

**THE NOMINATION & REMUNERATION COMMITTEE**

**CHARTER**

**PT TOTAL BANGUN PERSADA TBK**

## TABLE OF CONTENTS

A. Definition.....	3
B. Composition and Structure of Membership.....	4
C. Duties, Responsibilities, Procedures, and Authority.....	5
C.1. Duties and Responsibilities Related to Nomination Function .....	5
C.2. Nomination Procedures .....	5
C.3. Duties and Responsibilities Related to Remuneration Function.....	5
C.4. Remuneration Procedures.....	6
C.5. Authority .....	6
D. Organizing the Meeting .....	7
E. Activity Reporting System .....	8

## A. DEFINITION

1. **Nomination and Remuneration Committee**, hereinafter shall be referred to as **NRC**, is a committee established by and responsible to the Board of Commissioners in assisting the implementation of functions and duties of Board of Commissioners related to nomination and remuneration of the members of Board of Directors and Board of Commissioners.
2. **Nomination** is the proposal of an individual to be appointed as a member of Board of Directors or Board of Commissioners.
3. **Remuneration** is a reward determined and given to the members of Board of Directors and Board of Commissioners due to their assigned position and roles, in accordance with the duties, responsibilities and authority of the members of Board of Directors and Board of Commissioners.
4. **Board of Directors** is an organ of the Company having the authority and full responsibility to manage the Company for the interests of the Company, in accordance with the purposes and objectives of the Company, and to represent the Company both inside and outside the court in accordance with the provisions of articles of association.
5. **Board of Commissioners** is an organ of the Company with a duty to carry out general and/or specific supervision activity in accordance with the articles of association, and to provide advice to the Board of Directors.
6. **The Company** with the letter C in uppercase, is PT TOTAL BANGUN PERSADA Tbk, meanwhile, company (or companies) with the letter c in lowercase refers to companies in general.

## B. COMPOSITION AND STRUCTURE OF MEMBERSHIP

1. The members of NRC are appointed and dismissed based on the decision of Board of Commissioners' meeting, which is documented by the Company.
2. The members of NRC are appointed for the term of office of 4 (four) years at maximum and can be reappointed. This term of office shall not exceed that of the term of office of Board of Commissioners as stipulated in the Company's articles of association.<sup>1</sup>
3. The members of NRC shall consist of, at the very least, 3 (three) people, with the following provisions:
  - a. 1 (one) head of the committee concurrently serving as the member, who holds the position of an Independent Commissioner.
  - b. Other members shall be from:
    - 1) the members of Board of Commissioners;
    - 2) Parties from outside the Company; or
    - 3) Parties serving managerial positions under the Board of Directors, who are in charge of the human resources field. Provided that they do not fulfill the majority of positions at the NRC.
4. The members of NRC who are from outside the Company are obliged to meet the following requirements:
  - a. Do not have any affiliated relationship with the Company, members of Board of Directors and Board of Commissioners, or the Main Shareholders of the Company;
  - b. Have an experience in the field of Nomination and/or Remuneration; and
  - c. Have no concurrent position as a member of other Committees of the Company.
5. The Members of Board of Directors of the Company are not allowed to become a member of NRC.
6. If a member of NRC resigns or ceases to be a member of the Committee for certain reasons which results in a decrease in the total Committee's members to be below three, then, within 60 (sixty) days since the occurrence of such condition, the Board of Commissioners shall appoint a new person or several members so that the total members are equal to the total members before the condition occurred.

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<sup>1</sup> Articles of Association of PT Total Bangun Persada Tbk No. 31 dated April 30, 2015 Article 19 paragraph 2 letter a

## C. DUTIES, RESPONSIBILITIES, PROCEDURES, AND AUTHORITY.

### C.1. DUTIES AND RESPONSIBILITIES RELATED TO NOMINATION FUNCTION

1. To provide recommendations to the Board of Commissioners regarding:
  - a. Composition of membership of the Board of Directors and/or Board of Commissioners;
  - b. Policies and criteria required in the Nomination process; and
  - c. Performance evaluation policies for the members of Board of Directors and/or Board of Commissioners.
2. To assist the Board of Commissioners in conducting performance evaluation on the members of Board of Directors and/or Board of Commissioners based on the established benchmark as the evaluation material.
3. To provide recommendations to the Board of Commissioners regarding capability development programs for the members of Board of Directors and/or Board of Commissioners.
4. To provide suggestions on the candidates that meet the requirements for members of Board of Directors and/or Board of Commissioners to the Board of Commissioners, to be submitted to the GMS.

### C.2. NOMINATION PROCEDURES

1. Formulating the composition and process of Nomination of members of Board of Directors and/or Board of Commissioners;
2. Formulating policies and criteria required in the Nomination process of candidates for the members of Board of Directors and/or Board of Commissioners;
3. Assisting the implementation of performance evaluation of members of Board of Directors and/or Board of Commissioners;
4. Formulating capability development programs for the members of Board of Directors and/or Board of Commissioners; and
5. Reviewing and proposing the candidates that meet the requirements for members of Board of Directors and/or Board of Commissioners to the Board of Commissioners, to be submitted to the GMS.

### C.3. DUTIES AND RESPONSIBILITIES RELATED TO REMUNERATION FUNCTION

1. To provide recommendations to the Board of Commissioners regarding:
  - a) Remuneration Structure;
  - b) Policies on Remuneration; and

- c) Amount of Remuneration;
- 2. To assist the Board of Commissioners in conducting performance evaluation in accordance with the Remuneration received by each member of Board of Directors and/or Board of Commissioners.

#### C.4. REMUNERATION PROCEDURES

1. Formulating Remuneration structure for the members of Board of Directors and/or Board of Commissioners, covering:
  - a. Salary;
  - b. Honorarium;
  - c. Incentive; and/or
  - d. Fixed and/or varied allowances.
2. Formulating policies on Remuneration for the members of Board of Directors and/or Board of Commissioners.
3. Formulating the amount of Remuneration for the members of Board of Directors and/or Board of Commissioners.
4. An evaluation must be conducted by the NRC in regard to the formulation of structure, policy, and amount of Remuneration, at the very least once a year, by taking into account:
  - a. The remuneration that is applicable in the industry that is in line with the Company's business activities;
  - b. The duties, responsibilities, and authority of members of Board of Directors and/or Board of Commissioners are associated with the achievement of Company's objectives and performance;
  - c. Work or performance target of each member of Board of Directors and/or Board of Commissioners; and
  - d. Balance of allowance between those that are fixed and those that are varied.

#### C.5. AUTHORITY

The NRC has the authority to gain access to information on the employees and financial statements that is related to the implementation of their duties.

#### D. ORGANIZING THE MEETING

1. The NRC Meeting is held periodically, at the very least, once in every 4 (four) months.
2. The NRC Meeting can only be held if:
  - a. Attended by the majority of the members of NRC; and
  - b. One of the majority of the members of NRC aforementioned is the Head of NRC.
3. The decision of NRC meeting is taken through deliberation to reach consensus.
4. If consensus through deliberation cannot be reached, the decision shall be made based on the majority vote.
5. If the decision made through the majority vote in which the number of affirmative and negative votes are equal, the decision shall be made by the Board of Commissioners.
6. If there is any dissenting opinion in the decision-making process, such dissenting opinion must be stated in the minutes of meeting along with reasons for the dissenting opinion.
7. The results of NRC meeting must be stipulated in minutes of meeting and documented by the Company.
8. The minutes of NRC meeting must be submitted in writing to the Board of Commissioners.

## E. ACTIVITY REPORTING SYSTEM

1. The NRC must report the implementation of their duties and responsibilities, and Nomination and Remuneration procedures, covering:
  - a. Composition and Structure of Membership of NRC.
  - b. Duties, Responsibilities, and Work Procedures of NRC.
  - c. Organization of MRC Meeting.

This report is part of the duty implementation report of the Board of Commissioners and is submitted to the GMS.

2. The Company must disclose the implementation of Nomination and Remuneration functions in the annual report and the Company's website.
3. Information on the implementation of Nomination and Remuneration functions disclosed in the Company's annual report shall include at the very least the following:
  - a. statements that the Company has established the NRC Charter;
  - b. brief description on the implementation of duties and responsibilities of the NRC in the fiscal year.
4. Information on the implementation of Nomination and Remuneration functions disclosed in the Company's website shall include at the very least the following:
  - a. the NRC Charter;
  - b. brief description on the implementation of duties and responsibilities of the NRC in the fiscal year.

Jakarta, September 22, 2015  
PT Total Bangun Persada Tbk

### BOARD OF COMMISSIONERS

*(signed)*

Ir. Reyno Stephanus Adhiputranto  
President Commissioner and  
Independent Commissioner

*(signed)*

Drs. Wibowo  
Commissioner

*(signed)*

Rudi Suryajaya Komajaya, MBA  
Commissioner

*(signed)*

Pinarto Sutanto  
Commissioner

*(signed)*

Liliana Komajaya, MBA  
Commissioner

*(signed)*

Drs. H. Mustofa, CA  
Independent Commissioner