

---

# **Charter of the Board of Commissioners of PT Vale Indonesia Tbk**

This Charter of the Board of Commissioners of PT Vale Indonesia Tbk ("PT Vale" or the "Company") serves as a working guideline for the Board of Commissioners and its committees in performing its duties. This Charter is intended as a complement to, and not as a substitute for or interpretation of, the Company's Articles of Association, mission and vision or applicable laws and regulations.

## **1. OPERATION OF THE BOARD OF COMMISSIONERS**

- 1.1. Role of the Board of Commissioners. The Board of Commissioners is a supervisory body of the Company responsible for the oversight of all aspects of the management of the Company by the Board of Directors and to undertake such other tasks delegated to it by the General Meeting of Shareholders ("GMS") or applicable laws and regulations. In performing its duties, the Board of Commissioners (A) supervises and provides advice to the Board of Directors; and (B) considers certain actions requested by the Board of Directors and decides on such matters before providing direction to the Board of Directors or further referring such matters to the GMS for shareholder approval.
- 1.2. Commissioner Responsibilities. Each member of the Board of Commissioners shall perform his/her duties in good faith, with due care and full responsibility and in accordance with the Company's Articles of Association and policies, this Charter and applicable laws and regulations.
- 1.3. Supervisory Responsibility. The Board of Commissioners is a collegial supervisory body and may only take decisions as a Board. Regardless of what matters are scheduled for discussion before the Board of Commissioners, any subject matter consistent with its supervisory function may be brought before the Board of Commissioners for discussion. Accordingly, the Board of Commissioners may provide advice or guidance to the Board of Directors on any matter submitted to it or on any other matter brought forth upon its own initiative, provided a majority of all commissioners in the meeting agree.
- 1.4. Access to information. The Board of Commissioners shall, in accordance with the Company's Articles of Association and policies and applicable law and regulation, have access to such information as is reasonably necessary to satisfy its supervisory function.
- 1.5. Attendance at General Meeting of Shareholders. Each member of the Board of Commissioners shall receive notice of and be entitled to attend the Annual General Meeting of Shareholders ("AGMS") and each other GMS. Each member of the Board of Commissioners shall make all reasonable efforts to attend the AGMS.
- 1.6. Meetings. A meeting of the Board of Commissioners shall be held at least once in every two months. The Board of Commissioners must also hold a meeting with the Board of Directors at least once in every four months. Before the end of the

shall receive from the Board of Directors a report on the effectiveness of the internal control framework and disclosure controls and procedures of the Company, which report shall ensure that (a) the assets of the Company have been safeguarded against unauthorized use (b) that the financial administration of the Company is in good order, reliable and fairly represents the condition of the Company; and (c) that all regulatory and financial disclosures are made in a complete, accurate and timely manner.

- 2.4 Corporate Strategy and Performance Objectives: On an annual basis, and thereafter on a semi-annual basis, the Board of Commissioners shall review the Board of Director's corporate strategy and performance objectives and its implementation of such strategy.
- 2.5 Annual Budget: In addition to review of the budget in accordance with Article 12(4) of the Company's Articles of Association, review, on at least a quarterly basis, the Company's actual performance compared to the budgeted plan.
- 2.6 Review of operations: On an annual or more frequent basis, review the performance of the Company and prepare a written evaluation of such performance for the annual report and annual general meeting of shareholders signed by all Commissioners or provide an explanation why a commissioner was unable to sign.
- 2.7 Nomination and remuneration of Directors: In connection with the Board of Commissioners duties in respect of recommending candidates and remuneration for members of the Board of Directors, the Board of Commissioners shall on an annual basis or from time to time shall undertake such studies or seek information as to determine appropriate remuneration and also identify necessary qualifications and candidates for members of the Board of Directors. In addition, the Board of Commissioners should review and approve the succession plan for members of the Board of Directors.
- 2.8 Evaluation: In addition to the evaluation of the performance of the Company as now required in the annual report, the Board of Commissioners, on at least an annual basis, should also evaluate the performance of the committees reporting to the Board of Commissioners and, of course the Board of Commissioners' performance either by self-assessment, through a sub-committee on corporate governance or by a third party.
- 2.9 Corporate Social Responsibility. The Board of Commissioners shall receive and review a detailed annual plan prepared by the Board of Directors detailing the performance by the Company of its corporate social responsibility and setting forth the steps that the Board of Directors is taking to implement the plan.
- 2.10 Corporate organization: The Board of Commissioners shall ensure that it receives reports of all senior management appointments at the level below that of the Board of Directors, and shall review and, where required by the Articles of Association, approve the adoption of corporate organization charts, allocation of duties among the Board of Directors, standing delegations of authority by the Board of Directors

entered into with the Company's majority shareholder, Vale Canada Limited ("Vale Canada"), from time to time, and as approved in accordance with applicable laws and regulations, may provide certain services (including, but not limited to, managerial and technical services). The purpose of this arrangement is for Vale Canada to provide, among others, support to the Board of Commissioners in its supervisory and oversight functions. Notwithstanding any support provided by Vale Canada, each member of the Board of Commissioners shall take an independent assessment of the issue in accordance with the corporate governance of the Company, this Charter, the Company's Articles of Association and applicable laws and regulations.

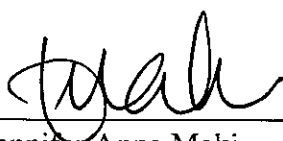
- 4.5 Meetings with the Board of Directors. The Board of Directors is required to meet with the Board of Commissioners at least once in every four (4) months to report on actions that they have taken. In addition, the Board of Commissioners shall – after consultation with legal counsel and as soon as and to the extent practicable – report to the Board of Directors any event or of circumstance which (A) has a reasonable likelihood of occurring or coming into being before the next scheduled meeting and (B) upon the happening of such event or circumstance would require disclosure to the general investing public and/or regulatory authorities.
- 4.6. Commissioner Education and Training. Each member of the Board of Commissioners shall, upon becoming a Commissioner (and from time to time thereafter), participate in educational opportunities made available to the Board of Commissioners in order to develop and improve his/her management skills and techniques and general knowledge of the Company and the mining industry.
- 4.7 Professional or Business Services Provided by Commissioners. Each member of the Board of Commissioners owes a duty of good faith and loyalty to the Company and shall govern his/her behavior accordingly.
- 4.8 Mandatory Retirement Age. Each member of the Board of Commissioners shall be subject to a mandatory retirement age of 65.

## 5. MISCELLANEOUS

- 5.1 Effective Date. This Charter shall be effective as of 22 July 2015 (the "Effective Date").
- 5.2 Commissioner Acceptance and Agreement. By signing below, each member of the Board of Commissioners is considered to accept and agree to the contents of this Charter and undertakes to the Company to comply with the provisions hereof. Any member of Board of Commissioners elected or appointed after the Effective Date hereof shall, upon his/her election or appointment be automatically deemed to have accepted and agreed to the contents of this Charter and to have undertaken to the Company to comply with the provisions hereof and further shall sign a copy of this Charter to evidence such acceptance.

IN WITNESS WHEREOF, this Charter of the Board of Commissioners has been executed as of 22 July 2015 by each of the members of the Company's Board of Commissioners.

**President Commissioner**



Jennifer Anne Maki


**Commissioner**



Mark James Travers

**Commissioner**

**Vice President Commissioner/  
Independent Commissioner**



Arief T. Surowidjojo

**Commissioner**




Andrea Marques De Almeida

**Commissioner**



Mikinobu Ogata

**Commissioner**




Nobuhiro Matsumoto

**Independent Commissioner**



Stuart Alan Harshaw

**Independent Commissioner**



Irwandy Arif

*Idrus Paturusi*

---

Idrus Paturusi