

ENGLISH TRANSLATION

JOINT REGULATION OF THE BOARD OF COMMISSIONERS AND THE BOARD OF DIRECTORS OF PT DAYAMITRA TELEKOMUNIKASI Tbk

NUMBER: 006 / DEKOM-DMT/08/2021

AND

NUMBER: DMT.1473/CS0/DMT-1000000/VII/2021

REGARDING

WORK GUIDELINES AND CODE OF ETHICS (BOARD MANUAL) OF  
THE BOARD OF COMMISSIONERS AND THE BOARD OF DIRECTORS OF  
PT DAYAMITRA TELEKOMUNIKASI Tbk

THE BOARD OF COMMISSIONERS AND THE BOARD OF DIRECTORS OF  
PT DAYAMITRA TELEKOMUNIKASI Tbk,

**Considering :** a. that as a Public Limited Liability Company, PT Dayamitra Telekomunikasi Tbk (Mitratel) needs to have a work guidelines and code of ethics for the Board of Directors and the Board of Commissioners;



b. that one of the ways for the implementation of good corporate governance is to have an effective working relationship between the Board of Commissioners and the Board of Directors and it is deemed necessary to integrate the principles that apply to the Board of Commissioners and the Board of Directors in a binding work guidelines and code of ethics between the Board of Commissioners and the Board of Directors;

c. that in connection with the above considerations, it is necessary to stipulate a Work Guidelines and Code of Ethics for the Board of Commissioners and the Board of Directors (Board Manual) in a Joint



Regulation of the Board of Commissioners and the Board of Directors.

**Taking into : 1.  
account**

The Articles of Association of PT Dayamitra Telekomunikasi Tbk which have been published in the State Gazette of the Republic of Indonesia Number 84 dated 20 October 2009, Supplement to the State Gazette of the Republic of Indonesia Number 25921/2009, which have been amended several times and the last amendments has been received and recorded in database of the Legal Entity Administration System of the Ministry of Law and Human Rights by virtue of Decision of the Minister of Law and Human Rights of the Republic of Indonesia No. AHU-0045337.AH.01.02.TAHUN 2021 dated 23 August 2021 regarding





Approval of the Amendment to the Articles of Association of Limited Liability Company PT Dayamitra Telekomunikasi Tbk, and letter No. AHU-AH.01.03-0439750 dated 23 August 2021 regarding Receipt of Notification of Amendment to the Articles of Association of PT Dayamitra Telekomunikasi Tbk;

2. The Resolution of the Extraordinary Meeting of Shareholders (Circular EGMS) of PT Dayamitra Telekomunikasi Tbk dated 2 June 2021, as set out in Deed of Meeting Resolutions Statement No. 55 dated 24 June 2021 drawn up before Notary Fathiah Helmi, S.H., M.Kn which has been received and recorded in the Legal Entity Administration System database of the Ministry of Law and

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Human Rights by virtue of Notification of the Changes to the Company Data Number: AHU-AH-01.03-0397259 dated 24 June 2021 and the Resolution of the Annual General Meeting of Shareholders of PT Dayamitra Telekomunikasi dated 3 June 2021 as set out in the Deed of Meeting Resolutions Statement No. 60 dated 28 June 2021 drawn up before Notary Ashoya Ratam, S.H., M.Kn;

3. The Resolution of the Extraordinary Meeting of Shareholders (Circular EGMS) of PT Dayamitra Telekomunikasi Tbk dated 20 August 2021, as set out in the Deed of Meeting Resolutions Statement No. 31 dated 21 August 2021 drawn up before Notary Fathiah Helmi, S.H.,

M.Kn which has been received and



recorded by the Ministry of Law and Human Rights of the Republic of Indonesia through the Decision of the Minister of Law and Human Rights of the Republic of Indonesia No. AHU-0045337.AH.01.02.YEAR OF 2021 dated 23 August 2021 regarding Approval of Amendment to the Articles of Association of the Limited Liability Company PT Dayamitra Telekomunikasi Tbk, and letter No. AHU-AH.01.03-0439750 dated 23 August 2021 regarding Receipt of Notification of the Amendment to the Articles of Association of PT Dayamitra Telekomunikasi Tbk.

**HAS DECIDED**

PT Dayamitra Telekomunikasi

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To : JOINT REGULATION OF THE BOARD OF  
stipulate COMMISSIONERS AND THE BOARD OF DIRECTORS  
OF PT DAYAMITRA TELEKOMUNIKASI Tbk  
REGARDING WORK GUIDELINES AND CODE OF  
ETHICS OF THE BOARD OF COMMISSIONERS AND  
THE BOARD OF DIRECTORS (BOARD MANUAL) OF  
PT DAYAMITRA TELEKOMUNIKASI Tbk

**Article 1**

**Purposes and Objectives**

(1) The purpose of stipulating this Joint Regulation is for it to serve as a guideline for the members of the Board of Commissioners and the Board of Directors of the Company in carrying out their duties and authorities based on the Articles of Association of the Company, as well as the working relationship between the Board of Commissioners and the Board of Directors of the Company in accordance with good corporate governance practices.

(2) The purpose of stipulating this Joint Regulation is so that all actions of the Board of Commissioners





and the Board of Directors of the Company can be carried out in accordance with the working procedures and code of ethics, therefore it can maximize the value of the Company with professional and independent governance and based on high moral values and compliance with the laws and regulations.

## **Article 2**

### **Board Manual**

The Working Procedure Guideline and Code of Ethics of the Board of Commissioners and the Board of Directors (Board Manual) of the Company are as attached in the Attachment to this Joint Regulation.

## **Article 3**

### **Closing Provisions**

- (1) This Joint Regulations along with the Attachments thereto, shall constitute an integral and inseparable part.



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- (2) This Joint Regulations shall be effective as of the stipulation date.
- (3) Without prejudice to the provisions as referred to paragraph (2):
- a. The Company Regulations and the Resolution of the Board of Commissioners required for the implementation of this Board Manual, shall be stipulated no later than 6 (six) months as from the stipulation of this Joint Regulation.
  - b. Provisions of the Board Manual which do not require implementing regulations, shall be effective as of the stipulation date.
  - c. No later than 6 (six) months as from the date on which this Board Manual is stipulated, the provisions in the Company Regulations that have been issued prior to the entry into force of this Board Manual, shall remain in effect and further provisions that are not in accordance with the Board Manual must



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conform to the provisions in this Board  
Manual.

Stipulated in: Jakarta

Dated: 25 August 2021

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PT DAYAMITRA TELEKOMUNIKASI Tbk

Board of Commissioners

On Behalf of the Board of  
Directors

(Signed)

(Signed)

HERLAN WIJANARKO

THEODORUS ARDI HARTOKO

President Commissioner

President Director

(Signed)

M. RIDWAN RIZQI R NASUTION

Independent Commissioner



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*(Signed)*

HENRY YOSODININGRAT

Independent Commissioner

*(Signed)*

HADI PRAKOSA

Commissioner



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**ATTACHMENT TO THE JOINT REGULATION OF THE BOARD OF  
COMMISSIONERS AND THE BOARD OF DIRECTORS OF PT DAYAMITRA  
TELEKOMUNIKASI Tbk**

**NUMBER: 006 / DEKOM-DMT/08/2021**

**AND**

**NUMBER :**

**REGARDING**

**WORK GUIDELINES AND CODE OF ETHICS OF THE BOARD OF  
COMMISSIONERS AND THE BOARD OF DIRECTORS (BOARD MANUAL) OF  
PT DAYAMITRA TELEKOMUNIKASI Tbk**

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**LEGAL BASIS AND REFERENCE**

PT Dayamitra Telekomunikasi Tbk (Mitratel) shall be subject to the following provisions:

**1. External Regulations****Regulations in Indonesia****a. Laws, inter alia:**

- 1) Law Number 8 of 1995 regarding Capital Markets;
- 2) Law Number 36 of 1999 regarding Telecommunications;
- 3) Law Number 31 of 1999 regarding Eradication of Criminal Acts of Corruption as amended by Law No. 20 of 2001;
- 4) Law Number 40 of 2007 regarding Limited Liability Companies;
- 5) Law Number 8 of 2010 regarding Prevention and Eradication of Criminal Acts of Money Laundering.



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b. Financial Services Authority Regulation and technical regulations related to the capital market, inter alia:

- 1) Financial Services Authority Regulation Number 33/POJK.04/2014 regarding Board of Directors and Board of Commissioners of Issuers or Public Companies;
- 2) Financial Services Authority Regulation Number 34/POJK.04/2014 regarding the Nomination and Remuneration Committee of Issuers or Public Companies;
- 3) Financial Services Authority Regulation Number 35/POJK.04/2014 regarding Corporate Secretary of Issuers or Public Companies;
- 4) Financial Services Authority Regulation Number 21/POJK.04/2015 regarding Implementation of Guidelines for Corporate Governance in Public Companies.



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- 5) Financial Services Authority  
Regulation Number 31/POJK.04/2015  
regarding Disclosure of Information  
or Material Facts by Issuers or  
Public Companies;
- 6) Financial Services Authority  
Regulation Number 55/POJK.04/2015  
regarding the Establishment and  
Guidelines for the Implementation of  
Audit Committee Work;
- 7) Financial Services Authority  
Regulation Number 56/POJK.04/2015  
regarding the Formation and  
Guidelines for the Preparation of  
the Internal Audit Unit Charter;
- 8) Financial Services Authority  
Regulation Number 29/POJK.04/2016  
regarding Annual Reports of Issuers  
or Public Companies;
- 9) Financial Services Authority  
Regulation Number 75/POJK.04/2017  
regarding the Responsibilities of





the Board of Directors for Financial Statement;

- 10) Financial Services Authority Regulation Number 15/POJK.04/2020 regarding Plans and Implementation of General Meeting of Shareholders of Public Companies;
- 11) Financial Services Authority Regulation Number 17/POJK.04/2020 regarding Material Transactions and Changes of Business Activities;
- 12) Financial Services Authority Regulation Number 42/POJK.04/2020 regarding Affiliated Transactions and Conflicts of Interest Transactions;
- 13) Indonesia Stock Exchange Regulation Number I-E regarding Obligations for Submitting Information.

## 2. Internal Regulations

- a. Articles of Association of Mitratel;



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- b. Resolution of the Board of Commissioners of Mitratel;
- c. Company Regulations of Mitratel;
- d. Resolutions of the General Meeting of Shareholders (GMS) of Mitratel.

3. **Guidelines for the Implementation of Good Corporate Governance (GCG)**

- a. Indonesian General Guidelines for Good Corporate Governance (CGC), issued by the National Committee on Governance Policy, 2006;
- b. The Indonesian Corporate Governance Manual, Financial Services Authority (OJK), 2014.

In the event that there are amendments to the provisions as referred to in points 1, 2 and 3 above, including if there are new provisions or regulations that bind the Company, then all activities and management and/or supervision activities of the Company carried out by the Board of Directors and/or the Board of Commissioners shall be subject to the said amendments or new provisions.



**DEFINITION**

1. **Subsidiary** means PT Persada Sokka Tama or the subsidiaries of the Company from time to time.
2. **Articles of Association** means the Articles of Association of PT Dayamitra Telekomunikasi Tbk, and their amendments from time to time, which shall include bylaws.
3. **Board Manual or Working Procedure** means a guideline for the Board of Directors and the Board of Commissioners based on agreement, approval and/or arrangement in connection with the matters relating to activities and actions in a structured, systematic and consistently doable by the Board of Directors and the Board of Commissioners in managing the Company which are not regulated in detail in the Articles of Association (AD) of the Company or statutory provisions in order to achieve the Vision and Mission of the Company.





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4. **Board of Directors** means an organ of the Company that is fully authorized and responsible for managing the Company for the benefit of the Company, in accordance with the purposes and objectives of the Company and represents the Company, both inside and outside the court in accordance with the provisions of the Articles of Association.
5. **Board of Commissioners** means an organ of the Company whose job is to carry out general and/or special supervision in accordance with the Articles of Association and provide advice to the Board of Directors.
6. **Employees of the Company** means people who work for the Company, including professional staff with certain period of time and receive a salary based on employment relationship.
7. **Independent Commissioner** means the members of the Board of Commissioners who come from outside the Telkom Group and meet the requirements as set out in





the Articles of Association and the prevailing laws and regulations.

8. **Stakeholders** means the parties who have an interest in the Company due to having legal relations with the Company, authority (influence/authority/power) and interest in the business activities of the Company.
9. **Controlling Shareholders** means the party who directly or indirectly (i) owns more than 50% of the shares in the Company with voting rights which have been fully paid; or (ii) has the ability to determine, directly or indirectly, in any way the management and/or policies of the Company, or as defined by OJK from time to time.
10. **Principal Shareholders** means parties that, directly or indirectly, own at least 20% of the voting rights of all shares with voting rights issued by a company or such smaller amount than that as determined by OJK, or as defined by OJK from time to time.



11. **Company or Corporate or Mitratel** means PT Dayamitra Telekomunikasi Tbk.
12. **Related Party** means an individual or company/entity that has a relationship with the members of the Board of Directors and the Board of Commissioners, directly or indirectly, through family relations and or share ownership.
13. **Meeting of the Board of Directors (RADIR)** means a meeting held by the Board of Directors in accordance with the meeting mechanism as set out in the Articles of Association of the Company and the prevailing Company regulations.
14. **Meeting of the Board of Commissioners** means a meeting held by the Board of Commissioners in accordance with the meeting mechanism as set out in the Articles of Association of the Company and the prevailing regulations stipulated by the Board of Directors or the Board of Commissioners.





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15. **Six Eyes Principles** means the principles of separation of functions of initiation, review and approval (segregation of duties) for the actions made in decision making by the Company.
16. **Telkom Group** means the Company (Persero) PT Telekomunikasi Indonesia Tbk and all its subsidiaries whose industries are "related" and form cohesiveness within an ecosystem and for the purpose of managing its business portfolio effectively, so that all of these entities require management in a platform management.

**GENERAL PRINCIPLES**

1. The Board Manual is prepared based on the principles of corporate law, provisions of the Articles of Association, Company Regulations stipulated by the Board of Directors and the Board of Commissioners, laws and regulations, GMS resolutions and corporate management practices while taking into account and being able to meet the demands of speed and business



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dynamics, by always maintaining the compliance aspect.

2. In general, the Board Manual regulates the principles of regulation between the members of the Board of Directors and the Board of Commissioners on the matters inter alia:

- a. Power to act for and on behalf of the Board of Directors in representing the Company;
- b. Unavailable Member of the Board of Directors and Temporary Substitute Officer;
- c. Mechanism or forum for decision making/approval of the Board of Directors and the Board of Commissioners;
- d. Conflict of Interest of the Board of Directors and the Board of Commissioners in transactions with Related Parties;





- e. Confidentiality and information disclosure;
  - f. Distribution of duties and authorities of members of the Board of Directors and the Board of Commissioners;
  - g. Committees under the Board of Commissioners; and
  - h. Working relationship between the Board of Directors and the Board of Commissioners.
3. In carrying out their duties, the Board of Directors and the Board of Commissioners must observe:
- a. Compliance with Pancasila ideology, Laws and Regulations, Articles of Association, and Company regulations;
  - b. Implementation of business practices based on the principles of Good Corporate Governance/GCG i.e.: transparency,



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accountability, responsibility,  
independence, and fairness;

c. Implementation of segregation of duties based on the "Six Eyes Principles", i.e. the separation of functions between the functions of initiation, review and approval grantor of a decision material;

d. The Business Judgment Rule as set out in Law Number 40 of 2007 regarding Limited Liability Companies, Financial Services Authority Regulation Number 33/POJK.04/2014 regarding Board of Directors and Board of Commissioners of Issuers or Public Companies, and the Articles of Association of the Company with the following principles:

1) Good faith;

2) Decision making by taking into account the interests of the Company



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(fiduciary duty) and not based on personal interests (duty of loyalty);

3) Based on adequate knowledge (informed basis); and

4) Carried out with prudence and diligence (duty of care).

e. Company cultural values inter alia:

1) AKHLAK Core Values which consist of the values of Trustworthy (*Amanah*), Competent (*Kompeten*), Harmonious (*Harmonis*), Loyal (*Loyal*), Adaptive (*Adaptif*) and Collaborative (*Kolaboratif*).

2) The values of work culture of the Company (board culture), which inter



alia are implemented in carrying out  
the daily activities of the Company:

- a) Attendance at each regular meeting;
- b) Skills of each member of the Board of Directors and the Board of Commissioners;
- c) Independence;
- d) Respect, trust, and transparency between one another;
- e) Openness to dissenting opinion;
- f) Individual accountability;
- g) Performance evaluation.





- f. Paying attention to the demands of business development, speed and dynamics while remaining compliant and in conformity with the prevailing regulations.

## **CHAPTER I**

### **BOARD OF COMMISSIONERS**

#### **A. COMPOSITION OF THE BOARD OF COMMISSIONERS**

1. Composition of the Board of Commissioners
  - a. The Board of Commissioners shall consist of at least 2 (two) members, one of them shall be appointed as President Commissioner;
  - b. The Board of Commissioners shall consist of Commissioner and Independent Commissioner, the number of Independent Commissioner must be



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at least 30% (thirty percent) of the total number of members of the Board of Commissioners.

**2. Term of Office of the Board of Commissioners**

The term of office of the members of the Board of Commissioners shall be 3 (three) years and can be reappointed for 1 (one) term of office.

**B. THE PRESIDENT COMMISSIONER**

The President Commissioner has an equal position with other members of the Board of Commissioners. The duty of the President Commissioner as *primus inter pares* shall be as the coordinator in carrying out the activities and duties of the Board of Commissioners.

The duties and responsibilities of the President Commissioner *inter alia* shall be as follows:



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1. To lead and ensure the effectiveness of the performance of the Board of Commissioners.
2. To create, implement and provide a review of the work guidelines/procedures related to the duties of the Board of Commissioners.
3. To make a calendar schedule of meetings of the Board of Commissioners and coordinate it with the committees of the Board of Commissioners.
4. To organize and deliver meeting agendas and ensure that all Commissioners receive timely information.
5. To interact periodically with the President Director and act as a liaison between the Board of Commissioners and the Board of Directors.
6. To ensure that the information submitted to all members of the Board of Commissioners is accurate, timely and clear.
7. To ensure effective communication with the shareholders.





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8. To regulate the evaluation of the performance of the Board of Commissioners, including all levels of Committees and Independent Commissioners, on a regular basis.
9. To facilitate the effective contribution of Independent Commissioners and create constructive relationships among members of the Board of Commissioners.
10. To carry out other tasks as requested by the GMS and the Board of Commissioners collegially, according to the needs and circumstances.

**C. INDEPENDENT COMMISSIONER**

1. An Independent Commissioner shall be a member of the Board of Commissioners who fulfils the requirements as an independent commissioner based on the prevailing regulations and who is not affiliated with the Board of Directors, other members of the Board of Commissioners, and the Controlling Shareholder, and is free from





business relationships or other relationships that may affect his/her ability to act or solely act for the benefit of the Company.

2. Independent Commissioner has the main responsibility to encourage the implementation of the principles of Good Corporate Governance (GCG) within the Company through empowering the Board of Commissioners so that they can carry out their supervisory duties and providing advice to the Board of Directors effectively and provide more added value to the Company.

**a. Duties of Independent Commissioner**

1. To ensure transparency and disclosure of the financial statements of the Company;
2. Fair treatment to the minority shareholders and the other Stakeholder;



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3. To disclose transactions having conflicts of interest fairly and equally;
4. To ensure compliance of the Company with the prevailing laws and regulations;
5. To guarantee the accountability of the organs of the Company.

**b. Authority of Independent Commissioner**

1. To lead the Audit Committee and other Committees.
2. An Independent Commissioner who has served for 2 (two) terms of office may be reappointed for a subsequent period as long as the Independent Commissioner declares himself/herself to remain independent at the GMS.



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1) In the event that an Independent Commissioner serves on the Audit Committee, the relevant Independent Commissioner can only be reappointed for the Audit Committee for 1 (one) period for the succeeding term of office of the Audit Committee.

2) Based on rational and prudent considerations, he/she shall be entitled to express different opinions from other members of the Board of Commissioners and must be recorded in the Minutes of Meeting of the Board of Commissioners and different opinions that are material, must be included in the annual report.





**c. Responsibilities of Independent Commissioner**

In an effort to carry out his/her responsibilities properly, the Independent Commissioner must proactively make efforts for the Board of Commissioners to supervise and provide advice to the Board of Directors related to, but not limited to, the following matters:

- 1) To ensure that the Company has an effective business strategy, including monitoring the schedule, budget and effectiveness of the strategy;
- 2) To ensure that the Company appoints professional executives and managers;
- 3) To ensure that the Company has a well-functioning





information, control system  
and audit system;

4) To ensure that the Company  
complies with the prevailing  
laws and regulations as well  
as the values set by the  
Company in carrying out its  
operations;

5) To ensure that risks and  
potential crisis are always  
identified and properly  
managed;

6) To ensure that the  
principles and practices of  
good corporate governance  
(GCG) are adhered to and  
properly implemented.

**D. DIVISION OF WORK FOR MEMBERS OF THE BOARD OF  
COMMISSIONERS**



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The division of work among members of the Board of Commissioners shall be regulated by themselves, and for the smooth running of their duties, the Board of Commissioners can be assisted by the Secretary to the Board of Commissioners.

**E. DUTIES, RESPONSIBILITIES AND AUTHORITIES**

1. The Board of Commissioners duties are to supervise management policies, the general management of both the Company and the business of the Company carried out by the Board of Directors and to provide advice to the Board of Directors including supervising the implementation of the Long Term Plan (RJPP) of the Company, Annual Work Plan and Budget of the Company as well as the provisions of the Articles of Association and the GMS Resolutions, as well as the laws and regulations, for the benefit of the Company in accordance with the purposes and objectives of the Company.



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2. The Board of Commissioners has the authority to:

- a. Check books, letters and other documents, check cash for verification purposes and other securities and check the assets of the Company;
- b. Enter the gate, buildings and offices used by the Company;
- c. Ask for an explanation from the Board of Directors and/or other officials regarding all issues related to the management of the Company;
- d. Know all the policies and actions that have been and will be carried out by the Board of Directors;





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- e. Request the Board of Directors and/or other officials under the Board of Directors with the acknowledgement from the Board of Directors to attend the meeting of the Board of Commissioners, while requests or support for activities other than meetings will be carried out with due observance of professionalism, ethics, interests of the Company and the organs of the Company;
- f. Appoint and dismiss a Secretary of the Board of Commissioners;
- g. Temporarily dismiss any member of the Board of Directors in accordance with the provisions of the Articles of Association of the Company;
- h. Establish an Audit Committee and other committees, if deemed





necessary by taking into account the capabilities of the Company;

- i. Use experts for certain matters and within a certain period of time at the expense of the Company, if deemed necessary;
- j. Carry out management actions of the Company under certain conditions for a certain period of time in accordance with the provisions of the Articles of Association;
- k. Approve the appointment and dismissal of the Corporate Secretary and/or Head of the Internal Supervisory Unit;
- l. Examine and review the annual report prepared by the Board of Directors and sign the annual report;



m. Attend meetings of the Board of Directors and provide views on matters discussed;

n. Carry out other supervisory authorities as long as they do not conflict with the laws and regulations, the Articles of Association, and/or the GMS resolutions;

o. In order to carry out the supervisory function, members of the Board of Commissioners during working hours or other agreed times, jointly or individually, with or without prior notification to the Board of Directors, taking into account professionalism, the interests of the Company, public and the organs, have the right of access including, but not limited to



buildings and locations of or other places controlled by the Subsidiaries of the Company and have the right to examine books, documents of evidence, reports, of goods inventory, and check the cash position (for verification purposes) and other guarantees and to find out all actions taken by the Board of Directors of the Subsidiaries based on the principle of information disclosure with due observance with the confidentiality of the Company, and to provide advice to Subsidiaries related to policies/actions that have been decided or that will be taken by the Board of Directors of the Subsidiaries either requested or not.



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3. In connection with the above duties and authorities, the Board of Commissioners shall have the right to receive income determined by the GMS, provided as follows:

a. Income Type

- 1) Honorarium;
- 2) Allowances, which consist of:
  - a) Holiday allowance;
  - b) Housing allowance;
  - c) Retirement insurance.
- 3) Facilities, which consist of:
  - a) Vehicle facilities;
  - b) Health facilities;
  - c) Legal aid facilities.
- 4) Tantiem/Performance Incentives.





b. Details, amount, type and procedure for providing income for members of the Board of Commissioners, including amendments thereto, shall follow the provisions of the laws and regulations, the Articles of Association and the Company regulations.

4. In connection with the duties and authorities of the Board of Commissioners as referred to in number 2 (two) above, the Board of Commissioners shall be obliged to:

a. Provide advice to the Board of Directors in carrying out the management of the Company;

b. Provide opinion and approval of the Long Term Plan of the Company, the Annual Working Plan and Budget of the Company and other working plans



prepared by the Board of Directors,  
in accordance with the provisions of  
the Articles of Association and the  
prevailing laws and regulations;

- c. Follow the development of the  
activities of the Company, provide  
opinions and suggestions to the GMS  
regarding any issues deemed  
important for the management of the  
Company;
- d. Propose to the GMS the appointment  
of a Public Accountant who will  
conduct an examination of the books  
of the Company;
- e. Examine and review periodic reports  
and annual reports prepared by the  
Board of Directors and sign the  
annual reports;



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- f. Provide explanations, opinions and suggestions to the GMS regarding the annual report, if requested;
- g. Prepare minutes of meetings of the Board of Commissioners and keep the copies;
- h. Report to the Company regarding their and/or his/her family's share ownership in the Company and other companies;
- i. Provide a report on supervisory duties that have been carried out during the recent financial year to the GMS;
- j. Carry out other obligations for the purpose of supervisory and advisory duties, as long as they do not conflict with the laws and



regulations, the Articles of Association, and/or the GMS resolutions.

5. Each member of the Board of Commissioners shall be jointly and severally responsible for the losses of the Company caused by the fault or negligence of members of the Board of Commissioners in carrying out their duties.

6. Members of the Board of Commissioners cannot be held responsible for the losses of the Company if they can prove that they:

a. Have carried out supervision in good faith and prudence for the benefit and in accordance with the purposes and objectives of the Company;

b. Do not have a conflict of interest, either directly or indirectly, for

the actions of the management of the





Board of Directors which result in losses; and

- c. Have provided advice to the Board of Directors to prevent the loss from arising or continuing.

- 7. Under certain conditions the Board of Commissioners must hold annual GMS and other GMS in accordance with their authority as stipulated in the laws and regulations and the Articles of Association.

**F. MEETINGS OF THE BOARD OF COMMISSIONERS AND DECISION MAKING MECHANISM**

**1. General Principles**

- a. All decisions of the Board of Commissioners shall be taken in the meeting of the Board of Commissioners or by decisions



outside the meeting of the Board of Commissioners.

b. The Board of Commissioners must hold a meeting at least 1 (one) time in 2 (two) months.

c. The Board of Commissioners must hold regular meetings with the Board of Directors at least 1 (one) time in 4 (four) months.

d. Meeting materials as referred to in letter c. above, especially for meetings that discuss quarterly financial statement, shall be submitted by the Board of Directors no later than 5 (five) working days prior to the meeting accompanied by proof of document submission.

e. Mechanisms for holding Meeting of the Board of Commissioners, inter



alia invitations to meetings, meeting venues, quorums, decision-making mechanisms, minutes of meeting and others, shall fully refer to the provisions in the Articles of Association of the Company.

f. For orderly administration, each member of the Board of Commissioners who is unable to attend the meeting of the Board of Commissioners is required to provide a special power of attorney to other members of the Board of Commissioners.

g. Any decision of the meeting of the Board of Commissioners that has been held in accordance with the provisions in the Articles of Association shall be a decision of the Board of Commissioners as a





board and therefore shall be binding upon every member of the Board of Commissioners.

h. Each decision of the meeting of the Board of Commissioners and the Board of Directors as referred to in point c above, which has been held in accordance with the provisions of the Articles of Association, shall be a decision that is binding on each member of the Board of Commissioners and member of the Board of Directors.

i. The decision making process at the meeting of the Board of Commissioners, whether the meeting of the Board of Commissioners itself or joint meetings with the Board of Directors regarding input/directions from stakeholders, shall be carried out quickly and





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wisely (not rigid) and prioritizes the interests of the Company, by observing the principle of prudence and compliance with the prevailing laws and regulations.

**2. Invitation and Implementation of the Meetings of Board of Commissioners**

a. Invitation to the 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 invitation to the meeting shall be made by a member of the Board of Commissioners.

b. Invitation to the meeting of the Board of Commissioners shall be conveyed or submitted directly either by letter or through electronic media containing at least agenda, date, time and place of meeting, to each



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member of the Board of Commissioners, no later than 5 (five) days before the meeting is held, without counting the date of the invitation and the date of the meeting, or in shorter time in case of urgency.

c. The invitation as referred to in letter b above is not required for meetings that have been scheduled based on the decision of the Meeting of the Board of Commissioners which was held before.

d. Meetings of the Board of Commissioners shall be held at the domicile of the Company or in other places within the territory of the Republic of Indonesia or at the place of business of the Company.

e. In addition to the Meeting of the Board of Commissioners which is held in physical presence, the Meeting of the Board of Commissioners can also hold meetings through teleconference media, video conferences or



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other electronic media facilities in accordance with the prevailing provisions.

f. In the meeting of the Board of Commissioners held via video conference or other similar means of communication, minutes of the meeting must be made in writing and circulated to all participating members of the Board of Commissioners for review and approval.

g. The meeting of the Board of Commissioners shall be led by the President Commissioner, in the event that the President Commissioner is absent, the meeting may be led by an appointed member of the Board of Commissioners.

h. 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 shall act as chairman of the meeting of the Board of Commissioners.

- i. In the event that the member of the Board of Commissioners who has served the longest as a member of the Board of Commissioners is more than one individual, then the member of the Board of Commissioners with the oldest age shall act as chairman of the meeting.
- j. In the Meeting of the Board of Commissioners, each member of the Board of Commissioners shall be entitled to cast 1 (one) vote and an additional 1 (one) vote for each other member of the Board of Commissioners whom he/she legally represents at the meeting.

### **3. Decision Making Mechanism**

- a. All decisions in the meetings of Board of Commissioners shall be taken by deliberation to reach a consensus.





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- b. Meetings of the Board of Commissioners shall be valid and shall have the right to make binding decisions only if more than  $\frac{1}{2}$  (one-half) of the total members of the Board of Commissioners are present or represented at the meeting.
- c. If a decision based on deliberation for consensus is not reached, a decision must be taken by voting based on affirmative votes of more than  $\frac{1}{2}$  (one-half) of the total number of votes validly cast at the relevant meeting.
- d. If the number of affirmative and negative votes is equal, the decision of the Meeting of the Board of Commissioners shall be the one that is the same as the opinion of the chairman/leader of the Meeting of the Board of Commissioners with due regard to the provisions regarding accountability as referred to in the Articles of Association



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of the Company, except regarding individuals, Meeting decision taking shall be made with closed election.

- e. Each member of the Board of Commissioners shall be entitled to cast 1 (one) vote plus 1 (one) vote for the member of the Board of Commissioners that he/she represents (if authorized by power of attorney).
- f. Voting regarding individuals shall be carried out by means of secret ballots without a signature, while voting on other matters shall be carried out verbally, unless the Chairman of the Meeting determines otherwise without any objection based on the majority of votes from those present.
- g. Each member of the Board of Commissioners who is present or who is represented at the meeting must vote or cast a vote.



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- h. In the event that a member of the Board of Commissioners does not vote (abstain), the member of the Board of Commissioners shall be deemed to have approved the decision of the meeting of Board of Commissioners and shall be responsible for the decision of the meeting.
- i. Invalid votes shall be considered absent and shall not be counted in determining the number of votes cast at the meeting.
- j. Decisions can also be taken outside the meeting of the Board of Commissioners provided that all members of the Board of Commissioners have been notified of the proposed decision concerned and all members of the Board of Commissioners have given their approval regarding the proposal submitted and sign the approval whose decisions have the same power as decisions





taken legally in the meeting of the Board of Commissioners.

- k. Each member of the Board of Commissioners who personally in any way, either directly or indirectly, has an interest in a proposed transaction, contract or contract proposed in which the Company becomes a party, the nature of interest shall be stated in a meeting of the Board of Commissioners and shall not be entitled to participate in voting on matters in connection with the transaction or contract.

**4. Minutes of Meeting of the Board of Commissioners**

- a. In each meeting of the Board of Commissioners, minutes of meetings must be made containing the matters discussed (including dissenting opinions of members of the Board of Commissioners), if any, and matters decided must be included in the annual report.





- b. The minutes of the meeting as referred to in letter a above must be set out in the Minutes of Meeting made by an individual present at the meeting who is appointed by the Chairman of the meeting, signed by all members of the Board of Commissioners who are present and submitted to all members of the Board of Commissioners.
- c. The Minutes of Meeting of the Board of Commissioners and the Board of Directors must be set out in the Minutes of Meeting. The Minutes of the Meeting must be made by an individual present at the meeting who is appointed by the Chairman of the Meeting and signed by all members of the Board of Commissioners and members of the Board of Directors who are present no later than 20 (twenty) working days after the end of the meeting, containing at least: (i) the date of the meeting; (ii) place of execution;



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- (iii) subject matter; and (iv) meeting resolutions.
- d. In the event that there is a member of the Board of Commissioners and/or member of the Board of Directors who does not sign the result of the meeting as referred to in letters b and c above, the relevant individual must state the reasons in writing in a separate letter attached to the minutes of meeting.
- e. The Minutes of Meeting as referred to in letters b. and c. above must be documented by the Company.
- f. Minutes of Meeting of the Board of Commissioners shall constitute valid evidence for members of the Board of Commissioners and for third parties or other parties regarding the decisions taken at the relevant meeting.



**G. REPORTING OF THE BOARD OF COMMISSIONERS**

1. The Board of Commissioners is required to provide a report on the supervision carried out during the past financial year to the GMS.
2. The Board of Commissioners has the obligation to examine and provide feedback to the GMS on the periodic reports and annual reports prepared by the Board of Directors and to sign the annual reports.
3. The Board of Commissioners must report to the Company regarding their and/or their family's share ownership in the relevant Company and other companies, including any changes thereto.
4. The Board of Commissioners must ensure that the annual report of the Company contains information regarding identity, main jobs,





positions of the Board of Commissioners in other companies, including meetings held in one financial year (internal meetings and joint meetings with the Board of Directors), as well as honorarium, facilities, and/or other allowances received from the relevant Company.

#### **H. POSITION ETHICS OF MEMBERS OF THE BOARD OF COMMISSIONERS**

1. Ethics related to exemplary

The Board of Commissioners must encourage the creation of ethical behavior and uphold ethical standards in the Company, one way is to set himself/herself as the role model for the Board of Directors and Employees of the Company.

2. Ethics of Compliance with the Laws and Regulations

The Board of Commissioners must comply with the prevailing laws and regulations, the





Articles of Association and Good Corporate Governance (GCG) Guidelines as well as the established Company policies.

3. Ethics Related to Disclosure and Confidentiality of Information

The Board of Commissioners must disclose information in accordance with provisions of the prevailing laws and regulations and always maintain the confidentiality of the information entrusted to him/her in accordance with the provisions of the laws and regulations and/or the Company provisions.

4. Ethics Related to the Opportunity of the Company

While in office, the Board of Commissioners is prohibited from:

- a. Taking the business opportunities of the Company for the benefit of



- himself, his/her family, business groups and/or other parties.
- b. Using Company assets, Company information or his/her position as a Member of the Board of Commissioners for personal gain beyond the provisions of the prevailing laws and regulations and the Company policies.
- c. Competing with the Company, i.e. using inside information/knowledge to gain benefits for interests other than the interests of the Company.
- d. Taking personal advantage of the Company's activities, in addition to the salary and facilities he/she receives as a member of the Board of Commissioners of the Company, which is determined by the GMS.
- e. Taking business transaction opportunities with parties whose funds are suspected of originating from money laundering activities.



For this reason, a thorough understanding of who, how and the reputation of the potential working partners is very important. In addition, the existence of references from third parties will also provide additional information.

5. Business Ethics and Anti-Corruption

Members of the Board of Commissioners must always prevent and avoid corrupt practices, gratuities, money laundering and bribery in any manner, form and/or for any interest that is believed to be detrimental to the Company. Some matters that are prohibited for members of the Board of Commissioners shall include but not limited to the following:

- a. Members of the Board of Commissioners shall be prohibited from giving or offering, or receiving either directly or indirectly anything of value to a





customer or an official/employee of a government agency to influence or as a reward for what he/she has done and any other actions in accordance with the prevailing laws and regulations.

- b. It is prohibited to give a token of gratitude in business activities such as gifts, donations or entertainment, which are carried out in a situation that can be considered giving gratuities and/or improper conduct.

6. Ethics Related to Conflict of Interest

- a. A transaction that requires the written approval from the Board of Commissioners shall be considered having conflict of interest if any member of the Board of Commissioners has a relationship with a Related Party. Related Parties as referred

shall include:



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- 1) Parties who have family relations by marriage and descent up to the second degree (including son/daughter-in-law) both horizontally and vertically with members of the Board of Commissioners; or
- 2) Companies or bodies in which members of the Board of Commissioners or their families (as referred to in point 1) above) serve as Commissioners (in the case of non-limited liability companies, other positions equivalent) or is a Controlling Shareholder (in the case of non-limited companies, other positions



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equivalent) or is a Substantial Shareholder (in the case of a non-limited liability company, other positions equivalent).

- b. In the event that a member of the Board of Commissioners is involved in a conflict of interest transaction, the member of the Board of Commissioners must disclose the conflict of interest, and shall not act as chairman in a GMS that resolves on the conflict of interest transaction and not allowed to take part in making decisions to decide whether to approve or disapprove a transaction that must obtain written approval from the Board of Commissioners proposed by the Board of Directors. Therefore, the GMS

shall be led by another member of the Board of Commissioners who has





no conflict of interest and appointed by the Board of Commissioners. However, if all members of the Board of Commissioners have conflict of interest, the GMS shall be led by the President Director or by any other members of the Board of Directors who do not have Conflict of Interest, and if there are no members of the Board of Directors who meet the requirements, the GMS shall be led by a non-controlling (minority) shareholder appointed by the shareholders present at the GMS.

- c. In addition, a company or entity that is part of a business group where members of the Board of Commissioners and their families (as referred to in letter a above) serve as Commissioners in a company or



entity within the business group can also be classified as a Related Party.

In this case, members of the Board of Commissioners who are deemed to have a conflict of interest are not allowed to participate in making decisions to decide whether to approve or disapprove a transaction that must obtain a written approval from the Board of Commissioners proposed by the Board of Directors.

**I. SUPPORTING ORGAN OF THE BOARD OF COMMISSIONERS**

1. Supporting Organs of the Board of Commissioners consist of committees of the Board of Commissioners and Secretary to the Board of Commissioners.

2. The Board of Commissioners shall be entitled to form, change and regulate the membership of the Supporting Organs of the Board of



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Commissioners according to the needs and still be based on the provisions of the laws and regulations.

3. The Board of Commissioners may form committees and if deemed necessary may employ experts for a certain period of time at the expense of the Company.

4. Committees within the Board of Commissioners environment consist of the Audit Committee, Investment Committee, other committees not including the committees listed in this Board Manual if deemed necessary by taking into account the provisions of the prevailing laws and regulations and the ability of the Company to assist the Board of Commissioners in the field of activities Companies that require special monitoring.

5. The Board of Commissioners carries out the Nomination and Remuneration function, but if





it is deemed necessary in the future, the Board of Commissioners may form the Nomination and Remuneration Committee.

6. In carrying out the Nomination and Remuneration functions, the Board of Commissioners shall have at least the following duties and responsibilities:

a. Related to the Nomination function

- 1) Provide recommendations regarding the position composition of members of the Board of Directors and/or members of the Board of Commissioners, policies and criteria needed in the Nomination process; and performance evaluation policies for members of the Board of Directors and/or members of the Board of Commissioners.



2) Conduct performance appraisal of members of the Board of Directors and/or the Board of Commissioners based on benchmarks that have been prepared as evaluation material.

3) Provide recommendations regarding capacity building programs for members of the Board of Directors and/or the Board of Commissioners.

4) Provide proposals for candidates who meet the requirements as members of the Board of Directors and/or members of the Board of Commissioners to be submitted to the GMS.

b. Related to the Remuneration function

1) Provide recommendations regarding the structure of



remuneration, policies on remuneration and the amount of remuneration.

- 2) Performing performance appraisal according to the suitability of the remuneration received by each member of the Board of Directors and the Board of Commissioners.

7. Guidelines for the implementation of work (charter) for the Supporting Organ of the Board of Commissioners as referred to in point 4 shall be regulated and stipulated separately in a separate Resolution of the Board of Commissioners.

8. To assist in the smooth implementation of its duties, the Board of Commissioners at the Company's expense shall be entitled for the assistance from the Secretary to the Board of Commissioners in carrying out





administrative and secretarial tasks related to all activities of members of the Board of Commissioners, ensuring that the duties of the Commissioners have been carried out and all information needed by the Commissioners is available and other tasks as stipulated in the prevailing laws and regulations.

**a. Main Functions:**

The Secretary to the Board of Commissioners has the main function of providing support to the Commissioners in order to expedite the duties of the Commissioners in carrying out their functions as representatives of shareholders to provide advice and supervision in relation to the management of the Company by the Board of Directors and all staff.

**b. Requirements:**

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The Secretary to the Board of Commissioners must meet the following requirements:

- 1) Understands the management, supervision and guidance system of the Company;
- 2) Has good integrity;
- 3) Understands secretarial functions;
- 4) Has good ability to communicate and coordinate.

**c. Service Period:**

The term of office of the Secretary to the Board of Commissioners shall be determined by the Board of Commissioners for a maximum of 3 (three) years and can be reappointed for a maximum of 2 (two) years without prejudice to the right of the Board of Commissioners to dismiss him/her at any time.



**J. CONFIDENTIALITY**

1. All information and documents related to the approval process and attachments, including documents issued and presentations made by the Board of Commissioners and the Supporting Organ of the Board of Commissioners must be kept confidential by the Board of Commissioners and all members of the Supporting Organs of the Board of Commissioners, and will not be disclosed and notified to other parties, unless required by law or approved by the Company.
2. Disclosure of important Company information to other parties shall be included in the annual report and financial statements of the Company in accordance with the laws and regulations.





3. Management of Company documents & information will be further regulated in the Company regulations.

**K. INTRODUCTION PROGRAM AND COMPETENCY IMPROVEMENT**

1. Board of Commissioners Introduction Program
  - a. For newly appointed members of the Board of Commissioners, an introduction program is given to provide an understanding of all aspects related to the roles and responsibilities of the Board of Commissioners and to uniform perceptions regarding the implementation of good corporate governance (GCG) in the Company so that the new Board of Commissioners can immediately adjust and provide contribution to the Company.
  - b. Implementation of the introduction program shall be the responsibility of the Corporate Secretary or anyone



who performs the function of corporate secretary.

c. The material for the introduction program shall include at least the following:

- 1) Introduction to the Company including the vision, mission, strategy, performance, financial condition, risks and the latest developments of the Company;
- 2) Understanding of the telecommunications industry, including knowledge of the Company's products;
- 3) Understanding of government regulations and policies, especially towards the telecommunications industry;

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- 4) Understanding of financial aspects (financial literacy), especially related to examination of financial statement, including but not limited to balance sheets, income statements, cash flow reports, and reports on changes in equity, as well as notes on financial statements of public companies;
- 5) Implementation of the principles of good corporate governance (GCG) in the Company, including the ethics and norms that apply within the Company.
- 6) The roles, duties and responsibilities of the Board of Commissioners and the Board of Directors,





including Internal Audit and Committees, as well as other supporting organs.

7) Introduction to management members and visits to each Company Unit.

8) The roles, duties and responsibilities of the Board of Commissioners and the Board of Directors.

9) Introduction to the management members and visits to each Company Unit.

d. The material for the introduction program as referred to in point c above shall first take into account the direction of the Board of Directors and consider the advice of the Board of Commissioners.

e. The preparation of the introduction program material as referred to in point 1) c above shall first take



into account the direction of the Board of Directors and consider the advice of the Board of Commissioners.

- f. No later than 3 (three) months after the introduction program is carried out, the Corporate Secretary or anyone who performs the function of corporate secretary is required to evaluate the implementation of the introduction program.

2. Competency Improvement

- a. Provisions regarding competency improvement programs for the Board of Commissioners shall be as follows:

- 1) The competency improvement program is carried out in order to increase the effectiveness of the work of the Board of Commissioners;



- 2) Each member of the Board of Commissioners who participates in competency improvement programs such as seminars and/or training is required to present presentation to other members of the Board of Commissioners for sharing information and knowledge;
- 3) The relevant member of the Board of Commissioners shall be responsible for making a report on the implementation of the competency improvement program. The report shall be submitted to the Board of Commissioners.

- b. Competency improvement programs that can be carried out inter alia shall

be as follows:





- 1) Knowledge related to the principles of corporate law and laws and regulations in connection with the business activities of the Company, as well as the internal control system;
- 2) Knowledge related to government policies in relation to the strategic environment of the Company, the core business of the Company, and the latest developments in the industry of the Company.
- 3) Knowledge related to strategic management and its formulation;
- 4) Knowledge related to risk management;
- 5) Knowledge related to quality financial reporting.



**L. PERFORMANCE ASSESSMENT OF THE BOARD OF COMMISSIONERS****1. General Policy**

The Board of Commissioners evaluates and approves the Key Performance Indicators for the Board of Directors, with due regard and by taking into account the assessment parameters in the form of numerical and narrative indicators as well as evaluations related to:

- a. Implementation of good governance (Good Corporate Governance/GCG);
- b. Shareholder aspirations;
- c. Determination of absolute targets for the Working Plan and Budget of the Company (RKAP) and Key Performance Indicators (KPI);
- d. Statutory provisions.

**2. Self-Assessment Policy to assess the performance of the Board of Commissioners**

- a. The Board of Commissioners has a self-assessment policy to assess the performance of the Board of Commissioners. Self-assessment of the Board of Commissioners is a guideline used as a form of accountability for assessing the performance of the Board of Commissioners collegially. The Self-Assessment mentioned above is carried out by each member of the Board of Commissioners to assess the performance of the Board of Commissioners collegially, and not to assess the individual performance of each member of the Board of Commissioners. With this Self-Assessment, it is expected that each member of the Board of Commissioners can contribute to improving the performance of the Board of Commissioners continuously.





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- b. This policy may include assessment activities carried out along with their purposes and objectives, time for implementation on a regular basis, and benchmarks or assessment criteria used in accordance with the recommendations provided by the nomination and remuneration function.
- c. Self-Assessment Policy to assess the performance of the Board of Commissioners, shall be disclosed through annual reports.

3. The results of the measurement (assessment) of the performance of the Board of Commissioners for 1 (one) full year based on the Key Performance Indicator shall be evaluated by an independent party (external auditor).

**M. MULTIPLE POSITIONS OF BOARD OF COMMISSIONERS**



1. Members of the Board of Commissioners of the Company are prohibited from holding multiple positions as:

a. Members of the Board of Directors in BUMN, regional owned enterprises, privately owned enterprises;

b. Managers of political parties, members of the People's Representative Council, Regional Representative Council, Level I Regional People's Legislative Council, and Level II Regional People's Representative Council and/or regional head/deputy regional head;

c. Become a candidate/member of the People's Representative Council, Regional Representative Council, Level I Regional People's



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Legislative Council, and Level II Regional People's Representative Council or candidate for regional head/deputy regional head;

d. Other positions that may cause a conflict of interest; and/or

e. Other positions in accordance with the provisions of the laws and regulations.

2. Members of the Board of Commissioners who hold multiple positions as referred to in point 1 above have their term of office as members of the Board of Commissioners end as of the effective date of the multiple positions.

3. Members of the Board of Commissioners whose term of office has ended as referred to in point 2 above, shall notify the Company in





writing regarding the existence of multiple positions accompanied by supporting documents.

4. Other matters in connection with the follow-up of multiple positions, including the rights and obligations related to dismissal of the said member of the Board of Commissioners, shall follow the provisions contained in the laws and regulations, the Articles of Association, and the Company regulations.



## CHAPTER II

### BOARD OF DIRECTORS

#### A. COMPOSITION OF THE BOARD OF DIRECTORS

##### 1. Composition of the Board of Directors

- a. The number of the Board of Directors shall be adjusted to the requirements of the Company;
- b. The Board of Directors shall at least consist of 2 (two) people, one of them shall be appointed as the president director.

##### 2. Term of Office of Members of the Board of Directors

Members of the Board of Directors shall be appointed for a period of 3 (three) years and can be reappointed for 1 (one) term of office.

**B. FUNCTIONS AND ROLES OF THE BOARD OF DIRECTORS**

The function and role of the Board of Directors to support the sustainability of the Company can be optimized through the following efforts:

1. To strengthen the membership and composition of the Board of Directors.

Efforts to strengthen the membership and composition of the Board of Directors can be made through the following:

- a. Determination of the number of members of the Board of Directors taking into account the condition of the Company and effectiveness in decision making.
- b. Determination of the composition of members of the Board of Directors taking into account the diversity of





skills, knowledge and experience required.

- c. Members of the Board of Directors in charge of accounting or finance shall have expertise and/or knowledge in accounting.

2. To improve the quality of implementation of the duties and responsibilities of the Board of Directors.

- a. Efforts to improve the quality of the implementation of the duties and responsibilities of the Board of Directors as referred to in number 1, can be carried out through the following matters:

- 1) The Board of Directors has a self-assessment policy to



assess the performance of  
the Board of Directors.

2) The self-assessment policy  
to assess the performance of  
the Board of Directors shall  
be disclosed in the annual  
report of the Company.

3) The Board of Directors has a  
policy regarding the  
resignation of a member of  
the Board of Directors if  
involved in a financial  
crimes.

b. The policy as referred to in letter  
a.3) above shall be further  
regulated in the Company  
regulations.

**C. MAIN DUTIES OF THE BOARD OF DIRECTORS**



1. The main duties of the Board of Directors are to carry out all actions related to and responsible for the management of the Company for the benefit of the Company and in accordance with the purposes and objectives of the Company and to represent the Company both inside and outside the court on all matters and all events with the limitations as stipulated in the laws and regulations, the Articles of Association and/or the GMS Resolution.
2. In carrying out the main duties above, the Board of Directors through the Meeting of the Board of Directors has the authority to:
  - a. Propose the vision, mission and strategy of the Company;
  - b. Establish the basic policies of corporate strategy, finance, organization and Human Resources as





well as the information and communication technology system of the Company;

c. Submit proposals for the management of the Company that require the approval of the Board of Commissioners and the approval of the GMS and carry them out in accordance with the provisions stipulated in the Articles of Association, the approval of the Board of Commissioners and the resolutions of the GMS.

d. Strive to achieve the target indicators for financial aspects, operational aspects and administrative aspects which are used as the basis for assessing the

healthiness of the Company in accordance with the performance set by the shareholders.

- e. Establish performance targets and performance evaluation of the Company, directorates, operating units and business units through the Company's organizational mechanisms as well as performance targets and performance evaluation of Subsidiaries including strategic plans and dividend policies of Subsidiaries through the subsidiary organ mechanism in accordance with the prevailing provisions to the Subsidiaries
- f. Establish proposals and changes to RJPP and RKAP in accordance with the prevailing regulations.



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- g. Establish approval for investment feasibility according to the authority of the Board of Directors, monitor and make corrections to its implementation.
- h. Establish cooperation activities or contracts with value and time or use/acquisition in accordance with the authority stipulated in the Company regulations.
- i. Establish financial policies that need to be reviewed periodically by the Board of Directors, for example Cash Management, Expenditure Authority and Payment Authority.
- j. Establish the organizational structure and appointment of Company officials to a certain level which is regulated through the Company regulations.





**D. DUTIES, RESPONSIBILITIES AND AUTHORITIES**

1. The Board of Directors has the rights and authorities inter alia as follows:

a. To establish policies that are considered appropriate in the management of the Company;

b. To arrange the transfer of powers of the Board of Directors to represent the Company inside and outside the court to one or more individuals specifically appointed for this purpose including the Company employees both individually and jointly and/or other bodies;

c. To regulate provisions regarding the Company employees including the determination of wages, pensions or



old age benefits and other income for the Company employees based on the prevailing laws and regulations;

d. To appoint and dismiss the Employees of the Company based on the employment regulations of the Company and the laws and regulations;

e. To appoint and dismiss a Corporate Secretary and/or Head of Internal Supervisory Unit with the approval of the Board of Commissioners;

f. To write off non-performing receivables with the provisions stipulated in the Articles of Association and which are subsequently reported to the Board of Commissioners;



g. To no longer collect interest receivables, fines, fees and other receivables outside the principle carried out for the purpose of restructuring and/or settlement of receivables as well as other actions for the purpose of settling the receivables of the Company with the obligation to report to the Board of Commissioners, the provisions and procedures for reporting of which are determined by the Board of Commissioners;

h. To carry out all other deeds and actions regarding the management and ownership of the assets of the Company, to bind the Company with other parties and/or other parties with the Company, and to represent the Company inside and outside the court on all matters and all events,





with restrictions as stipulated in the regulations of the laws and regulations, the Articles of Association and/or the GMS resolutions.

2. In connection with the above duties and authorities, the Board of Directors shall have the right to receive income determined by the GMS, provided as follows:

a. Income Type

- 1) Salary;
- 2) Allowances, which consist of:
  - a) Holiday allowance;
  - b) Housing allowance;
  - c) Retirement insurance.
- 3) Facilities, which among others consist of:
  - a) Vehicle facilities;
  - b) Health facilities;



- c) Legal aid facilities;
    - 4) Tantien/Performance Incentives.
  - b. The amount, type and procedure for providing income to members of the Board of Directors, including changes thereto, shall follow the provisions of the laws and regulations, the Articles of Association and the Company regulations.
- 3. In carrying out their duties, the Board of Directors shall be obliged to:
  - a. Seek and guarantee the implementation of the Company's business and activities in accordance with the purposes and objectives and business activities;

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- b. Prepare in time for the Long Term Plan of the Company, the Annual Working Plan and Budget of the Company and other working plans and the amendments thereto to be submitted to the Board of Commissioners and obtain the approval of the Board of Commissioners;
- c. Make a Register of Shareholders, Special Register, Minutes of GMS, and Minutes of Meeting of the Board of Directors;
- d. Make an annual report which inter alia contains financial statement, as a form of accountability for the management of the Company, as well as the financial documents of the Company as referred to in the Law regarding Company Documents;





- e. Prepare financial statement based on Financial Accounting Standards and submit them to Public Accountants for auditing;
- f. Submit an annual report after being reviewed by the Board of Commissioners within a period of no later than 5 (five) months after the end of the financial year of the Company to the GMS for approval and ratification;
- g. Provide an explanation to the GMS regarding the annual report;
- h. Deliver balance sheets and profit and loss report that have been approved by the GMS to the Minister of Law in accordance with the provisions of the laws and regulations;



- i. Prepare other reports required by the provisions of the laws and regulations;
- j. Maintain the Register of Shareholders, Special Register, Minutes of GMS, Minutes of Meeting of the Board of Commissioners and Minutes of Meeting of the Board of Directors, annual reports and financial documents of the Company as referred to in letters d and e as well as other Company documents;
- k. Keep in the domicile of the Company: Register of Shareholders, Special Register, Minutes of GMS, Minutes of Meeting of the Board of Commissioners and Minutes of Meeting of the Board of Directors, annual reports and financial documents of



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the Company and other Company documents;

l. Organize and maintain the bookkeeping and administration of the Company in accordance with the prevalence that applies to a company;

m. Develop an accounting system in accordance with Financial Accounting Standards and based on the principles of internal control, especially the functions of management, recording, storage and supervision;

n. Provide periodic reports according to the method and time in accordance with the prevailing provisions, as well as other reports whenever requested by the Board of





Commissioners with due observance to the laws and regulations, specifically regulations in the field of Capital Market;

o. Prepare the organizational structure of the Company complete with the details and duties;

p. Provide an explanation of all matters that are asked or requested by members of the Board of Commissioners, taking into account the laws and regulations, specifically regulations in the field of Capital Market;

q. Carry out other obligations in accordance with the provisions stipulated in the Articles of Association and determined by the

GMS based on the laws and regulations;



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r. In carrying out the management of the Company there are actions of the Board of Directors which must obtain written approval from the Board of Commissioners and/or shareholders. The actions as referred to shall be regulated in the Articles of Association;

s. If in carrying out the management of the Company there is an act of the Board of Directors that does not require the approval of the Board of Commissioners, but in the decision making process of the Board of Directors it is deemed necessary by the Board of Directors to consult with the Board of Commissioners, the Board of Directors may seek advice from the Board of Commissioners, and for any results of consultations



that are material in nature in particular each matter related to the appointment of management or personnel, directives and instructions, as well as the policies of the Company must be stated in writing for further submission to the Board of Commissioners.

t. The distribution of duties and authorities for each member of the Board of Directors shall be determined by the GMS. In the event that the GMS does not determine the distribution of duties and authorities, the distribution of duties and authorities among the Board of Directors shall be determined based on the decision of the Board of Directors.





u. Each member of the Board of Directors shall be jointly and severally responsible for the losses of the Company caused by fault or negligence of any member of the Board of Directors in carrying out their duties.

v. Members of the Board of Directors cannot be held accountable for the losses of the Company if they can prove that:

1.) The loss is not due to their fault or negligence;

2.) They have carried out supervision in good faith and prudence for the benefit and in accordance with the purposes and objectives of the Company;

3.) They do not have a conflict of interest, either directly



or indirectly, for the actions of the management of the Board of Directors which result in losses; and

- 4.) They have taken action to prevent the loss from arising or continuing.

**E. COMPOSITION AND DIVISION OF DUTIES BETWEEN THE BOARD OF DIRECTORS**

1. The current composition of the Board of Directors of the Company consists of:

- a. President Director;
- b. Director of Finance and Risk Management;
- c. Director of Operations and IT;
- d. Business Director.

2. In the event that there is a change in the composition based on a GMS resolution or a change in the nomenclature of members of the Board of Directors, the composition and/or



nomenclature of the members of the Board of Directors used shall refer to the most recent changes in accordance with the resolution of the GMS.

3. Within 6 (six) months after the change in composition based on a GMS resolution, the Company regulations governing the duties and responsibilities of each member of the Board of Directors shall be adjusted to the new composition.
4. The division of tasks for each member of the Board of Directors shall be further regulated in the Company regulations.

#### **F. INDEPENDENCE OF THE BOARD OF DIRECTORS**

In order for the Board of Directors to act as well as possible for the interests of the Company as a whole, the independence of the Board of Directors is an important factor that must be maintained. To





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maintain this independence, the Company stipulates the following provisions:

1. Apart from the Board of Directors, any other party is prohibited from engaging in or interfering the management of the Company;
2. The Board of Directors must be able to make decisions objectively without conflict of interest and free from any pressure from any party;
3. The Board of Directors is prohibited from carrying out activities that could interfere with their independence in managing the Company;
4. To sign the Integrity Pact as a form of commitment of the Board of Directors in carrying out the activities of the Company that may cause a conflict of interest.

**G. POWER OF ACTING FOR AND ON BEHALF OF THE BOARD OF DIRECTORS IN REPRESENTING THE COMPANY**

1. In order to carry out the management of the Company, each member of the Board of



Directors shall have the right and authority to act for and on behalf of the Board of Directors and represent the Company in accordance with the management policies and authorities of the Company determined based on the decision of the Board of Directors.

2. Members of the Board of Directors for certain actions on their own responsibility, shall also be entitled to appoint one individual or more as a representative or proxy, by giving him/her or them the power for certain acts as stipulated in a power of attorney.

3. The power of attorney as referred to in point 2 may take the form of assigning duties and authorities in the Company regulations, notarized power of attorney or privately made power of attorney.

4. Company regulations governing the duties, authorities and responsibilities of certain



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positions or office shall be a form of giving power of attorney from members of the Board of Directors to employees occupying the said position or office.

5. Provisions for the procedure of granting power of attorney to act for and on behalf of the Board of Directors in representing the Company shall be regulated in the Company regulations governing the granting of power of attorney to act for and on behalf of the Board of Directors in representing the Company.

**H. UNAVAILABLE MEMBER OF THE BOARD OF DIRECTORS AND  
TEMPORARY SUBSTITUTE OFFICER (PGS)**

1. Based on certain reasons, in carrying out management duties members of the Board of Directors may be absent or in vacant position.





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2. The criteria for an absent member of the Board of Directors is that he/she is not present on weekdays due to illness, leave or business trip which makes it impossible to carry out working activities.
3. The criteria for the vacant position of a member of the Board of Directors is, inter alia, because a member of the Board of Directors being appointed to a position that is prohibited from holding multiple positions, is dismissed by the GMS, resigned, passed away or no longer fulfills the requirements as a member of the Board of Directors based on the provisions of the Articles of Association and the laws and regulations.
4. If the President Director is absent or unavailable for any reason, which does not need to be proven to third party:



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- a. The President Director appoints in writing a member of the Board of Directors who is authorized to act for and on behalf of the Board of Directors and to carry out the duties of the President Director.
- b. In the event that the President Director does not make an appointment, the member of the Board of Directors who has served the longest term of office shall have the authority to act for and on behalf of the Board of Directors and to carry out the duties of the President Director.
5. If at any time for any reason there is a position or more members of the Board of Directors of the Company that are vacant:
- a. The Board of Commissioners shall appoint another member of the Board of Directors to carry out the job of the vacant member of





the Board of Directors with the same power and authority.

b. With due observance to the prevailing provisions, the GMS must be held to fill the vacant position if it causes the number of members of the Board of Directors to be less than 2 (two) where one of them is the President Director or the vacant position is the President Director or other Director as required by the prevailing regulations.

c. The GMS as referred to in letter b shall be held no later than 90 (ninety) days after the occurrence of a vacancy resulting in less than 2 (two) members of the Board of Directors or the vacant position is the President Director.

6. If required, the Board of Directors may submit in writing a suggestion for the name of another member of the Board of Directors to serve as a reference for the Board of Commissioners in appointing an office executor of duties (Plt) of a vacant member





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of the Board of Directors as referred to in number 5 letter a above.

7. The term of office of the Plt vacant member of the Board of Directors shall have a maximum period of 2 (two) months from the appointment as Plt vacant member of the Board of Directors, which when the time limit expires, another member of the Board of Directors shall be appointed to fill the Plt position.
8. By taking into account the continuity of the duties and functions of members of the Board of Directors, if any member of the Board of Directors is absent, it is necessary to have a Temporary Substitute Officer (PGS) to take over directly the powers, duties and functions of the absent member in accordance with the provisions of the Company regulations.
9. The term of office of PGS shall have a maximum time limit of 2 (two) months after being appointed as PGS, when the deadline is over, a rotation shall be



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carried out to fill the position of PGS in accordance with the order of priority as referred to in **Attachment-1**.

10. Determination of PGS of members of the Board of Directors other than the President Director in the event of temporary absence is as stipulated in **Attachment-1** to this Board Manual.
11. In the event that based on the PGS determination table, a member of the Board of Directors who serves as a replacement is also absent, the President Director will determine the PGS.
12. In carrying out the work of the member of the Board of Directors that is replaced, the member of the Board of Directors who replaces shall be given the same power and authority.
13. Members of the Board of Directors who are absent either personally or through the Head of the Secretariat of the Directorate who are absent, shall





notify the Corporate Secretary, so that afterwards the Corporate Secretary shall notify the members of the Board of Directors appointed as PGS in accordance with the table of Temporary Substitute Officer of the Board of Directors in **Attachment-1** of this Board Manual and the provisions of the Articles of Association, with copies to other members of the Board of Directors.

14. In the event that both PGS in order of priority in the table of Temporary Substitute Officer of the Board of Directors in **Attachment-1** of this Board Manual are also unavailable, the Corporate Secretary will notify the President Director as the final accountability holder to take over directly the authority, duties and functions of members of the Board of Directors who are absent, with copies to other members of the Board of Directors.

15. In the event that all substitute members of the Board of Directors who are absent (as contained in the PGS determination table in **Attachment-1**), are temporarily or permanently absent, then a member of





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the Board of Directors who is not absent can be a substitute for 1 (one) or more members of the Board of Directors who is absent.

16. At the latest 7 (seven) calendar days after the relevant member of the Board of Directors has completed his/her duties as PGS, the secretariat of the Directorate of the related member of the Board of Directors shall prepare a post fact approval report signed by the PGS Officer to be submitted to the replaced member of the Board of Directors in the event that the relevant individual makes a decision according to the limits/corridors of his/her authority as a report and at least contains the type of decision, date of issuance, content of the decision, the Board of Directors who reports, notes or matters to consider.

**I. MECHANISM AND FORUM OF DECISION/APPROVAL MAKING**

**1. Decision/Approval Making Forum**



- a. Basically the mechanism and forum for decision / approval making of the Board of Directors shall be carried out through a Meeting of the Board of Directors (Radir).
- b. In addition to decisions made through the Radir, each member of the Board of Directors can make decisions/approvals for operational activities in the relevant Directorate (single approval authority) in accordance with the authority as stated in the Articles of Association of the Company, organizational rules or other Company regulations.
- c. Every decision/approval made by the Board of Directors or members of the Board of Directors shall be carried out while upholding the principles of prudence, the principle of



materiality and must comply with the internal regulations of the Company and/or functions and authorities and must implement the principles of professionalism, efficiency, transparency, independence, accountability, responsibility and fairness.

**2. Decision/Approval Making Mechanism**

**a. meeting of the Board of Directors**

- 1) Based on the Articles of Association of the Company and the prevailing Company regulations, the Board of Directors is required to hold regular Radir at least 1 (one) time every month.
- 2) The Board of Directors must hold regular Radir with the Board of



- Commissioners at least 1 (one) time in 3 (three) months.
- 3) Apart from going through Radir, decision/approval taking by the Board of Directors can also be made without going through a meeting, provided that all members of the Board of Directors provide written approval by signing the submitted proposals (circular).
- 4) Decisions that have been approved by the Radir or circular which are regulatory in nature shall be further set forth in the form of Company regulations, in accordance with the prevailing regulations.
- 5) Implementation of Radir or circular shall follow the provisions contained in the Articles of Association of the Company.
- 6) The results of the meeting must be recorded in the minutes of the meeting, signed by all members of



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the Board of Directors who are present, and submitted to all members of the Board of Directors.

7) The results of the meeting between the Board of Directors and the Board of Commissioners must be recorded in the minutes of the meeting, signed by the attending members of the Board of Directors and members of the Board of Commissioners, and submitted to all members of the Board of Directors and members of the Board of Commissioners;

8) In the event that a member of the Board of Commissioners and/or member of the Board of Directors does not sign the results of the meeting, the relevant individual must state the reasons in writing in a separate letter attached to the minutes of the meeting.



- 9) Minutes of meetings must be documented by the Company.

**b. Decision/Approval Making by the Director  
(Single Approval)**

- 1) Each member of the Board of Directors may decide at his/her discretion in accordance with his/her field of duties and authorities as stipulated in the prevailing Company regulations.

- 2) Decisions or approval by the Director as above which are regulatory in nature may be set out in the form of Company regulations in accordance with the authority of the relevant member of the Board of Directors.

**c. Compliance Examination (Compliance) on  
Approval Authority**





- 1) For the purposes of orderly administration of approval procedures and compliance with the process of issuing company regulations, it is necessary to carry out a compliance review before the company regulations are enacted.
- 2) The scope of compliance inspection shall include inter alia as follows:
  - a. Proposed justification and professional judgment.
  - b. Compliance with the prevailing laws and regulations.
  - c. The level of authority of the approver.



d. Conformity between the approval documents and the documents issued.

3) For certain transactions that require the approval from the Board of Directors, the principles of segregation of duties (six eyes principles) must be observed.

## **J. REPORTING AND ACCOUNTABILITY**

### **1. Annual Report**

a. The Board of Directors must submit an annual report after being reviewed by the Board of Commissioners within a period of no later than 5 (five) months after the end of financial year of the Company to the GMS for approval and ratification.



b. In the event that a member of the Board of Directors and/or the Board of Commissioners does not sign the annual report as referred, the reasons must be stated in writing or the reasons shall be stated by members of the Board of Directors and/or the Board of Commissioners in a separate letter attached to the annual report.

c. The annual report shall be signed by all members of the Board of Directors and all members of the Board of Commissioners in office for the relevant financial year and made available at the office of the Company as from the GMS invitation date to be examined by shareholders.

d. In the event that there are members of the Board of Directors or members





of the Board of Commissioners who do not sign the annual report as referred to in letter c. above and does not give reasons in writing, then the relevant individual shall be deemed to have agreed to the contents of the annual report.

e. The annual report containing financial statements that have been audited by a Public Accountant registered with the OJK must have been made available at the Office of the Company no later than the date of the Annual GMS Invitation, so that it can be examined by the shareholders.

f. The Company is required to announce the balance sheet and income statement in accordance with the provisions of the laws and regulations in the Capital Market



and Limited Liability Company  
sector.

g. The annual report as referred to in  
point 1 must contain at least:

1) financial statements  
consisting of the balance  
sheet at the end of the most  
recent financial year in  
comparison with the previous  
financial year, profit and  
loss statements for the  
relevant financial year,  
cash flow statements, and  
reports on changes in  
equity, as well as notes to  
these financial statements;

2) reports on the Company's  
activities including the  
realization/implementation



of the annual RKAP of the  
Company;

3) report on the implementation  
of Social and Environmental  
Responsibility (if any);

4) details of problems arising  
during the financial year  
that affected the business  
activities of the Company;

5) report on supervisory duties  
carried out by the Board of  
Commissioners during the  
past financial year;

6) names of members of the  
Board of Directors and  
members of the Board of  
Commissioners;





- 7) salaries and allowances/facilities for members of the Board of Directors and the Board of Commissioners of the Company for the past year;
- 8) the presence of members of the Board of Directors and the Board of Commissioners in the meeting of the Board of Directors and/or the meeting of the Board of Commissioners;
- 9) annual strategic regulatory development report; and
- 10) other matters in accordance with the provisions of the Capital Market laws and regulations in Indonesia.



- h. In the annual report, the Board of Directors may also submit an annual report on the implementation of the risk management of the Company.

## **2. Periodic Reports**

- a. In addition to the report as referred to in number 1 above, the Board of Directors must prepare and submit periodic reports to the Board of Commissioners.
- b. Periodic reports as referred to in point 2 letter a above shall include monthly reports and quarterly reports which at least consist of:
- 1) Monthly (if required) and quarterly reports on realization/implementation of RKAP;



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- 2) Quarterly strategic regulatory development reports; and
- 3) Quarterly report on implementation of Company risk management (if required).

- c. In addition to the periodic reports as referred to in point 2 letter b, the Board of Directors may also provide special reports to the Board of Commissioners.
- d. Periodic reports and other reports as referred to in point 2 letters b and c shall be submitted in the form, content and procedure for preparation in accordance with the provisions of the laws and regulations.
- e. The Board of Directors must submit a quarterly report to the Board of Commissioners no later than 30 (thirty) days





after the end of the quarterly period, signed by all members of the Board of Directors.

f. In the event that a member of the Board of Directors does not sign the quarterly report as referred to in point 2 letter b, the member of the Board of Directors as referred must state the reasons in writing.

g. The Board of Directors must report to the Company regarding their and/or their family's share ownership in the relevant Company and other companies, including any changes thereto.

**K. POSITION ETHICS OF MEMBERS OF THE BOARD OF DIRECTORS**

**1. Ethics Related to exemplary**

The Board of Directors must encourage the creation of ethical behavior and uphold ethical standards in the Company, one way is to set himself/herself as an example for the employees of the Company.



2. Ethics of Compliance with the Laws and Regulations  
The Board of Directors must comply with the prevailing laws and regulations, the Articles of Association and Good Corporate Governance (GCG) Guidelines as well as established Company policies.
3. Ethics Related to Information Disclosure  
The Board of Directors must disclose information in accordance with the prevailing laws and regulations and always maintain the confidentiality of the information entrusted to him/her in accordance with the provisions of the laws and regulations and/or the Company regulations.
4. Ethics Related to the Opportunity of the Company  
While in office, the Board of Directors is prohibited from:
  - a. Taking Company business opportunities for the benefit of himself/herself, his/her family, business groups and/or other parties.





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- b. Using Company assets, Company information or his/her position as a member of the Board of Directors for personal gain outside the provisions of the prevailing laws and regulations, Company policies and regulations.
- c. Competing with the Company, i.e using inside knowledge/information to gain benefits for interests other than the interests of the Company.
- d. Taking personal advantage of the activities of the Company, in addition to the salary and facilities he/she receives as a member of the Board of Directors of the Company, which is determined by the GMS.
- e. Taking business transaction opportunities with parties whose funds are suspected of originating from money laundering activities. For this reason, a thorough understanding of who, how and the reputation of the potential working partners is very important. In addition, a reference from





third parties will also provide additional information.

5. Business Ethics and Anti-Corruption

Members of the Board of Directors must always prevent and avoid corrupt, gratuities, money laundering and bribery practices in any manner, form and/or for any interest that is believed to be detrimental to the Company.

Some matters that are prohibited for members of the Board of Directors shall include but are not limited to the following:

- a. Members of the Board of Directors shall be prohibited from giving or offering, or receiving either directly or indirectly anything of value to a customer or a government agency official/employee to influence or as a reward for what he/she has done and other actions in accordance with the prevailing laws and regulations.



- b. It is prohibited to give a token of gratitude in business activities such as gifts, donations or entertainment, which are carried out in a situation that can be considered giving gratuities and/or improper conduct.

6. Ethics Related to Conflict of Interest

Related Parties shall include:

a. Related Parties shall include:

- 1) Parties having family relations by marriage and descent up to the second degree (including son-in-law) both horizontally and vertically with members of the Board of Directors; or
- 2) Companies or entities where members of the Board of Directors or their families (as referred to in number 6.a.1) above serve as Director or Commissioner (in the case of non-limited liability companies, other positions that are equivalent) or



are Controlling Shareholders (in the case of non-limited liability companies other equivalent position) or is a Significant Shareholder (in the case of a non-limited liability company, other equivalent position).

In the event that a member of the Board of Directors has a relationship with a Related Party as referred to in number 6, then the voting rights of that member of the Board of Directors cannot be included in making decisions to carry out transactions.

- b. Between members of the Board of Directors and between members of the Board of Directors and members of the Board of Commissioners it shall be prohibited from having family relations up to the 3rd (three) degree, both in straight line and sideways line, including family relation arising from marriage (non-blood relatives/*hubungan*





*semenda*). In the event of such circumstances, the GMS shall have the authority to dismiss one of them.

c. Members of the Board of Directors shall not be authorized to represent the Company if:

- 1) There is a case before the Court between the Company and the relevant member of the Board of Directors; or
- 2) The relevant member of the Board of Directors has a conflict of interest with the Company.

d. In the event that there is a situation as referred to in point c above, then those who are entitled to represent the Company shall be:

- 1) Other members of the Board of Directors who do not have a conflict of interest with the Company that are appointed by another member of



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the Board of Directors who does not have a conflict of interest;

2) Board of Commissioners, in the event that all members of the Board of Directors have a conflict of interest with the Company; or

3) Other parties appointed by the GMS, in the event that all members of the Board of Directors or the Board of Commissioners have a conflict of interest with the Company.

e. In the event that all members of the Board of Directors have a conflict of interest with the Company and there is no member of the Board of Commissioners, the Company shall be represented by another party appointed by the GMS.

**L. CONFIDENTIALITY AND INFORMATION DISCLOSURE**



1. Disclosure of information must be done accurately and in a timely manner in accordance with the prevailing regulations regarding all important Company information.
2. To improve the implementation of information disclosure, this can be done through the following:
  - a. Utilization of information technology more broadly other than websites as a medium for information disclosure;
  - b. Annual Report of the Company.
3. All approval process documents and their attachments, including documents issued and presentations made by the Board of Directors must remain confidential and will not be disclosed and reported to other parties, unless required by law or approved by the Board of Directors.





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4. Disclosure of important Company information to other parties shall be included in the annual report and financial statements of the Company in accordance with the laws and regulations.
5. Management of Company Documents & Information shall be further regulated in the Company regulations.

**M. INTRODUCTION PROGRAM AND COMPETENCY IMPROVEMENT**

1. Board of Directors Introduction program
  - a. For newly appointed members of the Board of Directors, an introduction program is given regarding the condition of the Company in general.
  - b. The responsibility for conducting an introduction program lies with the Corporate Secretary or anyone who



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performs the corporate secretary function.

c. The material for the introduction program includes at least the following:

- 1) Introduction to the Company including the vision, mission, strategy, performance, financial condition, risks and the latest developments of the Company.
- 2) Understanding of the telecommunications industry, including knowledge of the products of the Company;
- 3) Understanding of government regulations and policies, especially towards the telecommunications

industry;



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- 4) Understanding of financial aspects (financial literacy), especially related to examination of financial statement, including but not limited to balance sheets, income statements, cash flow report, and reports on changes in equity, as well as notes on financial statements of public companies;
- 5) Implementation of the principles of good corporate governance (GCG) in the Company, Governance, Risk & Compliance (GRC), and whistleblowing system, including the ethics and norms that apply within the Company.





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- 6) The roles, duties and responsibilities of the Board of Commissioners and the Board of Directors, including Internal Audit and Committees.
  - 7) Introduction to management and visits to each Company Unit.
  - 8) Team building that includes all members of the Board of Directors, both new ones served or previously served with the aim of realizing cohesiveness and teamwork as Board of Directors.
- d. The preparation of the introduction program material as referred to in letter c above shall first take into account the direction of the Board of Directors and consider the advice of the Board of Commissioners;



- e. No later than 3 (three) months after the introduction program is carried out, the Corporate Secretary or anyone who performs the function of corporate secretary is required to evaluate the implementation of the introduction program.

2. Competency Improvement

Provisions regarding the capability improvement program for the Board of Directors shall be as follows:

- a. Competency improvement programs are implemented in order to improve the function and work effectiveness of the Board of Directors;
- b. Plans to implement competency improvement programs must be included in the RKAP;
- c. The Corporate Secretary prepares the requirements of the Board of Directors competency improvement



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program every year taking into account the advice of the Board of Commissioners.

d. Each member of the Board of Directors who participates in competency improvement programs such as seminars and/or training is required to present presentations to other members of the Board of Directors who do not participate in competency improvement programs in order to share information and knowledge;

e. The relevant member of the Board of Directors shall be responsible for making a report on the implementation of the competency improvement program. The report shall be submitted to the President Director.

**N. ASSESSMENT OF THE PERFORMANCE OF THE BOARD OF DIRECTORS**





1. General Policy
  - a. The Board of Directors prepares and proposes the KPI of the Company and KPI for each member of the Board of Directors to the Board of Commissioners.
  - b. The Board of Directors in preparing KPI, must pay attention and consider the assessment parameters in the form of numerical indicators and narratives as well as evaluations related to:
    - 1) Implementation of good governance (Good Corporate Governance/GCG);
    - 2) Aspirations of the shareholders;
    - 3) Determination of absolute targets for RKAP and KPI;
    - 4) Statutory provisions.



- c. The Board of Directors signs a Management Contract which includes KPI and reports them to the Board of Commissioners.
- d. The performance of the Board of Directors and each Member of the Board of Directors will be evaluated by the Board of Commissioners.
- e. The performance of the Board of Directors shall be determined based on the duties, obligations and responsibilities listed in the prevailing laws and regulations provision and the Articles of Association of the Company.

2. Evaluation Criteria of the Performance of the Board of Directors

The evaluation criteria of the performance of the Board of Directors shall be determined in the GMS based on KPI. The evaluation criteria of the performance of the Board of Directors shall be at least as follows:



- a. Preparation of KPIs and evaluation of their achievements.
- b. The level of attendance in the Board of Directors and Meeting of the Board of Commissioners.
- c. Contribution to the business activities of the Company.
- d. Involvement in certain assignments.
- e. Commitment to advancing the interests of the Company.
- f. Compliance with the prevailing laws and regulations and the Company policies.
- g. Achievement of the Company's targets as stated in the RKAP and Management Contracts.

3. Self-Assessment Policy to assess the performance of the Board of Directors

- a. The Board of Directors has a self-assessment policy to assess the performance of the Board of





Directors. The self-assessment policy of the Board of Directors is a guideline used as a form of accountability for evaluating the performance of the Board of Directors collegially. The intended self-assessment shall be carried out by each member of the Board of Directors to assess the performance of the Board of Directors collegially, and not to assess the individual performance of each member of the Board of Directors. With this self-assessment, it is expected that each member of the Board of Directors can contribute in improving the performance of the Board of Directors on an ongoing basis.

- b. This policy may include assessment activities carried out along with their purposes and objectives, time for implementation on a regular



basis, and benchmarks or assessment criteria used in accordance with the recommendations provided by the nomination and remuneration function.

- c. Self-assessment policy to assess the performance of the Board of Directors, shall be disclosed in the annual report.

4. The results of measurement (assessment) of the performance of the Board of Directors for 1 (one) full year (full year) based on KPI shall be evaluated by an independent party (external auditor).

## **O. MULTIPLE POSITIONS OF THE BOARD OF DIRECTORS**

1. Members of the Board of Directors of the Company are prohibited from holding multiple positions as:



ENGLISH TRANSLATION

- a. Members of the Board of Directors in other BUMN, regionally owned enterprises, and privately owned enterprises;
- b. Members of the Board of Commissioners and/or Supervisory Board in other BUMN;
- c. Other structural and functional positions in central and regional government agencies/institutions;
- d. Officials of political parties, members of the People's Representative Council, Regional Representative Council, Level I Regional People's Legislative Council, and Level II Regional People's Representative Council and/or regional head/deputy regional head;
- e. Become a candidate/member of the People's Representative Council, Regional Representative Council, Level I Regional People's





ENGLISH TRANSLATION

Legislative Council, and Level II Regional People's Representative Council or candidate for regional head/deputy regional head;

- f. Other positions that may cause a conflict of interest; and/or
- g. Other positions in accordance with the provisions in the laws and regulations.

2. For multiple positions of the Board of Directors that are not included in the provisions of point 1, approval from the Board of Commissioners is required.

3. Members of the Board of Directors of the Company who hold multiple positions as referred to in point 1 above, have their term of office as members of the Board of Directors of the Company end as of the multiple positions occur.



ENGLISH TRANSLATION

4. Members of the Board of Directors whose term of office has ended as referred to in point 3 above, shall notify the Company in writing regarding the existence of multiple positions accompanied by supporting documents.
5. Other matters relating to the follow-up of multiple positions, including the rights and obligations related to dismissal of the said member of the Board of Directors, shall follow the provisions contained in the laws and regulations, the Articles of Association and the Company regulations.



## CHAPTER III

### WORKING RELATIONSHIP OF THE BOARD OF DIRECTORS AND THE BOARD OF COMMISSIONERS

#### A. FORM OF WORKING RELATIONSHIP BETWEEN THE BOARD OF DIRECTORS AND THE BOARD OF COMMISSIONERS

The working relationship between the Board of Directors and the Board of Commissioners shall be carried out in the form of:

1. Formal Meetings;
2. Informal Meetings;
3. Formal Communication;
4. Informal Communication.

#### 1. Formal Meeting

Formal meetings are the Meeting of the Board of Commissioners and Meeting of the Board of Directors which are held by each organ. The formal meeting is held at the invitation of





the Board of Commissioners or the Board of Directors.

**a. Attendance of the Board of Directors  
at the Meeting of the Board of  
Commissioners**

- 1) The presence of the Board of Directors at the meeting of the Board of Commissioners is possible if the Board of Directors or a member of the Board of Directors is invited by the Board of Commissioners to explain, provide input or hold discussions.
- 2) Attendance of the Board of Directors in the meeting of the Board of Commissioners, shall be made through the following procedure:



ENGLISH TRANSLATION

- a) The Board of Commissioners sends an invitation to the Meeting of the Board of Commissioners to the Board of Directors in writing, which can be in the form of a letter/memorandum, electronic mail (e-mail) or facsimile by attaching the meeting materials, at least 5 (five) working days before the meeting is held.
- b) The Board of Directors, based on the meeting agenda, determines the Members of the Board



of Directors or members of the Board of Directors who will attend the meeting and provide confirmation to the Board of Commissioners, at least 2 (two) working days before the meeting starts.

c) The Board of Commissioners holds a meeting attended by the Board of Directors and at the meeting, the Secretary to the Board of Commissioners shall make the minutes of meeting and distribute them to





the meeting  
participants.

**b. Attendance of the Board of  
Commissioners at the Meeting of the  
Board of Directors**

**1) Attendance of the Board of  
Commissioners at the Meeting  
of the Board of Directors at  
the Invitation of the Board  
of Directors**

a) The presence of  
members of the Board  
of Commissioners  
both jointly and  
severally to provide  
views on matters  
discussed at the  
Meeting of the Board  
of Directors is



possible by  
invitation by the  
Board of Directors.

b) Attendance of the  
Board of  
Commissioners at the  
Meeting of the Board  
of Directors at the  
Invitation of the  
Board of Directors,  
shall be made  
through the  
following  
procedure:

1) The Board of  
Directors  
sends an  
invitation  
to the  
Meeting of  
the Board of  
Directors to  
the Board of



Commissioners in writing, which can be in the form of a letter/memorandum, electronic mail (e-mail) or facsimile attaching meeting materials, at least 5 (five) working days before the meeting is held

excluding





the date of  
the  
invitation  
and meeting  
date or in  
shorter time  
if in urgent  
circumstances.

- 2) The Board of  
Commissioners,  
based on  
the meeting  
agenda,  
determines  
the Members  
of the Board  
of  
Commissioners  
or  
members of  
the Board of  
Commissioners



rs who will  
attend the  
meeting and  
provide  
confirmatio  
n to the  
Board of  
Directors,  
at least 2  
(two)  
working days  
before the  
meeting  
starts.

3) The Board of  
Directors  
holds a  
meeting  
attended by  
the Board of  
Commissione  
rs and at



the meeting,  
the  
Corporate  
Secretary  
prepares the  
minutes of  
the meeting  
and  
distributes  
them to the  
meeting  
participant  
s.

**2) Attendance of the Board of  
Commissioners at the Meeting  
of the Board of Directors at  
the request of the Board of  
Commissioners**

a) The Board of  
Directors holds a  
meeting whenever





deemed necessary by  
one or more members  
of the Board of  
Directors or upon a  
written request from  
one or more members  
of the Board of  
Commissioners by  
stating the matters  
discussed.

- b) The presence of the  
Board of  
Commissioners at  
Meeting of the Board  
of Directors is also  
possible at the  
request of the Board  
of Commissioners or  
a member of the  
Board of  
Commissioners to



attend the Meeting  
of the Board of  
Directors to provide  
views on the matters  
being discussed.

c) Attendance of the  
Board of  
Commissioners at the  
Meeting of the Board  
of Directors at the  
Request of the Board  
of Commissioners,  
shall be made  
through the  
following  
procedure:

1) The Board of  
Commissioners  
submits a  
request to  
the Board of



Directors to  
attend the  
Meeting of  
the Board of  
Directors.

2) The  
Corporate  
Secretary  
will  
schedule a  
Meeting of  
the Board of  
Directors  
which will  
be attended  
by the Board  
of  
Commissione  
rs.





ENGLISH TRANSLATION

3) The Board of Directors holds a meeting of the Board of Directors which is attended by the Board of Commissioners and at the meeting the Corporate Secretary prepares the minutes of the meeting and distributes them to the meeting

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participant

s.

**c. Company Introduction Program for New Officials in the Organs of the Company.**

The Company introduction program for new officials in the organs of the Company is intended to provide new officials in the organs of the Company with an understanding of the conditions that exist within the Company so that new officials of the Company obtain a comprehensive understanding of the Company both organizationally and operationally.

The introduction program of the Company for new officials, both in the Board of Directors and the Board of Commissioners, shall be the



responsibility of the Corporate Secretary or anyone who performs the function of corporate secretary. Materials introduced to New Officials shall at least include:

- 1) Implementation of good corporate governance (GCG) principles in the Company;
- 2) Description of the Company relating to the objectives, nature and scope of activities, financial performance and operations, strategy, short term and long term business plans, competitive position, risk and other strategic issues;
- 3) Information relating to delegated authority, internal and external audit,





internal control systems and policies, including the Audit Committee;

- 4) Information regarding the duties and responsibilities of the Board of Commissioners and the Board of Directors and matters that are prohibited.

Company introduction programs can be in the form of presentations, meetings, visits to companies and review of documents or other programs deemed appropriate.

## **2. Informal Meetings**

Informal meetings are meetings of members of the Board of Commissioners and members of the Board of Directors outside the formal



meeting forum. This meeting can also be attended by member or members of other organs, or full members of both organs, to talk about or discuss a problem in an informal setting.

In accordance with its informal nature, meetings are not to produce decisions, but to align opinions through informal expression of views, as well as seeking common views/understandings that do not have binding force for both parties.

Each informal meeting can be held by each Member of the Board of Commissioners and the Board of Directors, but cannot be used as a formal policy prior to going through an accountable mechanism or correspondence.

### **3. Formal Communication**

Formal communication is communication that occurs between organs related to the



fulfilment of formal provisions as stipulated in the Articles of Association and or custom based on best practices within the Company, in the form of submitting reports and or exchanging data, information and supporting analysis.

**a. Periodic reporting**

Periodic reporting is the submission of reports from the Board of Directors to the Board of Commissioners which contains the implementation of the RKAP, the implementation of Enterprise Risk Management and the development of strategic regulations related to the Company (including the provisions of the capital market where the shares of the Company are registered) within a certain period which will





then be submitted to the Board of Commissioners.

The Board of Directors is obliged to prepare RJPP, RKAP, including other plans related to the implementation of the business and activities of the Company in due time and submit them to the Board of Commissioners for approval.

**Procedures:**

- 1) Periodic Reports shall be submitted in the form of written text (hardcopy) and/or electronic text (paperless);
- 2) Quarterly RKAP realization reports shall be submitted no later than 30 (thirty) days after the end of one



quarterly period or by taking into account the provisions and procedures for submitting material in a joint meeting of the Board of Directors and the Board of Commissioners. The response from the Board of Commissioners shall be submitted no later than 1 (one) month after the submission of the quarterly report;

- 3) The annual RKAP realization report shall be submitted no later than 3 (three) months after the current year as part of the annual report. The response from the Board of Commissioners shall be submitted no later than 2



(two) months after the submission of the annual RKAP realization report;

4) Reports in the form of written or electronic texts, shall be carried out in accordance with applicable practices.

5) On the reports it receives, the Board of Commissioners may request additional explanations from the Board of Directors regarding matters deemed necessary, and the Board of Directors may update the report.

**b. Special reporting**

Special reporting is the submission of reports from the Board of





Directors to the Board of Commissioners, apart from the submission of the Quarterly and Annual RKAP periodic reports, at the request of the Commissioners or the initiative of the Board of Directors, which are related to the implementation of the Company's activities.

**Procedures:**

- 1) A request for a special report is sent in writing by the Board of Commissioners to the Board of Directors, stating the main issues to be reported and the expected delivery time.

- 2) Based on a review of the scope of the problem, the



Board of Directors provides an estimated time for submitting the report requested by the Board of Commissioners, and according to the agreed time, the Board of Directors submits a special report to the Board of Commissioners.

3) Reports prepared based on the initiative of the Board of Directors can be submitted at any time to the Commissioners, stating whether or not a response from the Commissioners is required.

4) Reports in the form of written and electronic texts shall be carried out in



accordance with applicable practices.

- 5) The Board of Commissioners may request additional explanations on reports from the Board of Directors and the Board of Directors may update and add to the report if deemed necessary.

**c. Correspondence/Memorandum handling**

Correspondence/Memorandum handling is a formal correspondence between organs, with regard to the implementation and smooth running of the main tasks and functions of each organ. Letters/Memorandums can be in the form of conveying information, requests and opinions and advice, requests for specific written





comments, and requests for approval from the Board of Directors to the Board of Commissioners.

Vice versa from the Commissioner is the delivery of information, responses to opinions and advice, special written responses, and statements of approval at the request of the Board of Directors.

**Procedures:**

A. Correspondence/Memorandum handling can be done in written text (hard-copy), electronic recording (computer-media) or using electronic mail (e-mail).

B. The Corporate Secretary and the Secretary to the Board of Commissioners monitor and



provide directions/reminds  
in the event of deviations  
from the handling timeline.

C. To increase the security and  
confidentiality of  
documents, efforts are made  
to detection prevention and  
deterrence and corrective  
steps by the relevant  
functional units, by making  
efforts to reduce the  
existence of written  
manuscripts.

D. One of the efforts to secure  
the document can be made by  
way of backing up documents  
by making electronic records  
of physical documents (for  
example by using a scanner),  
and apart from that,



**ENGLISH TRANSLATION**

physical security is still being carried out inter alia, storing manuscripts, securing infrastructure (servers, work terminals, networks) and determining the distribution of access rights.

**4. Informal Communication**

Informal communication is communication between the organs of the Board of Directors and the Board of Commissioners, between member or members of one organ with the other, outside of the formal communication provisions stipulated in the Articles of Association and the prevailing laws and regulations.

In addition to using written personal letters/notes (hard-copy), informal communication is supported by e-Office





implementation or through other media, which include:

- personal e-mail;
- Chatting or social media applications;
- Knowledge Management Systems.

Any informal communication can be made by each member of the Board of Commissioners and the Board of Directors, but cannot be used as a formal policy before going through an accountable mechanism or correspondence.

In the event that the Board of Directors and/or the Board of Commissioners have made a decision regarding the implementation of their duties, authorities and responsibilities of the Company through informal communication, the decision making



must be stated in the form of a document of minutes of decision making which is signed without attending the meeting (circular) by members of the relevant Board of Directors and/or the Board of Commissioners in accordance with the Articles of Association of the Company and the prevailing laws and regulations. The signing of the minutes of decision-making documents by members of the Board of Directors and/or the Board of Commissioners can be done manually (wet signature) or electronically in accordance with the prevailing laws and regulations, in such case the document is deemed valid and has binding legal force.

**B. GRANTING OF APPROVAL RELATED TO CERTAIN ACTIONS OF THE BOARD OF DIRECTORS**

1. In general, there are two categories of certain actions of the Board of Directors, i.e:



- a. Related to equity participation (investment) and/or divestment activities.
  - b. Other actions as stipulated in the Articles of Association which is not including investment and/or divestment activities.
2. Before carrying out certain actions as set out in the Articles of Association of the Company and with a threshold value or limit above the authority of the Board of Directors, the Board of Directors must obtain written approval from the Board of Commissioners.
  3. In submitting the application for approval as referred to in point 2 above, the Board of Directors must submit related documents to the Board of Commissioners with the





proposed application submitted by the Board of Directors for approval.

4. For certain categories of actions of the Board of Directors as referred to in point 1 above, it is stipulated that the value limit and/or criteria (threshold) and requesting procedures for approval of certain actions of the Board of Directors and other related provisions shall be further regulated in the Resolution of the Board of Commissioners.

#### **C. BUSINESS JUDGEMENT RULE**

In the event that decisions or actions of the Board of Directors and/or the Board of Commissioners cause losses to the Company, based on Law No. 40 of 2007 regarding Limited Liability Companies, Financial Services Authority Regulation Number 33/POJK.04/2014 regarding Board of Directors and Board of Commissioners of Issuers or Public Companies, as well as the Articles of Association of the Company, the Board of Directors and the Board of Commissioners



cannot be claimed for losses arising from these resolutions or actions as long as the Board of Directors and the Board of Commissioners are able to prove that their actions are in accordance with the matters regulated in the laws and regulations and in compliance with the internal Standard Operating Procedure (SOP) of the Company related to policy making. This is to prove that the losses arising from the policies taken are the result of business risks, not criminal acts committed with malicious intent.

With reference to the Business Judgment Rules mentioned in the General Principles section, the Board of Directors and the Board of Commissioners before committing or approving to commit an action, must consider and observe the necessary Business Judgment Rule guidelines, as follows:

**1. Categories of Decisions or Actions Taken**



- a. The Board of Directors or the Board of Commissioners that makes decisions or carries out actions shall have the authority in accordance with provisions of the laws and regulations, the Articles of Association and the internal regulations of the Company
- b. The Board of Directors or the Board of Commissioners shall be based on good faith and shall not conflict with mandatory and binding regulations. In the event that a regulation does not contain specific and/or explicit requirements and provides discretion, the use of the said discretion shall be generally qualified as a business decision or action.

2. ~~Decisions or Actions Taken~~, Taken Without  
Undue Influence ~~(Without Conflicts of~~





**Personal Interests of the Decision Makers or  
Actions or Relationships and Other Special  
Interests (Individual, Political, Commercial  
or Others which Need to be Known)**

- a. Referring to the prevailing laws and regulations regarding procedures for conducting transactions that contain conflicts of interest;
- b. In some conditions, it is very difficult to prove that the decisions and actions taken by the Board of Directors and/or the Board of Commissioners are not under the influence of any interest. In such case, decision making in such situations should be avoided.

**3. There is an Adequate Information Base for  
the Board of Directors or the Board of**



### Commissioners In Making Decisions or Taking Actions

- a. Sufficient information does not mean the need to collect all information. The criteria regarding sufficient information depends on the timing, nature, size, potential risks associated with decisions or actions, financial position and the position of the Company in the market. More sources/bases/references will be more appropriate for making decisions or actions that have the potential or may impact the financial well-being of the Company or decisions taken are not in accordance with the customs of the Company when compared to more standard or has little impact decision-making.



b. Documentation: the series of decision making must be well documented, including minutes of meetings, conversations, discussions that can show the process and method of decision making from start to finish. Even though the completeness of the documentation can incur high costs, if the business decision to be taken has a business risk and/or may give rise to a business risk in the future, the completeness of the documentation will be strong evidence on the taking of the business decision.

4. A Group of People in the Same Position and Same Condition Will Make the Same Decision or Do the Same Action





5. The Board of Directors and/or the Board of Commissioners make decisions or carry out such actions by considering the best interests of the Company

a. If the Board of Directors and/or the Board of Commissioners have sufficient information and there is no undue influence from any party, the Board of Directors/the Board of Commissioners can make the best decisions for the interests of the Company. This action can only be categorized as a Business Judgment Rule if there is no malicious intent in the decision making process and/or the actions to be taken.

b. If there is no malicious intent in the decision making process, the Board of Directors/the Board of Commissioners must also be able to prove that there is a rational



justification (does not have much ambiguity and does not open up opportunities for multiple interpretations) for the decision to be taken. This rational justification includes risk mitigation that has been taken into account for the decisions to be taken and/or actions to be taken.

**D. LONG TERM PLAN OF THE COMPANY / CORPORATE STRATEGIC SCENARIO AND WORKING PLAN & BUDGET OF THE COMPANY**

1. The Board of Directors is required to prepare a draft RJPP/Corporate Strategic Scenario (CSS), which is a strategic plan that contains the goals and objectives of the Company to be achieved within a period of 5 (five) years including risk profile documents, for approval by the Board of Commissioners.



2. The Board of Directors must prepare the RKAP as an annual elaboration of the RJPP/CSS.
3. The governance of preparing the RJPP/CSS and RKAP shall be set out in the company regulations.
4. The Board of Directors in conducting business activities must comply with the provisions of the Articles of Association and be in line with the portfolio as stipulated in the RJPP/CSS.
5. In supervising the implementation of the RJPP/CSS and RKAP, the Board of Commissioners may conduct field visits which in its implementation are accompanied by the relevant Director or in the event that the relevant Director is unavailable, may be accompanied by the Corporate Secretary and/or an official appointed by the relevant Director





## CHAPTER IV

## COMPANY RELATIONSHIP WITH REGULATORS AND COMPLAINT HANDLING

A. COMPANY RELATIONSHIP WITH THE REGULATOR

The company needs to ensure the compliance of the Company with the commitments of the Company and the fulfilment on the submission of data and information requested by the regulator.

B. COMPLAINT HANDLING (WHISTLEBLOWER)

1. Policies and procedures for complaint handling (whistleblower) are one of the elements of internal control at the entity level that must be designed and implemented by the Audit Committee to:
  - a. Prevent, identify and detect possible acts of fraud and violations to the prevailing

regulations, which may result in losses for the Company;

b. Provide formal channels for employees within the Company environment and other third parties to submit complaints or protest;

c. Provide clear and consistent policies and procedures in handling complaints.

2. The Audit Committee follows up on complaints received, both from Company employees and from other third parties related to:

a. Accounting and internal control issues over financial reporting that have the potential to result in material misstatements in the financial statements of the Company;

b. Audit issues, especially those related to the independence of the Public Accounting Office;



ENGLISH TRANSLATION

- c. Violation against the capital market laws and regulations in connection with the operations of the Company;
- d. Violations of internal regulations that have the potential to cause losses to the Company;
- e. Fraud and/or abuse of official position committed by officials and/or employees within the Company;
- f. Disrespectful behavior of the Board of Commissioners, Organs of the Board of Commissioners, Board of Directors, Management and Employees of the Company including but not limited to: dishonesty, conflict of interest and providing misleading information to public which directly or indirectly defames reputation or results in losses for the Company.

3. Complaints submitted and which will be followed up by the Audit Committee are





limited to complaints that meet the following requirements:

- a. Complaints submitted in writing;
- b. Containing the identity of the reporter;
- c. Containing information that provides guidance regarding the reported problem;
- d. Information must be supported by sufficient and reliable evidence as initial data for further investigation.

4. Complaints submitted to the Board of Commissioners through the Audit Committee must be carried out with the following procedure:

- a. Complaints are addressed directly to the President Commissioner or to the Chairman of Audit Committee of the Company;
- b. Complaints can be submitted by letter which on the top right of the



envelope must be marked "Private  
Confidential" or abbreviated as  
"RHSPRIB" and sent to the following  
address:

President Commissioner  
cq. Audit Committee  
PT Dayamitra Telekomunikasi  
Tbk  
Telkom Landmark Tower  
Building, 27th Floor  
Jl. Jenderal Gatot Subroto  
Kav. 52, South Jakarta

PT Dayamitra Telekomunikasi  
Gedung Telkom Landmark Tower  
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CHAPTER V

UTILIZATION OF TIME, EQUIPMENT AND FACILITIES OF THE  
COMPANY

A. UTILIZATION OF TIME

1. Working Time

a. In principle, the working hours of the Company are Monday to Friday, 08.00 WIB to 17.00 WIB.

b. Members of the Board of Directors can arrange working time flexibly with the principle of a flexible working arrangement and with due regard to the statutory provisions, Articles of Association, prevailing company regulations and ensure that the operations of the Company can

run well.





c. Members of the Board of Commissioners can arrange working time flexibly with the principle of a flexible working arrangement, and have the flexibility to determine their working time according to the needs of the Company while continuing to give their best effort to carry out their duties, authorities and responsibilities in supervising the Company in accordance with the provisions of the prevailing laws and regulations, Articles of Association, and this Board Manual.

2. The utilization of time for the Board of Directors and the Board of Commissioners shall be regulated based on the following principles:



ENGLISH TRANSLATION

a. The Board of Commissioners and the Board of Directors must use the equipment and facilities of the Company solely for activities related to the interests of the Company.

b. The Board of Commissioners and the Board of Directors may carry out work and/or activities outside the Company that are not directly related to the interests of the Company as long as they do not interfere with their main duties as members of the Board of Commissioners and the Board of Directors and must observe the provisions of the prevailing laws and regulations, including but



not limited to provisions of prohibiting conflict of interest and prohibiting multiple positions.

**B. PROVISION AND UTILIZATION OF ALLOWANCES AND FACILITIES**

1. Provision of company allowances and facilities for the Board of Directors and the Board of Commissioners shall be based on the following principles:

- a. Adjusted to the financial condition and company performance.
- b. The principle of decency and fairness compared to similar industries.
- c. Does not conflict with the existing laws and regulations.
- d. The amount of allowances and facilities for the Board of Directors and the Board of





Commissioners shall be determined by the GMS where the details can be submitted to the Board of Commissioners.

2. The utilization of Company owned equipment and facilities for the benefit of government officials, Company guests, and other interests is possible by always adhering to the prevailing rules to these equipment and facilities and to the extent possible not contradicting the objective and purpose of providing these equipment and facilities.

3. The utilization of equipment and facilities for the benefit of guests of the government and political parties must comply with the provisions of the Indonesian Good Corporate Governance (GCG) General Guidelines. The Board of Commissioners and the Board of Directors are not allowed to make donations to any political party except to the extent permitted by law.



**C. BUSINESS TRIP**

The Company provides business trip accommodation, transportation and allowances both onshore and offshore to the Board of Directors and the Board of Commissioners. The provision of equipment and facilities regarding this matter shall be based on the following principles:

1. Business trips are solely intended for the activities and interests of the Company.
2. Members of the Board of Directors or Members of the Board of Commissioners may arrange and carry out onshore business trips in accordance with the requirements and level of urgency of activities.
3. Offshore business trips for members of the Board of Directors or members of the Board of Commissioners, shall be carried out in accordance with the prevailing provisions.
4. Transportation and accommodation facilities related to official travel shall be adjusted



ENGLISH TRANSLATION

to financial capabilities of the Company with due regard to the urgency of activities, aspects of decency, and maintaining the image of the company.

5. Types of means of transportation, provision of accommodation, and the amount of business trip allowances for the Board of Directors and the Board of Commissioners shall be further stipulated by the Resolution of the Board of Directors.





**CHAPTER VI****CALENDAR OF EVENTS**

The Corporate Secretary together with related work units compiles a list of the main planned activities of the Company that are mandatory and non-mandatory (at any time, according to the requirements and provisions in the Company regulations) for 1 calendar year, including:

**Information:**

mandatory

**ENGLISH TRANSLATION**

Not mandatory (at any time, according to the requirements and provisions in the company regulations)

Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
BOD meeting	BOD meeting	BOD meeting	BOD meeting	BOD meeting	BOD meeting	BOD meeting	BOD meeting	BOD meeting	BOD meeting	BOD meeting	BOD meeting
Meeting of the Board of Directors (at any time)											
BOC meeting		BOC meeting		BOC meeting		BOC meeting		BOC meeting		BOC meeting	
Meeting of the Board of Commissioners (at any time)											
Joint Meeting of Board of Directors and			Joint Meeting of Board of Directors and Board of			Joint Meeting of Board of Directors and Board of			Joint Meeting of Board of Directors and Board of		

**ENGLISH TRANSLATION**

Board of Commissioners regarding Audit	Commissioners regarding Remuneration	Commissioners regarding CSS	Commissioners regarding other issues
---	---	--------------------------------	---

Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Joint Meeting of Board of Directors and Board of Commissioners (at any time)											
Board of Commissioners approval of the RKAP Draft											
Annual GMS in Order to Approve Annual Report (Max in May) and Appointment of KAP											
	Submission of Quarterly			Submission of Quarterly			Submission of Quarterly Reports from			Submission of Quarterly	

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ENGLISH TRANSLATION

	Reports from the Board of Directors to the Board of Commissioners		Reports from the Board of Directors to the Board of Commissioners		the Board of Directors to the Board of Commissioners		Reports from the Board of Directors to the Board of Commissioners
Extraordinary GMS (at any time as required)							

## CHAPTER VII

### CLOSING

#### A. ENFORCEMENT OF BOARD MANUAL

1. The Board Manual is a compilation of corporate law principles, therefore in its implementation it must still refer to the prevailing laws and regulations. Various detailed provisions contained in the Articles of Association, GMS resolution, and various other legal provisions are still binding even though they are not specifically described in this Board Manual.

2. The Board Manual is prepared as a guideline so that:

a. The Board of Commissioners and the Board of Directors can carry out their duties and responsibilities in



an efficient, effective,  
transparent, competent, independent  
and accountable manner; and

b. the working relationship between the  
organs of the Company and the  
business activities of the Company  
can be carried out in harmony to  
achieve the vision and mission of  
the Company that has been set;  
with reference to the principles of good  
corporate governance/GCG and the prevailing  
laws and regulations so that it can be  
accepted by all interested parties.

3. The Board of Commissioners and the Board of  
Directors shall be responsible for  
establishing the Board Manual.

**B. BOARD MANUAL SOCIALIZATION**

The company will carry out the Board Manual  
socialization stages on an ongoing basis.  
Socialization activities will be carried out on an





ongoing basis to new and existing members of the Board of Directors and the Board of Commissioners. Socialization is focused on understanding, raising awareness and the need to implement good corporate governance/GCG consistently through introduction/introduction programs for new members of the Board of Directors and the Board of Commissioners, meetings and other relevant forums.

**C. INFORMATION DISCLOSURE ON THE WEBSITE**

The Company is committed to implement the disclosure of the Board Manual for all stakeholders through the website of the Company. The implementation of this transparency is part of compliance of the Company with the principles of good corporate governance/GCG.

**D. MANUAL BOARD EVALUATION**

1. The Board Manual is a living document so that its development must always be carried out



in accordance with the requirements of the Company, provisions and/or the prevailing laws and regulations. Amendments to the Board Manual must be based on the agreement of the Board of Commissioners with the Board of Directors in accordance with the provisions and/or the prevailing laws and regulations.

2. The Company will conduct periodic evaluations or as required to find out and measure the suitability of the Board Manual with the prevailing laws and regulations as well as the business dynamics that occur.

3. **Contradiction with the Prevailing Laws and Regulations**

If in the future any provision or part of a provision of this Board Manual is invalid or unenforceable or found by any competent authority or court with competent jurisdiction to be invalid or unenforceable,



as a result of conflict, difference and/or inconsistency with the laws and regulations issued by the Government, the Board of Commissioners and the Board of Directors will give their best efforts to take all actions to amend and adjust this Board Manual so that it can describe the terms and conditions as stipulated in the relevant laws and regulations.

**4. Contradictions with the Internal Regulations of the Company**

In the event that there is:

- a. any matters that have not been regulated in internal regulations, the provisions in this Board Manual shall apply between the Board of Commissioners and the Board of Directors for all purposes of the

Board Manual;





ENGLISH TRANSLATION

b. a conflict, difference and/or inconsistency between the internal regulations of the Company and the Board Manual after this Board Manual is stipulated, then:

1) Company regulations issued prior to the entry into force of the Board Manual shall remain valid as long as the new company regulations and Resolution of the Board of Commissioners have not been stipulated. The transition period shall be valid for 6 (six) months.

2) After the end of the transition period as referred to in point 4.b.1) above, the provisions in this Board Manual shall apply between the Board of Commissioners and the Board



of Directors and provisions in the Company regulations and the Resolution of the Board of Commissioners that conflicts with the provisions contained in this Board Manual shall be declared to be no longer valid.

- 3) The Board of Commissioners and the Board of Directors will give their best efforts to take all actions to make amendments and adjustments to the internal regulations to be in line with this Board Manual.

5. Matters that have not been regulated in this Board Manual will be further explained in the Company regulations and other related internal policies of the Company including



the Resolution of the Board of Commissioners  
which shall be an integral part of this Board  
Manual.





**Attachment**

<b>Attachment-1</b>	<b>Table of Temporary substitute Officer for Members of the Board of Directors</b>
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<b>No.</b>	<b>Unavailable Member of the Board of Directors</b>	<b>Temporary Substitute Officer  By Priority Order</b>
1	Director in charge of Operations & IT	1. Director in charge of Business  2. Director in charge of Finance & Risk Management
2	Director in charge of Business	1. Director in charge of Operations & IT  2. Director in charge of Finance & Risk Management



ENGLISH TRANSLATION

3	Director in charge of Finance & Risk Management	1. Director in charge of Business  2. Director in charge of Operations & IT
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Jakarta, 13 November 2023  
Translated by:



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