



CORPORATE GOVERNANCE CHARTER

PT. TOWER BERSAMA INFRASTRUCTURE Tbk.

CHAPTER I

INTRODUCTION

1. Background

The implementation of Good Corporate Governance is one of the important aspects to sustainably enhance the value and growth of a company. In accordance with this framework, PT. Tower Bersama Infrastructure Tbk. and all of its affiliated companies ("Company") have formulated TBiG Code of Conduct ("TBiG CoC") as a guideline on professional ethics and behavior governance for all employees, Board of Directors and Board of Commissioners.

TBiG Code of Conduct consists of a series of commitments on Company's business and work ethics that every TBiG People must adhere to. It is formulated to **form, govern and put behavior compliance into effect**, in order to achieve results that are consistent with the Company's vision, mission, culture and core values.

The adoption of this TBiG Corporate Governance Code ("TBiG CG") confirms the Company's commitment to apply a comprehensive implementation of Good Corporate Governance ("GCG") at every level of the organization in order to achieve its vision and mission to be the leading Company in providing telecommunication infrastructure solution and services to telecommunication operators and partnering with them to excel in their services through the Company's premier infrastructure.

The company believes that GCG implementation plays significant role in developing trust from the community including the international community, and it shall be an absolute requirement for TBiG in its efforts to achieve sustainable growth and development.

2. The Formulation Platform for Code of Conduct and Corporate Governance Code

The Company refers to the following principles in formulating and preparing this Code of Conduct and Corporate Governance Code:

1. Compliance with the prevailing laws and regulations by adhering to the good and prevailing norms within the community where the Company operates.
2. Awareness on the requirements for the Company to grow and develop in accordance with the market dynamics and development as well as stakeholders' requirements.
3. Continuously taking the efforts to provide best contribution to the improvement on welfare of the employees, communities, nation and the country.
4. Continuously taking the efforts to apply transparency, independency, accountability, responsibility and fairness principles in the Company.

3. Vision and Mission of the Company

- a. **Vision**
To be a leading telecommunication infrastructure solution and service company.
- b. **Mission**
Partnering with operators to excel their services through our premier infrastructure.

4. Core values of the Company

Integrity

Honest, trustworthy. Consistent in actions and put the Company's interests as the priority and always act in accordance with the Company's values, business ethics, and policies.

Teamwork

Cooperative, supportive to other coworkers, both as part of a team or a larger group. Respect opinion differences, mutual respect and committed to the defined agreement.

Care & Responsibility

Perform any and all duties in responsible manners and care for the work environment situations in order to improve the Company performances.

Solution Focus

Perform any and all duties in compliance with the Company's provisions and focus on the Company's business interests, as well as to strive for creative solutions.

Strive for Excellence

Self-confident and positive attitudes to be the best, as an individual and as a team, diligent in performing any and all duties, consistent for continuous process and results improvements.

5. Purpose, Objective and Benefit of Code of Conduct and Corporate Governance Code

1. To provide TBiG People guidelines on ethics and behavior conducts in order to comprehend that all Company's activities are based on the good governance principles.
2. To give motivational encouragement for TBiG People to apply good behavior in performing all Company's activities.
3. To minimize any deviation possibilities or as a part of risk management, as well as a tool to build Company's reputation.
4. To create a healthy and comfortable work environment within the Company.

6. Terminologies

1. **Company** with capital 'C' shall refer to as PT Tower Bersama Infrastructure Tbk while company with 'c' small letter shall refer to company as a general term.
2. **Corporate Governance**, is a process and structure used by Company organization to improve the quality of good corporate governance in order to ensure the business success and accountability to achieve long term shareholders' values with due observance of other stakeholders' interests in accordance with the prevailing laws and regulation as well as ethics values.
3. **Corporate Governance Code or CG Code**, is a set of value systems or norms a company adopt and apply to ensure the compliance with Corporate Governance in its business activities.

4. **Indonesia Financial Service Authority** or **OJK**, is an independent institution, as referred to in Laws No. 21 Year 2011 regarding Indonesia Financial Service Authority which duties and authorities shall include financial service activities management and supervision in banking, capital markets, insurance, pension funds, funding institutions and other financial institution sectors, which as of December 31, 2012, in compliance with Article 55 of OJK Laws, has been declared as the substitute for Supervisory Agency for Capital Market (Bapepam) and/or Supervisory Agency for Capital Market & Financial Institution (Bapepam & LK) making it accountable for the rights and obligations to conduct management and supervision functions previously attached to the substituted institution.
5. **Stock Exchange**, is the provider and organizer of system and/or facilities stocks trading amongst the market players, in this term it refers to PT Bursa Efek Indonesia, having its domicile in South Jakarta, or the proxy and receiver of its duties and responsibilities.
6. **Conflict of Interest**, is a situation or condition in which Company organs make use its position and authority in Company for the personal, family or group interests, and therefore the assignment cannot objectively conducted.
7. **Code of Conduct or CoC**, is the value system or norms adopted by TBiG People in performing their duties, and it contains business ethics and behaviors of all TBiG People in achieving the Company's objectives, vision and mission including relation ethics amongst **Company and employee, customers, shareholders, suppliers, creditors, government, business vendors, competitors, mass media, communities and the environment**.
8. **Shareholders**, are Company's shareholders whose names are registered in List of Company's Shareholders issued by PT Datindo Entrycom as Company Shares Administration Bureau.
9. **Major Shareholder**, is every Party both directly and indirectly owns at least 20% (twenty percent) voting right of all shares issued by a Company.
10. **Board of Commissioners**, is all members of Board of Commissioners as Board entity.
11. **Member of Board of Commissioners**, refers to an individual member of Board of Commissioners referring to individual (not as a Board).
12. **Board of Directors**, is all members of Board of Directors as a Board entity.
13. **Member of Board of Directors**, refers to an individual member of Board of Directors referring to individual (not as a Board).
14. **Employee**, is a person bound in an employment relation with the Company and has qualified any requirements stipulated and assigned by the Board of Directors. They also receive remuneration, welfare and facilities in compliance with the laws and the Company's regulations.
15. **TBiG People**, refers to Board of Commissioners, Board of Directors and all employees of the Company.
16. **Stakeholders**, are the Company's parties of interests, direct and indirect, financial and non-financial, which affects, directly and indirectly, the Company's sustainability. This party of interests shall include Shareholders, Employees, Government, Customers, Suppliers, Creditors and Communities and other stakeholders.
17. **Business Vendor**, is an individual or a company, that establish business cooperation with the Company, based on the mutual potentials and feasibility.
18. **Core values**, are a complex of values and beliefs adopted as the good and righteous principles as guidance for every TBiG People in their behavior, action and decision making in order to achieve common goals in their efforts to run the business and organization.

19. **Business Ethics**, refer to a value system and norms derived from the Company's founding philosophy, adopted and became reference for the Company and its management related to the environment both internal and external (stakeholders).
20. **Work Ethics**, refer to value system or norms adopted by every Leader and Employee in performing their duties including the ethics on relationship between Employee and the Company.
21. **Audit Committee Charter**, is a formal document to realize the commitments of Board of Commissioners and Board of Directors in their efforts to create conducive climate to oversee the Company's governance and to provide a reference for Audit Committee in performing its duties and responsibilities.

PT TOWER BERSAMA INFRASTRUCTURE Tbk

CHAPTER 2

GOOD CORPORATE GOVERNANCE (GCG) PRINCIPLES

1. Transparency

The company shall ensure disclosure on material and relevant information on performance, financial condition and other relevant information in clear, sufficient, and accurate in compliance with the prevailing laws and regulations in a timely manner and easy access to the stakeholders In accordance with their respective rights.

The transparency principle does not undermine the obligations to protect confidential information on the Company and customers as well as vendors in compliance with the prevailing laws and regulations.

2. Accountability

Company shall clearly formulate the functions, rights, obligations, authorities and responsibilities of all levels within the Company which enables effective management of the Company. Accountability shall refer to obligations of relevant individuals or company organs to fulfill their respective duties and authorities and/or responsibilities assigned by the Company.

3. Responsibility

Company shall ensure that all business activities are in accordance with the principles of a healthy corporate, which are run in compliance with the prevailing laws and regulations and undertake to provide real contribution to the community.

4. Independency

Company shall ensure that the Company is managed in professional manner, avoiding conflict of interests and any influence/pressure from any parties which are not in compliance with the prevailing laws and regulations and healthy corporation principles.

5. Fairness

Company shall ensure that the fair and non-discriminative treatment in meeting stakeholders' rights in compliance with the prevailing laws and regulations.

CHAPTER III

TBIG CORPORATE GOVERNANCE CODE

In compliance with the Law Number 40 regarding Limited Liability Company, the Company's organs are consisted of (i) General Meeting of Shareholders ("GMS"), (ii) Board of Commissioners, and (iii) Board of Directors which functions and assignments are different, however, complementary to one another in achieving Company's objective. The roles of three Company organs in implementing good corporate governance are as follows:

I. GENERAL MEETING OF SHAREHOLDERS

A. Introduction

GMS is a forum where the shareholders reserve the rights to obtain any information relevant to Company's business and participate in decision making in accordance with the respective voting rights as regulated by laws and articles of association of the Company.

B. Provisions

Annual GMS is convened at least once a year in accordance with the laws. Implementation procedure of GMS shall be conducted with the following mechanism:

1. Notification on GMS plan shall be delivered to the shareholders within 14 (fourteen) calendar days prior to GMS invitation published in newspaper, Stock Exchange's website and Company's website.
2. Invitation to attend GMS shall be disseminated through at least 1 (one) Indonesian language newspaper with nationwide distribution, Stock Exchange's website and Company's website within no later than 21 (twenty one) days prior to GMS date.
3. Invitation shall include the information of GMS date, venue, agenda and provisions of the shareholders reserving rights to present in GMS.
4. GMS agenda must be available for shareholders in the form of hardcopy and softcopy since the GMS invitation date.
5. The Company shall prepare and submit GMS minutes and its summary shall be published in at least, 1 (one) Indonesian language newspaper with nationwide distribution, Stock Exchange's website and Company's website within no later than two working days after GMS containing the following information: ,
 - a. date, venue, time and agenda of GMS;
 - b. member of Board of Directors and member of Board of Commissioners who are present in the GMS;
 - c. amount of shares with legal voting rights during GMS and percentage of total shares having legal voting rights;
 - d. the opportunity for shareholders to ask questions and/or giving opinions related to GMS agenda and number of shareholders asking questions/giving opinions related to GMS agenda;
 - e. mechanism of decision making and voting results including the number of votes "for", votes "against" and abstain for each of GMS agendas.
 - f. GMS results; and
 - g. cash dividend payment (if any).

II. BOARD OF COMMISSIONERS

Board of Commissioners's duties are to conduct supervision on management policies, governance implementation in general, both for the Company and its business activities, and to provide recommendation to Board of Directors.

A. Composition, Structure and Requirements of Membership

1. Board of Commissioners is appointed and discharged by GMS. Board of Commissioners consists of two or more members including Independent Commissioner which number is at least 30% (thirty percent) of the total members.
2. One or more persons who are appointed as member of the Board of Commissioners of the Company must have the following qualifications:
 - a. possess good behavior, moral and integrity;
 - b. legally competent;
 - c. within the last 5 (five) years prior and during the assignment:
 - i. never been declared bankrupt;
 - ii. never been a member of Board of Directors/Board of Commissioners who is guilty of causing any company into bankruptcy;
 - iii. never been suspended as a result of criminal action leading to the state loss related to financial sector; and
 - iv. never been a member of Board of Directors/Board of Commissioners whom during the assignment: never convenes any GMS, submits accountability report which is rejected by GMS, as a member of Board of Directors who never submits accountability report to Board of Commissioners or GMS, causing a company to not submit Annual Report and/or Financial Statement;
 - d. possess commitment to comply with the laws and regulations; and
 - e. possess knowledge and/or abilities required by the Company.
3. In addition to meeting general requirements as member of Board of Commissioners, Independent Commissioners must meet the following requirements:
 - a. not working for the Company within the last six months;
 - b. not having any shares in the Company both directly and indirectly;
 - c. not having any affiliation relation with the members of Board of Commissioners, Board of Directors and main shareholders of the Company; and
 - d. not having business relation both directly and indirectly to Company business activities;
4. Assignment period of Board of Commissioners shall be 5 (five) years without having prejudiced to the rights of GMS for discharge, at any time.

B. Duties, Responsibilities and Authorities

1. Board of Commissioners has the following duties:
 - a. supervision on governance policies and implementation in general both in the Company and its business activities;
 - b. providing recommendation to the Board of Directors; and
 - c. analyze annual report prepared by the Board of Directors.
2. Board of Commissioners has the following obligations to:
 - a. provide recommendation and opinions to GMS relating to Company's development plan, annual report and other periodical reports from the Board of Directors;

- b. submit report on duties and supervision during financial year to GMS along with recommendation and corrective actions, if the Company showing declining signs;
 - c. provide recommendation and opinions for GMS on other issues deemed important for the management of the Company;
 - d. authorized work plan and budget of the Company which is submitted by the Board of Directors within no later than 30 (thirty) days prior to the commencement of new financial year;
 - e. perform other supervisory duties which are defined by GMS; and
 - f. report to the Company on its shares ownership and/or its family shares ownership on the Company and other companies.
3. Board of Commissioners meeting shall be convened at least every 2 (two) months. In addition, meeting of Board of Commissioners and Board of Directors shall be convened at least once every 4 (four) months.
 4. Meeting resolution shall be reported in the Minutes of Meeting.
 5. Board of Commissioners shall establish Audit Committee to assist the implementation of its duties and functions in compliance with the prevailing laws and regulations.
 6. Board of Commissioners shall prepare Board of Commissioners Report annually for the Company's Annual Report which includes:
 - a. evaluation to Board of Directors performance;
 - b. outlook on business prospects prepared by the Board of Directors; and
 - c. changes on the Board of Commissioners composition and its reasons (if any).

III. BOARD OF DIRECTORS

The Company is managed and led by the Board of Directors. In performing its management duties for the interest of the Company and in accordance with its purposes and objectives, the Board of Directors shall stipulate policies deemed necessary in compliance with the prevailing laws and regulations.

A. Composition, Structure and Requirements for Membership

1. Board of Directors shall be appointed and discharged by GMS. Board of Directors consists of, at least, 2 (two) members and one of them shall be assigned as President Director including Independent Director which consists of, at least, one member.
2. One or more persons appointed as member of the Board of Directors of the Company must have the following qualifications:
 - a. possess good behavior, moral and integrity;
 - b. legally competent;
 - c. within the last 5 (five) years prior and during the assignment:
 - i. never been declared bankrupt;
 - ii. never been a member of Board of Directors/Board of Commissioners who is guilty of causing any company into bankruptcy;
 - iii. never been suspended as a result of criminal action leading to the state loss related to financial sector; and
 - iv. never been a member of Board of Directors/Board of Commissioners whom during the assignment: never convenes any GMS, submits accountability report which is rejected by GMS, as a member of Board of Directors who never submits accountability report to Board of Commissioners or GMS, causing a company to not submit Annual Report and/or Financial Statement;

- d. possess commitment to comply with the laws and regulations; and
 - e. possess knowledge and/or abilities required by the Company.
3. In addition to meet general requirements as member of the Board of Directors, Independent Director must meet the following requirements:
 - a. not having affiliation relation with the Company's main shareholders within six months prior to the assignment as Independent Director;
 - b. not having affiliation relation with Board of Commissioners or Board of Directors of the Company;
 - c. not working as Board of Directors in other company; and
 - d. not a member of any capital market supporting institution or profession within six months prior to the assignment as Independent Director.
4. Assignment period of the Board of Directors shall be 5 (five) years without having prejudice to the rights of GMS for discharge, at any time.

B. Duties, Responsibilities and Authorities

1. Board of Directors has the authority and responsibility for implementing their duties and responsibilities in good faith, accountable and prudence in accordance with the purpose and objectives of the Company, and represent the Company both inside and outside the court based on the provisions in the articles of association:
 - a. to convene annual GMS and other GMS as required by laws and regulations, and articles of association;
 - b. to prepare annual work plan prior to the commencement of the next financial year and submit the plan to the Board of Commissioners for approval;
 - c. to submit Annual Report and Company's financial statement/documents to GMS after the Board of Commissioners analyze them no later than 6 (six) months after the Company's financial year ends;
 - d. to prepare list of shareholders, special list, minutes of GMS and minutes of the Board of Directors meeting, and maintain all lists, minutes and financial documents/statements of the Company; and
 - e. to report to the Company shares ownership of each member of the Board of Directors and/or the family members.
2. Board of Directors must convene Board of Directors meeting periodically, at least once a month.
3. Decision making in the Board of Directors meeting shall be adopted with amicable deliberation way. In the event that no consensus adopted with amicable deliberation way, the decision making shall be adopted by voting.
4. Meeting of Board of Commissioners and Board of Directors shall be convened at least once every 4 (four) months and the meeting resolution shall be written into Minutes of Meeting.

CHAPTER IV

COMPANY'S CODE OF CONDUCT

Integrity

Integrity is one of the most significant core values in Company's activities. All employees, Board of Directors and Board of Commissioners must focus on integrity as morale basis in working.

Compliance to the Law

Company shall run its business in compliance with the prevailing laws and regulations both in Indonesia and overseas where the Subsidiaries are operated. Any and all policies issued to support Company's operations must be in compliance with the prevailing laws and regulations in Indonesia including laws of manpower, taxation, capital market and environment.

Conflict of Interest

In every corporate action, particularly any transaction with affiliated party, the Company shall conduct prior analysis to ensure that every corporate action plan does not violate the prevailing laws and regulations particularly those related to capital market. Every person in the company due to their position having authority to make decision on behalf of the Company is prohibited to use the authority and position for personal, family and relatives interests.

Intellectual Property Rights

Rights on intellectual property is the rights occurs from intellectual development resulting a product or process which is beneficial for human. Any object regulated in Intellectual Property Rights is the works created from human intellectual ability. The Company highly respects all forms of innovation and copyright works as intellectual property. Therefore, the Company stipulates policy to consistently appreciate every copyright as a form of intellectual property and not to illegally use them.

Political Activity

The Company shall not engage in politic activities including prohibition to give donation to political parties, and to use name, logo, property or equipment of the Company as a form of support to any party or any politic party.

Relation with Employee

The Company realizes that the continuous business growth must be supported by reliable human resources quality. Any policy issued by company related to human resources management must be in the framework of employee competency and performance improvement by take into consideration the employees' qualification and potential. Therefore, the Company policies defined in the following ways:

- to consistently respect employee's rights and implement employee management policy in accordance with the prevailing laws and regulations;
- to support and provide facilities to the employee for developing their maximum competency without distinction of race, descents, gender and religion;
- to create a healthy, comfortable and environmental friendly work place in accordance with the provisions on System of Quality Management, Occupational Health, Safety and Environment (QHSE)
- to provide evaluation, appreciation and payment of remuneration in accordance with employee performance and competency;

- to appreciate employee's creativity, innovation and initiative which give value added to the Company; and
- to prohibit any immoral actions and/or any forms of sexual harassment, pornography, race, descents and religion harassment within the Company.

Relation with Shareholders

- to respect and ensure shareholders' rights in accordance with the Company's Articles of Association and other prevailing regulations and therefore it can be met in transparent, fair and timely manner; and
- to ensure that the Company's information shall always be disclosed to the Shareholders in good faith, timely manner and orderly in accordance with the prevailing laws and regulations.

Relation with Customer

- to provide customer with a good and qualified service in accordance with the Service Level Agreement (SLA) agreed by the parties;
- to be proactive to customer needs and make a best effort to meet customer needs; and
- to provide accessible and non-discriminative complaint service for the customer.

Relation with Business Partner

- to provide good, equal, transparent and mutual relation in cooperating with business partner;
- to maintain business relation in accordance with ethics value within the tolerance limit allowed by the laws; and
- to avoid cooperation with business partner practicing in non-ethics business including corruption, collusion, and nepotism.

Relation with Creditor

- to provide actual and prospective information for potential creditor;
- to maintain the Company's reputation in the use of fund originating from creditor loan/investor to always meet its commitment; and
- to always focus on prudence, selective, competitive and fair principles in the selection of funding sources.

Relation with Mass Media

- to place and treat mass media as a partner for delivering Company's information to the public in open and responsible way in order to build positive Company's image while respecting the applicable journalism code of ethics;
- to provide correct, relevant, equal and educative information to community for the understanding of Company business and its industry; and
- to receive and follow up constructive criticisms which are delivered by mass media subjected to risk and cost aspects.