004/204/10/081/14 2 Juli/July 2014	2010	Pajak atas bunga, dividen dan royalti/ Tax on Interest, dividends and royalties

Kurang/lebih bayar atau rugi fiskal/
Underpayment/Overpayment or fiscal loss

Menurut Direktorat Jendral Pajak/According to Indonesian Tax Office	Menurut Perusahaan/ According to the Company	Status pada tanggal laporan keuangan/ Status as of the date of financial statements
Kurang bayar sebesar/ Underpayment of US\$66.172.798	Nihil/Nil	Dalam proses review peninjauan kembali/ In judicial review process
Kurang bayar sebesar/ Underpayment of US\$7.584.447	Nihil/Nil	Dalam proses banding/ In appeal process

g. Others

i. PHE ONWJ Ltd.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/82 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

30. PERPAJAKAN (lanjutan)

g. Lain-lain (lanjutan)

i. PHE ONWJ Ltd. (lanjutan)

BP West Java (sekarang PHE ONWJ Ltd.) sebagai perusahaan yang berdomisili di negara Inggris dikenakan pajak atas Bunga Dividen dan Royalti ("PBDR") sebesar 10% atas pendapatan setelah pajak sesuai dengan ketentuan yang diatur di dalam Tax Treaty antara Pemerintah Indonesia dan Inggris. Menurut laporan audit Pemerintah tahun 2001-2010, kewajiban pembayaran PBDR yang dilakukan oleh BP West Java seharusnya tarif sebesar 20% atas pendapatan setelah pajak yang berdasarkan kepada ketentuan Undang-Undang Perpajakan Indonesia sehingga tarif tax treaty antara pemerintah Indonesia dan Inggris tidak berlaku.

PHE ONWJ Ltd. pada tahun 2011 telah menerima Surat Ketetapan Pajak Kurang Bayar ("SKPKB") untuk tahun pajak 2001 sampai dengan 2009 sebesar US\$66.172.800 karena perbedaan tarif pajak 10% untuk tujuan perhitungan PBDR.

Pada tanggal 26 Januari 2012, Perusahaan sudah membayar seluruh SKPKB tersebut. Pada tanggal 27 Januari 2012, Perusahaan mengajukan surat keberatan atas SKPKB tersebut ke kantor pajak.

Pada bulan Januari 2013, Perusahaan menerima hasil keputusan penolakan banding dari kantor pajak untuk seluruh SKPKB tersebut. Surat banding telah diajukan oleh Perusahaan di bulan Februari sampai April 2013 ke pengadilan pajak.

Pada bulan Juli 2014, PHE ONWJ Ltd. menerima SKPKB atas PBDR untuk tahun pajak 2010 sebesar US\$7.584.448 yang sudah dibayar penuh pada tanggal 24 Juli 2014.

Pada tanggal 10 September 2014, PHE ONWJ Ltd. mengajukan surat keberatan atas SKPKB tersebut ke kantor pajak.

30. TAXATION (continued)

g. Others (continued)

i. PHE ONWJ Ltd. (continued)

BP West Java (now PHE ONWJ Ltd.) as a company domiciled in the United Kingdom ("UK"), applied a 10% rate of tax on Interest, Dividends and Royalties ("PBDR") on income after income tax in accordance with the provisions stipulated in the Tax Treaty between the Government of Indonesia and the UK. Based on the Government audit reports for 2001-2010, PBDR payments undertaken by BP West Java should have been made at the rate of 20% of income after income tax based on the provisions of Indonesian Tax Law and that the tax treaty between Indonesian and the UK Government is not applicable in this circumstance.

PHE ONWJ Ltd has received Tax Underpayment Assessment Letters ("SKPKB") in 2011 amounting to US\$66,172,800 for the 10% difference in the tax rate applied for PBDR purposes for fiscal years 2001 to 2009.

On January 26, 2012, the Company paid the total assessed amounts. On January 27, 2012, the Company filed objection letters against these SKPKB to the tax office.

In January 2013, the Company received decisions from the tax office rejecting its appeals for all the SKPKB. Appeal letters were submitted by the Company in February through April 2013 against such decisions to the tax court.

In July 2014, PHE ONWJ Ltd. received a tax assesment relating to PBDR in the amount of US\$7,584,448 for the fiscal year 2010, which amount was paid on July 24, 2014.

On September 10, 2014, PHE ONWJ Ltd. filed an objection against the SKPKB for fiscal year 2010 to the tax office.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/83 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

30. PERPAJAKAN (lanjutan)

g. Lain-lain (lanjutan)

i. PHE ONWJ Ltd. (lanjutan)

Pada bulan September 2015, PHE ONWJ Ltd. menerima hasil keputusan penolakan keberatan dari kantor pajak untuk SKPKB atas PBDR untuk tahun 2010. Surat banding atas keputusan tersebut telah diajukan oleh PHE ONWJ Ltd. ke pengadilan pajak di bulan Desember 2015.

Pada tanggal 2 Desember 2016 PHE ONWJ Ltd. telah mendapatkan surat asli Putusan Banding dari Pengadilan Pajak yang menyatakan menolak permohonan Banding untuk tahun 2001 sampai dengan 2009.

Manajemen memutuskan untuk membukukan tambahan provisi 50% PBDR yang telah dibayar penuh sebesar US\$36.917.755 (2016: US\$36.917.755) pada laporan keuangan 2017 dan telah mengajukan Peninjauan Kembali ke Mahkamah Agung melalui Pengadilan Pajak tanggal 28 Februari 2017.

ii. KBH WMO

30. TAXATION (continued)

g. Others (continued)

i. PHE ONWJ Ltd. (continued)

In September 2015, PHE ONWJ Ltd. received a decision from the tax office rejecting its objection against the SKPKB related to PBDR for the fiscal year 2010. An appeal letter against such decision was submitted by PHE ONWJ Ltd. to the tax court in December 2015.

On December 2, 2016 PHE ONWJ Ltd. has received the original Appeal Decision of the Tax Court of Appeal, rejected the request stating for 2001 to 2009.

Management decided to record an additional provision of 50% of the prepaid PBDR (2016: US\$36,917,755 under appeal of US\$36,917,755) at consolidated financial statements 2017 and filed a judicial review to the Supreme Court through the Tax Court on February 28, 2017.

ii. PSC WMO

Nomor objek pajak/ Tax Object Number	Tahun pajak/ Fiscal year	Jenis pajak/ Type of taxes	Kurang/lebih bayar atau rugi fiskal/Underpayment/overpayment or fiscal loss		Status pada tanggal laporan keuangan/ Status as of the date of financial statements
			Menurut Direktorat Jendral Pajak/According to Indonesian Tax Office	Menurut Perusahaan/ According to the Company	
31.71.000.000.044.4212.3 23 Mei/May 2015	2014	PBB Lepas pantai dan tubuh bumi/ Offshore and subsurface tax	Pajak terhutang/ Tax payable US\$23.627.167	Pajak terhutang/ Tax payable US\$ 6.894.487	Dalam proses banding/In appeal process
31.71.000.000.044.4212.3 5 Mei/May 2015	2015	PBB Lepas pantai dan tubuh bumi/ Offshore and subsurface tax	Pajak terhutang/ Tax payable US\$ 31.719.420	Pajak terhutang/ Tax payable US\$ 8.003.185	Ditolak/Rejected
00.00.000.081.420.0076.3 25 April/April 2015	2016	PBB Lepas pantai dan tubuh bumi/ Offshore and subsurface tax	Pajak terhutang/ Tax payable US\$15.651.376	Pajak terhutang/ Tax payable US\$1.690.960	Dalam proses banding/In appeal process
00.00.000.081.420.0076.3 28 April/April 2017	2017	PBB Lepas pantai dan tubuh bumi/ Offshore and subsurface tax	Pajak terhutang/ Tax payable US\$11.092.390	Pajak terhutang/ Tax payable US\$1.427.251	Dalam proses keberatan/In objection process

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/84 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

30. PERPAJAKAN (lanjutan)

g. Lain-lain (lanjutan)

ii. KBH WMO (lanjutan)

Sesuai dengan implementasi dari Peraturan Pemerintah No. 79 tahun 2010, KBH WMO diwajibkan untuk membayar Pajak Bumi dan Bangunan ("PBB") tahun 2017 dengan jumlah Rp.150.279.709.771 (US\$11.092.390), tahun 2016 dengan jumlah Rp212.044.849.592 (setara dengan US\$15.651.376), tahun 2015 dengan jumlah Rp429.734.704.393 (setara dengan US\$31.719.420), tahun 2014 dengan jumlah Rp320.100.866.837 (setara dengan US\$23.627.167) dan tahun 2013 dengan jumlah Rp287.615.553.120 (setara dengan US\$21.229.373).

Berdasarkan Surat Pemberitahuan Pajak Tahunan "SPPT" PBB yang telah diterbitkan oleh Direktorat Jendral Pajak, PHE WMO telah melakukan pembayaran atas SPPT PBB tersebut dan mengajukan keberatan untuk seluruh SPPT PBB ke kantor pajak.

Pada bulan Agustus 2014, PHE WMO menerima surat penolakan keberatan atas SPPT PBB tahun 2013 dari kantor pajak. Surat Banding kemudian diajukan oleh PHE WMO ke pengadilan pajak di bulan September 2014. Permohonan banding tersebut telah ditolak oleh Pengadilan Pajak pada tanggal 26 Agustus 2015.

Pada tanggal 6 September 2016, PHE WMO menerima surat penolakan keberatan atas SPPT PBB tahun 2015 dan memutuskan untuk tidak mengajukan permohonan banding. Permohonan banding diajukan oleh PHE WMO untuk penolakan keberatan atas SPPT PBB tahun 2016 yang diterima pada tanggal 4 September 2017. Surat Banding tersebut telah disampaikan PHE WMO tanggal 28 November 2017.

Sampai dengan tanggal laporan konsolidasian ini, PHE WMO belum menerima hasil putusan atas surat keberatan lainnya dan banding yang telah diajukan oleh Perusahaan.

30. TAXATION (continued)

g. Others (continued)

ii. PSC WMO (lanjutan)

In accordance with the implementation of Government Regulation No.79 of 2010, the WMO PSC is required to pay Land and Building Tax ("PBB") for 2017 in the amount of Rp.150.279.709.711 (equivalent to US\$11,092,390), for 2016 in the amount of Rp212,044,849,592 (equivalent to US\$15,651,376), for 2015 in the amount of Rp429,734,704,393 (equivalent to US\$31,719,420), for 2014 in the amount of Rp320,100,866,837 (equivalent to US\$23,627,167) and for 2013 in the amount of Rp287,615,553,120 (equivalent to US\$21,229,373).

Based on the PBB payment request which was published by the Directorate General of Taxation, PHE WMO has paid the full amount of PBB payment request and submitted the objection letters for all PBB payment request to the tax office.

In August 2014, PHE WMO received a rejection letter regarding its objection against 2013 PBB from the tax office. An appeal letter against the 2013 PBB payment request was submitted by PHE WMO to the tax court in September 2014. The appeal letter has been rejected by the Tax Court in August 26, 2015.

In September 6, 2016, PHE WMO received a rejection letter regarding its objection against 2015 PBB from the tax office and decided not to submit an appeal letter. The appeal letter filed by PHE WMO for rejection of 2016 PBB received on September 4, 2017. The appeal letter has been submitted by PHE WMO in November 28, 2017.

As the date of the consolidated financial statements, PHE WMO has also not yet received a decision of another PBB payment request and appeal from tax office.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/85 Schedule

CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017

(Expressed in US Dollars, unless otherwise stated)

30. PERPAJAKAN (lanjutan)

g. Lainnya (lanjutan)

iii. KBH A (NATUNA SEA)

30. TAXATION (continued)

g. Others (continued)

iii. PSC A (NATUNA SEA)

Nomor dan tanggal penerbitan surat ketetapan/ Number and issue date of assesment letter	Tahun pajak/ Fiscal year	Jenis pajak/ Type of taxes	Kurang/lebih bayar atau rugi fiskal/Underpayment/Overpayment or fiscal loss		Status pada tanggal laporan keuangan/ Status as of the date of financial statements
			Menurut Direktorat Jendral Pajak/According to Indonesian Tax Office	Menurut Perusahaan/According to the Company	
00001/240/13/081/15 12 November/ November 2015	2013	PPH Pasal 4(2)/ Withholding Tax Art 4(2)	Kurang bayar sebesar/ Underpayment of US\$47.823.418	Nihil/Nil	Dalam proses banding/in appeal process
00003/245/13/081/15 23 November/ November 2015	2013	PPH Pasal 23/26/ Withholding Tax Art 23/26	Kurang bayar sebesar/ Underpayment of US\$72.238.750	Nihil/Nil	Dalam proses banding/ In appeal process

Pada bulan November 2015, Natuna 2 BV (50% saham dimiliki PT PHE Oil and Gas) menerima SKPKB Pajak Penghasilan Final Pasal 4 (2) atas *transfer tax* tahun pajak 2013 sebesar Rp647.911.679.507 (setara dengan US\$47.823.418) serta SKPKB atas *Branch Profits Tax* tahun pajak 2013 sebesar US\$72.238.750. Natuna 2 BV tidak setuju atas penerbitan kedua SKPKB ini. Natuna 2 BV telah melakukan pembayaran pada tanggal 11 Februari 2016 sebelum mengajukan permohonan keberatan untuk menghindari sanksi 50% atau 100% apabila keberatan atau banding ditolak.

Manajemen mengajukan surat keberatan pada tanggal 19 Februari 2016 dan telah menerima hasil putusan bahwa keberatan ditolak pada tanggal 10 Februari 2017. Berdasarkan keputusan tersebut, manajemen memutuskan untuk membukukan provisi 50% dari porsi PT PHE Oil and Gas sebesar US\$29.951.467 dan mengajukan banding ke Pengadilan Pajak tanggal 9 Mei 2017.

In November 2015, Natuna 2 BV (50% of shares owned by PT PHE Oil and Gas) received a tax assesment (SKPKB) relating to transfer tax involving the transfer of shares in 2013 for Rp647,911,679,507 (equivalent to US\$47,823,418) and a branch profits tax assesment for 2013 of US\$72,238,750. Natuna 2 BV does not agree with these SKPKB. On February 11, 2016, Natuna 2 BV has paid the SKPKB before submission of objection letters to avoid the imposition of tax penalties of 50% or 100% if the objection or appeal is rejected.

Management submitted an objection letter on February 19, 2016 and has received the verdict that the objection was rejected on February 10, 2017. Based on this decision, management decided to record a provision of 50% of the portion of PT PHE Oil and Gas for US\$29,951,467 and submitted an appeal letter on May 9, 2017.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/86 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

31. SALDO DAN TRANSAKSI DENGAN PIHAK BERELASI

a. Sifat dari transaksi pihak berelasi

Transaksi pihak berelasi antara Perusahaan dan Entitas Anak dengan Pertamina dan entitas anaknya meliputi pembiayaan, pembelian bahan bakar, pembebanan imbalan kerja karyawan perbantuan, pembebanan biaya bunga dan biaya asuransi, dividen dan transaksi penyerahan barang/jasa lainnya.

Sifat dari hubungan pihak-pihak berelasi yang mengadakan transaksi dengan Perusahaan:

Hubungan/Relations
· Pemegang saham/Shareholders
· Perusahaan asosiasi/Associates
· Entitas sepengendali/Entities under common control
· Entitas yang berelasi dengan Pemerintah/Entities related to Government
· Personil manajemen kunci/Key management personnel

31. RELATED PARTIES BALANCES AND TRANSACTIONS

a. Nature of related party transactions

Related party transactions between the Company and Subsidiaries and Pertamina and its subsidiaries involve financing, fuel purchases, allocation of seconded employees' past-service costs, interest and insurance expense, dividends and other goods/services transactions.

The nature of the relationships with related parties are as follows:

Pihak-pihak berelasi/Related parties
PT Pertamina (Persero)
PT Pertamina Dana Ventura ("PDV")
PT Donggi Senoro LNG ("DSLNG")
Natuna 2 BV
PT Pertamina Drilling Contractor
PT Pertamina Hulu Indonesia
PT Pertamina Hulu Mahakam
PT PGE Lawu
Pertamina Energy Trading Ltd./Pertamina Energy Services Ltd. ("PETRAL")
PT Pertamina EP ("PEP")
PT Pertamina Gas ("Pertagas")
PT Pertagas Niaga
PT Pertamina Drilling Services Indonesia ("PDSI")
PT Pelita Air Service ("PAS")
PT Pertamina Tongkang/PT Pertamina Trans Kontinental ("PTK")
PT Pertamina Retail
PT Pertamina Bina Medika ("Pertamedika")
PT Tugu Pratama Indonesia ("TPI")
PT Mitra Tours and Travel ("Mitra Tours")
PT Pertamina EP Cepu ("EP Cepu")
PT Patra Jasa ("Patra Jasa")
PT Patra Niaga
PT Pertamina Training and Consulting ("PTC")
PT Pertamina Geothermal Energy ("PGE")
PT Nusantara Regas
PT Elnusa ("Elnusa")
PT Pertamina International Shipping ("PIS")
PT Perusahaan Listrik Negara (Persero) ("PLN")
PT Perusahaan Gas Negara (Persero) ("PGN")
PT Pupuk Indonesia (Persero)
PT Petrokimia Gresik
PT Gresik Migas
Perusahaan Daerah Pertambangan dan Energi ("PDPDE")
PT Bank Mandiri (Persero) Tbk.
PT Bank Negara Indonesia (Persero) Tbk.
PT Bank Rakyat Indonesia (Persero) Tbk.
Direksi/Directors
Komisaris/Commissioners

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/87 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

**31. SALDO DAN TRANSAKSI DENGAN PIHAK
BERELASI (lanjutan)**

a. Sifat dari transaksi pihak berelasi (lanjutan)

Kebijakan Perusahaan dan Entitas Anak terkait penetapan harga untuk transaksi dengan pihak-pihak berelasi adalah sebagai berikut:

- Penjualan minyak mentah ke pihak berelasi ditetapkan berdasarkan *Indonesian Crude Prices* ("ICP") bulanan yang ditetapkan oleh Direktorat Jenderal Migas.
- Penjualan gas ke pihak berelasi ditetapkan berdasarkan kontrak-kontrak penjualan gas.
- Jasa transportasi gas dari Pertamina berdasarkan tarif yang ditetapkan oleh Badan Pengatur Hilir Minyak dan Gas Bumi ("BPH MIGAS").
- Beban usaha dari pihak berelasi lainnya berdasarkan harga yang disepakati kedua belah pihak.

b. Kas dan setara kas dan kas yang dibatasi penggunaannya

	<u>2017</u>
Kas dan setara kas (lihat Catatan 6)	107.501.732
Kas yang dibatasi penggunaannya (lihat Catatan 7)	<u>55.561.835</u>
Jumlah	<u>163.063.567</u>
Persentase terhadap jumlah aset	<u>3,41%</u>

c. Piutang usaha - pihak berelasi

	<u>2017</u>
PLN	40.203.522
PT Pupuk Indonesia (Persero)	14.816.752
DSLNG	14.788.954
PGN	6.097.991
PT Gresik Migas	1.767.369
PEP	574.429
Lainnya	<u>2.098.230</u>
Jumlah	<u>80.347.247</u>
Persentase terhadap jumlah aset	<u>1,68%</u>

**31. RELATED PARTIES BALANCES AND
TRANSACTIONS (continued)**

**a. Nature of related party transactions
(continued)**

The Company's and Subsidiaries' pricing policies related to the transactions with related parties are as follows:

- Sales of crude oil to related parties are priced based on monthly *Indonesian Crude Prices* ("ICP") which are determined by Directorate General of Oil and Gas.
- Sales of natural gas to related parties are priced based on the gas sales contracts.
- Gas transportation fees from Pertamina are priced based on the tariff determined by Badan Pengatur Hilir Minyak dan Gas Bumi ("BPH MIGAS").
- Other various operating expenses from other related parties are priced based on agreed prices.

b. Cash and cash equivalents and restricted cash

	<u>2016</u>	
	119.374.705	Cash and cash equivalents (refer to Note 6)
	<u>40.724.782</u>	Restricted cash (refer to Note 7)
Total	<u>160.099.487</u>	
Persentase terhadap jumlah aset	<u>3,26%</u>	As a percentage of total assets

c. Trade receivables - related parties

	<u>2016</u>	
	19.893.632	PLN
	8.474.975	PT Pupuk Indonesia (Persero)
	12.030.675	DSLNG
	10.335.365	PGN
	835.584	PT Gresik Migas
	276.094	PEP
	<u>583.248</u>	Others
Total	<u>52.429.573</u>	
Persentase terhadap jumlah aset	<u>1,07%</u>	As a percentage of total assets

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/88 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

31. SALDO DAN TRANSAKSI DENGAN PIHAK BERELASI (lanjutan)

31. RELATED PARTIES BALANCES AND TRANSACTIONS (continued)

c. Piutang usaha - pihak berelasi (lanjutan)

Piutang usaha dari entitas berelasi merupakan piutang penjualan minyak mentah atau gas bumi yang berasal dari Entitas Anak.

Manajemen berpendapat bahwa seluruh piutang usaha dari pihak berelasi dapat ditagih secara penuh, sehingga penyisihan penurunan nilai tidak diperlukan.

c. Trade receivables - related parties (continued)

The trade receivables from related parties involve crude oil or natural gas sold by the Subsidiaries.

Management believes that the trade receivables from related parties are fully collectible and therefore a provision for impairment is not considered necessary.

d. Piutang lain-lain - pihak berelasi

d. Other receivables - related parties

	<u>2017</u>	<u>2016</u>	
Bagian lancar:			Current portion:
DSLNG	109.457.599	105.285.910	DSLNG
PEP	12.589.098	1.973.090	PEP
Natuna 2 BV	7.463.557	4.186.278	Natuna 2 BV
Lain-lain	<u>2.411.138</u>	<u>238.676</u>	Others
Jumlah	<u>131.921.392</u>	<u>111.683.954</u>	Total
Persentase terhadap jumlah aset	<u>2,76%</u>	<u>2,28%</u>	As a percentage of total assets

Piutang dari DSLNG sebesar US\$109.457.599 (2016: US\$105.285.910) ditujukan untuk pembangunan fasilitas produksi Gas Alam Cair ("LNG") yang berkapasitas 2 juta ton per tahun. PT Donggi Senoro LNG dimiliki oleh PHE (29%), Sulawesi LNG Development Limited (59,9%) dan PT Medco LNG Indonesia (11,1%).

The receivable from DSLNG of US\$109,457,599 (2016: US\$105,285,910) is for the construction of a Liquefied Natural Gas ("LNG") production facility with a capacity of 2 million tonnes per year. PT Donggi Senoro LNG is owned by PHE (29%), Sulawesi LNG Development Limited (59.9%) and PT Medco LNG Indonesia (11.1%).

Tingkat suku bunga pinjaman adalah London Interbank Offering Rate ("LIBOR") Dolar AS satu bulan ditambah 3,75% per tahun dan jatuh tempo setiap tiga bulan setelah pinjaman dicairkan. Pada tahun 2017 dan 2016, biaya bunga yang timbul ditambahkan ke pinjaman pokok karena fasilitas produksi LNG masih dalam tahap konstruksi. Pendapatan bunga selama 2017 dan 2016 masing-masing adalah US\$4.907.911 dan US\$4.050.366.

The interest rate on the loan is the one month US Dollar London Interbank Offering Rate ("LIBOR") plus 3.75% per annum and interest is due every three months after the loan drawdowns. In 2017 and 2016, accrued interest was added to the loan, since the LNG production facility is still under construction. Interest income for 2017 and 2016 is US\$4,907,911 and US\$4,050,366, respectively.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/89 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

**31. SALDO DAN TRANSAKSI DENGAN PIHAK
BERELASI (lanjutan)**

d. Piutang lain-lain - pihak berelasi (lanjutan)

Berdasarkan *PHE Funding Contribution Agreement* tertanggal 16 Desember 2014 antara Perusahaan dan PT Donggi Senoro LNG dengan MUFG Union Bank N.A., Perusahaan menyetujui untuk membayar kekurangan dana yang dibutuhkan untuk proyek pembangunan LNG tersebut. Tidak ada pembayaran kembali dari DSLNG sampai 31 Desember 2017.

e. Utang usaha - pihak berelasi

**31. RELATED PARTIES BALANCES AND
TRANSACTIONS (continued)**

d. Other receivables - related parties (continued)

Based on the *PHE Funding Contribution Agreement* dated December 16, 2014, between the Company and PT Donggi Senoro LNG with MUFG Union Bank N.A., the Company agreed to finance any short fall in funds needed for the LNG development project. There is no repayment from DSLNG until December 31, 2017.

e. Trade payables - related parties

	<u>2017</u>	<u>2016</u>	
PT Pertamina (Persero) - neto	557.981.076	345.971.716	PT Pertamina (Persero) - net
Pertagas	11.613.037	13.560	Pertagas
PIS	6.561.437	-	PIS
PEP	2.512.286	801.552	PEP
Elnusa	2.261.906	2.751.754	Elnusa
PGE	865.321	-	PGE
PAS	559.947	264.148	PAS
PDSI	392.196	-	PDSI
TPI	153.323	189.842	TPI
PTK	166.415	119.526	PTK
Lain-lain	<u>253.900</u>	<u>185.876</u>	Others
Jumlah	<u>583.320.844</u>	<u>350.297.974</u>	Total
Persentase terhadap jumlah liabilitas	<u>21,51%</u>	<u>11,8%</u>	As a percentage of total liabilities

Rincian utang usaha neto dari Pertamina adalah sebagai berikut:

Details of net trade payables from Pertamina are as follows:

	<u>2017</u>	<u>2016</u>	
Utang usaha:			Trade payables:
Utang terkait pembayaran <i>cash call</i>	<u>(718.946.796)</u>	<u>(357.103.889)</u>	Payables in relation to payment of cash calls
Jumlah utang usaha ke Pertamina	<u>(718.946.796)</u>	<u>(357.103.889)</u>	Total trade payables to Pertamina

The original consolidated financial statements included herein are in the Indonesian language.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/90 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

**31. SALDO DAN TRANSAKSI DENGAN PIHAK
BERELASI (lanjutan)**

**31. RELATED PARTIES BALANCES AND
TRANSACTIONS (continued)**

e. Utang usaha - pihak berelasi (lanjutan)

e. Trade payables - related parties (continued)

	<u>2017</u>	<u>2016</u>
Utang lain-lain:		
Utang terkait		
alokasi bunga pinjaman	(39.426.443)	(50.798.506)
Utang sehubungan dengan karyawan perbantuan	(10.708.112)	(8.071.150)
Utang terkait transaksi lain-lain	<u>(11.255.200)</u>	<u>(13.457.386)</u>
Jumlah utang lain-lain ke Pertamina	<u>(61.389.755)</u>	<u>(72.327.042)</u>
Piutang usaha:		
Piutang terkait penjualan minyak dan gas bumi	<u>89.805.712</u>	<u>18.156.002</u>
Jumlah piutang usaha dari Pertamina	<u>89.805.712</u>	<u>18.156.002</u>
Piutang lain-lain:		
Piutang terkait Pembayaran lain-lain	<u>132.549.763</u>	<u>65.303.213</u>
Jumlah piutang lain-lain	<u>132.549.763</u>	<u>65.303.213</u>
Jumlah utang usaha ke Pertamina - neto	<u>(557.981.076)</u>	<u>(345.971.716)</u>

Other payables:
Payables in relation to loan interest allocation
Payables in relation to seconded employees
Payables in relation to other transactions

Total other payables to Pertamina

Trade receivables:
Receivables in relation to oil and natural gas sales

Total trade receivables from Pertamina

Other receivables:
Receivables in relation to other payments

Total other receivables

Total trade payables to Pertamina - net

Perusahaan dan Entitas Anak menjual minyak mentah dan gas bumi kepada Pertamina. Pertamina memberikan dana untuk kegiatan operasi Perusahaan dan Entitas Anak dalam bentuk *cash calls* dan transaksi utang lainnya yang kemudian akan diperhitungkan (*offset*) dengan nilai kewajiban Pertamina yang timbul dari penjualan Perusahaan dan Entitas Anak dan transaksi lainnya.

The Company and Subsidiaries sell crude oil and natural gas to Pertamina. Pertamina provides funding for the Company's and Subsidiaries' operations in the form of cash calls and transactions involving other payables, which are recognised as offsets against amounts owed by Pertamina in relation to the Company's and Subsidiaries' sales and other transactions.

f. Utang lain-lain - pihak berelasi

f. Other payables - related parties

	<u>2017</u>	<u>2016</u>
PEP	2.092.389	26.139
Pertagas	477.528	4.544.514
Elnusa Tbk	87.673	443.483
Lain-lain	<u>183.065</u>	<u>949.986</u>
Jumlah	<u>2.840.655</u>	<u>5.964.122</u>
Persentase terhadap jumlah liabilitas	<u>0,10%</u>	<u>0,20%</u>

PEP
Pertagas
Elnusa Tbk
Others

Total

As a percentage of total liabilities

The original consolidated financial statements included herein are in the Indonesian language.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/91 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

31. SALDO DAN TRANSAKSI DENGAN PIHAK BERELASI (lanjutan)

31. RELATED PARTIES BALANCES AND TRANSACTIONS (continued)

f. Utang lain-lain - pihak berelasi (lanjutan)

Utang lain-lain kepada pihak berelasi merupakan utang sehubungan dengan utang dividen yang didistribusikan oleh Entitas Anak, jasa transportasi, jasa pelatihan dan konsultasi, biaya perjalanan dan akomodasi, dan lain-lain.

f. Other payables - related parties (continued)

The other payables to related parties represent dividends payable declared by Subsidiaries, transportation services, training and consultation services, travel and accommodation services, etc.

g. Pinjaman - pihak berelasi

g. Loan - related party

	<u>2017</u>	<u>2016</u>	
PT Pertamina (Persero)	<u>264.737.962</u>	<u>914.934.071</u>	PT Pertamina (Persero)
Dikurangi: bagian lancar	(92.242.736)	(278.222.620)	Less: current portion
Jumlah bagian tidak lancar	<u>172.495.226</u>	<u>636.711.451</u>	Total non-current portion
Persentase terhadap jumlah liabilitas	<u>9,76%</u>	<u>30,83%</u>	As a percentage of total liabilities

Pada tanggal 1 Januari 2012, Perusahaan dan PT Pertamina (Persero) menandatangani Perjanjian Pinjaman Dana dengan jangka waktu 10 (sepuluh) tahun. Pinjaman ini digunakan untuk kegiatan investasi Perusahaan dan Entitas Anak. Pada tanggal 31 Desember 2017 dan 2016, jumlah pinjaman yang belum dibayarkan (belum termasuk bunga yang belum dibayarkan) adalah masing-masing sebesar US\$172.495.226 dan US\$914.934.071. Tingkat bunga yang berlaku antara 4,30% sampai dengan 4,71% per tahun. Beban bunga selama 2017 dan 2016 masing-masing adalah US\$39.426.443 dan US\$50.798.506. Pembayaran angsuran pokok pinjaman dimulai tanggal 30 Juni 2015 sampai 31 Desember 2021.

On January 1, 2012, the Company and PT Pertamina (Persero) signed a Loan Agreement for the period of 10 (ten) years. This loan is intended for investment activities of the Company and Subsidiaries. As at December 31, 2017 and December 31, 2016, the total loan amount outstanding (excluding unpaid interest) was US\$172,495,226 and US\$914,934,071, respectively. The interest rate applied ranged between 4.30% to 4.71% per annum. Interest expense for 2017 and 2016 was US\$39,426,443 and US\$50,798,506, respectively. The loan principal repayments commenced on June 30, 2015 with the final repayment due on December 31, 2021.

h. Pendapatan usaha - pihak berelasi

h. Revenues - related parties

	<u>2017</u>	<u>2016</u>	
PT Pertamina (Persero)	831.066.307	550.118.009	PT Pertamina (Persero)
PLN	294.312.999	329.353.437	PLN
PT Pupuk Indonesia (Persero)	152.643.374	135.962.824	PT Pupuk Indonesia (Persero)
DSLNG	141.249.072	120.719.177	DSLNG
PGN	121.930.252	114.234.919	PGN
PT Pertagas	33.375.245	5.920.667	PT Pertagas
PT Gresik Migas	9.503.055	1.082.563	PT Gresik Migas
PDPDE	6.842.081	7.674.577	PDPDE
Lain-lain	9.687.268	-	Others
Jumlah	<u>1.600.609.653</u>	<u>1.265.066.173</u>	Total
Persentase terhadap jumlah pendapatan usaha	<u>80,07%</u>	<u>82,52%</u>	As a percentage of total revenues

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/92 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

**31. SALDO DAN TRANSAKSI DENGAN PIHAK
BERELASI (lanjutan)**

**31. RELATED PARTIES BALANCES AND
TRANSACTIONS (continued)**

h. Pendapatan usaha - pihak berelasi (lanjutan)

Penjualan neto ke Pertamina merupakan penjualan domestik minyak mentah yang telah dikurangi dengan PNBP. Penjualan neto kepada pihak berelasi lainnya merupakan penjualan gas setelah dikurangi dengan PNBP.

h. Revenues - related parties (continued)

Net sales to Pertamina involved crude oil sales after deduction by PNBP. Net sales to other related parties involved sales of natural gas after deduction of PNBP.

i. Pendapatan bunga - pihak berelasi

i. Interest income - related parties

	<u>2017</u>	<u>2016</u>
PT Bank Mandiri (Persero) Tbk.	100.883	107.746
PT Bank Negara Indonesia (Persero) Tbk.	116.031	166.110
PT Bank Rakyat Indonesia (Persero) Tbk.	537.170	286.092
PT Bank Tabungan Negara (Persero) Tbk.	<u>292.602</u>	<u>146</u>
Jumlah	<u>1.046.686</u>	<u>560.094</u>
Persentase terhadap laba sebelum pajak penghasilan	<u>0,30%</u>	<u>0,22%</u>

PT Bank Mandiri (Persero) Tbk.
PT Bank Negara Indonesia (Persero) Tbk.
PT Bank Rakyat Indonesia (Persero) Tbk.
PT Bank Tabungan Negara (Persero) Tbk.

Total

As a percentage of profit before income tax

j. Kompensasi manajemen kunci

Manajemen kunci termasuk Direksi dan Komisaris. Kompensasi yang dibayar atau terutang kepada manajemen kunci atas dasar jasa pekerja adalah sebagai berikut:

j. Key management compensation

Key management includes Directors and Commissioners. The compensation paid or payable to key management for employee services is shown below:

	<u>2017</u>	<u>2016</u>
Gaji dan imbalan pekerja jangka pendek lainnya	<u>2.196.120</u>	<u>1.384.491</u>
Jumlah	<u>2.196.120</u>	<u>1.384.491</u>
Persentase terhadap laba sebelum pajak penghasilan	<u>0,64%</u>	<u>0,55%</u>

Salaries and other short-term employee benefits

Total

As a percentage of profit before income tax

**32. PERJANJIAN, KOMITMEN DAN KONTINJENSI
PENTING**

**32. SIGNIFICANT AGREEMENTS, COMMITMENTS
AND CONTINGENCIES**

a. Perjanjian Pasokan Gas

Pada tanggal 31 Desember 2017, Entitas Anak memiliki kontrak-kontrak perjanjian jual beli gas yang signifikan kepada beberapa pelanggan, dengan volume gas masing-masing kontrak senilai antara 0,8 TBTU hingga 1.418 TBTU. Kontrak-kontrak tersebut akan berakhir antara tahun 2018 sampai 2027.

a. Gas Supply Agreements

As at December 31, 2017, Subsidiaries has various significant gas sales agreements with various customers, with gas volumes of each contract ranging between 0.8 TBTU and 1,418 TBTU. The expiration years of those agreements range from 2018 to 2027.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/93 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

**32. PERJANJIAN, KOMITMEN DAN KONTINJENSI
PENTING (lanjutan)**

a. Perjanjian Pasokan Gas (lanjutan)

Berdasarkan Peraturan Presiden Republik Indonesia No.40 Tahun 2016 tentang Penetapan Harga Gas Bumi dan Peraturan Menteri Energi dan Sumber Daya Mineral Republik Indonesia No.40 Tahun 2016 tentang Harga Gas Bumi Untuk Industri Tertentu, Perusahaan melakukan amandemen penurunan kontrak harga gas dalam perjanjian jual beli gas dengan industri tertentu dan berlaku efektif sejak 30 Januari 2017.

b. Sewa Barang Milik Negara - KBH Blok ONWJ

Aset minyak dan gas bumi eks-KBH ONWJ lama yang dimiliki oleh Direktorat Jenderal Kekayaan Negara ("DJKN") digunakan oleh kontraktor KBH ONWJ *Gross Split* dengan skema sewa.

Pada tanggal 16 Januari 2018 Perjanjian Sewa no. PRJ-1/KN/2018 ditandatangani oleh PT PHE ONWJ dan DJKN untuk periode sewa dari tanggal 19 Januari 2017 sampai 19 Januari 2018 dengan nilai sewa sebesar IDR225.603.000.000 (nilai penuh). Periode sewa dapat diperpanjang berdasarkan permohonan tertulis yang diajukan oleh PHE ONWJ ke DJKN melalui SKK Migas.

PHE ONWJ sudah mengajukan permohonan perpanjangan sewa untuk periode 5 tahun mulai dari tanggal 19 Januari 2018 sampai tanggal 18 Januari 2022. Pada tanggal laporan keuangan ini diselesaikan persetujuan atas permohonan tersebut belum diterima oleh PHE ONWJ.

c. Perjanjian Pengalihan 10% *Participating Interest* di KBH Blok ONWJ

Pada tanggal 19 Desember 2017 PT PHE ONWJ dan PT Migas Hulu Jabar ONWJ menandatangani perjanjian pengalihan 10% *Participating Interest* di KBH Blok ONWJ dari PT PHE ONWJ ke PT Migas Hulu Jabar ONWJ. Perjanjian tersebut berlaku efektif pada tanggal diterimanya persetujuan dari Menteri Energi dan Sumber Daya Mineral atau pada tanggal yang ditetapkan oleh Menteri Energi dan Sumber Daya Mineral dalam surat persetujuannya. Pada tanggal laporan keuangan ini diselesaikan, persetujuan dari Menteri Energi dan Sumber Daya Mineral belum diberikan.

**32. SIGNIFICANT AGREEMENTS, COMMITMENTS
AND CONTINGENCIES (continued)**

a. Gas Supply Agreements (continued)

Based on Indonesian Presidential Regulation No.40 year 2016 on Natural Gas Pricing and Regulation of the Minister of Energy and Mineral Resources of the Republic of Indonesia No.40 year 2016 on Natural Gas Price for Specific Industries, the Company amended contract gas prices decline in gas sales agreements with particularly industry and effective from January 30, 2017.

**b. Lease of the State owned enterprises's assets
- ONWJ PSC**

The oil and gas assets of the old ONWJ PSC which are now owned by the Directorate General of State Assets ("DJKN") are used by the ONWJ *Gross Split* PSC contractors based on a lease scheme.

On January 16, 2018, PT PHE ONWJ and DJKN entered into a Lease Agreement no. PRJ-1/KN/2018 for a lease period from January 19, 2017 to January 19, 2018, with lease cost of IDR225,603,000,000 (full amount). The lease period can be extended based on written request from PHE ONWJ to DJKN through SKK Migas.

PHE ONWJ has proposed a five-year lease extension for the period from January 19, 2018 to January 18, 2022. As of the date of the finalization of these financial statements, the approval on such request has not been received by PHE ONWJ.

c. Agreement to transfer a 10% *Participating Interest* in ONWJ PSC

On December 19, 2017, PT PHE ONWJ and PT Migas Hulu Jabar ONWJ entered into an agreement to transfer a 10% of PT PHE ONWJ's *participating interest* in the ONWJ PSC to PT Migas Hulu Jabar ONWJ. Such transfer will become effective upon approval by the Minister of Energy and Mineral Resources or on a date stated by the Minister of Energy and Mineral Resources in his approval letter. As of the date of the finalization of these financial statements such approval has not been granted.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/94 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

**32. PERJANJIAN, KOMITMEN DAN KONTINJENSI
PENTING (lanjutan)**

d. Komitmen eksplorasi

Pada tanggal 31 Desember 2017, beberapa Entitas Anak masih dalam tahap eksplorasi. Komitmen eksplorasi (komitmen pasti dan komitmen kerja) pada Entitas Anak (nilai Gross PSC) tersebut pada tanggal 31 Desember 2017 adalah sebagai berikut:

**32. SIGNIFICANT AGREEMENTS, COMMITMENTS
AND CONTINGENCIES (continued)**

d. Exploration commitments

On December 31, 2017, some of the Subsidiaries are still in the exploration stage. The exploration commitments (firm commitment and working commitment) of the Subsidiaries (Gross PSC amounts) of December 31, 2017 are as follows:

No	Nama Entitas Anak dan Wilayah Kerja/ Name of Subsidiaries and Working Area	Komitmen Program Kerja dan Pengeluaran/Work Program and Expenditure Commitment
1.	PT Pertamina Hulu Energi Metana Kalimantan A - Blok Sangatta I/Sangatta I Block	9.164.350
2.	PT Pertamina Hulu Energi Metana Kalimantan B - Blok Sangatta II/Sangatta II Block	20.128.179
3.	PT Pertamina Hulu Energi Metana Sumatera Tanjung Enim - Blok Tanjung Enim/Tanjung Enim Block	14.483.863
4.	PT Pertamina Hulu Energi Metana Sumatera 2 - Blok Muara Enim/Muara Enim Block	11.750.000
5.	PT Pertamina Hulu Energi Metana Sumatera 1 - Blok Muara Enim I/Muara Enim I Block	28.150.000
6.	PT Pertamina Hulu Energi Metana Sumatera 5 - Blok Muara Enim II/Muara Enim II Block	23.850.000
7.	PT Pertamina Hulu Energi Metan Tanjung II - Blok Tanjung II/Tanjung II Block	10.161.900
8.	PT Pertamina Hulu Energi Metan Tanjung IV - Blok Tanjung IV/Tanjung IV Block	8.000.000
9.	PT Pertamina Hulu Energi Metana Sumatera 3 - Blok Air Benakat I/Air Benakat I Block	9.350.000
10.	PT Pertamina Hulu Energi Metana Sumatera 6 - Blok Air Benakat II/Air Benakat II Block	9.350.000
11.	PT Pertamina Hulu Energi Metana Sumatera 7 - Blok Air Benakat III/Air Benakat III Block	9.350.000
12.	PT Pertamina Hulu Energi West Glagah Kambuna - Blok West Glagah Kambuna/West Glagah Kambuna Block	55.000.000

The original consolidated financial statements included herein are in the Indonesian language.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/95 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

**32. PERJANJIAN, KOMITMEN DAN KONTINJENSI
PENTING (lanjutan)**

d. Komitmen eksplorasi (lanjutan)

**32. SIGNIFICANT AGREEMENTS, COMMITMENTS
AND CONTINGENCIES (continued)**

d. Exploration commitments (continued)

No	Nama Entitas Anak dan Wilayah Kerja/ Name of Subsidiaries and Working Area	Komitmen Program Kerja dan Pengeluaran/Work Program and Expenditure Commitment
13.	PT Pertamina Hulu Energi Semai - Blok Semai II/Semai II Block	214.000.000
14.	PT Pertamina Hulu Energi Randugunting - Blok Randugunting/Randugunting Block	14.100.000
15.	Pertamina Hulu Energi Nunukan Company - Blok Nunukan/Nunukan Block	16.400.000
16.	Pertamina Hulu Energi Ambalat Ltd. - Blok Ambalat/Ambalat Block	16.500.000
17.	PT Pertamina Hulu Energi Karama - Blok Karama - Karama Block	126.300.000
18.	Pertamina Hulu Energi Bukat Ltd. - Blok Bukat/ Bukat Block	48.000.000
19.	PT Pertamina Hulu Energi MNK Sumatera Utara - Blok MNK Sumatera Utara/MNK Sumatera Utara Block	84.800.000
20.	PT Pertamina Hulu Energi Babar Selaru - Blok Babar Selaru/Babar Selaru Block	173.000.000
21.	PT Pertamina Hulu Energi Abar - Blok Abar/Abar Block	23.800.000
22.	PT Pertamina Hulu Energi Anggursi - Blok Anggursi/Anggursi Block	15.800.000
23.	PT Pertamina Hulu Energi MNK Sakakemang - Blok MNK Sakakemang/MNK Sakakemang Block	35.850.000
24.	PT Pertamina Hulu Energi Ambalat Timur - Blok East Ambalat/East Ambalat Block	225.000.000

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/96 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

**32. PERJANJIAN, KOMITMEN DAN KONTINJENSI
PENTING (lanjutan)**

e. Audit Pemerintah

Sesuai dasar hukum pemeriksaan yakni (1) Peraturan Presiden No.9 tahun 2013 tentang Penyelenggaraan Pengelolaan Kegiatan Usaha Hulu Minyak dan Gas Bumi; (2) Peraturan Presiden No.95 tahun 2012 tentang Pengalihan Pelaksanaan Tugas dan Fungsi Kegiatan Usaha Hulu Minyak dan Gas Bumi; serta (3) Keputusan Menteri Energi dan Sumber Daya Mineral Republik Indonesia No. 3135 tahun 2012 tentang Pengalihan Tugas, Fungsi dan Organisasi dalam Pelaksanaan Kegiatan Usaha Hulu Minyak dan Gas Bumi, Pemerintah melalui SKK Migas melakukan pengujian terkait kebijakan akuntansi dan informasi keuangan dari operator KBH yang harus sesuai dengan ketentuan KBH dan ketentuan lainnya yang ditetapkan oleh SKK Migas.

Klaim - klaim yang timbul dari audit oleh SKK Migas dan Pemerintah akan disetujui oleh operator KBH dan dicatat dalam pembukuan secara akuntansi dari KBH atau didiskusikan lebih lanjut dengan SKK Migas dan/atau Pemerintah.

f. Perkara hukum

PT Golden Spike Energy Indonesia (GSEI) dan PT Pertamina Hulu Energi Raja Tempirai (PHE RT), masing-masing adalah pemegang participating interest sebesar 50% di Blok Raja.

Pada tanggal 5 April 2013, GSEI mengajukan gugatan terhadap PHE RT di Pengadilan Negeri Jakarta Pusat dengan dasar kegiatan selama masa eksplorasi yang pendanaannya merupakan kewajiban GSEI adalah kegiatan operasi *sole risk* sehingga GSEI berhak atas kompensasi.

Proses pengadilan, banding, kasasi dan arbitrase telah diselesaikan. Pada tanggal 17 Februari 2017 Arbitrase ICC telah menerbitkan *Third and Final Award* yang memutuskan bahwa PHE RT memenangkan perkara tersebut.

Putusan ICC tersebut telah didaftarkan oleh Majelis Arbiter dan diterima oleh Pengadilan Negeri Jakarta Pusat berdasarkan Akta Pendaftaran Putusan Arbitrase Internasional Nomor: 02/Pdt/Arb-Int/2017/PN.Jkt.Pst. tanggal 14 Juni 2017.

**32. SIGNIFICANT AGREEMENTS, COMMITMENTS
AND CONTINGENCIES (continued)**

e. Government audit

Based on legal basis for the examination (1) Presidential Decree No.9 of 2013 about the Implementation of Management Upstream Oil and Gas; (2) Presidential Decree No.95 of 2012 about Transfer of Duties and Functions of the Upstream Oil and Gas and (3) the Decision of Minister of Energy and Resources minerals of the Republic of Indonesia No. 3135 year 2012 on Transfer of Duties, Functions and Organization in the Implementation of Upstream Oil and Gas, Government through SKK Migas perform audits related to accounting policies and financial information of PSC operators which must comply with the PSC and other terms set by SKK Migas.

Claims arising from these audits are either agreed upon by the PSC operators and recorded in the PSC accounting records or discussed with SKK Migas and/or the Government.

f. Legal case

PT Golden Spike Energy Indonesia (GSEI) and PT Pertamina Hulu Energi Raja Tempirai (PHE RT) are holders of 50% participating interests each in the Raja Block JOB PSC

On April 5, 2013, GSEI submitted a civil lawsuit against PHE RT in the Central Jakarta District Court on the basis that operations conducted during the exploration period were GSEI Sole Risk Operations and therefore only GSEI was entitled to get compensation.

The court, objection, casation and arbitration process have been finalized. On February 17, 2017 the ICC Arbitration has issued the Third and Final Award which decided the case in favor of PHE RT

Such ICC's Third and Final Award has been registered and received by the Central Jakarta District Court based on the Deed Number 02/Pdt/Arb-Int/2017/PN.Jkt.Pst dated June 14, 2017.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/97 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

**32. PERJANJIAN, KOMITMEN DAN KONTINJENSI
PENTING (lanjutan)**

f. Perkara hukum (lanjutan)

Selanjutnya untuk melakukan eksekusi terhadap Third and Final Award di atas, PHE RT telah mengajukan permohonan eksekutor ke Pengadilan Negeri Jakarta Pusat pada tanggal 13 Desember 2017.

**32. SIGNIFICANT AGREEMENTS, COMMITMENTS
AND CONTINGENCIES (continued)**

f. Legal case (continued)

In order to execute the above Third and Final Award, PHE RT has filed the requisition for execution to the Central Jakarta District Court on December 31, 2017.

33. ASET DAN LIABILITAS KEUANGAN

Berikut ini adalah kategori aset dan liabilitas keuangan dari Perusahaan dan Entitas Anak:

33. FINANCIAL ASSETS AND LIABILITIES

The information given below relates to the Company's and Subsidiaries' financial assets and liabilities by category:

	Jumlah/ Total	Pinjaman dan piutang/Loans and receivables	tersedia untuk dijual/ Available- for-sale assets	Aset yang Liabilitas keuangan lainnya/Other financial liabilities
<u>31 Desember/December 31, 2017</u>				
Aset keuangan/Financial assets				
Kas dan setara kas/ <i>Cash and cash equivalents</i>	107.503.492	107.503.492	-	-
Kas yang dibatasi penggunaannya/ <i>Restricted cash</i>	55.561.835	55.561.835	-	-
Piutang usaha - pihak berelasi/ <i>Trade receivables - related parties</i>	80.347.247	80.347.247	-	-
Piutang usaha - pihak ketiga/ <i>Trade receivables - third parties</i>	97.951.513	97.951.513	-	-
Piutang Pemerintah/ <i>Due from the Government</i>	72.339.183	72.339.183	-	-
Piutang lain-lain - pihak berelasi/ <i>Other receivables - related parties</i>	131.921.392	131.921.392	-	-
Piutang lain-lain - pihak ketiga/ <i>Other receivables - third parties</i>	110.350.773	110.350.773	-	-
Uang muka cash calls/ <i>Cash call advances</i>	55.125.787	55.125.787	-	-
Aset tidak lancar lainnya/ <i>Other non-current assets</i>	13.344.905	13.344.905	-	-
Investasi tersedia untuk dijual/ <i>Available-for-sale investments</i>	<u>7.352</u>	-	<u>7.352</u>	-
Jumlah aset keuangan/ Total financial assets	<u>724.453.479</u>	<u>724.446.127</u>	<u>7.352</u>	<u>-</u>

The original consolidated financial statements included herein are in the Indonesian language.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/98 Schedule

CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017

(Expressed in US Dollars, unless otherwise stated)

33. ASET DAN LIABILITAS KEUANGAN (lanjutan)

33. FINANCIAL ASSETS AND LIABILITIES (continued)

	<u>Jumlah/ Total</u>	<u>Pinjaman dan piutang/Loans and receivables</u>	<u>Aset yang tersedia untuk dijual/ Available- for-sale assets</u>	<u>Liabilitas keuangan lainnya/Other financial liabilities</u>
31 Desember/December 31, 2017 (lanjutan/continued)				
Liabilitas keuangan/ Financial liabilities				
Utang usaha - pihak berelasi/ <i>Trade payables - related parties</i>	583.320.844	-	-	583.320.844
Utang usaha - pihak ketiga/ <i>Trade payables - third parties</i>	70.198.367	-	-	70.198.367
Utang Pemerintah/ <i>Due to the Government</i>	59.678.373	-	-	59.678.373
Utang lain-lain - pihak berelasi/ <i>Other payables - related parties</i>	2.840.655	-	-	2.840.655
Utang lain-lain - pihak ketiga/ <i>Other payables - third parties</i>	302.782.818	-	-	302.782.818
Beban yang masih harus dibayar/ <i>Accrued expenses</i>	272.106.946	-	-	272.106.946
Pendapatan yang ditangguhkan/ <i>Deferred revenue</i>	21.186.263	-	-	21.186.263
Pinjaman - pihak berelasi/Loan - related party	<u>264.737.962</u>	-	-	<u>264.737.962</u>
Jumlah liabilitas keuangan/ Total financial liabilities	<u>1.576.852.228</u>	-	-	<u>1.576.852.228</u>
	<u>Jumlah/ Total</u>	<u>Pinjaman dan piutang/Loans and receivables</u>	<u>Aset yang tersedia untuk dijual/ Available- for-sale assets</u>	<u>Liabilitas keuangan lainnya/Other financial liabilities</u>
31 Desember/December 31, 2016				
Aset keuangan/Financial assets				
Kas dan setara kas/ <i>Cash and cash equivalents</i>	119.676.501	119.676.501	-	-
Kas yang dibatasi penggunaannya/ <i>Restricted cash</i>	40.724.782	40.724.782	-	-
Piutang usaha - pihak berelasi/ <i>Trade receivables - related parties</i>	52.429.573	52.429.573	-	-
Piutang usaha - pihak ketiga/ <i>Trade receivables - third parties</i>	72.902.101	72.902.101	-	-
Piutang Pemerintah/ <i>Due from the Government</i>	57.008.527	57.008.527	-	-
Piutang lain-lain - pihak berelasi/ <i>Other receivables - related parties</i>	111.683.954	111.683.954	-	-
Piutang lain-lain - pihak ketiga/ <i>Other receivables - third parties</i>	138.108.151	138.108.151	-	-
Uang muka cash calls/ <i>Cash call advances</i>	86.021.055	86.021.055	-	-
Aset tidak lancar lainnya/ <i>Other non-current assets</i>	8.673.883	8.673.883	-	-
Investasi tersedia untuk dijual/ <i>Available-for-sale investments</i>	<u>3.398.888</u>	-	<u>3.398.888</u>	-
Jumlah aset keuangan/ Total financial assets	<u>690.627.415</u>	<u>687.228.527</u>	<u>3.398.888</u>	-

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/99 Schedule

CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017

(Expressed in US Dollars, unless otherwise stated)

33. ASET DAN LIABILITAS KEUANGAN (lanjutan)

33. FINANCIAL ASSETS AND LIABILITIES (continued)

	Jumlah/ <u>Total</u>	Pinjaman dan piutang/Loans and receivables	Aset yang tersedia untuk dijual/ Available- for-sale assets	Liabilitas keuangan lainnya/Other financial liabilities
31 Desember/December 31, 2016 (lanjutan/continued)				
Liabilitas keuangan/ Financial liabilities				
Utang usaha - pihak berelasi/ Trade payables - related parties	350.297.974	-	-	-
Utang usaha - pihak ketiga/ Trade payables - third parties	114.404.777	-	-	-
Utang Pemerintah/ Due to the Government	59.347.267	-	-	-
Utang lain-lain - pihak berelasi/ Other payables - related parties	5.964.122	-	-	-
Utang lain-lain - pihak ketiga/ Other payables - third parties	152.881.126	-	-	-
Beban yang masih harus dibayar/ Accrued expenses	174.422.965	-	-	-
Pendapatan yang ditangguhkan/ Deferred revenue	17.768.748	-	-	-
Pinjaman - pihak berelasi/Loan - related party	914.934.071	-	-	-
Jumlah liabilitas keuangan/ Total financial liabilities	<u>1.790.021.050</u>	<u>-</u>	<u>-</u>	<u>-</u>

34. KEBIJAKAN MANAJEMEN RISIKO

Perusahaan dan Entitas Anak memiliki beragam kegiatan usaha, sehingga memiliki potensi berbagai risiko. Program manajemen risiko yang dimiliki Perusahaan dan Entitas Anak ditujukan untuk meminimalkan dampak yang tidak diharapkan pada kinerja Perusahaan dan Entitas Anak. Program manajemen risiko Perusahaan dan Entitas Anak secara keseluruhan dipusatkan pada pasar keuangan yang tidak dapat diprediksi dan Perusahaan berusaha untuk memperkecil efek yang berpotensi merugikan kinerja keuangan Perusahaan dan Entitas Anak.

a. Risiko usaha

Aktivitas bisnis Perusahaan dan Entitas Anak dipengaruhi berbagai risiko usaha misalnya sebagai berikut:

- i. Perkiraan cadangan minyak mentah, gas alam dan panas bumi milik Perusahaan dan Entitas Anak tidak pasti dan mungkin terbukti tidak akurat dari waktu ke waktu atau mungkin tidak dapat secara akurat mencerminkan tingkat cadangan yang sebenarnya, atau bahkan jika akurat, keterbatasan teknis dapat mencegah Perusahaan dan Entitas Anak untuk mendapatkan kembali cadangan ini.

34. RISK MANAGEMENT POLICY

The Company and Subsidiaries has various business activities, which expose them to various potential risks. The Company's and Subsidiaries' overall risk management program focuses on minimising potential adverse effects on the financial performance of the Company and Subsidiaries. The Company's and Subsidiaries' overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's and Subsidiaries' financial performance.

a. Business risk

The Company and Subsidiaries's business activities are exposed to a variety of business risks which are as follows:

- i. The Company and Subsidiaries's crude oil, natural gas and geothermal reserves estimates are uncertain and may prove to be inaccurate over time or may not accurately reflect actual reserves levels, or even if accurate, technical limitations may prevent the Company and Subsidiaries from retrieving these reserves.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/100 Schedule

CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017

(Expressed in US Dollars, unless otherwise stated)

34. KEBIJAKAN MANAJEMEN RISIKO (lanjutan)

a. Risiko usaha (lanjutan)

- ii. Perusahaan dan Entitas Anak tergantung kepada kemampuan manajemen untuk mengembangkan cadangan yang ada, mengganti cadangan yang ada dan mengembangkan cadangan tambahan.

b. Risiko pasar

- i. Risiko nilai tukar mata uang asing

Sebagian besar pendapatan dan pengeluaran operasi dari Perusahaan didenominasi dalam mata uang Dolar AS dan mata uang pelaporan dari Perusahaan dan Entitas Anak adalah Dolar AS, sehingga Perusahaan dan Entitas Anak mempunyai eksposur yang minimal terhadap fluktuasi mata uang asing.

Analisis sensitivitas

Penguatan/(pelemahan) Rupiah terhadap Dolar AS akan meningkatkan/(menurunkan) laba/(rugi) sebesar jumlah yang ditunjukkan di bawah. Analisis ini didasarkan pada varian nilai tukar mata uang asing yang mungkin terjadi pada tanggal pelaporan yang ada di Perusahaan dan Entitas Anak. Analisis dilakukan dengan dasar yang sama pada tahun 2017, meskipun varian nilai tukar mata uang asing yang mungkin terjadi berbeda, seperti ditunjukkan di bawah ini.

	<u>Penguatan/Strengthening</u> <u>Laba atau (rugi)/Profit or (loss)</u>	<u>Pelemahan/Weakening</u> <u>Laba atau (rugi)/Profit or (loss)</u>	
31 Desember 2017 IDR (pergerakan 5%)	(6.407.279)	6.395.786	December, 31 2017 IDR (movement 5%)

34. RISK MANAGEMENT POLICY (continued)

a. Business risk (continued)

- ii. The Company and Subsidiaries is dependent on management's ability to develop existing reserves, replace existing reserves and develop additional reserves.

b. Market risk

- i. Foreign exchange risk

The majority of the Company's and Subsidiaries' revenue and operating expenditure is denominated in US Dollars and the reporting currency of the Company and Subsidiaries is the US Dollar, thus the Company and Subsidiaries have a minimum exposure to fluctuations in foreign exchange rates.

Sensitivity analysis

A strengthening/(weakening) of Rupiah to the US Dollar would have increased/(decreased) profit/(loss) by the amounts shown below. This analysis is based on foreign currency exchange rate variances that are considered to be reasonably possible at the reporting dates of the Company and Subsidiaries. The analysis is performed on the same basis for 2017, except that the reasonably possible foreign exchange rate variances were different, as shown below.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/101 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

34. KEBIJAKAN MANAJEMEN RISIKO (lanjutan)

b. Risiko pasar (lanjutan)

ii. Risiko harga

Perusahaan terekspos terhadap risiko pasar yang berhubungan dengan pergerakan harga minyak mentah karena minyak mentah adalah produk komoditas yang diperjualbelikan di pasar minyak dunia. Sebagai produk komoditas, harga minyak mentah sangat tergantung pada dinamika pasokan dan permintaan minyak mentah di pasar ekspor dunia, yang sangat dipengaruhi oleh:

- Faktor-faktor fundamental (seperti produksi, persediaan, kondisi kilang, fasilitas pipa dan kebijakan produksi, tingkat pertumbuhan ekonomi, kebutuhan, musim dan ketersediaan teknologi sumber tenaga alternatif).
- Faktor-faktor non-fundamental (kekhawatiran pasar akibat gangguan politik, keamanan dan aksi spekulasi di pasar minyak).

Harga minyak mentah Perusahaan ditentukan berdasarkan ICP yang didasarkan harga minyak mentah dunia dengan kualitas yang sama sehingga cenderung sangat mengikuti siklus dan terpengaruh oleh fluktuasi yang signifikan yang disebabkan oleh dinamika pasokan dan permintaan seperti yang didiskusikan di atas. Namun demikian, Perusahaan tidak melakukan lindung nilai terhadap fluktuasi harga minyak mentah sesuai dengan instruksi dari Pertamina. Risiko fluktuasi harga minyak mentah dimonitor secara berkesinambungan untuk mengetahui besarnya eksposur risiko yang dihadapi Perusahaan.

34. RISK MANAGEMENT POLICY (continued)

b. Market risk (continued)

ii. Price risk

The Company is exposed to market risk associated with price movements of crude oil since crude oil is a commodity product traded on the world crude markets. As a commodity product, global crude oil prices are principally dependent on the supply and demand dynamics of crude oil in the world export market which are significantly affected by:

- *Fundamental factors (such as production, inventory, conditions of refineries, pipeline facilities and production policy, economic growth, needs, seasons and the technological availability of alternative energy sources).*
- *Non-fundamental factors (market concerns due to political uncertainty, security and speculation in the oil market).*

Prices for the Company's crude oil are based on ICP which are based on global crude oil prices with similar grades and therefore tend to be highly cyclical and subject to significant fluctuations due to supply and demand dynamics as discussed above. However, the Company does not use derivative instruments to hedge exposure to crude oil price risk in accordance with instruction from Pertamina. The risk of crude oil price fluctuations is monitored on an ongoing basis to determine the magnitude of risk exposures facing the Company.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/102 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

34. KEBIJAKAN MANAJEMEN RISIKO (lanjutan)

b. Risiko pasar (lanjutan)

ii. Risiko harga (lanjutan)

Meskipun harga jual gas biasanya terkait dengan harga minyak mentah, rumus penentuan harga gas biasanya lebih tidak berfluktuasi dibandingkan harga minyak mentah. Selain itu, penjualan gas biasanya berdasarkan kontrak jangka panjang dengan kemampuan untuk melakukan negosiasi harga. Ciri-ciri ini membuat eksposur Perusahaan terhadap pergerakan harga gas menjadi berkurang dibandingkan pergerakan harga minyak. Karena semua kontrak harga gas ditentukan berdasarkan negosiasi paling tidak setahun sekali, Perusahaan dapat melakukan negosiasi yang memberikan manfaat lebih kepada Perusahaan. Hal ini didukung oleh harga gas di Indonesia yang lebih rendah daripada harga gas dunia.

Perusahaan dan Entitas Anak tidak terekspos secara signifikan dengan risiko suku bunga karena tidak ada aset dan liabilitas berbunga yang signifikan kecuali piutang dari PT Donggi Senoro LNG dan pinjaman dari Pertamina yang tingkat bunganya dipengaruhi oleh tingkat bunga pasar. Oleh karena itu, pendapatan dan arus kas yang diperoleh dari aktivitas operasi secara substansial independen terhadap perubahan suku bunga pasar. Untuk piutang kepada DSLNG dan pinjaman dari Pertamina, Perusahaan secara berkala memonitor tingkat bunga pasar untuk memitigasi risiko suku bunga.

34. RISK MANAGEMENT POLICY (continued)

b. Market risk (continued)

ii. Price risk (continued)

Despite the fact that gas prices are typically linked to the crude oil price, the price formula for gas sales is typically less volatile compared to the crude oil price. In addition, the nature of gas sales is based on long-term contracts with the capacity for price negotiations. These features make the Company's exposures with gas price movements less than crude price movements. Since all gas sales contracts require negotiation of gas prices at least on an annual basis, therefore the Company can negotiate gas prices for the benefit of the Company. This is supported with the average gas sales prices in Indonesia are much lower than global prices.

The Company and Subsidiaries are not significantly exposed to interest rate risk since there are no significant interest bearing assets and liabilities except for the receivable from PT Donggi Senoro LNG and the loan from Pertamina for which the interest rate is impacted by market interest rates. Therefore, the Company's and Subsidiaries' income and operating cash flows are substantially independent of changes in market interest rates. In respect to the receivable from DSLNG and loan from Pertamina, the Company regularly monitors market interest rate to mitigate interest rate risk.

The original consolidated financial statements included herein are in the Indonesian language.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/103 Schedule

CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017

(Expressed in US Dollars, unless otherwise stated)

34. KEBIJAKAN MANAJEMEN RISIKO (lanjutan)

34. RISK MANAGEMENT POLICY (continued)

b. Risiko pasar (lanjutan)

b. Market risk (continued)

iii. Risiko suku bunga

iii. Interest rate risk

	Suku bunga mengambang/ <i>Floating rate</i>		Suku bunga tetap/ <i>Fixed rate</i>		Non bunga/ <i>Non interest bearing</i>	Jumlah/ <i>Total</i>
	Kurang dari satu tahun/ <i>Less than one year</i>	Lebih dari satu tahun/ <i>More than one year</i>	Kurang dari satu tahun/ <i>Less than one year</i>	Lebih dari satu tahun/ <i>More than one year</i>		
31 Desember/December 31, 2017						
Aset keuangan/Financial assets						
Kas dan kas setara kas/ <i>Cash and cash equivalents</i>	107.503.492	-	-	-	107.503.492	107.503.492
Kas yang dibatasi penggunaannya/ <i>Restricted cash</i>	-	-	25.420.033	30.141.802	-	55.561.835
Piutang usaha - pihak berelasi/ <i>Trade receivables - related parties</i>	-	-	-	-	80.347.247	80.347.247
Piutang usaha - pihak ketiga/ <i>Trade receivables - third parties</i>	-	-	-	-	97.951.513	97.951.513
Piutang Pemerintah/ <i>Due from the Government</i>	-	-	-	-	72.339.183	72.339.183
Piutang lain-lain - pihak berelasi/ <i>Other receivables - related parties</i>	-	-	-	-	131.921.392	131.921.392
Piutang lain-lain - pihak ketiga/ <i>Other receivables - third parties</i>	-	-	-	-	110.350.773	110.350.773
Uang muka <i>cash calls</i> / <i>Cash call advances</i>	-	-	-	-	55.125.787	55.125.787
Aset tidak lancar lainnya/ <i>Other non-current assets</i>	-	-	-	-	13.344.905	13.344.905
Jumlah aset keuangan/ Total financial assets	107.503.492	-	25.420.033	30.141.802	668.884.292	724.446.127
Liabilitas keuangan/ Financial liabilities						
Utang usaha - pihak yang berelasi/ <i>Trade payables - related parties</i>	-	-	-	-	583.320.844	583.320.844
Utang usaha - pihak ketiga/ <i>Trade payables - third parties</i>	-	-	-	-	70.198.367	70.198.367
Utang Pemerintah/ <i>Due to the Government</i>	-	-	-	-	59.678.373	59.678.373
Utang lain-lain - pihak berelasi/ <i>Other payables - related parties</i>	-	-	-	-	2.840.655	2.840.655
Utang lain-lain - pihak ketiga/ <i>Other payables - third parties</i>	-	-	-	-	302.782.818	302.782.818
Beban yang masih harus dibayar/ <i>Accrued expenses</i>	-	-	-	-	272.106.946	272.106.946
Pendapatan yang ditangguhkan/ <i>Deferred revenue</i>	-	-	-	-	21.186.263	21.186.263
Pinjaman - pihak berelasi/ <i>Loan - related party</i>	92.242.736	172.495.226	-	-	-	264.737.962
Jumlah liabilitas keuangan/ Total financial liabilities	92.242.736	172.495.226	-	-	1.312.114.266	1.576.852.228

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/104 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

34. KEBIJAKAN MANAJEMEN RISIKO (lanjutan)

c. Risiko kredit

Pada tanggal 31 Desember 2017, jumlah maksimal eksposur dari risiko kredit adalah US\$728.205.665. Risiko kredit terutama berasal dari kas dan setara kas, kas yang dibatasi penggunaannya, piutang usaha, piutang Pemerintah, piutang lain-lain, uang muka *cash call* dan aset tidak lancar lainnya.

Semua kas di bank dan dana yang dibatasi penggunaannya ditempatkan pada bank yang dimiliki Pemerintah yang mendapatkan peringkat AAA dan AA+.

Manajemen yakin akan kemampuannya untuk terus mengendalikan dan mempertahankan eksposur yang minimal terhadap risiko kredit mengingat Perusahaan dan Entitas Anak memiliki kebijakan yang jelas dalam pemilihan pelanggan, terdapat perjanjian yang mengikat secara hukum untuk transaksi penjualan minyak dan gas bumi dan secara historis mempunyai tingkat yang rendah untuk piutang usaha yang bermasalah. Kebijakan umum Perusahaan dan Entitas Anak untuk penjualan minyak dan gas bumi untuk pelanggan yang baru dan pelanggan yang sudah ada adalah sebagai berikut:

- Memilih pelanggan dengan kondisi keuangan yang wkuat dan reputasi yang baik.
- Menerima pelanggan baru yang disetujui oleh pihak yang berwenang sesuai dengan kebijakan delegasi kekuasaan Perusahaan dan Entitas Anak.

Pada tanggal 31 Desember 2017, jumlah piutang yang belum jatuh tempo dan tidak mengalami penurunan nilai sebesar US\$436.438.860.

Pada tanggal 31 Desember 2017, umur piutang usaha, piutang pemerintah dan piutang lain-lain yang telah jatuh tempo namun tidak mengalami penurunan nilai pada tanggal pelaporan adalah sebagai berikut:

- Lewat jatuh tempo:
- Kurang dari 3 bulan
 - 3 - 6 bulan
 - > 6 bulan

2017
51.953.796
4.259
1.056.153
53.014.208

Piutang sebesar US\$53.014.208 tersebut berasal dari pihak-pihak yang tidak terdapat sejarah wanprestasi dalam dua tahun terakhir.

34. RISK MANAGEMENT POLICY (continued)

c. Credit risk

As at December 31, 2017, the total maximum exposure to credit risk was US\$728,205,665. Credit risk arises from cash and cash equivalents, restricted cash, trade receivables, due from the Government, other receivables, cash call advances and other non-current assets.

All cash in banks and restricted cash are placed with in state-owned banks which have an AAA and AA+ ratings.

Management is confident in its ability to continue to control and sustain minimal exposure to credit risk given that the Company and Subsidiaries have clear policies on the selection of customers, legally binding agreements in place for oil and gas sales transactions and historically low levels of bad debts. The Company's and Subsidiaries' general policies for oil and gas sales to new and existing customers are as follows:

- Selection of customers with strong financial conditions and good reputations.
- Acceptance of new customers is approved by the authorised personnel according to the Company's and Subsidiaries' delegation of authority policies.

As at December 31, 2017, total receivables neither past due nor impaired amount to US\$436,438,860.

As at December 31, 2017, the aging of trade receivables, due from the Government and other receivables that are already past due but not impaired at the reporting date are as follows:

Over due:
Less than 3 months -
3 - 6 months -
> 6 months -

The receivables amounting to US\$53,014,208 involve a number of parties for whom there is no history of default in the past two years.

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/105 Schedule

CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017

(Expressed in US Dollars, unless otherwise stated)

34. KEBIJAKAN MANAJEMEN RISIKO (lanjutan)

c. Risiko kredit (lanjutan)

Manajemen telah melakukan penilaian terhadap debitur Perusahaan dan Entitas Anak yang menunjukkan bahwa kualitas kredit dari para debitur tersebut baik, karena sebagian besar pembayaran dilakukan tepat waktu.

d. Risiko likuiditas

Risiko likuiditas merupakan risiko yang muncul dalam situasi dimana posisi arus kas Perusahaan dan Entitas Anak mengindikasikan bahwa arus kas masuk dari pendapatan jangka pendek tidak cukup untuk memenuhi arus kas keluar untuk pengeluaran jangka pendek. Sebagian besar arus kas masuk Perusahaan dan Entitas Anak bergantung pada dana dari Pertamina, dalam bentuk *cash call*. Perusahaan dan Entitas Anak memiliki modal kerja yang negatif sebesar US\$632.035.293 tanggal 31 Desember 2017 yang sebagian besar disebabkan oleh kewajiban ke Pertamina. Oleh karena itu, manajemen Perusahaan rutin melakukan monitor atas perkiraan arus kas dan arus kas aktual dan melakukan koordinasi secara rutin atas pendanaan dengan Pertamina untuk memenuhi kewajiban tersebut. Sebagai hasilnya, risiko likuiditas dapat diminimalisasi ke tingkat yang wajar.

34. RISK MANAGEMENT POLICY (continued)

c. Credit risk (continued)

Management has assessed the Company's and Subsidiaries' debtors and the credit quality of the borrowers is adjudged to be good, because most payments are made on time.

d. Liquidity risk

Liquidity risk is defined as a risk that arises in situations where the Company's and Subsidiaries' cash flows indicate that the cash inflow from short-term revenue is not enough to cover the cash outflow of short-term expenditure. Most of the Company's and Subsidiaries' cash inflow depends on funding in the form of "cash calls" from Pertamina. The Company's and Subsidiaries have a negative working capital balance of US\$632,035,293 as of December 31, 2017 which is mainly due to the liability to Pertamina. The Company's and Subsidiaries' managements regularly monitor the projected and actual cash flows and regularly coordinate their funding arrangements with Pertamina to fulfill such obligations. As a result, the liquidity risk can be maintained a reasonable level.

	2017			Jumlah/ Total	
	Kurang dari 1 tahun/ Less than 1 year	Lebih dari 1 tahun dan kurang dari 5 tahun/ Later than 1 year and not later than 5 years	Lebih dari 5 tahun/ Later than 5 years		
(Berdasarkan PSAK 60)					(In accordance with SFAS 60)
Liabilitas keuangan					Financial liabilities
Utang usaha	653.519.211	-	-	653.519.211	Trade payables
Utang Pemerintah	59.678.373	-	-	59.678.373	Due to the Government
Beban yang masih harus dibayar	272.106.946	-	-	272.106.946	Accrued expenses
Utang lain-lain	305.623.473	-	-	305.623.473	Other payables
Pendapatan yang ditangguhkan	21.186.263	-	-	21.186.263	Deferred revenue
Pinjaman	92.242.736	172.495.226	-	264.737.962	Loan
Jumlah liabilitas keuangan	1.404.357.002	172.495.226	-	1.576.852.228	Total financial liabilities

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/106 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

34. KEBIJAKAN MANAJEMEN RISIKO (lanjutan)

e. Nilai wajar

Nilai wajar adalah suatu jumlah dimana suatu aset dapat dipertukarkan atau suatu liabilitas diselesaikan antara pihak yang memahami dan berkeinginan untuk melakukan transaksi wajar.

Aset dan liabilitas keuangan lancar Perusahaan dan Entitas Anak diharapkan akan dapat direalisasi atau diselesaikan dalam jangka waktu dekat. Oleh karena itu, nilai tercatatnya mendekati nilai wajarnya.

Tabel di bawah ini menganalisis instrumen keuangan yang dicatat pada nilai wajar berdasarkan tingkatan metode penilaian. Perbedaan pada setiap tingkatan metode penilaian dijelaskan sebagai berikut:

- Harga dikutip (tidak disesuaikan) dari pasar yang aktif untuk aset atau liabilitas yang identik (Tingkat 1);
- Input selain harga yang dikutip dari pasar yang disertakan pada Tingkat 1 yang dapat diobservasi untuk aset dan liabilitas, baik secara langsung (yaitu sebagai sebuah harga) atau secara tidak langsung (yaitu sebagai turunan dari harga) (Tingkat 2); dan
- Input untuk aset atau liabilitas yang tidak didasarkan pada data pasar yang dapat diobservasi (informasi yang tidak dapat diobservasi) (Tingkat 3).

Tabel berikut menyajikan aset dan liabilitas Perusahaan dan Entitas Anak yang diukur sebesar nilai wajar pada 31 Desember 2017.

34. RISK MANAGEMENT POLICY (continued)

e. Fair value

Fair value is the amount for which an asset could be exchanged or a liability settled between knowledgeable and willing parties in an arm's-length transaction.

The Company's and Subsidiaries' current financial assets and liabilities are expected to be realised or settled in the near term. Therefore, their carrying amounts approximate to their fair value.

The table below analyses financial instruments carried at fair value, by level of valuation method. The different levels of valuation methods have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is prices) or indirectly (that is, derived from prices) (Level 2); and
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The following table presents the Company's and Subsidiaries' assets and liabilities that are measured at fair value at December 31, 2017.

	2017			Jumlah/ Total	
	Tingkat 1/ Level 1	Tingkat 2/ Level 2	Tingkat 3/ Level 3		
Aset keuangan					Financial asset
Investasi tersedia untuk dijual	-	-	7.352	7.352	Available-for-sale investment
Jumlah aset keuangan	-	-	7.352	7.352	Total financial asset

PT PERTAMINA HULU ENERGI DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 5/107 Schedule

**CATATAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN
31 DESEMBER 2017**

(Dinyatakan dalam Dolar AS, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 2017**

(Expressed in US Dollars, unless otherwise stated)

34. KEBIJAKAN MANAJEMEN RISIKO (lanjutan)

f. Manajemen risiko permodalan

Sesuai dengan kebijakan Pertamina, kebijakan permodalan dan pendanaan sepenuhnya diatur oleh Pertamina. Perusahaan dan Entitas Anak tidak diberikan otorisasi untuk melakukan pinjaman, baik jangka pendek maupun jangka panjang. Oleh karena itu, penerimaan modal Perusahaan dan Entitas Anak sangat tergantung sepenuhnya dengan kemampuan Pertamina mendapatkan pendanaan.

34. RISK MANAGEMENT POLICY (continued)

f. Capital risk management

In accordance with Pertamina's policy, capital and financing activities are arranged by Pertamina. The Company and Subsidiaries are not authorised to conduct any short-term or long-term borrowings. Therefore, the Company's and Subsidiaries's capital in flow is fully dependent on Pertamina's ability to obtain financing.

35. AKTIVITAS YANG TIDAK MEMPENGARUHI ARUS KAS

Aktivitas investasi dan pendanaan Perusahaan yang tidak memiliki pengaruh arus kas adalah sebagai berikut:

35. ACTIVITIES NOT AFFECTING CASH FLOWS

Investment and financing activities of the Company which do not affect cash flows are as follows:

	<u>2017</u>	<u>2016</u>	
Pembayaran dividen kepada Pertamina melalui <i>offsetting</i> dengan piutang dari Pertamina	99.694.917	250.892.819	Settlement of dividends due to Pertamina by offset against the account receivable from Pertamina
Saling hapus piutang Pertamina dengan hutang kepada Pertamina	627.747.604	628.693.952	Offset between Account Receivable from and Account Payable to Pertamina
Penambahan aset minyak dan gas yang berasal dari pembongkaran dan restorasi	118.170.734	36.649.499	Oil and gas property addition resulting from capitalization due to decommissioning and site restoration
Penambahan aset minyak dan gas yang berasal dari <i>gross-up participating interest</i> PHE ONWJ	278.363.808	-	Oil and gas property addition resulting from capitalization due to gross-up of participating interest in PHE ONWJ

36. KEJADIAN SETELAH TANGGAL NERACA

Berdasarkan Rapat Umum Pemegang Saham Sirkuler Perusahaan tertanggal 5 Februari 2018, susunan Direksi Perusahaan sebagai berikut:

Direksi:

PJ Direktur Operasi dan Produksi
PJ Direktur Keuangan
dan *Business Support*
PJ Direktur Eksplorasi
PJ Direktur Pengembangan

Ekariza
Huddie Dewanto
Abdul Mutalib
Afif Saifudin

36. SUBSEQUENT EVENT

Based on the Company's Circular General Meeting of Shareholders dated February 5, 2018, the composition of the Company's Board of Director is changed to be as follows:

Directors:

Acting Operation
and Production Director
Acting Finance and Business
Support Director
Acting Exploration Director
Acting Development Director



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