

**THE BOARD OF DIRECTORS WORK GUIDELINES**  
**PT. INTERMEDIA CAPITAL, TBK.**  
**("Company")**

**I. INTRODUCTION**

The Board of Directors Work Guidelines ("BoD Work Guidelines") is part of Company's Good Corporate Governance intended to give guidance towards the Board of Directors and its members in implementing their duties and responsibilities its management function to achieve the vision and mission of the Company.

The BoD Work Guidelines constructed on the basis of corporate law, the provision of Articles of Association, the prevailing laws and regulation, the resolutions of the shareholders as well as the best practice in the implementation of Good Corporate Governance.

Given that the BoD Work Guidelines as a compilation of the corporate laws principles, thus in its implementation shall refer and always pursuant to the laws and regulations and the resolution of the General Meeting of Shareholders ("GMS") as the highest organ of the Company. Other various provisions contained in the Articles of Association, guidance from the shareholders as established in the GMS, and other various laws' provisions that remain legally binding although not specifically stipulated in this BoD Work Guidelines.

Good faith principle, full sense of responsibility and fiduciary duties, skill and care which inherent with the incumbent members of the Board of Directors are general principles that shall be honored by each member of the Board of Directors.

**II. LEGAL BASIS**

1. Laws no.40 year 2007 regarding Limited Liability Company;
2. Laws no.8 year 1995 regarding Capital Market;
3. Regulation of Financial Services Authority;
4. Regulation of Indonesia Stock Exchange;
5. Articles of Association of the Company (the "Articles of Associations")
6. Manual Board

**III. VALUES OF THE COMPANY**

In implementing its duties and functions, the Board of Directors shall be guided by the values which have been transform into the form of Corporate culture implementation.

- ***Customer Focus***

Priorities the needs of the customers to provide the best services with due observance towards the interest of the Company.

- ***Creativity and Innovation***

Eager to produce unique things and continue to make adjustments that have an economical value, in accordance with the interest of the Company.

- ***Team Work***

The strength of cooperation between individual in the complementary group through an open communication and having the same commitment to the achievement of the objective of the Company.

- ***Good Corporate Governance***

The practice of managing the Company in a secure and prudent manner with full consideration to the balance of the fulfillment of every interest of the stakeholders.

#### **IV. MEMBERSHIP AND TERM OF SERVICE OF THE BOARD OF DIRECTORS**

##### **1. The Board of Directors membership**

- a. The Company is managed and lead by the Board of Directors, at least comprising of 2 (two) Directors (including Independent Director) where one of them appointed as the President Director;
- b. The appointment and the dismissal of the members of the Board of Directors conducted by the GMS, where the said members of the Board of Directors appointed from professionals whose suggested by the Nomination and Remuneration Committee;
- c. If in any reason resulting the member of the Board of Directors become less than 2 (two) persons, within 90 (ninety) days from the occurrence of such vacancy, the GMS shall be held to meet the minimal number of members of the Board of Directors. This provision shall apply mutatis mutandis for the occurrence of vacancy of the Independent Director position;
- d. If by any event the Company has no members of the Board of Directors, thus in temporary basis, the Board of Commissioners or member of the Board of Commissioners that were appointed in the Meeting of the Board of Commissioners shall be obliged to carry out the duties and function of the Board of Directors, with an obligation to request an Extraordinary GMS by the Board of Commissioners in order to fill the vacancy and appointed the new Board of Directors, where such request shall be conducted at the latest of 90 (ninety) calendar days upon the occurrence of such vacancy; and

e. The Company shall has a minimal of 1(one) Independent Director. Each of Independent Director, prior or during the office shall fulfill the following the independency requirements:

- has no affiliation with the major shareholders of the Company, at least within 6 (six) months prior to the appointment as the Independent Director;
- has no affiliation with the member of Board of Commissioners or other members of the Board of Directors from Candidates for Listed Company;
- has no concurrent positions as director in other Company; and
- not being an insider of any institution or capital market supporting profession which his/her services used by the Company within 6 (six) month prior the appointment as the Independent Director.

## **2. Term of Service of the Board of Directors**

- a. Term of Service of each member of the Board of Directors shall be 5 (five) years commencing from the date of GMS that appointed him/her and can be re-appointed for one following term of service without prejudice the rights of GMS to dismiss him/her at any time.
- b. The position of members of the Board of Directors shall terminate if:
  - Term of service ended;
  - Tenders his/her resignation in accordance with prevailing provisions;
  - Passes away;
  - Dismissed by virtue of a resolution of the GMS; or
  - No longer comply with the requirements of the prevailing laws and regulations.
- c. Temporary Dismissal of members of the Board of Directors
  - The Board of Commissioners through a majority vote, at any time are entitled to suspend one or more members of the Board of Directors in conditions; (i) If the member of the Board of Directors acts contradict with the Articles of Association; and (ii) neglect his/her obligation or there are compelling reasons for the Company;
  - shall be notified in writing towards the respective person with enclosing the reasons of such acts; and

- in 90 (ninety) calendar days after the suspension of one or more members of the Board of Directors, thus the members of the Board of Commissioners shall request the convene of GMS to resolve whether the member of the Board of Directors dismissed permanently or returned to his/her position, by firstly giving opportunity to the member of the Board of Directors that temporary dismissed to attend and defense himself/herself. If the GMS is not convene within 90 (ninety) calendar days after the suspension, thus the said temporary dismissal shall be considered as null and void;
- d. The member of the Board of Directors who indicated in financial crime involvement as stipulated in the prevailing laws, will temporarily be disabled from his/her duties and responsibilities as a member of the Board of Directors until the matter is resolved and/or decision regarding the issue has been made;
- e. The members of the Board of Directors are entitled to resign from his/her position by notified in writing his/her intention to the Company, at least 90 (ninety) calendar days prior his/her resignation;
- f. The member of Board of Directors shall submit resignation as the member of Board of Directors to the Company if proven guilty his/her involvement in financial crime and has been decided by legally binding court decision;
- g. The resigned or dismissed members of Board of Directors held accountable in the GMS, over the implementation of his/her duties commencing from his/her appointment up till the date resignation enactment; and
- h. If one of the member of Board of Directors resigned and dismissed prior to his/her term of service ended, thus the term of service of his/her substitute shall be the remained term of service of the member of the Board of Director that he/she substitute.

## **V. THE INTRODUCTION AND ENHANCEMENT OF CAPABILITY PROGRAM**

In order for the smoothness of their duties implementation, it is a mandatory for the Board of Directors to participate in the program of Introduction and Enhancement of knowledge for the members of the Board of Directors. The Introduction program shall be given in the form of presentation, meetings and visit to the facilities of the Company and its Subsidiaries, introduction with the Division Heads and staff of the Company and any other programs.

Other than the introduction program, the members of the Boards of Directors shall follow the Introduction and Enhancement of Capability Program in order to follow the new development regarding the Company and its activities. The provisions in relation to the implementation of the Introduction and Enhancement of the Capability Program shall be stipulated in the Board Manual of the Company.

## **VI. RESPONSIBILITIES OF THE BOARD OF DIRECTORS**

The Board of the Directors is the organ of the Company that has full responsible over the management of the Company for the best interest and objective of the Company as well as represent the Company either within or outside the Court pursuant to the provisions of Articles of Association of the Company. The position of Board of Directors is a collective position and for therefore each action of the member of the Board of Directors in implementing his/her duties and authorities shall complied with the distribution of his/her duties and authorities, however in the implementation remain a joint responsibility of all members of the Board of Directors.

## **VII. DUTIES, AUTHORITIES AND OBLIGATION OF THE BOARD OF DIRECTORS**

1. The Board of Directors shall be in charge to run every action that relate with management and shall responsible to such Company' management for the Company's interest in accordance with the purpose and objective of the Company.
2. In implementing its duties as mentioned above, thus:
  - a. The Board of Directors is authorized to:
    - i. Represent the Company either within or outside the Court concerning any matters and circumstances, legally bind the Company with the other parties and other parties to the Company, and take any actions either concerning the management or ownership over Company's assets with certain boundaries as stipulated in the Article of Associations and the provisions of the prevailing laws and regulations;
    - ii. To establish policies that considered appropriate in the management of the Company;
    - iii. To arrange the transfer of power in representing the Company within and outside the Court to a person or several people of the Boards of Directors who specifically appointed for such task or to a person or several people who are the Company's employees either individually or jointly or to a person or other entities outside of the Company;
    - iv. To set the provisions regarding Company's human resources including the determination on salary, pension or retirement benefits, production services and other remunerations for the employees of the Company pursuant to the prevailing laws and regulations;
    - v. To appoint, give reward or sanction and dismissed the employees of the Company pursuant to the regulation of human resources of the Company and the prevailing laws and regulations;
    - vi. To form the Corporate Secretary function.

b. The Board of the Directors are obliged:

- i. to try its best and guaranty the implementation the business and activities of the Company in accordance with purpose and objective as well as its business activities;
- ii. to prepare Long Term Plan and Company's budget and other business plan, including its amendments prior to the commencing of the following financial year;
- iii. to hold and store the Shareholders Register, Special Register, Minutes of GMS, and Minutes of Meeting of the Board of Directors pursuant to the Article of Association and provisions of the prevailing laws and regulations;
- iv. to provide Annual Report as a form of the Company's management responsibilities pursuant to the provisions of the prevailing laws and regulations in Capital Market, as well as deliver the annual report upon review from the Board of Commissioners, to the GMS for approval and to be ratified.
- v. to give explanation to the GMS with respect to the Annual Report;
- vi. to submit the audited Annual financial Statement of the Company to the Boards of Commissioners;
- vii. to set the accounting system pursuant to the Financial Accounting Standard;
- viii. to provide periodic report using methods and time schedule in accordance with the applied provisions, as well as other reports requested by the Board Commissioners and/or shareholders, with due observance to the prevailing laws and regulations especially the regulations of Capital Market;
- ix. to prepare the organizational structure complete with details and duties;
- x. to give explanation regarding every issue questioned or requested by the Board of Commissioners and shareholders, with due observance to the laws and regulations especially the regulations in Capital Market;
- xi. to convene Annual GMS within the period of at least 6 (six) month after the end of financial year;
- xii. to convene Meeting of the Board of Directors periodically at least once a month and joint meeting with the Board of Commissioners periodically at least once in 4 month;
- xiii. to perform Good Corporate Governance principles in every business activity in every stage and level of organization;

- xiv. in implementing the Good Corporate Governance in the Company as well as supporting the affectivity of its responsibilities, the board of Directors could form a committee. In the event of forming a committee, the Board of Directors shall evaluate the committee performance every end of the financial year;
  - xv. to enhance the risk management system consistently including performing evaluation sustainably in the Company;
  - xvi. to run any other obligations in accordance with the set forth provisions which stipulated in the Articles of Association and established by the GMS pursuant to the prevailing laws and regulations;
- c. Each member of the Board of Directors shall have full responsibility severely and jointly towards the harm suffers by the Company resulting from mistakes and omission by the Boards of the Directors in implementing their duties.
- d. The members of the Directors shall not hold accountable over the harm suffers by the Company as mentioned above if they can prove:
- i. the detriment are not resulting from his/her mistakes or omission;
  - ii. has carried out the management with good faith, full sense of responsibility, and in prudent manner for the interest and in accordance with the purpose and objective of the Company;
  - iii. not having conflict of interest directly or indirectly with the management actions that causing the detriment; and
  - iv. has engaged actions to prevent the emerging and the continuing of the said detriment.
3. To take notice the provisions of the Articles of Association and the prevailing laws and regulations, the Board of Directors shall need to obtained approval from the Board of Commissioners in the case of:
- a. To receive and give loan on behalf of the Company (not including) withdraw money from the bank with amount equal or higher than 20% from the Company's equity.
  - b. To establish a new company or undertake equity participation in other company either within or outside with investment amount equal or higher than 20% from the Company's equity.

4. The actions below could be carried out by the Board of Directors upon obtained approval from GMS with due observance to the prevailing laws and regulations in Capital Market to:
  - a. perform material transaction with values higher than 50% as stipulated in the prevailing laws and regulations in Capital Market;
  - b. perform transaction that contains conflict of interest as stipulated in the prevailing laws and regulations in Capital Market.
5. The Board of Directors shall need obtained approval from the GMS to:

The legal action to transfer Company's assets or granting security interest of the Company's assets of more than 50% (fifty percent) of the total net assets of the Company in 1 (one) transaction or more, either related to one another or not, in the period of 1 (one) financial year.
6. The Board of Directors is unauthorized to represent the Company if:
  - a. The occurrence of disputes before the Court between the Company and the member of the Board of Directors; or
  - b. The member of the Board of Directors has conflict of interest with Company.
7. In the situation that occurred as mentioned above, thus the parties who entitled to represent the Company are:
  - a. The other member of the Board of Directors who have no conflict of interest with the Company;
  - b. The Board of Commissioners in the event that all of the members of the Board of Directors have conflict of interest with the Company; or
  - c. Other Parties appointed by the GMS in the situation that all of members of the Board of Directors and the members of the Board of Commissioners have conflict of interest with the Company.

## **VIII. CODE OF CONDUCT**

### **1. At all times perform in accordance with the work ethics**

In performing their duties and responsibilities the Board of Directors shall constantly acts in accordance with the Work Ethics, as follows:



- a. The members of the Board of Directors are basically forbidden to conduct a transaction that has conflict of interest;
- b. The members of Board of Directors shall fill in special register that contains their share ownership and/or their families on other Company;
- c. The members of Board of Directors shall disclose any conflict of interest transaction, and the said members of the Board of Directors shall not involve in any process of decision making of the Board of Directors that relate to the said matter;
- d. The Board of Directors is forbidden to conduct act that violates the prevailing laws which may result a state financial and economic loss.

**2. At all times maintain the confidentiality of the information**

- a. The Board of Directors are responsible in maintain the confidentiality of Company's information;
- b. The confidential information obtained during his/her office in the Board of Directors shall be kept strictly confidential pursuant to the prevailing laws and regulations;
- c. The Board of Directors shall take initiative to disclose not only for the required issues by the laws and regulations, but also any important matters that very important for the decision making by the Stakeholder.

**3. Shall not take any advantages and/or the Company's business opportunities for his/her own.**

The Boards of Directors are forbidden to take personal benefits from the Company's activities.

**4. Shall comply with the prevailing laws and regulations.**

Comply with the Articles of Association and the prevailing laws and regulations as well as the GMS resolutions.

**5. Exemplary**

Shall give exemplary by encouraging the realization of ethical behaviors and uphold the Company's ethical standard;

**6. Anti-Bribery**

The Board of Directors are not allowed to ask or receive gifts and that alike from the interested Parties, for him/herself, families or partners where such acts may affect his/her objectivity in representing the Company's interest.

## **IX. CONFLICT OF INTEREST**

A Director shall avoid being in the position where his/her personal interest may conflict with his/her duties in the Company. The transaction where there is a Director who have conflict of interest must obtained an approval from the Board of Directors, implemented with the requirements that consider common in its utilization in the said industry and fulfill the provisions of the prevailing laws and regulations regarding the affiliation transaction and/or transaction that contain conflict of interest. The Director who has conflict of interest are prohibited to participate in the decision making process with respect to the agenda where he/she has conflict of interest.

## **X. RELATIONSHIP WITH THE STAKEHOLDERS**

- a. Shall honor the Stakeholders rights that arise based on the prevailing laws and regulations and or agreements made by the Company and Stakeholder;
- b. to ensure that the Company carry out its corporate social responsibilities;
- c. to ensure that the assets and location of the business as well as other Company's facilities fulfilled the prevailing laws and regulations;
- d. the Company shall not discriminated based on someone ethnicity background, religions, sex, age, physical disadvantages or other special conditions that protected by the laws and regulations in employed, determination of the salary, provisions of training, determination of career path as well as in the determination other work requirements for the employees.
- e. The Board of Directors shall provide a working environment that free from any form pressures.

## **XI. CONCURRENT POSITIONS**

The member of the Board of Directors may hold concurrent positions with the following conditions:

1. As a member of the Board of Directors of a maximum 1(one) Issuer or other Public Company;
2. As a member of the Board of Commissioners of a maximum 3 (three) Issuers or other Public Company;

3. As a member of Committee of a maximum 5 (five) committees in the Issuer or other Public Company where the concerned are also serves as the member of the Board of Directors and the member of the Board of Commissioners.

## **XII. MEETING OF THE BOARD OF DIRECTORS**

### **1. General**

- a. The Meeting of the Board of Directors means a meeting that shall be convened by the internal of the Company's Board of Directors ("Internal Meeting") and the Board of Directors Meeting that shall be attended by the Board of Commissioners ("Joint Meeting");
- b. The Meeting of the Board of Directors shall be convened in the domicile of the Company or in the place where the main business activities of the Company or in other places within the territory of Republic of Indonesia as determined by the Board of Directors;
- c. The Board of Directors Meeting shall be presided by the President Director; and
- d. In the event that the President Director absent or unavailable which impediment need not be proven to third party, thus the Board of Directors Meeting shall be chaired by other member of the Board of Directors appointed by the meeting attendee.

### **2. Schedule and Agenda of the Meeting of Board of Directors**

- a. The Internal Meeting shall be convened periodically at least 1 (one) time in a Month on Tuesday of the second week, unless otherwise specified;
- b. The joint meeting shall be held periodically at least 1 (one) time in 4 (four) month;
- c. The Board of Directors Meeting may be held outside of the regular schedule, when deemed necessary by:
  - i. One or more members of the Board of Directors;
  - ii. Written request by one or more members of the Board of Commissioners; or
  - iii. Written request by one or more shareholders who have the majority voting rights by mentioning matters that will be discussed or more that jointly representing the 1/10 of the total number of shares with the valid voting rights;

- d. The Meeting of Board of Directors invitation shall be carried by a registered mail or by letter that shall be directly delivered to each member of the Board of Directors by obtaining a receipt at least 3 (three) working days prior to the commencement of the meeting with take full into account the invitation date and meeting date;
- e. The Board of Directors Meeting Invitation shall include the agenda, date, time and venue of the meeting;
- f. Each member of the Board of Directors entitled to suggest the agendas of the meeting that will be held; and
- g. The Board of Directors Meeting Invitation is not required if all members of Board of Directors attend the meeting.

### **3. Quorum and Meeting Resolution**

- a. The Meeting of the Board of Directors is valid and entitled to adopt legally binding resolutions, if attended by more than 50% (fifty percent) of the total number of members of the Board of Directors and/or his/her representative;
- b. A Director can be represented at the Board of Directors Meeting only by the other member of the Board of Directors virtue of a power of attorney given specifically for this matter;
- c. One of member of the Board of Directors can represent other member of the Board of Directors;
- d. The resolution of the Board of Directors shall be based on good faith, rational judgment and through in depth investigation towards relevant matters, suffice information and free from conflict of interest made independently by each member of the Board of Directors;
- e. The resolution of the Board of the Directors Meeting shall be adopted through deliberation to reach consensus if the consensus could not be reach thus the resolution shall be adopted by majority vote;
- f. Each member of Board of Directors entitled to cast 1 (one) vote and added 1 (one) additional vote for the member of the Board of Directors that he/she represent;
- g. In the event of tie vote, thus the Chairman of the Board of Directors Meeting shall have a decisive decision, unless in the Board of Directors where attend and/or represented by 2 (two) members of Directors or where 2 (two) members of the Board of Directors who able to cast vote, thus the Chairman of the Board of Directors meeting shall not have a decisive vote;

- h. Blank vote and invalid vote shall be deemed uncast and is not counted when determining the total casting votes; and
- i. The Board of Directors shall adopt valid resolution and legally binding without convening a Board of Directors Meeting; with conditions all of members of the Board of Directors have given approval in relation to such resolution by signed writing approval. The resolution adopted in such manner shall have the same validity as resolutions lawfully adopted at the Meeting of the Board of Directors

#### **4. The Minutes of Meeting of The Board of Directors**

- a. every Meeting of the Board of Directors shall be made its Minutes of Meeting;
- b. Minutes of Meeting is created and administered by the Corporate Secretary and shall deliver the Copies to every attendee of the meeting;
- c. The Minutes of Meeting shall describe the proceeding of the meeting, and at the least contains (i) agenda, venue, date and time of the meeting; (ii) list of the attendees; (iii) the issues discussed; (iv) various opinions in the meetings, specifically in discussing strategic and material issues, including those that express opinions ; (v) decision making process; (vi) established resolutions; (vii) dissenting opinion (if any)
- d. Minutes of Meeting shall enclosed the power of attorney given specifically by the member of the Board of directors who absent to the other member of the board of Directors (if any);
- e. The minutes of Meeting shall be signed by every member of Board of Directors who are attended. If the attended members of the Board of Directors and Board of Commissioners not signed the Minutes of Meeting, thus he/she shall mentioned his/her reasons in writing in separate letter that shall be enclosed on the Minutes of Meeting;
- f. Each member of the Board of Directors are entitled to receive the Minutes of Meeting of the Board of Directors Meeting, regardless whether the members of the Board of Directors are attend or absent in the said Meeting of the Board of Directors;
- g. If any objections and or suggestion of revision are not acceptable, thus it can be concluded that there are no objections and or revision towards the Minutes of Meeting of the Board of Directors; and
- h. The original Minutes of Meeting shall be administered in good manner and shall be store properly as befits as the Company's documents by the Corporate Secretary and shall always be available if needed.



### **XIII. WORKING HOUR**

The working hour of the Board of Directors is a working hour where the Board of Directors attends and/or in particular day requires the Board of Directors presence in the office and carried their management function.

### **XIV. ACCOUNTABILITY**

The Board of Directors shall submit an annual work plan of the Company together with the annual budget for the following financial year to the Board of Commissioners before the end of the current financial year, for review and approval of the Board of Commissioners.

The Board of Directors shall present an annual report of the Company, which have been approved by the Board of Commissioners to the annual GMS at the latest within a period of 6 (six) months after the end of the financial year.

### **XV. EVALUATION OF THE PERFORMANCE, REMUNERATION AND SELF-ASSESSMENT**

1. Evaluation towards the Board of Directors performance shall be carried periodically by the Nomination and Remuneration Committee. The GMS shall may also authorize the Board of Commissioners to determine the remuneration for the members of the Board of Directors with due observance to the opinions of the Company's Nomination and Remuneration Committee.
2. The Board of Directors shall carry out collegially a Self-Assessment at least once a year. Self-Assessment has become one of the inputs for the Nomination & Remuneration Committee to evaluate the performance of the Board of Directors with due regard to the following benchmarks:
  - a. Implementation and realization of the Annual Work Plan; and
  - b. Application and implementation of good corporate governance.

### **XVI. ORIENTATION PROGRAM FOR NEW DIRECTOR**

Each newly elected Director shall participate in Orientation Program of the Company, covering among others Company's Value, the business of the Company & its group, Company's Good Corporate Governance and the roles and responsibilities of the Board of Commissioners and Board of Directors.

**XVII. OTHERS**

The detailed matters that regulate the terms and conditions of the BoD Work Guidelines shall refer to the Articles of Association of Company and the provisions of the prevailing laws and regulations.



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