

PT ANTAM (Persero) Tbk

**GOOD CORPORATE GOVERNANCE-NOMINATION  
AND REMUNERATION (GCG-NR) COMMITTEE  
CHARTER**



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# Chapter I

## Introduction

### 1.1 Background

Limited Liability Company (Persero) PT Aneka Tambang Tbk abbreviated as PT ANTAM (Persero) Tbk, - hereinafter referred to ANTAM-, as a company listed on the Indonesian Stock Exchange (IDX) and the Australian Securities Exchange (ASX) is required to comply with legislations in the field of capital market where the shares of ANTAM are listed, and must comply with laws and regulations relating to the Company's operations.

As a State-Owned Enterprise (SOE), ANTAM is committed to apply good corporate governance (GCG) consistently in order to run on the Company's operations based on the principles of Transparency, Accountability, Responsibility, independency and Fairness, animated by the Values and Ethics of the Company. In addition, in its operations as a mining company, ANTAM as a company striving to be a leading world class company should apply the principles of Good Mining Practices consistently, at least in accordance with the legislations in force.

Therefore, in conducting its business activities in the field of natural resources, ANTAM as the Company shall conduct its activities in accordance with Law No. 40/2007 regarding Limited Liability Company and shall undertake Social and Environmental Responsibility budgeted and accounted for as expenses of the Company in accordance with Regulation No. 47 of 2012 on Social and Environmental Responsibility of Limited Liability Company. On the other hand, in the development of today's international world, Mainstreaming CSR initiative covers the following aspects: organizational governance, human rights, labor, environment, fair implementation of operation, consumer issues, and community involvement and development, which for the implementation of which should refer to the documents of ISO 26000:2010. Observance to international standards is very important for ANTAM as most of its products exported to a number of countries implementing strict social and environmental performance requirements. In terms of achieving the vision and mission of the company, ANTAM believes that competent and high performing Human Resources (HR) or Human Capital are extremely important assets of the company. The company needs good human capital and organization at the corporate level as well as in the organization of the Board of Commissioners. Support of employees, especially the leadership and organ of the Board of Commissioners is essential for sustainable growth. Reliable Human Capital with the character of BEST, culture of PIONEER with high-power innovation is also the fundamental capital of the company to build the Company's competitiveness in order to support the achievement of strategic objectives of the Company in accordance dynamics of the challenges faced. In the effort to get reliable leaders as mentioned above, there should be a process of nomination and remuneration as part of the Human Capital management in the company and in the organ of Board of Commissioners. In this case the implementation of a good and proper nomination and remuneration system to determine

candidates for the Board of Directors and Commissioners and the personnel as well as the determination of the amount of compensation and other benefits in the company becomes something that is important for all organs in the company to achieve effective and maximum performance.

Therefore, to achieve the strategic goal of the Company to be a world-class company, the Company shall be managed in accordance with the principles of good corporate governance, implement Social and Environmental Responsibility consistently, to be implemented by the leaders of the Company that is highly competent and reliable. For that we need the supervision of the Board of Commissioners in terms of the implementation of the principles of good corporate governance and ethics of the company, the management of social responsibility and observance to the Surrounding of the Company and management of the nomination and remuneration systems as part of the Human Capital management of the company, especially for candidates for the Board of Directors and Commissioners as well as the management of Human Capital in general. With regard to responsibility, the Board of Commissioners establishes the Good Corporate Governance, Nomination and Remuneration Committee –hereinafter called the GCG-NR Committee, that works professionally, independently and collectively to assist the Board of Commissioners in carrying out the duties and functions of supervision and the provision of advice to the management and Board of Directors of ANTAM. The main task of the GCG-NR Committee is to monitor and ensure the implementation of good corporate governance and ethical standards of the company effectively, to oversee the implementation of social and environmental management of the company as well as to supervise the course of the process of candidate nomination and remuneration of the Board of Directors and the Board of Commissioners of the Company as well as to manage the Human Capital in general.

## **1.2. Vision and Mission**

### **Vision**

To be Committee that has high competence in assisting the Board of Commissioners in the field of implementation of the Company's corporate governance and ethics, social and environmental management according to international standard, as well as to supervise the process of nomination and remuneration in Human Capital management towards a world-class mining company.

**Mission**

To assist the Board of Commissioners to carry out supervisory duties and functions and to give advice in the implementation of the principles GCG and Ethical Standards of Company, management of social and environmental aspects, monitoring systems and nomination process of candidates for the Board of Directors and Board of Commissioners as well as process management and improvement of remuneration for the Board of Directors and the Board of Commissioners in the management of Human Capital in general, which is carried out gradually and continuously in accordance with the rules, regulations and according to the rules applicable to uphold the Company's harmonious relationship with all stakeholders.

**1.3. Purpose and Objectives**

The GCG-NR Committee Charter is prepared as a guideline so that that the GCG-NR Committee can carry out their duties and responsibilities in an efficient, effective, transparent, professional, independent, and accountable manner in accordance with the legislations in force.

## **Chapter II**

### **Establishment, Organization and Term**

#### **2.1. Establishment**

The GCG-NR committee is formed by and be responsible to the Board of Commissioners under the Board of Commissioners Charter and is confirmed by a Decision of the Board of Commissioners.

#### **2.2. Organizations**

##### **2.2.1. Structure of Membership**

- a. The GCG-NR Committee members consist of 2 (two) members of the Board of Commissioners, one of which must be an Independent Commissioner, and a maximum of 2 (two) expert members who are not key employees of ANTAM within the last 6 (six) months;
- b. The GCG-NR Committee member serving as the President Commissioner shall act as the Chairman of the Committee;
- c. A member of the GCG-NR Committee who is a member of the Board of Commissioners may act as the Vice-Chairman of the Committee;
- d. Members of the GCG-NR Committee who are not members of the Board of Commissioners shall not serve double positions in another committee of ANTAM within the same period.

##### **2.2.2. Membership**

- a. Chairman and members of the GCG-NR Committee appointed and dismissed by the Board of Commissioners;
- b. If a member of the Board of Commissioners serving as the Chairman of the GCG-NR Committee quits as a member of the Board of Commissioners, the Chairman of the GCG-NR Committee shall be replaced by another member of the Board of Commissioners no later than 30 (thirty) days;
- c. The Chairman of the GCG-NR Committee is entitled to propose the replacement of a member of the GCG-NR Committee which is not a member of the Board of Commissioners to the Board of Commissioners, if such member of the committee's term expires, resigns, or is incompetent in performing duties.

##### **2.2.3. Membership Requirements**

###### **a. Special Requirements**

1. Having integrity, dedication, ability, education, independence, and experience to perform the duties and functions of corporate governance oversight and communicate orally and in writing all results of the performance of duties to the Board of Commissioners according to the procedure in force;

2. Having sufficient knowledge to be able to understand the principles of GCG and ethics of the company, understand the social and environmental management control of the Company and understand the principles of determining the candidate's nomination within the Company, including the Board of Directors/Commissioners and remuneration systems in the management of Human Capital as a whole;
3. Having adequate knowledge of the Articles of Association, legislations relating to the Company's operations, Capital Market regulations, and other laws and regulations related to corporate governance (GCG), environmental management and nomination and remuneration;
4. Ability to learn and understand the Company's activities well and having sufficient knowledge about the field of operations of the Company and its relation to the aspects of the Company's corporate governance and ethics, social management aspects of the environment, aspects of the nomination and remuneration as well as aspects of human capital management in general, including aspects of the performance evaluation of the Board of Commissioners, Directors and directorate under its authority up to the individual employee level.

**b. General Requirements**

1. Members of the GCG-NR Committee, both those are or who are not members of the Board of Commissioners may not be related to the third degree, either vertically or horizontally or as a result of marriage with other members of the Board of Commissioners or to the members of the Board of Directors;
2. Not having shares directly or indirectly in ANTAM and another company that may give rise to conflict of interest. In case members of the Committee receive shares either directly or indirectly as a result of a legal event, then within a maximum period of six months after being acquired, the shares shall be transferred to other parties;
3. Members of both the Audit Committee who is or who is not a member of the Board of Commissioners, shall not hold other positions as board members of a political party and / or candidate / member or candidate to the legislative and local / regional deputy head, and other offices in accordance with the provisions of the legislations which can give rise to a conflict of interest;
4. Members of the GCG-NR Committee that are not members of the Board of Commissioners shall not concurrently serve as:
  - a) Members of the Board of Commissioners in SOEs/other companies;
  - b) Secretary/Staff of Secretariat of the Board of Commissioners of SOEs/other companies;
  - c) Members of Committee on other Company; and/or
  - d) Members of committee in SOEs/other companies.
5. Not having a business relationship, directly or indirectly related to ANTAM business activities that may cause a conflict of interest;

6. Not be a key employee that persons having authority and responsibility for planning, directing, or controlling the activities ANTAM within the last 6 (six) months before being appointed by the Board of Commissioners;
7. Not having any personal interest, directly or indirectly with the Company's material information;
8. Not objecting and are willing to make and sign a written statement with regard to the independence requirements as set forth above;
9. Able to work and communicate well and ethical as well as to provide sufficient time to carry out their duties properly and added value;
10. Obligated to comply with the code of conduct of the Committee set out in the Company;
11. Willing to continuously improve competence through education and training.

#### **2.2.4. Term**

- a. The term of office of members of the Board of Commissioners who are members of the GCG-NR Committee, together with the tenure appointment as members of the Board of Commissioners are determined by the General Meeting of Shareholders;
- b. The term of the GCG-NR Committee members who are not members of the Board of Directors are 3 (three) years and may be extended once for 2 (two) years of tenure, without prejudice to the right of the Board of Commissioners to dismiss them at any time.

#### **2.2.5. Evaluation**

The evaluation of the performance of members of the GCG-NR Committee, both individually and collectively, shall be conducted every 1 (one) year by self-assessment using the method of evaluation in a system defined in the Decision of the Board of Commissioners, as the material for the assessment of the extension of tenure of members of the GCG-NR Committee for the next year, by using the following indicators:

##### **a. General Indicators**

1. Presence in meetings of the Committee.
2. Mastery of material to be covered.
3. Willingness to provide time and effort in fulfilling duties and responsibilities as members of the Committee.
4. Willingness to participate in activities outside of the office as visits to the business unit.
5. Quality and advice given in the meeting.
6. Ability to apply knowledge and experience in order to increase the effectiveness of the Committee.
7. Effective analysis of the available data in order to ensure accurate information.
8. Effective and pro-active follow up on important issues and that require attention.
9. Effective capability to cooperate with other members of the Committee in which the members are serving as members of the Committee, with other Board of Commissioners



Supporting Organ, and the Partners relating directly or indirectly to the Committee where the members are serving as members.

10. Ability to behave to encourage the creation of mutual trust and respect among members of the Committee.
11. Ability to actively carry out continuous learning to improve knowledge and abilities, and always follow the development of the relevant industries and markets.
12. Ability to communicate with fellow members of the Committee of the Board of Commissioners.
13. Ability to understand the Vision, Mission and Strategic Plan of ANTAM as outlined in the RKAP and RJPP, and ability to provide quality input associated with the Vision, Mission, Strategic Plan, Work Plan & Budget and RJPP.
14. Ability to meet the provisions of ANTAM ethical standards.
15. Ability to demonstrate high integrity.
16. Ability to maintain confidentiality.
17. Ability to demonstrate a desire to improve the management of ANTAM.
18. Ability to represent and safeguard the image of the Company.
19. Willingness to accept special assignments given by the Board of Commissioners and give a report assignment on a complete and timely manner.
20. Contributions in making the minutes of meetings, quarterly reports, annual reports, and preparation of quality reports to the Board of Commissioners.
21. Ability to provide input in the preparation of the Work Program in full and on time.
22. Ability to provide input in the preparation of the Committee Work Program in full and on time.

**b. Special indicator**

1. Contribution to conduct review of the Articles of Association of the Company to ensure their relevance to the regulations and legislation in force.
2. Contribution to the evaluation and review of the implementation of GCG and Company Ethics according to the relevance about the social and environmental management plan and implementation system of the Nomination and Remuneration in the management of Human Capital in ANTAM.
3. Provision of good inputs in the monitoring and evaluation of the Company's Articles of Association related to the improvement and consistent implementation of GCG, company ethics and the rights of shareholders, as well as recommendations to the Board of Commissioners.
4. Provision of good inputs in monitoring follow-up actions to the management of social and environmental management of the Company and submit its recommendation to the Board of Commissioners.

5. Provision of good inputs in the preparation of the system, selection criteria, qualifications, and transparent procedures for the nomination of candidates for the Board of Directors / Board of Commissioners, candidates for other senior management in the company as well as the remuneration in accordance with market developments and progress of the company to provide further recommendations to the Board of Commissioners.
6. Contribution to the work plan, reports and studies and analyzes on the implementation and implementation of good corporate governance, ethical standards, social and environmental management (including reclamation and mine closure) as well as nomination process for candidates for the Board of Directors/Commissioners and remuneration to the Board of Directors and Commissioners particularly in Human Capital management thoroughly to be submitted to the Board of Commissioners.
7. Proactive participation in conducting review, evaluation and monitoring of the implementation of the recommendations given by the BOC and GCG-NR Committee to management and to the related units such as GCG work units, CSR work units, HR work unit and other work units, thus ensuring the continuity and ensuring all policies and regulations are still relevant.
8. To evaluate to ensure the follow-up actions to the Management of the result of review, assessment and feedback given to the problems and policies as well as input from the regulators and evaluators regarding GCG implementation, management of social and environmental impacts, as well as the management of nomination and remuneration in ANTAM.
9. To provide input and make good report in the evaluation and analysis of the implementation of GCG and ethics as well as various policies, social and environmental management of the company, and in particular on the implementation of the implementation of the nominations for the Board of Directors / Board of Commissioners as well as good and proper remuneration in the Human Capital Management program of the to be submitted to the Board of Commissioners.
10. Contribution to the evaluation and monitoring conducted by the Committee to ensure the existence of mechanisms that can identify and manage potential conflicts of interest of members of the Board of Commissioners, Board of Directors and Senior Management, as well as other violations in cooperation with the Corporate Secretary Unit and Risk Management unit of the company.
11. Contribution to the evaluation and monitoring conducted by the Committee for the environmental social management in terms of planning, implementation and impact as well as the risk of the company's operations, conducted jointly by CSR-LPT unit and other related operational unit of the Company's.
12. Contribution to the evaluation and monitoring conducted by the Committee for the implementation of the nomination and selection of candidates for members of the Board of Directors as well as candidate members of the Board of Commissioners and evaluation of remuneration of the Board of Directors and Member of the Board of Commissioners in

the overall process of management of the company's Human Capital and cooperation with the related work units, especially in the Human Resources Directorate.

13. Contribution to the evaluation and regular assessment of the contents of the Board of Commissioners Charter, each Committee Charter and link of the implementation of the duties of the Board of Commissioners on the composition of members of the Committee and to ensure the competence of members of committees of ANTAM can collectively meet the requirements of standardized duties.
14. Contribution to the evaluation and monitoring of the implementation of the performance assessment of the Board of Directors and management of ANTAM and performance of the Board of Commissioners and members of the Support Committee of the Board of Commissioners to be further submitted to the Board of Commissioners.

## **Chapter III**

### **Duties, Responsibilities and Authority**

The GCG-NR committee is in charge and responsible for assisting the Board of Commissioners by providing professional and independent opinions to the Board of Commissioners for the purpose of ensuring the implementation of the principles of good corporate governance and ethical standards of the company, ensuring the management of the social and environmental aspects of the Company, as well as the implementation process of the nomination and remuneration in the Human Capital management of the Company effectively and properly.

In order that the GCG-NR Committee can act efficiently and effectively the duties, the responsibilities and authority shall be set below:

#### **3.1 Duties and Responsibilities**

To carry out its responsibilities, the GCG-NR Committee must know the scope of work that includes such things as follows:

##### **3.1.1 Assessment of compliance with laws and regulations applicable in the Company**

- a. To review the Company's compliance with the Articles of Association, the legislations in force and to recommend changes deemed necessary.
- b. To monitor the follow-up to the amendment of the Articles of Association by the GMS decision in particular for the monitoring of implementation improvement follow up in line with the legislations in force in the field of mining.
- c. To carry out monitoring to ensure that the Company's operations are run in compliance with the legislation in force in the social and environmental fields as a mining company.
- d. To carry out monitoring to ensure that the systems and policies in the implementation of the nomination and remuneration especially for the Board of Directors / Board of Commissioners in Human Capital management is run in accordance with the regulations, rules and systems that have been agreed upon and aligned with labor regulations.

##### **3.1.2 Application of GCG Principles & Ethical Standards of the Company**

###### **a. Main duties**

1. To ensure completeness and validity of the Corporate Governance Policy (CGP), Management Policy (MP) and Standard Operating Procedure (SOP) in accordance with the Company's activities.
2. To ensure the implementation/application and evaluate whether the management in carrying out business activities has complied with the CGP, MP and SOP defined by the Company and other binding regulations.
3. To supervise and evaluate the implementation and evaluation of policies regarding corporate governance as well as the follow-up results of the assessment conducted by external consultants.

4. To monitor and evaluate the preparation of ethical standards, process of distribution and dissemination, and implementation across the Company in accordance with the applicable rules and SOP in the Company.

**b. Routine duties**

1. To provide inputs on matters relating to the implementation of GCG to the Annual Report of the Drafting Team and in coordination with other committees.
2. To monitor the implementation of GCG assessment and implementation of ethical standards done by external consultants as well as to evaluate the follow-up results of the assessment.
3. To monitor the implementation of induction program for new Board of Commissioners and Board of Board of Directors, awareness and dissemination of GCG program for employees, and CGPI assessment processes, GCG awards, KPKU, or other assessment by the relevant agency or committee.
4. To monitor the possibility of identifying the mechanism of conflict of interest of the Board of Commissioners, Board of Directors, and members of the Committee, and publication as well as to ensure the independence of the signing of the statement of Board of Directors and Commissioners reported annually has been going well and is done correctly.
5. To make report on the implementation of duties related to the implementation and application of the principles of good corporate governance ethical standards which contains the findings, facts, evaluation, analysis and input and recommendations.
6. To monitor the implementation of self assessment prior to the assessment of GCG by external consultants.
7. To monitor the revised standard of corporate ethics and evaluation of the results of its application.
8. To conduct review of the contents of the Charter of the Board of Commissioners Charter of the Committee and determine whether they are relevant to the development of the company and regulations.
9. To monitor the publication of resume on ICT policy, communications policy and information related to the Company's Articles of Association on ANTAM website.
10. To monitor the related disclosures:
  - a. each decision of each part in the GMS agenda;
  - b. activities conducted by the Company of the rights of creditors;
  - c. information regarding the ownership of shares below the level of the officials of the Board of Board of Directors;
11. To ensure the management implements supervision policies and implementation of GCG in Subsidiaries.
12. To ensure that the IT Audit results (conducted by an independent party) have been reported to the Board by the Board of Board of Directors.

### **3.1.3 Environment and Social Management Company**

#### **a. Main Tasks**

1. To review and evaluate plans and implementation as well as the risk of system implementation, procedures and management policies covering social inclusion and community development activities in the operations of the Company, Partnership and Community Development / CSR Program), and environmental improvement program, including reclamation, and closure of mine by the Board of Board of Directors prior to submission to the Board of Commissioners.
2. To review and evaluate the implementation plan and risk of system implementation, environmental management policies and procedures, including reclamation and mine closure program based on the results of comprehensive studies (covering various aspects: environmental / physical, socio-economic, geo-biological, cultural aspects, community development and regional development, proposed by the Board of Board of Directors prior to the approval of the Board of Commissioners to be implemented.

#### **b. Routine duties**

1. To review whether the social and environmental management running according to the rules and regulations and to review the implementation report of the social and environmental management, including closure and post-mining proposed by the Board of Directors prior to submission to the Board of Commissioners.
2. To review the management of the closure and post-mining activities and ensure it is based on the results of a comprehensive study (covering various aspects: environmental/physical, socio-economic, geo-biological, cultural aspects, community development and regional development).
3. To ensure that the company has reviewed the strategic risks, financial risks and operations, to the impact that may arise in connection with the management of social and environmental impacts for the running of the company.
4. To review whether the social and environmental impact information from the company's operations if it is managed well to keep the information will be published about the Company, both for internal and external parties, is accurate, reliable and trustworthy and supports the good image of the company.

### **3.1.4 Supervisory of Process of Nomination and Remuneration of the Board of Directors the Board of Commissioners in the Company's Human Capital Management**

#### **a. Main Tasks**

1. To supervise the implementation of systems, policies and procedures of the selection and nomination process and evaluation of candidates for the Board of Board of Directors/Commissioners and employee one level below the Board of Board of Directors in particular Corporate Secretary and Internal Audit fields.

2. To supervise and evaluate the remuneration and compensation system specifically for the Board of Directors and the Board of Commissioners is run on a transparent, fair and competitive manner with the mining industry market.
3. To assist the Board of Commissioners to evaluate the performance of the Board of Board of Directors and work units to individual levels of performance as well as the preparation and assessment of the performance of the Board of Commissioners and Committees under the Board of Commissioners to be reported to the Board of Commissioners.
4. To assist the provision of assessment and evaluation and to provide good and correct statements related to the concept of Human Capital management and employee development and to follow the rules, regulations and principles of corporate governance.

**b. Routine duties**

1. To ensure and monitor systems and policy formulation related to the nomination process within the Company specifically the Board of Directors/the Board of Commissioners and officials one level below the Board of Board of Directors namely the Company Secretary and Internal Audit.
2. To ensure that the implementation of the election or selection of candidates for the Board of Directors and senior officers under the Board of Directors is carried out in accordance with the applicable rules and regulations and submit a report to the Board of Commissioners to be set out in the GMS of the company.
3. To study the proposed increase of remuneration in the form of salaries and other benefits for Board of Directors and Board of Commissioners as well as to propose the amount of bonuses for executive directors and directors in accordance with the development of the company and in line with regulations, for subsequent approval by the Board of Commissioners and decided in the GMS.
4. To conduct monitoring of salaries, allowances and facilities permanent employees, as well as in the form of bonuses, facilities and work incentives that are variable in nature for all employees of the company and provide input or recommendations for improvement in accordance with the development of the markets according to the industry.
5. To monitor and evaluate the management of Human Capital others ranging from the selection, recruitment, staffing, process assessment and assessment of performance and competence of employees, career management processes and employee development, process of managing industrial relations with the employees up to the pension plan that is aligned with the business development of the Company.
6. To review and evaluate changes and development of organizational structure in relation to the preparation of official candidates in the Company (Talent Management Program).
7. To ensure and review of the program of training, education and development of employee competencies both for structural Leadership training, as well as specialist training, as well as enterprise knowledge management in order to support the achievement of the strategic objectives of the company.

8. To monitor and supervise the improvement of competence and knowledge development for the Board of Directors and the Board of Commissioners as well as members of the Committee and supporting organ of the Board of Commissioners in line with the development of the Company.
9. To carry out evaluation and assessment of the implementation of Corporate Performance Management System in the form of SMK (Performance Management System) for Work units, as well as the Employee Performance Management System in the form of SMUK (Performance Management System) for all employees.
10. To perform the facilitation of the preparation and evaluation of assessment of the Key Performance Indicator (KPI) Board of Commissioners along with the supporting committees with the self assessment system, peers evaluation, or other system to be decided in a meeting of the Board of Commissioners and to provide recommendations if there are things that are considered necessary to be repaired in line with the market developments, industry and development of the Company.
11. To facilitate the study on various things in the field of labor and industrial relations if necessary and report to the Board of Commissioners, to be followed by the company's human resources management and to oversee the follow-up implementation.

### **3.1.5 Other Strategic Task**

#### **a. Other special strategic duties**

1. The provision of special task to the GCG & NR Committee by the Board of Commissioners shall be conducted through written orders that explain, among others:
  - a. Name of GCG and NR Committee members given the task;
  - b. nature and scope of the work;
  - c. purpose and objectives of the work;
  - d. Time of assignment; and
  - e. administrative matters relating to the special task intended.
2. The specific duties may include but are not limited to an examination of the allegations of errors in the implementation of operational management in particular the areas of GCG, social and environmental management, management and implementation of the Nomination and Remuneration in the management of Human Capital and to give input on erroneous the Board of Directors' meeting resolution or irregularities in the implementation of the decision of the Board of Board of Directors meeting in accordance with the duties and responsibilities.
3. Other Special Duties also include ideas, issues or requests from the Board of Commissioners to conduct evaluations and studies related to the field of GCG, social and environmental management as well as Human Capital Management in particular areas of Nomination and Remuneration of the company.
4. To implement business trips or visits to relevant work units to conduct a study on the implementation of the principles of good corporate governance and ethical standards,



social and environmental management and the management of human resources in particular areas of the nomination and remuneration in the working units and submit report of the visit to the Board of Commissioners as input and consideration for the Board of Commissioners to follow.

**b. Other Routine Strategic duties:**

1. To carry out regular meetings and submit reports in accordance with the date of the meeting or conference meeting date, either in conjunction with the Commissioner and related parties and those only attended by members of the Committee together with related parties of the management, work unit or other parties.
2. To conduct assessment of performance of the GCG -NR Committee as well as to evaluate the performance of individual members of the GCG-NR Committee with Self-Assessment method.
3. To manage and report the results of performance assessment committees under the Board of Commissioners to be included in the performance assessment form of the Board of Commissioners for subsequent approval by the Board of Commissioners.
4. To make other routine assessments and reports in accordance with the needs of environmental monitoring at the Board of Commissioners and supervision needs in accordance with the development of the company.

**3.2 Authority and Work Mechanism**

1. The GCG-NR Committee shall work collectively, and be independent in carrying out duties.
2. The GCG-NR Committee has the authority to access documents, data, and information about the Company's employees, funds, assets, and resources required relating to the implementation of duties.
3. In exercising the authority referred to in item 2 above, the GCG-NR Committee shall cooperate with partners including: the Board of Commissioners Supporting Organ, related work units at the level of management, among others: Corporate Secretary, Human Resources Management, Corporate Social Responsibility, and Units related to the Company's operations.
2. The mechanism of action as shown in figure 2 above must follow the working procedures in accordance with the regulations that are generally reflected in the annex to this Charter.
3. If necessary, the GCG-NR Committee can involve experts and/or consultants/assessors/independent parties outside the GCG-NR Committee members needed to assist the performance of duties with the written approval of the Board of Commissioners and the expense of the Company.
4. If necessary, in carrying out duties, the GCG-NR Committee can form a team that is ad-hoc in nature, with the criteria and the period of assignment tailored to the needs and the type of work.

5. The GCG-NR Committee has the authority to communicate directly with employees, including Board of Directors and parties related to the execution of duties.
6. The GCG-NR Committee shall perform other powers granted by the Board of Commissioners.

### **3.3 Code of Secrecy**

1. Members of the Committee that are still, or no longer serve as members of the Committee, shall maintain the confidentiality of documents, data, and information obtained by the Company when serving as members of the Committee from both internal and external parties and only used for the benefit of its duties.
2. Members of the Committee shall not abuse the important information relating to the Company for personal gain.
3. Members of the Committee in carrying out duties and responsibilities shall comply with the standards of the Company and are prohibited from taking personal advantage, either directly or indirectly from the activities of the Company in addition to honorarium and facilities and other allowances.

### **3.4 Responsibility**

1. The GCG-NR Committee is responsible to the Board of Commissioners.
2. The responsibility of the GCG-NR Committee shall be submitted to the Board in the form of reports as follows:
  - a. Report of meeting (minutes of meeting).
  - b. Performance reports and quarterly activity implementation of the committee.
  - c. Performance reports and implementation of the annual activities of the Committee.
  - d. Report the results of field visits which contains, among other findings or facts on the field, evaluation, analysis, conclusions and suggestions.

## **Chapter IV**

### **Meetings, Reporting and Budget**

#### **4.1 Committee Meeting**

1. The GCG-NR Committee shall hold regular meeting at least 2 (two) times in a month to complete the Work Program of the GCG-NR Committee, ie the plenary meetings and one special meeting of the GCG-NR Committee;
  2. The Plenary Meeting of the Committee can only be implemented if attended by at least 1/2 (half) members of the Committee who are members of the Board of Commissioners, and who are not members of the Board of Commissioners;
  3. If deemed necessary, the Committee may invite other parties associated with the meeting to attend the meeting with notice of members of the Board of Directors;
  4. The Plenary Meeting of the Committee shall be headed by the Chairman of the Committee with the mechanism below:

If the Chairman of the Committee is unable to attend, the meeting shall be chaired by the Vice Chairman of the Committee. In the case of the Chairman of the Committee and Vice Chairman of the Committee is absent on the time of the meeting in accordance with the invitation, then with the permission of the Chairman of the Committee the meeting can be chaired by a member of the Board of Commissioners that may be present. If the members of the Board of Commissioners who will chair the meeting are late, or because of something must leave the meeting for a while, then meeting will be temporarily chaired by the most senior GCG-NR Committee member. Where the meeting cannot be attended by the Chairman or Vice-Chairman, or one of the members of the Board of Commissioners, the meeting will not be held.
  5. In addition to the Plenary Meeting of the Committee, there are also Special Meetings of the Committee to discuss the follow-up the plenary meeting and/or discuss the data and information relating to the scope of duties and responsibilities of the Audit Committee, with regard to the following:
    - a. The Special Meeting of the Committee shall be carried out at least once a month;
    - b. The Special Meeting of the Committee shall be attended by all Committee members who are not members of the Board of Commissioners;
    - c. The Special Meeting of the Committee chaired by the most senior member of the Committee;
  6. As needed, the Special Meeting may invite the Management to provide clarification and presentation of data and information needed by Committee in carrying out its duties and responsibilities,
  7. Notification of Plenary and Special Meeting of the Committee shall be carried out by the Committee Chairman. In the event that the Chairman of the Committee is absent, then the notification of meeting shall be conducted by the Vice-Chairman of the Committee appointed by the Chairman of the Committee;
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8. The notification of the meeting shall be carried out at least 14 (fourteen) days and in case of urgency, shall at least be made 3 days prior to the meeting date, by stating the day, date, time, place and agenda of the meeting which will be discussed and held at the domicile of the Company or elsewhere in the territory of the Republic of Indonesia;
9. The Plenary Meeting of the Committee shall be headed by the Vice Chairman of the Committee as set out number 4, the resolution which will be proposed by the meeting must be approved by the Chairman of the Committee;
10. Resolution of the GCG-NR Committee meeting shall be taken by deliberation;
11. The resolution of the meeting considered strategic by the chairman of the Committee meeting shall become effective if it has been decided by the meeting of the Board of Commissioners;
12. Everything discussed and resolved in the Committee meeting including dissenting opinions shall be stated in the Minutes of Meeting signed by all members of the Committee present, as valid evidence for the resolutions adopted in the meeting, and submitted to the Board of Commissioners. The Minutes of the Special Meeting for the Committee, in addition to be signed by members of the Committee who attended the meeting, shall also be acknowledged by the Chairman and Vice-Chairman of the Committee;
13. Each member of the Committee is given the widest freedom to express professional opinion in the discussion of each agenda without any intervention;
14. Each member of the Committee shall express consent or objection and/or proposed improvements to the Minutes of the Meeting by taking into account the provisions on deadline for submission of the Minutes of the Meeting set out in the Rules Committee Meeting. If up to the deadline of 15 (fifteen) days after the meeting there is no proposed amendment, the Minutes of Meeting is considered approved by all members of the Committee;
15. Each member of the committee is entitled to receive a copy of the relevant Minutes of Meeting although not present at the meeting;
16. The presence of members of the Committee at the meeting shall be reported in the quarterly reports and annual reports the Committee;
17. The number of meetings and attendance of each member of the Committee in the meeting as well as a brief report of the Committee that includes important issues discussed by the Committee must be disclosed in the Annual Report;
18. Rules of the Committee meeting shall be set out independently.

#### **4.2 Reporting**

1. The GCG-NR Committee is responsible to the Board of Commissioners and must submit report to the Board of Commissioners on every execution of duties, accompanied by recommendations if needed;
2. The GCG-NR Committee shall make Quarterly Reports and Annual Reports in writing disclosed in the Company's Annual Report on duties and responsibilities, including the

implementation of the Committee's activities, and the level of achievement of performance to the Board, in accordance with the Rules of the Committee meeting;

3. The GCG-NR Committee shall submit a written report to the Board of Commissioners, results of study on every execution of duties, problems and suggestions and recommendations no later than 14 (fourteen) working days, starting from the proposal/complete duties and documents are received by the Committee. If up to the deadline of 14 (fourteen) working days after the assignment, there is no proposed change on the assignment report, the report is considered approved by all members of the Committee;
4. The GCG-NR Committee shall prepare the annual report materials relating to the Company's good corporate governance practices in the Company, as well as social and environmental management program relating to the nomination and remuneration of the Board of Board of Directors / Commissioners that will be used for the Annual Report of the Company;
5. The Report of the Committee referred to in items 1, 2, and 3 shall be signed by the Chairman, Vice Chairman, and members of the Committee;
6. The GCG-NR Committee monitors that the Company is required to submit to FSA of information regarding the appointment and dismissal of the Audit Committee within maximum of 2 (two) working days after the appointment or termination.

### **4.3 Budget**

1. Prior to the new financial year, the GCG-NR Committee shall prepare and submit annual work program and budget to the Board of Commissioners to be set which includes the budget for: honorarium, travel expenses, cost of training/seminars/workshops, consultancy service costs, etc;
2. The GCG-NR Budget Committee is submitted to and be approved by the Board of Commissioners;
3. A copy of the work program and budget of the Committee as referred shall be submitted by the Board of Commissioners to the Board of Directors to be recognized;
4. The Budget Committee is part of the budget of the Board of Commissioners and to maintain independence its use does not require management approval;
5. The audit on the use of these funds is done by the auditor appointed by the Company.

## Chapter V Conclusion

### Period of validity and evaluation

1. This Charter is effective as from July 29, 2016;
2. This Charter will periodically be evaluated for improvement;
3. The Original of the Committee Charter shall be submitted to the Board of Board of Directors to be documented.

Ratified: in Jakarta  
On July 29, 2016

PT ANTAM (Persero) Tbk  
The Board of Commissioners

[Signed]

Fachrul Razi  
President Commissioner

[Signed]

Zaelani  
Commissioner

[Signed]

Robert A. Simanjuntak  
Commissioner

[Signed]

Bambang Gatot Ariyono  
Commissioner

[Signed]

Laode M. Kamaluddin  
Independent Commissioner

[Signed]

Hikmahanto Juwana  
Independent Commissioner