

# NOMINATION AND REMUNERATION COMMITTEE CHARTER

## CHAPTER I INTRODUCTION

### 1. Background

In order to improve good corporate governance practices and managed in accordance to the principles of Good Corporate Governance (GCG), the Board of Commissioners established the Nomination and Remuneration Committee.

The Committee acts independently to assist the Board of Commissioners in determining the system, criteria, and basis for nomination and remuneration of members of the Board of Commissioners and Board of Directors.

### 2. Vision and Mission

#### Vision

To be the Board of Commissioners' partner in providing suggestions on the nomination and remuneration of members of the Board of Commissioners and the Board of Directors.

#### Mission

- a. Assists the Board of Commissioners in establishing the criteria and procedures to appoint members of the Board of Commissioners and members of the board of Directors.
- b. Make recommendations to the Board of Commissioners on the basis for remuneration package of members of the Board of Commissioners and the Board of Directors.

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## CHAPTER II

### ORGANIZATION STRUCTURE AND TERM OF OFFICE

#### 1. Appointment and Dismissal

The members of the Nomination and Remuneration Committee will be appointed and dismissed by the Board of Commissioners

#### 2. Position in the Organization

The Nomination and Remuneration Committee is established by the Board of Commissioners to assist the execution of the Board of Commissioners's role related to the nomination and remuneration of members of the Board of Commissioners and the Board of Directors.

In performing the role, the Nomination and Remuneration Committee reports directly to the Board of Commissioners

#### 3. Nomination and Remuneration Committee Organization

##### a. Membership Structure of the Nomination and Remuneration Committee

The structure of the Nomination and Remuneration Committee is adjusted to the Company's needs consisting of the following:

- 1) One chairman, who is an Independent Commissioner; and
- 2) Two members of the Board of Commissioners or 1 (one) member of the Board of Commissioners and the Chief of Human Capital.

##### b. Term of Office

The term of office for the members of the Nomination and Remuneration Committee is in accordance to the applicable laws and regulations.

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## CHAPTER III DUTIES AND AUTHORITIES

### 1. Duties and Authorities of Nomination and Remuneration Committee are as follows:

- a. Prepare the criteria for the selection and nomination procedures of members of the Board of Commissioners and Directors.
- b. Establish an assessment system and provide recommendations on the number of members of the Board of Commissioners and Directors.
- c. Take part in the recruitment (interview) process and provide recommendations on the prospective members of the Boards of Commissioners and Directors in order to attain the placement of the right man on the right place.
- d. Provide recommendations on the policy related to the remuneration of members of the Boards of Commissioners and Directors.
- e. Provide recommendations on the amount of salary, benefits, allowance and facilities that are competitive and refer to the market development, for the members of the Boards Commissioners and Directors.
- f. Supervise the nomination and remuneration performance process so as not to deviate from the stipulated procedures.
- g. Prepare reports on the performance of duties and responsibilities referred above to be presented to the Board of Commissioners and for further report to the Shareholders through the Annual General Meeting of Shareholders.

### 2. Nomination and Remuneration Committee Meeting

In order to perform the role and responsibilities, the Nomination and Remuneration Committee will hold meetings with the following conditions:

#### a. Meeting Schedule

In performing its Nomination and Remuneration roles, the Committee will hold a meeting with the following conditions:

- 1) The meeting will be held periodically at least once within four months;
- 2) In addition, the meeting may be held any time if deemed necessary in the event that:
  - a) It is attended by the majority of the Nomination and Remuneration Committee members;
  - b) One of the majority of the Nomination and Remuneration Committee members is the Chairman of Nomination and Remuneration Committee.

#### b. Meeting Procedures

The meeting is held in the following manner:

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- 1) Invitation to a meeting is to be carried out by the Chairman of the Nomination and Remuneration Committee or any individuals authorized by the Chairman;
- 2) The meeting invitation shall include agenda, date, time and place;
- 3) The meeting shall be held in the Company's domicile or the Company's business site;
- 4) The meeting shall be chaired by the Chairman of the Nomination and Remuneration Committee;
- 5) A member of the Committee may only be represented in the meeting by the other members of Committee appointed by the power of attorney. Therefore, the voting rights of the unavailable Committee members are transferred to the assignee;
- 6) The decision of the meeting shall be made based on deliberations for consensus. In the event that the consensus is not reached, the decision-making shall be carried out by the majority of the votes;
- 7) In the meeting, on voting agenda regarding an individual, the mechanism is carried out by secret ballots without signature, while the voting regarding other matters is carried out directly , unless the meeting's Chairman determines otherwise or if there is objection from the attendees;
- 8) In the meeting, blank votes and invalid votes are considered non-existent and are not counted in determining the number of votes;
- 9) The Committee may also make valid decisions without holding any meetings, provided that all members have been notified in writing of the decisions to be made, of which is the written approval of more than one half part of the members of the Committee.

## **c. Minutes of Meeting**

Meeting results shall be stated in the minutes prepared in writing and signed by all participating Committee members, to be presented subsequently to the Board of Commissioners.

## **3. Reporting**

In performing the role, the Committee is obliged to report to the Board of Commissioners in the form of Nomination and Remuneration Committee's reports which form a part of reports on the performance of role of Board of Commissioners and is presented in the RUPS.

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## **CHAPTER IV CLOSING**

### **Validity Period and Evaluation**

This charter is effective as of June 5, 2015 and shall be evaluated periodically for enhancement.

In the event that the provisions in this charter do not comply with the applicable laws and regulations, the applicable laws and regulations shall be appropriately in effect.