

# PT DUTA INTIDAYA TBK

## Commissioner and Director Nomination and Remuneration Policy ("Policy")

In relation to the compliance by PT Duta Intidaya Tbk ("**Company**") with the (i) Financial Services Authority ("**OJK**") Regulation No. 34/POJK.04/2014 regarding Nomination And Remuneration Committee Of Issuers Or Public Listed Companies and (ii) recommendation number 4.4 of the OJK Circular Letter No. 32/SEOJK.04/2015 regarding Guidelines On Corporate Management Of Listed Companies, the Board of Commissioners ("**BOC**") of the Company is responsible for discharging the nomination and remuneration functions of the Company set out in this Policy.

### 1. Objective

1.1 This Policy sets out the approach and procedures the BOC of the Company adopts:

- (i) for the nomination and selection of commissioners and directors of the Company ("**Commissioners**" and "**Directors**", respectively), including the appointment of new and additional Commissioners and Directors, replacement of Commissioners and Directors, and re-election of Commissioners and Directors; and
- (ii) for determining the remuneration of the members of the BOC and the Board of Directors ("**BOD**").

### 2. Policy Statement

- 2.1 The Company recognises the importance of having a qualified and competent BOC and BOD with the appropriate size and composition to achieve the corporate strategy of the Company as well as promote shareholder value.
- 2.2 The Company believes that a BOC and a BOD that possess a balance of skill set, experience, expertise and diversity of perspectives enhance decision-making capability and the overall effectiveness of the BOC and the BOD. The BOC is committed to ensuring that (i) proper nomination and election processes are in place for the selection and nomination of Commissioners and Directors; and (ii) appropriate continuous professional development trainings are made available to Commissioners and Directors.
- 2.3 The BOC is of the view that the ultimate responsibility for the selection, nomination and appointment of Commissioners and Directors, and determining their remuneration rests with the BOC as a whole subject to the approval of shareholders at general meeting of shareholders of the Company.
- 2.4 When the need to select, nominate or re-elect Commissioners or Directors arises, the BOC may, as it considers appropriate and having regard to the expertise and skill set required for the new or replacement Commissioner or Director, appoint members of the BOC with relevant expertise to form a committee ("**Committee**") on an ad hoc basis, to facilitate the BOC in the conduct of the selection and nomination process on a case-by-case basis.
  - (i) The Committee, if formed on an ad hoc basis as resolved by the BOC, shall be chaired by the President Commissioner or, if the President Commissioner is not a Committee member, another member of the BOC who is selected by the BOC among the Committee members.
  - (ii) Throughout the determination process, the Committee will provide updated information and status of progress to the BOC as and when appropriate.

- 2.5 The Company believes that the remuneration of Commissioners and Directors should be determined with reference to the individual's performance, duties, responsibilities and authority, expertise and experience in the industry, the performance and profitability of the Company as well as remuneration benchmarks from other local and international companies and prevailing market conditions.
- (i) The remuneration of the Commissioners and Directors may consist of any one or a combination of the following elements: basic salary, fixed and/or variable allowances, benefits-in-kind, provident fund contribution and discretionary bonus.
  - (ii) The structure and amount of remuneration shall be evaluated at least annually.
- 2.6 Performance assessment of members of the BOC and BOD shall be conducted at appropriate intervals to assess and enhance the collegial performance of the BOC and BOD.

### 3. Selection Criteria

- 3.1 In the determination of the suitability of a candidate, the Committee shall consider the potential contributions a candidate can bring to the BOC or BOD in terms of qualifications, skills, experience, independence, age, culture, ethnicity and gender diversity. The Committee shall consider the following selection criteria and such other factors that it may consider appropriate for a position on the BOC and BOD:
- (i) **Attributes Complementary to the BOC or BOD:** The candidate should possess attributes that complement and expand the skill set, experience and expertise of the BOC or BOD as a whole, having regard to the current structure, size, diversity profile and skills matrix of the BOC and BOD and the needs of the BOC and BOD.
  - (ii) **Business Experience & Board Expertise and Skills:** The candidate should have the ability to exercise sound business judgment and also possess proven achievement and experience in serving as a commissioner or a director including effective oversight of and guidance to management.
  - (iii) **Legality:** The candidate shall satisfy the requirements of Directors and Commissioners provided under (i) the Law No. 40 of 2007 regarding the Limited Liability Companies, (ii) the OJK Regulation No. 33/POJK.04/2014 regarding The Board Of Directors And The Board Of Commissioners Of Issuers Or Public Companies ("**OJK Regulation No. 33/2014**") and (iii) the Articles of Association of the Company.
  - (iv) **Commitment:** The candidate should have sufficient time for the proper discharge of the duties of a Commissioner or a Director, including devoting adequate time for the preparation and participation in meetings, training and other BOC or BOD or Company associated activities.
  - (v) **Motivation:** The candidate should be self-motivated and have a strong interest in the businesses of the Company.
  - (vi) **Integrity:** The candidate should be a person of integrity, honesty, good repute and high professional standing.
  - (vii) **Independence:** Independent Commissioner candidates must satisfy the independence requirements under OJK Regulation No. 33/2014. Such candidates shall be independent in character and judgement and be able to represent and act in the best interests of all shareholders of the Company.

The above criteria are for reference only and are not meant to be exhaustive or decisive. The BOC shall take into consideration the benefits of a diversified BOC and BOD when selecting BOC and BOD candidates.

## 4. Nomination Procedures

### 4.1 Appointment of New and Replacement Commissioners and Directors

- (i) If the BOC determines that an additional or a replacement Commissioner or Director is required, it will deploy multiple channels for identifying suitable Commissioner or Director candidates, including referral from Commissioners, Directors, shareholders, management, advisors of the Company and external executive search firms.
- (ii) Upon compilation and interview of the list of potential candidates, the relevant Committee will shortlist candidates for consideration by the BOC based on the selection criteria and such other factors that it considers appropriate. The BOC has the final authority on determining suitable Commissioner or Director candidate to be recommended to the shareholders at a general meeting of shareholders for appointment.

### 4.2 Re-election of Commissioners and Directors and Nomination from Shareholders

- (i) Where a retiring Commissioner or Director, being eligible, offers himself for re-election, the BOC shall consider and, if considered appropriate, recommend such retiring Commissioner or Director to stand for re-election at a general meeting of shareholders ("**GMS**").
- (ii) Any shareholder of the Company who wishes to nominate a person to stand for election as a Commissioner or Director at a **GMS** must, in accordance with Article 12.6 (a) of the Articles of Association of the Company, lodge with the BOD via the Corporate Secretary of the Company the proposed nomination agenda ("**Proposed Nomination Agenda**") at least 7 (seven) days prior to the summon date of the **GMS** set out in the relevant **GMS** announcement published by the Company. Together with the Proposed Nomination Agenda, the shareholder shall submit (a) a written nomination of the candidate, (b) a written confirmation from such nominated candidate of his or her willingness to stand for election, and (c) biographical details of such nominated candidate.
- (iii) According to Article 12.6 (a) of the Articles of Association of the Company, the shareholder(s) of the Company who is/are entitled to propose a **GMS** agenda shall be 1 (one) shareholder or more who represent(s) 1/20 (one twentieth) or more of the total shares with voting rights issued by the Company.

## 5. Review and Monitoring

- 5.1 The BOC will from time to time review this Policy and monitor its implementation to ensure its continued effectiveness and compliance with regulatory requirements and good corporate governance practice.

## 6. Disclosure and Publication

- 6.1 This Policy is available on the website of the Company for public information.
- 6.2 A summary of this Policy will be disclosed in the annual report of the Company.

Date: 2 December 2022