

- b. They have performed supervision in good faith and prudently for the interests and in accordance with the purposes and objectives of the Company;
- c. They have no direct or indirect conflict of interest with regard to the managerial actions of the Board of Directors that result in the losses; and
- d. They have taken actions to prevent the loss from arising or continuing.

7. Under certain conditions the Board of Commissioners shall be required to hold the annual GMS and other GMSs in accordance with their authority as stipulated in the laws and regulations and the Articles of Association.

G. MEETING OF THE BOARD OF COMMISSIONERS AND DECISION MAKING MECHANISMS

1. General Principles

- a. All decisions of the Board of Commissioners shall be made in Meetings of the Board of Commissioners or by decisions in lieu of meeting of the Board of Commissioners.
- b. The Board of Commissioners shall be required to hold a meeting at least 1 (once) a month.

- c. The Board of Commissioners shall hold joint meetings with the Board of Directors regularly at least 1 (once) in 3 (three) months.
- d. The meeting materials as referred to in letter c. above, especially for meetings discussing quarterly financial statements shall be submitted by the Board of Directors no later than 5 (five) business days before the meeting, accompanied by evidence of submission of the documents.
- e. The mechanism for organizing meetings of the Board of Commissioners including, among others summons for the meetings, meeting venue, quorum, decision making mechanism, minutes of meeting and others shall fully refer to the provisions of the Company's Articles of Association.
- f. For orderly administration, any member of the Board of Commissioners unable to attend the meeting of the Board of Commissioners shall grant a special power of attorney to other members of the Board of Commissioners.
- g. Any decision of meeting of the Board of Commissioners held in accordance with the

provisions of the Articles of Association shall constitute the decision of the Board of Commissioners as a panel and shall therefore be binding on each member of the Company.

- h. Decision of the joint meeting of the Board of Commissioners with the Board of Directors as referred to in letter c above held in accordance with the provisions of the Articles of Association shall be a decision that binds every member of the Council Commissioners and members of the Board of Directors.
- i. The decision making process at meetings of the Board of Commissioners, both meetings of the Board of Commissioners or joint meetings with the Board of Directors related to recommendation/instruction from the stakeholders shall be implemented swiftly and prudently (not rigidly) and shall put forward the interests of the Company, observe the principle of prudence and compliance with the applicable laws and regulations.

2. Summons for and Holding of Meeting of the Board of Commissioners

- a. Summons for a meeting of the Board of Commissioners must be made by the President Commissioner. In the event that the President Commissioner is absent or unavailable, the summons for the meeting shall be made by the Vice President Commissioner or by another member of the Board of Commissioners.
- b. Summons for a meeting of the Board of Commissioners shall be delivered or submitted in person through written letters or through electronic media which shall at least contain the agenda, date, time and venue of the meeting to each member of the Board of Commissioners no later than 5 (five) days before the holding of the meeting, without taking into account the date of the summons and the date of the meeting, or in a shorter period in an urgent condition.
- c. The summons as referred to in letter b above shall not be required for a meeting that has been scheduled based on the decision of the previous meeting of the Board of Commissioners.
- d. Meetings of the Board of Commissioners shall be held at the domicile of the Company or at other location

- within the territory of the Republic of Indonesia or at the place of business of the Company.
- e. In addition to meetings of the Board of Commissioners held by physical attendance, a meeting of the Board of Commissioners can also be held by teleconference, video conference or other electronic media facilities in accordance with the applicable regulations.
- f. In a meeting of the Board of Commissioners held by video conference or other similar means of communication, shall be drawn-up minutes of meeting in writing to be circulated to all participating members of the Board of Commissioners to be checked and approved.
- g. Meetings of the Board of Commissioners shall be chaired by the President Commissioner, in the event that the President Commissioner is unavailable, the meeting may be chaired by the Vice President Commissioner or a Member of the Board of Commissioners appointed.
- h. In the event that the President Commissioner does not appoint anybody, a member of the Board of Commissioners having served as the most senior member in terms of tenure shall act as the chairperson of the meeting of the Board of Commissioners.

- i. In the event that there is more than one member of the Board of Commissioners having served as the most senior in terms of tenure, the oldest member of the Board of Commissioners shall act as the chairperson of the meeting of the Board of Commissioners.
- j. In a meeting of the Board of Commissioners, every member of the Board of Commissioners shall be entitled to cast 1 (one) vote and 1 (one) additional vote for every other member of the Board of Commissioners validly represented by him/her in the meeting.

3. Decision Making Mechanism

- a. All decisions in a Meeting of the Board of Commissioners shall be made by deliberation to reach consensus.
- b. A meeting of the Board of Commissioners shall be valid and entitled to adopt binding decisions only if more than 1/2 (a half) of the total number of members of the Board of Commissioners are present or represented in the meeting.
- c. If decision by deliberation to reach consensus is unreachable, the decision must be adopted by voting based on approval of more than 1/2 (a half) of the total valid votes cast in the meeting.

- d. In the event of a drawn between approvals and disapprovals, the decision of a Meeting of the Board of Commissioners shall be as decided by the chairperson of the Meeting of the Board of Commissioners with due observance of the provisions concerning accountability as referred to in the Company's Articles of Association. Unless regarding persons, the decision of the meeting shall be made by undisclosed voting.
- e. Every member of the Board of Commissioners shall have the rights to cast 1 (one) vote plus 1 (one) vote for another member of the Board of Commissioners represented by him/her (if authorized by virtue of a power of attorney).
- f. Voting regarding persons shall be carried out by sealed unsigned ballots while voting on other matters shall be carried out verbally, unless determined otherwise by the Chairperson of the Meeting without objection based on the majority votes of those present.
- g. Every member of the Board of Commissioners present or represented in the meeting shall cast votes.
- h. In the event that a member of the Board of Commissioners refuses to cast vote (being abstain), such member of the Board of Commissioners shall be

deemed to have agreed with the decision of the Meeting of the Board of Commissioners and shall be also responsible for the decision of the meeting.

i. Invalid votes shall be considered non-existent and shall not be counted in determining the total votes cast in the meeting.

j. The Board of Commissioners may also make a decision in lieu of meeting of the Board of Commissioners provided that all members of the Board of Commissioners have been informed of the proposed decision and all members of the Board of Commissioners give approval regarding the proposal submitted and sign the approval which shall have equivalent force as a decision legally adopted in a meeting of the Board of Commissioners.

k. Any member of the Board of Commissioners who personally in any way, directly or indirectly, has interests in a transaction, contract or proposed contract in which the Company is a party thereto shall declare the interest in a meeting of the Board of Commissioners and shall not be entitled to participate in voting regarding matters relating to the transaction or contract.

4. Minutes of Meeting of the Board of Commissioners

- a. For every meeting of the Board of Commissioners, shall be prepared minutes of the meeting containing the matters discussed (including dissenting opinions of members of the Board of Commissioners), if any, and the matters resolved must be included in the Annual Reports.
- b. The minutes of meeting as referred to in letter a above must be stated in the Minutes of Meeting drawn-up by a person present in the meeting appointed by the Chairperson of the Meeting to be signed by all members of the Board of Commissioners present and conveyed to all members of the Board of Commissioners.
- c. Minutes of joint meeting of the Board of Commissioners and the Board of Directors must be stated in the Minutes of Meeting to be prepared by a person present in the meeting appointed by the Chairperson of the Meeting and signed by all members of the Board Commissioners and members of the Board of Directors present no later than 20 (twenty) business days after the adjournment of the meeting which shall at least contain the following: (i) date of the meeting; (ii) venue of the meeting; (iii) matters discussed; and (iv) decision of the meeting.
- d. In the event that there are members of the Board of Commissioners and/or members of the Board of Directors

refusing to sign the decision of the meeting as referred to in letter b and letter c above, the relevant members must state the reasons in writing in a separate letter attached to the minutes of the meeting.

- e. The minutes as referred to in letter b and letter c above shall be documented by the Company.
- f. Minutes of Meeting of the Board of Commissioners shall be valid evidence for members of the Board of Commissioners and for third parties or other parties related to the decisions made in the relevant Meeting.

H. REPORTING OF THE BOARD OF COMMISSIONERS

1. The Board of Commissioners shall be obliged to give reports on the supervision performed during the past fiscal year to the GMS.
2. The Board of Commissioners shall have the obligation to examine and give feedback to the GMS on the periodic reports and Annual Reports prepared by the Board of Directors and to sign the Annual Reports.
3. Members of the Board of Commissioners shall report to the Company their share ownership and/or their relatives' share ownership in the relevant Company and other companies, including any changes thereto.