

PT INTI BANGUN SEJAHTERA TBK  
INNOVATIVE SOLUTION PROVIDER

NOMINATION AND REMUNERATION COMMITTEE  
CHARTER

PT INTI BANGUN SEJAHTERA TBK  
("Company")

Effective as of March 24, 2016

ANANG FAHKCRUDIN  
SWORN & AUTHORIZED  
TRANSLATOR  
SK. GUB KDKI JK. NO. 2228/2001

<b>CSY.001/IBST-KBJ/2016/V.00 ADMINISTRATIVE DETAILS OF THE POLICY</b>	
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## **I. INTRODUCTION**

### **I.1 Background**

In order to promote the improved implementation of good corporate governance and with the intention of complying with the provisions of Regulation of the Financial Services Authority No. 34/POJK.04/2014 regarding Nomination and Remuneration Committee of Issuers or Public Companies, the Company's Board of Commissioners has resolved to establish a Nomination and Remuneration Committee.

In carrying out its duties, the Nomination and Remuneration Committee shall act independently and assist the Board of Commissioners in determining the appropriate systems, policies and procedures related to nomination and remuneration of members of the Board of Directors and the Board of Commissioners.

### **I.2 Legal References**

- a. Law No. 40 of 2007 dated August 16, 2007 regarding Limited Liability Company ("**Company Law**").
- b. Regulation of the Financial Services Authority No. 34/POJK.04/2014 regarding Nomination and Remuneration Committee of Issuers or Public Companies ("**POJK 34**").

- c. General Guideline of Good Corporate Governance Indonesia, 2006, issued by the National Committee on Governance Policy ("GGGCG").
- d. Copy of Circular Letter of the Financial Services Authority No. 32/SEOJK.04/2015 dated November 17, 2015 regarding Corporate Governance Guidelines for Public Companies ("SEOJK 32/2015")

### **I.3 Vision and Mission**

In line with the Company's vision and mission, the Nomination and Remuneration Committee (hereinafter referred to as the "NRC") sets out its vision and mission as follows:

#### **VISION**

To serve as a reliable partner to the Board of Commissioners for providing recommendations related to nomination and remuneration of members of the Board of Directors and the Board of Commissioners of the Company.

#### **MISSION**

- a. To assist the Board of Commissioners in deciding the appropriate policies and procedures for nomination of candidates for members of the Board of Directors and the Board of Commissioners; and
- b. To assist the Board of Commissioners in deciding the appropriate policies and procedures for



determination and payment of remuneration to members of the Board of Directors and the Board of Commissioners in respect of the assigned position and role proportionate to the duties, responsibilities and authorities.

## **II. PURPOSE**

The purpose and objective of the preparation of this Nomination and Remuneration Committee Charter is to provide guidelines to the Nomination and Remuneration Committee and to improve the effectiveness of the Board of Commissioners in performing its duties and functions related to nomination and remuneration of members of the Board of Directors and the Board of Commissioners.

## **III. DUTIES AND RESPONSIBILITIES**

The Nomination and Remuneration Committee is established by and responsible to the Board of Commissioners for the performance of the Board of Commissioners' duties and functions related to nomination and remuneration of members of the Board of Directors and the Board of Commissioners.

In completing its functions, the Nomination and Remuneration Committee has the following duties and responsibilities:

### **III.1 In connection with Nomination Function**

III.1.1 The NRC shall provide recommendations to the Board of Commissioners regarding:

- a. composition of members of the Board of Directors and/or the Board of Commissioners;
- b. policies and criteria necessary for the process of nomination; and
- c. policies on performance evaluation for members of the Board of Directors and/or the Board of Commissioners;

III.1.2 The NRC shall assist the Board of Commissioners in evaluating the performance of members of the Board of Directors and/or the Board of Commissioners based on the agreed evaluation indicators;

III.1.3 The NRC shall provide recommendations to the Board of Commissioners regarding competency development programs for members of the Board of Directors and/or the Board of Commissioners;

III.1.4 The NRC shall provide recommendations to the Board of Commissioners for submission to the GMS regarding candidates who are qualified to be members of the Board of Directors and/or the Board of Commissioners; and

III.1.5 The NRC shall draft a succession policy during the nomination process of members of the Board of Directors.

**III.2 In connection with Remuneration Function**

III.2.1 The NRC shall provide recommendations to the Board of Commissioners regarding:

- a. remuneration structure;
- b. remuneration policy; and
- c. amount of remuneration;

III.2.2 The NRC shall assist the Board of Commissioners in evaluating the performance of each member of the Board of Directors and/or the Board of Commissioners by taking into account the amount of remuneration received by each of them.

**IV. MEETING POLICY**

Meetings of the Nomination and Remuneration Committee shall be held with the following provisions:

**IV.1 Meeting Schedule**

The NRC shall schedule the meeting of NRC for the following year prior to the end of the current fiscal year.

The meeting of NRC shall be held regularly at least one every four months, or at any time if deemed necessary and if the following conditions are fulfilled:



- a. the meeting is attended by the majority of members of the NRC; and
- b. the Chairman of NRC shall be one of such majority.

#### **IV.2 Meeting Procedure**

Meetings of NRC shall be held with the following procedures:

- IV.2.1 The notice of meeting shall be delivered by the Chairman of NRC or any person authorized by the Chairman of NRC;
- IV.2.2 The notice of meeting shall be delivered at least 14 days prior to the meeting date;
- IV.2.3 The notice of meeting shall indicate the day, date, time, place and agenda of the meeting;
- IV.2.4 The meeting shall be held at the Company's domicile or the place where the Company's business activities are conducted;
- IV.2.5 The meeting shall be chaired by the Chairman of NRC;
- IV.2.6 A member of NRC may be represented at the meeting only by another member of NRC by virtue of power of attorney. Therefore, the voting right of the absent member is assigned to his/her proxy;
- IV.2.7 Resolutions of the meeting shall be adopted in deliberation for consensus. In case of failure

to adopt a resolution on the basis of the principle of deliberation to reach a consensus, the resolution shall be adopted by a simple majority votes;

IV.2.8 Voting concerning an individual shall be made by an unsigned, folded ballot papers, while voting concerning other matters shall be conducted orally, unless the Chairman of the Meeting of NRC determines otherwise without any objection from those present thereat;

IV.2.9 Blank votes and void votes shall be deemed not to have been legally cast and, accordingly, to be non-existent and shall not be counted in the calculation of the number of vote cast;

IV.2.10 The NRC may also adopt valid and binding resolutions without convening a meeting, provided that all members of the NRC have been notified in writing of the proposals to be discussed and all such members have given and signed their written approval to the proposal.

#### **IV.3 Minutes of Meeting**

The result of the meeting shall be set out in the minutes of meeting in writing and signed by all members of the NRC present at the meeting for submission to the Board of Commissioners.

**V. COMPOSITION AND STRUCTURE OF MEMBERS**

The members of the NRC are appointed and dismissed based on resolution of the meeting of the Board of Commissioners.

The members of the NRC are adjusted to the Company's needs, but in any event the NRC shall at least consist of three persons with the following conditions:

- a. one of the members shall serve as the chairman concurrently member, and shall be an Independent Commissioner; and
- b. two other members may be appointed from:
  1. any members of the Board of Commissioners;
  2. any external persons of the Company; or
  3. any persons occupying a managerial position under the Director for human resources.

**VI. TERM OF OFFICE**

The term of office of members of the NRC shall be equal to the term of office of members of the Board of Commissioners as specified in the articles of association and may be reappointed.

**VII. WORK METHODS AND PROCEDURES**

In carrying out its duties and responsibilities related to nomination and remuneration functions as set forth in III, the NRC shall at least perform the following procedures:

## **VII.1 In connection with Nomination Function**

VII.1.1 to prepare the composition and nomination process of members of the Board of Directors and/or the Board of Commissioners;

VII.1.2 to draft policies and criteria necessary for the nomination process of candidate members of the Board of Directors and/or the Board of Commissioners;

VII.1.3 to assist in evaluating the performance of members of the Board of Directors and/or the Board of Commissioners;

VII.1.4 to draft the competency development program for members of the Board of Directors and/or the Board of Commissioners; and

VII.1.5 to review and nominate candidates who are qualified to be members of the Board of Directors and/or the Board of Commissioners for submission to the General Meeting of Shareholders.

## **VII.2 In connection with Remuneration Function**

VII.2.1 to draft the remuneration structure of members of the Board of Directors and/or the Board of Commissioners;



VII.2.2 to draft the remuneration policy of members of the Board of Directors and/or the Board of Commissioners;

VII.2.3 to draft the amount of remuneration of members of the Board of Directors and/or the Board of Commissioners.

The structure, policy and amount of remuneration shall be evaluated by the Nomination and Remuneration Committee at least once a year.

#### **VIII. REPLACEMENT PROCEDURES**

Members of the Nomination and Remuneration Committee are appointed and dismissed based on the resolution of meeting of the Board of Commissioners. In the event that a member of the NRC is unable to perform his/her duties for any reason whatsoever, making the number of members of the NRC lower than 3 (three) persons, the Board of Commissioners shall appoint a new member of the NRC for a period of no more than 6 (six) months, until the nomination and appointment of the permanent member of the NRC.

The replacement of a member of the NRC not originated from the Board of Commissioners shall be made no later than 60 (sixty) days after such a member of the NRC has been unable to perform his/her duties.

#### **IX. REPORTING AND ACCOUNTABILITY**

The NRC shall report the performance of duties, responsibilities and procedures related to nomination and remuneration to the Board of Commissioners in the form of NRC report which forms a part of the report on implementation of duties of the Board of Commissioners to be submitted to the Annual General Meeting of Shareholders.

**X. CLOSING**

This Charter is effective as of March 24, 2016 and may be evaluated periodically for improvement.

If there is any discrepancy between the provisions contained in this charter and the prevailing statutory regulations, the provisions of the prevailing statutory regulations shall prevail.

Executed in Jakarta, on March 24, 2016

**PT INTI BANGUN SEJAHTERA TBK**

**BOARD OF COMMISSIONERS**

[signed]

**FARIDA BAU**

President Commissioner

[signed]

**SOEBIANTORO**

Commissioner

[signed]

**KANAKA PURADIREDA**

Independent Commissioner

I, **Anang Fahkcrudin**, residing at Jl. Kalibata Timur Raya No. 12, Kel. Kalibata. Kec. Pancoran, South Jakarta, ([anangf@gmail.com](mailto:anangf@gmail.com)), a sworn and authorized translator, by virtue of Jakarta Capital Territory Governor's Decree No. 2228/2001, practicing in Jakarta, do solemnly and sincerely declare that the foregoing document is a true and faithful translation from Indonesian into English of the original version.

Jakarta, April 10, 2019

**ANANG FAHKCRUDIN**  
SWORN & AUTHORIZED  
TRANSLATOR  
SK. GUB KOTA Jkt. NO. 2228/2001