



**Guidelines of Nomination and Remuneration Committee  
PT Blue Bird Tbk.**

This Guidelines of Nomination and Remuneration Committee of PT Blue Bird Tbk. (the “Company”) is made in accordance with Regulation of the Financial Services Authority No. 34/POJK.04/2014 concerning Nomination and Remuneration Committee of Issuers or Public Companies dated December 8, 2014.

**1. Duties and Responsibilities of Nomination and Remuneration Committee**

- a. Related to the nomination function:
  1. providing recommendation to the Board of Commissioners regarding the following:
    - a) composition of members of the Board of Directors and/or members of the Board of Commissioners;
    - b) policies and criterias required in the nomination process; and
    - c) performance evaluation policy for members of the Board of Directors and/or members of the Board of Commissioners;
  2. assisting the Board of Commissioners in evaluating performance of members of the Board of Directors and/or members of the Board of Commissioners based on the indicators set as evaluation material;
  3. providing recommendation to the Board of Commissioners regarding capacity development program for members of the Board of Directors and/or members of the Board of Commissioners on a yearly basis, intended to the requirements of development of professionalism of each member of the Board of Directors and/or Board of Commissioners as well as other specific requirements required based on performance evaluation of members of the Board of Directors and Board of Commissioners; and
  4. preparing succession planning process and providing suggestion for candidates who meet the requirement as member of the Board of Directors and/or member of Board of Commissioners to the Board of Commissioners to be submitted to the General Meeting of Shareholders (“GMS”).
- b. Related to the remuneration function:
  1. providing recommendation to the Board of Commissioners regarding the following:
    - a) remuneration structure
    - b) policy on remuneration; and
    - c) amount of remuneration;
  2. assisting the Board of Commissioners in evaluating performance considering the remuneration received by each member of the Board of Directors and/or member of the Board of Commissioners.
- c. Preparing induction program for new members of the Board of Directors and Board of Commissioners in order that the new members of the Board of Directors and Board of Commissioners have sufficient and effective initial knowledge on the Company’s organization, business, activities and policies.
- d. Performing other duties assigned by the Board of Commissioners.





**2. Composition and Structure of Membership of Nomination and Remuneration Committee**

- a. Nomination and Remuneration Committee shall consist of at least 3 (three) members, the number of which shall be determined from time to time by the Board of Commissioner.
- b. Members of Nomination and Remuneration Committee shall be appointed and terminated by virtue of resolution of the Board of Commissioners meeting.
- c. Nomination and Remuneration Committee shall be chaired by an Independent Commissioner, who shall also serve as a member.
- d. The other members may be appointed from:
  1. members of the Board of Commissioners;
  2. parties from outside the Company; or
  3. parties in managerial position under the Board of Directors in the area of human resources.
- e. The other members of Nomination and Remuneration Committee as meant in point 2.d above cannot be for a majority from the party having managerial position under the Board of Directors in the area of human resources.
- f. Members of Nomination and Remuneration Committee is prohibited from members of the Board of Directors of the Company.

**3. Requirements for Membership of Nomination and Remuneration Committee**

- a. Members of Nomination and Remuneration Committee must meet the requirements as follows:
  - 1) Shall have high integrity as well as adequate capacity, knowledge and experience in accordance with their educational background, and able to communicate well.
  - 2) Shall not have personal interest which may cause negative impact and conflict of interest to the Company.
  - 3) Shall allocate adequate time to complete their duties.
  - 4) Able to work cooperatively and effectively.
- b. In addition to the requirements as mentioned in point a above, members of Nomination and Remuneration Committee from outside the Company shall meet the requirements as follows:
  - 1) Shall have no affiliation relationship with the Company, members of the Board of Directors, members of the Board of Commissioners or main shareholders of the Company;
  - 2) Shall have experiences related to nomination and/or remuneration, as well as in other field of human resources development;
  - 3) At the same time cannot serve as a member of other Committee in the Company.





**4. Procedure**

- a. In conducting nomination function, Nomination and Remuneration Committee shall be obligated to undertake procedure as follows:
  1. preparing composition and policy for the process of nomination of members of the Board of Directors and/or members of the Board of Commissioners;
  2. preparing policy and criteria required in the process of nomination of candidates of members of the Board of Directors and/or members of the Board of Commissioners;
  3. assisting the implementation of evaluation on performance of members of the Board of Directors and/or members of the Board of Commissioners;
  4. preparing capacity development program for members of the Board of Directors and/or members of the Board of Commissioners;
  5. reviewing and giving recommendation of candidates who meet the requirements to be members of the Board of Directors and/or members of the Board of Commissioners to the Board of Commissioners to be submitted to the GMS.
- b. In conducting remuneration function, Nomination and Remuneration Committee shall be obligated to undertake procedure as follows:
  1. preparing structure and amount of remuneration for members of the Board of Directors and/or members of the Board of Commissioners;
  2. preparing policy on remuneration for members of the Board of Directors and/or members of the Board of Commissioners;
  3. preparing analysis and providing input for change and development of structure and amount of remuneration for members of the Board of Directors and/or members of the Board of Commissioners.

**5. Organization of Meetings**

- a. Meetings of Nomination and Remuneration Committee shall be held periodically, at least once in every 4 (four) months.
- b. Meetings of Nomination and Remuneration Committee shall be held only if:
  1. attended by the majority of total members of Nomination and Remuneration Committee; and
  2. one of the majority of total members of Nomination and Remuneration Committee as meant in point 1 is the Chairman of Nomination and Remuneration Committee.
- c. Resolutions of Nomination and Remuneration Committee meetings shall be made based on deliberation to reach consensus. In the event that deliberation to reach consensus cannot be reached, decision making shall be conducted based on majority vote.
- d. Meetings of Nomination and Remuneration Committee shall be led by the Chairman of Nomination and Remuneration Committee.
- e. The results of Nomination and Remuneration Committee meetings must be set out in the minutes of meeting signed by all members of Nomination and Remuneration Committee attending the meeting and must be documented properly.
- f. Different opinions during meetings must be set out in the minutes of meeting along with the reason for the said different opinions.





- g. Minutes of meetings as meant in point e above shall be submitted in writing by Nomination and Remuneration Committee to the Board of Commissioners.
- h. Nomination and Remuneration Committee may also adopt valid resolutions without holding a meeting, provided that all Committee members have been notified in writing and all Committee members approve the proposals submitted in writing, by signing the said circular resolutions. Resolutions made in such a way shall have the same force with resolutions adopted legally during Nomination and Remuneration Committee Meetings.

### **6. Reporting and Transparency**

- a. Nomination and Remuneration Committee shall be obligated to prepare and submit a report on the implementation of duties and responsibilities to the Board of Commissioners. The report shall constitute material of report on the implementation of duties of the Board of Commissioners and shall be submitted to the GMS.
- b. Nomination and Remuneration Committee shall be obligated to disclose the implementation of Nomination and Remuneration functions in:
  - i. annual report; and
  - ii. the Company's website.

### **7. Tenure and Replacement of Members**

- a. Members of Nomination and Remuneration Committee shall be appointed for certain period and may be reappointed.
- b. The tenure of members of Nomination and Remuneration Committee shall be no longer than the tenure of the Board of Commissioners as stipulated in the Company's Articles of Association.
- c. Replacement of member of Nomination and Remuneration Committee whom are not from the Board of Commissioners of the Company shall be undertaken by no later than 60 (sixty) days since the member concerned is unable to perform his/her function.

### **8. Access to Independent Consultant**

Nomination and Remuneration Committee may seek advice from independent consultants having suitable experience and expertise if necessary (among others, legal or human resources) after approved by the Board of Commissioners, at the Company's costs.

### **9. Evaluation on Nomination and Remuneration Committee's Performance**

Nomination and Remuneration Committee shall undertake internal performance evaluation within the Committee of at least once a year to identify matters required in order to improve the effectiveness of overall the Committee's performance, and to submit the result of the said evaluation including the recommendation thereof, to the Board of Commissioners.



**10. Training**

Members of Nomination and Remuneration Committee shall be obligated to attend trainings as necessary, on a continuous basis, in order to ensure that members of Nomination and Remuneration Committee are able to perform their function well.

**11. Closing**

- a. Matters are not herein set forth in this Guidelines of Nomination and Remuneration Committee may be stipulated then based on the Board of Commissioners' Resolutions Letter.
- b. Nomination and Remuneration Committee shall conduct a review on this Guidelines at least 1 (once) a year and if necessary, shall make adjustment with the approval from the Board of Commissioners.
- c. This Guidelines of Nomination and Remuneration Committee shall come into effect as of the date of its stipulation.

This Guidelines of Nomination and Remuneration Committee was approved and signed by the Board of Commissioners of PT Blue Bird Tbk in Jakarta, on 30<sup>th</sup> of November 2015.