CRITERIA FOR ANNUAL REPORT AWARDS 2014 *)

Evaluation criteria are divided into 8 classifications:

1. General: overall weight for this classification is 2 percent.
2. Summary of Important Financial Data: overall weight for this classification is 5 percent.
3. Reports from Board of Commissioners and Board of Directors: overall weight for this classification is 3 percent.
4. Company Profile: overall weight for this classification is 8 percent.
5. Analysis and managerial exposition on company's performance: overall weight for this classification is 22 percent.
6. Good Corporate Governance: overall weight for this classification is 35 percent.
7. Financial information: overall weight for this classification is 20 percent.
8. Others (+/- 5 percent), such as:
    a. **Good corporate governance** practices that exceed the criteria, for examples:
        1) Containing letter of responsibility statement from management regarding financial report, applicable for non-public company; and
        2) Submitting Sustainability Report/CSR based on the prevailing international standard (**GRI Sustainability Reporting Guidelines**).
    b. Bad corporate governance that are not regulated in the criteria, for examples:
        1) Reports stating that the company has polluted its environment;
        2) Ongoing important cases involving the company, the company's subsidiary, member of board of directors and/or member of board of commissioners of the company that are not disclosed in the annual report;
        3) Noncompliance in fulfilling obligations on taxation; and
        4) Financial report that is not presented in accordance with financial accounting standard (SAK).

*) Evaluation criteria are applicable to all participants, except for Pension Fund.

CRITERIA		DESCRIPTION
I.	**GENERAL**	
1.	Annual report is presented using good and correct Bahasa Indonesia, and it is advisable to also present it in English.	
2.	Annual report is printed in good quality using readable fonts.	

3.	Annual report put a clear company identity.	Name of company and year of annual report is placed on: 1. Front cover; 2. Book spine; 3. Back cover; and 4. Each page.
4.	Annual report is uploaded into company's website.	Covering annual reports of recent year and previous years.
II.	**SUMMARY OF IMPORTANT FINANCIAL DATA**	
1.	Information about company's yield in the form of comparison within 3 (three) financial years or since the company's business begin if the company has been running its business for less than 3 (three) years.	Information includes, among others: 1. Sales/business yield; 2. Profit (loss); 3. Comprehensive total income(loss); and 4. Profit (loss) per share.
2.	Information about company's financial position in the form of comparison within 3 (three) financial years or since the company's business begin if the company has been running its business for less than 3 (three) years.	Information includes among others: 1. Number of investment in association; 2. Number of asset; 3. Number of liability; and 4. Number of equity.
3.	Financial ratio in the form of comparison within 3 (three) financial years or since the company's business begin if the company has been running its business for less than 3 (three) years.	Information includes 5 (five) financial ratios that are common and relevant with the company's industry.
4.	Information about share price presented in table and chart.	1. Information in the form of table that contains: a. Number of circulating shares; b. Market capitalization; c. Share prices at its highest, lowest and closing; and d. Trade volume. 2. Information in the form of chart that contains at least closing price and trade volume of shares. For each quarter within the latest 2 (two) financial years.
5.	Information about bonds, sukuk or convertible bonds that are still circulating within the last 2 (two) financial years.	Information includes: 1. Number of circulating bonds/sukuk/convertible bonds (outstanding); 2. Interest rate/return;

		3. Maturity date; and 4. Rank of bonds/sukuk.
III.	**SUMMARY OF IMPORTANT FINANCIAL DATA**	
1.	Report from Board of Commissioners.	Contains the following subjects: 1. Evaluation on performance of Board of Directors regarding company management, along with groundwork of the evaluation ; 2. Review about company's business prospect made by Board of Directors, along with groundwork of the review; 3. Evaluation on performance of committees under Board of Commissioners; and 4. Changes in the composition of Board of Commissioners, along with reasons (if any).
2.	Report from Board of Directors.	Contains the following subjects: 1. Analysis on company's performance, which covers, among others, strategic policy, comparison between achieved and targeted goals, and challenges that the company must face; 2. Analysis on business prospect; 3. Implementation of good corporate governance; and 4. Changes in the composition of Board of Directors, along with reasons (if any).
3.	Signatures of members of Board of Commissioners and Board of Directors.	Contains the following subjects: 1. Signatures are written on individual page; 2. Statement conveying that Board of Commissioners and Board of Directors are fully responsible regarding the authenticity of the annual report's content; 3. Signed by all members of Board of Commissioners and Board of Directors by stating the names and job titles; and 4. Written explanation on individual letter made by related person in the case that there are members of Board of Commissioners or members of Board of Directors who did not put their signature on annual report, or written explanation on individual letter made by related person in the case that there is no written explanation

		from related person for such case.
IV.	**COMPANY PROFILE**	
1.	Name of company and complete address.	Information includes, among others, name and address, postal code, telephone number, facsimile number, email and website address.
2.	Summary of company's history.	Covers, among others: date/year of establishment, name and change of company name (if any). Note: if the company never had a change of name, please disclose.
3.	Field of business.	Exposition about, among others: 1. The company's business activities based on the latest articles of association; 2. Current business activities; and 3. Produced products/services.
4.	Organizational structure.	Presented in the form of chart covering names and job titles from top position to at least one structural level under Board of Directors.
5.	Company's vision and mission.	Covers: 1. Company's vision; 2. Company's mission; and 3. Notes containing statement that the vision and mission have been agreed by Board of Commissioners/Board of Directors.
6.	Identity and brief curriculum vitae of members of Board of Commissioners.	Information includes, among others: 1. Name; 2. Job title (including job titles at other companies or institutions); 3. Age; 4. Education (field of study and educational institution); 5. Working experience (job title, institution, and office period); and 6. History of appointment as member of Board of Commissioners at the company.
7.	Identity and brief curriculum vitae of members of Board of Directors.	Information includes among others: 7. Name; 8. Job title (including job titles at other companies or institutions); 9. Age; 10. Education (field of study and educational institution);

		11. Working experience (job title, institution, and office period); and 12. History of appointment as member of Board of Directors at the company.
8.	Number of employees (comparative within 2 years) and description about their competency development (for instance: education and training for employees).	Information includes, among others: 1. Number of employees in each organizational level; 2. Number of employees for each level of education; 3. Number of employees based on employment status; 4. Description and data on competency development for employees that has been done, by reflecting equality in term of opportunities for each organizational level; and 5. Cost for competency development for employees that has been spent.
9.	Composition of shareholders.	Covers, among others: 1. Details on names of shareholders that include 20 major shareholders, along with their percentage of share ownership; 2. Details on names of shareholders and their percentage of share ownership, including: a. Names of shareholders who own 5 percent of shares or above; b. Name of Commissioners and Directors who own shares; and c. Group of public shareholders with share ownership less than 5 percent.
10.	List of subsidiary and/or association entities.	Information includes, among others: 1. Name of subsidiary and/or association; 2. Percentage of share ownership; 3. Explanation about subsidiary's and/or association's business field; and 4. Explanation about operational status of subsidiary and/or association (has been operating or not operating yet).
12.	Chronology of share listing.	Covers, among others: 1. Chronology of share listing; 2. Kind of corporate action that has caused a change in number of shares;

		3. Change in number of shares since the beginning of listing until end of financial year; and 4. Name of stock exchange in which the share is listed.
13.	Chronology of other securities listing.	Covers, among others: 1. Chronology of other securities listing; 2. Kind of corporate action that has caused a change in number of other securities; 3. Change in number of other securities since the beginning of listing until end of financial year; and 4. Name of stock exchange in which other securities are listed. 5. Securities rank.
14.	Name and address of institution and/or capital market supporting profession.	Information includes, among others: 1. Name and address of securities administration bureau (BAE)/the party who administer company's shares; 2. Name and address of public accountant office; and 3. Name and address of securities rating company.
15.	Award achieved within the last financial year and/or certification of national or international scale hat is still valid during the last financial year.	Information includes, among others: 1. Name of award and/or certificate; 2. Year of achievement; 3. Institution that gives the award and/or certificate; and 4. Period of validity (for certification).
16.	Name and address of subsidiary and/or branch office or representative office (if any).	Contains information about, among others: 1. Name and address of subsidiary; and 2. Name and address of branch/representative office. **Note**: if company does not have subsidiary/branch office/representative office, please disclose.
V.	**Management's Analysis and Review on Company's Performance**	
1.	Operational review per business segment.	Contains description about: 1. Explanation about each business segment. 2. Performance per business segment, among others: a. Production; b. Increase/decrease of production capacity;

		c. Sales/business income; and d. Profitability.
2.	Description about company's financial performance.	Analysis on financial performance, which covers comparison between financial performance of current year and previous year, and things that has caused increase/decrease (in narration and table), among others about: 1. Liquid asset, non-liquid asset, and total asset; 2. Short-term liability; long-term liability, and total liability; 3. Equity; 4. Sales/business income, charge and profit (loss), other comprehensive income, and total comprehensive profit (loss); and 5. Cash flow.
3.	Review and analysis on capability to pay debts and level of collectability regarding company's account receivable, by presenting relevant ratio calculation in according with type of company's industry.	Explanation about: 1. Capability to pay short-term and long-term debts; and 2. Level of collectability of account receivable.
4.	Review on capital structure and capital structure policies.	Explanation about: 1. Capital structure; and 2. Capital structure policies and groundwork of the policies.
5.	Review on material ties for capital investment in the last financial year.	Explanation about: 1. Objectives of the ties; 2. Source of fund expected to finance the ties; 3. Denominated currency; and 4. Measured planned by the company to protect risks from the side of related currency. **Note**: If the company does not have ties related to capital investment in the last financial year, please disclose.
6.	Review on capital investment that has been realized in the last financial year.	Explanation about: 1. Type of capital investment; 2. Objectives of capital investment; and 3. Value of capital investment spent in the last financial year. **Note**: If there has been no realization of capital investment, please disclose.

7.	Information on comparison between targets in the beginning of financial year and achieved goals (realization), and targets or projection for next year regarding income, profit, capitalization structure or other things that are considered important for the company.	Information includes, among others: 1. Comparison between targets in the beginning of financial year and achieved goals (realization); and 2. Targets or projection for the future 1 (one) year.
8.	Information and material facts that happened after **date of accounting report.**	Description about important events after date of accounting report, including their impacts on business performance and risks in the future. **Note**: If there has been no important event after date of accounting report, please disclose.
9.	Description about company's business prospect.	Description about company's prospect in relation with industry and economy in general, along with supporting quantitative data from reliable source of data.
10.	Description about marketing aspect.	Description about marketing aspect of products and/or services, among others marketing strategy and market share.
11.	Description about dividend policy and number of cash dividend per share and number of dividend per year that is announced or paid during the last 2 (two) financial years.	Contains description about: 1. Policy on dividend distribution; 2. Total number of distributed dividend; 3. Number of cash dividend per share; 4. Payout ratio; and 5. Date of announcement and payment of cash dividend for each financial year. **Note**: If there has been no dividend distribution, please disclose the reasons.
12.	Employee Stock Ownership Program and/or Management Stock Ownership Program (ESOP/MSOP) implemented by the company.	Contains description about: 1. Number of ESOP/MSOP shares and realization; 2. Period of time; 3. Requirements for eligible employees and/or management; and 4. Exercise price. **Note**: If company does not have the programs, please disclose.
13.	Realization of use of fund from public offering (in the case that company is still obligated to submit report on realization of use of fund).	Contains description about: 1. Total fund acquired; 2. Use of fund plan; 3. Details on use of fund;

		4. Balance of fund; and 5. Approval date by General Shareholders Meeting (RUPS)/General Bondholders Meeting (RUPO) on change of use of fund (if any).
14.	Material information on investment, expansion, divestment, business merger, acquisition or debt/capital restructuring.	Contains description about: 1. Objectives of taken transaction; 2. Value of transaction or restructuring amount; and 3. Source of fund. **Note**: If such transaction did not take place, please disclose.
15.	Information on material transaction that contains conflict of interests and/or transaction with affiliated parties.	Contains description about; 1. Name of parties taking part in transaction and the nature of affiliation; 2. Explanation about transaction relevance; 3. Reasons for transaction; 4. Realization of transaction in the last financial year period; 5. Company's policy related to review mechanism on transaction; and 6. Compliance with related regulation and provision. **Note**: If such transaction did not take place, please disclose.
16.	Description about amendment of laws that has significantly impacted the company.	Description contains, among others: amendment of laws and its impacts on the company. **Note**: If there is no amendment of laws that has significant impacts, please disclose.
VI.	**Good Corporate Governance**	
1.	Exposition from Board of Commissioners	Exposition contains, among others: 1. Description about responsibilities of Board of Commissioners; 2. Disclosure about procedure for stipulating remuneration; 3. Structure of remuneration that shows remuneration components and nominal amount per component for each member of Board of Commissioners; 4. Meeting frequency and level of attendance for Board of Commissioners in meetings; 5. Training programs to improve competency of Board of Commissioners, or orientation programs for new commissioners;

		and 6. Disclosure about Board Charter (guidance and work regulation for Board of Commissioners).
2.	Information on Independent Commissioner	Covers, among others: 1. Criteria for appointing Independent Commissioner; and 2. Statement on independency of each Independent Commissioner.
3.	Exposition from Board of Directors.	Exposition contains, among others: 1. Scope of work and responsibilities of each member in Board of Directors; 2. Meeting frequency and level of attendance for member of Board of Directors in directors meetings; 3. Meeting frequency and level of attendance for member of Board of Directors in consolidation meetings between Board of Directors and Board of Commissioners; 4. Training programs to improve competency of Board of Directors, or orientation programs for new directors; and 5. Disclosure about Board Charter (guidance and work regulation for Board of Directors).
4.	Assessment on Board of Commissioners and Board of Directors.	Covers, among others: 1. Procedure for implementing assessment on performance of Board of Commissioners and Board of Directors; 2. Criteria that are used to implement assessment on performance of Board of Commissioners and Board of Directors; and 3. The party that conducts assessment.
5.	Description about remuneration policy for Board of Directors.	Covers, among others: 1. Disclosure about procedure for stipulating remuneration; 2. Structure of remuneration that shows type and amount of short-term rewards, retirement rewards, and/or other kind of long-term rewards for each member of Board of Directors; and 3. Disclosure about indicators for stipulating remuneration for Board of Directors.
6.	Information on major and controlling shareholders and, both of direct	In the form of scheme or diagram, except for state-owned enterprises

	and indirect, to individual shareholders.	(BUMN) that is owned entirely by government.
7.	Disclosure about affiliation between members of Board of Directors, Board of Commissioners, and major and/or controlling shareholders.	Covers, among others: 1. Affiliation between a member of Board of Directors and other members of Board of Directors; 2. Affiliation between members of Board of Directors and members of Board of Commissioners; 3. Affiliation between members of Board of Directors and major and/or controlling shareholders; 4. Affiliation between a member of Board of Commissioners and other members of Board of Commissioners; 5. Affiliation between members of Board of Commissioners and major and/or controlling shareholders; **Note**: If there is no such affiliation, please disclose.
8.	Audit Committee.	Covers, among others: 1. Name and job title of audit committee members; 2. Educational qualification and working experience of audit committee members; 3. Independency of audit committee members; 4. Description about duties and responsibilities; 5. Brief report on implementation of audit committee's activities; and 6. Meeting frequency and level of attendance of audit committee.
9.	Committee/Nomination and Remuneration Function.	Covers, among others: 1. Name, job title and summary of committee members/nomination and/or remuneration function; 2. Independency of committee/nomination and/or remuneration function; 3. Description about duties and responsibilities; 4. Description about implementation of committee/nomination and/or remuneration function's activities; 5. Meeting frequency and level of attendance of committee/nomination and/or remuneration function; and 6. Policies on succession of Board of Directors.

10.	Other committees under Board of Commissioners owned by the company.	Covers, among others: 1. Name, job title, and summary of members of other committees; 2. Independency of other committees; 3. Description about duties and responsibilities; 4. Description about implementation of other committees' activities; and 5. Meeting frequency and level of attendance of other committees.
11.	Description about duties and function of Corporate Secretary.	Covers, among others: 1. Name and summary of working experience of corporate secretary; 2. Description about implementation of corporate secretary's duties; and 3. Training programs to improve corporate secretary's competency.
12.	Information on General Shareholders Meeting (RUPS) of previous year.	In the form of table that covers, among others: 1. RUPS decisions in previous year; 2. Realization of results previous year RUPS during financial year; and 3. Rationales regarding RUPS decisions that have not been realized.
13.	Description about internal audit unit.	Covers, among others: 1. Name of chairman of internal audit unit; 2. Number of internal auditors in internal audit unit; 3. Certification as internal audit profession; 4. Internal audit unit's position in company's structure; 5. Brief report on implementation of internal audit unit's activities; and 6. The party that appoint/impeach chairman of internal audit unit.
14.	Public Accountant.	Information contains, among others: 1. Number of periods in which public accountant has conducted audit on annual financial report; 2. Number of periods in which public accountant office has conducted audit on annual financial report; 3. Amount of fee for each type of services performed by public accountant; and 4. Other services performed by accountant aside from auditing

		annual financial report. **Note**: If there has been no other service, please disclose.
15.	Description about risk management.	Covers, among others: 1. Explanation about risk management system implemented in the company; 2. Explanation about evaluation that has been conducted on effectiveness of risk management system; 3. Explanation about risks that the company must face; and 4. Efforts to manage the risks.
16.	Description about internal control system.	Covers, among others: 1. Brief explanation about internal control system, including financial and operational control; 2. Explanation about suitability of internal control system with international standard framework (COSO internal control-integrated framework); and 3. 3. Explanation about evaluation that has been conducted on effectiveness of internal control system.
17.	Description about corporate social responsibility in relation with natural environment.	Covers, among others, information on: 1. Policies stipulated by management; 2. Conducted activities related to natural environment programs that are linked to company's operational activities, such as use of environment-friendly and renewable materials and energy, waste management system, consideration on environmental aspect in channeling credit to customers, and others. 3. Certification in environment field that has been gained.
18.	Description about social responsibility in relation with employment, health and occupational safety.	Covers, among others, information on: 1. Policies stipulated by management; and 2. Conducted activities related to practices of employment, health and occupational safety, such as gender equality and work opportunity, facilities for occupational safety, level of employee turnover, level of occupational hazards, and others.
19.	Description about social responsibility in relation with social and	Covers, among others, information on:

	community development.	1. Policies stipulated by management; and 2. Conducted activities; 3. Spent cost related to social and community development, such as local employment, empowerment of community living around company's environment, improvement of social infrastructure and facilities, other forms of donation, and else.
20.	Description about social responsibility in relation with responsibilities to consumers.	Covers, among others, information on: 1. Policies stipulated by management; and 2. Conducted activities related to product responsibilities, such as health, consumer safety, product information, facilities, number of complaints and handling of consumer complaints, etc.
21.	Important cases involving company, subsidiary, member of Board of Commissioners and/or Board of Directors in charge during financial year.	Covers, among others: 1. Subject matter/lawsuit; 2. Completion status of subject matter/lawsuit; 3. Impacts on company's condition; and 4. Administration sanction on company, members of Board of Commissioners and Board of Directors, imposed by related authority (capital market, banking and others) during the last financial year period (or under statement conveying that no administration sanction has been imposed). **Note**: If company does not have such case, please disclose.
22.	Access to information and company's data.	Description about access to information and company's data for public, for instances through website (in Bahasa Indonesia and English), mass media, mailing list, bulletin, meeting with analysts, and else.
23.	Review on code of ethics.	Contains description about, among others: 1. Contents of code of ethics; 2. Disclosure that code of ethics is applicable in all levels of organization; 3. Dissemination of code of ethics;

		4. Reinforcement efforts and sanction on code of ethics infringement; and 5. Statement on corporate culture in the company.
24.	Disclosure about whistle blowing system	Contains description about mechanism of whistle blowing system, among others: 1. Submission of reports on infringement; 2. Protection for whistle blower; 3. Report handling; 4. The party that manages complaints; and 5. Number of received and processed reports in the last financial year, along with follow ups.
25.	Diverse composition in Board of Commissioners and Board of Directors.	Description about company's policy on diverse composition in Board of Commissioners and Board of Directors in terms of education (field of study), working experience, age and gender. **Note**: If such policy does not exist, please disclose the reasons and consideration.
VII.	**Financial Information**	
1.	Statement letter from Board of Directors and/or Board of Commissioners on responsibilities for financial report.	In relation with related regulation on responsibilities for financial report.
2.	Independent auditor's opinion on financial report.	
3.	Description about independent auditor in opinion section.	Description, which contains: 1. Name and signature; 2. Date of audit report; and 3. License number of public accountant office and license number of public accountant.
4.	Complete financial report.	Contains complete components of financial report: 1. Report of financial position (balance sheet); 2. Report of comprehensive income and loss; 3. Report of changes in equity; 4. Report of cash flow; 5. Notes on financial report; and 6. Report of financial position in the beginning or comparative period

		is presented when the company entity implements accounting policy retrospectively or makes representation of financial report posts, or when the entity reclassifies posts in its financial report (if it is relevant).
5.	Comparison of profitability levels.	Comparison between performance/profit (loss) in the current year and previous year.
6.	Report of cash flow.	Meet the following provisions: 1. Categorization in three activity categories: operation, investment and funding; 2. Use of direct method to report cash flow from operational activities; 3. Differentiation between cash income and cash expense during current year in operational activities, investment and funding; and 4. Disclosure about non-cash transactions must be stated in notes on financial report.
7.	Summary of accounting policy.	Covers at least: 1. Statement of compliance with SAK; 2. Groundwork for calculation and formulation of financial report; 3. Acknowledgement of income and charge; 4. Working rewards; and 5. Financial instruments.
8.	Disclosure about transactions involving related parties.	Subjects of disclosure are, among others: 1. Name of related parties, along with their nature and relationship; 2. Transaction value and its percentage to related total income and charge; and 3. Balance amount and its percentage to total asset or lialibility.
9.	Disclosure in relation with taxation.	Subjects that have to be disclosed are: 1. Fiscal reconciliation and calculation on current tax charge; 2. Explanation about correlation between tax (income) charge and accounting profit; 3. Statement that taxable profit resulted from the reconciliation is referred to as a reference in fulfilling annual tax return (SPT) for

		institution; 4. Details of asset and liability of acknowledged deferred tax in financial position report for each presentation period, and amount of charge (income) of acknowledged deferred tax in profit-and-loss report if the amount is invisible from number of asset or liability of acknowledged deferred tax in financial position report; and 5. Disclosure about whether there are tax disputes or not.
10.	Disclosure in relation with fixed asset.	Subjects that have to be disclosed are: 1. Method of depreciation that is used; 2. Description about selected accounting policy, whether revaluation model or cost model; 3. Method and significant assumption that are used in estimating fair value of fixed asset (for revaluation model) or disclosure about fair value of fixed asset (for cost model); and 4. Reconciliation of recorded gross amount and accumulation of fixed asset depreciation in the beginning and end of period by showing: addition, reduction and reclassification.
11.	Disclosure in relation with segment of operation.	Subjects that have to be disclosed are: 1. General information covering factors that are used to identify reported segment; 2. Information on profit and loss, asset, liability of reported segment; 3. Reconciliation from total segment income, profit and loss of reported segment, segment's asset, segment's liability, and other segment's material components to the amount related to entity; and 4. Disclosure in the entity level, which covers information on products and/or services, geographic areas and main customers.
12.	Disclosure in relation with financial instruments.	Subjects that have to be disclosed: 1. Details of owned financial instruments based on classification; 2. Fair value of each financial instruments group; 3. Risk management policy; 4. Explanation about risks related to financial instruments; market

		risks, credit risks and liquidity risks; and 5. Risk analysis related to quantitative financial instruments.
13.	Publishing financial report.	Subject of disclosure are, among others: 1. Date of authorization approval for the financial report to be published; and 2. The party that is responsible to authorize financial report.