

**CHARTER OF THE BOARD  
OF DIRECTORS  
PT DUTA INTIDAYA TBK**

## **CHARTER OF THE BOARD OF DIRECTORS**

### **(THE BOD CHARTER)**

#### **1. RECITALS AND LEGAL BASIS**

1.1 PT Duta Intidaya Tbk (**Company**) as a public company listed on the Indonesia Stock Exchange shall comply with prevailing laws and regulations in the capital market sector as well as provisions under the prevailing Law No. 40 of 2007 regarding Limited Liability Companies.

1.2 With respect to the above, in accordance with the Financial Services Authority ("**OJK**") Regulation No. 33/POJK.04/2014 regarding Board of Directors and Board of Commissioners of Issuer or Public Companies, the Board of Directors (**BOD**) shall form a charter and code of conduct that shall be binding to each member of the BOD.

1.3 BOD Charter is a formal document containing statements about the existence and commitment of the management in relation to the functions of the BOD in an organization or legal entity. The BOD Charter of the Company shall become the basis for the existence and implementation of the management and operation by the members of the BOD so that it is known by the employees and other related parties, and in order to reach a mutual understanding and proper cooperation in realizing the vision and purpose of the Company.

1.4 This BOD Charter shall bind each member of the BOD and shall form an integral part of the Company's good corporate governance.

#### **2. BOARD OF DIRECTORS**

BOD is an organ of the Company which performs the management and operation of the Company in connection with the purposes and objectives of the Company.

Such management task shall be carried out in accordance with the principles of good corporate governance, which include good faith, transparency, independence, accountability, responsibility and fairness, and complying with the prevailing laws and regulations.

#### **3. VALUES**

The vision of the BOD is to be professional, objective, independent and a dependable management team, as well as perceptive in its attempt to ensure that the Company is on track in reaching their goals.

#### **4. STRUCTURE AND COMPOSITION**

The BOD shall consist of at least 2 (two) members comprising of:

(a) 1 (one) President Director; and/or

(b) 1 (one) or more Director(s),

with due observance of applicable regulations in the capital market sector.

5. **SHARE OWNERSHIP**

- 5.1 In compliance with OJK Regulation No. 11/POJK.04/2017 concerning the Report On Ownership Or Any Change In Ownership Of Shares In Public Listed Company (**OJK Regulation 11/2017**), each member of the BOD shall report to the Company (Corporate Secretary) with respect to any share ownership in or changes in his or her share ownership in the Company within 3 (three) business days after the transaction, to be further reported to the OJK within 10 (ten) calendar days after the transaction by the Company.
- 5.2 Such report shall be in the form and substance as provided in the OJK Regulation 11/2017.

6. **DUTIES AND RESPONSIBILITIES**

6.1 Duties

The duties and responsibilities of the BOD of the Company are as follows:

- (a) to lead and manage the Company in accordance with its purposes and objectives, the Articles of Association, prevailing laws and regulations and with due observance to the principles of good corporate governance;
- (b) to convene an annual general meeting of shareholders or other general meeting of shareholders as governed under prevailing laws and regulations;
- (c) to formulate and implement the Company's annual work plan, which will be submitted to the Board of Commissioners (**BOC**) for approval;
- (d) to conduct examinations and evaluations of the efficiency and effectivity of the Company including but not limited to the following sectors: financial, accounting, operational, human resources, sales and information technology;
- (e) to establish the organizational structure of the Company, complete with detailed tasks for each division and business unit;
- (f) to arrange for, keep and maintain the Company's shareholders register and special shareholders register;
- (g) to prepare and provide the Company's periodic financial statements and annual report; and
- (h) to prepare and communicate material information to the public.

In performing the above duties, the BOD of the Company is entitled to form separate working committees to support such duties. In the event where the BOD forms any separate committees, the BOD shall conduct an annual evaluation of the working committees at the end of each financial year.

## 6.2 Responsibilities

- (a) All members of the BOD shall be jointly responsible for the losses suffered by the Company resulting from the fault or negligence of the members of the BOD of the Company in performing their duties.
- (b) The members of the BOD shall not be liable for such loss in the event where he or she can prove that:
  - (i) the losses were not attributable to his/her negligence;
  - (ii) he/she had managed the Company in good faith, in the interests of the Company and in accordance to the purposes and objectives of the Company;
  - (iii) he/she has no (direct or indirect) personal interest in the managerial actions causing the loss; and
  - (iv) he/she took action to prevent the loss from arising or continuing.
- (c) The BOD is held accountable to the BOC and the shareholders of the Company at the annual general meetings of shareholders. Criteria for performance assessment shall include:
  - (i) implementation of the duties of each director as set out in this BOD Charter and the Articles of Association of the Company;
  - (ii) implementation of the resolutions passed at general meetings of shareholders; and
  - (iii) achievement in realising of the purpose and objectives of the Company.

## 7. **AUTHORITIES**

The authorities of the BOD of the Company are as follows:

- (a) to represent and bind the Company in its dealings with other parties;
- (b) to undertake any act concerning either the management or ownership of the Company, subject to the restriction of any matters to be approved by the BOC as set out in the Annex of this BOD Charter; and
- (c) in a particular case, to appoint one or more person(s) as its representative(s) or proxy to perform certain actions through a power of attorney.

## 8. **CODE OF CONDUCT**

- (a) The BOD shall conduct their duties, responsibilities, rights and authorities by upholding the Company's values, morality, and integrity.

- (b) The BOD and its members shall act in an atmosphere of mutual trust and transparency in corresponding with the BOC and its members and committees.
- (c) Each member of the BOD shall maintain confidentiality of any information regarding the Company.
- (d) The members of the BOD are prohibited from utilizing the Company for their personal, family, or any other third parties benefit, either direct or indirect, except for legitimate income earned by such members.
- (e) A Director shall not put him/herself into a position where his/her personal interests could conflict with his/her duty to the Company with due observance of applicable regulations in the capital market sector.

9. **WORKING HOURS**

- 9.1 Each member of the BOD shall dedicate sufficient hours to ensure that they conduct their duties and responsibilities for the Company optimally.
- 9.2 The working hours is based on the needs of the Company, in line with applicable laws and regulations.

10. **PROHIBITION ON DUAL POSITION AND ASSIGNMENT**

A Director is restricted from holding concurrent positions in other issuers or public companies. The Director can only be:

- (a) a Director of 1 (one) other issuer or public company (excluding the Company);
- (b) a Commissioner of a maximum 3 (three) other issuers and/or public companies;
- (c) a member of the BOD can serve as a member of the committee of a maximum 5 (five) issuers or public companies (inclusive his/her position in the Company).

11. **MEETINGS**

11.1 Schedule

- (a) The BOD shall hold a regular meeting once every month (**Regular Meeting**). In addition, the BOD may hold a meeting (i) at any time when deemed necessary by the President Director or 1 (one) or more member of the BOD or (ii) upon a request of the BOC or 1 (one) shareholder or more representing at least 1/10 (one tenth) of the total number of shares with valid voting rights.
- (b) The BOD shall meet with the BOC regularly at least once every 4 (four) months.

11.2 Invitation and Material

- (a) Invitations to the Regular Meeting must be delivered to each member of the BOD at least 5 (five) calendar days before the meeting is convened (excluding the date of invitation and the date of meeting).
- (b) Invitations for the meeting of the BOD (other than Regular Meeting) are not required if all members of the BOD are present.

- (c) The material for the Regular Meeting must be delivered to all members of the BOD at least 5 (five) calendar days before the meeting is convened. Materials for other meetings of the BOD may be delivered within a shorter period at the latest prior to the meeting.

### 11.3 Implementation and Resolutions

- (a) The BOD meeting is valid and entitled to adopt legally binding resolutions if attended by more than 1/2 (half) of the total number of the BOD.
- (b) The meeting shall be presided by the President Director, and in the event that the President Director is absent, then a member of the BOD who is present and selected at the meeting can preside over such meeting.
- (c) Resolutions of the meeting shall be taken based on deliberations to reach a consensus. If a consensus is not reached, the resolutions shall be taken by affirmative votes of more than 1/2 (half) of the total number of the BOD present at the Meeting.
- (d) Each Director present shall be entitled to cast 1 (one) vote and 1 (one) additional vote for each other member of the BOD who he/she legally represents.
- (e) The BOD can take valid resolutions without convening a meeting if all members of the BOD have been informed of the proposal for the meeting in writing and have given their written approval to the proposal submitted as evidenced by their signatures.
- (f) Resolutions of the meeting shall be stated in a minutes of meeting, which must be signed by all members of the BOD present at the meeting. If there is a member who does not wish to sign the minutes of meeting, such member must state the reason in a written letter that will be attached to the minutes of meeting.

### 12. **MATTERS TO BE APPROVED BY THE BOC**

The BOD shall submit for approval to the BOC matters set out in the Annex of this BOD Charter.

### 13. **REPORTING AND ACCOUNTABILITY**

- 13.1 The BOD shall submit an annual work plan of the Company together with the annual budget for the following financial year to the BOC before the end of the current financial year, for the BOC's review and approval.
- 13.2 The BOD shall present an annual report of the Company, which has been approved by the BOC, to the annual general meeting of shareholders at the latest within a period of 6 (six) months after the end of the financial year.

## 14. **SELF-ASSESSMENT OF THE BOD**

### 14.1 Self-assessment of the Performance of the BOD

Self-assessment of the performance of the BOD is conducted by each member of the BOD for assessing the collegial performance of the BOD, and not for assessing individual performance of each member of the BOD. BOD self-assessment is to be conducted annually or at other regular intervals as considered necessary by the BOD in consultation with the BOC.

BOD self-assessment procedures shall be established based on the recommendation of the BOC, who are responsible for the nomination and remuneration functions of the Company. BOD self-assessment may be conducted through a self-assessment questionnaire given to each Director, and such procedures shall continue to be perfected in line with the development of the Company.

### 14.2 Self-assessment Criteria

In line with the recommendations provided by the BOC, the criteria for assessing the performance of the BOD may include:

- (a) implementation of the duties by the BOD as set out in this BOD Charter and the Articles of Association of the Company, which may include attendance at meetings and compliance with the Code of Conduct as stated in the BOD Charter;
- (b) implementation of the resolutions passed at the general meetings of shareholders;
- (c) achievement in realising of the purpose and objectives of the Company;
- (d) implementation of the good corporate governance principles;
- (e) implementation of business strategies and financial targets of the Company; and
- (f) compliance with prevailing laws and regulations, Articles of Association of the Company as well as the Code of Conduct and other polices of the Company.

### 14.3 Result of the BOD self-assessment

The result of the BOD self-assessment will be used as guidance to highlight specific strengths and to identify areas of improvement. The self-assessment policy of the BOD will be disclosed in the Company's annual report pursuant to the requirements of the OJK.



15. **RESIGNATION OF BOD MEMBERS INVOLVED IN A FINANCIAL CRIME**

Any member of the BOD shall submit his/her resignation to the Company if such BOD member is found to have involved in financial crimes. Involved in financial crimes means such BOD member has been declared as a convict by the relevant authority. Further, a financial crime shall include amongst others, manipulation and various types of fraud in any financial service activities as well as Criminal Act of Money Laundering as defined under the Law No. 8 of 2010 regarding the Prevention and Eradication of Criminal Act of Money Laundering.

Therefore, the BOD under the approval of the BOC of the Company establishes the BOD Charter as a reference for the implementation of duties by the BOD and instructs all employees to cooperate with the BOD in order to realize the points contained in this BOD Charter of the Company. This BOD Charter shall become effective upon its execution.

## **ANNEX**

### **MATTERS TO BE APPROVED BY THE BOC**

Matters to be Approved by the BOC:

- (a) Borrowing or lending money on behalf of the Company (excluding drawing monies of the Company from a bank).
- (b) Incorporating a new company or taking part in any other company either domestic or abroad.
- (c) Distribution of interim dividends.
- (d) Temporarily dismissals of one or more members of the BOD.
- (e) Annual working plan.