



**THE CODE OF CONDUCT
FOR THE BOARD OF COMMISSIONERS OF
PT APEXINDO PRATAMA DUTA TBK (“APEXINDO”/”COMPANY”)**

1. General

- a. This document sets the Code of Conduct for the Board of Commissioners of Apexindo. The Code of Conduct for the Board of Commissioners is based on the applicable laws and regulations and shall bind upon each member of the Board of Commissioners.
- b. The Code of Conduct for the Board of Commissioners shall be posted on the website of the Company.

2. Values

The Board of Commissioners in cooperation with the Board of Directors shall set the visions, missions and values of the Company, and ensure that the same shall be used as guidelines and applied in the Company's daily business activities. The Board of Commissioners shall enforce and set an example for the implementation of the principles of good corporate governance, ethics as well as laws and regulations applicable to all shareholders and other stakeholders.

The Company's visions, missions and values which constitute as guidelines in the implementation of the Company's business activities are as follows:

Vision

A world-class drilling contractor offering quality services without compromise.

Mission

- Maintaining high standard of Safety, Health, and Environment (SHE) to ensure the safety and welfare of employees and to protect the surrounding environment.
- Providing maximum value to all of stakeholders and making a positive impact to the society and the environment
- Developing human resources with global-standard quality and competency

Corporate Values

- Trust: integrity, commitment and honesty
- Dedication: loyalty, enthusiasm and devotion
- Performance: competence, professionalism, leadership and result

3. Membership

- a. The Board of Commissioners shall at least consist of 2 (two) members, one of whom shall be appointed as President Commissioner and 30% of the total membership of the Board of Commissioners shall be Independent Commissioners, subject to the applicable laws and regulations on capital markets.

- b. Those who may be appointed as members of the Board of Commissioners shall be Indonesian Citizens and/or foreign citizens fulfilling the requirements in accordance with the applicable laws and regulations, including the Otoritas Jasa Keuangan Regulation concerning the Board of Directors and Board of Commissioners of Issuers or Public Companies.
- c. The members of the Board of Commissioners shall be appointed by a GMS, each for a period of 5 (five) years commencing from the date of the GMS appointing them up until the conclusion of the 5th (fifth) Annual GMS after the appointment without reducing the right of the GMS to terminate them at any time subject to the provisions of the applicable laws and regulations.
- d. In the event by any cause the positions of member of the Board of Commissioners is vacant, resulting the member of the Board is less than 2 (two) members, then a GMS shall be held no later than ninety (90) days since the vacant thereof, to fill the vacancy.
- e. A member of the Board of Commissioners may resign from his/her office upon at least 30 (thirty) days' prior written notice to the Company.
- f. The Company shall convene a GMS to decide on the resignation of the relevant member of the Board of Commissioners within a period of at least 90 (ninety) days upon receipt of such written notice.
- g. The term of office of a member of the Board of Commissioners shall terminate if he/she:
 - 1. Is declared bankrupt or placed under custody pursuant to a court decision;
 - 2. Is prohibited to act as a member of any board of commissioners pursuant to a provision of any applicable laws or regulations;
 - 3. Resigns in accordance with the applicable provisions;
 - 4. No longer meets any requirements of the laws and regulations;
 - 5. Passes away; or
 - 6. Is dismissed by a resolution of a GMS.

4. Independent Commissioners

In compliance with the requirements of Capital Markets, the number Independent Commissioners shall not be less than 30% (thirty percent) of the total membership of the Board of Commissioners of the Company.

An Independent Commissioner is required to fulfill the following requirements:

- a. has not worked at or had authorities and responsibilities to plan, lead, control, or oversee the operations of the Company within the last 6 (six) months, except for the re-appointment as the Company's Independent Commissioner in the following period;
- b. does not have any direct or indirect shares in the Company;
- c. does not have any relationships with the Company as Affiliation, member of the Board of Commissioners, member of the Board of Directors, or major shareholder; and

- d. does not have any direct or indirect business relationships relating to the Company's business operations.

Any Independent Commissioner who has held office for 2 (two) consecutive terms may be reappointed to the extent that such Independent Commissioner declares himself/herself to remain independent to the GMS.

In the case that an Independent Commissioner holds a position in the Audit Committee, the relevant Independent Commissioner may only be reappointed to be in the Audit Committee for 1 (one) subsequent term of office in the Audit Committee.

5. Duties and Responsibilities

- a. The Board of Commissioners is in charge of supervision and responsible for the supervision of the management policy, the implementation of the management in general, both in relation to the Company and the Company's business, and the provision of advice the Board of Directors.
- b. In certain conditions, the Board of Commissioners shall organize the Annual GMS and other GMS in accordance with its authority as stipulated in the laws and regulations and the Articles of Association. The Board of Commissioners shall perform its duties and responsibilities in good faith, in a responsible and prudent manner.
- c. In order to support the effective performance of its duties and responsibilities, the Board of Commissioners shall establish an Audit Committee and may establish other committees.
- d. The Board of Commissioners shall evaluate the performance of the committee assisting the performance of its duties and responsibilities at the end of each financial year.
- e. The Board of Commissioners may manage the Company in certain circumstances for a certain period of time as stipulated by the Company's Articles of Association or a resolution of the GMS.
- f. The Board of Commissioners has the right to represent the Company in the event that the entire Board of Directors has any conflicts of interest with the Company.
- g. A member of the Board of Commissioners may concurrently act as a member of a Board of Directors in a maximum of 2 (two) other Listed Companies or Public Companies and a member of a Board of Commissioners in a maximum of 2 (two) other Listed Companies or Public Companies.
- h. In the case that a member of the Board of Commissioners does not concurrently act as a member of the Board of Directors, the relevant member of the Board of Commissioners may concurrently act as a member of a Board of Commissioners in a maximum of 4 (four) other Listed Companies or Public Companies.
- i. A member of the Board of Commissioners may concurrently act as a member of a maximum of 5 (five) committees in Listed Companies or Public Companies where the relevant member of the Board of Commissioners also acts as a member of the

Board of Directors or a member of the Board of Commissioners, provided that it does not conflict with other laws and regulations.

6. Establishment of Committees

- a. In conducting its supervisory function, the Board of Commissioners shall establish an audit committee, consisting of at least three (3) members, of which an Independent Commissioner shall be the chairperson.
- b. The function of Nomination and Remuneration Committee shall be conducted by the Board of Commissioners of the Company with the guidelines as follows:
 1. Shall act independently in performing the tasks.
 2. Responsibilities in the nomination function:
 - a. composition of members' positions of the Board of Directors and/or the Board of Commissioners;
 - b. policy and criteria required for the nomination process; and
 - c. performance evaluation policy for members of the Board of Directors and/or members of the Board of Commissioners;
 - d. to assess the performance of members of the Board of Directors and/or members of the Board of Commissioners based on the benchmarks set as evaluation materials;
 - e. to give recommendations on the competence development program for members of the Board of Directors and/or members of the Board of Commissioners;
 - f. to propose qualified candidates as members of the Board of Directors and/or members of the Board of Commissioners to be submitted to the GMS.
 3. Responsibilities in the remuneration function:
 - a. to determine the remuneration structure, policy and amount;
 - b. to conduct performance assessment based on the remuneration received by each member of the Board of Directors and/or each member of the Board of Commissioners.
 4. Procedures for the performance of nomination function:
 - a. setting out the composition of and the nomination process of the members of the Board of Directors and/or members of the Board of Commissioners;
 - b. formulating the policy and criteria required in the nomination process of the members of the Board of Directors and/or members of the Board of Commissioners;
 - c. assisting in the performance evaluation of the members of the Board of Directors and/or members of the Board of Commissioners;
 - d. designing the competence development program for members of the Board of Directors and/or members of the Board of Commissioners; and

- e. reviewing and proposing candidates qualified as members of the Board of Directors and/or members of the Board of Commissioners to be submitted to the GMS.
5. Procedures for the performance of remuneration function:
 - a. preparing the remuneration structure for members of the Board of Directors and/or members of the Board of Commissioners, which could be in the form of salary, honorarium, incentives and/or allowances that are fixed and/or variable component;
 - b. formulating the remuneration policy for members of the Board of Directors and/or members of the Board of Commissioners; and
 - c. determining the amount of remuneration for members of the Board of Directors and/or members of the Board of Commissioners.
6. A meeting with the agenda to discuss nomination and remuneration shall be convened periodically at least once in every 4 (four) months, and shall be attended by a majority of members of the Board of Commissioners, one of whom shall be the Independent Commissioner.
7. Report on the implementation of nomination and remuneration functions shall be part of a report on the implementation of duties of the Board of Commissioners and shall be submitted to the GMS.

7. The Board of Commissioners Meetings

- a. The Board of Commissioners shall convene meetings at least once in every 2 (two) months and such meetings may be convened at any time as required by a Commissioner or upon written request by one or more members of the Board of Commissioners.
- b. The Board of Commissioners shall convene joint meetings with the Board of Directors periodically at least once in every 4 (four) months.
- c. Meetings of the Board of Commissioners shall be convened at the Company's domicile or place of business.
- d. Meetings of the Board of Commissioners shall be chaired by the President Commissioner. In the event that the President Commissioner is absent or prevented from attending, then the Meeting shall be chaired by any of the members of the Board of Commissioners who is appointed by and from the members of Board of Commissioners present at such meeting.
- e. A member of the Board of Commissioners may only be represented at a meeting of the Board of Commissioners by any other member of the Board of Commissioners by virtue of a power of attorney.
- f. A meeting of the Board of Commissioners shall be valid and may adopt binding resolutions if more than ½ (one half) of the number of incumbent members of the Board of Commissioners are present or represented at such meeting.
- g. Resolutions of a meeting of the Board of Commissioners shall be adopted amicably by deliberation to reach consensus or resolutions shall be adopted pursuant to

affirmative votes of more than ½ (one half) of the total valid votes cast at such meeting.

- h. In the event of a tie vote, the chairperson of the Meeting shall have the casting vote.
- i. Each member of the Board of Commissioners who is present shall have the right to cast 1 (one) vote and 1 (one) additional vote for other member of the Board of Commissioners being represented.
- j. Minutes of meeting of the Board of Commissioners shall be made and signed thereafter by the chairperson of the meeting and any members of the Board of Commissioners appointed at such meeting.
- k. The Board of Commissioners may also adopt valid resolutions without convening a meeting of the Board of Commissioners, provided that all of the members of the Board of Commissioners have been notified in writing of the relevant recommendations and all of the members of the Board of Commissioners consent to such recommendations made in writing and sign such consent.
- l. The resolutions adopted by way of the provision in item k shall have the same legal effect as resolutions adopted at a meeting of the Board of Commissioners.

8. Working Hours

Each member of the Board of Commissioners shall devote his/her time for and has full attention to the Company and be ready to attend any meetings as scheduled and/or at any time as requested.

9. Transparency

Members of the Board of Commissioners shall disclose:

- a. Their share ownership in the Company;
- b. Their positions in any other Listed Companies or Public Companies.

10. Reporting and Accountability

The Board of Commissioners shall report and account for the management activities to the extent applicable and the supervisory activities undertaken during the Financial Year, including the activities of the Audit Committee, to the shareholders through an Annual Report prepared in accordance with the applicable rules; to be thereafter approved by the shareholders through an Annual GMS.

The approval of an Annual Report by an Annual GMS shall release and fully discharge the responsibilities of the members of the Board of Commissioners upon their supervision that has been carried out during the previous Financial Year, to the extent that such action is reflected in the Annual Report.

The Annual GMS to approve an Annual Report shall be convened at the latest within 6 (six) months after the closing of the relevant Financial Year.

The accountability of the Board of Commissioners to a GMS shall constitute the accountability of the Company's supervision in the implementation of the good corporate governance principles.

11. Closing

The Code of Conduct for the Board of Commissioners is based on the applicable laws and regulations. The Code of Conduct shall be binding upon each member of the Board of Commissioners. By applying the Code of Conduct, the Board of Commissioners is responsible for improving the implementation of the good corporate governance principles in the Company, and will ultimately provide added value for the Company.

The Company's Board of Commissioners Charter was first developed and ratified on December 8, 2015, which was subsequently amended from time to time and in accordance with the latest regulations regarding the Board of Directors and Board of Commissioners as stipulated in the Financial Services Authority (OJK) Regulations, the Company's Articles of Association and other capital market regulations.

Jakarta, September 9, 2020



Irawan Sastrotanojo

President Commissioner