

**THE BOARD OF DIRECTORS CHARTER
PT UNILEVER INDONESIA Tbk
("The Charter")**

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I. LEGAL BASIS

Establishment, organization, working mechanism, duties and responsibilities, and authorities of the Board of Directors of PT Unilever Indonesia Tbk ("The Company") as set forth in this Charter refer to the following legal bases:

1. Law No. 40 Year 2007 regarding Limited Liability Company;
2. Law no 8 Year 1995 regarding Capital Market
3. The Financial Service Authority Regulation No. 33-POJK.04-2014 regarding Board of Director and Board of Commissioners of Public Company
4. Articles of Association

II. DUTIES, RESPONSIBILITY AND AUTHORITY

A. Appointment and Dismissal

The appointment and dismissal of members of the Board of Directors shall be conducted by the General Meeting of Shareholders (hereinafter referred to as "GMS").

B. Purpose and Position in Organization

In accordance with the applicable legal grounds, the Company's Board of Directors is an organ that have the ultimate responsibility for the management, general affairs, direction and performance in accordance with the purposes and objectives of the Company. Thus, member of the Company's Board of Directors are members of the same organ and share the overall responsibility for the direction of the Company.

C. Organization of the Board of Directors

1. Membership Structure

The Company is managed and led by a Board of Directors whose number is adjusted to the needs of the Company with the provisions of at least five (5) members of the Board of Directors and one of them is appointed as the President Director and one of them is an Independent Director.

The composition and qualities of the Board of Directors as a whole should be in keeping with the size of the Company, its portfolio, culture and geographical spread and its status as a listed company.

The Board of Directors should be of sufficient size that the balance of skills and experience is appropriate for the requirements of the business. The composition of the Board of Directors shall be such that the members are able to act critically and independently of one another and in any particular interest.

With respect to diversity in the composition of the Board of Directors the objective pursued by the Board of Directors is to have a variation of age, gender, expertise and social background.

2. Membership Nomination

The process of nomination of members of the Board of Directors shall be made by the Board of Commissioners to the GMS after getting the recommendation from the Nomination and Remuneration Committee (KNR).

GMS shall have the authority to appoint the members of the Board of Directors.

3. Membership Requirements

Formal requirement :

Prerequisite to be a member of Board of Directors before or during his/her terms of office, he/ she must:

1. have a good character, moral and integrity
2. be capable in conducting any legal action
3. in the last 5 (five) years before election and during his/her term in the office:
 - a. have never been declared bankrupt
 - b. have never been part of a Board of Directors and/or Board of Commissioners of a company that has been declared bankrupt

- c. have never been sentenced in criminal action involving state's finance and/or other financial sector; and
 - d. have never been part of a Board of Directors and/or Board of Commissioners of a company that:
 - (i) ever refrain from conducting annual general shareholder meeting;
 - (ii) the responsibility report of Board of Directors and/or Board of Commissioners was rejected by the general shareholder meeting or ever refrain from submitting a responsibility report as of Board of Directors and/or Board of Commissioners to the general shareholder meeting; and
 - (iii) ever cause the company that obtain permit, approval or effective statement from the Financial Service Authority failed to comply its annual report and/or annual financial report submission to the Financial Service Authority
 - e. have commitment to comply with the prevailing regulations; and
 - f. Meet other requirements as determined by the legislations in force, as long as not contrary to the requirements mentioned above
4. Domicile in Indonesia
5. Member of the Board of Directors are prohibited from having family ties to the second degree with a fellow member of the Board of Directors and the Board of Commissioners

Material requirement :

1. Desired expertise and experience
- In view of the Company's objectives and activities, it is important that the Board of Directors have sufficient financial literacy, have at least one financial expert and are composed in such a way that the following expertise and experience are present in one or more of its members:
- a. Experience and knowledge of corporate governance issues with a company comparable in size and international spread of activities with stock exchange listings;
 - b. Understanding of human resources and remuneration of large international companies;
 - c. Experience with financial administration, accounting policies and internal control;
 - d. Risk management of multinationals with share listings;

- e. Understanding of the markets where the Company is active;
 - f. Experience in and understanding of the fast moving consumer goods (FMCG) market;
 - g. Knowledge of marketing and commercial expertise; and
 - h. Awareness of corporate social responsibility issues.
2. Desired personal qualifications
- a. Besides expertise, experience, contacts, vision and adequate availability, personal qualities such as impartiality, integrity, tolerance of other points of view, balance and ability to act critically and independently are equally important.
 - b. A Director should be capable of assessing the broad outline of the overall policy and shall have the specific expertise required for the fulfilment of the duties assigned to the role designated to them within the framework of the Board of Director profile.
 - c. A Director should observe the principles underlying the corporate governance codes of the Republic of Indonesia.
 - d. A Director should avoid material conflicts of interest.
 - e. Business in the Board of Directors and their Committees may be conducted in the English language and a Director therefore should be fluent in English.

Independent Director Requirements

- a. has no affiliate relationship with the controlling shareholders for at least 6 (six) months prior to the appointment as an Independent Director;
- b. has no affiliation with any member of the Board of Directors and the Board of Commissioners;
- c. do not work as a member of the Board of Directors in other company(ies);
- d. not be an insider in capital market supporting institution or professionals whose services are used by the Company for the 6 (six) months prior to appointment as a Director
- e. appointed by the Board of Commissioners
- f. must not hold similar position in other public company

No Conflict of Interest Requirements

Any conflict of interest or apparent conflict of interest between the Company and its member of the Board of Directors is to be avoided. The Board of Directors are responsible for ensuring that there are rules to avoid conflicts of interest by the Board of Directors members. Where conflicts arise the Board of Directors are also responsible for ensuring that in dealing with them all applicable laws, regulations and the Code of Business Principles are complied with.

Multiple Positions Requirements

Member of the Board of Directors may not hold other position as the member of the Board of Directors or member of the Board of Commissioners **in other public companies**, but it can be a member of the Board of Directors or member of the Board of Commissioners in other private companies as long as:

1. these positions **must not** create a conflict of interest;
2. he/she does not neglect his/her duties and responsibilities as the member of the Board of Directors in the Company;
3. the holding of multiple position is still in accordance with the prevailing regulations; and
4. appropriate approval in accordance with the Company's policy in avoiding conflict of interest is obtained.

Continues Learning Requirements

Member of the Board of Directors must continue to develop their skill and knowledge in order to carry out his/her duty and responsibility.

4. Term of Service

- a. Members of the Board of Directors are appointed for a period commencing from the date set by the GMS appointing them and ending at the adjournment of the third (3rd) Annual GMS and can be reappointed with the condition that the term of service for an Independent Director is maximum two (2) terms. Notwithstanding the foregoing, the GMS has the authority to dismiss members of the Board of Directors at any time before their terms end in accordance with the Articles of Association of the Company.
- b. The office of a member of the Board of Directors shall terminate in the events:
 1. his term of office expires
 2. no longer qualifies as a member of the Board of Directors based on the legislation in force
 3. demise; and/or
 4. dismissal by the GMS in accordance with the Articles of Association.
- c. The member of the Board of Directors shall immediately submit his/her resignation in the event he/she is convicted in the financial criminal case.

5. Induction Program of the Board of Directors' Members

Each new member of the Board of Directors appointed for the first time must be given an introduction program and the responsibility for the introduction program lies on the Corporate Secretary.

The induction process is designed to:

- a. build an understanding of the nature of the Company, its businesses and the markets and regulatory environments in Republic of Indonesia;
- b. provide an appreciation of the responsibilities of a Director of the Company;
- c. build links to the Company's people; and
- d. build an understanding of the Company's main relationships

D. Duties and Responsibilities

1. In general, the duties and responsibilities of the Board of Directors is in accordance to the Articles of Association and the legislation in force. The Board of Directors are responsible for the overall conduct of the Company and have the powers, authorities and duties vested in them respectively pursuant to the relevant laws and the Articles of Association.
2. In all their dealings, the Board of Directors have regard to the interests of Company as a whole, including its shareholders, employees, customers and suppliers, together with Company social and legal responsibilities in the communities in which it operates and to the environment.
3. The Board of Directors shall implement the Good Corporate Governance practice in its business activities and at all organization level.
4. The Board of Directors have the responsibility for the management, direction and performance of the Company and its business.
5. The identification and management of risk are fundamental to carrying through the Company strategy and to achieving its long-term goals. The Board of Directors have overall responsibility for the management of risk and for reviewing the effectiveness of the system of internal control and risk management approach.
6. In order to perform its duties effectively, the Board of Directors may set up specific committees.

E. Authorities

The Board of Directors exercise all the powers, authorities and discretions in relation to the Company as provided in the Article of Association. For certain actions as provided in the Article of Association, the Board of Directors must first obtain a written approval from the Board of Commissioners.

Two or more member of the Board of Directors will be entitled and authorized to act for and on behalf of the Board of Directors and to represent the Company in accordance with the policies and management of the Company authority as established by resolutions of the Board of Directors.

F. Distribution of Duties and Authorities of Each Member of the Board of Directors

The roles and responsibilities of each member of the Board of Directors are designated by the name of office of each member of the Board of Directors as agreed in the Board of Directors' resolution

However in general the Duties and Responsibilities of President Director is among others as follows:

- a. To coordinate, direct, control, supervise the Board of Directors in ensuring delivery of the Company's agreed strategy including profit responsibility and managing business performance;
- b. To lead the implementation and monitoring strategies and annual plans, agreeing product markets for Category activities and places of operation and ensuring that business plans and strategies are aligned with corporate objectives and priorities agreed with the Board of Directors ;
- c. To lead the preparation for approval by AGM business performance reports including annual results announcements.
- d. To perform coordination, control and evaluation of the internalization of the principles of GCG and ethical standards consistently in the Company; and
- e. To ensure that the information relating to the corporation is always available when required by the Board of Commissioners.

III. BUSINESS PRINCIPLE

A. The Code of Business Principles

The Code of Business Principles represents the standard of conduct which the Board of Directors, Board of Commissioners and all the Company employees are expected to meet in their business endeavours. It forms the benchmark against which the outside world is invited to judge the Company activities. The Code must be adhered to strictly. A copy of the Code is set out in Appendix 1 and any amendment thereto must be approved by the Board of Directors.

The Board of Directors is responsible for ensuring that the Code is understood and followed.

The Code of Business Principles Support Line provides for a confidential ethics hotline, not only to ensure that employees can anonymously submit concerns regarding accounting and auditing issues but to handle all alleged violations of the Code of Business Principles.

Internal Audit will check for awareness, application and implementation of the Code of Business Principles on an ongoing basis.

B. The Company Code Policies

The Company Code Policies have been developed to provide a set of mandatory rules designed to ensure consistency in key areas within the Company operations.

The Company Code Policies are characterized by being applicable within the Company and mandatory in effect. They govern the principles and practices of how the Company run the business.

The Company Code Policies will be available in the Company's website and subject to evaluation from time to time.

C. Share Dealing Manual

The member of the Board of Directors shall comply with Share Dealing Manual as issued by the Company which is subject to evaluation from time to time.

To allow the Company to make the notification to the regulator on time, the member of the Board of Directors must notify the Company in writing as soon as possible but no later than 2 business days after the date of the transaction of the Company' share.

IV. WORKING HOUR/AVALAIBILITY

Each Board of Directors member shall have sufficient time available for the proper performance of his or her duties. Directors should be sufficiently free of other commitments to be able to devote the time needed to prepare for meetings and participate in induction, training, appraisal and other Board of Director associated activities.

V. MEETING

A. Meetings and Location

The Board of Directors meet on such dates each year as they determine and also at such other times upon the requisition of a Director, as provided in the Articles of Association. Before the beginning of every Financial Year, the Board of Directors shall set the time

schedules for the meeting. In the event a meeting is held outside the planned schedule, the meeting materials are to be presented to the meeting participants at the latest before the meeting is held.

There should be a minimum of 12 meetings throughout the calendar year. These include meetings to consider the half-year and full year results statements of the Company and a meeting to approve the Annual Report and Accounts. At least 1 in every 4 months (3 meetings) the meeting of the Board of Directors Board will be joined by the Board of Commissioners. There are additional Board meetings to discuss matters that arise.

Meetings of the Board of Directors may be held in the Company's Head Office or in any other place in Indonesia as the Board of Directors think fit. Attendance by means of video-conference and telephone link is permitted.

The Board of Directors may adopt written resolutions to approve matters at other times including the annual dividend policy and the proposal for the declaration of dividend.

All meetings are minuted as meetings of the Board of Directors

B. Chairman and Agendas

President Directors chairs the meeting. In the event that the President Director position is vacant or the President Director is unable to attend the meeting, one member of the Board of Directors elected by the other members will chair the meeting.

The agenda for Board meetings is set by the President Director. It must enable the Board of Directors to discharge their responsibility for the strategy, management, direction and performance of the Company.

The agenda of each of the meetings of the Board of Directors includes:

1. regular items, such as reports by the President Director, or such other member of the Board of Directors, on the financial affairs of the Company and performance against plan; and
2. special items, such as Business Reviews.

The materials of the meeting shall be provided at least 5 business days before the scheduled meetings.

C. Decision Making By the Board of Directors

Resolutions by each Board are passed by a majority of votes. Each member of each Board shall have one vote. A meeting shall be valid and entitled to make binding decisions if at least 2/3 of the members of the Board of Directors are present in the Meeting.

The Board of Directors may also make a valid and binding decision without formally hold a meeting provided that all member of the Board of Directors have agreed in writing by

signing the decision letter containing the relevant proposal. Decision made in such manner shall have similar legal basis as valid to decision made in the formal meeting of the Board of Directors.

D. Support

The Corporate Secretary is responsible for collating and distributing all papers submitted to the Board of Directors for consideration and for organisation of the Board of Director meetings. The Corporate Secretary procures the taking and circulation of the minutes of all meetings of the Board of Directors.

E. Electronic Board Signatures

Written resolutions of the Board of Directors, may be adopted by the electronic signatures of the Directors and can also be adopted by the Directors in writing (including faxes) and a written resolution can consist of a combination of written and electronic signatures of the Directors.

VI. REPORT AND PERFORMANCE EVALUATION

A. Reporting

A report, on a regular basis in accordance with applicable regulation to the Board of Commissioners, capital market authorities, agencies or to the GMS is included within the annual report, semi annual or quarterly report on the Company activities during such period.

B. Performance Evaluation

1. The Board of Commissioner shall set out key performance indicator of the Board of Director based on criteria as recommended by the Nomination and Remuneration Committee.
2. The Board of Commissioner shall conduct a performance evaluation of (i) the member of the Board of Directors and (ii) the Board of Directors as a collegial; based on the criteria as agreed, among other financial and business performance, implementation of good corporate governance and compliance of the prevailing regulations
3. The Board of Director shall also conduct self- assessment on the performance of (i) each member of the Board of Directors and (ii) the Board of Directors as a collegial; based on the criteria as recommended by the Nomination and Remuneration Committee.
4. Besides through self-assessment and assessment by the Board of Commissioners, assessment of the Board of Directors is also conducted at the time of presentation of its annual report to the GMS.

VII. VALIDITY AND EVALUATION

1. This Charter of the Board of Directors will replace the Charter of the Board of Directors dated 11 March 2016 and shall be effective as 14 February 2017;
2. This Charter of the Board of Directors will periodically be evaluated for improvement;
3. Original document of this Charter will be contained in the Company website.

Ratified in Tangerang
On 14 February 2017

APPENDIX 1
The Code of Business Principles

Standard of Conduct

Unilever conduct our operations with honesty, integrity and openness, and with respect for the human rights and interests of our employees.

Unilever shall similarly respect the legitimate interests of those with whom Unilever have relationships.

Obeying the Law

Unilever companies and employees are required to comply with the laws and regulations of the countries in which Unilever operate.

Employees

Unilever is committed to diversity in a working environment where there is mutual trust and respect and where everyone feels responsible for the performance and reputation of our company.

Unilever will recruit, employ and promote employees on the sole basis of the qualifications and abilities needed for the work to be performed.

Unilever are committed to safe and healthy working conditions for all employees. Unilever will not use any form of forced, compulsory or child labour.

Unilever are committed to working with employees to develop and enhance each individual's skills and capabilities.

Unilever respect the dignity of the individual and the right of employees to freedom of association. Unilever will maintain good communications with employees through company based information and consultation procedures.

Consumers

Unilever is committed to providing branded products and services which consistently offer value in terms of price and quality, and which are safe for their intended use. Products and services will be accurately and properly labelled, advertised and communicated.

Shareholders

Unilever will conduct its operations in accordance with internationally accepted principles of good corporate governance. Unilever will provide timely, regular and reliable information on our activities, structure, financial situation and performance to all shareholders.

Business Partners

Unilever is committed to establishing mutually beneficial relations with our suppliers, customers and business partners.

In our business dealings Unilever expect our partners to adhere to business principles consistent with our own.

Community Involvement

Unilever strives to be a trusted corporate citizen and, as an integral part of society, to fulfil our responsibilities to the societies and communities in which Unilever operate.

Public Activities

Unilever companies are encouraged to promote and defend their legitimate business interests. Unilever will co-operate with governments and other organisations, both directly and through bodies such as trade associations, in the development of proposed legislation and other regulations, which may affect legitimate business interests.

Unilever neither supports political parties nor contributes to the funds of groups whose activities are calculated to promote party interests.

The Environment

Unilever is committed to making continuous improvements in the management of our environmental impact and to the longer-term goal of developing a sustainable business. Unilever will work in partnership with others to promote environmental care, increase understanding of environmental issues and disseminate good practice.

Innovation

In our scientific innovation to meet consumer needs Unilever will respect the concerns of our consumers and of society. Unilever will work on the basis of sound science, applying rigorous standards of product safety.

Competition

Unilever believes in vigorous yet fair competition and supports the development of appropriate competition laws. Unilever companies and employees will conduct their operations in accordance with the principles of fair competition and all applicable regulations.