



**INDOCEMENT**  
HEIDELBERGCEMENT Group

Attachment of Board of Commissioners Statement Resolution  
No.: 012/Kpts/Kom/ITP/XII/2015  
Dated : 4 December 2015

---

# **CHARTER OF BOARD OF DIRECTORS AND BOARD OF COMMISSIONERS**

**PT INDOCEMENT TUNGGAL PRAKARSA Tbk.**

**2015**

## CHAPTER I INTRODUCTION

### A. Background

PT Indocement Tunggal Prakarsa Tbk. (“ITP” or the “**Company**”) has been a public listed company since 1989. As a public listed company, ITP is committed to comply with the prevailing laws and regulations in performing its operational and business activities.

The Board of Directors and the Board of Commissioners play an important role in the management of the Company. As such, they shall always comply with the prevailing laws and regulations as well as the Company’s Articles of Association in discharging their duties and responsibilities. This Board of Directors and Board of Commissioners’ Charter (“**Charter**”) serves as a guideline to the Board members in the performance of their duties and responsibilities so as to fulfill and protect the interests of the Company, shareholders, and others stakeholders (including employees, customers, the public, and business partners).

By this Charter, the Board of Directors and Board of Commissioners are expected to always act based on Good Corporate Governance principles, understand and comply with all prevailing laws and regulations as stipulated in the legal basis of this Charter, and in accordance with the Company’s values in order to ensure the smooth operation of the Company’s business.

### B. Legal Basis

This Charter is made based on *inter alia*, the following laws and regulations:

1. Law Number 40 of 2007 concerning Limited Liability Company;
2. Law Number 8 of 1995 concerning Capital Market;
3. Attachment of Decree of Chairman of Capital Market Supervisory Board No. KEP-86/PM/1996 concerning Regulation No. X.K.1 concerning Disclosure on the Information which should be Announced to the Public;
4. Attachment to the Decree of Chairman of Capital Market Supervisory Board and Financial Institution No. KEP-346/BL/2011 concerning Regulation No. X.K.2 concerning Submission of Periodical Financial Report;
5. Attachment to the Decree of Chairman of Capital Market Supervisory Board and Financial Institution No. KEP-431/BL/2012 concerning Regulation No. X.K.6 concerning Submission of Annual Report;
6. Attachment of Decree of Chairman of Capital Market Supervisory Board No. KEP-643/BL/2012 concerning Regulation No. IX.I.5 concerning Establishment and Guideline of Audit Committee;
7. Regulation of Financial Authority Service No. 33/POJK.04/2014 regarding Board of Directors and Board of Commissioners of Issuer or Public Company;





Attachment of Board of Commissioners Statement Resolution  
No.: 012/Kpts/Kom/ITP/XII/2015  
Dated : 4 December 2015

8. Regulation of Financial Authority Service No. 34/POJK.04/2014 regarding Nomination and Remuneration Committee of Issuer or Public Company;
9. Regulation of Financial Authority Service No. 35/POJK.04/2014 regarding Corporate Secretary of Issuer or Public Company;
10. Regulation of Stock Exchange Number I-A (Attachment of Board of Directors' Decree of PT Bursa Efek Jakarta Number: Kep-339/BEJ/07-2001 dated 20 July 2001 concerning the Amendment of Regulation Letter C.2.e. Regulation of Registration of Securities Number I-A: Concerning General regulation on Registration of Equity Securities at the Stock Exchange);
11. Regulation of Stock Exchange Number I-A (Attachment of Board of Directors' Decree of PT Bursa Efek Jakarta Number: Kep-00001/BEI/01-2014 dated 20 January 2014 concerning the Amendment of Regulation Number I-A: Concerning General regulation on Registration of Equity Securities at the Stock Exchange;
12. Company's Articles of Association; and
13. Any amendments, restatements or updated editions of the above laws and regulations.

## **CHAPTER II**

### **ORGANIZATION, APPOINTMENT AND TERM OF SERVICE**

#### **A. Organization of Board of Directors and Board of Commissioners**

##### **1. Organization of Board of Directors**

- 1.1. The Company shall be managed by the Board of Directors which consists of a minimum of 5 (five) Directors and a maximum of 11 (eleven) Directors, one of whom shall be appointed as President Director and another of whom shall be appointed as Vice-President Director, and at least one of whom shall be appointed as an Independent Director.
- 1.2. Directors can be of Indonesian or foreign nationality and shall fulfill the requirements stipulated in Section A (3) below in compliance with the prevailing laws and regulations.
- 1.3. Directors shall receive remuneration and/or allowance of an amount determined by the Nomination and Remuneration Committee subject to the resolution of the General Meeting of Shareholders ("GMS").

##### **2. Organization of Board of Commissioners**

- 2.1. The Board of Commissioners shall consist of a minimum of 5 (five) members, one of whom shall be appointed as President Commissioner and 2 (two) others as Vice-President Commissioner.
- 2.2. At least 30% (thirty percent) of the Board of Commissioners shall comprise of Independent Commissioners.
- 2.3. Commissioners can be of Indonesian or foreign nationality and shall fulfill the requirements stipulated in Section A (4) below, in compliance with the prevailing laws and regulations.

##### **3. Requirements of a Director**

- 3.1. A Director shall be obliged to fulfill the following requirements:
  - (a) be of good behavior, morals and integrity;
  - (b) is a competent legal person capable of performing legal actions;
  - (c) within 5 (five) years prior to his appointment and during his term of service:
    - (1) has never been declared bankrupt;





Attachment of Board of Commissioners Statement Resolution  
No.: 012/Kpts/Kom/ITP/XII/2015  
Dated : 4 December 2015

- (2) has not been a member of the Board of Directors and/or Board of Commissioners of a company which was determined to be guilty in causing the said company to become bankrupt;
- (3) has never been punished for criminal action which caused loss to the country and/or related to the financial sector; and
- (4) has never been appointed as a member of the Board of Directors and/or Board of Commissioners of a company, which during his term of service:
  - (i) did not convene the annual GMS;
  - (ii) had his/her statement of responsibility as member of the Board of Directors and/or Board of Commissioners of such company rejected by the GMS or failed to submit a statement of responsibility as a member of the Board of Directors and/or Board of Commissioners of such company;
  - (iii) caused the Company to fail to fulfill its obligation in submitting financial reports and/or annual reports to the Financial Services Authority;
- (d) commits to complying with the laws and regulations;
- (e) has the requisite ability, knowledge, skills, experience and/or expertise required for the role.

3.2. A Director shall not concurrently hold position as a:

- (a) member of the Board of Directors in more than 1 (one) other issuer/public company;
- (b) member of the Board of Commissioners in more than 3 (three) other issuers/public companies;
- (c) member of committee in more than 5 (five) committees of issuers/public companies in which he is also a member of the Board of Directors or Board of Commissioners.

Such concurrent positions shall however be subject to the prevailing laws and regulations.

3.3. An Independent Director shall fulfill the following requirements:

- (a) not be affiliated to the controlling shareholder of the Company at least within 6 (six) months prior to his appointment as an Independent Director;
- (b) not be affiliated to the other Commissioners or Directors of the Company;
- (c) not be a member of the Board of Directors in other public listed companies;
- (d) not be an insider in a Capital Market Supporting Institution or Profession whose service had been used by the Company within 6 (six) months prior to his appointment.



Attachment of Board of Commissioners Statement Resolution  
No.: 012/Kpts/Kom/ITP/XII/2015  
Dated : 4 December 2015

- 3.4. The maximum term of service for Independent Directors is 2 (two) consecutive periods, with each period commencing from the date of the appointment at the GMS and continuing up to the date of closing of the third following Annual GMS.
- 3.5. A declaration on compliance with the above stated requirements shall be submitted by the Independent Director to the Company prior to his/her appointment.

#### **4. Requirements of a Commissioner**

- 4.1. The requirements in Section A (3.1) above shall apply *mutatis mutandis* to a Commissioner.
- 4.2. A Commissioner shall not concurrently hold position as:
  - (a) a member of the Board of Directors in more than 2 (two) other issuers or public companies; and
  - (b) a member of the Board of Commissioners in more than 2 (two) other issuers or public companies.
- 4.3. A Commissioner who is not concurrently a Director in other issuers/public companies is entitled to concurrently be a Commissioner in no more than 4 (four) other issuers/public companies.
- 4.4. A Commissioner shall not be a member of committee in more than 5 (five) committees of issuers/public companies in which he is a Director or Commissioner.
- 4.5. The concurrent positions stated above shall be subject at all times to the prevailing laws and regulations.
- 4.6. An Independent Commissioner shall fulfill the following additional requirements:
  - (a) he shall not have authorized or been responsible for the planning, leading, controlling or supervision of the activities of the Company within 6 (six) months of his appointment, save in the case of re-appointment for a following period;
  - (b) he does not own shares either directly or indirectly in the Company;
  - (c) he is not affiliated with the Company or any Director or Commissioner or the majority shareholders of the Company; and
  - (d) he does not have any business relationship either directly or indirectly with the business activities of the Company.
- 4.7. The maximum term of service for Independent Commissioner is 2 (two) consecutive periods, with each period commencing from the date of the



Attachment of Board of Commissioners Statement Resolution  
No.: 012/Kpts/Kom/ITP/XII/2015  
Dated : 4 December 2015

appointment at the GMS and continuing up to the date of the third following Annual GMS. Reappointment after the first period is subject to the Independent Commissioner remaining independent in accordance with the criteria set forth above (save in the case of reappointment under Section 4.6(a) above).

- 4.8. A statement regarding the independence of the Independent Commissioners shall be disclosed in the Annual Report of the Company.
- 4.9. An Independent Commissioner may not serve on the Audit Committee for more than 2 (two) consecutive periods.

## **5. The Committees**

- 5.1 In performing its duties and responsibilities, the Board of Commissioners is supported by the following committees:

- (a) Audit Committee; and
- (b) Nomination and Remuneration Committee.

### **5.2. The Audit Committee**

- 5.2.1. The Audit Committee shall consist of at least 3 (three) members, one of whom shall be an Independent Commissioner who shall be the chairman of the Audit Committee. The remaining members of the Audit Committee shall be independent external parties at least one of whom shall have financial or accounting expertise.
- 5.2.2. The members of the Audit Committee shall be appointed and terminated by the Board of Commissioners.
- 5.2.3. The term of service of the Audit Committee shall not exceed the term of service of the Board of Commissioners and can be re-appointed for one following period only.
- 5.2.4. The duties, authorities and responsibilities of the Audit Committee shall be further stipulated in the Audit Committee Charter and shall be in accordance with the prevailing laws and regulations, in particular regulations in the capital markets sector.

### **5.3. The Nomination and Remuneration Committee**

- 5.3.1. The Nomination and Remuneration Committee is established by and shall be responsible to the Board of Commissioners to assist in the implementation of the Board of Commissioners' function and duty related



Attachment of Board of Commissioners Statement Resolution  
No.: 012/Kpts/Kom/ITP/XII/2015  
Dated : 4 December 2015

to the nomination and remuneration of members of the Board of Directors and Board of Commissioners.

5.3.2. The Nomination and Remuneration Committee shall consist of a minimum of 3 (three) members as follows:

- (a) 1 (one) Independent Commissioner who shall serve as Chairman of the committee; and
- (b) the remaining members which may consist of:
  - (1) member of the Board of Commissioners;
  - (2) a third party from outside the Company; or
  - (3) a party having a managerial position under the Board of Directors in the field of human resources, provided that:
    - (i) the majority of such remaining members shall not consist of persons from Section 5.3.2(b)(3); and
    - (ii) the third party referred to in Section 5.3.2(b)(2) above shall:
      - a. not be affiliated to the Company, a member of the Board of Directors, a member of the Board of Commissioners, or a Majority Shareholder of the Company;
      - b. have experience related to nomination and/or remuneration; and
      - c. not be a member of any other committee of the Company.

5.3.3. A Director shall not be a member of the Nomination and Remuneration Committee.

5.3.4. The appointment, replacement and term of service of the Nomination and Remuneration Committee shall be in accordance with the Nomination and Remuneration Committee Charter and the prevailing laws and regulations.

5.3.5. The Nomination and Remuneration Committee shall act independently in the performance of its duties.

5.3.6. In performing its duties, Nomination and Remuneration Committee shall be responsible to the Board of Commissioners.

5.3.7. The term of service of the Nomination and Remuneration Committee shall not exceed the term of service of the Board of Commissioners. Members of the Nomination and Remuneration Committee can be re-appointed.



Attachment of Board of Commissioners Statement Resolution  
No.: 012/Kpts/Kom/ITP/XII/2015  
Dated : 4 December 2015

- 5.3.8. The duties, authorities and responsibilities of the Nomination and Remuneration Committee shall be further stipulated in the Nomination and Remuneration Committee Charter and shall be in accordance with the prevailing laws and regulations, in particular regulations in the Capital Markets sector.

## **B. Appointment, Termination and Resignation**

### **1. Appointment, Termination and Resignation of Directors**

- 1.1. The proposal to appoint, terminate and replace a Director shall be submitted to the GMS after considering the recommendations of the Board of Commissioners and the Nomination and Remuneration Committee.
- 1.2. A Director may resign from his/her position before the end of his/her term of service by tendering a resignation letter to the Company at least 60 (sixty) calendar days prior to the date of resignation and the Company shall convene the GMS to resolve the said resignation within 90 (ninety) days of receipt of the resignation letter.
- 1.3. A Director may be temporarily suspended by the Board of Commissioners with the reason stated and such suspension shall be notified in writing to the said Director.
- 1.4. Where a Director has been temporarily suspended, the Board of Commissioners shall convene a GMS to either revoke the suspension or to approve the dismissal of the Director.
- 1.5. The GMS shall be convened within 90 (ninety) days of the date of temporary suspension and in the event that such period has lapsed or the GMS does not approve the temporary suspension, the temporary suspension shall be revoked.
- 1.6. At the GMS convened to consider the temporary suspension of a Director, the Director in question may provide his defence.
- 1.7. A Director who has been temporarily suspended is not authorized to manage or represent the Company during the period from the date of passing of the temporary suspension resolution by the Board of Commissioners up to the date of the final resolution passed at the GMS or the lapsing of the 90 (ninety) day period for convening the GMS under Section B (1.5) above, whichever is earlier. Such authority shall be reinstated if the GMS resolves to revoke the suspension.





Attachment of Board of Commissioners Statement Resolution  
No.: 012/Kpts/Kom/ITP/XII/2015  
Dated : 4 December 2015

1.8. A Director's position shall be terminated when:

- (a) the Director resigns in accordance with this Charter and the Company's Articles of Association;
- (b) the Director's term of service expires;
- (c) the Director no longer meets the requirements for being a director under Section A (3) above and under the relevant laws and regulations;
- (d) the Director is dismissed under a GMS resolution; or
- (e) the Director dies during his/her tenure.

## **2. Appointment, Termination and Resignation of Commissioners**

2.1. The procedures on the appointment, termination and/or replacement of Directors set forth in Section B (1) above shall apply *mutatis mutandis* to Commissioners, save that the provisions above on temporary suspension do not apply to Commissioners.

## **C. Term of Service of Board of Directors and Board of Commissioners and Availability**

### **1. Term of Service**

Directors and Commissioners are appointed for a term of 3 (three) years (commencing from the date the resolution approving the said appointment is passed at a GMS up to the closing of the third following annual GMS) and maybe re-appointed in accordance with the prevailing laws and regulations.

### **2. Availability**

The Directors and Commissioners shall ensure their availability in accordance with the requirements and regulations of the Company.



## **CHAPTER III**

### **DUTIES, RESPONSIBILITIES AND AUTHORITIES OF BOARD OF DIRECTORS AND BOARD OF COMMISSIONERS**

#### **A. Objective**

The overall objective of the Board of Directors and Board of Commissioners is to assist the Company in achieving its Vision and Mission.

#### **B. Duties, Responsibilities and Authority of Board of Directors**

##### **1. Duties and Responsibilities of Board of Directors**

- 1.1. To manage the Company in accordance with the Company's purposes and objectives as stipulated in the Company's Articles of Association.
- 1.2. Directors shall perform their duties and responsibilities in good faith and shall exercise full responsibility and prudence. The Directors shall act in the best interests of the Company at all times and shall consider the various risks relevant to the Company in their decision making and actions.
- 1.3. In fulfilling its duties and responsibilities, the Board of Directors shall:
  - (a) Prepare the Company's development plan and an annual working plan before the commencement of the next financial year which shall also include the Company's annual budget for the next financial year. The annual working plan shall be submitted to the Board of Commissioners for approval. In the event that the Board of Directors does not submit the working plan, the previous annual working plan shall be executed.
  - (b) prepare the Company's accounting system based on the internal control principle, in particular separation of the management, recording, storing and supervision functions;
  - (c) convene an annual GMS and other GMS as stipulated in the applicable regulations and Articles of Association.
  - (d) prepare the shareholders list, special list, minutes of GMS and minutes of Board of Directors' meeting;
  - (e) prepare the annual report and financial report of the Company;
  - (f) maintain all lists, minutes, and financial documents of the Company; and
  - (g) report to the Company regarding the shares owned by the respective member of Board of Directors and/or his relatives in the Company to be further registered in the special list.



Attachment of Board of Commissioners Statement Resolution  
No.: 012/Kpts/Kom/ITP/XII/2015  
Dated : 4 December 2015

- 1.4. Directors shall be jointly and severally liable for the losses of the Company caused by their gross negligence or willful misconduct in the performance of their duties. Nevertheless, any Director who fails to comply with the shareholding reporting requirements set out in Section A (1.3)(g) above shall be individually responsible for the losses caused to the Company as a result thereof.
- 1.5. A Director shall not be responsible for losses of the Company where:
- (a) such loss is not due to his gross negligence or willful misconduct in the performance of his duties;
  - (b) he has performed his duties responsibly, in good faith and prudence, and with due care and diligence in the interests and in accordance with the purposes and objectives of the Company;
  - (c) he had no conflict of interest directly or indirectly which resulted in the losses suffered by the Company; and
  - (d) he has taken reasonable preventive actions against such losses arising or continuing.

## **2. Authority of Board of Directors**

- 2.1. The Board of Directors shall be responsible for the management of the Company in accordance with the Company's policies in furtherance of the Company's aims and objectives.
- 2.2. The Board of Directors shall have authority to do the following:
- (a) To determine, maintain and manage the Company's policies;
  - (b) To manage the Company's manpower, including the determination of the salaries, pension and other benefits of the Company's employees in accordance with the prevailing legislation and/or resolution of the GMS (if any);
  - (c) To appoint and dismiss the Company's employees in accordance with the prevailing legislation;
  - (d) To delegate the Board of Directors' authority to represent the Company to one or several member(s) of the Board of Directors specially appointed for such purpose or to one or more of the Company's employee(s), whether individually or jointly with another person or body; and
  - (e) To perform such other acts in accordance with the guidance and recommendations of the Board of Commissioners.
- 2.3. A Director is authorized to represent the Company, save where he:
- (a) has a dispute with the Company; or
  - (b) has a conflict of interest with the Company,





in which case the party authorized to represent the Company shall be:

- (a) the other Directors without any conflict of interest with the Company; or
- (b) the Board of Commissioners, if all members of the Board of Directors have a conflict of interest with the Company; or
- (c) such other party appointed by the GMS if all members of the Board of Directors and Board of Commissioners have a conflict of interest with the Company.

2.4. The limitations on the Board of Directors' authority are as follows:

- (a) to borrow or lend money for and on behalf of the Company exceeding US\$ 20,000,000.00 (twenty million United States Dollars) or an equivalent amount in other currencies in a single transaction;
- (b) to purchase, sell or in any other manner acquire or release the right to immovable goods including buildings and rights to land, if the value of each transaction exceeds US\$5,000,000.00 (five million United States Dollars) or an equivalent amount in other currencies;
- (c) to pledge or put up as collateral the Company's assets as debt guarantee for non-operational transactions exceeding US\$20,000,000.00 (twenty million United States Dollars) or an equivalent amount in other currencies;
- (d) binding the Company as guarantor/curator;
- (e) to establish a subsidiary with authorized capital exceeding US\$5,000,000.00 (five million United States Dollars) or an equivalent amount in other currencies;
- (f) take part or participate in other company or legal entity or establish new company having an authorized capital exceeding US\$5,000,000.00 (five million United States of America Dollar) or an equivalent amount in other currencies;
- (g) release part or entire subscriptions by the Company in the other company or legal entity at transaction value of more than US\$5,000,000.00 (five million United States Dollars) or an equivalent amount in other currencies;

If the limitations of authority are exceeded, the Board of Directors shall obtain the prior approval of the Board of Commissioners in accordance with the Articles of Association of the Company.

## **C. Duties, Responsibilities and Authority of Board of Commissioners**

### **1. Duties and Responsibilities of Board of Commissioners**

- 1.1. The duties and responsibilities of the Board of Commissioners are to supervise the operations, management and business activities of the Company, and



Attachment of Board of Commissioners Statement Resolution  
No.: 012/Kpts/Kom/ITP/XII/2015  
Dated : 4 December 2015

provide supervision, advice and recommendations to the Board of Directors in the interests and in accordance with the goals and objectives of the Company.

- 1.2. The Board of Commissioners shall perform its duties and responsibilities in good faith and with responsibility and prudence.
- 1.3. Commissioners shall be jointly and severally liable for the losses of the Company caused by their gross negligence or willful misconduct in the performance of their duties, save where it can be proved that:
  - (a) such loss is not due to his gross negligence or willful misconduct in the performance of his duties;
  - (b) he has performed his duties responsibly, in good faith and prudence, and with due care and diligence in the interests and in accordance with the goals and objectives of the Company;
  - (c) he had no conflict of interest directly or indirectly with the actions of the Directors which resulted in the losses suffered by the Company; and
  - (d) he has provided advice to the Directors to prevent such losses arising or continuing.
- 1.4. The Board of Commissioners shall be entitled to convene the annual GMS or other GMS in accordance with the prevailing regulations and Articles of Association.
- 1.5. The Board of Commissioners shall:
  - (a) evaluate annually the performance of the Audit Committee and the Nomination and Remuneration Committee;
  - (b) prepare the minutes of Board of Commissioners' meeting and maintain its copy;
  - (c) report to the Company on their share ownership and/or that of their relatives in the Company;
  - (d) report on supervisory duties which have been performed during the previous financial year to the GMS.

## **2. Authorities of Board of Commissioners**

- 2.1. The Board of Commissioners is authorized to temporarily suspend a Director with reason stated.
- 2.2. The Board of Commissioners may perform the management of the Company under certain conditions as stipulated under the law, the Articles of Association of the Company and/or a resolution of the GMS.



## **D. Board of Directors and Board of Commissioners' Meetings**

### **1. General**

- 1.1. A meeting of the Board of Directors or Board of Commissioners can be held if attended by a more than half of its respective members.
- 1.2. The attendance of meetings of the Board of Directors and Board of Commissioners shall be disclosed in the Company's Annual Report.
- 1.3. A resolution put up for consideration at a meeting of the Board of Directors or Board of Commissioners shall be adopted amicably and in case the resolution cannot be adopted amicably, shall be based on majority votes.
- 1.4. The resolution in a meeting shall be set forth in the minutes of meeting signed by all members of the Board of Directors or the Board of Commissioners who attended the meeting and circulated thereafter to the Directors or Commissioners respectively.
- 1.5. Meetings of the Board of Directors and Board of Commissioners shall be duly documented and set forth in the minutes of meeting.
- 1.6. If all members of the Board of Directors or Board of Commissioners are present or represented, no prior notice shall be required and the meeting of the Board of Directors or Board of Commissioners can be convened anywhere and shall be entitled to adopt valid and binding resolutions.
- 1.7. Meetings of the Board of Directors and Board of Commissioners may take place via teleconference, video media or other electronic media facilities which allow all participants to directly see and/or hear each other as well as participate in the meeting and such participation shall be counted towards fulfilling the requirements of quorum and adoption of resolutions in such meetings.
- 1.8. The Board of Directors and Board of Commissioners shall fulfill all other requirements related to their meetings as stipulated in the prevailing laws and regulations and the Company's Articles of Association.

### **2. Meeting of Board of Directors**

- 2.1. The Board of Directors shall be obliged to convene a Board of Directors' Meeting periodically and at least once a month.



Attachment of Board of Commissioners Statement Resolution  
No.: 012/Kpts/Kom/ITP/XII/2015  
Dated : 4 December 2015

---

- 2.2. A meeting of the Board of Directors can be held at any time if deemed necessary by 2 (two) members of the Board of Directors or at the written request of the Board of Commissioners or at the written request of 1 (one) or more shareholders jointly representing at least 1/10 (one-tenth) of total shares who have qualified voting right.
- 2.3. The Board of Directors shall convene a Board of Directors' meeting jointly with the Board of Commissioners periodically and at least once every four months.
- 2.4. The Board of Directors may also adopt valid circular resolution, provided that all members of the Board of Directors have been informed in writing and all members of the Board of Directors have given the approval on the proposal submitted in writing as well as have signed such circular resolution.

### **3. Meeting of Board of Commissioners**

- 3.1. The Board of Commissioners shall be obliged to convene a Board of Commissioners' Meeting periodically and at least once in two months.
- 3.2. A meeting of the Board of Commissioners shall be held at least once every 2 (two) months or at any time if deemed necessary by a member of the Board of Commissioners or at the written request of the Board of Directors or at the written request of 1 (one) or more shareholders jointly representing 1/10 (one-tenth) of total shares who have qualified voting right, in the presence of a majority of the total members of the Board of Commissioners.
- 3.3. The Board of Commissioners shall convene a Board of Commissioners meeting jointly with the Board of Directors at least once every four months.
- 3.4. The Board of Commissioners may also adopt valid circular resolution, provided that all members of the Board of Commissioners have been informed in writing and all members of the Board of Commissioners have given the approval on the proposal submitted in writing as well as have signed such circular resolution.



## **CHAPTER IV**

### **REPORTING, STATEMENT OF RESPONSIBILITY AND VALUES**

#### **A. Reporting**

The Board of Directors and Board of Commissioners of the Company shall prepare and file the following in accordance with the laws and regulations:

- (a) Annual Report;
- (b) Periodic Financial Report;
- (c) Other Reports.

#### **1. Annual Report**

- 1.1. The Annual Report shall include the following:
  - (a) Highlight of financial data;
  - (b) Board of Commissioners' report;
  - (c) Board of Directors' report;
  - (d) Company Profile;
  - (e) Management Discussion and Analysis;
  - (f) Report on Good Corporate Governance;
  - (g) Report on Corporate Social Responsibility of the Company;
  - (h) Audited annual financial report; and
  - (i) Statement of the Board of Directors and Board of Commissioners on the accuracy of the contents of the Annual Report.
- 1.2. The Board of Commissioners' report stated in the Annual Report shall consist of the following:
  - (a) evaluation of the Board of Directors' performance in the management of the Company;
  - (b) opinion on prospects of the Company's business prepared by the Board of Directors;
  - (c) any change in the Board of Commissioners' composition and the reason.
- 1.3. The Board of Directors' report stated in the Annual Report shall consist of the following:
  - (a) Company's performance, strategic policy, comparison between the results achieved and the target, and the difficulties faced by the Company;
  - (b) forecast regarding business prospects;
  - (c) Good Corporate Governance implementation; and
  - (d) Any change in the Board of Directors' composition and the reason.
- 1.4. The Annual Report shall be signed by all members of the Board of Commissioners and Board of Directors.





Attachment of Board of Commissioners Statement Resolution  
No.: 012/Kpts/Kom/ITP/XII/2015  
Dated : 4 December 2015

- 1.5. If any member of the Board of Commissioners or Board of Directors does not sign the Annual Report, the respective member shall be obliged to mention the reason in a separate letter attached to the Annual Report, failing which such member is deemed to agree with the contents of the Annual Report. Where such member does not sign the Annual Report and fails to provide the reason in writing, the rest of the members of the Board of Commissioners and Board of Directors who sign the Annual Report shall prepare a separate letter attached to the Annual Report.

## **2. Periodic Financial Report**

The periodic financial report shall be submitted in accordance with the prevailing capital market regulations.

## **3. Other Reports**

The Board of Directors of the Company shall submit other reports in accordance with the prevailing laws and regulations.

## **B. Statement of Responsibility**

1. In performing its duties, the Board of Directors shall be responsible to the GMS.
2. The Board of Directors shall report significant problems faced by the Company to the GMS immediately, and propose remedial actions to be taken.
3. The Board of Directors shall provide opinions and suggestions to the GMS regarding issues which have a material adverse impact on the Company.
4. The ratification of financial reports and approval of annual reports as well as supervisory reports of the Board of Commissioners by the GMS shall release and discharge the responsibility of the Board of Directors and Board of Commissioners for the related financial year.

## **C. Values**

The Directors and Commissioners shall possess and demonstrate the following values:

1. **Accountability**: the desire to accept and carry out duties and responsibilities with full accountability.
2. **Strive for Excellence**: the spirit to work beyond what is expected to achieve the best results.
3. **Integrity**: the conviction to act correctly, truthfully and transparently with full integrity.



Attachment of Board of Commissioners Statement Resolution  
No.: 012/Kpts/Kom/ITP/XII/2015  
Dated : 4 December 2015

4. **Service Mindedness**: the will to serve the Company and stakeholders to the best of its abilities.
5. **Teamwork**: the passion to work as a team and to put aside personal differences in the greater interest of the Company.

## CHAPTER V CLOSING

### Effective Date and Revisions

This Charter shall be effective as of 4 December 2015. The Company will review and revise this Charter from time to time in compliance with the prevailing laws and regulations.

Approved by the Board of Commissioners and Board of Directors on the December 4, 2015.

### THE BOARD OF COMMISSIONERS



By \_\_\_\_\_  
Name : **Dr. Albert Scheuer**  
Title : President Commissioner

By \_\_\_\_\_  
Name : **Tedy Djuhar**  
Title : Vice President Commissioner/  
Independent Commissioner

By \_\_\_\_\_  
Name : **I Nyoman Tjager**  
Title : Vice President Commissioner/  
Independent Commissioner

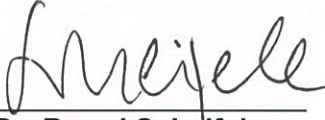
By \_\_\_\_\_  
Name : **Daniel Lavallo**  
Title : Independent Commissioner





Attachment of Board of Commissioners Statement Resolution  
No.: 012/Kpts/Kom/ITP/XII/2015  
Dated : 4 December 2015


By   
Name : **Dr. Lorenz Naeger**  
Title : Commissioner

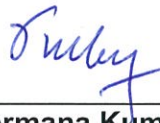
By   
Name : **Dr. Bernd Scheifele**  
Title : Commissioner

By   
Name : **Daniel Gauthier**  
Title : Commissioner

#### THE BOARD OF DIRECTORS

By   
Name : **Christian Kartawijaya**  
Title : President Director

By   
Name : **Franciscus Welirang**  
Title : Vice President Director

By   
Name : **Kuky Permana Kumalaputra**  
Title : Independent Director

By   
Name : **Hasan Imer**  
Title : Director





Attachment of Board of Commissioners Statement Resolution  
No.: 012/Kpts/Kom/ITP/XII/2015  
Dated : 4 December 2015

By   
Name : **Tju Lie Sukanto**  
Title : Director

By   
Name : **Ramakanta Bhattacharjee**  
Title : Director

By   
Name : **Daniel Kundjono Adam**  
Title : Director

By   
Name : **Benny Setiawan Santoso**  
Title : Director

By   
Name : **Daniel R. Fritz**  
Title : Director