

**WORKING GUIDELINES AND RULES FOR
NOMINATION AND REMUNERATION COMMITTEE**

PT Bank Tabungan Pensiunan Nasional Syariah Tbk

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Owning Work Unit	Corporate Secretary & Legal Division

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WORKING GUIDELINES AND RULES ("GUIDELINES")

NOMINATION AND REMUNERATION COMMITTEE ("COMMITTEE")

PT BANK TABUNGAN PENSIUNAN NASIONAL TBK

This document regulates the Working Guidelines of the Committee of PT Bank Tabungan Pensiunan Nasional Syariah Tbk ("Bank").

1. Organization

- 1.1. Member of the Committee shall consist of at least 3 (three) member comprising of:
 - 1.1.1. 2 (two) Individual Commissioners; and
 - 1.1.2. 1 (one) Executive Officer in charge of Human Resources.
- 1.2. The Committee shall be chaired by an Independent Commissioner;
- 1.3. Member of the Board of Directors are prohibited from becoming member of the Committee. In the event of it is determined that the member of the Committee shall be comprised more than 3 (three) persons, then there shall be at least 2 (two) Independent Commissioners thereof;
- 1.4. The Working Guidelines for the Committee shall be approved by the Board of Commissioners and reviewed in yearly basis;

- 1.5. The member of the Committee shall be appointed and designated based on the decision of the Board of Commissioners' meeting;
- 1.6. The Chairman of the Committee may concurrently serve as chairman at most only on another committee;
- 1.7. Other commissioners are allowed to be an observer who may attend the meeting but having no voting rights in the Committee's decision-making;
- 1.8. The Executive Officer is the Official who is directly responsible to the Board of Directors or has influence on the Bank's policies and operations.

2. Membership Terms

- 2.1. Having a high degree of integrity, ability, knowledge and experience which are appropriate to his/ her own education background, and able to communicate well;
- 2.2. There should be 1 (one) Independent Party of member of the Committee who has credential in the field of law and / or banking;
- 2.3. Having adequate knowledge on capital market regulations and any other regulations;
- 2.4. Former member of the Board of Directors or executive officers of the Bank or any parties who have any relationship with the Bank that may influence their ability to act independently shall not serve as Independent Party of member of

the Committee before experiencing a six-month period of cooling off. However, such provisions shall not apply to former Board of Directors or any executive officers exercising supervision functions;

- 2.5. Member of the Committee shall be prohibited from having any family relationship both by marriage and / or blood, neither horizontally nor vertically with any members of the Board of Commissioners, Board of Directors or major shareholders;
- 2.6. Member of the Committee shall be directly or indirectly prohibited from having any significant business relationship related to the Bank's business activities.

3. Independence

- 3.1. Independent Commissioner is a member of the Board of Commissioners who does not have any financial, management, share ownership and / or family relationship with any other members of the Board of Commissioners, Board of Directors and / or Controlling Shareholders or any other relationship that may affect his / her ability to act independently;
- 3.2. Independent Party is a party outside the Bank who does not have any financial, management, share ownership and / or family relationship with the Board of Commissioners, Board of Directors and / or controlling shareholders or any other relationship that may affect his/ her ability to act independently.

4. Duties and Responsibilities

The Committee shall be obliged to provide an independent professional opinion to the Board of Commissioners on any reports or matters submitted by the Board of Directors to the Board of Commissioners and to identify any and all matters requiring attention of the Board of Commissioners that, among others, should include the following:

4.1. Related to remuneration policy:

4.1.1. Evaluating the remuneration policy;

4.1.2. Evaluating the compliance of the remuneration policy with the implementation thereof;

4.1.3. Providing recommendation to the Board of Commissioners in regard with remuneration policy for the Board of Commissioners, Board of Directors, and Sharia Supervisory Board;

4.1.4. Reviewing and providing recommendation to the Board of Commissioners in regard with employee remuneration strategies on a high level basis by considering internal and external factors.

4.2. Related to nomination policy:

4.2.1. Providing recommendation to the Board of Commissioners in regard with the composition of member of the Board of Directors and / or the Board of Commissioners;

- 4.2.2. Preparing and providing recommendation on the system and procedures for selection and / or replacement of member of the Board of Commissioners and the Board of Directors to the Board of Commissioners to be submitted to the GMS;
- 4.2.3. Providing recommendation on member of the Board of Commissioners, Board of Directors and Sharia Supervisory Board to the Board of Commissioners to be submitted to the GMS;
- 4.2.4. Providing recommendation on independent party who will become member of the Audit Committee and Risk Monitoring Committee to the Board of Commissioners;
- 4.2.5. Assisting the Board of Commissioners to assess the work performance of member of the Board of Directors and / or Board of Commissioners;
- 4.2.6. Preparing programs for capacity enhancement of member of the Board of Directors and / or member of the Board of Commissioners.
- 4.3. The Committee shall ensure that remuneration policies are at least consistent with:
 - 4.3.1. Financial performance;
 - 4.3.2. Fulfillment of the Allowance for Assets Losses as stipulated in the prevailing laws and regulations;
 - 4.3.3. Fairness with peer group; and

4.3.4. Consideration of the Bank's long term goal and strategy.

4.4. Maintaining the confidentiality of all data and information documents of the Bank;

4.5. And any other duties, other than those mentioned above, assigned by the Board of Commissioners to the Committee pursuant to their functions and duties from time to time as may be required.

5. Remuneration Policy for the Board of Commissioners, Sharia Supervisory Board, and Board of Directors

The remuneration for the Board of Commissioners, Sharia Supervisory Board, and Board of Directors shall be determined by considering:

5.1. External Competitiveness, namely market / peer group. The term "*peer group*" is defined as banks deemed as competitors, of which shall be determined by the Nomination and Remuneration Committee by considering the following matters:

The Bank's vision that reflects the Bank's long-term orientation, its complexity as reflected in its innovative products, wide-ranging and far-reaching technology and services and its significant number of employment;

5.2. Internal Equity is equivalency to the weight of job responsibilities. The Bank divides the categories of Directors and Commissioners based on the weight of the work as follows:

Board of Commissioners:

- a. President Commissioner;
- b. Commissioner.

Sharia Supervisory Board:

- a. Chairman;
- b. Member.

Board of Directors:

- a. President Director;
- b. Vice Director;
- c. Director.

5.3. Bank performance which is measured against Bank Business Plan (RBB/ *Rencana Bisnis Bank*) achievement;

5.4. Individual performance which is measured against annual performance assessment result, particularly the Directors.

6. Authorities of the Nomination and Remuneration Committee

- 6.1. The committee shall be authorized to have full, free, and unlimited access to any and all information about employees, funds, assets and any other bank resources related to the implementation of its duties including any other authorities granted by the Board of Commissioners.
- 6.2. In exercising its authorities, the Committee shall cooperate with the Directorate engaged in Human Capital and any other Units which are deemed necessary, including an authority to appoint any consultant as may be required.

7. Work Ethics

Each member of the Committee shall be subject to the Code of Conduct, Code of Ethics and any applicable by-laws at the Bank.

8. Meeting

- 8.1. The Committee shall be obliged to arrange a periodical meeting at least every 4 (four) months or otherwise at the request of the Board of Commissioners.
- 8.2. The Committee meeting may be held only where it is attended by at least 51% (fifty-one percent) of total member thereof, in the presence of 1 (one) Independent Commissioner and 1 (one) Independent Party.

- 8.3. The decision of Committee meeting shall be decided based on consensus and deliberation. In the event of such consensus and deliberation cannot be reached, then, the decision-making shall be made based on majority vote.
- 8.4. The Committee meeting shall be chaired by the Chairman of the Committee.
- 8.5. In the event of the Chairman of the Committee is absent, then, one of the Committee members attending the meeting shall be appointed to chair such meeting.
- 8.6. The result of the Committee meeting shall be recorded in minutes of meeting and well-documented.
- 8.7. In case of any dissenting opinion occurs in the Committee meeting, then, it shall be clearly stated in the minutes of meeting with the reason for such dissent.
- 8.8. The Committee may also legally make a decision without holding any Committee meeting provided that all members of the Committee have been notified in writing and all members of the Committee approve on the proposed recommendation submitted in writing by signing such circular approval. The decision made by such decision-making shall have the same legal power as that of made by legal decision-making through the Committee meeting.

9. Minutes of Meeting

The minutes of each meeting shall be retained and distributed to each member of the Committee, member of the Board of Commissioners who is not a member of the Committee and Management Secretariat Unit or any other designated parties.

10. Responsibility for Reporting

The Committee is responsible to the Board of Commissioners for its duties implementation and shall be obliged to report its duty implementation to the Board of Commissioners in a periodical basis or otherwise at the request of the Board of Commissioners.

11. Term of Office

11.1. The term of office of the Committee member shall not be longer than that of the Board of Commissioners' member as stipulated in the Articles of Association and may be re-appointed for the next period term of office.

11.2. In the event of any member of the Board of Commissioners who serves as the Chairman of the Committee resigns from his/ her position as the Bank's Commissioners, then, the Chairman of the Committee shall be substituted by an Independent Commissioner.

11.3. In the event of the term of office of any member of the Committee expires and, according to the relevant provision, is not possible to be re-appointed, while at the same time, the Board of Commissioners is not yet eligible to appoint a new member of the Committee, then the membership of the old committee shall be extended until the Board of Commissioners is eligible to appoint the new member of the Committee.

11.4. The substitution of the Committee member who is not a member of the Board of Commissioners shall be carried out at most 60 (sixty) days as of the day on which the concerned member cannot conduct the function thereof.

12. Miscellaneous

12.1. The Committee shall be obliged to conduct a review of this Guideline at least 1 (once) in a year and shall make any proposed changes as may be required. The Working Guidelines shall be approved by the Board of Commissioners.

12.2. The Committee shall be obliged to evaluate effectiveness of the Committee at least 1 (once) in a year.

This Working Guidelines shall be effective as of the signing date.

Jakarta, 17 December 2019

PT Bank Tabungan Pensiunan Nasional Syariah Tbk

The Nomination and Remuneration Committee

Acknowledged,

Signed

Kemal Azis Stamboel
Chairman

Signed

Dewie Pelitawati
Member

Signed

Mahdi Syahbuddin
Member

Signed

Yenny Lim
Member

Signed

Sulistyo Suwono
Member

PT Bank Tabungan Pensiunan Nasional Syariah Tbk

The Board of Commissioners

Approving,

Signed

Kemal Azis Stamboel
President Commissioner/ Independent

Signed

Dewie Pelitawati
Independent Commissioner

Signed

Mahdi Syahbuddin
Commissioner

Signed

Yenny Lim
Commissioner

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Appendix 1:

CHART OF REMUNERATION PROCESSES: Member of the Board of Commissioners, Sharia Supervisory Board and the Board of Directors



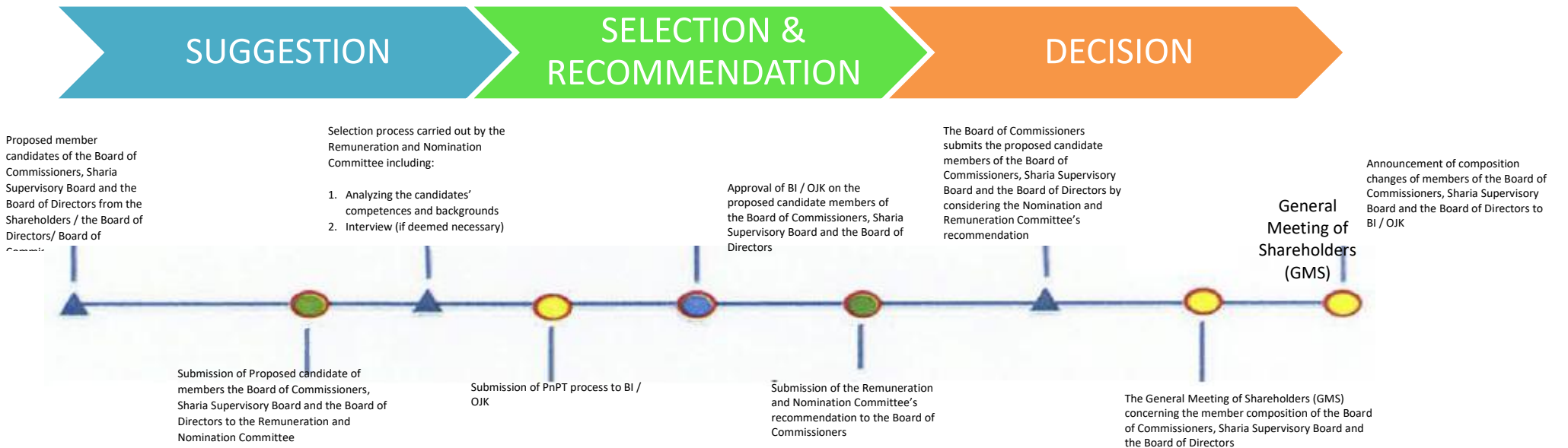
1. The Committee performs a survey to obtain benchmark data of remuneration of the Board of Commissioners and the Board of Directors in several banks in Indonesia. Where necessary, the Committee may appoint / cooperate with Consultant / Independent Party to obtain more valid data.
2. The Committee reviews the survey result / benchmark data that have been obtained.

1. Based on the benchmark data (External) and the Company performance data (Internal), the Committee prepares a proposed / recommended remunerations for members of the Board of Commissioners, Sharia Supervisory Board, and the Board of Directors.

1. Decision of the Board of Commissioners concerning remuneration for members of the Board of Commissioners, the Board of Directors and Sharia Supervisory Board.
2. Approval of GMS on total remuneration of the Board of Commissioners, the Board of Directors and Sharia Supervisory Board.

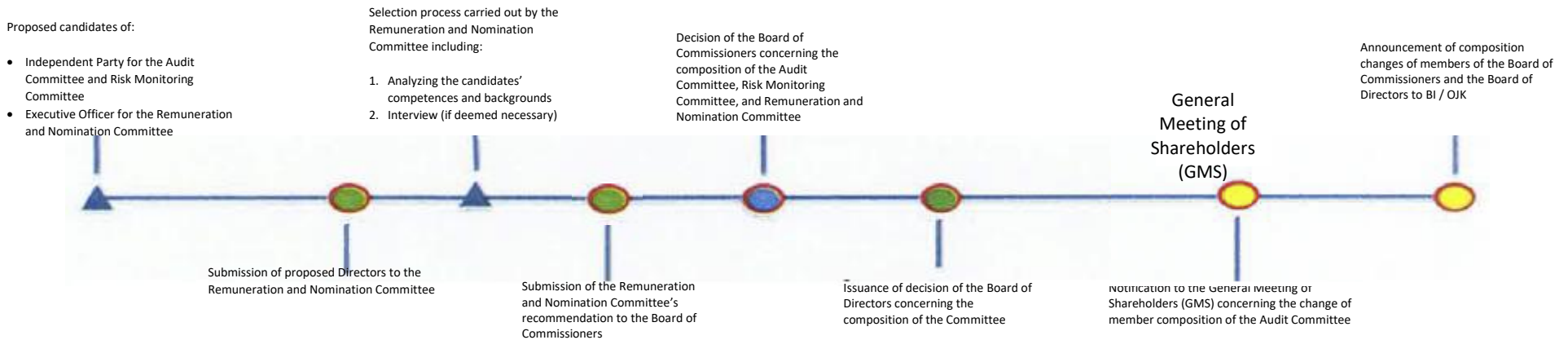
Appendix 2:

CHART OF NOMINATION PROCESS: Member of the Board of Commissioners, Sharia Supervisory Board and the Board of Directors



- Submission of PnPT to BI/ OJK for the member of the Board of Commissioners, Sharia Supervisory Board and the Board of Directors may be carried out after the GMS;
- Submission of PNPT for the candidate member of Sharia Supervisory Board may be carried out only after obtaining recommendation from National Sharia Board (DSN).

CHART OF NOMINATION PROCESS: Independent Party of the Audit Committee and Risk Monitoring Committee



- Submission of PnPT to the Board of Commissioners and the Board of Directors may be carried out after the GMS.