



INDONESIA'S CODE
OF GOOD CORPORATE
GOVERNANCE

2006

Published by :
National Committee on Governance



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REMARKS COORDINATING MINISTER FOR ECONOMIC AFFAIRS, REPUBLIC OF INDONESIA

Good corporate governance (GCG) is an important pillar of market economy as it relates to the investors' confidence both in the companies as well as in the overall business environment. Implementation of GCG encourages fair competition and conducive business climate leading to sustainable economic growth and stability. It is further expected that GCG implementation support the efforts of government in imposing good governance toward clean and credible government.

In that light, the government has transformed the National Committee for Corporate Governance in 2004 to become National Committee on Governance, which consists of Public Governance Sub-Committee and Corporate Governance Sub-Committee. One of the main roles of Corporate Governance Sub-Committee is to carry out a review and revision on the existing national code of corporate governance to be more contextual and fit to the current situation. As a result, the revised Code is expected to become a national reference for business community and regulators in developing, implementing, and communicating GCG. Therefore I congratulate the launching of this revised Code.

Although this Code is not a regulation, it is a fundamental guidance for companies to exercise their efforts in assuring long-term continuity within the corridor of appropriate business ethics. Whilst the companies are expected to implement GCG voluntarily, business associations and other institutions are expected to be active in socializing and promoting GCG implementation at a larger scale. The regulators are also expected to adopt basic principles in this Code as reference in formulating their respective regulation to broaden GCG implementation in Indonesia.

We all hope that the Code be useful in supporting the development of sound business climate in Indonesia and effective as an integral part of overall good governance initiatives which are currently carried out by the government.

Jakarta, October 17, 2006
Coordinating Minister for Economic Affairs,
Republic of Indonesia



Dr. Boediono



FOREWORD

CHAIRMAN OF NATIONAL COMMITTEE ON GOVERNANCE

There are two approaches in driving the implementation of good corporate governance (GCG), ethics-based approach and regulatory-based approach. Ethics-based approach is predominantly driven by the consciousness of business practitioners in doing their business not only for short-term profit orientation but more on a healthy longer term relationship with their stakeholders. On the other hand, regulatory approach is driven by the initiative to enforce company to comply with certain designated regulations. Since each approach has its own strengths and weaknesses, they are supposed to be complimentary each other in creating sound business environment.

The Code of Good Corporate Governance Indonesia 2006 is published on the basis of ethics-based approach. As a Code it does not have legal binding but providing reference for business community in implementing GCG. The Code describes steps to be taken in creating checks and balances process, enforcing transparency and accountability, as well as promoting corporate social responsibility toward the company long-term survivability.

The Code of 2006 is the revision of the previous Code of 2001. Since this Code is a living document, it can be adjusted in accordance with current situation. The revision of the Code has incorporated extended scope and composition as well as an inclusion of general and practical guidance of GCG implementation. The first part of the Code elaborates the needs and relevancy of pre-requisite conducive situation for GCG implementation that includes the role of authorities, business community, and public or society at large. Description of their respective role is expected as bridging between GCG practices and its related macro perspective. At the company level, role and responsibility of company's organs have been strongly focused in this Code, i.e. General Meeting of Shareholders, Board of Commissioners, and Board of Directors.

This Code, like a reversed triangle that covers from the composition of macro aspects, GCG principles, function and role of the company's organs up to practical implementation of GCG in business process, is expected to become a comprehensive reference for companies in implementing their GCG.

The revision process of the Code was lead by a Team of NCG who invited representatives from some related institutions among others Bank Indonesia, State Ministry of Administrative Reform, and Indonesia Chamber of Commerce. The team conducted a workshop in cooperation with Bank Indonesia to elaborate extensively their first draft on May 15, 2006. In that occasion, the team received inputs and recommendations from many organizations, law experts, and academicians.

In this opportunity, we would like to thank and express our highest appreciation to Mr. Bihadi as the Head of Revision Team and to all its members who accomplish the revision

process up to this stage. We would like also to express our appreciation to Bank of Indonesia, State Ministry of Administrative Reform, and Indonesia Chamber of Commerce.

We do hope that this Code becomes a meaningful contribution for Indonesia economic recovery.

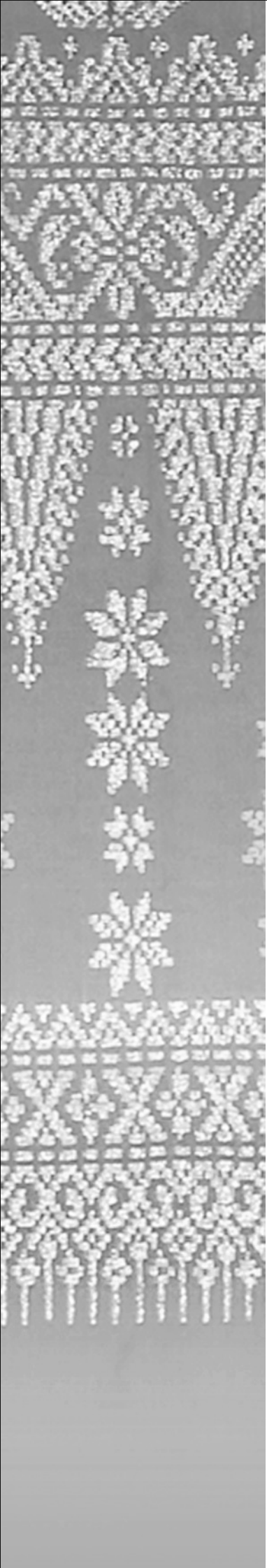
Jakarta, October 17, 2006
National Committee on Governance



Mas Achmad Daniri
Chairman

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PREAMBLE

A. Background

1. The National Committee on Corporate Governance (NCCG) which was established by Decree of the Coordinating Minister for Economy, Finance and Industry Number: KEP/31/M.EKUIIN/08/1999, issued the first Code of Good Corporate Governance in 1999. The Code has been revised several times and the latest being the 2001 Code. Based on the consideration that each sector of industry tends to have its own characteristics, the Banking Sector Code was then issued in the early 2004, whilst the Insurance Sector Code was introduced in 2006; both serve as guidelines for the respective sectors of industry.
2. Since the introduction of the Code in 1999 and during the preparation of the Banking Sector Code and the Insurance Sector Code, there have been fundamental changes affecting the development of Good Corporate Governance (GCG) implementation in Indonesia as well as in the rest of the world. Despite the low rating of GCG in Indonesia, the awareness and commitment of market participants to implement GCG has improved. The economic and monetary crisis that in Indonesia turned into a multidimensional crisis is also an important factor that has urged the necessity to improve the 2001 Code. One of the main factors that has caused such crisis to happen was the inconsistency of GCG implementation by a number of companies; particularly with respect to the business ethics. Therefore, the business ethics and the code of conduct are considered important and are elaborated in a separate part of the new GCG Code.
3. The Organization for Economic Co-operation and Development (OECD) has revised its Principles of Corporate Governance in 2004. An important addition in the new OECD Code is the need to ensure the availability of a framework that serves as the basis of effective corporate governance. Supervisory, regulatory and enforcement authorities as well as market participants should develop a framework that could promote transparent and efficient markets. The events of WorldCom and Enron in the United States of America had added up to the view on the importance of implementing the GCG. In the United States of America, these events were responded by fundamental changes in audit and capital market regulations. In other countries, the matter was dealt with by way of, among other things, perfecting the GCG Code of the respective countries.
4. In Indonesia, the Government has become more aware that for GCG to be successfully implemented, it needs to have the public support and the existence of good public governance. Encouraged by that, in November 2004, the Government has established the National Committee for Governance (NCG) by Decree of the Coordinating Minister for Economic Affairs Number: KEP/49/M.EKON/11/2004 consisting of Public Sub-Committee and Corporate Sub-Committee. The Decree on the establishment of NCG replaces the Decree of the Coordinating Minister for Economy, Finance and Industry Number: 10/M.EKUIIN/08/1999 and the Decree of the Coordinating Minister for Economy,

Finance and Industry Number: KEP/31/M.EKUIIN/08/2000 regarding the establishment of NCCG.

B. Purpose of the Code

5. The Code of Good Corporate Governance of Indonesia, hereinafter called the GCG Code, is a living instrument offering standards as well as guidance for companies to implement GCG with the purpose of:
 - 5.1. achieving sustainable growth of the company through a management system based on the principles of transparency, accountability, responsibility, independency and fairness.
 - 5.2. empowering the function and independency of each company organ, namely, the Board of Commissioners, the Board of Directors and the General Meeting of Shareholders.
 - 5.3. encouraging shareholders, members of the Board of Commissioners and members of the Board of Directors to take decisions and actions based on high moral values and compliance with the law and regulations.
 - 5.4. stimulating the company awareness of social responsibilities in particular the environmental and societal interests of the communities in which a company operates.
 - 5.5. optimizing the value of a company for its shareholders by also taking into consideration the interests of other stakeholders.
 - 5.6. enhancing the competitiveness of a company, both nationally and internationally, in order to enhance market confidence which may promote investment flow and a sustainable national economic growth.
6. This GCG Code constitutes the reference points for all companies in Indonesia including companies operating on the basis of sharia. The GCG Code which encompasses the basic principles and provisions on the implementation of GCG is a minimum standard that will be further elaborated in sectoral code of the respective sectors of industry to be issued by NCG. The code can be adapted to the specific circumstances of the individual companies into a more detailed manual for its operations.
7. Publicly listed companies, state-owned enterprises, province and region-owned companies, companies that raise and manage public funds, companies of which products or services are widely used by public, and companies with extensive influence on environment, are expected to become the pioneer in implementing the GCG Code. Regulator/policy makers are also expected to use the GCG Code as a reference for developing related regulations and applicable sanctions.





PART I

ENSURING THE BASIS FOR AN EFFECTIVE CORPORATE GOVERNANCE FRAMEWORK IN INDONESIA

Principles

GCG is necessary to enhance the creation of an efficient and transparent market that is consistent with the laws. Hence, the implementation of GCG needs to be supported by three inter-related pillars, namely the regulatory, supervisory and enforcement authorities as regulator/policy makers, the business community as market participants, and the public as users of products and services of the business community. The basic principles that must be implemented by each pillar are:

1. the regulatory, supervisory and enforcement authorities develop laws and regulations that will promote the creation of a healthy, efficient and transparent business climate, implement and maintain it, and support it with a consistent law enforcement.
2. the business sectors as market participants implement GCG as the underlying ground in conducting business.
3. the public as users of the products and services of the business sectors and as the party impacted by the existence of a company demonstrate its concern and exercises an objective and responsible social control.

Code Provisions

1. Role of the Regulatory, Supervisory and Enforcement Authorities

- 1.1. Carrying out effective coordination among Government agencies in formulating rules and regulations based on the national legal system by prioritizing a policy that commensurate with the interests of both business and public sectors. Moreover, the regulator must understand current business development for their rulings to be timely, transparent and fully explained.
- 1.2. Involving the business sectors and the public, in a responsible manner, in formulating laws and regulations (rule-making rules).
- 1.3. Creating a healthy political system and state apparatuses with high integrity and professionalism.
- 1.4. Implementing laws and regulations and a consistent law enforcement.
- 1.5. Preventing corruption, collusion, and nepotism.
- 1.6. Enhancing public service by delineation of a clear authority and coordination among government institutions that is supported with high integrity, lean and accurate communication and coordination chain that will encourage a healthy, efficient, and transparent business climate.
- 1.7. Enacting laws and regulations to protect whistleblowers that provide information on certain concerns occurring within a company. Whistleblower could source from within the management, employees of a company or any other party.
- 1.8. Issuing laws and regulations in support of the GCG implementation that promotes a healthy, efficient and transparent business climate.
- 1.9. Exercising rights and obligations equally as with other shareholders, in the event

that the regulatory, supervisory or enforcement authority is also a shareholder in a company.

2. Role of Market Participants

- 2.1. Implementing consistent business ethics to enable the creation of a healthy, efficient and transparent business climate.
- 2.2. Having attitude and behavior showing business sectors' compliance with laws and regulations.
- 2.3. Preventing corruption, collusion and nepotism.
- 2.4. Continuously enhancing the quality of management structure and work pattern of a company based on GCG principles.
- 2.5. Functioning the ombudsman role to accommodate complaints and or information regarding deviations occurring within a company. The function of ombudsman may be concurrently held in a business group or a certain economic sector.

3. Role of the Public

- 3.1. Carrying out social control by giving due consideration on public service rendered by Government agencies and to the activities and products or services produced by business community through conveying objective and responsible opinions.
- 3.2. Establishing communication with Government agencies and business community with regard to opinions and or objections expressed by the public.
- 3.3. Complying with laws and regulations in a conscious and responsible manner.





PART II

GOOD CORPORATE GOVERNANCE GENERAL PRINCIPLES

Each company must ensure that the GCG general principles are implemented on each business facets and within the entire company. GCG general principles which include transparency, accountability, responsibility, independency, and fairness are necessary to attain a company's sustainability by also considering the interests of stakeholders.

1. Transparency

Principles

To preserve and maintain the objectivity in practicing business, a company must provide material and relevant information that are easily accessible and understandable by stakeholders. A company must take the initiative to disclose not only the issues mandated by laws and regulations, but also other information deemed necessary by shareholders, creditors and other stakeholders to form a decision.

Code Provisions

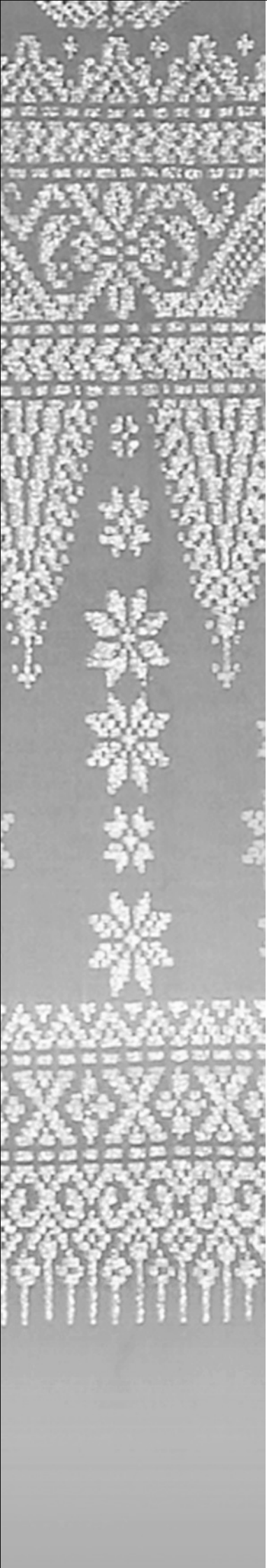
- 1.1. A company must provide timely, appropriate, clear, accurate and comparable information accessible to stakeholders that commensurate with their rights.
- 1.2. Information disclosed include but not limited to the vision, mission, business targets and strategy, financial condition, composition and compensation of the management, controlling shareholders, shares owned by members of the Board of Directors and the Board of Commissioners and its family members in a company and other companies, risk management system, oversight and internal control system, GCG structure and mechanism and its level of compliance, and important events that may affect the condition of a company.
- 1.3. The transparency principle adopted by a company does not lessen its obligation for fulfilling provisions on confidentiality in accordance with laws and regulations, occupational confidentiality, and personal rights.
- 1.4. Company policies must be formally written and proportionally communicated to stakeholders.

2. Accountability

Principles

A company must be accountable for its performance transparently and fairly. Thus, a company must be managed in a proper and measurable manner, in such that it is aligned with the interest of a company by also considering the interest of shareholders and other stakeholders. Accountability is a prerequisite to achieve sustainable performance.

Code Provisions

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- 2.1 A company must clearly define the job description and responsibilities of each company organ and all employees that are in line with the vision, mission, values, and strategy of a company.
 - 2.2 A company must ensure that all company organs and all employees shall have the qualifications that fit its duty, responsibility, and role in the implementation of GCG.
 - 2.3 A company must ensure the existence of an effective internal control system within a company.
 - 2.4 A company must have performance indicators for all members of the Board of Directors and the Board of Commissioners as well as the employees that are consistent with the company's objectives, and have a reward and punishment system.
 - 2.5 In executing its duty and responsibility, each organ of a company and all employees must uphold to the business ethics and an agreed upon code of conduct.

3. Responsibility

Principles

A company shall abide by laws and regulations and fulfill its responsibility to the communities and environment for the purpose of maintaining long term sustainability of the business and to be recognized as a good corporate citizen.

Code Provisions

- 3.1. The organs of a company must be prudent in decision making and in its actions, and ensure compliance with laws and regulations, its articles of association and bylaws.
- 3.2. A company must fulfill its social responsibility by having, inter alia, an awareness of the environmental and societal interests of the communities in which the company operates through an appropriate planning and implementation to address the issues.

4. Independency

Principles

To accelerate the implementation of the GCG principles, a company must be managed independently with an appropriate balance of power, in such a manner that no single company's organ shall dominate the other and that no intervention from other party shall exist.

Code Provisions

- 4.1. Each company's organ must avoid the occurrence of domination by any party, must not be influenced by any certain interest, must be free from conflict of interests and any influence or pressure, so that the decision making can be carried out objectively.
- 4.2. Each company's organ must exercise its function and duty in accordance with the articles of association and rules and regulations, not dominating each other and or shifting the responsibility from one to the other.

5. Fairness

Principles

In conducting its activities, a company must always consider the interests of shareholders and other stakeholders based on a fairness principle.

Code Provisions

- 5.1. A company must provide the opportunity for stakeholders to give input and opinions in the interest of a company, and establish access to company's information in accordance with the transparency principle and within the scope of their respective capacities.
- 5.2. A company must provide a fair and equitable treatment to stakeholders in accordance with benefit and contribution given to the company.
- 5.3. A company must give equal opportunity in recruitment of employees, in career development and for employees to carry out their duty professionally





PART III

BUSINESS ETHICS AND CODE OF CONDUCT

Principles

To attain success in the long term, GCG implementation needs to be based on high integrity. Hence, a code of conduct that can be used as a reference for a company's organs and its employees in applying the values and business ethics is required so that it may become a part of the company's culture. For that reason, a company must employ the following principles:

1. each company must have company values describing morals of the company in conducting its business.
2. materialize the moral attitude in conducting business, a company must formulate its business ethics that has been agreed by company's organs and all employees. A continuous implementation of business ethics will constitute a company culture which is a manifestation of the company's values.
3. the values and business ethics shall be further elaborated in a code of conduct to enable proper understanding and application.

Code Provisions

1. Company Values

- 1.1. Company values constitute the moral basis in achieving the company's vision and mission. Therefore, before formulating the company values, it is necessary for the company to formulate its vision and mission.
- 1.2. Although the company values are basically universal, however the formulation needs to take into account each respective business sector and character as well as the geographic location of a company.
- 1.3. Company values that are universal include reliability, fairness and honesty.

2. Business Ethics

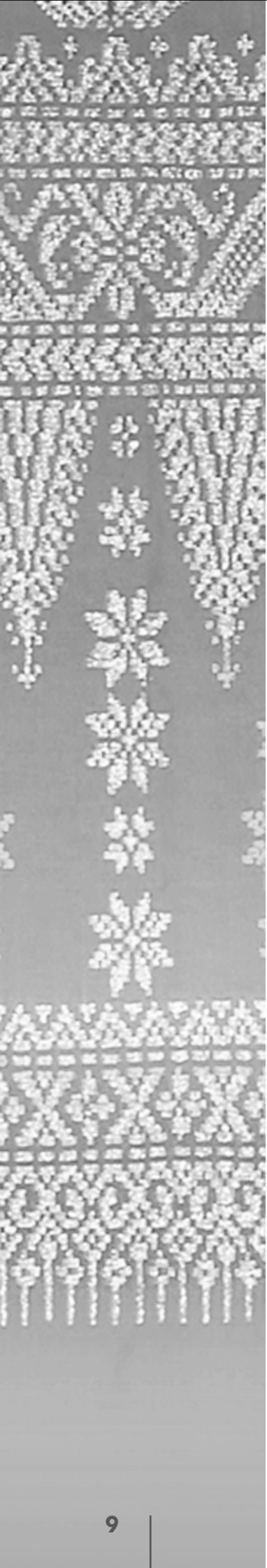
- 2.1. Business ethics shall serve as a reference for a company in conducting business including in interacting with its stakeholders.
- 2.2. Sustainable implementation of a company values and business ethics will promote the creation of the company culture.
- 2.3. Each company must formulate its business ethics and elaborated it further in the code of conduct.

3. Code of Conduct

3.1. Function of Code of Conduct

- a. Code of conduct is a translation of the company values and business ethics that is useful as guidance for the company organs and all employees of the company in conducting business activities.
- b. The code of conduct covers guidance regarding conflicts of interest, presenting and receiving gifts and donations, compliance with laws and regulations, confidentiality of information, and reporting of unethical behavior.

3.2. Conflict of Interests

- 
- a. Conflicts of interests arise when there is a conflict between the economic interests of a company and the personal economic interest of its shareholders, members of the Board of Commissioners and the Board of Directors, and the employees of the company;
 - b. In carrying out their duties and obligations, members of the Board of Commissioners and the Board of Directors and the employees of a company must prioritize the economic interest of the company above the personal and family's economic interests as well as that of any other party;
 - c. Members of the Board of Commissioners and the Board of Directors and all employees are prohibited from abusing their respective powers and positions in a company in the interest and for the benefit of himself/herself, his/her family and another party;
 - d. The party with a possible conflict of interest is prohibited from participating in discussions and decision-making process.
 - e. A shareholder having a conflict of interest must cast his/her vote in the General Meeting of Shareholders to concur with the decision made by shareholders having no conflict of interests;
 - f. Each member of the Board of Commissioners and the Board of Directors as well as the employees of a company having a decision making authority shall make an annual statement certifying that he/she has no conflict of interest in any decisions made by him/her and that he/she has implemented the code of conduct issued by the company.
- 3.3. Presenting and Receiving Gifts and Donations
- a. Each member of the Board of Commissioners and the Board of Directors and employees of a company are prohibited from giving or offering something, either directly or indirectly, to an official of the regulatory, supervisory and enforcement authorities and or an individual representing a resource provider, which may influence his/her decision making;
 - b. Each member of the Board of Commissioners and the Board of Directors and the employees of a company are prohibited from receiving something in his/her personal interests, either directly or indirectly, from a resource provider which may affect his/her decision making;
 - c. A donation made by a company or the giving of the company's asset to a political party or a member of the legislative or executive body may be done only in accordance with laws and regulations. Within the appropriate limit as stipulated by a company, a donation for charity may be justified;
 - d. Each member of the Board of Commissioners and the Board of Directors and the employees of a company having a decision making authority shall make an annual statement certifying that he/she has not given and or received anything that might affect his/her decision making.
- 3.4. Compliance with laws and regulations
- a. The organs and employees of a company shall abide by the laws and regulations and the company's articles of association.
 - b. The Board of Commissioners must ensure that the Board of Directors and the employees of a company shall adhere to the laws and regulations and the company's articles of association;
 - c. A company must keep records of its assets, debts and equity properly and

in accordance with generally accepted accounting principles.

3.5. Confidentiality of Information

- a. Members of the Board of Commissioners and the Board of Directors and the employees of a company shall maintain confidentiality of company's information in accordance with laws and regulations, the company's articles of association and common business norms;
- b. Each member of the Board of Commissioners and the Board of Directors, shareholders and the employees of a company are prohibited from abusing any information related to the company including, but not limited to, information on plan for merger and acquisition, and of shares buy-back;
- c. Each former member of the Board of Commissioners and the Board of Directors and former employees of a company, as well as a shareholder who has transferred its share ownership are prohibited from disclosing any company's confidential information acquired during his/her service or exposure within a company, unless the information is required for examination and investigation in accordance with the rules and regulations, or has no longer considered as confidential by a company.

3.6. Reporting on Violation and Protection of Whistleblower

- a. The Board of Commissioners is obliged to receive and ensure that any complaints reported on violation of business ethics, code of conduct, company's articles of association and laws and regulations are processed properly and timely;
- b. Each company must develop rules to protect the individuals that report complaints and or information regarding violation of business ethics, code of conduct, company's articles of association and laws and regulations. For this purpose, the Board of Commissioners may assign a committee responsible for supervising the implementation of GCG.



PART IV ORGANS OF THE COMPANY

The organs of a company, consisting of the General Meeting of Shareholders, the Board of Commissioners, and the Board of Directors, have an important role in implementing the GCG effectively. The organs of a company shall carry out their respective functions in accordance with an applicable provision based on the principle that each organ is independent in carrying out its duty, function and responsibility in the sole interest of the company;

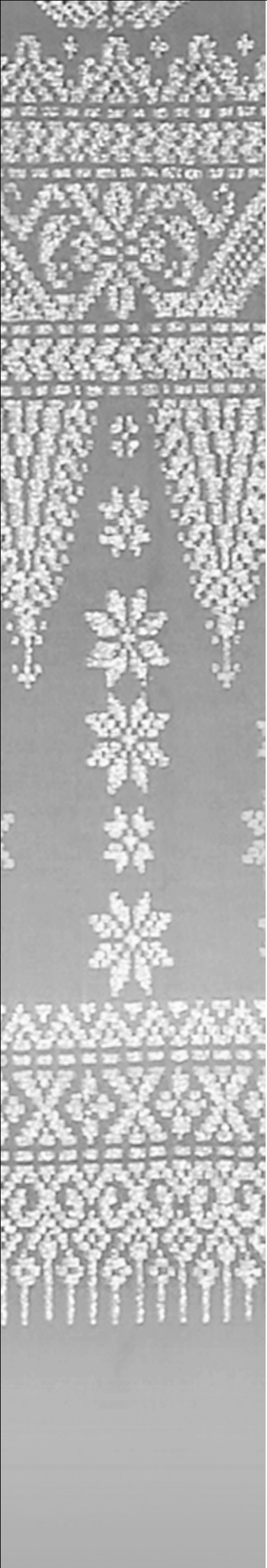
A. General Meeting of Shareholders

Principles

The General Meeting of Shareholders is a company's organ that facilitates shareholders to make important decisions regarding their investment in a company, by observing provisions in the articles of association and the rules and regulations. Decisions taken in the General Meeting of Shareholders must be based on the long term interest of a company. The General Meeting of Shareholders and or shareholders cannot intervene in the exercise of the duty, function and authority of the Board of Commissioners and the Board of Directors, without curtailing the authority of the General Meeting of Shareholders to carry out its rights in accordance with the articles of association and laws and regulations, including the replacement or termination of the members of the Board of Commissioners and or the Board of Directors.

Code Provisions

1. Decision made in General Meeting of Shareholders must be conducted properly and transparently by considering matters necessary to safeguard the long term interest of a company, including but not limited to:
 - 1.1. Members of the Board of Commissioners and the Board of Directors appointed in the General Meeting of Shareholders shall consist of individuals that are fit and proper for the company. For a company with a Nomination and Remuneration Committee, the appointment of the members of the Board of Commissioners and the Board of Directors shall take into account the opinion of the committee that was rendered by the Board of Commissioners to those having the right to nominate the candidates to the General Meeting of Shareholders.
 - 1.2. Approval on report submitted by the Board of Commissioners and the Board of Directors shall consider the quality of the report that relates to GCG.
 - 1.3. For a company with an Audit Committee, the appointment of an external auditor shall consider opinion of the committee rendered to the Board of Commissioners;
 - 1.4. In circumstance where the articles of association and or the laws and regulations require a decision of the General Meeting of Shareholders regarding certain matters related to the company's business, any decision made shall consider the proper interest of stakeholders;
 - 1.5. Decisions regarding the appropriation of bonuses, gratification and dividends shall take into account the company's financial condition;

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2. The General Meeting of Shareholders shall be held in accordance with the interest of the company and by observing the articles of association and laws and regulations, and with a proper preparation, to enable the adoption of a valid decision. For such purpose:
 - 2.1. the shareholders shall have the opportunity to propose an agenda item for the General Meeting of Shareholders in accordance with laws and regulations;
 - 2.2. the notice for a General Meeting of Shareholders shall include information regarding the agenda, date, time and venue of the General Meeting of Shareholders;
 - 2.3. the material of each agenda item included in the notice for the General Meeting of Shareholders shall be available at the company's premises as from the day the notices for General Meeting of Shareholders are made until the day the General Meeting of Shareholders is held, to enable the shareholders to participate actively in the General Meeting of Shareholders and cast a responsible vote; If such material is not yet available at the time the notice was made, then the material shall be made available before the General Meeting of Shareholders is held;
 - 2.4. other explanations regarding the agenda of the General Meeting of Shareholders may be given before and or at the time of the General Meeting of Shareholders;
 - 2.5. the minutes of the General Meeting of Shareholders shall be available at the company's premises, and each company shall provide the facility that enable the shareholders to read the minutes;
 3. The conduct of the General Meeting of Shareholders is the responsibility of the Board of Directors. For such purpose, the Board of Directors shall prepare and conduct the General Meeting of Shareholders properly and by taking into account items 1 and 2 above. In condition that the Board of Directors is unable to conduct the General Meeting of Shareholders, then the convening of the General Meeting of Shareholders is conducted by the Board of Commissioners or shareholders in accordance with laws and regulations and the articles of association;


B. Board of Commissioners and Board of Directors

Principles

The management of a limited liability company in Indonesia is adopting a two board system, namely the Board of Commissioners and the Board of Directors, each of which has a clear authority and responsibility based on their respective functions as mandated by the articles of association and laws and regulations (fiduciary responsibility). Yet, they both have the responsibility to maintain the company sustainability in the long term. Accordingly, the Board of Commissioners and the Board of Directors must have the same perception regarding the company's vision, mission and values.

Code Provisions

1. The mutual responsibility of the Board of Commissioners and the Board of Directors in maintaining the company's sustainability in the long term shall be reflected in:
 - 1.1. an effective and efficient implementation of the internal control and risk management;

- 
- 1.2. the achievement of an optimum return for shareholders;
 - 1.3. proper protection of stakeholders' interest;
 - 1.4. a fair and proper succession to ensure the management sustainability within all lines of the organization.
2. Aligned with the company's vision, mission, and values, both the Board of Commissioners and the Board of Directors shall agree on the following matters:
 - 2.1. a long term plan, strategy, and annual plan and budget;
 - 2.2. the policy to ensure the company's compliance with laws and regulations and the articles of association, and to prevent all kinds of conflict of interest;
 - 2.3. the policy and method of evaluating the performance the company, the units within the company and its personnel;
 - 2.4. an organization structure up to one level under the Board of Directors which can support the achievement of the company's vision, mission and values.

C. Board of Commissioners

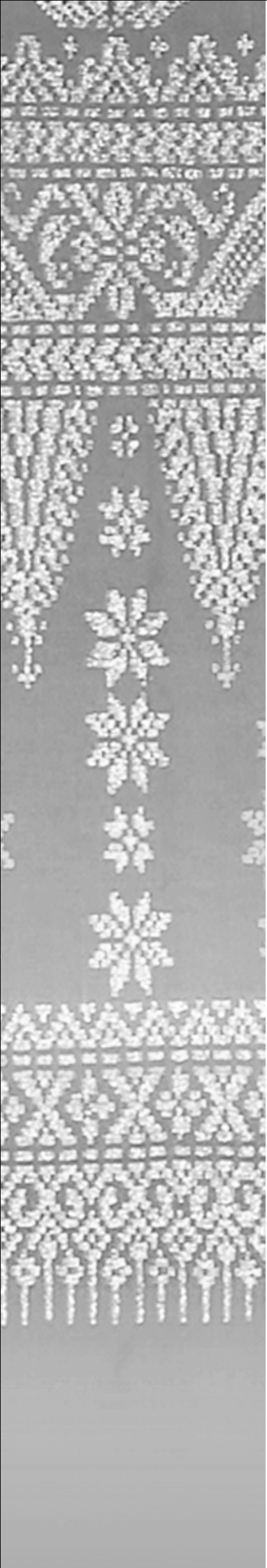
Principles

The Board of Commissioners as an organ of the company shall function and be responsible collectively for overseeing and providing advices to the Board of Directors and ensuring that the Company implements the GCG. However, the Board of Commissioners is prohibited from participating in making any operational decision. Each of the members of the Board of Commissioners, including the Chairman, has equal position. The duty of the Chairman of the Board of Commissioners as *primus inter pares* is to coordinate the activities of the Board of Commissioners. For the Board of Commissioners to be able to effectively exercise its duties, the following principles shall be observed:

1. the composition of the Board of Commissioners shall enable it to make effective, right and timely decision and to act independently;
2. the members of the Board of Commissioners must be professional that possess the integrity and capability to enable them to carry out their function properly including to ensure that the Board of Directors shall observe the interest of all stakeholders;
3. the oversight and advisory function of the Board of Commissioners includes the acts of prevention, improvement, and suspension.

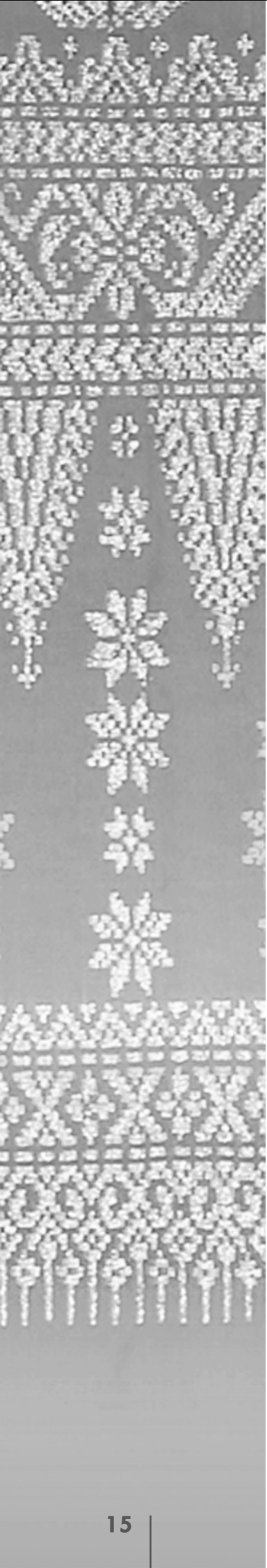
Code Provisions

1. Composition, Appointment and Termination
 - 1.1. The composition of the Board of Commissioners shall be of sufficient size that suits the complexity of the business of the company by taking into account the effectiveness in decision making;
 - 1.2 The Board of Commissioners may consist of Commissioners who are not originated from an affiliated party, known as Independent Commissioner, and affiliated



Commissioners. Affiliated means having business and family relations with the controlling shareholders, members of the Board of Directors and other members of the Board of Commissioners, and with the company itself. Former affiliated members of the Board of Directors and the Board of Commissioners and the employees of the company shall for a certain period of time, be considered as affiliated;

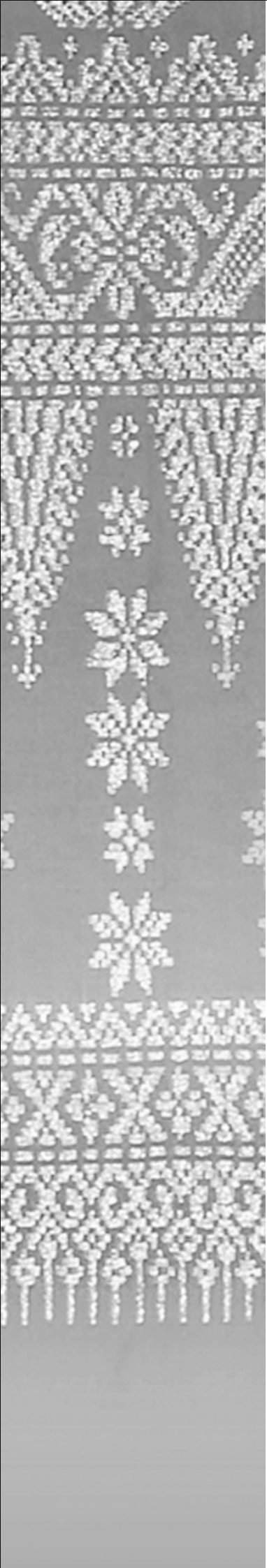
- 1.3 The number of Independent Commissioners shall be such, so as to ensure that the control mechanism runs effectively and in accordance with laws and regulations. One of the Independent Commissioner shall have an accounting or finance background;
 - 1.4 Members of the Board of Commissioners are appointed and terminated by General Meeting of Shareholders through a transparent process. For publicly listed companies, state-owned enterprises, province and region- owned companies, companies that raise and manage public funds, companies of which products or services are widely used by public, and companies with extensive influence on environment, the process of evaluating the candidates for the member of the Board of Commissioners shall be conducted prior to the General Meeting of Shareholders by the Nomination and Remuneration Committee. The appointment of an independent commissioner shall have considered the opinion of the minority shareholders which shall be obtained through the Nomination and remuneration committee.
 - 1.5 Termination of members of the Board of Commissioners shall be effected by General Meeting of Shareholders for a reasonable cause and after the related member of the Board of Commissioners has been given an opportunity to defend himself or herself.
2. Capability and Integrity
 - 2.1. Members of the Board of Commissioners shall have the capability and integrity required to ensure that the oversight and advisory function can be carried out properly.
 - 2.2. Members of the Board of Commissioners are prohibited from utilizing the company for his/her personal, family, business group and or other parties' interests;
 - 2.3. Members of the Board of Commissioners shall understand and comply with the articles of association and the laws and regulations as related to their duties;
 - 2.4. Members of the Board of Commissioners shall understand and implement the GCG Code.
3. Role and Function
 - 3.1. The Board of Commissioners is prohibited from participating in any operational decision making. In circumstances where the Board of Commissioners makes decisions regarding matters as stipulated in the articles of association or laws and regulations, such decisions shall be made within its supervisory function, so that decisions on operational activity shall remain the responsibility of the Board of Directors. The authority of the Board of Commissioners shall be carried out within their supervisory and advisory function;

- 
- 3.2. In circumstances where it is deemed necessary in the interest of the company, the Board of Commissioners may impose sanction on members of the Board of Directors in the form of a suspension, subject to further determination by General Meeting of Shareholders;
 - 3.3. In circumstances where a vacancy occurs in the Board of Directors or in a situation as stipulated by laws and regulations and the articles of association, the Board of Commissioners may carry out the function of the Board of Directors on a temporary basis;
 - 3.4. To enable the exercise of its function, the members of the Board of Commissioners, collectively and individually, are entitled to have access to, and to obtain information regarding the company on a timely and complete basis;
 - 3.5. The Board of Commissioners shall have rules and guidelines set out in a charter to ensure that its duties can be executed in an objective and effective manner. The charter can also be used as one of the tools for performance evaluation purposes;
 - 3.6. In performing its oversight function, the Board of Commissioners shall submit an accountability report for overseeing the conduct of the management by the Board of Directors in the framework of obtaining the release and discharge (*acquit et decharge*) from General Meeting of Shareholders;
 - 3.7. In carrying out its duty, the Board of Commissioners may form committees. Any proposal from the committees shall be submitted to the Board of Commissioners for approval. For publicly listed companies, state-owned enterprises, province and region-owned companies, companies that raise and manage public funds, companies of which products or services are widely used by public, and companies with extensive influence on environment, an Audit Committee shall be established, whereas other committees are formed as required.

4. Committees

4.1. Audit Committee

- a. The Audit Committee shall function to assist the Board of Commissioners to ensure that: (i) financial reports are presented appropriately in accordance with the generally accepted accounting principles; (ii) internal control structure is adequate and effective, (iii) internal and external audits are conducted in accordance with applicable audit standards, and (iv) audit findings are followed up by the management;
- b. The Audit Committee shall review candidates for external auditors including their remuneration, and submits its recommendation to the Board of Commissioners;
- c. The composition of the Audit Committee shall be such so that it can accommodate with the complexity of the company by taking into account the effectiveness in decision making. For publicly listed companies, state-owned enterprises, province and region-owned companies, companies that raise and manage public funds, companies of which products or services are widely used by public, and companies with extensive influence



on environment, the Audit Committee is chaired by an Independent Commissioner and the members may consist of Commissioners and or professionals from outside the company. One of the members should have an accounting and or finance background.

4.2. Nomination and Remuneration Committee

- a. The Nomination and Remuneration Committee shall function to assist the Board of Commissioners in determining the selection criteria for candidates of the member of the Board of Commissioners and the Board of Directors as well as the remuneration system;
- b. The Nomination and Remuneration Committee shall function to assist the Board of Commissioners in preparing for the candidates of the members of the Board of Commissioners and the Board of Directors and proposing the amount of their remuneration. The Board of Commissioners may propose the candidates and their remuneration for approval by General Meeting of Shareholders in accordance with the articles of association;
- c. For publicly listed companies, state-owned enterprises, province and region owned companies, companies that raise and manage public funds, companies of which products or services are widely used by public, and companies with extensive influence on environment, the Nomination and Remuneration Committee is chaired by an Independent Commissioner, whilst the other members may consist of a Commissioner and or professionals from outside of the company;
- d. The existence of the Nomination and Remuneration Committee and its work system shall be reported to the General Meeting of Shareholders.

4.3. Risk Policy Committee

- a. The Risk Policy Committee shall function to assist the Board of Commissioners in reviewing the risk management system established by the Board of Directors and evaluating the company's risk tolerance;
- b. Members of the Risk Policy Committee consists of members of the Board of Commissioners, but, if necessary, professionals from outside of the company may be appointed.

4.4. Corporate Governance Committee

- a. The Corporate Governance Committee shall function to assist the Board of Commissioners in reviewing the GCG policies prepared by the Board of Directors and monitoring the effectiveness of the GCG practices, including aspects related to the business ethics and social responsibility of the company;
- b. Members of the Corporate Governance Committee shall consist of the members of the Board of Commissioners, but, if necessary, professionals from outside of the company may be appointed;
- c. If deemed necessary, the Corporate Governance Committee may be combined with the Nomination and Remuneration Committee.

5. Accountability Report of the Board of Commissioners

- 5.1. The Board of Commissioners in its oversight function shall submit an accountability report regarding its supervisory activities on the conduct of the management by the Board of Directors in managing the company. The su-

pervision report of the Board of Commissioners is made part of the annual report submitted to the General Meeting of Shareholders for approval;

- 5.2. Approval of the annual report and ratification of the financial report will signify that the General Meeting of Shareholders has given a release and discharge to the members of the Board of Commissioners as far as it is reflected in the annual report, without minimizing the responsibility of each member of the Board of Commissioners in the event that a crime, mistake or negligence occurs causing damage to any third parties which cannot be indemnified by the company's assets;
- 5.3. The accountability of the Board of Commissioners to the General Meeting of Shareholders is a manifestation of the oversight accountability on the company's management in light of the GCG principles implementation.

D. Board of Directors

Principles

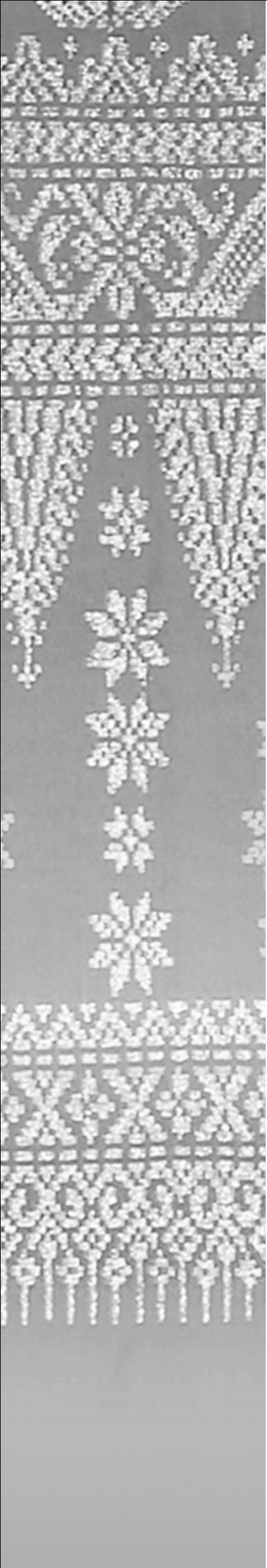
The Board of Directors as a company organ shall function and be responsible collegially for the management of the company. Each member of the Board of Directors can carry out its duty and take decisions in accordance with their respective assignments and authorities. However, the execution of tasks by each member of the Board of Directors remains to be a collective responsibility. The position of each respective member of the Board of Directors including President Director is equal. The duty of the President Director as *primus inter pares* is to coordinate the activities of the Board of Directors. For the Board of Directors to be able to effectively exercise its duties, the following principles shall be observed:

1. the composition of the Board of Directors shall enable it to make effective, right and timely decisions and to act independently;
2. the members of the Board of Directors must be professional that possess the integrity, experience and capability required for carrying out their respective duties;
3. the Board of Directors shall be responsible to manage the company for the purpose of achieving profitability and ensuring the company's sustainability;
4. the Board of Directors shall be accountable for its management to the General Meeting of Shareholders in accordance with applicable laws and regulations.

Code Provisions

1. Composition, Appointment and Termination

- 1.1. The composition of the Board of Directors shall be of sufficient size that suits the complexity of the business of the company by taking into account the effectiveness in decision making;
- 1.2. Members of the Board of Directors are appointed and terminated by the General Meeting of Shareholders through a transparent process. For publicly listed companies, state-owned enterprises, province and region-owned companies, companies that raise and manage public funds, companies of which products or services are widely used by public, and companies with extensive influence on environment, the process of evaluating the candidates for the member of the Board of Directors is carried out by the Nomination and Remuneration Committee prior to the General Meeting of Shareholders;

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- 1.3. Termination of the members of the Board of Directors shall be affected by the General Meeting of Shareholders for a reasonable cause and after the related member has been given the opportunity to defend himself or herself;
 - 1.4. All members of the Board of Directors shall be domiciled in Indonesia, at a place that allows the execution of the daily management function.

2. Capability and Integrity

- 2.1. Members of the Board of Directors shall have the capability and integrity required to ensure the proper execution of management function;
- 2.2. Members of the Board of Directors are prohibited from utilizing the company for his/her personal, family, business group and or other parties' interests;
- 2.3. Members of the Board of Directors shall understand and comply with the articles of association and the laws and regulations as related to their duties;
- 2.4. Members of the Board of Directors shall understand and implement the GCG Code.

3. Role and Function

The duties of the Board of Directors shall cover 5 (five) main tasks, namely in the areas of management, risk management, internal control, communication, and social responsibility.


3.1. Management

- a. The Board of Directors shall formulate the vision, mission, and values of the company as well as the short and long term program of the company to be discussed and approved by the Board of Commissioners or General Meeting of Shareholders in accordance with the articles of association;
- b. The Board of Directors shall be able to manage resources of the company effectively and efficiently;
- c. The Board of Directors shall consider the interest of the stakeholders properly;
- d. The Board of Directors may delegate certain authority to the committee established in support of the execution of its duty or to an employee of the company to carry out a certain duty, but the ultimate responsibility shall remain with the Board of Directors;
- e. The Board of Directors shall have work rules and guidelines set out in a charter to ensure that its duties can be executed in an objective and effective manner. The charter can also be used as one of the tools for appraising performance.

3.2. Risk Management

- a. The Board of Directors shall establish and implement a sound risk management within the company covering all aspects of the company's activities;
- b. Each strategic decision taken, including the creation of new products or services, shall carefully consider its risk exposures, ensuring appropriate balance between the benefit and risk.
- c. To ensure proper implementation of the risk management, the company shall have a work unit or a person in charge for such function.

3.3. Internal Control

- 
- a. The Board of Directors shall establish and maintain a sound internal control system to safeguard company's assets and performance and its compliance with laws and regulations;
 - b. Publicly listed companies, state-owned enterprises, province and region-owned companies, companies that raise and manage public funds, companies of which products or services are widely used by public, and companies with extensive influence on environment, shall have an internal control function or unit;
 - c. The internal control function or unit shall to assist the Board of Directors in ensuring the attainment of objectives and business sustainability by: (i) evaluating the implementation of the company's program; (ii) providing recommendations to improve the effectiveness of the risk management process; (iii) evaluating the company's compliance with company's regulations, implementation of GCG and the laws and regulations; and (iv) facilitating sound coordination with external auditor;
 - d. The internal control unit or the head of an internal control function shall be responsible to the President Director or to the Director in charge for the internal control function. The internal control unit has a functional relation with the Board of Commissioners through the Audit Committee.

3.4. Public Relations

- a. The Board of Directors shall ensure the existence of a sound communication between the company and its stakeholders by empowering the function of a Corporate Secretary;
- b. Function of the Corporate Secretary is to ensure: (i) a sound communication between the company and its stakeholders; and (ii) the availability of information that is accessible to stakeholders in accordance with the proper need of stakeholders;
- c. Publicly listed companies, state-owned enterprises, province and region-owned companies, companies that raise and manage public funds, companies of which products or services are widely used by public, and companies with extensive influence on environment, shall have a Corporate Secretary whose function may also include investor relations;
- d. In the event that the company does not have a separate compliance work unit to ensure the compliance with laws and regulations, such function shall be carried out by the Corporate Secretary;
- e. The Corporate Secretary or the person who executes the Corporate Secretary's function shall be responsible to the Board of Directors. Report on the implementation of the Corporate Secretary's duty shall also be submitted to the Board of Commissioners.

3.5. Social Responsibility

- a. In preserving the company's sustainability, the Board of Directors shall be able to ensure the fulfillment of the company's social responsibility;
- b. The Board of Directors shall have a clear and focused written planning in meeting the company's social responsibility.



4. Accountability Report of the Board of Directors

- 4.1. The Board of Directors shall prepare a report on its management accountability which contains, inter alia, a financial report, report on company's activities, and report on the implementation of GCG;
- 4.2. The annual report shall be approved by the General Meeting of Shareholders, and the financial report shall be ratified by the General Meeting of Shareholders;
- 4.3. The annual report shall be available prior to the conduct of the General Meeting of Shareholders in accordance with applicable provisions in order to enable the shareholders to make an evaluation;
- 4.4. The approval of the annual report and ratification of the financial report shall signify that the General Meeting of Shareholders has given a release and discharge to each member of the Board of Directors as far as it is reflected in the annual report, without limiting the responsibility of each member of the Board of Directors in the event of the occurrence of a crime or fault or negligence that causes damage to a third party which cannot be indemnified by the company's assets;
- 4.5. The accountability of the Board of Directors to the General Meeting of Shareholders is a manifestation of the management accountability in light of the implementation of the GCG principles.





PART V

THE RIGHTS AND ROLE OF SHAREHOLDERS

Principles

Shareholders as owner of share capital shall have certain rights and responsibilities within the company in accordance with the laws and regulations and the articles of association of the company. In exercising their rights and responsibilities, the shareholders shall observe the following principles:

1. the shareholders must be aware that in exercising their rights and responsibilities, they shall also consider the sustainability of the company.
2. the company shall facilitate the exercise of the ownership rights and responsibilities of the shareholders based on the principle of fairness and in accordance with laws and regulations and the articles of association.

Code Provisions

1. Rights of Shareholders and Key Ownership Function

1.1. The rights of shareholders shall be protected and exercised in accordance with laws and regulations and the articles of association of the company. The rights of the shareholders shall essentially include:

- a. the right to attend, express an opinion, and vote in the General Meeting of Shareholders based on the provision that one share entitles the right of the holder to issue one vote;
- b. the right to obtain information regarding the company on a timely, proper and regular basis, except with respect to confidential matters, so that the shareholders can make a decision in relation to their investment in the company based on accurate information;
- c. the right to receive shares of profit appropriated for shareholders in the form of dividends and other profit sharing, in proportion to the shares owned;
- d. the right to obtain full explanation and accurate information with regard to the procedures to be met in relation to the convening of the General Meeting of Shareholders in order for the shareholders to participate in decisions, including those affecting the existence of the company and the rights of the shareholders;
- e. in the event that there is more than one type and classification of shares in the company, then: (i) each shareholder is entitled to cast a vote in accordance with the type, classification and number of shares owned; and (ii) each shareholder is entitled to obtain a fair treatment based on the type and classification of the share owned.

1.2. The shareholders as owner of share capital shall be responsible for observing the laws regulations and the articles of association of the company. The responsibility of a shareholder shall include:

- a. the controlling shareholder shall: (i) consider the interest of the minority shareholders and other stakeholders in accordance with laws and regulations; and (ii) disclose information regarding the company's ultimate shareholders to the law enforcement agencies, in the event that there is suspected that a violation is committed against laws and regulations, or when requested by the relevant

authority;

- b. the minority shareholder shall be responsible for exercising its right properly in accordance with laws and regulations and the articles of association;
- c. as shareholders shall: (i) segregate the company's asset from his/her personal asset; and (ii) segregate his/her function as a shareholder from that as a member of the Board of Commissioners or the Board of Directors, if that shareholder holds position in one of the two organs;
- d. in the case where a shareholder becomes the controlling shareholder in several companies, it is necessary that the accountability and inter-company relations are carried out clearly.

2. Responsibility of the Company against Shareholders

- 2.1. A company shall protect the rights its a shareholders in accordance with laws and regulations and the articles of association;
- 2.2. A company shall maintain a register of shareholders in an orderly manner and in accordance with laws and regulations and the articles of association;
- 2.3. A company shall provide information regarding the company to the shareholders, on a timely, correct and regular basis, except with respect to confidential matters;
- 2.4. A company shall not favor certain shareholder by providing him/her with information that are not disclosed to the other shareholders. The information shall be provided to all shareholders regardless of type and classification of the shares owned;
- 2.5. A company shall provide full explanation and accurate information regarding the conduct of a General Meeting of Shareholders.



PART VI

THE RIGHTS AND ROLE OF OTHER STAKEHOLDERS

Principles

Stakeholders – aside from the shareholders – are those having an interest in a company and are directly affected by the strategic and operational decisions of the company, including employees, resource providers, and communities particularly in which the company operates. There should be a fair and equal relationship between a company and its stakeholders based on law and or through mutual agreements applicable to each respective party. For a sound relationship between a company and its stakeholders, the following principles shall be observed:

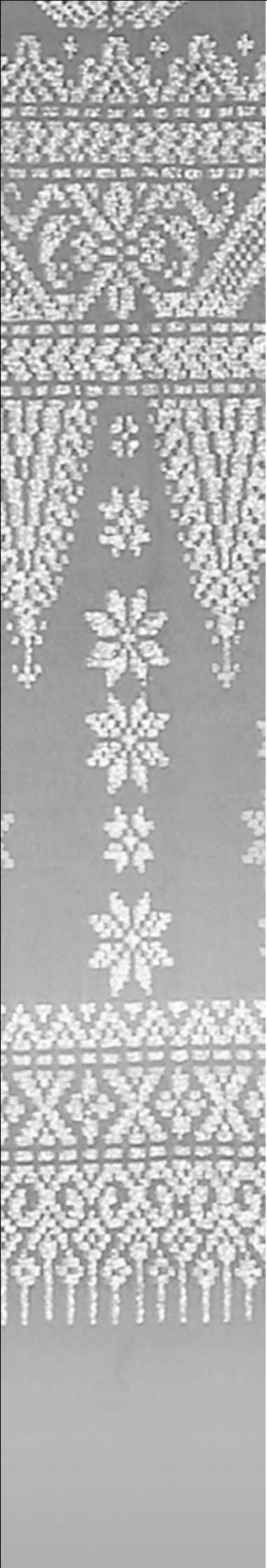
1. a company shall ensure that there shall be no discrimination exists based on ethnic, religion, race, group, and gender and that a fair and honest treatment in promoting the development of employees in accordance with their respective competencies, capabilities, experience and skills is created;
2. a company and its resource providers shall cooperate with each other in the interest of both parties based on a mutual benefit principle;
3. a company shall consider the public interest, particularly those of the communities in which the company operates, and the users of products and services of the company.

Code Provisions

1. Employees

- 1.1. Decisions on recruitment shall be made by applying consistently the criteria and capabilities requirement for the respective jobs.
- 1.2. Determination on salary, participation in training, career path and other work requirements shall be made objectively, without discriminating any ethnic, religion, race, gender, and physical condition, or any other circumstances protected by laws and regulations;
- 1.3. A company shall have rules and regulations which clearly regulates the recruitment system and the rights and obligations of the employees;
- 1.4. A company shall create a conducive working environment, including health and work safety in order that employees can work creatively and productively;
- 1.5. A company shall ensure the availability of information required by employees to allow them to perform their work through a sound communication system;
- 1.6. A company shall ensure that its employees shall not use the company's name, facility or business relationship with any external parties for their personal interest. For such purpose, a company shall establish and maintain a system that can ensure that each employee upholds a high standard of ethics and company values and adheres to the applicable policy, regulation and internal procedure;
- 1.7. Employees and labor union within the company are entitled to express their opinions and recommendations regarding working environment and employees' welfare;
- 1.8. Employees shall have the right to report on any breach of the business ethics and code of conduct as well as any violation against laws and regulations that occurred within the company.

2. Resource Providers



- 2.1. Resource providers shall include suppliers, distributors, creditors, debtors, and any other party that conduct business with the company;
 - 2.2. A company shall establish rules and regulations that can ensure that any resource provider can exercise its rights and obligations in accordance with the respective agreements as well as rules and regulations;
 - 2.3. Resource providers are entitled to obtain any information that are relevant to their business relationship with the company so that each party can make decisions based on a fair and just consideration;
 - 2.4. Unless otherwise required by law, a company and its resource providers are obliged to keep confidential information and protect the interests of each respective party.
3. Community and User of Products and Services
- 3.1. A company shall establish rules and regulations that ensure the preservation of a harmonious relationship with the communities, including the execution of partnership programs and preserve the environment;
 - 3.2. A company shall be responsible for the quality of products and services produced and the negative impact on the safety of users;
 - 3.3. A company shall be responsible for the negative impact that may result from its business activities on the communities and environment in which the company operates. Accordingly, the company shall convey any information to the communities that could be affected by such company's activity.



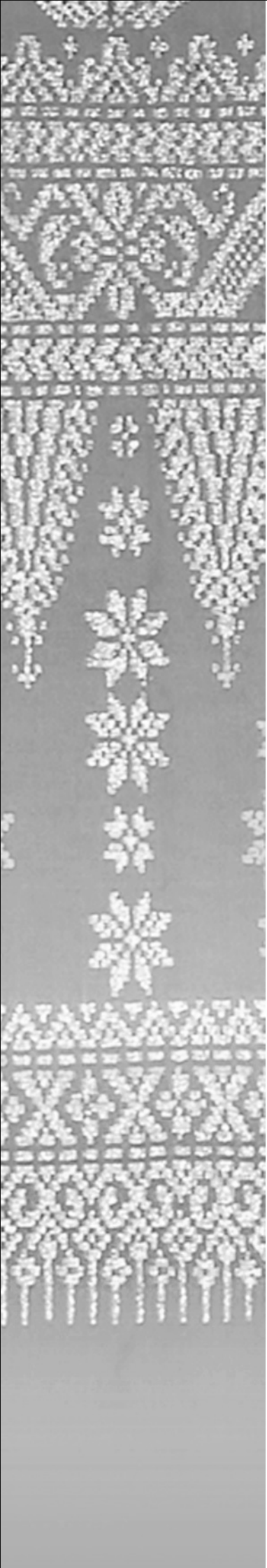
PART VII IMPLEMENTATION STATEMENT OF THE CODE

Principles

Each company shall make a statement regarding the conformance of its GCG implementation with the GCG Code in its annual report. The statement shall be supported by a report outlining the structure and work mechanism of the company organs as well as other important information relevant to the implementation of GCG. This statement is necessary to enable the shareholders and other stakeholders, including the regulator, to evaluate the extent of the application of the GCG Code within the company.

Code Provisions

1. A statement regarding the implementation of GCG and its report shall be made a part of the company's annual report. The statement and its report can be used simultaneously to meet the reporting requirement of the relevant authorities;
2. In the event that the GCG Code has not been fully implemented, a company shall disclose the non-conformance aspects and the reasons for such;
3. Report on the structure and work mechanism of the company organs shall comprise of the following:
 - 3.1. structure and work mechanism of the Board of Commissioners covering:
 - a. names of the members of the Board of Commissioners, including their qualifications, whether the member serves as an Independent Commissioner or Non-Independent Commissioner;
 - b. number of meetings held by the Board of Commissioners, and the individual attendance of each member of the Board of Commissioners in the meetings;
 - c. mechanism and criteria used for self-assessment regarding performance of each member of the Board of Commissioners;
 - d. elaboration on committees supporting the Board of Commissioners including:
 - (i) names of members of the respective committees; (ii) description regarding the function and work mechanism of the respective committees; (iii) number of meetings held by the respective committees and individual attendance of each member; and (iv) mechanism and criteria used for evaluating performance of the committee.
 - 3.2. structure and work mechanism of the Board of Directors shall include as follows:
 - a. name of the members of the Board of Directors with their respective positions and functions;
 - b. a brief explanation on how the Board of Directors operates, including the mechanism for decision making and delegation of authorities;
 - c. number of meetings held by the Board of Directors, and the individual attendance of each member of the Board of Directors in the meetings;
 - d. mechanism and criteria used for evaluating the performance of the members of the Board of Directors;
 - e. statement on the effectiveness of the internal control system including risk management, control system and internal audit.
4. Other pertinent important information regarding the implementation of GCG which



are required to be disclosed in the report shall include:

- 4.1. company's vision, mission and values;
- 4.2. controlling shareholders;
- 4.3. policy and amount of remuneration of the Board of Commissioners and the Board of Directors;
- 4.4. transactions with parties having a conflict of interest;
- 4.5. outcome on the evaluation of GCG implementation as reported in the annual General Meeting of Shareholders; and
- 4.6. extraordinary events experienced by a company and those that might have an effect on the performance of the company.



PART VIII

GENERAL GUIDELINES ON GCG IMPLEMENTATION

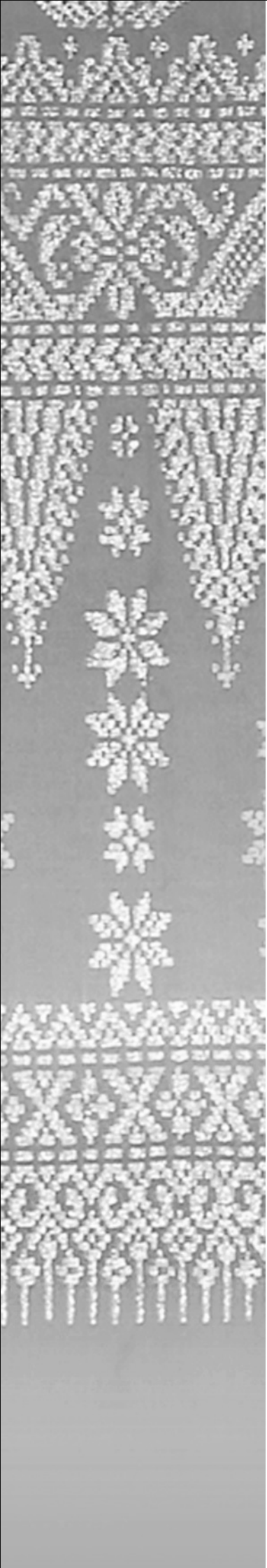
Principles

GCG shall be implemented in a systematic and continuous manner. Accordingly, it is necessary to have a practical guidance to be used as a reference by the company in implementing GCG.

Code Provisions

1. In the implementation of GCG, each company shall develop its own GCG manual based on the GCG Code and the Sectoral Code (if any). Such GCG manual shall include at a minimum the following:
 - 1.1. company's vision, mission and values;
 - 1.2. position and function of General Meeting of Shareholders, the Board of Commissioners, the Board of Directors, the committees supporting the Board of Commissioners, and the internal control system;
 - 1.3. policy to ensure the effective functioning of each company organ;
 - 1.4. policy to ensure effective accountability, effective internal control and proper financial reporting;
 - 1.5. code of conduct based on company's values and business ethics;
 - 1.6. instruments for disclosure of information for shareholders and other stakeholders;
 - 1.7. policy on improvement various the company regulations necessary for implementation of GCG principles.
2. For the effective implementation of GCG, all parties within the company are required to participate alongside the process. For this purpose, the following phases shall be required:
 - 2.1. building the understanding, awareness and commitment of all members of the Board of Commissioners and the Board of Directors, controlling shareholders, and all employees to implement GCG;
 - 2.2. reviewing the company's current state in GCG implementation and the required corrective measures;
 - 2.3. developing GCG program and implementation guidance within the company;
 - 2.4. to build a sense of belonging of all parties within the company, and an understanding of the implementation of the GCG Code in daily activities;
 - 2.5. conducting self-assessment or using the service of an independent external party to ensure continuous implementation of GCG. The outcome of such assessment shall be disclosed in the annual report and reported in the Annual General Meeting of Shareholders.





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2.	Yunus Husein	Vice Chairman
3.	Irwan Habsjah	Member
4.	Fred B G Tumbuan	Member
5.	Hotbonar Sinaga	Member
6.	A Partomuan Pohan	Member
7.	Rusli Simanjuntak	Member
8.	Anwar Isham	Member
9.	Azis Sanuri	Member
10.	Mas Achmad Daniri	Member
11.	Hoesein Wiriadinata	Member
12.	Jos F Luhukay	Member
13.	Suwartini	Member
14.	Heri Yana Sutisna	Member
15.	Agus Sugiarto	Member
16.	Angela Indirawati Simatupang	Member
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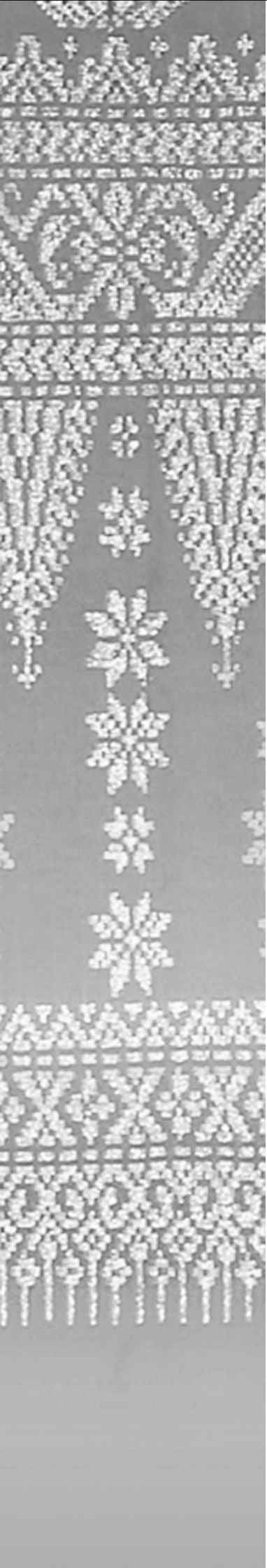
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Catatan :

