

PT ANTAM (Persero) Tbk

Board of Commissioners Charter



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Chapter I

Introduction

1.1 Background

Limited Liability Company (Persero) PT Aneka Tambang Tbk, abbreviated as PT ANTAM (Persero) Tbk, hereinafter referred to as ANTAM, is a State Owned Enterprise (SOE), which is listed in the Indonesian Stock Exchange (IDX) and the Australian Securities Exchange (ASX), and must comply with all laws and regulations in force in running the Company. As a Company listed in IDX and ASX, ANTAM shall also be subject to any prevailing laws and regulations in the capital market sector where ANTAM's shares are listed.

The Board of Commissioners as a supervisor and advisor, in carrying out their duties, shall comply with the prevailing laws and regulations and / or the Company's Articles of Association. The good corporate governance is based on the principles of Good Corporate Governance (GCG) called TARIF: transparency, accountability, responsibility, independency, and fairness, in order to meet the interests of Shareholders and other Stakeholders (employees, customers, communities, regulators, partners, etc.), and is based on the values and code of conduct that apply within the Company.

In performing their duties, the Board of Commissioners has a very important role in overseeing the Company's course of business. Thus, a Working Guideline (Charter) – hereinafter referred to as the Charter – is required as a guide for the Board of Commissioners in carrying out the duties, responsibilities and authorities to meet the interests of Shareholders and other Stakeholders.

Having this Charter, the Board of Commissioners in carrying out their duties will at all times act and behave consistently based on the principles of good corporate governance in accordance with the code of conduct and values prevailing in ANTAM, and always adhere to the applicable laws and regulations and the Company's Articles of Association.

The Board of Commissioners shall establish and set an example for the implementation of the principles of good corporate governance, code of conduct, values and laws that apply to all Shareholders and other Stakeholders.

1.2 Vision and Mission of the Board of Commissioners

Vision

Being the Company's supervisory organ having high competence and working professionally and independently.

Mission

Carrying out supervisory and advisory functions to the Board of Directors in accordance with the GCG rules, to be assisted by the Supporting Committees of the Board of Commissioners to the best interest of the Company over the interests of others in order to realize the corporate vision, and other duties assigned by the Shareholders based on laws and regulations in force and the Company's Articles of Association.

1.3 Purpose and Objectives

The Board of Commissioners Charter is structured as a guide in carrying out their duties and responsibilities in an efficient, effective, transparent, competent, independent, and accountable manner so as to be accepted by all relevant parties and in accordance with the laws and regulations in force.

Chapter II

Establishment, Organization and Service Period

2.1 Legal Basis

Establishment, organization, mechanism of action, duties and responsibilities, and authorities of the Board of Commissioners as set forth in this Board of Commissioners Charter shall refer to the following legal bases:

1. Law No. 40 of 2007 on Limited Liability Companies;
2. Law No. 19 of 2003 on State-Owned Enterprises (including elucidation thereto);
3. The Articles of Association of the Company has been amended several times, which was last amended by the Deed of the Resolution of the Annual General Meeting of Shareholders Number 67 dated 31 March 2015 jo. the Deed of the Resolution of the Extraordinary General Meeting of Shareholders Number 9 dated 8 December 2015, both of which were made before Notary Fathiah Helmi, S.H., Notary in South Jakarta, which amendments stated therein had been notified to the Minister of Law and Human Rights of the Republic of Indonesia, which receipts of notification are stated in the Letter of the Minister of Law and Human Rights of the Republic of Indonesia Number AHU-AH.01.03-0927518 dated 27 April 2015 and the Letter of the Minister of Law and Human Rights of the Republic of Indonesia Number AHU-AH.01.03.0986321 dated 8 December 2015, and which had also been approved by the Minister of Law and Human Rights of the Republic of Indonesia by virtue of the Decree of the Minister of Law and Human Rights of the Republic of Indonesia Number AHU-0934135.AH.01.02.Year 2105 dated 27 April 2015;
4. Regulation of the Minister of State Owned Enterprises No. PER-01/MBU/2011 and the amendments on Regulation of the Minister of State Owned Enterprises No. PER-09/MBU/2012 about the Implementation of Good Corporate Governance (GCG) in SOEs;
5. Attachment to Resolution of PT BEJ's Board of Directors No. Kep-00100/BEI/10-2014 dated October 20, 2014 concerning Regulation No. 1-A:

- Listing of Shares (Stocks) and Equity-Type Securities Other Than Stock Issued by Listed Companies;
6. General Guidelines of Indonesian Good Corporate Governance from the National Committee of Corporate Governance 2006 Policy;
 7. Indonesia's GCG Code issued by the National Committee on Corporate Governance Policy, 2006;
 8. Regulation of the Financial Services Authority No. 60/POJK.04/2015 concerning Disclosure Requirements for Certain Shareholders;
 9. Australian Securities Exchange (ASX) Listing Rules Chapter 3 on Continuous Disclosure;
 10. Guideline of Corporate Governance for Public Listed Company from Financial Services Authority;
 11. Corporate Governance Policy of PT ANTAM (Persero) Tbk Edition 2016 dated January 27, 2016;
 12. Regulation of the Financial Services Authority No. 33/POJK.04/2014 concerning the Board of Directors and the Board of Commissioners;
 13. Regulation of the Minister of State Owned Enterprises No. PER-02/MBU/2011 concerning requirements, procedure of appointment and dismissal of the Board of Commissioners.

2.2 Appointment and Dismissal

The appointment and dismissal of members of the Board of Commissioners conducted by the General Meeting of Shareholders ("hereinafter referred GMS") of the candidates nominated by the Shareholder Series A Dwiwarna through the nomination process in accordance with legislation in force by taking into account the integrity, knowledge and other requirements under the applicable rules and regulations and the nomination is binding for the GMS.

2.3 Purpose and Position in Organization

In accordance with the applicable legal bases, the Board of Commissioners is the Company's organ in charge of supervising the management policies in general, both the Company and its business, and providing advice to the Board of Directors, as well as monitoring and ensuring that GCG has been implemented in an effective and sustainable manner.

Position of the Board of Commissioners is parallel to others Corporate Organs, reports to the GMS, and is in charge of supervisory functions of the Board of Directors, which in their daily activities can be assisted by the Supporting Committees and experts appointed by the Board of Commissioners.

2.4 Organization of the Board of Commissioners

2.4.1 Membership Structure

1. The Board of Commissioners consists of at least three (3) members one of whom is appointed as President Commissioner and one of them was appointed as an Independent Commissioner, and if necessary one of them was appointed as the deputy Commissioner. If the number of members of the Board of Commissioners of more than 3 (three) people, then the number of Independent Commissioner should be appointed in accordance with the legislation in force.
2. The Company shall have the Independent Commissioner in accordance with laws and regulations, including laws and regulations in the capital market. The Company may also have Commissioner of Envoy. In the case of Independent Commissioner serves on the Audit Committee, the Independent Commissioner can only be reappointed to the Audit Committee for 1 (one) period of the next term of office of the Audit Committee.
3. Composition and number of members of the Board of Commissioners shall be determined by the GMS with due regard to the Company's Vision, Mission and Strategic Plan, thus enabling effective, appropriate and quick decision making and acting independently.

2.4.2 Membership Nomination

1. Members of the Board of Commissioners are selected and appointed by the GMS based on the nomination process according to the laws and regulations, including those concerning Limited Liability Companies and based on considerations of integrity, dedication, understanding of corporate management problems, having adequate knowledge in the Company's businesses and capability of providing sufficient time to perform their duties;
2. At least 30% (thirty percent) of the Board of Commissioners' members shall be Independent Commissioners who come from parties outside of the Company, are independent from any influence of the Board of Commissioners' members and other members of the Board of Directors as well as any controlling shareholders, one of whom must have a background in accounting and/or finance.

2.4.3 Membership Requirements

1. Formal & Material Requirements

Members of the Board of Commissioners is an individual who meets the following requirements:

- a. Having a good character, morals, and good integrity;
- b. Competent in performing legal actions;
- c. Physically and mentally healthy (not suffering from a disease that may hinder the implementation of duties as a the Board of Commissioners of the Company) as evidenced by a health certificate from a doctor.
- d. Within five (5) years prior to appointment and during his tenure:
 - i. Has not been declared bankrupt;
 - ii. Has never been a member of the Board of Directors and/or a member of the Board of Commissioners declared guilty for causing a company to go bankrupt;
 - iii. Has never been convicted of a criminal offense that is detrimental to the country's financial and/or relating to the financial sector; and
 - iv. Has never been a member of the Board of Directors and/or a member of the Board of Commissioners that during his tenure:
 - Never holds Annual GMS;
 - His responsibility as a member of the Board of Directors and/or a member of the Board of Commissioners is not accepted by the GMS or has never given accountability report as a member of the Board of Directors and/or a member of the Board of Commissioners to the GMS; and
 - Has caused a company obtaining a permit, approval, or registration from the Financial Services Authority fails to fulfill the obligation to submit annual reports and/or financial reports to the Financial Services Authority.
- e. Having the commitment to comply with laws and regulations;
- f. Having the knowledge and/or expertise in the fields required by the Company
- g. Meeting other requirements as determined by the legislations in force, as long as not contrary to the requirements mentioned in point a through point f.

2. Independency Requirements

- a. Members of the Board of Directors are prohibited from assuming any other position as:

- i. Members of Board of Directors in other state-owned enterprises, regional state-owned enterprises, private-owned enterprises;
 - ii. Political party officials and/or members of the legislative and/or regional head /deputy regional head;
 - iii. Other positions in accordance with the provisions of laws and regulations,
 - iv. Other positions that may pose a conflict of interest.
- b. Among the members of Board of Commissioners and between members of Board of Commissioners and members of Board of Directors there must be no consanguinity until the third degree either vertically or horizontally or relation as a result of marriage;
 - c. Any change in the private or family shareholding portfolio, either in or outside of ANTAM, shall be reported through delivery of a special list of shares to the Corporate Secretary to be submitted to the Capital Market Authority no later than 3 (three) days from the occurrence of the transaction;
 - d. Members of the Board of Commissioners must disclose all conflicts of interest that are being faced and any potential conflicts of interest or anything that can inhibit members of the Board of Directors to act independently;
 - e. Disclosure of conflicts of interest as aforesaid periodically in the annual report and in a statement about conflict of interest as the format specified by the Company;
 - f. Members of the Board of Commissioners are prohibited from running for the Legislature Members, Regional Head and or Deputy Regional Head.
 - g. Other qualifications as stipulated in the Articles of Association and the legislation in force;

2.4.4 Term of Office

1. Members of the Board of Commissioners are appointed for a period commencing from the date set by the GMS appointing them and ending at the adjournment of the fifth Annual GMS at the end of one (1) period of office provided that 1 (one) period of tenure of members of the Board of Commissioners is 5 (five) years, with due regard to the laws and regulations in the capital market. However, without prejudice to the right of the GMS to dismiss members of the Board of Commissioners at any time before their terms end in accordance with the Articles of Association of the Company.
2. After the term of office expires, members of the Board of Commissioners may be reappointed by the GMS for another 1 (one) term.
3. The office of a member of the Boards shall terminate in the events.
 - a. Passed away;

- b. His term of office expires;
 - c. Dismissal by a resolution of GMS in accordance the Article of Association; and
 - d. No longer qualifies as a member of the Board of Directors based on the legislation in force by taking into account the legislations in the field of capital market.
4. A member of the Board of Commissioners is entitled to resign from office by giving a written notification to the Company of his intention.
 5. The Company shall hold a GMS to decide on the resignation of such member of the Board of Directors as mentioned above no later than ninety (90) days after receipt of the resignation.
 6. The Company shall make disclosure of information to the public and communicate to the responsible authorities in the field of capital market no later than two (2) working days after:
 - a. acceptance of the resignation of a the Board of Commissioners as refers to the Article of Association;
 - b. the result of GMS as refers to the Article of Association.
 7. A member of the Board of Commissioners may be dismissed at any time by the GMS before his term ends if the relevant member of the Board of Commissioners, among others:
 - a. Inability to perform duties well;
 - b. Violation of the provisions of laws and regulations and/or the articles of association;
 - c. Engage in acts that harm the Company and/or the state;
 - d. Performing actions that violates the ethical and/or propriety that should be respected as a Director;
 - e. Any other reason that is considered appropriate by the GMS in the interests and objectives of the Company, among other but not limited to:
 - i. in the framework of the restructuring of the company; and/or
 - ii. entering retirement age and Civil State Apparatus, for members the Board of Commissioner who is the assignment of technical ministries or other government agencies,
 - f. is found guilty by a court decision that has binding legal force; or
 - g. resignation.
 8. The dismissal of a member of the Board of Commissioner as referred to in point 7a up to point 7e can be done after the member of the Board of Commissioner is given the opportunity in the GMS in order to defend himself. Such dismissal applies since the adjournment of the GMS resolving the dismissal, unless otherwise determined by the GMS.

2.4.5 Induction Program of the Board of Commissioners' Members

1. New members of the Board of Commissioners appointed for the first time must be given an induction program on ANTAM. Responsibility to organize the induction program shall be at the Corporate Secretary or anyone performing the functions of the Corporate Secretary;
2. The induction program includes:
 - a. Implementation of good corporate governance principles by the Company;
 - b. An overview of the Company relating to the purposes, nature, and scope of activity, financial performance and operations, strategies, short-term and long-term business plans, competitive position, risks and other strategic issues;
 - c. Information relating to delegated authorities, internal and external audit, internal control systems and policies, including the Audit Committee;
 - d. Description of the duties and responsibilities of the Board of Commissioners as well as prohibited things.
3. The induction program may include presentations, meetings, visits to ANTAM's Business Units and its projects and assessment documents or other programs that are considered relevant to the needs to recognize ANTAM, subsidiaries and its projects further.

Chapter III

Duties, Responsibilities and Authorities

3.1 Duties and Responsibilities

The Board of Commissioners is in charge of overseeing and providing advice to the Board of Directors as the Company's management, the implementation of which duties, responsibilities and authorities shall be reported to the GMS.

To carry out their duties and responsibilities, the Board of Commissioners' scope of work shall be based on existing regulations and the Company's Articles of Association, including:

1. To conduct supervision on the course of the Company's management by the Board of Directors and approve the Company's planned development, the Company's Long Term Plan (RJPP), Work Plan and Budget (which at least consists of balance sheet and profit and loss projections, cash flow projections, and equity change projections, including the Company's planned material transactions), and other plans related to the implementation of the Company's business and activities as well as the implementation of the Company's Articles of Association and GMS resolutions as well as applicable laws and regulations;
2. To perform duties that are specifically assigned to them under the Company's Articles of Association, applicable laws and regulations and / or under GMS resolutions;
3. To perform duties, authorities and responsibilities in accordance with the Company's Articles of Association, GMS resolutions and applicable laws and regulations as well as be obliged to carry out the principles of professionalism, efficiency, transparency, independence, accountability, responsibility and fairness;
4. To take actions for the benefit of the Company and be responsible to the General Meeting of Shareholders;
5. To appoint an independent assessor in the measurement of the good corporate governance implementation in the Company through processes in accordance with the provisions of goods and services procurement, for

which, whenever required, Board of Directors' help may be asked in the appointment process;

6. To provide opinions and suggestions in accordance with the Board of Commissioners' supervisory duties to the General Meeting of Shareholders on any other issues of importance to the Company's management;
7. Each member of the Board of Commissioners shall be in good faith, under the prudential principle, and responsible for carrying out the supervisory and advisory duties to the Board of Directors for the benefit of the Company and in accordance with the purposes and objectives of the Company, and is not intended for the benefit of any particular party or group;
8. To follow the Company's development of activities and to report to the General Meeting of Shareholders when the Company shows any symptoms of significant decline as well as to provide suggestions for corrective measures to be taken;
9. To inspect and review the annual report prepared by the Board of Directors and sign the report, as well as to ensure that the Company's Annual Report contains information on the identity, its main jobs, positions of any member of the Board of Commissioners in other companies, including meetings convened in any one financial year (internal meetings and joint meetings with the Board of Directors), as well as honoraria, facilities, and / or other benefits received from the Company;
10. To respond to the Board of Directors' periodic reports (quarterly, annually) and at any time as required on the development of the Company and to report the performance of its duties to Shareholders of Series A Dwiwarna just in time;
11. To approve Board of Directors' proposal on the appointment of Head of Internal Audit Unit that has been through the Company's internal mechanism;
12. To monitor the effectiveness of the Company's internal control functions periodically;
13. To perform other supervisory duties as determined under the GMS;
14. To provide direction for the implementation of Company's information technology governance and to monitor the effectiveness of the Company's information technology governance periodically;
15. To Conduct periodic assessments of the effectiveness of risk management systems and internal control of the Company;
16. To provide direction related to procurement policy and the implementation;
17. To provide direction related to quality policy and the implementation;
18. To Provide guidance on the supervision and monitoring of third party agreements (monitoring of compliance of BOD on the legislation in force and agreements with third parties);

19. To perform supervision of the subsidiary management policy.
20. To implement the appointment of external auditor candidates in accordance with the provisions of goods and services procurement in the Company, and if needed, to possibly request assistance of the Board of Directors in the appointment process, and convey to the GMS of the reasons for nomination and amount of honoraria/compensation proposed for the external auditors;
21. To coordinate with and evaluate the Public Accountant that will audit the Company's books, to be further submitted as a proposal to the General Meeting of Shareholders;
22. To ensure that the external auditors, internal auditors, and audit committee and other committees, if any, have access to the accounting records, supporting data, and information about the Company, as long as necessary to perform their duties;
23. To determine the nomination system, performance evaluation, transparent remuneration for the Board of Commissioners and the Board of Directors after considering the GCG-NR Committee's study results, to be further submitted for approval to the GMS and implement them internally for Board of Commissioners;
24. To determine and communicate to the Board of Directors systems and procedures to fill senior management positions, which are one level below the Board of Directors, in accordance with the mechanism set out in the Corporate Governance Policy (CGP) and the Management Policy based on the GCG-NR Committee's study results;
25. To improve their competence and knowledge on an ongoing basis to implement their functions as the Board of Commissioners in a professional manner;
26. To carry out special assignments as a supervision follow-up;
27. Each member of the Board of Commissioners cannot act on their own, but under the Board of Commissioners' resolutions;
28. Each member of the Board of Commissioners shall participate personally to be liable for Company's losses if the relevant member is in fault or negligent in performing his duties;
29. Responsibilities shall apply jointly and severally to each member of the Board of Commissioners for bankruptcy due to errors and omissions in the supervision of the Board of Directors;

30. Members of the Board of Commissioners may not be held responsible for any damages if it is proven that the members of the Board of Commissioners;

- a. Has conducted their supervisory functions in good faith and under the prudential principle for the benefit of the Company and in accordance with the purposes and objectives of the Company;
- b. Does not have any personal interest, either directly or indirectly, for all Board of Directors' acts of management that has resulted in the bankruptcy;
- c. Has provided advice to the Board of Directors to prevent the bankruptcy arising or continuing;
- d. The bankruptcy is not due to fault or negligence.

3.2 Authorities

1. In accordance with the Company's Articles of Association, the Board of Commissioners is authorized to give consent to the Board of Directors in certain legal actions;
2. The Board of Commissioners may give written consent to the Board of Directors to take the following actions:
 - a. Receiving medium-term or long-term loans and non-operating short term-loans in excess of the Board of Directors' authority;
 - b. Entering into a license agreement or cooperation, or any similar agreements with business entities or other parties;
 - c. Releasing, and disposing of or renting out the Company's fixed assets, with the economic life of more than 5 (five) years, in excess of the Board of Directors' authority;
 - d. To release rights to Production Operation Mining Permit or other valid rights over mining license in other forms that have entered the production stage;
 - e. Taking part of, in whole or in part, or participating in a company, whether or not there is existing equity of the Company or any other bodies or organizing a new company;
 - f. Removing part or all of the Company's investment in the Company or other entities;
 - g. Binding the Company as guarantor (*borg* or *avalist*), which has financial impact exceeding the Board of Directors' authority;
 - h. No longer collecting or writing off from accounts receivable and removal of goods, inventory of goods in excess of the Board of Directors' authority;
 - i. To transfer, dispose of or encumber the assets of the Company amounting to 50% or less 50% of the total value of the net assets of the Company either in one transaction or several stand-alone or interrelated transactions;

For certain actions of the Board of Directors whose material transaction value with the percentage and other requirements as established by the legislation in the field of capital market prevailing at the transaction date, the Board of Directors must obtain approval from the GMS.

3. To receive report from the Board of Directors for the BOC and BOD of ANTAM's subsidiary which has been appointed in GMS of the subsidiary;
4. According to the Articles of Association, during the tenure of the Board of Directors is vacant and the GMS has not filled the vacant post of the Board of Director, then for a while, the Company is managed by a Board of Commissioners with the same power and authority.
5. To provide feedback on periodic reports of the Board of Directors and at any time as needed on the Company's development and to report the results of performance of their duties to shareholders as stipulated in the Company's Articles of Association;
6. Jointly or individually at any time during the Company's business hours, to reserve the right to enter the building and yard or other places that is used or held by the Company and to be entitled to inspect all books, documents and other evidence, inventory, check and compare the cash (for verification purposes), and other securities as well as has the right to know all actions taken by the Board of Directors, in such event, the Board of Directors shall be required to furnish information on everything inquired by any member of the Board of Commissioners or experts who help them;
7. They are entitled to get assistance of experts in carrying out their duties for a limited period of time at the Company's expense;
8. The Board of Commissioners can dismiss the member of the Board of Directors for temporary from his position, if the member of the Board of Directors acted contrary with the Articles of Association or there are indications of loss of the Company or neglect perform its obligations or there are compelling reasons for the Company with the provisions as contained in the Articles of Association.
9. To approve the appointment and dismissal of Head of Internal Control Unit by President Director based on the Company's internal mechanism;
10. To approve the appointment and dismissal of Corporate Secretary by President Director based on the Company's internal mechanism;
11. To conduct a General Meeting of Shareholders, by submitting to the Board of Directors by registered letter accompanied by the reasons.
12. To determine the nomination system, performance evaluation, transparent remuneration for the Board of Commissioners and the Board of Directors after considering the study results of the GCG-NR Committee to be further submitted for approval of the GMS and implement them internally for Board of Commissioners;

13. To determine a transparent system to appoint, determine the remuneration, and assess the performance of senior officials who do not serve as members of the Board of Directors after considering the study results of the GCG-NR Committee;
14. If necessary, the Company may appoint a member of the Board of Commissioners as Commissioner Envoy with reference to the legislation in force;
15. To determine that the mechanism of action between the Board of Commissioners and the Board of Directors, between the Committees and the Internal Team/Auditor and external auditors must follow work procedures in accordance with the applicable regulations.

3.3 Distribution of Duties and Authorities

The Board of Commissioners shall set their own distribution of work among the members and for smooth implementation of their duties, the Board of Commissioners may be assisted by the Secretary of the Board of Commissioners appointed by the Board of Commissioners based on suggestions of Shareholders of Series A Dwiwarna at the Company's expense.

3.4 Delegation of Authorities

Delegation of authorities by any member of the Board of Commissioners to another of the Board of Commissioners may only be done through a special power of attorney for the purposes intended and such delegation does not absolve the Board of Commissioners' responsibilities collectively.

3.5 Supporting Committees of the Board of Commissioners

1. The Board of Commissioners shall establish an Audit Committee chaired by an Independent Commissioner, and may establish other supporting committees to assist in other duties of the Board of Commissioners, and to comply with the laws and regulations in force, at the Company's expense;
2. Other supporting committees established include Good Corporate Governance-Nomination & Remuneration (GCG-NR) Committee, Risk Management Committee,
3. Each Committee consists of a Chairman and members, chaired by a member of the Board of Commissioners;
4. Committee members come from members of the Board of Commissioners or from external parties of the Company;
5. Chairman of the Committee shall be appointed and dismissed by the Board of Commissioners;
6. The Committee shall be responsible to the Board of Commissioners;

7. Assignment, tenure, terms, income, and evaluation of the performance of each committee shall be set in a separate Charter established by the Board of Commissioners.

3.6 Implementation of Special Assignments

1. Special assignments may include, but are not limited to, an investigation of an alleged error in any resolution of the Board of Directors' meeting or irregularity in the implementation of any resolution of the Board of Directors' meeting;
2. Special assignments to members of the Board of Commissioners in accordance with resolutions of the Board of Commissioners' meeting shall be assigned through a written order from the President Commissioner stating:
 - a. Name of the Board of Commissioners' members assigned for duties;
 - b. Characteristic and scope of work;
 - c. Purposes and objectives of the work;
 - d. Period of assignment, and
 - e. Administrative matters relating to the special assignments.
3. The Board of Commissioners shall submit a report on the execution of specific duties with a maximum level of confidentiality, which is limited to the President Commissioner.

3.7 Remuneration

1. Members of the Board of Commissioners are awarded by salary/honoraria and facilities / benefits, including retirement compensation, the amount of which shall be determined by the GMS;
2. Remuneration for members of the Board of Commissioners shall be awarded on the basis of a formula set by the previous GMS through a review by the Board of Commissioners by deepening conducted by the GCG-NR Committee;
3. Board of Commissioners (through the GCG-NR Committee) proposes a formula for remuneration of members of the Board of Directors, the amount of which shall be further determined by a Board of Commissioners' meeting;
4. Members of the Board of Commissioners must report the amount of remuneration they receive (including stock options, if any) and the basis for calculating the remuneration in the Company's annual report.

3.8 Continuous Learning

1. To carry out their supervisory functions over the management and advisory functions to the Board of Directors, the Board of Commissioners must constantly increase and update their knowledge;
2. To facilitate the updating of knowledge, members of the Board of Commissioners need to participate in training, workshops, seminars, conferences, which can be useful in improving the effective functions of the Board of Commissioners;

3.9 Meetings, Reporting, and Budgeting

3.9.1 Board of Commissioners' Meetings

1. Board of Commissioners' meeting shall be convened at least once every 2 (two) month or at any time when deemed necessary by the President Commissioner or by 1/3 (one third) of the Board of Commissioners' members or upon a written request of a Board of Directors' meeting or upon request of one (1) shareholder or more holding at least 1/10 (one tenth) of the total number of shares with valid voting rights, in meetings where the Board of Commissioners may invite the Board of Directors;
2. The Board of Commissioners shall hold a joint meeting with the Board of Directors periodically at least 1 (one) time in 4 (four) months.
3. The Board of Commissioners must schedule a meeting as referred to in points 1 and 2 for the next year before the end of the fiscal year;
4. At that meeting has been scheduled as referred to in point 2, the material was delivered to participants meeting no later than five (5) days before the meeting is held. In the event of a meeting held outside of the schedule that had been scheduled as described in point 3, the materials is submitted to the participant at the latest before the meeting is held;
5. Invitation to the meetings shall be conducted by the Commissioner. In the event that the Commissioner is absent, the President Commissioners could be replaced by members of the Board of Commissioners appointed by President Commissioner. The invitation of the meeting was delivered by registered mail or delivered in person to get a proper receipt, or by telegram, telefax, fax at least 14 (fourteen) days and in case of urgent at least 3 (three) days before the meeting is held with not taking into account of the date of the invitation and the date of meeting and state the event, date, time and place of the meeting;
6. The Board Meeting held at the Company's domicile or place of business activities of the Company. If all members of the Board of Commissioners are present or represented, invitation in advance are not required and the

Board of Commissioners meetings can be held within the territory anywhere in the Republic of Indonesia as determined by the Board of Commissioners and the meeting shall be entitled to make a legal and binding decisions

7. The meeting shall be led over by the President Commissioner, or if he is unable to attend the meeting or absent, which does not need to prove to a third party, the meeting shall be led by others member of the Board of Commissioners who is appointed by the President Commissioners;
8. In case that the President Commissioners does not make appointment, the meeting shall be led by the oldest member of the Board of Commissioners in term of tenure. In case of the oldest member of the Board of Commissioners on his term is absence, then a member of the Board of Commissioners of the oldest age will lead the meeting.
9. A member of the Board of Commissioners may be represented at the meeting only by another member of the Board of Commissioners by virtue of a special power of attorney. A member of the Board of Commissioners may only represent one other member of the Board of Commissioners;
10. A meeting is valid and entitled to adopt legally binding resolutions if attended or legally represented by at least more than half of the total number of the Board of Commissioners present or represented;
11. Resolutions of a Meeting of the Board of Commissioners shall be adopted based on mutual consensus. Failing which, the resolutions shall be adopted on the basis of affirmative votes of more than half of the total number of the Board of Commissioners present and / or represented.
12. Any member of the Board of Commissioners may not cast a vote in a meeting to discuss an agenda that has a conflict of interest against him either directly or indirectly;
13. Each member of the Board of Commissioners present shall be entitled to cast 1 (one) vote and 1 (one) additional vote for each other member of the Board of Commissioners who he legally represents;
14. Voting concerning an individual shall be made in an unsigned, folded ballot paper, while voting concerning other matters shall be conducted orally, unless the meeting determines otherwise without any objection from those who are present;
15. Each member of the Board of Commissioners who are present or represented shall make or cast a vote. In terms of blank vote or void vote, the relevant member shall follow and take responsibility for the meeting resolutions;
16. Everything that was discussed and decided in the meeting of the Board of Commissioners (including any statement of disagreement/dissenting member of the Board of Commissioners) should be state out in Minutes of

- Meeting by a writer/reporter appointed by the Chairman of the Meeting and the ratification must be signed by all members of the Board of Commissioners who attended meeting. Minutes of Board Meeting conveyed to all the Board of Commissioners although he not present at the meeting;
17. Results of the meeting shall be set out in the Minutes of Meeting, signed by members of the Board of Directors and members of the Board of Commissioners who attend the meeting, and submitted to all members of the Board of Directors and Board of Commissioners;
 18. In the event of a member of the Board of Directors and/or members of the Board of Commissioners who does not sign the results of the meeting referred to, he should state out the reasons in writing in a separate letter attached to the minutes of the meeting;
 19. Minutes of the Meeting referred a valid proof for the members of the Board of Directors and/or members of the Board of Commissioners and for third parties regarding the decision taken in the meeting in question;
 20. The Board of Commissioners may also adopt valid resolutions without convening a Meeting of the Board of Commissioners provided that all members of the Board of Commissioners have been informed in writing regarding the related proposal and have given their written approval to the submitted proposal and signed the approval. Any resolutions adopted in such a way shall have the same validity as those legally adopted in the Meeting of the Board of Commissioners;
 21. Board of Commissioners' meeting may be held or convened via video teleconference, or other electronic media, which allow all meeting participants to see and hear each other directly as well as participate in the meeting. Every participant shall be deemed to have attended to determine the fulfillment of the quorum and voting requirements or resolutions. Meeting Minutes of a Meeting convened using video teleconferencing media, electronic media or other media must be made in writing and circulated to all members of the Board of Commissioners for review and approval;
 22. The Board of Commissioners shall determine rules of the Board of Commissioners' meeting in a separate regulation;
 23. Original Minutes of Meeting of the Board of Commissioners shall be kept by the Company and shall be made available upon request by any member of the Board of Commissioners and the Board of Directors;
 24. Number of Board of Commissioners' meetings and number of attendance of each member of the Board of Commissioners shall be included in the Annual Report

3.9.2 Reporting

1. On a regular basis in accordance with applicable regulations, the Board of Commissioners together with the Board of Directors shall prepare monthly, quarterly, semi-annual and annual reports to the capital market authority, relevant agencies or to the GMS;
2. The Board of Commissioners together with the Board of Directors shall present an annual report to the GMS at the latest within a period of 6 (six) months after the Company's financial year ends, which includes at least:
 - a. The financial statements consisting of at least the balance sheet of the past financial year in comparison with the previous fiscal year, income statement of the relevant financial year, cash flow statement and statement of changes in equity, and notes to the financial statements;
 - b. Report on the activities of the Company;
 - c. Report on the implementation of Social and Environmental Responsibility;
 - d. Details of the problems during the financial year affecting the business activities of the Company;
 - e. Report on the supervisory duties that have been implemented by the Board of Commissioners during the past financial year;
 - f. Identities of members of the Board of Directors and their main jobs, positions as commissioners in subsidiaries/joint ventures and/or other companies, and number of meetings attended in any one financial year (internal meetings and joint meetings with the Board of Commissioners); as well as identity of members of the Board of Commissioners and their main jobs, positions as commissioners in other companies and the number of meetings attended in any one financial year (internal meetings and joint meetings with the Board of Directors);
 - g. Salary and benefits for members of the Board of Directors and the salary or honorarium and allowances for members of the Board of Commissioners for the immediately preceding year;
 - h. Other matters as set forth in the regulations in the capital market.

3.9.3 Company's Long-Term Plan, Company's Work Plan and Budget, Board of Commissioners' Budget

1. Company's Long-Term Plan (RJPP)

- a. The Board of Directors submit the RJPP to the Board of Commissioners to be evaluated and ask the approval before it signed by the BOD and BOC.

- b. The Board of Commissioners receives, reviews, and gives an opinion on a proposal of RJPP, which is the Company's strategic plan that includes goals and objectives to be achieved within a period of 5 (five) years, among others:
 - i. evaluation of implementation of the previous RJPP;
 - ii. the Company's current position;
 - iii. assumptions used in the preparation of RJPP; and
 - iv. determination of the mission, objectives, strategies, policies, and long-term work programs

2. Work Plan and Budget of the Company (RKAP)

- a. The Board of Commissioners receives, reviews, and gives an opinion on a proposal of RKAP, including at least:
 - i. The mission, business objectives, business strategies, Company's policies and work programs / activities;
 - ii. Company's budget as detailed on any budget of work programs / activities;
 - iii. Company's financial projections and its subsidiaries; and
 - iv. Other matters that require the Board of Commissioners' resolutions.
- b. The Board of Commissioners shall be entitled to get the Company's Work Plan and Budget (RKAP) from the Board of Directors, no later than 60 (sixty) days prior to the new financial year for approval;
- c. The Board of Commissioners shall approve the RKAP at least before the Company's new financial year runs. In the event that RKAP is not approved within the period specified above, the previous year's RKAP shall apply;
- d. Supervising the RKAP implementation and submitting the assessment results and opinions to the GMS;

3. Board of Commissioners' Budget

- a. The Board of Commissioners shall prepare an annual work plan and budget of the Board of Commissioners, which constitutes an integral part of RKAP, including budget for:
 - i. Honoraria, allowances and facilities for members of the Board of Commissioners, and the Board of Commissioners' supporting organ;
 - ii. Costs of training / seminars;
 - iii. Costs of business travel at home and abroad;
 - iv. General and administrative costs;
 - v. Fees for services of public accounting firms, consultants;
 - vi. Routine investment budget for procurement of work facilities;
 - vii. Budget for execution of specific duties.

- b. The aforesaid Board of Commissioners' Budget shall be the sum of the Board of Commissioners' supporting committees budget plus the Board of Commissioners' Secretariat budget, and the use shall be at the Board of Commissioners' full authority;
- c. Audit on the use of these funds is done by auditors appointed by the Company.

3.10 Code of Conduct

1. Any members of the Board of Commissioners shall be responsible to the Company for keeping the Company information confidential;
2. Confidential information obtained while serving as a member of the Board of Commissioners shall be kept confidential in accordance with the laws and regulations in force;
3. Any members of the Board of Commissioners who have shares in the Company (if any) are prohibited from misusing important information relating to the Company for personal gain;
4. Any members of the Board of Commissioners are prohibited from having a conflict of interest and taking personal advantage, of decision-making and / or implementation of the Company activities, in addition to any legitimate income;
5. Any members of the Board of Commissioners in carrying out their duties and responsibilities are required to comply with the Corporate Code of Conduct and prohibited from taking personal advantage, either directly or indirectly, from the Company other than their honoraria and other facilities and benefits, including retirement compensation they receives as members of the Board of Commissioners in accordance with applicable laws and regulations;
6. Any members of the Board of Commissioners shall not make or offer, or receive, either directly or indirectly, anything valuable to or from a customer or government official to influence or as a reward for what he has done and other actions, in accordance with applicable laws and regulations;
7. Signing an Integrity Pact relating to Confidential Information they obtain, get, keep, see, hear, read, have and / or intentionally or unintentionally know related or unrelated to the jobs they have been, are being and will be made in connection with the Company;
8. Any members of the Board of Commissioners shall report their assets in accordance with applicable laws and regulations;
9. Members of the Board of Commissioners are prohibited from borrowing on behalf of the Personal to the Company.

3.11 Accountability

1. In performing their duties, the Board of Commissioners shall be responsible to the General Meeting of Shareholders;
2. In the event the Company indicates symptoms of significant decline, the Board of Commissioners shall immediately report the same to the GMS, along with suggestions for corrective measures to be taken;
3. Providing opinions and advice to the GMS regarding any issues that are considered critical to the Company's management;
4. Reporting implementation results of any specific duties to the Shareholders of Series A Dwiwarna on time;
5. The Board of Commissioners within their supervisory function shall submit supervision accountability reports of the Company management by the Board of Directors. The supervision report of the Board of Commissioners shall constitute part of the annual report submitted to the GMS for approval;
6. The granting of approval to the annual report and approval to the financial statements means that GMS has provided acquittal and discharge (*acquit de charge*) from responsibilities to each member of the Board of Commissioners as far as things are reflected in the annual report, without prejudice to the responsibilities of each member of the Board of Commissioners in the event of any crime or fault or omission that causes damage to any third party that cannot be recovered by the Company's assets;
7. Accountability of the Board of Commissioners to the General Meeting of Shareholders is the embodiment of supervision accountability for the Company's management in the implementation of good corporate governance principles;
8. The Board of Commissioners provide opinions and advice to the GMS regarding any matter that is considered essential for the management of the Company;
9. The Board of Commissioners report the results of the implementation of specific tasks to the Shareholders of Series A Dwiwarna in time.

Chapter IV

Relationship of the Board of Commissioners and the Board of Directors

Unless otherwise stated by the provisions and laws and regulations in force, relationship of the Board of Commissioners and the Board of Directors as set forth above may include but are not limited to the following matters:

1. To approve proposals of the Board of Directors:
 - a. Company's long term plan (RJPP);
 - b. Company's budget Plan (RKAP);
 - c. Appointment and dismissal of Head of Internal Audit;
 - d. Appointment and dismissal of the Corporate Secretary;
 - e. Unless otherwise provided by applicable regulations and provisions, several things requiring a written approval of the Board of Commissioners as set forth in the Company's Articles of Association.

Approval or recommendation of the Board of Commissioners on matters that require the approval of the Board of Commissioners as stated in the Articles of Association of the Company, or if needed advice or advisory on the Company by the Board of Commissioners, approval or recommendation of the Board of Commissioners submitted no later than fourteen (14) working days since the proposal /request the Board of Directors with complete document received by the BOC. But if there are things that are strategic and require further investigation / further consideration, the Board of Commissioners may request an extension of the Board of Directors.

2. Together with the Board of Director review the Company's vision and mission;
3. Where appropriate, the Board of Commissioners is assisted by the Board of Directors in:

- a. The appointment process of external auditor candidates in accordance with the provisions of goods and services procurement of each Company;
 - b. The appointment of independent assessors in the assessment process of GCG implementation.
4. The Board of Commissioners obtains periodic reports on the implementation of internal control functions and implementation of information technology governance;
5. Members of the Board of Commissioners, either jointly or individually, shall be at any time within office hours entitled to enter the building and yard or other places that are used or held by the Company and reserves the right to examine all books, documents and other evidence, inventory, check and compare the cash for verification purposes, and other securities as well as has the right to know all actions taken by the Board of Directors, in such event, the Board of Directors shall be required to furnish information on everything inquired by any member of the Board of Commissioners or experts who help them.
6. The Board of Commissioners reserves the right to obtain access to the Company information in a timely, measurable and complete manner;
7. The Board of Commissioners reserves the right to obtain a report of the Board of Directors on members of the Board of Directors and members of the Board of Commissioners at on its subsidiaries and/or joint ventures of the Company, as set out in the GMS of the relevant subsidiaries and/or joint ventures;
8. The Board of Commissioners reserves the right at any time to suspend the Board of Directors by stating the reasons;
9. The Board of Commissioners may attend Board of Directors' meetings and provide insights on issues discussed;
10. Minutes of the Board of Commissioners' meetings and the Board of Directors' meetings shall be maintained by the Board of Directors and shall be made available when requested by any member of the Board of Commissioners and the Board of Directors;
11. The Board of Commissioners may request the Board of Directors and or other officials, on Board of Directors' knowledge, to attend the Board of Commissioners' meetings;

12. The Board of Commissioners may request information directly from the Corporate Secretary, Internal Auditor Division (through the Audit Committee) and the Risk Management Division and other teams and units as deemed necessary, on the execution of their respective duties;
13. The Board of Commissioners or experts who help them shall be entitled to obtain information on all matters inquired;
14. In the case of submission of the implementation of annual leave, the Board of Directors proposed permit to the President Commissioner. The President Commissioner may postpone annual leave filed by members of the Board of Directors based on the reason the Company's interests. Worship of the member Board of Directors so it takes time to not perform the tasks over annual leave entitlements, must obtain approval from the Board of Commissioners.

Chapter V

Performance Evaluation

5.2 Performance Evaluation of the Board of Commissioners

Detailed performance evaluation of the Board of Commissioners will be determined under the Board of Commissioners' resolutions, to be evaluated periodically under following provisions:

1. GMS shall establish Board of Commissioners' Key Performance Indicator, which is an evaluation measure of successful implementation of the Board of Commissioners' duties and responsibilities based on the recommendation of the Board of Commissioners, and submit quarterly progress reports to the Shareholders / Minister of SOEs;
2. Performance evaluation of the Board of Commissioners shall be carried out by self-assessment system;
3. Performance evaluation of the Board of Commissioners will comprise 60% of the Committee's performance at an equal weight and 40% of others' performance at varying weights;
4. Performance evaluation results of the Board of Commissioners will be published in an annual report and informed to the GMS with its data/supporting evidence enclosed;
5. Performance evaluation of the Board of Commissioners will specified by the Key Performance Indicator (KPI) as defined in point 1 above.
6. Performance evaluation uses the criteria:
 - a. Score 4: Outstanding (actual performance significantly exceeded the target)
 - b. Score 3: Above average (actual performance exceeded the target)
 - c. Score 2: Competent (Actual performance achieved the target)
 - d. Score 1: Improvement needed (actual performance did not achieve the target)
7. GCG-NR committee responsible for preparing the data needed to evaluate and propose achievements based on data and input from each committee supporting the Board of Commissioners and to propose to the Board of Commissioners convened at the Commissioners;
8. Assessment of performance BOC based on indicators that have been defined at the beginning of each year will be drawn up by the GCG-NR Committee in

accordance with the input of the achievement of the Company's performance and input from the committee then decided by the Board of Commissioners;

9. Evaluation of the performance of the Board of Commissioners, conducted every year and the results communicated to the GMS

5.2 Performance Evaluation of the Board of Directors

On each beginning of each year, the Board of Commissioners set Board of Directors' Key Performance Indicator;

Chapter VI

Closing

Validity and Evaluation

1. The Board of Commissioners Charter shall be effective as of June 21, 2016;
2. The Board of Commissioners Charter will be evaluated periodically for improvement;

Ratified : in Jakarta
Date : June 21, 2016

PT ANTAM (Persero) Tbk
Board of Commissioners

[Signed]

Fachrul Razi
President Commissioner

[Signed]

Zaelanu
Commissioner

[Signed]

Rober A. Simanjuntak
Commissioner

[Signed]

Bambang Gatot Ariyono
Commissioner

[Signed]

Laode M. Kamaluudin
Independent
Commissioner

[Signed]

Hikmahanto Juwana
Independent
Commissioner