

CHARTER OF BOARD OF DIRECTORS OF PT GOLDEN ENERGY MINES Tbk (the “Company”)

The Board of Directors Guidelines and Code of Conduct is prepared in order to enhance good corporate governance practice, which, in turn, will increase public trust and added value to the Company.

1. Legal Basis of the Board of Director Guidelines and Code of of Conduct

- a) Act No. 40 Year 2007 concerning to Limited Liability Company;
- b) The Financial Services Authority Regulation Number 33/POJK.04/2014 concerning to the Board of Directors and Board of Commissioners of the Issuer or Public Company;
- c) The Article of Association of Company

2. Board Of Directors Composition and Criteria

- a) The Board of Directors consists of 6 (six) members.
- b) The Board of Directors is chaired by the President Director, assisted by a Vice President Directors and four (4) members of the Board of Directors, at least 1 (one) of them must be an Independent Director.
- c) The definition of Independent Director is:
 - i. Do not have any affiliated relationship with the Controlling Shareholders of the Company at least 6 (six) month prior to his/her appointment as Independent Director;
 - ii. Do not have any affiliated relationship with the Board of Commissioners or Board of Directors of the Company;
 - iii. Do not have multiple positions as Board of Directors in other company; and
 - iv. Do not work on any institution or Supporting Profession in Capital Market field which its services was used by the Company during 6 (six) months prior to his/her appointment as the Director.

3. Appointment, Termination, and Tenure of the Board of Directors

- a) A member of the Board of Directors is appointed by the GMS for a period commencing on the date set out in the GMS which appoint such member of the Board of Directors until the closing of the 5th (fifth) which will be held after the GMS that appointed such members of the Board of Directors.
- b) A member of Board of Directors whose tenure has ended may be reappointed subject to the approval from the GMS.
- c) GMS is entitled to dismiss any member of the Board of Directors at any time prior to the end of his tenure .

- d) A members of the Board of Directors is entitled to resign from his/her position subject to the provisions of the Articles of Association of the Company.
- e) The tenure of member of Board of Directors ends automatically, if:
 - i. He or she declared bankrupt or put under guardianship pursuant to a court order; or
 - ii. He or she is no longer qualifies pursuant to the laws and regulations; or
 - iii. Decease; or
 - iv. Is dismissed by virtue of a resolution passed in a GMS ; or
 - v. Resigns pursuant to the provision of the Company's Articles of Association; or
 - vi. His or her term of office is ended.
- f) The procedure for the appointment, replacement, termination, or resignation of a member of the Board of Directors could be found in the Articles of Association of the Company.
- g) The proposed appointment, termination and/or replacement of member of the Board of Commissioners to GMS shall have considered the recommendations from the Board of Directors meetings with nomination agenda. In the event member of the Board of Directors has a conflict of interest with the recommended proposals, such conflict of interest must be disclosed.

4. Concurrent Positions of Member of the Board of Directors

- a) Members of Board of Directors may serves double positions in other companies subject to applicable regulations, including the provisions of the Company's Articles of Association.
- b) Member of the Board of Directors may serves double positions as:
 - a. Member of the Board of Directors at most on 1 (one) Issuer or any other Public Company ;
 - b. Member of the Board of Directors at most on 3 (three) Issuer or any other Public Company; and/or
 - c. Committee members at most on 5 (five) committees on Issuer or Public Companies where he/she also serves as member of the Board of Directors or Board of Commissioners.
- c) Excluded from the above mentioned concurrent position is where a member of Board of Directors responsible for supervision of investment in Company's subsidiaries, serve as member of Board of Directors or member of Board of Commissioners at subsidiary controlled by the Company, as long as that double position does not result in the ignorance of the duties and responsibilities as the member of Board of Directors of the Company.

5. Duties And Responsibilities of The Board of Directors

- a) The Board of Directors is responsible to lead and take care the Company in accordance with the purposes and objectives of the Company;
- b) The Board of Directors is responsible to control, maintain, and manage the Company's wealth for the benefit of the Company;

Un-Official Translation

- c) In carrying out his or her duties and responsibilities, the Board of Directors of the Company shall always consider the Code of Ethics, Guidelines and Code of Conduct of Board of Directors, Articles of Association of the Company, as well as the prevailing laws and regulations.
- d) The Board of Directors is entitled to represent the Company inside and outside of court regarding all matters and in any event, binding the Company with the other party and the other party to the Company, as well as carry out all actions, both concerning the management and ownership, provided however with limitation of authority as stipulated in the Articles of Association and the prevailing regulations :
- e) Members of the Board of Directors is not authorized to represent the Company in the event or transaction in which the relevant member of the Board of Directors have interests that conflict with the interests of the Company;
- f) In the event of members of the Board of Directors have interests that conflict with the interests of the Company, the Company shall be represented by other members of the Board of Directors (without prejudice to the provisions of the Articles of Association). If all members of the Board of Directors have interests that conflict with the interests of the Company, then in the such event or transaction, the Board of Commissioners is entitled to act for and on behalf of and represent the Company.
- g) Without prejudice to other provisions in the Articles of Association of the Company, President and Vice President are jointly entitled and authorized to act for and on behalf of the Board of Directors and represent the Company. In the event the position of President or Vice President is vacant or in the case of the President of the Director or Vice President Director is absent or unavailable due to any cause, which does not need to be proved to any third party, then the two (2) members of the Board of Directors jointly entitled and authorized to act for and on behalf of the Board of Directors and represent the Company.
- h) Without prejudice to the responsibility of the Board of Directors, the Board of Directors for certain actions be entitled to appoint one or more persons as a proxy with the authority and the requirements specified by the Board of Directors in a specific power of attorney.
- i) If necessary, the Board of Directors may establish supporting committee(s) of the Board of Directors/Executive to assist the Board of Directors in performing their duties and responsibilities.
- j) In performing the duties, responsibilities, and authority, the Board of Directors based on the values adopted by the Company, namely innovation, continuous improvement, commitment, integrity, a positive attitude and loyalty.

6. Meeting of Board of Directors

- a) Meeting of Board of Directors held at least 1 (one) time in a month. If necessary, the Board of Directors may hold the Meeting of Board of Directors in accordance with the provisions of the Articles of Association of the Company. The Board of Directors may hold joint meetings with the Board of Commissioners at least three (3) times a year.

- b) In the case of members of the Board of Directors cannot physically attend a meeting, He/She can authorize the other members of the Board of Directors to represent him/her.
- c) Decision-making in the meeting of the Board of Directors is based on consensus.
- d) In the event that does not happen consensus, decisions made by a majority vote with regard to the provisions stipulated in the Articles of Association of Company.
- e) The Board of Directors may also take legal decisions without convening meeting of the Board of Directors, if the Board of Directors has been notified in writing, and give its approval concerning the submitted proposal and signed the agreement. The decisions taken in this way has the same power as a legitimate decision taken by the Board of Directors.
- f) All decisions taken by the Board of Directors shall be binding and is the responsibility of all members of the Board of Commissioners.
- g) The results of Board of Directors meetings shall be set within minutes of meeting signed by all members of the Board of Directors present, well documented, and distributed to all members of the Board of Directors. Dissent (dissenting opinions) that occurs in the meeting of the Board of Directors shall be clearly stated in the Minutes of Meeting and the reasons for such dissent.

7. Transparency aspect for Board of Directors

- a) Member of the Board of Directors must report to the Company any transaction of the Company's share(s) owned by him or her within 2 (two) working days from the transaction date, except for the Independent Commissioner that is restricted to own the Company's share(s).
- b) Member of Board of Commissioner must also disclose shareholdings of 5% (five percent) or more of the paid-up capital, which includes the type and number of shares in another listed companies domiciled inside or outside the country.
- c) Member of the Board of Directors must report to the Corporate Secretary, his or her ownership and any change in the ownership of the shares of the Company and/or other Public Company within 2 (two) days after the occurrence of any change of share ownership, then the Corporate Secretary shall report it to the authorized institution pursuant to the prevailing rules.
- d) Members of the Board of Directors must disclose any affiliated relationship with other members of the Board of Commissioners, Board of Directors and/or controlling shareholders of the Company in the Company's Annual Report.

8. The Prohibition for The Members of the Board of Director

- a) Members of the Board of Directors are prohibited from utilizing the Company for personal, family, and/or other parties interest that may harm or affect the Company's financial condition.
- b) Members of the Board of Directors are prohibited from taking and/or receive personal benefits from the Company in addition to remuneration and other facilities specified by the Company or the GMS.
- c) Members of the Board of Directors are prohibited to becoming members of the Audit Committee and/or Remuneration Committee and Nomination Committee of the Company;

Un-Official Translation

- d) Members of the Board of Directors are prohibited represent the Company if:
 - a. There was a litigation between the Company and the relevant members of the Board of Directors; or
 - b. Members of the Board of Directors have a conflict of interest with the Company.
- e) Members of the Board of Directors is prohibited to provide a general proxy to any party that resulted in the transfer of his/her duties and functions. General proxies means granting authority to one or more employees or any party that resulted in the transfer of his/her duties, authorities and responsibilities of the Board of Directors entirely without any limitation to scope of work and time;
- f) Members of the Board of Directors are prohibited from his/her knowledge of the Company that are not available in the market with insider trading and abusive self-dealing;

9. Orientation Program for the Board of Directors

- a) An orientation program for new members of the Board of Directors, is conducted to give direction member of the Board of Directors in order to gain an understanding of the Company within a short time so that the new members of the Board of Directors can perform the duties as well as possible.
- b) Material of the orientation program of the Board of Directors members include, among others :
 - i. Vision and mission of the Company;
 - ii. The values of the Company;
 - iii. Code of Conduct of the Company;
 - iv. Guidelines and Code of Conduct of the Board of Directors.
 - v. Articles of Association of the Company.
 - vi. Performance and financial condition of the Company in the latest financial statement.
 - vii. Annual Report of the Company.
 - viii. Relevant regulations in field of capital market (if needed).
 - ix. Minutes of Meeting of the Board of Commissioners and the Board of Directors within 1 (one) year (if needed).
 - x. Other relevant matter to the business of the Company.
- c) Member of the Board of Directors in orientation may:
 - i. Request a presentation to get an explanation on the various aspects that are necessary, involving the lower management;
 - ii. Hold meetings with other members of Board of Directors to discuss various issues of the Company or other information needed;
 - iii. Conduct visits in various locations of subsidiaries/ branches of the Company.

10. Training Program for Board Of Directors

- a) A training program for members of the Board of Directors is essential that the Board of Directors may always update the information and insight and knowledge related to the Company's business, financial, economic, and others that support the execution of duties of Directors.
- b) Member of the Board of Directors are advised to follow the training program of at least 1 (one) times a year in order to support the implementation of duties and responsibilities.

11. Ethics and Working time member of Board of Directors

- a) Member of the Board of Directors shall carry out the duties and responsibilities independently;
- b) Member of the Board of Directors shall be subject to the Company's Code of Ethics and Guidelines and Code of Conduct of Board of Directors;
- c) Member of the Board of Directors shall follow the regulations and apply the good corporate governance and good mining practice in carry out its duties and responsibilities.
- d) Member of the Board of Directors must provide sufficient time to carry out their duties and responsibilities optimally to the Company optimally.

12. Reporting and Responsibility of Board of Directors

Reporting and accountability for the performance of the Board of Directors for each year will be presented in the Annual Report of the Company to be approved at the AGM of the Company. Approval of the Company's Annual Report at the AGM of the Company signifies approval of the Board of Directors of the Company's performance in the financial year.

Jakarta, 8 December 2015

Fuganto Widjaja
President Director

S.L Ravi
Vice President Director

Bambang H Haliman
Director

Mochtar Suhadi
Director

Kumar Krishnan
Director

Indradjaja Lazuardi
Independent Director

