

# Vendor Policy

## **GENERAL POLICY OF VENDOR PT GARUDA INDONESIA (PERSERO) TBK**

General Policies of Vendor PT. Garuda Indonesia (Persero) Tbk ("Garuda") are :

1. Garuda prioritizes purchase on the direct source basis, that is to the goods/services providers such as factories or sole distributors (Direct Sourcing Approach) and avoid the purchase to non-value-added agents / vendors.
2. Vendors which shall join procurement process should meet the general requirements as follows :
  - a. Have the expertise, experience, technical and management capability in accordance with its business field.
  - b. Have the resources (facilities, SDM, tools, and other resources) required in accordance with its business field.
  - c. Legitimate registered company is preferred.
  - d. Neither under legal sanction nor involved in legal case that can impact to operational failure.
3. Vendor must obey Indonesia's government rules & regulations as well as within Garuda regulations applied in accordance with goods and/or services procurement
4. Garuda assign Approved Vendor List ("AVL") that will be used in routine procurement and non-bidding. Vendors in AVL are vendors who have passed the evaluation process conducted by Garuda.
5. Vendor who interest to registered in AVL must complete all of the requirements, follow the selection and evaluation process in accordance with Garuda provisions. Each vendor can be registered maximum 2 business field (category) in the AVL.
6. In an effort to encourage the capability improvement of the vendors and as part of vendor management program, Garuda sets vendor performance system to ensure the quality and as continuous improvement.

Garuda will conduct vendor performance evaluation periodically on the basis of the criteria set out, such as quality, service, and delivery aspects in the procurement process of Garuda. The result of vendor performance evaluation will be used as consideration to give rewards, punishment, and reviewing existence of Vendor in AVL .

If Vendor's performance result is below of Garuda's standard (unsatisfying), Garuda has the right to do not include the Vendor in the next procurement process or will evaluate the Vendor existence in AVL.
7. Garuda has the right to eliminate Vendor list in the AVL if:
  - a. Vendor act as broker or non-value-added agents / vendors.
  - b. Vendor declare resignation by sending a letter of resignation from the vendor list to the Garuda Business Support and General Affairs Unit.
  - c. Violation of the provisions as specified in the procurement of Garuda.
  - d. Not actively participate in the procurement of Garuda
  - e. Vendor's performance result is below of Garuda's standard repetitively or cause of loss and interfere operational activities in Garuda.
  - f. There is any changes or adjustments of business field (category) that maintained in the AVL.
8. Sanction of offense committed by Vendor are divided into two categories, as follows:
  1. Red List

The determination of red list status based on the following criteria :

- Provide goods and/or services that does not meet the specifications.
- Refuse to carry out the goods and/or services after being appointed as the winner.
- Assign the main job to another party without PT. Garuda Indonesia (Persero) Tbk. permission.
- Not finishing the job and does not pay the penalty fees according to the agreement.

Sanction :

Vendor is not allowed to join the procurement process in their category listed for 2 years since punishment letter published.

## 2. Black List

The determination of black list status based on the following criteria :

- Involved in corruption and conspiracy to set prices among participants .
- Provide gratuities to employees of PT Garuda Indonesia (Persero) Tbk.
- Documents forgery or data manipulation.
- Supply counterfeit goods which is provable by a statement from the competent authority / factory / dealer.
- Unable to provide goods and/or services in accordance with the contract and have fatal consequences for PT Garuda Indonesia (Persero) Tbk operation.
- Involved a criminal offense against the law stated by the competent authority.
- Misuse of documents for any purposes that not related to participation in the procurement process and/or not related to working process, without PT. Garuda Indonesia (Persero) Tbk. permission.
- Publish incorrect issues that can not legally proven and impact negatively to PT. Garuda Indonesia (Persero) Tbk.
- Create and/ or submit inappropriate documents and/ or information related to Domestic Component Level (TKDN) in goods/ services.
- Based on the inspection result, there is a discrepancy in the use of Domestic Component Level (TKDN) in goods/ services.

Sanction:

1. PT Garuda Indonesia (Persero) Tbk prohibit the blacklisted company to join the procurement activities in PT Garuda Indonesia (Persero) Tbk for 3 years since punishment letter published.
2. PT Garuda Indonesia (Persero) Tbk has the right to announce Blacklist status on the Garuda e-Procurement website.

9. Garuda has the right to revised, insert or delete the terms in this website, with or without prior notice.

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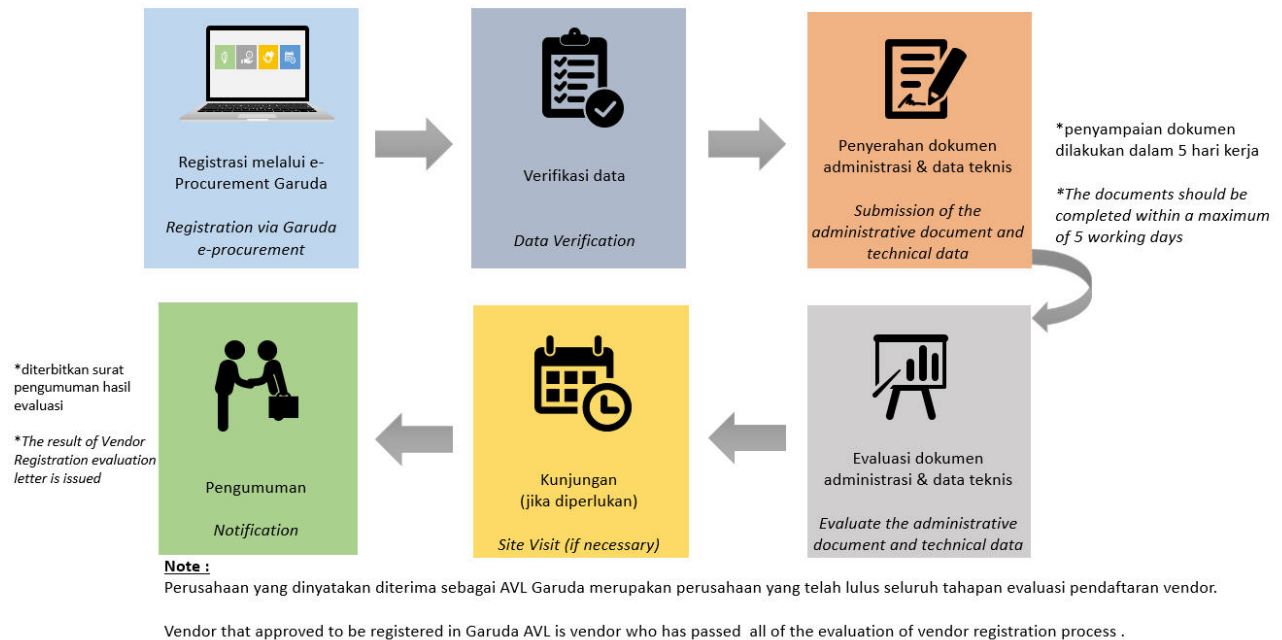
### **VENDOR REGISTRATION POLICY PT GARUDA INDONESIA (PERSERO) TBK**

1. Garuda opens opportunity for companies who have business field that suits Garuda needs which

stated in e-Procurement website announcement. Garuda has its right and sole decision to do not evaluate the vendor registration that registered not in period of registration.

Garuda Vendor Registration Process :

#### Alur Pendaftaran Vendor / Vendor Registration Process



- Registration should be conducted via e-procurement website. For companies who have registered within pre-determined period suits with Garuda needs will receive notification and document guideline contains with terms & conditions. The documents should be completed within 5 working days after the notification received.

The administrative and technical document should be submitted to the following address :

**PT Garuda Indonesia (Persero) Tbk**

**“Vendor Registration - Category (company expertise in form of goods and services provisioning)”**

**Unit Business Support & General Affairs / JKTIBGA**

**Gedung Management Garuda, Ground Floor**

**Garuda City, Soekarno-Hatta International**

**Cengkareng 15111, Indonesia.**

**P.O BOX 1004 TNG BUSH**

Late submission may lead to the rejection of registration.

- List of documents should be submitted by Vendors are :
  - Administrative Documents

<b>No</b>	<b>Administrative Documents</b>	<b>Indonesian Registered Company</b>	<b>Non Indonesian Registered Company</b>
1	Copy of Articles of Associations/Deed Establishment (or equivalent documents)	<b>Yes</b>	<b>Yes</b>
2	Copy of Certificate of Domicile (if applicable)	<b>Yes</b>	<b>Yes</b>
3	Copy of Letter of Business Permit	<b>Yes</b>	<b>No</b>
4	Copy of Tax Registration Number	<b>Yes</b>	<b>No</b>
5	Copy of Company Registration (or equivalent documents)	<b>Yes</b>	<b>Yes</b>
6	Copy of last 1 years recent tax payment	<b>Yes</b>	<b>No</b>
7	Copy of last 1 years corporate annual reports or financial statements. (Audited by the public auditor is preferred)	<b>Yes</b>	<b>Yes</b>
8	Copy of Company Certification which related to its business and achievement (if any)	<b>Yes</b>	<b>Yes</b>
9	Copy of nominated letter as PKP (if any)	<b>Yes</b>	<b>No</b>
10	Copy of Surat Ijin Usaha Jasa Konstruksi/SIUIJK (specially for contractor)	<b>Yes</b>	<b>No</b>
11	Copy of Sertifikat Badan Usaha/SBU (specially for contractor)	<b>Yes</b>	<b>No</b>
12	Conflict of Interest Form	<b>Yes</b>	<b>Yes</b>
13	Company Statement Form	<b>Yes</b>	<b>Yes</b>
14	Personal Information Management Form	<b>Yes</b>	<b>Yes</b>
15	Contact Person Information Please fill the detail information of person who will coordinate with Garuda team <ul style="list-style-type: none"> <li>• Company Name</li> <li>• Person's Name</li> <li>• Title</li> <li>• Email Address</li> <li>• Telephone Number</li> <li>• Handphone</li> <li>• Facsimile Number</li> </ul>		

**Note :**

The list of documents above can be adjusted to business fields (category) needs.

In certain conditions, when a vendor can not fulfill the administrative documents that are confidential, then the vendor must make a statement letter that signed by Director of the Company.

#### B. Technical Documents

Vendors must submit **Company Profile** contains of :

- a. Company Organization Structure
- b. Total employees and their qualification (for company with experts employee).
- c. Portfolio of products/services offered by the company.
- d. Production capacity and utilized capacity (for manufacture).
- e. Business location, Branch Office and workshop ownership status information.
- f. Main equipments and tools that are owned by the company utilized to support its operational activities.
- g. Customers list for the last 2 years, include :
  - Client Name
  - Scope of Works
  - Periode of Works
  - Location
- h. Photos that describe the condition of the office, workshop, warehouse, business activities, etc.

#### C. Others

If necessary, Vendors should submit specific data related with its expertise as requested in the Vendor registration announcement.

4. Garuda will conduct an evaluation of administrative documents and technical data that submitted by the Vendor in accordance with the requirements and regulations in Garuda Indonesia.
5. Garuda reserves the right to conduct due diligence, including but not limited to site visits, to confirm and verify the validity/accuracy of documents.
6. Site visit is part of the evaluation process to ensure the legality of the document with the factual business location and ensure operational / production activities in accordance with its business field that are registered and ensure that the company is not a broker or non-value-added middleman company.
7. Garuda reserves the right to declare the Company is failed in Vendor registration if:
  - a. The Company is a broker or non-value-added middleman company;
  - b. Late submission of documents;
  - c. Incompleteness of the submitted documents;
  - d. There are documents that declared not genuine/false by the authorities for issuing the document;
  - e. The documents are not valid and are not accompanied by notification of renewal;
  - f. From the result of due diligence , Company is unable to meet the Garuda's criteria.
8. Garuda reserves the right to demand others supporting documents as required in the evaluation process. Evaluation to be done comprehensively by considering administrative/legal, technical aspects as well as compliance with Garuda needs.
9. The result of Vendor Registration evaluation will be informed by official letter or email to the Company. Garuda decision on the results of evaluation vendor registration is an absolute right

that can not be inviolable.

10. Garuda does not collect any fees from participants in any procurement process, including the vendor registration process.