



Number: **PER-03/SMI/DK/1222**

Number: **PER-009/SMI/DPS/1222**

Number: **PD-041/SMI/1222**

**JOINT REGULATIONS
BOARD OF COMMISSIONERS, SHARIA SUPERVISORY BOARD AND BOARD OF
DIRECTORS OF
PT SARANA MULTI INFRASTRUKTUR (PERSERO)**

**NUMBER: PER-03/SMI/DK/1222
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NUMBER: PD-041/SMI/1222**

CONCERNING

**MANUAL FOR THE BOARD OF COMMISSIONERS, SHARIA SUPERVISORY
BOARD AND BOARD OF DIRECTORS (BOARD MANUAL)**

REVISION-IV

**BOARD OF COMMISSIONERS, SHARIA SUPERVISORY BOARD AND BOARD OF
DIRECTORS OF PT SARANA MULTI INFRASTRUKTUR (PERSERO),**

- Considering :
- a. that in carrying out the business activities of PT Sarana Multi Infrastruktur (Persero) ("**Company**"), the Company is obliged to implement good governance to ensure flawless business activities in achieving the Company's aims and objectives;
 - b. that the **Company** has a Manual for the Board of Commissioners, Sharia Supervisory Board and Board of Directors (Board Manual) as contained in the Joint Regulation of the Board of Commissioners, Sharia Supervisory Board and Board of Directors Number: PER-01/SMI/DK/0421 PER-01/SMI/DPS/0421 PD-005/SMI/0421 and dated 30 April 2021 ("Board Manual Joint Regulation");
 - c. that with the increasing development of the Company's business activities in the context of expanding the mandate of Shareholders and the issuance of several new regulations that apply to the Company and refer to the Company's current conditions, the Company has made changes to its Articles of Association and Organizational Structure in realizing good corporate governance;
 - d. that it is necessary to update the Board Manual Joint Regulation as in letter b above, to fulfill the provisions of good corporate governance principles;



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- e. that based on the considerations as outlined above, it is deemed necessary to establish the Manual for the Board of Commissioners, Sharia Supervisory Board and Board of Directors (Board Manual) Revision-IV;
- Observing : 1. Law Number 19 of 2003 concerning State-Owned Enterprises (State Gazette of the Republic of Indonesia of 2003 Number 70, Supplement to State Gazette Number 4297);
2. Law Number 40 of 2007 concerning Limited Liability Companies (State Gazette of the Republic of Indonesia of 2007 Number 106, Supplement to the State Gazette of 2007 Number (4756);
3. Government Regulation Number 45 of 2005 concerning the Establishment, Management, Supervision and Dissolution of State-Owned Enterprises (State Gazette of the Republic of Indonesia of 2005 Number 117, Supplement to the State Gazette of the Republic of Indonesia Number 4556) as amended by Government Regulation Number 23 of 2022 concerning Amendments on Government Regulation Number 45 of 2005 concerning the Establishment, Management, Supervision and Dissolution of State-Owned Enterprises (State Gazette of the Republic of Indonesia of 2022 Number 133);
4. Government Regulation Number 53 of 2020 concerning Second Amendment to Government Regulation Number 66 of 2007 concerning State Equity Participation of the Republic of Indonesia for the Establishment of a Limited Liability Company (Persero) in the Infrastructure Financing Sector (State Gazette of the Republic of Indonesia of 2020 Number 217);
5. Regulation of the Minister of Finance Number 88/PMK.06/2015 concerning the Implementation of Good Corporate Governance in Limited Liability Companies (Persero) Under the Guidance and Supervision of the Minister of Finance (State Gazette of the Republic of Indonesia of 2015 Number 651);
6. Regulation of the Minister of Finance Number 106/PMK.06/2017 concerning Management of the Performance of Directors and Board of Commissioners in



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Limited Liability Companies (Persero) under the Guidance and Supervision of the Minister of Finance;

7. Minister of Finance Regulation Number 197/PMK.06/2019 concerning Procedures for Appointing and Dismissing Members of the Board of Commissioners of Companies (Persero) under the Guidance and Supervision of the Minister of Finance;
8. Decree of the Minister of Finance Number 505/KMK.06/2020 concerning Guidelines for Assessment and Evaluation of the Implementation of Good Corporate Governance in Limited Liability Companies (Persero) under the Guidance and Supervision of the Minister of Finance;
9. Financial Services Authority Regulation Number 33/POJK.4/2014 concerning Directors and Board of Commissioners of Issuers or Public Companies;
10. Financial Services Authority Regulation Number 34/POJK.4/2014 concerning Nomination and Remuneration Committees for Issuers or Public Companies;
11. Financial Services Authority Regulation Number 55/POJK.04/2015 concerning the Establishment and Guidelines for Implementing the Work of the Audit Committee;
12. Financial Services Authority Regulation Number 46/POJK.05/2020 concerning Infrastructure Financing Companies (State Gazette of the Republic of Indonesia of 2020 Number 249);
13. Financial Services Authority Letter Number S-48/D.05/2015 dated 30 April 2015 regarding Application for Approval of Permit for Additional Infrastructure Financing Objects at PT Sarana Multi Infrastruktur (Persero);
14. Financial Services Authority Letter Number S-372/NB.223/2016 dated 20 April 2016 concerning Approval and Registration of Sharia Business Units and Implementation of Other Activities Related to Infrastructure Financing by PT Sarana Multi Infrastruktur (Persero);
15. Financial Services Authority Letter Number S-7/D.05/2019 dated



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- 12 February 2019 regarding Approval of Permits for Additional Infrastructure Financing Objects at PT Sarana Multi Infrastruktur (Persero);
16. Articles of Association of PT Sarana Multi Infrastruktur (Persero) as most recently amended by Deed Number 19 of 2020 dated 16 October 2020 made before Notary Ashoya Ratam, SH, M.Kn, Notary in Jakarta and has received a Letter of Acceptance of Notification of Amendments to the Articles of Association Number: AHU-AH.01.03-0399024 of 2020 dated 16 October 2020, and Approval of Amendments to the Articles of Association Number: AHU-0071181.AH.01.02.Year 2020, October 16 2020;
17. Joint Regulations of the Board of Commissioners and Directors Number: PER-03/SMI/DK/1221 and Number: PD-025/SMI/1221 concerning Corporate Governance (Code of Corporate Governance);
18. Joint Regulations of the Board of Commissioners and Directors Number: PER-02/SMI/DK/1221 and Number: PD-024/SMI/1221 concerning Business Ethics and Code of Conduct (Code of Conduct);
19. Board of Commissioners Regulation Number: PER-02/SMI/DK/1122 concerning Guidelines for Supervision of Directors by the Board of Commissioners in the Context of Good Corporate Governance;
20. Directors Regulation Number: PD-015/SMI/0422 concerning the Ninth Amendment to Directors Regulation Number: PD-26/SMI/1217 concerning Division of Duties and Manual for Directors;
21. Directors Regulation Number: PD-035/SMI/0922 concerning Main Duties and Functions of Divisions;

- In view of :
1. Approval of the Board of Directors as stated in Memo Number: M-065/SMI/DMR/DMRT/1122 dated 29 November 2022 concerning Approval of the Board of Directors for the Manual for the Board of Commissioners, Sharia Supervisory Board and Board of Directors (Board Manual) Revision IV;
 2. Approval of the Board of Commissioners as stated in letter Number S-64/SMI/DK/1222 dated 17 December 2022



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regarding Responses to the Revision of the Manual for the Board of Commissioners, Sharia Supervisory Board and Board of Directors of PT Sarana Multi Infrastruktur (Persero);

3. Approval of the Sharia Supervisory Board as stated in letter Number S-008/SMI/DPS/1222 dated 23 December 2022 regarding Approval of the Revision of the Manual for the Board of Commissioners, Sharia Supervisory Board and Board of Directors (Board Manual) of PT Sarana Multi Infrastruktur (Persero);

HAS DECIDED:

To enact : JOINT REGULATIONS OF THE BOARD OF COMMISSIONERS, SHARIA SUPERVISORY BOARD AND BOARD OF DIRECTORS OF PT SARANA MULTI INFRASTRUKTUR (PERSERO) CONCERNING MANUAL OF THE BOARD OF COMMISSIONERS, SHARIA SUPERVISORY BOARD AND BOARD OF DIRECTORS (BOARD MANUAL) REVISION-IV.

Article 1

Revoke the Board Manual Joint Regulation as of the effective date of this Joint Regulation.

Article 2

Establish the Manual for the Board of Commissioners, Sharia Supervisory Board and Board of Directors (Board Manual) Revision-IV, as an Annex to this Joint Regulation.

Article 3

This Joint Regulation shall come into effect on the date of its enactment.

Article 4

Stipulate that with the enactment of this Joint Regulation, conflicting provisions in the Joint Regulation shall be declared null and void.



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**Enacted in Jakarta,
On 26 December 2022
PT SARANA MULTI INFRASTRUKTUR (PERSERO)**

signed

Sukatmo Padmosukarso
Acting President Commissioner
concurrently Independent
Commissioner

signed

Edwin Syahrudad
President director

signed

Kanny Hidayat
Chairman of the Sharia Supervisory Board



Annex to Joint Regulations of the Board of
Commissioners, Sharia Supervisory Board and
Board of Directors

PT Sarana Multi Infrastruktur (Persero)

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Number: PER-009/SMI/DPS/1222


Number: PD-041/SMI/1222

Date: 26 December 2022




MANUAL FOR THE BOARD OF COMMISSIONERS, SHARIA SUPERVISORY BOARD, AND BOARD OF DIRECTORS (BOARD MANUAL)


**PT Sarana Multi Infrastruktur (Persero)
2022**

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1. Background

PT Sarana Multi Infrastruktur (Persero), hereinafter referred to as the “Company”, is a State-Owned Enterprise (“SOE”) under the Ministry of Finance which was established to encourage the acceleration of national infrastructure financing through partnerships with the private sector and/or multilateral financial institutions.

To realize the above objectives, the Company's Board of Commissioners, Sharia Supervisory Board and Board of Directors are committed to implementing the Company's Good Corporate Governance (“GCG”) principles through the development of standard work relationship patterns and mutual respect as stated in the Manual for the Board of Commissioners, Sharia Supervisory Board and Board of Directors (Board Manual) hereinafter referred to as the “Board Manual”.


2. Objectives

The Board Manual is a guideline that provides an overview relating to the structure of the Board of Commissioners' organs, the Sharia Supervisory Board's organs, and the Company's Board of Directors' organs as well as the process of relationship between the functions of the Board of Commissioners' organs, the Sharia's Supervisory Board's organs, and the Board of Directors' organs, as well as between the Company's organs. so that it can become a reference for the Board of Commissioners, Sharia Supervisory Board and Board of Directors in carrying out their respective duties to achieve the Company's Vision and Mission.

The Board Manual is prepared based on the principles of corporate law, the provisions of the Articles of Association, applicable laws and regulations, as well as best practices (GCG).

The Board Manual is a text of agreement between the Board of Commissioners, the Sharia Supervisory Board and the Board of Directors with the objectives of:

- a. explaining the working relationship of the Board of Commissioners, Sharia Supervisory Board and Board of Directors in carrying out their duties to create professional, transparent and efficient management of the Company;
- b. serving as a reference/guideline regarding the main duties and work functions of each organ of the Company;
- c. improving the quality and effectiveness of working relationships between organs; and

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- d. implementing the principles of GCG, namely openness, accountability, responsibility, independence and fairness.


3. Scope

Board Manual applies to the implementation of working relationships between the organs of the Board of Commissioners, the organs of the Sharia Supervisory Board, and the organs of the Board of Directors within the Company by referring to the provisions contained in the Company's Articles of Association and/or the provisions contained in the applicable laws and regulations.


4. Legal Basis

Board Manual has been prepared by referring to applicable regulations, including:

- a. Law Number 40 of 2007 concerning Limited Liability Companies;
- b. Law Number 19 of 2003 concerning State-Owned Enterprises;
- c. Government Regulation Number 66 of 2007 concerning State Capital Inclusion of the Republic of Indonesia for the Establishment of a Limited Liability Company (Persero) in the Infrastructure Financing Sector;
- d. Government Regulation Number 75 of 2008 concerning Amendments to Government Regulation Number 66 of 2007 concerning State Equity Participation of the Republic of Indonesia for the Establishment of a Limited Liability Company (Persero) in the Infrastructure Financing Sector;
- e. Government Regulation Number 53 of 2020 concerning Second Amendment to Government Regulation Number 66 of 2007 concerning State Equity Participation of the Republic of Indonesia for the Establishment of a Limited Liability Company (Persero) in the Infrastructure Financing Sector;
- f. Presidential Regulation Number 38 of 2015 concerning Government Cooperation with Business Entities in Providing Infrastructure;
- g. Minister of Finance Regulation Number 88/PMK.06/2015 concerning the Implementation of Good Corporate Governance in Limited Liability Companies (Persero) Under the Guidance and Supervision of the Minister of Finance;
- h. Minister of Finance Regulation Number 106/PMK.06/2017 concerning Management of the Performance of Directors and Board of Commissioners in Limited Liability Companies (Persero) Under the Guidance and Supervision of the Minister of Finance;

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- i. Minister of Finance Regulation Number 197/PMK.06/2019 concerning Procedures for Appointing and Dismissing Members of the Board of Commissioners of Companies (Persero) Under the Guidance and Supervision of the Minister of Finance;
- j. Decree of the Minister of Finance Number 396/KMK.010/2009 concerning Granting Business Licenses for Infrastructure Financing Companies to PT Sarana Multi Infrastruktur (Persero);
- k. Decree of the Minister of Finance Number 505/KMK.06/2020 concerning Guidelines for Assessment and Evaluation of the Implementation of Good Corporate Governance in Limited Liability Companies (Persero) under the Guidance and Supervision of the Minister of Finance;
- l. Financial Services Authority Regulation Number 33/POJK.4/2014 concerning Directors and Board of Commissioners of Issuers or Public Companies;
- m. Financial Services Authority Regulation Number 55/POJK.04/2015 concerning the Establishment and Guidelines for Implementing the Work of the Audit Committee;
- n. Financial Services Authority Regulation Number 34/POJK.4/2014 concerning Nomination and Remuneration Committees for Issuers or Public Companies;
- o. Financial Services Authority Regulation Number 46/POJK.05/2020 concerning Infrastructure Financing Companies;
- p. Financial Services Authority Letter Number S-48/D.05/2015 dated 30 April 2015 concerning Application for Approval of Permit for Additional Infrastructure Financing Objects at PT Sarana Multi Infrastruktur;
- q. Financial Services Authority Letter Number S-372/NB.223/2016 dated 20 April 2016 concerning Approval and Registration of Sharia Business Units and Implementation of Other Activities Related to Infrastructure Financing by PT Sarana Multi Infrastruktur (Persero);
- r. Financial Services Authority Letter Number S-7/D.05/2019 dated 12 February 2019 concerning Approval of Permit for Additional Infrastructure Financing Objects at PT Sarana Multi Infrastruktur;
- s. Articles of Association of PT Sarana Multi Infrastruktur (Persero);
- t. Board of Directors' Regulations regarding Main Duties and Functions of Divisions;

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- u. Board of Directors' Regulations regarding the Distribution of Duties and Board of Directors' Manual;
- v. Internal policies on Corporate Governance (Code of Corporate Governance);
- w. Internal policy on Business Ethics and Code of Conduct (Code of Conduct).

5. References

Financial Services Authority Regulation Number 29/POJK.05/2020 concerning Amendments to Financial Services Authority Regulation Number 30/POJK.05/2014 concerning Good Corporate Governance for Finance Companies.

6. Definition


- a. Board of Commissioners** : Company organ in charge of general and/or specific supervision in accordance with the articles of association as well as providing advice to the Board of Directors.
- b. Sharia Supervisory Board** : Company organ whose task is to provide advice and suggestions to the Board of Directors and supervise the Company's Sharia business activities so that they comply with Sharia Principles.
- c. Directors** : Company organ in charge of managing the Company for the interests of the Company, in accordance with the Company's aims and objectives, as well as representing the Company, both inside and outside the court in accordance with the articles of association.
- d. Independent Commissioner** : Members of the Board of Commissioners from across the Company who fulfill the requirements as Independent Commissioners as referred to in this Board Manual.
- e. Company Organs** : General Meeting of Shareholders, Board of Commissioners, Sharia Supervisory Board and Board of Directors of the Company.
- f. General Meeting of Shareholders (GMS)** : Company organ that has authority that is not delegated to the Board of Directors or Board of Commissioners as regulated in the Law on Limited Liability Companies and/or the articles of association.

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1. Requirements and Composition of the Board of Commissioners

a. Requirements for the Board of Commissioners

- i. Those who can be appointed as members of the Board of Commissioners are individuals who are capable of carrying out legal actions, unless, within 5 (five) years prior to their appointment, they were:
 - 1) declared bankrupt;
 - 2) a member of the Board of Directors or member of the Board of Commissioners or member of the Supervisory Board who is found guilty of causing a Company, SOE or Public Company (“Perum”) to be declared bankrupt; or
 - 3) convicted of committing a criminal act that is detrimental to state finances and/or related to the financial sector.
- ii. Members of the Board of Commissioners must fulfill the requirements set by the technical agency based on regulatory provisions and must pass the fit and proper test carried out by the relevant technical agency.
- iii. Fulfillment of the requirements for members of the Board of Commissioners as referred to in point i above, is proven by a letter of statement signed by the prospective member of the Board of Commissioners and the letter is kept by the Company.
- iv. Before being appointed as a member of the Board of Commissioners, prospective members of the Board of Commissioners must sign a letter of statement resigning from other positions which are prohibited from being held concurrently with the position of the Board of Commissioners based on regulatory provisions starting from the time the person concerned is appointed as a member of the Board of Commissioners.
- v. In the event that the person concerned does not resign within the time period as stipulated in the regulatory provisions, then their/her position as a member of the Company's Board of Commissioners ends at that time limit.
- vi. Apart from meeting the criteria as referred to in point i above, the appointment of members of the Board of Commissioners is carried out by considering integrity, morals, strong will, dedication, understanding the Company's management problems related to one of the management functions, having adequate knowledge in the Company's business field,

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and can provide sufficient time to carry out their duties and other requirements based on regulatory provisions.

b. Composition of the Board of Commissioners

- i. The Board of Commissioners consists of at least 2 (two) or more members and a maximum of the same number of members as the Company's Directors.
- ii. A Board of Commissioners consisting of more than 1 (one) member is an assembly and each member of the Board of Commissioners cannot act independently, but rather based on the decision of the Board of Commissioners.
- iii. In the event that the Board of Commissioners consists of more than 1 (one) member, one member of the Board of Commissioners is appointed as President Commissioner.
- iv. In the event that the Board of Commissioners consists of 2 (two) members of the Board of Commissioners, one member of the Board of Commissioners is an Independent Commissioner.
- v. In the event that the Board of Commissioners consists of more than 2 (two) members of the Board of Commissioners, the number of Independent Commissioners must be at least 30% (thirty percent) of the total number of members of the Board of Commissioners.

c. Term of Office of the Board of Commissioners

The term of office of members of the Board of Commissioners is set at 5 (five) years and can be reappointed for 1 (one) term of office. The term of office of members of the Board of Commissioners may also be determined differently by the GMS.


d. Salary/Honorarium and Benefits/Facilities of the Board of Commissioners

Members of the Board of Commissioners are given honorarium and allowances/facilities including post-service compensation, the type and amount of which is determined by the GMS taking into account the provisions of the applicable laws.


2. Membership of the Board of Commissioners

a. Appointment of the Board of Commissioners


- i. Members of the Board of Commissioners are appointed and dismissed by the GMS.

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- ii. Members of the Board of Commissioners are appointed from candidates proposed by Shareholders and these nominations are binding on the GMS.
 - iii. Appointment of members of the Board of Commissioners who do not meet the requirements as stated in section 1. Requirements and Composition of the Board of Commissioners in letter a. Requirements for the Board of Commissioners point i, are void by law from the moment the other members of the Board of Commissioners or the Board of Directors become aware of the non-fulfillment of these requirements.
 - iv. The appointment of members of the Board of Commissioners does not coincide with the appointment of members of the Board of Directors, unless otherwise determined by the Shareholders.
 - v. New members of the Board of Commissioners must be given an induction program.
- b. Termination of Position of Members of the Board of Commissioners
- i. The term of office of a member of the Board of Commissioners shall expire if:
 - 1) the person passes away;
 - 2) their term of office ends;
 - 3) they are dismissed based on the GMS;
 - 4) they no longer meets the requirements as a member of the Board of Commissioners based on the Company's Articles of Association and other laws and regulations; and/or
 - 5) they enters the third year of retirement from the State Civil Service, for members of the Board of Commissioners who are assigned to Government agencies.
 - ii. Provisions as in point i.4) above, include but are not limited to prohibited concurrent positions and positions that could give rise to a conflict of interest with the Company as well as resignation.
 - iii. For members of the Board of Commissioners who resign before or after their term of office ends, unless they resign due to death, the person concerned remains responsible for their actions for which the GMS has not accepted responsibility.
- c. Dismissal of Members of the Board of Commissioners

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- i. Members of the Board of Commissioners may be dismissed at any time based on a GMS decision by stating the reasons.
- ii. If a member of the Board of Commissioners resigns or is dismissed before their term of office ends, then the term of office of the replacement is the remaining term of office of the member of the Board of Commissioners being replaced.
- iii. Dismissal of a member of the Board of Commissioners as referred to in point i above is carried out if, based on the facts, the member of the Board of Commissioners concerned is, among others:
 - 1) unable to carry out their duties properly;
 - 2) not implementing the provisions of regulatory provisions and/or the provisions of the Articles of Association;
 - 3) involved in actions that are detrimental to the Company and/or the State;
 - 4) performing actions that violate the ethics and/or propriety that should be respected as members of the Board of Commissioners of State-Owned Enterprises and Companies;
 - 5) found guilty by a court decision that has permanent legal force;
 - 6) resigning;
 - 7) based on other reasons deemed appropriate by the GMS for the interests and objectives of the Company; or
 - 8) no longer an official in the Government agency where the member of the Board of Commissioners originates, in the event that the position of the member of the Board of Commissioners is an assignment from the head of the government agency.
- iv. The proposal to dismiss a member of the Board of Commissioners as referred to in point i above, shall be notified to the relevant member of the Board of Commissioners orally or in writing by the Shareholder.
- v. Members of the Board of Commissioners who are dismissed for reasons as referred to in points iii.1) - iii.4) and iii.7) are given the opportunity to defend themselves.
- vi. In the event that the dismissal is carried out outside the GMS forum, the self-defense as referred to in point v above is submitted in writing to the Shareholders within 14 (fourteen) calendar days from the time the member

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of the Board of Commissioners concerned is notified as intended in point iv above.

- vii. In the event that a member of the Board of Commissioners who has been dismissed has defended themselves or expressed objection or no objection to their planned dismissal when notified, then the time requirement of 14 (fourteen) calendar days as referred to in point vi above has been fulfilled.
- viii. As long as the dismissal plan as referred to in point i above is still in process, the member of the Board of Commissioners concerned is obliged to carry out their duties as they should.
- ix. The dismissal of a member of the Board of Commissioners takes effect from the date specified in the Ministerial Decree.
- x. Dismissal for reasons of being involved in actions that are detrimental to the Company and/or the State or being declared guilty by a court decision that has legal force remains a dishonorable dismissal.

d. Resignation of Board of Commissioners


- i. A member of the Board of Commissioners may resign from their position by providing written notice to the Company, with copies sent to the Shareholders, other members of the Board of Commissioners, and the Board of Directors. This notice must be submitted no later than 30 (thirty) calendar days prior to the intended resignation date.

If the resignation letter states that the effective date is less than 30 (thirty) calendar days from the date the letter is received, then the effective date of resignation is considered as not stated.

- ii. If, by the requested resignation date or within 30 (thirty) calendar days from the receipt of the resignation request letter, no decision has been made by the General Meeting of Shareholders (GMS), and if the resignation letter does not specify an effective date, the member of the Board of Commissioners will automatically resign on the requested date or at the end of the 30 (thirty) calendar days from the date of submission of the resignation request letter, without the need for GMS approval.

e. Vacancies in the Position of the Board of Commissioners


- i. If, for any reason, a member of the Board of Commissioners position is vacant, then:
 - 1) A GMS must be held no later than 30 (thirty) calendar days after a vacancy occurs, to fill the vacancy;

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- 2) In the event that a vacancy is caused by the end of the term of office of a member of the Board of Commissioners, the member of the Board of Commissioners whose term of office ends can be appointed by the GMS to temporarily continue carrying out their duties as a member of the Board of Commissioners with the same duties, authority and obligations.
 - 3) In the event that the vacancy in office is due to reasons other than the end of the term of office, another member of the Board of Commissioners can be appointed by the General Meeting of Shareholders as Acting Officer of the member of the Board of Commissioners who has resigned, with the same duties, authority and obligations.
 - 4) Acting members of the Board of Commissioners as referred to in points 2) and 3) above are given honorarium and allowances/facilities as members of the Board of Commissioners, except post-service compensation.
- ii. If, for any reason, the Company does not have a single member of the Board of Commissioners, then:
- 1) within 30 (thirty) calendar days after a vacancy occurs, a GMS must be held to fill the vacancy;
 - 2) as long as the position of the Board of Commissioners is vacant other than due to the end of the term of office, the GMS appoints one or several Shareholders or other parties to temporarily carry out the duties of the Board of Commissioners;
 - 3) in the event that the vacancy in office is due to the end of the term of office, then the member of the Board of Commissioners whose term of office ends can be determined by the GMS to temporarily continue carrying out their duties as a member of the Board of Commissioners with the same duties, authority and obligations;
 - 4) Acting members of the Board of Commissioners as referred to in points 2) and 3) above are given honorarium and allowances/facilities as members of the Board of Commissioners, except post-service compensation.

3. Division of Work for Members of the Board of Commissioners

The division of work among members of the Board of Commissioners is regulated separately through the Board of Commissioners Regulations. To carry out its

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duties flawlessly, the Board of Commissioners may be assisted by the Secretary of the Board of Commissioners and/or Secretariat Staff of the Board of Commissioners who are appointed and dismissed by the Board of Commissioners at the expense of the Board of Commissioners' budget for the Company.

4. Duties, Authorities, Obligations and Responsibilities of the Board of Commissioners

a. Duties of the Board of Commissioners


The Board of Commissioners is tasked with supervising management policies, the course of management in general, both regarding the Company and the Company's business carried out by the Board of Directors, as well as providing advice to the Board of Directors, including supervision of the implementation of the Company's Long-Term Plan, Work Plan and Company Budget, provisions of the Articles of Association and GMS decisions, as well as applicable laws and regulations for the interests of the Company and in accordance with the aims and objectives of the Company.

In carrying out their duties, each member of the Board of Commissioners must:


- i. Comply with the Articles of Association and regulatory provisions as well as the principles of professionalism, efficiency, transparency, independence, accountability, responsibility and fairness.
- ii. Have good faith, prudence and responsibility in carrying out supervisory duties and providing advice to the Board of Directors for the interests of the Company, and in accordance with the aims and objectives of the Company.

b. Authority of the Board of Commissioners


- i. View books, letters and other documents, examine cash for verification purposes, and other securities, and examine the Company's assets.
- ii. Enter yards, buildings and offices used by the Company.
- iii. Request an explanation from the Directors and/or other officials regarding all issues relating to the management of the Company.
- iv. Know all policies and actions that have been and will be implemented by the Board of Directors.
- v. Request the Directors and/or other officials under the Directors with the knowledge of the Directors to attend the Board of Commissioners Meeting.

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- vi. Appoint and dismiss the Secretary of the Board of Commissioners and/or Secretariat Staff of the Board of Commissioners, if deemed necessary.
 - vii. Temporarily suspend members of the Board of Directors in accordance with the provisions of the Company's Articles of Association.
 - viii. Form other committees besides the Audit Committee, if deemed necessary taking into account the Company's capabilities.
 - ix. Appoint and dismiss members of committees formed by the Board of Commissioners, if deemed necessary.
 - x. Use experts for certain matters and within certain periods at the Company's expense, if deemed necessary.
 - xi. Perform actions to manage the Company in certain circumstances, for a certain period of time, in accordance with the provisions of the Company's Articles of Association.
 - xii. Attend Board of Directors Meetings and provide views on matters discussed.
 - xiii. Conduct intensive discussions on suggestions, hopes, problems and complaints from stakeholders and convey conclusions and suggestions for resolution to the Board of Directors either through meeting forums or through official letters.
 - xiv. Conduct reviews and provide recommendations regarding the remuneration of Directors to Shareholders.
 - xv. Carry out other supervisory authority as long as it does not conflict with regulatory provisions, the Articles of Association, and/or GMS decisions.
- c. Obligations of the Board of Commissioners
- i. Provide advice to the Board of Directors in carrying out the management of the Company.
 - ii. Examine, review and sign the Company's Long-Term Plan and Work Plan and Company Budget prepared by the Board of Directors, in accordance with the provisions of the Company's Articles of Association.
 - iii. Provide opinions and suggestions in the form of written responses to the GMS regarding the Company's Long-Term Plan and the Company's Work Plan and Budget regarding the reasons for the Board of Commissioners signing the Company's Long-Term Plan and the Company's Work Plan and Budget.

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- iv. Following developments in the Company's activities, providing opinions and suggestions to the GMS regarding any issues considered important for the management of the Company.
 - v. Report immediately to the GMS if there are symptoms of declining Company performance.
 - vi. Examining and reviewing periodic reports and annual reports prepared by the Board of Directors and signing the annual report.
 - vii. Provide explanations, opinions and suggestions to the GMS regarding the Annual Report, if requested.
 - viii. Prepare annual work plans and budgets and include them in the Company's Work Plan and Budget.
 - ix. Establish an Audit Committee.
 - x. Propose a Public Accountant to the GMS.
 - xi. Prepare minutes of meetings of the Board of Commissioners, minutes of joint meetings of the Board of Commissioners and Directors and/or financing consultation meetings and keep a copy.
 - xii. Report to the Company regarding their and their family's share ownership in the Company and other companies.
 - xiii. Provide a report on the supervisory tasks that have been carried out during the previous financial year to the GMS.
 - xiv. Create and sign an Integrity Pact for every proposed action by the Board of Directors that requires approval from the Board of Commissioners or that requires a recommendation from the Board of Commissioners and approval from the GMS.
 - xv. Carry out other obligations in the context of supervisory duties and providing advice, as long as they do not conflict with regulatory provisions, the Articles of Association, and/or GMS decisions
- d. Responsibilities of the Board of Commissioners
- i. The Board of Commissioners is personally responsible for the Company's losses if the person concerned is guilty or negligent in carrying out their duties as referred to in section 4. Duties, Authorities, Obligations and Responsibilities of the Board of Commissioners in letter a. Duties of the Board of Commissioners, b. Authority of the Board of Commissioners, and c. Obligations of the Board of Commissioners.

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- ii. In the event that the Board of Commissioners consists of 2 (two) members of the Board of Commissioners or more, the responsibilities as referred to in point i above, apply jointly and severally to each Board of Commissioners.
- iii. Members of the Board of Commissioners cannot be held responsible for losses as referred to in point i above, if they can prove that they:
 - 1) have carried out supervision in good faith and prudence for the interests of the Company and in accordance with the aims and objectives of the Company;
 - 2) have no personal interest, either directly or indirectly, in the management actions of the Board of Directors which result in losses; and
 - 3) have provided advice to the Board of Directors to prevent the occurrence or continuation of such losses.

5. Independent Commissioner


Independent Commissioners are members of the Board of Commissioners who are not affiliated with members of the Board of Directors, other members of the Board of Commissioners, and controlling shareholders, and are free from business or other relationships that could affect their ability to act independently or act solely in the interests of the Company.

Independent Commissioners have the main responsibility to encourage the implementation of GGC principles within the Company through empowering the Board of Commissioners so that they can carry out supervisory duties and provide advice to the Directors effectively and provide added value to the Company.


a. Duties of Independent Commissioners

- i. Ensure transparency and openness of the Company's financial reports;
- ii. Fair treatment of minority Shareholders and other Stakeholders;
- iii. Disclose transactions that contain conflicts of interest in a fair and just manner;
- iv. Ensure the Company's compliance with applicable laws and regulations;
- v. Ensure the accountability of Company organs.


b. Authority of Independent Commissioner

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- i. Chair the Audit Committee and other Committees in accordance with regulatory provisions.
 - ii. Independent Commissioners who have served for 2 (two) terms of office can be reappointed in the following period as long as the Independent Commissioner declares that they remain independent to the GMS and must disclose this in the annual report.
 - iii. In the event that an Independent Commissioner serves on the Audit Committee, the Independent Commissioner concerned can only be reappointed on the Audit Committee for 1 (one) subsequent term of office on the Audit Committee.
 - iv. Based on rational considerations and prudence, they have the right to express opinions that differ from those of other members of the Board of Commissioners and must be recorded in the Minutes of Meetings of the Board of Commissioners and/or Minutes of Meetings of the Board of Commissioners and Directors and/or financing consultation meetings and opinions that are materially different are mandatory. included in the annual report.
- c. Responsibilities of Independent Commissioners
- In an effort to carry out their responsibilities well, the Independent Commissioner must proactively ensure that the Board of Commissioners supervises and provides advice to the Board of Directors related to, but not limited to, the following matters:
- i. Ensure that the company has an effective business strategy, including monitoring the schedule, budget and effectiveness of the strategy;
 - ii. Ensure that the company appoints professional executives and managers;
 - iii. Ensure that the company has information, control systems and audit systems that work well;
 - iv. Ensure that the company complies with applicable laws and regulations as well as the values set by the company in carrying out its operations;
 - v. Ensure risks and potential crises are always identified and managed properly;
 - vi. Ensure that GCG principles and practices are adhered to and implemented properly.
- d. Independent Commissioner Criteria

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- i. Capable of carrying out legal actions;
- ii. Has never been declared bankrupt or been a member of the Board of Directors or Board of Commissioners who was guilty of causing the company to be declared bankrupt;
- iii. Has never been convicted of causing loss to State finances;
- iv. Has no affiliation with the controlling shareholder of the Company;
- v. Has no affiliation with other Directors and/or Commissioners of the Company;
- vi. Not working concurrently as a Director in another company affiliated with the Company;
- vii. Not working concurrently as a Board of Commissioners in other infrastructure financing companies and/or in companies engaged in infrastructure projects;
- viii. Not serving an executive position or having a business relationship with the Company and other affiliated companies within the last 3 (three) years;
- ix. Not a partner or principal in a consulting company that provides professional services to the Company and other affiliated companies;
- x. Not a significant supplier or customer or serve an executive or Board of Commissioners position in a significant supplier or customer company of the company concerned or other affiliated companies;
- xi. Free from all interests and business activities or other relationships that could be interpreted as hindering or reducing the ability of the Independent Commissioner to act and think independently in the interests of the Company;
- xii. Not a person who works or has the authority and responsibility to plan, lead, control or supervise the Company's activities within the last 6 (six) months, except for reappointment as Independent Commissioner of the Company in the following period;
- xiii. Understand the laws and regulations regarding corporations, capital markets, and other related regulations;
- xiv. Does not own shares either directly or indirectly in the Company;
- xv. Has no direct or indirect business relationships related to the Company's business activities


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6. Conflict of Interest


- a. Members of the Board of Commissioners are prohibited from taking actions that have a conflict of interest with and taking personal advantage from decision making and/or implementation of Company activities, other than legitimate income.
- b. Members of the Board of Commissioners are prohibited from holding concurrent positions as:
 - i. member of the Board of Directors of State-Owned Enterprises, Regional-Owned Enterprises, Private-Owned Enterprises;
 - ii. other positions in accordance with the provisions of regulatory provisions which are prohibited from holding concurrent positions with members of the Board of Commissioners, political party administrators and/or legislative candidates/members and/or regional head/deputy regional head candidates;
 - iii. members of the Board of Commissioners in more than 3 (three) infrastructure financing companies or companies operating outside the business sector as infrastructure financing companies (independent Commissioners are prohibited from any infrastructure financing company and/or companies operating in infrastructure projects); and/or
 - iv. other positions that may cause a conflict of interest with the Company.
- c. Between members of the Board of Commissioners and between members of the Board of Commissioners and members of the Board of Directors there may be no blood family relationships or relationships due to marriage up to the 3rd (third) degree, either in a straight line or sideways, including family relationships arising from marriage (marital relationship). In the event that such a situation occurs, the GMS has the authority to dismiss one of them.

7. Board of Commissioners Meeting

- a. Ethics and Rules for Board of Commissioners Meetings
 - i. Meetings are held in Indonesian.
 - ii. Meetings are held face to face (physical) and/or via teleconference, video conference or other electronic communication equipment which allows each member of the Board of Commissioners to see and hear each other directly and participate in the meeting.


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- iii. Meeting participants are the Board of Commissioners, Supporting Organs of the Board of Commissioners, Directors, Company employees and/or other parties invited by the Board of Commissioners.
 - iv. In the question and answer forum, the Chairman of the Board of Commissioners Meeting can ask questions or express opinions and can provide the opportunity for Meeting Participants to ask questions and/or express opinions and/or suggestions to the Chairman of the Meeting.
 - v. Any questions and/or opinions at the Board of Commissioners Meeting are only related to the Meeting Agenda and are submitted orally after obtaining permission from the Chair of the Meeting.
 - vi. Other matters can be determined later by the Chairman of the Meeting during the Board of Commissioners Meeting.
- b. Decision of the Board of Commissioners Meeting
- i. All decisions of the Board of Commissioners are taken at the Board of Commissioners Meetings.
 - ii. All decisions at Board of Commissioners Meetings are taken by deliberation to reach consensus.
 - iii. If a consensus cannot be reached through deliberation, then the decision at the Board of Commissioners Meeting is taken by an ordinary majority vote.
 - iv. Decisions can also be taken outside the Board of Commissioners Meeting as long as all members of the Board of Commissioners agree and sign in writing the method and material decided.
 - v. If the Board of Commissioners Meeting is held face to face (physical), the Board of Commissioners Meeting is considered valid if it is held at the Company's domicile or at another place within the territory of the Republic of Indonesia.
 - vi. Apart from making decisions, at the Board of Commissioners Meetings there are also discussions regarding evaluation of the follow-up to the results of previous meetings and discussion and/or review of the Board of Directors' proposals and directions or decisions of Shareholders related to the Board of Directors' proposals.
- c. Minutes of Board of Commissioners Meetings
- i. At each meeting of the Board of Commissioners, minutes of the meeting must be prepared containing the matters discussed (including

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different/dissenting opinions). opinions of members of the Board of Commissioners, if any), and matters decided, made by the Secretary of the Board of Commissioners.

- ii. The minutes of the Board of Commissioners Meeting are signed by all members of the Board of Commissioners and Directors (if inviting the Directors).
 - iii. Original Minutes of the Board of Commissioners Meetings are submitted to the Board of Directors to be kept and maintained by the Secretary of the Board of Commissioners or the Secretariat Staff of the Board of Commissioners in the Company.
- d. Number of Board of Commissioners Meetings
- i. The Board of Commissioners holds meetings at least 1 (one) time every 1 (one) month. At this meeting the Board of Commissioners may invite the Directors.
 - ii. The Board of Commissioners is obliged to hold regular meetings with the Board of Directors at least once every 4 (four) months.
 - iii. The Board of Commissioners may hold a meeting at any time at the request of 1 (one) or several members of the Board of Commissioners, at the request of the Board of Directors, or at a written request via letter or electronic media (email, calendar). meeting and so on) of 1 (one) or several Shareholders representing at least 1/10 (one tenth) of the total shares with voting rights, by stating the matters to be discussed.
- e. Summons for Board of Commissioners Meetings
- i. Summons for Board of Commissioners Meetings can be submitted in writing via letter or electronic media (email, calendar meeting and so on) by the President Commissioner or by a member of the Board of Commissioners appointed by the President Commissioner, and submitted no later than 3 (three) calendar days before the Board of Commissioners Meeting is held, or within a shorter time if in urgent circumstances, with does not take into account the date of summons and the date of the Board of Commissioners Meeting.
 - ii. Summons for Board of Commissioners Meeting must include the agenda, date, time and place of the Board of Commissioners Meeting.
 - iii. Summons for Board of Commissioners Meeting is not required if all members of the Board of Commissioners are present at the Board of Commissioners Meeting.


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f. Attendance at Board of Commissioners Meetings


- i. Board of Commissioners meetings are valid and have the right to make binding decisions if attended or represented by more than 1/2 (one half) of the members of the Board of Commissioners.
- ii. In the event that members of the Board of Commissioners are unable to physically attend the Board of Commissioners Meeting, their presence can be replaced by using teleconference media, video conferencing or other electronic communication equipment that allows each member of the Board of Commissioners to see and hear each other directly and participate in the meeting, provided that:
 - 1) It is conducted in circumstances where it is not possible to hold a Board of Commissioners Meeting in a forum.
 - 2) Every member of the Board of Commissioners who participates will be deemed to be present at the Board of Commissioners Meeting to determine whether attendance quorum requirements and Board of Commissioners Meeting decisions are met.
 - 3) The place where the chairman of the Board of Commissioners Meeting participates in the conference meeting will be considered as the place where the Board of Commissioners Meeting is held.
 - 4) Minutes of the Board of Commissioners Meeting must be submitted and signed by all members of the Board of Commissioners and/or members of the Board of Directors who are present at the meeting in question.
- iii. In miscellaneous agenda items, the Board of Commissioners Meeting does not have the right to make decisions unless all members of the Board of Commissioners or their authorized representatives are present and approve additional agenda items for the Board of Commissioners Meeting.
- iv. A member of the Board of Commissioners may be represented at a Board of Commissioners Meeting only by another member of the Board of Commissioners based on a written authorization specifically given for that purpose.
- v. A member of the Board of Commissioners can only represent another member of the Board of Commissioners.

g. Chairman of Board of Commissioners Meetings

- i. All Board of Commissioners meetings are chaired by the President Commissioner.


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- ii. In the event that the President Commissioner is absent or unable to attend, the Board of Commissioners Meeting is chaired by another member of the Board of Commissioners appointed by the President Commissioner.
 - iii. In the event that the President Commissioner does not make an appointment, the member of the Board of Commissioners who has served the longest as a member of the Board of Commissioners acts as chairman of the Board of Commissioners Meeting.
 - iv. In the event that more than one member of the Board of Commissioners has served the longest as a member of the Board of Commissioners, then the member of the Board of Commissioners as referred to in point iii above who is the oldest in age acts as chairman of the Board of Commissioners Meeting.
- h. Voting Rights of the Board of Commissioners
- i. Each member of the Board of Commissioners has the right to cast 1 (one) vote plus 1 (one) vote for the member of the Board of Commissioners they represents.
 - ii. If the number of votes for and against is the same, then the Meeting decision is the same as the opinion of the Chair of the Meeting, while still taking into account the provisions regarding accountability as referred to in Section 4. Duties, Authorities, Obligations and Responsibilities of the Board of Commissioners letter d. Responsibilities of the Board of Commissioners, except regarding individuals, decision making at Board of Commissioners Meetings is carried out by closed voting.
 - iii. A blank vote (abstain) is deemed to approve the results of the Meeting's decision.
 - iv. In the event that there are more than two alternative proposals and the results of the voting have not obtained one alternative with more than 1/2 (one half) of the total votes cast, then a re-election will be carried out on the two proposals that received the most votes so that one of the proposals gets votes are more than 1/2 (one half) of the total votes cast.
 - v. Invalid votes are considered non-existent and are not counted in determining the number of votes cast at the Meeting.
- i. The number of meetings of the Board of Commissioners and the number of attendance of each member of the Board of Commissioners are included in the Company's Annual Report.


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8. Supporting Organs of the Board of Commissioners

- a. The supporting organs of the Board of Commissioners consist of:
 - i. Audit Committee;
 - ii. Risk Monitoring Committee;
 - iii. Nomination and Remuneration Committee; and
 - iv. Secretariat of the Board of Commissioners.
- b. The Audit Committee assists the Board of Commissioners in fulfilling its responsibility to supervise the accounting and financial reporting process, internal control system, audit process, and company processes in monitoring compliance with applicable laws and regulations and codes of ethics.
- c. The duties, responsibilities and authorities of the Audit Committee are regulated separately in the Audit Committee Charter.
- d. The Board of Commissioners can form other committees outside the Audit Committee to assist the Board of Commissioners in areas of the Company's activities that require special monitoring, namely the Risk Monitoring Committee and the Nomination and Remuneration Committee.
- e. The Risk Monitoring Committee assists the Board of Commissioners by, among other things, evaluating the suitability of risk management policies with their implementation, and monitoring and evaluating the implementation of the duties of the Company's work units in charge of Risk Management.
- f. The Nomination and Remuneration Committee assists the Board of Commissioners, among other things, providing recommendations in the nomination and remuneration process for members of the Board of Commissioners, Directors and Employees of the Company, assessing the performance of members of the Board of Commissioners and Directors and providing evaluations of the implementation of nomination and remuneration policies based on the prudential principle. principle) consistently, systematically and thoroughly.
- g. The duties, responsibilities and authorities of the Risk Monitoring Committee are regulated separately in the Risk Monitoring Committee Charter.
- h. The duties, responsibilities and authorities of the Nomination and Remuneration Committee are regulated separately in the Nomination and Remuneration Committee Charter.

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- i. The appointment and dismissal of members of the Audit Committee, Risk Monitoring Committee and Nomination and Remuneration Committee are carried out by the Board of Commissioners.
- j. The Audit Committee, Risk Monitoring Committee and Nomination and Remuneration Committee submit reports on the implementation of their duties to the Board of Commissioners.
- k. One or more members of the Audit Committee, Risk Monitoring Committee and Nomination and Remuneration Committee are members of the Board of Commissioners.
- l. The Audit Committee, Risk Monitoring Committee and Nomination and Remuneration Committee are chaired by the Company's Independent Commissioner.
- m. The Secretariat of the Board of Commissioners was formed and is responsible to the Board of Commissioners. The Board of Commissioners may appoint a Secretary to the Board of Commissioners to lead the Secretariat of the Board of Commissioners and assist the Board of Commissioners in the areas of secretarial activities, including:
 - i. Carrying out secretarial administration activities within the Board of Commissioners;
 - ii. Convening Board of Commissioners Meetings and meetings/meetings between the Board of Commissioners and Shareholders, Directors and other related parties (stakeholders);
 - iii. Providing data/information required by the Board of Commissioners and Committees within the Board of Commissioners relating to:
 - 1) Monitoring the follow-up to the results of decisions, recommendations and directions of the Board of Commissioners;
 - 2) Administrative materials/materials regarding reports/activities of the Board of Directors in managing the Company;
 - 3) Administrative and monitoring support relating to matters that must obtain approval or recommendations from the Board of Commissioners in connection with the Company's management activities carried out by the Board of Directors.
 - iv. Collect technical data originating from committees within the Board of Commissioners and Board of Commissioners experts for the purposes of the Board of Commissioners.

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9. Board of Commissioners Introduction and Development Program

a. New Board of Commissioners Induction Program

- i. The Company's induction program must be given to the new Board of Commissioners in the Company's organs, intended to provide an understanding of the conditions existing in the Company so that the new Board of Commissioners obtains a comprehensive understanding of the Company both organizationally and operationally.
- ii. The Company's induction program for new Board of Commissioners is the responsibility of the Corporate Secretary.
- iii. The material introduced to the new Board of Commissioners includes at least:
 - 1) Implementation of GCG principles in the Company;
 - 2) An overview of the Company relating to objectives, nature and scope of activities, financial and operational performance, strategy, short-term and long-term business plans, competitive position, risks and other strategic issues.
 - 3) Information relating to delegated authority, internal and external audits, internal control systems and policies, including the Audit Committee.
 - 4) Information relating to the duties and responsibilities of the Board of Commissioners as well as matters that are not permitted.
 - 5) Legislation related to the Company's business activities.
- iv. The Company's Induction Program for new members of the Board of Commissioners can take the form of presentations, meetings, and review of documents or other programs deemed appropriate by the Company.
- v. This Induction Program is implemented no later than 3 (three) months after the appointment of the Commissioner.

b. Board of Commissioners Member Development Program


- i. The Board of Commissioners' Skills and Knowledge Development Program is an activity that aims to provide additional insight, expertise, knowledge and abilities through education, training, seminars, workshops, conferences and so on, which will support the implementation of the Board of Commissioners' duties.

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- ii. The Board of Commissioners Development Program activities can be planned by the Board of Commissioners themselves, assignments from the President Commissioner to members of the Board of Commissioners or Organs of the Board of Commissioners and invitations from third parties.
- iii. Development Program Organizers can come from external parties located at home or abroad and can be implemented in offices or other places.
- iv. Development Program implementation costs include participation fees, official travel costs, and other costs incurred as part of the Development Program being participated in, budgeted in the current year's RKAP.
- v. If the Development Program material is considered important, the Board of Commissioners is permitted to share it in the form of discussions or presentations with lower levels.

10. Measurement and Evaluation of the Performance of the Board of Commissioners

- a. Measurement and assessment of the performance of the Board of Commissioners is prepared using an integrated performance measurement method which is a translation of the duties, functions and responsibilities of the Board of Commissioners in accordance with the provisions of regulatory provisions and/or the Company's articles of association.
- b. Indicators for the performance achievement of the Board of Commissioners are determined by the GMS every year based on proposals from the relevant Board of Commissioners.
- c. Reports on the progress of the realization of Performance Achievement Indicators are submitted by the Board of Commissioners to Shareholders on a quarterly basis.

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1. Requirements, Composition and Term of Office of the Sharia Supervisory Board

a. Requirements

- i. Members of the Sharia Supervisory Board are appointed by the GMS on the recommendation of the National Sharia Council-Indonesian Ulema Council (“DSN-MUI”)
- ii. Members of the Sharia Supervisory Board are required to fulfill other requirements determined by technical agencies based on regulatory provisions, including fulfilling the provisions for fit and proper test by the relevant technical agencies.
- iii. The Sharia Supervisory Board as referred to in point i must meet the following criteria:
 - 1) able to act in good faith, honestly and professionally;
 - 2) able to act in the interests of the Company and/or other Stakeholders;
 - 3) prioritize the interests of the Company and/or other Stakeholders over personal interests;
 - 4) able to make decisions based on independent and objective assessments for the interests of the Company and/or other Stakeholders;
 - 5) able to avoid abuse of authority to gain inappropriate personal gain or cause losses to the Company; and
 - 6) Other requirements regulated and determined by DSN-MUI and carried out in accordance with regulatory provisions.

b. Composition

- i. The Sharia Supervisory Board consists of 1 (one) member or more.
- ii. The Sharia Supervisory Board, which consists of more than 1 (one) member is an assembly and each member of the Sharia Supervisory Board cannot act independently but rather based on the decision of the Sharia Supervisory Board.
- iii. In the event that the Sharia Supervisory Board consists of more than 1 (one) member, one of the Sharia Supervisory Board members is appointed as Chair of the Sharia Supervisory Board.

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c. Term of Office of the Sharia Supervisory Board

The term of office of members of the Sharia Supervisory Board is set at 5 (five) years and can be reappointed for 1 (one) term of office without prejudice to the right of the GMS to dismiss members of the Sharia Supervisory Board at any time.

d. Salary/Honorarium and Benefits/Facilities of the Sharia Supervisory Board

The Sharia Supervisory Board may be given an honorarium and/or allowances in the amount determined by the Board of Commissioners.

e. Resignation of Members of the Sharia Supervisory Board

i. Members of the Sharia Supervisory Board have the right to resign from their positions by notifying the Company in writing, with a copy to Shareholders, other members of the Sharia Supervisory Board, Directors and Board of Commissioners, the Financial Services Authority and DSN-MUI no later than 30 (thirty) calendar days before date of resignation;

ii. If the resignation letter states that the effective date is less than 30 (thirty) calendar days from the date the letter is received, then it is considered that the effective date of resignation is not stated;

iii. With the expiry of the time period as referred to in point ii or within 30 (thirty) calendar days from the receipt of the letter of resignation request, there is no decision, then the member of the Sharia Supervisory Board concerned will resign from their/her position on the date requested above or with the expiration of the time 30 (thirty) calendar days from receipt of the resignation request letter without requiring GMS approval;


iv. Members of the Sharia Supervisory Board who resign before or after the end of their term of office, including resigning due to resignation, remain responsible for all their actions from the date of their appointment until the date of determination of their dismissal or the effective date of the end of their position;

f. Dismissal of Members of the Sharia Supervisory Board


i. Members of the Sharia Supervisory Board may be dismissed at any time based on the decision of the Sharia Supervisory Board;

ii. The dismissal of a member of the Sharia Supervisory Board as referred to in point i, is carried out on the grounds that the member of the Sharia Supervisory Board concerned:

1) Unable to carry out their duties properly;

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- 2) Failure to implement the provisions of regulatory provisions and/or the provisions of the articles of association;
 - 3) Perform actions that are indicated to be detrimental to the Company and/or the State;
 - 4) Perform actions that violate the ethics and/or propriety that should be respected as a member of the Sharia Supervisory Board;
 - 5) Found guilty by a court decision that has permanent legal force; and/or
 - 6) Resigns.
- iii. In addition to the reasons for dismissal above, members of the Sharia Supervisory Board can be dismissed by the GMS based on other reasons deemed appropriate for the interests and achievement of the Company's objectives;
 - iv. The plan to dismiss a member of the Sharia Supervisory Board as referred to in point ii shall be notified to the person concerned verbally or in writing by the GMS or another party appointed/authorized by the GMS;
 - v. The decision to dismiss as referred to in numbers ii and iii is determined after the person concerned has been given the opportunity to defend themselves;
 - vi. Self-defense is submitted in writing to the GMS or other party appointed/authorized within 14 (fourteen) calendar days from the notification received by members of the Sharia Supervisory Board;
 - vii. In the event that a member of the Sharia Supervisory Board who is dismissed has defended themselves or stated that they have no objection to their planned dismissal when notified, then the time requirements as intended in point vi are deemed to have been fulfilled;
 - viii. While the decision to dismiss is still in process, the member of the Sharia Supervisory Board concerned is obliged to carry out their duties as appropriate.
 - ix. Dismissal for the reasons as intended in points ii and iii, is a dishonorable dismissal;
 - x. If a member of the Sharia Supervisory Board resigns or is dismissed before their term of office ends, their replacement term of office is the remaining term of office of the member of the Sharia Supervisory Board they replaced;

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- xi. In the event that there are additional members of the Sharia Supervisory Board, the term of office of the member of the Sharia Supervisory Board will end at the same time as the term of office of the other existing members of the Sharia Supervisory Board ends.

2. Functions, Duties and Obligations of the Sharia Supervisory Board


a. Functions and Duties

The Sharia Supervisory Board has functions including:

- i. As supervisor, representative and advisor/advisor to the Company's Directors regarding matters related to the Company's operational activities based on Sharia Principles with due observance of the provisions of the Financial Services Authority and DSN-MUI fatwas.
- ii. As a mediator between the Company and DSN-MUI in communicating proposals and suggestions for developing the Company's products and services that require DSN-MUI studies and fatwas.
- iii. As a DSN-MUI representative assigned to the Company.

In carrying out its functions, the Sharia Supervisory Board has duties, including:

- i. Conduct a review of policies and strategies related to compliance with Sharia aspects/principles and ensure that the Company's Board of Directors takes the necessary steps to monitor and control sharia business activities.
- ii. Carrying out regular studies/examinations and ensuring the fulfillment of sharia principles for sharia business activities and carrying out supervision so that all the Company's sharia business activities comply with Sharia Principles and DSN-MUI fatwas.
- iii. Act as an advisor and provide recommendations or views to the Board of Directors and Board of Commissioners regarding matters related to Sharia Principles.
- iv. Accompany the Company or represent the Company in discussions with DSN-MUI and/or the Financial Services Authority (OJK) to discuss proposals and recommendations for sharia business products that require review and decisions from DSN-MUI and/or OJK.
- v. Provide a statement of sharia conformity with sharia principles for the Company's sharia products or services.

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b. Obligation


The Sharia Supervisory Board has the following obligations:

- i. Following the DSN-MUI fatwa.
- ii. Carrying out their duties in good faith, prudence and full responsibility for the interests of the Company and in accordance with the aims and objectives of the Company by paying attention to the provisions of the laws and regulations and the DSN-MUI fatwa.
- iii. Supervise the fulfillment of the implementation of Sharia Principles on the Company's guidelines and products;
- iv. Maintain the confidentiality of Company documents, data and information that need to be monitored and advised;
- v. Report business activities and developments of the Company to DSN-MUI after previously discussing it with the Board of Commissioners and the results have been made known to the Board of Directors at least 1 (one) time in 1 (one) year; and
- vi. Report to OJK with a copy to DSN-MUI, Board of Commissioners and Directors if:
 - 1) The Board of Directors rejects the results of the Sharia Supervisory Board's assessment of policies or actions of members of the Board of Directors that are not in accordance with sharia principles, the report of which is submitted within 7 (seven) working days after the Board of Directors' explanation is received by the Sharia Supervisory Board; or
 - 2) The Board of Directors does not make efforts to correct the policies or actions of members of the Board of Directors which, based on the assessment of the Sharia Supervisory Board, are contrary to sharia principles, the report of which is submitted within 7 (seven) working days from the time it is discovered that the members of the Board of Directors have not made the intended improvement efforts.

3. Conflict of Interest

The Sharia Supervisory Board is obliged to guarantee effective, precise and fast decision making and can act independently, having no interests that could interfere with its ability to carry out its duties independently and objectively.


Members of the Sharia Supervisory Board are prohibited from:

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- a. carrying out transactions that have a conflict of interest with the Company's activities;
- b. exploiting their position for personal, family and/or other party interests which can harm or reduce the Company's profits.
- c. taking and/or receiving personal benefits from the GMS, in addition to other remuneration determined by the Board of Commissioners.

4. Sharia Supervisory Board Meeting

- a. Ethics and Rules of Meeting of the Sharia Supervisory Board
 - i. The meeting will be held in Indonesian.
 - ii. Meetings are held face to face (physical) and/or via teleconference, video conference or other electronic communication equipment which allows each member of the Sharia Supervisory Board to see and hear each other directly and participate in the meeting.
 - iii. Meeting participants are the Sharia Supervisory Board, Directors, Company employees and/or other parties invited by the Sharia Supervisory Board.
 - iv. In the question and answer forum, the Chairman of the Sharia Supervisory Board Meeting can ask questions or express opinions and can provide the opportunity for Meeting Participants to ask questions and/or express opinions and/or suggestions to the Meeting Chairman.
 - v. Every question and/or opinion at the Sharia Supervisory Board Meeting is only related to the Meeting Agenda and is submitted orally after obtaining permission from the Chair of the Meeting.
 - vi. Other matters can be determined later by the Chair of the Meeting during the Sharia Supervisory Board Meeting.
- b. Sharia Supervisory Board Meeting Decision
 - i. All decisions of the Sharia Supervisory Board are taken at the Sharia Supervisory Board Meeting;
 - ii. Decisions of the Sharia Supervisory Board can be taken outside the Sharia Supervisory Board Meeting as long as they are approved in writing and signed by all members of the Sharia Supervisory Board, both regarding the method of decision making and the material being decided;

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- iii. Sharia Supervisory Board meetings are held at the Company's domicile or place of business activities of the Company or other places, or with other mechanisms agreed by the Sharia Supervisory Board;
- iv. The Sharia Supervisory Board is obliged to hold regular Sharia Supervisory Board Meetings at least 1 (one) time in 1 (one) month;
- v. The results of the Sharia Supervisory Board meetings are required to be stated in the minutes of the Sharia Supervisory Board meetings and properly documented;
- vi. Difference of opinion (dissenting opinions) that occur in the decisions of the Sharia Supervisory Board Meeting must be stated clearly in the minutes of the Sharia Supervisory Board meeting along with the reasons for the difference of opinion;
- vii. Members of the Sharia Supervisory Board who are present or not present at the Sharia Supervisory Board Meeting have the right to receive a copy of the minutes of the Sharia Supervisory Board Meeting;
- viii. The number of Sharia Supervisory Board meetings that have been held and the number of attendance of each member of the Sharia Supervisory Board must be included in the Corporate Governance implementation report;
- ix. The Sharia Supervisory Board has the authority to determine its own meeting agenda, unless there is a special and specific request for an agenda that must be discussed at the Sharia Supervisory Board Meeting, as long as it is related to the interests and/or progress of the Company;
- x. The Sharia Supervisory Board may hold a meeting at any time at the request of 1 (one) or several members of the Board of Commissioners, at the request of the Board of Directors or at the written request of 1 (one) or several shareholders representing at least 1/10 (one tenth) of number of shares with voting rights, stating the matters to be discussed/discussed;
- xi. Summons for Sharia Supervisory Board Meetings are submitted in writing and submitted no later than 3 (three) calendar days before the meeting is held or within a shorter time if in urgent circumstances, without taking into account the date of the summons and the date of the meeting;
- xii. All Sharia Supervisory Board meetings are chaired by the Chair of the Sharia Supervisory Board;
- xiii. All decisions at the Sharia Supervisory Board Meeting are taken by deliberation to reach consensus;

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xiv. The Sharia Supervisory Board Meetings are held by the Secretary of the Sharia Supervisory Board, who has the main task of scheduling Sharia Supervisory Board Meetings, both regularly (monthly) and incidentally, as well as administering the Minutes of Sharia Supervisory Board Meeting documents.

5. Sharia Supervisory Board Introduction and Development Program


a. New Sharia Supervisory Board Induction Program

- i. The Company induction program must be given to the new Sharia Supervisory Board in the Company's organs, intended to provide an understanding of the conditions existing in the Company so that the new Sharia Supervisory Board obtains a comprehensive understanding of the Company both organizationally and operationally.
- ii. The Company's induction program to the new Sharia Supervisory Board is the responsibility of the Corporate Secretary.
- iii. The material introduced to the new Sharia Supervisory Board includes at least:
 - 1) Implementation of GCG principles in the Company;
 - 2) An overview of the Company relating to objectives, nature and scope of activities, financial and operational performance, strategy, short-term and long-term business plans, competitive position, risks and other strategic issues.
 - 3) Information relating to delegated authority, internal and external audits, internal control systems and policies, including the Audit Committee.
 - 4) Information relating to the duties and responsibilities of the Sharia Supervisory Board as well as things that are not permitted.
 - 5) Legislation related to the Company's business activities.
- iv. The Company's Induction Program for new members of the Sharia Supervisory Board can take the form of presentations, meetings and document reviews or other programs deemed appropriate by the Company.
- v. This Induction Program is implemented no later than 3 (three) months after the appointment of the Sharia Supervisory Board.

b. Sharia Supervisory Board Development Program

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- i. The Sharia Supervisory Board Skills and Knowledge Development Program is an activity that aims to provide additional insight, expertise, knowledge and abilities through education, training, seminars, workshops, conferences and so on, which will support the implementation of the Sharia Supervisory Board's duties.
- ii. The Sharia Supervisory Board Development Program activities can be planned by the Sharia Supervisory Board itself and invited by third parties.
- iii. Development Program Organizers can come from external parties located at home or abroad and can be implemented in offices or other places.
- iv. Development Program implementation costs include participation fees, official travel costs, and other costs incurred as part of the Development Program being participated in, budgeted in the current year's RKAP.
- v. If the Development Program material is considered important, the Sharia Supervisory Board is permitted to share it in the form of discussions or presentations with other related Divisions.

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1. Requirements, Composition and Term of Office of the Board of Directors

a. Board of Directors' Requirements


- i. Those who can be appointed as members of the Board of Directors are individuals who are capable of carrying out legal acts, unless, within 5 (five) years prior to their appointment, they are:
 - 1) declared bankrupt;
 - 2) a member of the Board of Directors or member of the Board of Commissioners or member of the Supervisory Board who is found guilty of causing a Company or Perum to be declared bankrupt; or
 - 3) convicted of committing a criminal act that is detrimental to state finances and/or related to the financial sector.
- ii. The Board of Directors must fulfill other requirements set by the technical agency based on regulatory provisions, including being required to fulfill the provisions for the fit and proper test by the relevant technical agency.
- iii. Fulfillment of the requirements as referred to in point i above, is proven by a letter of statement signed by the prospective member of the Board of Directors and this letter is kept by the Company.
- iv. Apart from fulfilling the requirements as referred to in point i above, the appointment of members of the Board of Directors is carried out by taking into account expertise, experience and other requirements based on regulatory provisions.
- v. Must reside in Indonesia.
- vi. Members of Board of Directors are prohibited from holding concurrent positions as a Director in another company.

b. Composition of the Board of Directors

The Company is led and managed by a Board of Directors consisting of at least 3 (three) Directors, a maximum of 5 (five) Directors, one of whom is appointed as President Director.

c. Term of Office of Board of Directors

The term of office of members of the Board of Directors is set at 5 (five) years and can be reappointed for 1 (one) term of office.

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d. Board of Directors' Salary/Honorarium and Allowances/Facilities


Members of the Board of Directors are given salaries and allowances/facilities including post-service compensation, the type and amount of which are determined by the GMS taking into account the applicable regulatory provisions.

2. Membership of the Board of Directors


a. Appointment of Directors

- i. Members of the Board of Directors are appointed and dismissed by the GMS.
- ii. Appointment of members of the Board of Directors who do not meet the requirements as referred to in section 1. Requirements, Composition and Term of Office of the Board of Directors letter a. The requirements for the Board of Directors, in point i, are void by law from the moment the other members of the Board of Directors or the Board of Commissioners become aware of the non-fulfillment of these requirements.
- iii. The GMS decision regarding the appointment and dismissal of members of the Board of Directors also determines when the appointment and dismissal will take effect.
- iv. In the event that the GMS does not determine, then the appointment and dismissal of members of the Board of Directors will take effect from the closing of the GMS.
- v. In the event that the appointment and dismissal of members of the Board of Directors is carried out through a Shareholder decision outside the GMS, the entry into force of the appointment and dismissal is contained in the Shareholder decision.
- vi. In the event that the Shareholders' decision outside the GMS does not stipulate, then the appointment and dismissal of members of the Board of Directors shall take effect from the time the Shareholders' decision is determined.
- vii. Members of the Board of Directors are appointed from candidates proposed by the Shareholders and these nominations are binding on the GMS.
- viii. New members of the Board of Directors must be given an induction program.

b. Termination of Position of Members of the Board of Directors

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- i. The term of office of a member of the Board of Directors shall expire if:
 - 1) the person passes away;
 - 2) their term of office ends;
 - 3) they are dismissed based on GMS decision;
 - 4) they no longer meets the requirements as a member of the Board of Directors based on the provisions of the Articles of Association and regulatory provisions.
 - ii. The provisions as referred to in point i above include but are not limited to prohibited concurrent positions and resignation.
 - iii. For members of the Board of Directors who resign before or after their term of office ends, unless they resign due to death, the person concerned is obliged to provide accountability for their actions for which the GMS has not accepted accountability.
- c. Dismissal of Directors
- i. The GMS can dismiss members of the Board of Directors at any time by stating the reasons, including:
 - 1) unable to fulfill its obligations as agreed in the management contract;
 - 2) unable to carry out their duties properly;
 - 3) does not implement the provisions of regulatory provisions and/or the provisions of the Articles of Association;
 - 4) involved in actions that are detrimental to the Company and/or the State;
 - 5) carrying out actions that violate the ethics and/or propriety that should be respected as a member of the Board of Directors of a State-Owned Enterprise;
 - 6) declared guilty by a court decision that has permanent legal force;
 - 7) resign;
 - 8) based on other reasons deemed appropriate by the GMS for the interests and objectives of the Company.
 - ii. The decision to dismiss the Directors as referred to in point i letters 1), 2), 3), 4), 5), and 8) above, is taken after the person concerned has been given the opportunity to defend themselves.

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- iii. The plan to dismiss a member of the Board of Directors at any time is notified to the relevant member of the Board of Directors verbally or in writing by the Shareholders.
 - iv. In the event that the dismissal is carried out outside the GMS, the self-defense as intended in point ii above is submitted in writing to the Shareholders within 14 (fourteen) calendar days from the time the member of the Board of Directors concerned is notified as intended in point iii above.
 - v. In the event that a member of the Board of Directors who is dismissed has defended themselves or stated that they have no objection to their planned dismissal when notified, then the time requirements as referred to in point iv above are deemed to have been fulfilled.
 - vi. In the event that the dismissal is carried out at the GMS, self-defense is carried out at the GMS by ignoring the time limit provisions as referred to in point iv above.
 - vii. While the dismissal plan is still in process, the relevant member of the Board of Directors is obliged to carry out their duties as appropriate.
 - viii. Dismissal of Directors because they are involved in actions that are detrimental to the Company and/or the State and are found guilty by a court decision that has legal force which remains a dishonorable dismissal.
- d. Temporary Dismissal of Directors

Members of the Board of Directors can be temporarily dismissed by the Board of Commissioners if they act contrary to the Articles of Association or there are indications of causing losses to the Company or neglecting their obligations or there are urgent reasons for the Company, taking into account the following provisions:


- i. The decision of the Board of Commissioners regarding the temporary dismissal of members of the Board of Directors is carried out in accordance with the procedures for making decisions by the Board of Commissioners.
- ii. The said temporary suspension must be notified in writing to the person concerned along with the reasons that led to the action with a copy to the Shareholders and Directors.
- iii. Notification as intended in point ii. above is submitted no later than 2 (two) calendar days after the temporary dismissal is determined.

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- iv. Members of the Board of Directors who are temporarily dismissed are not authorized to carry out management of the Company and represent the Company both inside and outside the court.
 - v. Within a period of no later than 30 (thirty) calendar days after the temporary dismissal in question, a GMS must be held which will decide whether to revoke or confirm the decision on the temporary dismissal. The implementation of the GMS is carried out by the Board of Commissioners.
 - vi. In the GMS in point v, the members of the Board of Directors concerned shall be given the opportunity to defend themselves.
 - vii. The meeting as referred to in point v above is chaired by one of the Shareholders selected by and from among the Shareholders present.
 - viii. In the event that the period of 30 (thirty) calendar days has passed, the GMS is not held or the GMS cannot make a decision, then the temporary suspension will be cancelled.
 - ix. The decision to revoke or confirm the decision to temporarily dismiss a member of the Board of Directors can also be made by Shareholders outside the GMS provided that all Shareholders with voting rights agree in writing by signing the relevant decision while still paying attention to the provisions as referred to in point v above.
 - x. In the event that the decision to revoke or confirm the decision to temporarily dismiss a member of the Board of Directors is made outside the GMS, the relevant member of the Board of Directors is notified orally or in writing, with the opportunity to submit a written self-defense within 14 (fourteen) calendar days after receiving the notification.
 - xi. If the GMS or Shareholders cancel the temporary dismissal or the situation as referred to in point viii above occurs, then the member of the Board of Directors concerned is obliged to carry out their duties again as appropriate.
- e. Resignation of Directors
- i. Each member of the Board of Directors has the right to resign from their position.
 - ii. The resignation of the Directors is notified in writing to the Company with a copy to the Board of Commissioners and other members of the Board of Directors and submitted no later than 30 (thirty) calendar days before the resignation date.

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- iii. In the case of resignation as referred to in point ii above, the effective date is stated to be less than 30 (thirty) calendar days from the date the letter is received, then the effective date of resignation is calculated as 30 (thirty) calendar days from the date the letter is received by the Company.
 - iv. In the event that the resignation does not state the effective date of the resignation, the member of the Board of Directors will automatically resign starting 30 (thirty) calendar days from the receipt of the resignation request letter.
 - v. If the GMS does not provide a decision within 30 (thirty) calendar days from the date the resignation request is received or the date specified as referred to in points ii and iii above, then the member of the Board of Directors who resigns will automatically resign on the 31st day. (thirty-one) from the date the resignation request letter is received or the date specified as referred to in point iv.
- f. Vacancies in Board of Directors' Positions
- i. In the event of a vacancy in the position of a member of the Board of Directors, the following provisions are regulated:
 - 1) A GMS must be held no later than 30 (thirty) calendar days from the date the vacancy occurs to fill the vacancy.
 - 2) As long as the position of a member of the Board of Directors is vacant and/or the GMS has not filled the position of a vacant member of the Board of Directors, the Board of Commissioners appoints another member of the Board of Directors, or the GMS can appoint another party to temporarily carry out the duties of the vacant member of the Board of Directors with the obligations, duties and the same authority.
 - 3) In the event that a vacancy in the position of a member of the Board of Directors is due to the end of the term of office and the GMS has not appointed a new member of the Board of Directors, then the member of the Board of Directors whose term of office has expired can be appointed by the GMS, to temporarily carry out the duties of the vacant member of the Board of Directors with the same obligations and authority until with the appointment of definitive members of the Board of Directors.
 - 4) Acting members of the vacant Board of Directors, other than members of the Board of Directors who are still serving, receive the same salary and allowances/facilities as the vacant members of the Board of Directors, excluding post-service compensation.

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- ii. If at any time for any reason all positions of members of the Company's Board of Directors are vacant, then:
 - 1) Within 30 (thirty) calendar days after the vacancy occurs, a GMS must be held to fill the vacancy in the position of Director.
 - 2) As long as the position is vacant and the GMS has not filled the vacant position of Director, the Board of Commissioners or GMS can appoint another party to temporarily manage the Company, with the same power and authority.
 - 3) In the event that the position of Director is vacant due to the end of the term of office and the GMS has not appointed a replacement, then the members of the Board of Directors whose term of office has expired can be appointed by the GMS to carry out their duties as members of the Board of Directors with the same power and authority.
 - 4) For those carrying out the duties of a vacant member of the Board of Directors, apart from receiving the same salary and allowances/facilities as the vacant member of the Board of Directors, post-service compensation is not included.
- iii. In the event that the term of office of a member of the Board of Directors ends and the GMS has not been able to appoint a replacement, then the duties of the vacant member of the Board of Directors are carried out in accordance with the provisions for filling the position of a vacant member of the Board of Directors.


3. Division of Board of Directors' Work

The division of duties and authority of each member of the Board of Directors is determined by the GMS. In the event that the GMS does not determine the division of duties and authority, the division of duties and authority is determined separately through the Board of Directors Regulations. To carry out their duties flawlessly, the Board of Directors is assisted by the Corporate Secretary and Internal Audit.

4. Duties, Authorities, Obligations and Responsibilities of the Board of Directors

a. Duties of Board Directors

- i. The Board of Directors performs its duties in good faith for the interests of the Company and in accordance with the aims and objectives of the Company, as well as ensuring that the Company carries out its social

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responsibilities and pays attention to the interests of various Stakeholders in accordance with the provisions of regulatory provisions.

- ii. The Board of Directors conveys information regarding the identity, main jobs, position of the Board of Commissioners in subsidiaries/joint companies and/or other companies, including meetings held in one financial year (internal meetings or joint meetings with the Board of Commissioners), as well as salaries, facilities, and/or other benefits received from the Company concerned and the subsidiary/joint company of the Company concerned, to be included in the Company's Annual Report.
- iii. Directors are required to disclose:
 - 1) their and/or their family's share ownership in the Company and other companies, both domiciled at home and abroad, including changes thereto; and/or
 - 2) financial relationships and/or family relationships with other members of the Board of Directors,

in the Good Corporate Governance Report as regulated in the applicable provisions.
- iv. One member of the Board of Directors is appointed by the Board of Directors Meeting as the person responsible for implementing and monitoring Good Corporate Governance in the Company concerned.
- v. Directors who are responsible for managing the Sharia Business Unit are obliged to manage the business based on Sharia principles and the principle of prudence.
- vi. The Board of Directors is tasked with carrying out all actions related to the management of the Company for the interests of the Company and in accordance with the aims and objectives of the Company as well as representing the Company both inside and outside the court regarding all matters and all events with restrictions as regulated in the regulatory provisions, the Articles of Association and/or GMS Decision;

In carrying out their duties, each member of the Board of Directors is obliged to:

- 1) Devote full energy, thoughts, attention and dedication to the duties, obligations and achievement of the Company's goals.
- 2) Comply with the Company's Articles of Association and regulatory provisions and must implement the principles of professionalism,

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efficiency, transparency, independence, accountability, responsibility and fairness.


- 3) In good faith and full responsibility, carry out duties for the interests and business of the Company by paying attention to applicable laws.

b. Authority of the Board of Directors


- i. Determine Company management policies.
- ii. Regulate the transfer of the powers of the Board of Directors to one or several members of the Board of Directors to make decisions on behalf of the Board of Directors or represent the Company inside and outside the court.
- iii. Regulate the transfer of the powers of the Board of Directors to one or several employees of the Company, either individually or jointly, or to other people, to represent the Company inside and outside the court.
- iv. Regulate provisions regarding the Company's personnel, including the determination of salaries, pensions or old age security, and other income for Company workers based on applicable laws and regulations, with provisions for determining salaries, pensions or old age security, and other income for workers that exceed their obligations. determined by regulatory provisions, must obtain prior approval from the GMS.
- v. Appoint and dismiss Company employees based on Company personnel regulations and applicable laws and regulations.
- vi. Appoint and dismiss the Corporate Secretary.
- vii. Carrying out all actions and other actions regarding the management and ownership of the Company's assets, including obtaining funding in the form of grants for the Company, binding the Company with other parties and/or other parties with the Company, as well as representing the Company inside and outside the Court regarding all matters and all events, with restrictions as regulated in regulatory provisions, Articles of Association and/or Resolutions of the General Meeting of Shareholders.

c. Board of Directors' Obligations

- i. Strive for and ensure the implementation of the Company's business and activities in accordance with its aims and objectives and business activities.

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- ii. Prepare on time the Company's Long-Term Plan, Work Plan and Company Budget, and any amendments thereto and submit them to the Board of Commissioners and Shareholders for approval by the GMS.
- iii. Provide an explanation to the GMS regarding the Company's Long-Term Plan and the Company's Work Plan and Budget.
- iv. Create a Shareholder List, Special List, Minutes of GMS, and Minutes of Board of Directors Meetings.
- v. Make an Annual Report as a form of accountability for the management of the Company, as well as the Company's financial documents as intended in the Law on Company Documents.
- vi. Prepare Financial Reports based on Financial Accounting Standards and submit them to the Public Accountant for audit.
- vii. Submit Annual Reports including Financial Reports to the GMS for approval and ratification, as well as reports regarding the Company's rights which are not recorded in the books, among others as a result of writing off receivables.
- viii. Provide explanations to the GMS regarding the Annual Report.
- ix. Submit the Balance Sheet and Profit and Loss Report which have been approved by the GMS to the Minister in charge of Law and Human Rights in accordance with the provisions of regulatory provisions.
- x. Submit reports on changes in the composition of Shareholders, Directors, Board of Commissioners, Sharia Supervisory Board to the Minister in charge of Law and Human Rights.
- xi. Maintain the Shareholders Register, Special Register, Minutes of GMS, Minutes of Board of Commissioners Meetings and Minutes of Directors Meetings, Annual Report and financial documents of the Company as referred to in point iv. and v. above, and other Company documents.
- xii. Store at the Company's place of residence: Shareholder Register, Special Register, Minutes of GMS, Minutes of Board of Commissioners Meetings and Board of Directors Meeting Minutes, Annual Report and Company financial documents as well as other Company documents as referred to in point xi. on.
- xiii. Develop an accounting system in accordance with Financial Accounting Standards and based on internal control principles, especially the functions of management, recording, storage and supervision.

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- xiv. Provide periodic reports according to the method and time in accordance with applicable regulations, as well as other reports whenever requested by the Board of Commissioners and/or Shareholders.
 - xv. Prepare the Company's organizational structure complete with details and duties.
 - xvi. Provide explanations regarding all matters asked or requested by members of the Board of Commissioners and Shareholders.
 - xvii. Arrange and stipulate the blueprint for the Company's organization.
 - xviii. Create and sign an Integrity Pact for every proposed action by the Board of Directors that requires approval from the Board of Commissioners or that requires a recommendation from the Board of Commissioners and approval from the GMS.
 - xix. Carry out other obligations in accordance with the provisions stipulated in the Company's Articles of Association and determined by the GMS based on regulatory provisions.
- d. Board of Directors' Responsibilities
- i. Each member of the Board of Directors is fully personally responsible if the person concerned is guilty or negligent in carrying out their duties for the interests and business of the Company, unless the member of the Board of Directors concerned can prove that:
 - 1) the loss was not due to their fault or negligence;
 - 2) has carried out management in good faith and prudence for the benefit and in accordance with the aims and objectives of the Company;
 - 3) have no conflict of interest, either directly or indirectly, regarding management actions that result in losses; and
 - 4) have taken action to prevent the occurrence or continuation of the loss.
 - ii. Actions taken by members of the Board of Directors other than those decided by the Board of Directors Meeting are the personal responsibility of the person concerned until the action in question is approved by the Board of Directors Meeting.


5. Conflict of Interest

- a. Members of the Board of Directors and members of the Board of Directors and members of the Board of Commissioners are prohibited from having family

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relationships up to the third degree, either straight or sideways, including family relationships arising from marriage (marriage).

- b. In the event of a situation as in point a above, the GMS has the authority to dismiss one of them.
- c. Members of the Board of Directors are prohibited from holding multiple positions as stated below, namely:
 - i. member of the Board of Directors of State-Owned Enterprises, Regional-Owned Enterprises, Private-Owned Enterprises;
 - ii. member of the Board of Commissioners/Supervisory Board of State-Owned Enterprises;
 - iii. member of the Board of Commissioners in more than 1 (one) other company;
 - iv. other structural and functional positions in central and/or regional government agencies/institutions;
 - v. other positions in accordance with the provisions of regulatory provisions, political party administrators and/or legislative candidates/members and/or regional head/deputy regional head candidates; and/or
 - vi. other positions that may give rise to a conflict of interest.
- d. Members of the Board of Directors are not authorized to represent the Company if:
 - i. a case occurs before the Court between the Company and the member of the Board of Directors concerned; or
 - ii. The member of the Board of Directors concerned has a conflict of interest with the Company.
- e. In the event that there are circumstances as referred to in point d above, the person entitled to represent the Company is:
 - i. other members of the Board of Directors who do not have a conflict of interest with the Company who are appointed by other members of the Board of Directors who do not have a conflict of interest;
 - ii. The Board of Commissioners in the event that all members of the Board of Directors have a conflict of interest with the Company; or

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- iii. other parties appointed by the GMS in the event that all members of the Board of Directors or Board of Commissioners have a conflict of interest with the Company.
- f. In the event that all members of the Board of Directors have a conflict of interest with the Company and none of the members of the Board of Commissioners, the Company is represented by another party appointed by the General Meeting of Shareholders.

6. Board of Directors Meeting

- a. Ethics and Rules of Board of Directors Meetings
 - i. Meetings are held in Indonesian.
 - ii. Meetings are held face-to-face (physical) and/or via teleconference, video conference or other electronic communication equipment which allows each member of the Board of Directors to see and hear each other directly and participate in the meeting.
 - iii. Meeting participants are the Board of Directors, Company employees and/or other parties invited by the Board of Directors.
 - iv. In the question and answer forum, the Chairman of the Board of Directors Meeting can ask questions or express opinions and can provide the opportunity for Meeting Participants to ask questions and/or express opinions and/or suggestions to the Chairman of the Meeting.
 - v. Every question and/or opinion at the Board of Directors Meeting is only related to the Meeting Agenda and is submitted orally after obtaining permission from the Chair of the Meeting.
 - vi. Other matters can be determined later by the Chairman of the Meeting during the Board of Directors Meeting.
- b. Convening Board of Directors Meetings

Board of Directors meetings are held at least once a month, and can also be held at any time if:

 - i. deemed necessary by one or more members of the Board of Directors;
 - ii. upon written request via letter or electronic media (email, calendar meetings and so on) from one or more members of the Board of Commissioners; or
 - iii. upon written request via letter or electronic media (email, calendar meetings and so on) of 1 (one) or more shareholders who together

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represent 1/10 (one tenth) or more of the total number of shares with voting rights.

c. Board of Directors Meeting Decisions


- i. All decisions of the Board of Directors are taken at the Board of Directors Meeting.
- ii. All decisions at Board of Directors Meetings are taken by deliberation to reach consensus.
- iii. In the event that a decision cannot be taken by consensus, the decision is taken by ordinary majority vote.
- iv. Decisions can also be taken outside the Board of Directors Meeting as long as all members of the Board of Directors agree on the method and material being decided.
- v. Decision making must be made no later than 14 (fourteen) calendar days after the proposal along with supporting documents and other complete information is submitted at the Board of Directors Meeting, without taking into account the date of submission and the date of the Board of Directors Meeting, or in writing for circular decisions.
- vi. The Board of Directors' decision must be communicated to organizational levels below the Board of Directors no later than 7 (seven) calendar days after it is ratified/signed.
- vii. If the Board of Directors Meeting is held face-to-face (physically), the Board of Directors Meeting is considered valid if it is held at the Company's domicile or at another place within the territory of the Republic of Indonesia.
- viii. Apart from making decisions, at the Board of Directors Meeting there is also discussion regarding the evaluation of follow-up to the results of the previous meeting and discussion/review and/or follow-up on the direction/recommendations/decisions of the Board of Commissioners, whether related or not related to the Board of Directors' proposals.

d. Attendance at Board of Directors Meetings

- i. A Board of Directors meeting is valid and has the right to make binding decisions if it is attended by more than 1/2 (one half) of the number of members of the Board of Directors or their authorized representatives taking into account the provisions of number 6 letter f point iii (Invitation to the Board of Directors Meeting).

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- ii. In the event that members of the Board of Directors are unable to physically attend the Board of Directors Meeting, their presence can be replaced by using teleconference media, video conferences or other electronic communication equipment which allows each member of the Board of Directors to see and hear each other directly and participate in the meeting, provided that:
 - 1) Carried out in circumstances where it is not possible to hold a Board of Directors Meeting in a forum.
 - 2) Each member of the Board of Directors who participates will be deemed to be present at the Board of Directors Meeting to determine whether attendance quorum requirements and Board of Directors Meeting decisions are met.
 - 3) The place where the chairman of the Board of Directors Meeting participates in the conference meeting will be considered as the place where the Board of Directors Meeting is held.
 - 4) The minutes of the Board of Directors Meeting must be submitted and signed by all members of the Board of Directors present at the conference meeting in question.
- iii. In miscellaneous agenda items, the Board of Directors Meeting does not have the right to make decisions unless all members of the Board of Directors or their authorized representatives are present and agree to additional agenda items for the Meeting.
- iv. To vote in decision making, a member of the Board of Directors may be represented at the Meeting only by another member of the Board of Directors based on a written authorization specifically given for that purpose.
- v. A member of the Board of Directors can only represent another member of the Board of Directors.
- e. Board of Directors Meeting Minutes
 - i. At each Board of Directors meeting, minutes of the meeting must be drawn up, containing the matters discussed (including statements of disagreement/dissenting opinion of members of the Board of Directors if any) and matters decided.
 - ii. The minutes of the Board of Directors Meeting are signed by the Chairman of the Board of Directors Meeting and all members of the Board of Directors present.

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iii. A copy of the Minutes of the Board of Directors Meeting is submitted to the Board of Commissioners for their information.

f. Summons for Board of Directors Meeting


- i. Summons for Board of Directors Meetings can be submitted in writing via letter or electronic media (email, calendar meeting and so on) by members of the Board of Directors who have the right to represent the Company and submitted no later than 3 (three) calendar days before the Board of Directors Meeting is held or within a shorter time if in urgent circumstances, without taking into account the date of the summons and the date of the Board of Directors Meeting.
- ii. The summons for the Board of Directors Meeting as referred to in point i above must include the agenda, date, time and place of the Board of Directors Meeting.
- iii. An advance summons for a Board of Directors Meeting is not required if all members of the Board of Directors are present at the Board of Directors Meeting.

g. Chairman of the Board of Directors Meeting

- i. All Board of Directors meetings are chaired by the President Director.
- ii. In the event that the President Director is absent or unable to attend, the Board of Directors Meeting is chaired by a Director specifically appointed for that purpose by the President Director.
- iii. In the event that the President Director does not make an appointment, then one of the oldest Directors in the position as a member of the Company's Board of Directors will chair the Board of Directors Meeting.
- iv. In the event that the oldest Director in position as a member of the Company's Board of Directors is more than 1 (one) person, then the Director who has been in office the longest and is the oldest in age will act as chairman of the Board of Directors Meeting.

h. Board of Directors' Voting Rights

- i. Each member of the Board of Directors has the right to cast 1 (one) vote and an additional 1 (one) vote for the member of the Board of Directors they represents.
- ii. If the number of votes for and against is the same, then the Meeting decision is in accordance with the opinion of the Chair of the Meeting while still paying attention to the provisions regarding accountability as referred

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to in section 4. Duties, Authorities, Obligations and Responsibilities of the Board of Directors letter d. Board of Directors' Responsibilities.

- iii. In the event that there are more than two alternative proposals and the results of the voting have not obtained one alternative with more than 1/2 (one half) of the total votes cast, then a re-election will be carried out on the two proposals that received the most votes so that one of the proposals gets votes are more than 1/2 (one half) of the total votes cast.
- iv. A blank vote (abstain) is deemed to approve the results of the Board of Directors Meeting decision.
- v. Invalid votes are considered non-existent and are not counted in determining the number of votes cast at the Board of Directors Meeting.


7. Supporting Organs for the Board of Directors in Implementing the Board Manual

a. Corporate Secretary

- i. Carry out the role as a liaison or contact person between the Board of Directors, Board of Commissioners, Sharia Supervisory Board, Shareholders, Government/Relevant Agencies, the community and other stakeholders.
- ii. Carry out activities in the secretarial sector within the Board of Directors, and the Company and its administration, including managing and storing documents related to the Company's activities, which include, among other things, GMS documents, Minutes of Board of Directors Meetings, Minutes of Joint Meetings, Special Lists, and other documents.
- iii. Collect all important information relating to the company from each work unit and determine criteria regarding the type and material of information that can be conveyed to stakeholders.
- iv. Represent the Board of Directors in dealing with parties outside the Company, including Shareholders, the Financial Services Authority and other stakeholders and/or within the Company in accordance with the assignments given and the policies that have been determined.

b. Internal Audit

- i. Create and implement strategies, policies and plans for supervisory activities.


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- ii. Carry out operational and compliance audits on all company activities to improve the effectiveness of internal control, risk management and GCG processes.
 - iii. Carrying out special audits to uncover cases that have indications of abuse of authority, embezzlement, misappropriation and fraud.
 - iv. Provide consultation to all levels of management regarding efforts to increase the effectiveness of internal control, increase efficiency, risk management, and other activities related to the Company's performance.
- c. Further provisions regarding Internal Audit manual are regulated in the Internal Audit Charter.

8. Board of Directors' Introduction and Development Program

a. New Directors Induction Program

- i. The Company induction program must be given to new Directors in the Company's organs, intended to provide an understanding of the conditions existing in the Company so that new Directors gain a comprehensive understanding of the Company both organizationally and operationally.
- ii. The Company's induction program for new Directors is the responsibility of the Corporate Secretary.
- iii. The material introduced to new Directors includes at least:
 - 1) Implementation of GCG principles in the Company;
 - 2) An overview of the Company relating to objectives, nature and scope of activities, financial and operational performance, strategy, short-term and long-term business plans, competitive position, risks and other strategic issues.
 - 3) Information relating to delegated authority, internal and external audits, the Company's internal control systems and policies.
 - 4) Information relating to the duties and responsibilities of the Board of Directors as well as things that are not permitted.
 - 5) Legislation related to the Company's business activities.
- iv. The Company's induction program for new members of the Board of Directors can take the form of presentations, meetings and document reviews, or other programs deemed appropriate by the Company.

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v. This Induction Program is implemented no later than 3 (three) months after the appointment of the Director.


b. Directors Development Program

- i. The Board of Directors' Skills and Knowledge Development Program is an activity that aims to provide additional insight, expertise, knowledge and abilities through education, training, seminars, workshops, conferences, etc., which will support the implementation of the Board of Directors' duties.
- ii. Directors Development Program activities can be planned by the Directors themselves, assignments from the President Commissioner to the Directors, assignments from the President Director to members of the Board of Directors, and invitations from third parties.
- iii. Development Program Organizers can come from external parties located at home or abroad and can be implemented in offices or other places.
- iv. Development Program implementation costs include participation fees, official travel costs, and other costs incurred as part of the Development Program being participated in, budgeted in the current year's RKAP.
- v. If the Development Program material is considered important, the Board of Directors is permitted to share it in the form of a discussion or presentation.

9. Measurement and Assessment of Board of Directors' Performance


I. Collegial Performance of the Board of Directors

- a. The Board of Directors prepares a performance contract proposal which represents the corporate performance to be achieved in one fiscal year and submits it to the GMS for ratification after obtaining approval from the Board of Commissioners.
- b. The performance measurement of the Board of Directors is prepared using an integrated performance measurement method which is the translation of the Company's vision, mission and strategy into a set of strategic targets, in accordance with the provisions of regulatory provisions and/or the Company's articles of association.
- c. Assessment of performance achievements is carried out independently assessment by the Board of Directors.
- d. The Board of Directors submits Performance Achievement Reports to the GMS on a quarterly basis together with the RKAP Realization Report.

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II. Individual Performance of Directors

- a. Measurement and assessment of the performance of the Board of Directors is prepared using an integrated performance measurement method which is a translation of the duties, functions and responsibilities of the Board of Directors in accordance with the provisions of regulatory provisions and/or the Company's articles of association.
- b. Performance achievement indicators for individual Directors are determined by the Board of Commissioners every year based on proposals from the relevant Directors.
- c. Reports on the progress of the realization of Board of Directors' Performance Achievement Indicators are submitted by the Directors to the Board of Commissioners semi-annually no later than 30 (thirty) days after the end of the period.

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1. Formal Meeting


I. Joint Meeting of the Board of Commissioners and Directors

Formal meetings of the Board of Commissioners and Directors are realized in the form of Joint Meetings of the Board of Commissioners and Directors which are held at least 1 (one) time every 4 (four) months.

The Board of Commissioners invites the Board of Directors to explain, provide input, or hold discussions to produce a decision.


Mechanism:

- a. The Board of Commissioners sends an invitation to the Joint Meeting of the Board of Commissioners and Directors to the Board of Directors containing the agenda for the Joint Meeting of the Board of Commissioners and Directors, at least 7 (seven) calendar days before the meeting is held or in a shorter time if in urgent circumstances, without taking into account the date of the invitation and the date Joint Meeting of the Board of Commissioners and Directors.
- b. The Board of Directors, based on the meeting agenda, prepares meeting materials and provides confirmation of attending the meeting to the Board of Commissioners, at least 3 (three) calendar days before the Joint Meeting of the Board of Commissioners and Directors is held or in a shorter time if in urgent circumstances, without taking into account the date of the summons. and the date of the Joint Meeting of the Board of Commissioners and Directors.
- c. The Secretary of the Board of Commissioners prepares minutes of the Joint Meeting of the Board of Commissioners and Directors and distributes them to members of the Board of Commissioners and Directors who attend the Joint Meeting of the Board of Commissioners and Directors for signature.
- d. At the Formal Meeting several matters were discussed, including but not limited to:
 - i. Changes in the business environment are expected to have a major impact on the Company's business and performance, including

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granting approval from the Board of Commissioners if the Company's response is within the authority of the Board of Commissioners.

- ii. Problems or challenges faced by the Company and have a significant impact on the Company's performance.
- iii. Suggestions, hopes, problems and complaints from stakeholders, whether submitted directly to the Board of Commissioners or submitted by the Board of Directors.
- iv. Strengthening the Company's internal control system includes improving and evaluating the effectiveness of internal control at the operational/activity and internal control levels report.
- v. Company risk management, including the results of risk analysis on the draft Company Work Plan and Budget and handling strategies and improving the quality of the Company's risk management policies and implementation.
- vi. Information technology system used by the Company.
- vii. Policy and implementation of career development, including career management in the Company, systems and procedures for promotions, transfers and demotions of the Company, management succession, placement of employees in positions within the Company's organizational structure, promotion plans and transfers to one position level below the Board of Directors.
- viii. Accounting policies and preparation of financial reports are in accordance with generally accepted accounting standards in Indonesia (SAK).
- ix. Goods and services procurement policy and its implementation.
- x. Quality and service policies and implementation of these policies are in accordance with the Company's business field.
- xi. Implementation of the Company's plans and policies includes the Company implementing applicable laws and regulations, articles of association and agreements with third parties. Included in the discussion are audit results reports on compliance with applicable laws and regulations issued by Public Accountants who audit financial reports, as well as reports on audit results carried out by the Financial


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Audit Agency regarding compliance with applicable laws and regulations, results of risk and legal assessment evaluations. regarding business initiative plans as well as policies and cooperation plans to be carried out by the Company, performance of activities/efforts to resolve litigation and non- litigation cases, as well as legal studies of action plans and problems that occur related to compliance with applicable laws or regulations.


- xii. The Company's actions in running the Company are in accordance with the Company's Work Plan and Budget and/or the Company's Long-Term Plan.
 - xiii. Transactions or actions that require approval from the Board of Commissioners or GMS.
 - xiv. Symptoms of declining Company performance (if it occurs).
 - xv. Management policies of subsidiaries or joint ventures.
 - xvi. Selection of candidates for members of the Board of Directors and Board of Commissioners of subsidiaries/joint ventures from the Company.
 - xvii. Implementation of GCG principles in the Company including follow-up areas of improvement in GCG assessment results in the Company.
- e. At this Formal Meeting, Supporting Organs of the Board of Commissioners and Company employees can also be invited.
 - f. The Company is also obliged to provide updates to the Board of Commissioners regarding assignments given to the Company or initiatives from the Company which are new things of a strategic nature and will have a significant impact on the Company within a maximum period of 14 (fourteen) calendar days at the Formal Meeting.

II. Transaction Consultation Meeting


- a. Transaction Consultation Meetings are held in the Board of Commissioners Meeting forum, which is attended by the Board of Commissioners and Directors.
- b. Transaction Consultation Meetings are held through physical meetings or conferences call (as needed).

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- c. Transaction Consultation Meetings are valid if attended by the Board of Commissioners and Directors with a quorum for attendance and decision making by the Board of Commissioners in accordance with the provisions of the Articles of Association.
- d. The Transaction Consultation Meeting is chaired by the President Commissioner. In the event that the President Commissioner is absent or unable to attend, the Financing Consultation Meeting is chaired by another member of the Board of Commissioners appointed by the President Commissioner. In the event that the President Commissioner does not make an appointment, the member of the Board of Commissioners who has served the longest as a member of the Board of Commissioners acts as chairman of the Financing Consultation Meeting. In the event that more than one member of the Board of Commissioners has served the longest as a member of the Board of Commissioners, then the member of the Board of Commissioners who is the oldest in age acts as the chairman of the Financing Consultation Meeting.
- e. Requests for Transaction Consultation Meetings are submitted by the Board of Directors to the Board of Commissioners by attaching the meeting proposal and meeting materials no later than 3 (three) calendar days before the Transaction Consultation Meeting is held.
- f. Transaction Consultation Meetings can be held at any time according to the needs of the Board of Directors, the implementation of which will be determined by the Board of Commissioners.
- g. In order to carry out supervisory activities regarding infrastructure development financing activities and fund placement carried out by the Board of Directors, the Board of Directors is obliged to carry out consultations with the Company's Board of Commissioners, through Transaction Consultation Meetings.
- h. Consultations with the Board of Commissioners are carried out regarding financing and placement of funds that meet certain criteria.
- i. The financing criteria that must be consulted by the Board of Directors with the Board of Commissioners are those that meet one of the following criteria:


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- 1) Providing financing facilities to one group of debtors with a financing facility value of more than IDR 1,000,000,000,000.00 (one trillion Rupiah).
 - 2) It is a new financing product that will be included in the financing product (product library) Company.
 - 3) Financing carried out within the framework of assignments received from the Government.
 - 4) Submission of proposals for changes to the financing sector and/or new financing sectors that have not been registered in the infrastructure sector as permitted in the regulations applicable to infrastructure financing companies.
 - 5) Other financing which in the opinion of the Board of Directors has certain complexities and requires consultation with the Board of Commissioners, in this case including financing of greenfield projects whose sectors have never been previously financed by the Company.
- j. The criteria for fund placement that must be consulted by the Board of Directors with the Board of Commissioners are those that meet one of the following criteria:
- 1) Placement of funds in the form of Mutual Fund instruments, Corporate Debt Securities with investment grade and Fund Management Contracts, with the condition that the Company is the only investor in the instrument in question (sole investor);
 - 2) Submission of proposals for fund placement in the form of instruments other than those regulated in the Policy and/or internal provisions regarding fund placement in accordance with applicable laws and regulations;
 - 3) Placement of funds which according to the Board of Directors has certain complexities and requires consultation with the Board of Commissioners.
- k. Consultation with the Board of Commissioners regarding financing criteria as referred to in point i. above, is carried out after the terms and conditions of financing are approved by the Committee/Official with Deciding Authority at the Board of Directors level, and before the signing of the

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financing facility offer letter or commitment letter for providing financing by the Company.

1. Consultation with the Board of Commissioners regarding the criteria for placement of funds as referred to in point j above, is carried out after approval by the Committee/Official with Deciding Authority at the Directors level prior to the placement of funds.
- m. Consultation with the Board of Commissioners must be carried out in the event that there are plans for changes to financing that meet the criteria in point i. above which includes changes to limits, restructuring, changes to terms and conditions which cause additional financial risk exposure, including but not limited to:
 - 1) Increase/addition to maximum financing facilities.
 - 2) Increase in the term of financing facilities.
 - 3) Significant reduction in interest rates.
 - 4) Reduction/release of the guarantee provided.
- n. The criteria for financing facilities and fund placement which require consultation from the Board of Commissioners as stated in points i and j above, will be updated periodically in accordance with the needs and development of financing activities and fund placement.
- o. The Board of Directors is not obliged to carry out consultations for financing activities which include assignments from the Government including Regional Government financing activities as assigned to the Company as regulated in Minister of Finance Regulation Number 174/PMK.08/2016 dated 21 November 2016.
- p. The Board of Directors has full authority to carry out decisions on providing financing and placing funds with the criteria as intended in points i and j in accordance with the provisions of the Articles of Association by considering the advice and opinions of the Board of Commissioners as a result of the Consultation Meeting. In the event that there are notes from the Board of Commissioners, the Directors are obliged to report the implementation of these notes to the Board of Commissioners.
- q. For financing facilities and fund placements that do not fall within certain criteria as referred to in points i and j above, they must be reported to the

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Board of Commissioners periodically every 6 (six) months in a format that provides a transparent picture to the Board of Commissioners to describe the risks faced by the Company.

2. Informal Meetings

An informal meeting is a meeting of the Board of Commissioners and Directors outside the Joint Meeting of the Board of Commissioners and Directors to discuss or discuss an issue in an informal atmosphere. Due to their informal nature, meetings are not intended to produce decisions, but rather to harmonize opinions through informal expression of views, as well as seeking a common view/understanding that does not have binding force for both parties.

3. Formal Communication

Formal Communication is a form of communication between the Board of Commissioners and the Board of Directors in the form of submitting reports and/or exchanging supporting data, information and analysis.

a. Periodic Reporting


The Board of Directors is obliged to prepare periodic reports, namely quarterly reports and annual reports containing the implementation of the Company's Work Plan and Budget, Risk Management, and the implementation of internal monitoring functions for the Board of Commissioners.

Quarterly reports are signed by all members of the Board of Directors. In the event that a member of the Board of Directors does not sign the quarterly report, the reasons must be stated in writing.

Apart from periodic reports, the Board of Directors may also provide special reports to the Board of Commissioners, Shareholders and/or the GMS at any time. Periodic reports and other reports are submitted in form, content and preparation procedures in accordance with the provisions of laws and regulations and best practices. practice).

Mechanism:

- i. The RKAP realization report is submitted quarterly in written form.
- ii. The Quarterly RKAP realization report is submitted to the Board of Commissioners before being submitted to the Minister of Finance as Shareholder. After receiving the quarterly RKAP realization report, the

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Board of Commissioners will hold a Board of Commissioners Meeting by inviting the Directors to discuss the RKAP realization report.

- iii. If the Board of Directors does not fulfill the obligation to submit the RKAP realization report according to the time period, then within 5 (five) working days after the expiration of that time period, the Board of Commissioners will invite the Board of Directors to a Formal Meeting which will discuss the RKAP realization report and/or send a letter to Directors.

b. Certain Reporting


Certain Reporting is a report submitted by the Board of Directors to the Board of Commissioners, outside of the submission of the quarterly RKAP periodic report, at the request of the Board of Commissioners or the Board of Directors' initiative related to the implementation of the Company's activities.

Mechanism:

- i. The Board of Commissioners submits a request to the Board of Directors to make a certain report, stating the main problem and the expected time for submission.
- ii. The Board of Directors makes reports/studies according to the request of the Board of Commissioners and submits them according to the specified time.
- iii. Certain reports can be made on the basis of the Board of Directors' initiative and submitted at any time to the Board of Commissioners.
- iv. Based on the report it receives, the Board of Commissioners may request additional explanations from the Board of Directors regarding matters deemed necessary.
- v. If the Board of Directors does not fulfill the obligation to submit a report within the time period, then within 5 (five) working days after the expiration of that time period, the Board of Commissioners will invite the Board of Directors to a Formal Meeting which will discuss the report and/or submit a letter to the Board of Directors.

c. Correspondence

Correspondence is a form of formal communication between organs regarding the implementation and smooth running of the main tasks and functions of each organ. Correspondence can be in the form of conveying information,

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requests for opinions and advice, requests for specific written responses, and requests for approval from the Board of Directors to the Board of Commissioners.

For the Board of Commissioners, correspondence is the delivery of information, responses, opinions, advice, specific written responses, and statements of approval to requests from the Board of Directors.


Mechanism:

- i. Correspondence is carried out in written form or using electronic mail (e-mail). If necessary, when using electronic mail, the Board of Commissioners can make a copy to the Secretary of the Board of Commissioners, and the Board of Directors can make a copy to the Corporate Secretary.
 - ii. Correspondence in written form between the Board of Commissioners and the Board of Directors must be well documented.
- d. Implementation of the Company's Official Activities

Every implementation of the Company's activities at the corporate level that is formal, ceremonial in nature and relevant and significant within the Board of Commissioners and Directors, is informed to the organs of the Board of Commissioners and Directors.

4. Informal Communication

Informal communication is communication between the Board of Commissioners and the Board of Directors, between members of one organ and another, outside of the formal communication provisions regulated in the Articles of Association and applicable laws and regulations.

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1. General Meeting of Shareholders (GMS)

A GMS is a meeting attended by Shareholders in order to make important decisions within the company and/or to make decisions on matters whose authority is not delegated to the Board of Directors or Board of Commissioners.

a. Convening GMS

i. The GMS held by the Company consists of:

1) Annual GMS

Annual GMS is a General Meeting of Shareholders held every year for the approval of the Company's Work Plan and Budget (RKAP), and Annual Report.

2) Extraordinary GMS

Extraordinary GMS is a GMS that can be held at any time, based on the need for the interests of the Company or if deemed necessary by the Board of Directors and/or Board of Commissioners and/or Shareholders.

Extraordinary GMS can be held on paper (circularly), that is, decisions are made by Shareholders without holding a physical meeting.

ii. GMS can also be held at the request of:

1) One or more Shareholders representing at least 1/10 (one tenth) of the total number of shares issued by the Company with valid voting rights; or


2) Board of Commissioners.

iii. The request for holding a GMS in point ii above is submitted to the Board of Directors by registered letter accompanied by the reasons.

iv. A copy of the registered letter in point iii submitted by the Shareholders is submitted to the Board of Commissioners.

v. The reasons for holding the GMS in point ii include but are not limited to:

1) The Board of Directors does not carry out the Annual GMS in accordance with applicable regulations;

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- 2) The term of office of members of the Board of Directors and/or members of the Board of Commissioners will end; or
- 3) In the event that the Directors are absent or there is a conflict of interest between the Directors and the Company.


b. Place for Convening and Summoning the GMS

i. Place for holding the GMS

- 1) All GMS are held at the Company's domicile or where the Company carries out its main business activities which are located in the territory of the Republic of Indonesia.
- 2) If at the GMS all Shareholders are present and/or represented and all Shareholders agree to hold the GMS, then the GMS can be held anywhere within the territory of the Republic of Indonesia.
- 3) The GMS can make decisions if the decisions are approved unanimously.

ii. Summons for GMS

- 1) The summons for the GMS is made no later than 14 (fourteen) calendar days before the date the GMS is held, without taking into account the date of the summons and the date of the GMS.
- 2) If the Shareholder is a Sole Shareholder, the GMS invitation can be sent in less than 14 (fourteen) calendar days.
- 3) The summons for the GMS is made by registered letter and/or by advertisement in the newspaper.
- 4) The GMS summons includes the date, time, place and agenda of the Meeting accompanied by notification that the materials to be discussed at the GMS are available at the Company's office from the date the GMS summons is made until the date the GMS is held.
- 5) The Company is obliged to provide copies of materials to be discussed at the GMS to Shareholders free of charge upon request.
- 6) In the event that the summons is not made within a period of no later than 14 (fourteen) calendar days before the date the GMS is held, the summons is not made by registered letter and/or by newspaper advertisement and the summons does not match the date, time, place and agenda Meetings and GMS decisions remain valid if all

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Shareholders with valid voting rights are present or represented at the GMS and the decisions are approved unanimously.

iii. Summons for the GMS by the Board of Directors


- 1) The Board of Directors holds an Annual GMS and Extraordinary GMS, preceded by Summons for the GMS.
- 2) The Board of Directors is obliged to call for a GMS within a period of no later than 15 (fifteen) calendar days from the date the request for holding a GMS is received.
- 3) If the Shareholder is a Sole Shareholder, the GMS invitation can be sent in less than 15 (fifteen) calendar days.
- 4) The GMS held by the Board of Directors based on the Summons for the GMS, only discusses issues related to the reasons for holding the GMS and other Meeting agenda items deemed necessary by the Board of Directors.

iv. Summons for the GMS by the Board of Commissioners

- 1) In the event that the Board of Directors does not summon the GMS, then:
- 2) the request for holding a GMS by the Shareholders is submitted again to the Board of Commissioners; or
- 3) The Board of Commissioners calls the GMS itself.
- 4) The Board of Commissioners is obliged to call for a GMS within a period of no later than 15 (fifteen) calendar days from the date the request for holding a GMS is received.
- 5) If the Shareholder is a Sole Shareholder, the GMS invitation can be sent in less than 15 (fifteen) calendar days.
- 6) The GMS held by the Board of Commissioners based on the Summons for the GMS only discusses issues related to the reasons for holding the GMS.

v. Summons for the GMS by Shareholders

- 1) In the event that the Board of Directors or Board of Commissioners does not call for a GMS within 15 (fifteen) calendar days from the date the request for holding a GMS is received, the Shareholders requesting the holding of a GMS can call for a GMS themselves after obtaining

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permission from the Chairman of the Regional District Court. The law covers the domicile of the Company.

- 2) If the Shareholder is a Sole Shareholder, the GMS invitation can be sent in less than 15 (fifteen) calendar days.


c. Chairman and Minutes of GMS

- i. The GMS is chaired by one of the Shareholders who is elected by and from among those present.
- ii. Every time a GMS is held, the minutes of the GMS must be drawn up and signed by the Chair of the Meeting and at least 1 (one) Shareholder appointed by and from the GMS participants.
- iii. If the Minutes of the GMS are drawn up with a Notarial deed, then the signature as referred to in point ii above is not required.
- iv. The Minutes of the GMS contain matters discussed and matters decided (including different/dissenting opinions opinion, if any).


d. Quorum, Voting Rights and GMS Decisions

i. GMS Quorum:

- 1) A GMS can be held if at the GMS at least 51% (fifty one percent) of the total shares with voting rights are present or represented, unless the regulatory provisions and/or articles of association determine otherwise.
- 2) In the event that a quorum is not reached, a second meeting may be called.
- 3) In the summons for the second GMS, it must be stated that the first GMS has been held and there is no quorum.
- 4) The second GMS is valid and has the right to make decisions if at the GMS at least 50% (fifty percent) of the total shares with voting rights are present or represented, unless regulatory provisions and/or the articles of association determine otherwise.
- 5) In the event that the quorum for the second Meeting is not reached, the Company may request the Chairman of the District Court whose jurisdiction covers the Company's domicile upon the Company's request to determine a quorum for the third GMS.

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- 6) In the summons for the third GMS, it must be stated that the second GMS has been held and there is no quorum, and the third GMS will be held with a quorum determined by the Chairman of the District Court.
 - 7) The summons for the second and third GMS shall be made no later than 7 (seven) calendar days before the second or third GMS is held.
 - 8) The second and third GMS are held no sooner than 10 (ten) calendar days and no later than 21 (twenty one) calendar days after the date on which the previous GMS was held.
- ii. Shareholders, whether personally or represented by a power of attorney, have the right to attend the GMS and exercise their voting rights in accordance with the number of shares they own.
 - iii. The Chairman of the Meeting has the right to request that a power of attorney to represent the Shareholders be shown when the Meeting is held.
 - iv. At the Meeting, each share gives its owner the right to cast 1 (one) vote.
 - v. Voting regarding individuals is carried out by means of a closed letter and regarding other matters orally, unless the Chairman of the Meeting determines otherwise without any objection from the Shareholders present at the Meeting.
 - vi. All decisions taken are based on deliberation to reach consensus.
 - vii. In the event that a decision based on deliberation to reach consensus is not reached, the decision is valid if it is approved by more than 1/2 (one-half) of the total number of votes cast, unless the articles of association provide otherwise.
 - viii. In the event that there are more than two alternative proposals and the voting results have not obtained one alternative with more than 1/2 (one half) of the total votes cast, then a re-vote will be carried out on the two proposals that received the most votes, so that one of the proposals obtain votes of more than 1/2 (one half) of the total votes cast.
 - ix. Blank votes or invalid votes are considered non-existent and are not counted in determining the number of votes cast at the GMS.
 - x. Shareholders can also make valid decisions without holding a physical GMS, provided that all Shareholders have been notified in writing and all Shareholders give their approval regarding the proposals submitted in

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writing and sign the approval. Decisions taken in this way have the same power as decisions legally taken at the GMS.

2. Annual GMS in the Context of Approving the Company's Work Plan and Budget (RKAP)

- a. Annual GMS – Approval of the RKAP is held no later than 30 (thirty) calendar days after the current fiscal year (the budget year of the Company's Work Plan and Budget concerned).
- b. In the Annual GMS-RKAP Approval, the Board of Directors stated:
 - i. Draft Company Work Plan and Budget including Financial Report Projections;
 - ii. other matters that require approval from the GMS for the interests of the Company that have not been included in the RKAP.
- c. The RKAP must at least contain:
 - i. mission, business targets, business strategy, company policies, and work programs/activities;
 - ii. Company budget detailed for each work program/activity budget;
 - iii. financial projections of the Company and its subsidiaries;
 - iv. Board of Commissioners work program; and
 - v. other matters that require a GMS decision.

Mechanism:

- a. The Board of Directors submits the draft RKAP to the Board of Commissioners no later than 90 (ninety) calendar days before the start of the RKAP period, then the Board of Commissioners provides direction and input on the draft RKAP through a joint meeting of the Board of Commissioners and Directors no later than 7 (seven) calendar days after receiving it. draft RKAP.
- b. Referring to the results of the joint meeting of the Board of Commissioners and Directors letter a above, the Board of Directors shall submit the revised RKAP draft (if any) to the Board of Commissioners no later than 7 (seven) calendar days after the joint meeting of the Board of Commissioners and Directors.
- c. The Board of Commissioners will review, provide written responses and/or sign the draft RKAP within a period of no later than 7 (seven) calendar days


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after receiving the revised draft RKAP (if any) or after the joint meeting of the Board of Commissioners and Directors letter a above.

- d. The draft RKAP is submitted to Shareholders no later than 60 (sixty) calendar days before the relevant RKAP financial year to obtain approval from the GMS.
- e. The GMS gives approval to the RKAP draft no later than 30 (thirty) calendar days after the current budget year (the relevant RKAP budget year).
- f. In the event that the draft RKAP has not been submitted by the Board of Directors and/or the RKAP has not been approved within 30 (thirty) calendar days after the current fiscal year, then the previous year's RKAP will be applied.
- g. The Board of Directors sends an invitation to hold an Annual GMS for approval of the RKAP no later than 14 (fourteen) calendar days before the GMS.
- h. In the event that the Shareholder is a Single Shareholder, the GMS invitation can be sent in less than 14 (fourteen) calendar days.
- i. The GMS makes a decision on the Company's RKAP.

3. Annual GMS for the Approval of the Annual Report

- a. Implementation of the Annual GMS-Approval of the Annual Report is held no later than 6 (six) months after the close of the relevant financial year.
- b. In the Annual GMS-Annual Report Approval, the Board of Directors state the following:
 - annual report;
 - proposed use of the Company's Net Profit; and
 - other matters that require approval from the GMS for the interests of the Company.
- c. In the Annual GMS agenda, proposals submitted by the Board of Commissioners and/or one or more Shareholders representing at least 1/10 (one tenth) of the total number of shares issued by the Company with valid voting rights may be included. provisions that the relevant proposals must be accepted by the Board of Directors before the date of the summons for the Annual GMS.
- d. Proposals from the Board of Commissioners and/or Shareholders that are not appropriate can only be discussed and decided by the GMS provided that all Shareholders or their authorized representatives are present and approve the

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additional agenda, and the GMS decision on the proposal must be approved unanimously.

Mechanism:

- a. The Board of Directors sends the proposed Annual Report to the Board of Commissioners no later than early April.
- b. The Board of Commissioners reviews the proposed Annual Report and, if deemed necessary, can hold a Joint Meeting to discuss the draft Annual Report no later than 7 (seven) calendar days after receiving the proposed Annual Report.
- c. Referring to the results of the joint meeting of the Board of Commissioners and Directors letter a above, the Board of Directors shall submit the revised Annual Report (if any) to the Board of Commissioners no later than 7 (seven) calendar days after the joint meeting of the Board of Commissioners and Directors.
- d. The Board of Commissioners will review and sign the Annual Report no later than 7 (seven) calendar days after receiving the revised Annual Report (if any) or after the joint meeting of the Board of Commissioners and Directors in letter a above.
- e. The Board of Directors sends an invitation to hold an Annual GMS for approval of the Annual Report, no later than 14 (fourteen) calendar days before the GMS.
- f. In the event that the Shareholder is a Single Shareholder, the GMS invitation can be sent in less than 14 (fourteen) calendar days.
- g. The Board of Directors holds an Annual GMS in the framework of the Annual Report, no later than the end of June.
- h. The GMS makes decisions on the Annual Report.

4. GMS in the Context of Ratifying the Company's Long-Term Plan (RJPP)

The RJPP is the basis for the Board of Directors in organizing the Company within the next 5 (five) years. The Board of Directors is obliged to prepare the RJPP, including other plans related to the implementation of the Company's business and activities and submit it to the Board of Commissioners and Shareholders to obtain approval from the GMS.

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The GMS is held by the Board of Directors which is attended by the Board of Directors, Board of Commissioners and Shareholders to discuss and request ratification of the RJPP that has been prepared.

The purpose of preparing the RJPP is to:


- a. define the Company's Vision and Mission;
- b. express the priorities to be achieved and the performance required;
- c. prepare the Company's strategic plan in order to achieve the Company's vision, mission and targets.

RJPP contains at least:

- a. evaluation of previous RJPP implementation;
- b. the Company's current position;
- c. assumptions used in preparing the RJPP;
- d. determination of Vision, Mission, Targets, Strategy, Policies, Long-Term Plan Work Programs and Financial Projections.

Mechanism:

- a. The Board of Directors submits the draft RJPP to the Board of Commissioners no later than 120 (one hundred and twenty) calendar days before the start of the RJPP period, then the Board of Commissioners provides direction and input on the draft RJPP through a joint meeting of the Board of Commissioners and Directors no later than 7 (seven) calendar days after accept the draft RJPP.
- b. Referring to the results of the joint meeting of the Board of Commissioners and Directors letter a above, the Board of Directors shall submit the revised RJPP draft (if any) to the Board of Commissioners no later than 7 (seven) calendar days after the joint meeting of the Board of Commissioners and Directors.
- c. The Board of Commissioners will review, provide written responses and/or sign the draft RJPP within a period of no later than 7 (seven) calendar days after receiving the revised draft RJPP (if any) or after the joint meeting of the Board of Commissioners and Directors in letter a above.
- d. The GMS gives approval to the draft RJPP no later than 30 (thirty) calendar days after the RJPP period ends.

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- e. The Board of Directors sends an invitation to hold an Annual GMS for approval of the RJPP no later than 14 (fourteen) calendar days before the GMS.
- f. In the event that the Shareholder is a Single Shareholder, the GMS invitation can be sent in less than 14 (fourteen) calendar days.
- g. The GMS makes a decision on the Company's RJPP.

5. GMS for the purpose of appointing a Public Accounting Firm (KAP)


Appointment of KAP is the activity of appointing an external auditor in order to evaluate the Company's financial performance. The appointed KAP must have and meet the requirements of public accounting professional standards.

Mechanism:

- a. The GMS delegates the implementation of the KAP selection process to the Board of Commissioners.
- b. The Board of Commissioners assigned the Audit Committee to act as the KAP Services Procurement Committee.
- c. The Audit Committee can request administrative support for the implementation of the procurement process from the Company.
- d. The Audit Committee submits the KAP selection results to the Board of Commissioners.
- e. The Board of Commissioners proposes KAP to the GMS based on the results/conclusions of the Audit Committee.
- f. The GMS determines the appointment of KAP.

6. GMS in the Context of Amendments to the Articles of Association

- a. Amendments to the Articles of Association are carried out to adapt to Indonesian laws and regulations and the conditions of the Company. Amendments to the Company's Articles of Association are carried out by the GMS.
- b. A GMS to amend the Articles of Association can be held if at the GMS at least 2/3 (two thirds) of the total number of shares with valid voting rights are present or represented and the decision is valid if approved by at least 2/3 (two thirds) part of the total number of votes cast.
- c. In the event that the attendance quorum as intended in letter b above is not reached, a second GMS may be held.

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- d. The second GMS is valid and has the right to make decisions if at the GMS at least 3/5 (three-fifths) of the total shares with voting rights are present or represented, and the decisions are valid if approved by at least 2/3 (two-thirds) of the shares of the number of votes cast.

Mechanism:

- a. The Board of Directors prepares and submits a draft proposal to amend the Articles of Association to the Board of Commissioners,
- b. The Board of Commissioners reviews the draft proposed changes to the Articles of Association and provides direction and input on the draft proposed changes to the Articles of Association through a Joint Meeting of the Board of Commissioners and Directors.
- c. The Board of Directors sends an invitation to hold a GMS in order to approve changes to the Articles of Association, no later than 14 (fourteen) calendar days before the GMS.
- d. In the event that the Shareholder is a Single Shareholder, the GMS invitation can be sent in less than 14 (fourteen) calendar days.
- e. The GMS provides decisions regarding the draft proposed changes to the Articles of Association.


7. Circular Shareholder Decision Making

The GMS can be held through on paper (circular) decision-making, namely decision making by Shareholders without holding a physical meeting. The circular GMS must be accompanied by a written response from the Board of Commissioners.

Decisions taken by means of a Circular GMS have the same legal force as decisions legally taken at a physical GMS.

Mechanism:


- a. The Board of Directors submits a proposal that requires a written response from the Board of Commissioners and approval from the GMS.
- b. The Board of Commissioners conducts a review of the proposals submitted by the Board of Directors. If necessary, you can request additional explanations from the Board of Directors, but not more than 1 (one) time and no later than 7 (seven) calendar days after receiving material proposals from the Board of Directors.

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- c. The Board of Directors provides additional explanations requested by the Board of Commissioners, no later than 7 (seven) calendar days after receiving the request from the Board of Commissioners.
- d. The Board of Commissioners makes a written response to the Board of Directors' proposal to be submitted to the GMS with a copy to the Board of Directors, no later than 21 (twenty one) calendar days after receiving the request from the Board of Directors or 7 (seven) calendar days after receiving a complete additional explanation submitted by the Board of Directors.
- e. The GMS makes a decision on the proposal submitted by the Board of Directors after considering written responses from the Board of Commissioners.

8. Board of Directors' Actions Requiring Approval


- a. Board of Directors' actions that must be approved by the GMS
 - i. The Board of Directors is required to request approval from the GMS to:
 - 1) transfer the Company's assets; or
 - 2) provide collateral for the Company's assets; which constitutes more than 50% (fifty percent) of the Company's total net assets in 1 (one) or more transactions, whether related to each other or not.
 - ii. The transaction in question is a transfer of the Company's net assets that occurs within a period of 1 (one) financial year.
 - iii. Legal actions to transfer or use as collateral for debt or relinquish rights to the Company's assets must obtain approval from the GMS attended or represented by Shareholders who own at least 3/4 (three-quarters) of the total number of shares with valid voting rights and be approved. by at least 3/4 (three quarters) of the total number of votes.
 - iv. In the event that the attendance quorum is not reached, a second GMS can be held with the presence of at least 2/3 (two-thirds) of the total shares with valid voting rights and approved by at least 3/4 (three-fourths) of the total number of votes. the.
 - v. Transferring, relinquishing rights, or making debt collateral for all or most of the fixed assets which are merchandise or inventory, and fixed assets originating from the settlement of bad debts that arise as a result of the implementation of the main business activities, does not require GMS approval.

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- vi. Transferring, relinquishing rights, or making debt collateral for all or most of the fixed assets which are investment assets, does not require GMS approval.
 - vii. The GMS can reduce restrictions on the actions of the Board of Directors as regulated in the Articles of Association or determine other restrictions on the Board of Directors other than those regulated in the Articles of Association.
- b. Actions that can only be carried out by the Board of Directors after receiving a written response from the Board of Commissioners and approval from the GMS are:
- i. Collateralizing fixed assets for medium/long term credit withdrawals.
 - ii. Investing in capital in other companies.
 - iii. Establishing subsidiaries and/or joint ventures.
 - iv. Releasing equity participation in subsidiaries and/or joint ventures.
 - v. Carrying out mergers, consolidations, takeovers, separations and dissolution of subsidiaries and/or joint ventures.
 - vi. Binding the Company as guarantor (borg or avalist).
 - vii. Entering into licensing collaborations, management contracts, leasing assets, operational collaborations, and other collaboration agreements with a value or term exceeding the GMS determination which is not the implementation of the Company's business activities.
 - viii. Not recovering all or part of bad debts that have been written off in the context of restructuring and/or receivable settlement.
 - ix. Writing off fixed assets caused by:
 - 1) implementation of regulatory provisions and/or court decisions that have permanent legal force; and/or
 - 2) transfer of fixed assets in the form of land and/or buildings through exchange, compensation, or other means other than sale, exchange, compensation and equity participation, in accordance with the provisions of regulatory provisions.
 - x. Stipulating blueprint for the Company's organization.
 - xi. Determining and changing the Company logo.

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- xii. Carrying out other actions and actions as referred to in letter C. Actions of the Board of Directors which must obtain written approval from the Board of Commissioners points i to vi, which have not been stipulated in the Company's Work Plan and Budget.
- xiii. Forming foundations, organizations and/or associations either directly or indirectly related to the Company which can have an impact on the Company;
- xiv. Charging of fixed and routine Company costs for activities of foundations, organizations and/or associations either directly or indirectly related to the Company.
- xv. Placing Company Representatives as Candidates for Members of the Board of Directors and Board of Commissioners in Joint Venture Companies and/or Subsidiaries who provide significant contributions to the Company and/or have strategic value as implementation of collaborative activities in the context of establishing a company specifically engaged in infrastructure financing.
- xvi. Transferring receivables for securitization with a value of more than 50% (fifty percent) of the Company's net assets;
- xvii. Implementation of other activities related to efforts to accelerate infrastructure development;
- xviii. Implementation of business activities in other areas of development financing based on Government assignments;
- xix. Carrying out business activities with parties other than SOE/ROE, regional governments, business entities in the form of Limited Liability Companies or Cooperatives, public service agencies/regional public service agencies, and/or legal entities;
- xx. Receipt of other funding outside of funding as stated in Chapter IV Sub-chapter 4 letter b regarding the Authority of the Board of Directors point vii and Chapter VI Sub-chapter 8 letter c regarding the Board of Directors' actions which must obtain written approval from the Board of Commissioners point iii.
- xxi. Equity Participation, Establishment of a Subsidiary/Joint Company, including the release of part or all of the equity participation, which is carried out in the context of implementing infrastructure financing activities with an absolute value of more than IDR 500,000,000,000 (five hundred billion rupiah).

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- xxii. At the latest within 21 (twenty one) calendar days from receipt of the request or explanation/additional data from the Board of Directors, the Board of Commissioners does not provide a written response, then the GMS can make a decision without a written response from the board of commissioners.
- xxiii. The Board of Commissioners and Directors are required to attach an Integrity Pact document to the Board of Directors' proposed action which must obtain a recommendation from the Board of Commissioners and approval from the GMS.
- c. The actions of the Board of Directors that must receive written approval from the Board of Commissioners are:
- i. Placing fixed assets as collateral for short-term credit withdrawals.
 - ii. Organizing collaborations with business entities or other parties in the form of licensing collaborations, management contracts, leasing assets, Joint Operation (KSO), Build to Handover (Build Operate Transfer/BOT), Build Owned Transfer (Build Own Transfer/BowT), Build Transfer Operate (BTO) and other collaborations with a certain value or time period determined by the GMS, which are not the implementation of main business activities.
 - iii. Receive or provide medium/long term loans, except for:
 - (i) Loans (for loan receipts including financing/credit, issuance of debt securities or sukuk) carried out in the context of carrying out the Company's business activities in accordance with the Company's aims and objectives; and/or
 - (ii) Providing loans to subsidiaries or joint ventures,
provided that the implementation of the activities referred to in numbers (i) and (ii) is reported to the Board of Commissioners.
 - iv. Write off bad debts and dead goods inventory from the books.
 - v. Write off fixed assets caused by:
 - (i) Transfer of fixed assets other than land and/or buildings with a value of up to 50% (fifty percent) of the Company's net assets through sale;
 - (ii) Annihilation; and/or
 - (iii) Other reasons,


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by taking into account the provisions of laws and regulations.

- vi. Determine organizational structure.
- vii. Place Company Representatives to become Candidate Members of the Board of Directors and Board of Commissioners in Joint Venture Companies and/or Subsidiaries owned by the Company as implementation of infrastructure financing activities.
- viii. Not collect any or all interest receivables, fines, fees and other receivables other than principal receivables in the context of restructuring and/or receivable settlement and carrying out other actions in the context of resolving the Company's receivables.
- ix. Transferring receivables for securitization with a value of up to 50% (fifty percent) of the Company's net assets.
- x. Equity Participation, Establishment of a Subsidiary/Joint Company, including the release of part or all of the equity participation, which is carried out in the context of implementing infrastructure financing activities with an absolute value of more than IDR 300,000,000,000.00 (three hundred billion rupiah) up to IDR 500,000,000,000, 00 (five hundred billion rupiah).
- xi. No later than 21 (twenty one) calendar days after receiving the request or complete explanation and documents from the Board of Directors, the Board of Commissioners must provide a decision.
- xii. Other actions that require approval from the Board of Commissioners in written form.

Mechanism:

1. The Board of Directors prepares materials and reviews of activities that require written approval from the Board of Commissioners.
2. The Board of Directors sends materials and reviews of proposed activities to the Board of Commissioners.
3. The Board of Commissioners reviews the material and study of activity proposals submitted by the Board of Directors and, if deemed necessary, can request additional explanations from the Board of Directors no later than 7 (seven) calendar days after receiving complete material and study of activity proposals from the Board of Directors.


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4. If applicable, the Board of Directors provides additional explanatory material requested by the Board of Commissioners, no later than 7 (seven) calendar days after receiving the request from the Board of Commissioners.
 5. The Board of Commissioners provides a written decision on the proposed activities of the Board of Directors no later than 21 (twenty one) calendar days after receiving the request from the Board of Directors or 7 (seven) calendar days after receiving a complete additional explanation submitted by the Board of Directors.
 6. The decision of the Board of Commissioners regarding the proposed activities of the Board of Directors is sent to the Board of Directors no later than 7 (seven) calendar days after the decision is made by the Board of Commissioners.
 7. The Board of Commissioners and Directors are required to attach an Integrity Pact document to the Board of Directors' proposed action which must obtain approval from the Board of Commissioners.
- d. The Board of Directors' legal actions can only be taken after receiving a written response from the Board of Commissioners

Establishment of subsidiaries/joint ventures carried out in order to participate in tenders and/or to implement acquired projects as long as necessary.

Mechanism:

- i. The Board of Directors prepares materials and reviews of activities that require a written response from the Board of Commissioners.
- ii. The Board of Directors sends materials and reviews of proposed activities to the Board of Commissioners.
- iii. The Board of Commissioners reviews the material and study of activity proposals submitted by the Board of Directors and, if deemed necessary, can request additional explanations from the Board of Directors no later than 7 (seven) calendar days after receiving complete material and study of activity proposals from the Board of Directors.
- iv. If there is, the Board of Directors provides additional explanatory material requested by the Board of Commissioners, no later than 7 (seven) calendar days after receiving the request from the Board of Commissioners.
- v. The Board of Commissioners provides a written response to the Board of Directors' proposed activities no later than 21 (twenty one) calendar days

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after receiving materials and a complete review of the proposed activities from the Board of Directors or 7 (seven) calendar days after receiving additional explanations submitted by the Board of Directors.

- vi. The Board of Commissioners' written response to the Board of Directors' proposed activities is sent to the Board of Directors no later than 7 (seven) calendar days after the written response is made by the Board of Commissioners.
- vii. The Board of Commissioners and Directors are required to attach an Integrity Pact document to the Board of Directors' proposed action which must receive a written response from the Board of Commissioners.

9. Authority of the Board of Commissioners

In carrying out its duties, the Board of Commissioners has the authority to make the following decisions:

- a. Determination of value limits for the Board of Directors' legal actions that require written approval from the Board of Commissioners.


The decision of the Board of Commissioners to determine the value limits mandated by the Articles of Association in order to regulate the authority of each organ in carrying out and supervising the implementation of the Company's management by the Board of Directors in carrying out certain legal acts.

Decisions are made based on the Board of Commissioners Meeting after hearing the opinion of the Board of Directors and are valid for a period of at least 1 (one) fiscal year.

- b. Appointment of another party to represent the Company in the event of a conflict between the Company's interests and the interests of all members of the Board of Directors or Board of Commissioners.

The Board of Commissioners has the right to represent the Company in the event that all members of the Board of Directors have a conflict of interest with the Company.

In the event that all members of the Board of Directors or Board of Commissioners have a conflict of interest with the Company, the GMS will appoint another party who will have the right to represent the Company.

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By implementing this Board Manual in the working relationship between the Company's organs, it is hoped that the Company's business activities can be carried out harmoniously based on GCG principles in an effort to achieve the Company's established Vision and Mission.

This guideline is effective from the date of its enactment. Matters that have not been regulated in this guideline will be elucidated further in the implementation manual/technical instructions.

When this guideline comes into force, provisions that conflict with the provisions in this guideline are declared null and void.