



NOMINATION AND REMUNERATION COMMITTEE CHARTER PT INDOCEMENT TUNGGAL PRAKARSA Tbk.

I. PURPOSE

The primary purpose of the Nomination and Remuneration Committee (the "**Committee**") of PT Indocement Tunggal Prakarsa Tbk. (the "**Company**") is to assist the Board of Commissioners ("**BOC**") in implementing the function and duties of the BOC related to Nomination and Remuneration.

Nomination means the nomination of someone to be placed in the position as member of the Board of Directors ("**BOD**") or BOC.

Further, Remuneration means the fee determined and provided to the member of the BOD and BOC due to the position and role granted according to their duties, authorities, and responsibilities.

II. COMPOSITION AND STRUCTURE

Members of the Committee are appointed and dismissed by the BOC. The Committee shall consist of at least 3 (three) members, 1 (one) of whom is independent commissioner who will act as the chairman of the Committee and other members might come from member of the Board of Commissioners or parties outside of the Company or person who has managerial position below the Board of Directors who responsible for human resources.

The members of Committee are selected based on the criteria determined by Financial Service Authority/Otoritas Jasa Keuangan ("**OJK**").

III. CHAIRMAN OF THE COMMITTEE

The Chairman of the Committee is responsible to lead the Committee, including scheduling and presiding over the meetings, preparing the meeting agendas, and preparing regular reports to the BOC. The Chairman shall also maintain regular liaison with the Company's President Director, Human Resources Director, and the head of Human Resources Division.

IV. TERM OF OFFICE

The term of office of the Committee's members shall not exceed the term of the BOC. The Committee members can be reappointed.

V. AUTHORITY

The Committee is empowered to review or oversee the matters within its scope of responsibilities, to access the Company's documents, data and information, to directly communicate with any staff, including the BOD, head of Human Resources Division and any relevant parties and to retain outside counsel, or other experts as necessary.

VI. DUTIES AND RESPONSIBILITIES

VI.1. DUTIES

1. The Committee shall act independently in performing its duties.
2. In performing its duties, the Committee shall be responsible to the BOC.

VI.2. RESPONSIBILITIES

The Committee shall have the following responsibilities:

VI.2.1. RELATED TO NOMINATION FUNCTION

1. To provide recommendation to the BOC on:
 - a. composition of members of the BOD and/or BOC;
 - b. policy and criteria required in Nomination process;
 - c. policy on evaluation to performance for the members of the BOD and/or member of BOC;
2. To assist the BOC to carry out evaluation to performance of the members of the BOD and/or member of BOC based on benchmark already prepared as the evaluation material;
3. To provide recommendation to the BOC on program to develop the capability of the members of the BOD and/or members of BOC;
4. To provide nomination on nominees who fulfills the requirements as member of BOD and/or member of BOC to the BOC for submission to General Meeting Shareholders ("GMS").

VI.2.2. RELATED TO REMUNERATION FUNCTION

1. To provide recommendation to the BOC on:
 - a. Remuneration structure;
 - b. Policy on Remuneration;
 - c. Amount of Remuneration;
2. To assist the BOC to carry out the evaluation to performance adjustment to the Remuneration received by the member of BOD and/or member of BOC.

VII. RULES AND PROCEDURES IN PERFORMING THE DUTIES

VII.1. PROCEDURES OF DUTIES RELATED TO NOMINATION FUNCTION

1. To prepare the composition and Nomination process of the members of BOD and/or BOC;
2. To prepare the policy and criteria required in the Nomination process of the prospective member of BOD and/or member of BOC;
3. To assist the implementation of evaluation to performance of the members of BOD and/or BOC; and
4. To prepare the program to develop the capability of the members of BOD and/or members of BOC;
5. To study and nominate the nominees who fulfills the requirements as member of BOD and/or member of BOC to the BOC for submission to GMS;
6. To do any other duties as determined by the BOC.

VII.2. PROCEDURES OF DUTIES RELATED TO REMUNERATION FUNCTION

1. To prepare the structure of Remuneration for the members of BOD and/or member of BOC;
2. To prepare the policy on Remuneration for the members of BOD and/or members of BOC; and
3. To prepare the amount of Remuneration for the members of BOD and/or BOC.

4. The Structure of Remuneration can be in the form of:
 - a. Salary;
 - b. Honorarium;
 - c. Incentive; and/or
 - d. Fixed and/or variable allowance.
5. The preparation of structure, policy and amount of Remuneration shall take into account:
 - a. The remuneration applicable in industry according to the business activity of similar to the Company and business scale of the Company in its industry;
 - b. The duties, responsibilities and authorities of the members of BOD and/or members of BOC related to the attainment of objective and performance of the Company;
 - c. Performance target or performance of each member of the BOD and/or member of BOC; and
 - d. Balance of allowance between those permanently and variably.
6. The Committee shall at least evaluates the structure, policy and amount of Remuneration annually.

VII.3. MEETINGS

1. Frequency of Meetings

The Committee is obliged to hold meetings as necessary, however at least once in every 4 (four) months and the meeting can only be conducted if attended by majority of the total members and one of such majority is the Chairman of Committee.

2. Meeting Agendas.

The Chairman of the Committee shall ensure that written agendas are prepared and distributed to each Committee's member in advance of the scheduled meeting. Agendas should include sufficient time for discussion on non-agenda items in addition to planned the topics.

3. Decision of Meetings.

The decisions of the meetings should be taken based on deliberation and consensus. In case of failure to attain the amicable resolution, the resolution shall be adopted by majority votes. The dissenting opinions in the adoption of resolution shall be mentioned in the minutes of meeting together with the reasons thereof.

4. Minutes of Meetings.

The Corporate Secretary shall be responsible for preparation of any Committee meetings. The minutes of meeting shall record any dissenting opinions from the members and the minutes shall be signed by all members attended the meeting and

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Dated: 4 December 2015

reported to the BOC. The Corporate Secretary shall be responsible for ensuring that a file of Committee minutes of meetings is retained on a permanent basis.

5. Circular Resolution.

The Committee may also adopt valid circular resolution, provided that all members of the Committee have been informed in writing and all members of the Committee have given their approval on the proposal submitted in writing as well as have signed such approval. The resolutions adopted in such manner shall have equal force of law to those validly adopted in a Meeting of the Committee.

VII.4. REPORTING

1. The Committee shall present regularly its activities and recommendations to the BOC, and shall report to the BOC on any special assignment by the BOC.
2. The Committee shall prepare and discuss an annual Committee activities report to be approved by the BOC. The approved annual Committee activities report is submitted to Corporate Secretary to be kept at Company's filing.
3. The Corporate Secretary is obliged to submit to OJK, at least within 2 (two) working days, information on the appointment, dismissal or changes of members of the Committee, and upload the information in the Company's website.

VIII. PROCEDURE FOR MEMBER REPLACEMENT

The replacement of member of the Committee who not comes from the BOC shall be made not later than 60 (sixty) calendar days as of the relevant member of Committee is no longer able to perform his/her function.

The member of the Committee shall be deemed no longer able to perform his duties/function, by reasons among others:

- (1) decease;
- (2) resign; or
- (3) permanently unavailable so that he/she is not able to perform his/her duties or he/she is not able to conduct his/her duties more than 6 (six) months consecutively as predicted medically.

This Charter is made in order to comply with OJK Regulation number 34/POJK.04/2014 dated 8 December 2014 concerning Nomination and Remuneration Committee of Issuer or Public Company.

This Charter has been acknowledged by the Board of Directors of the Company and approved by the Board of Commissioner of the Company on the Meeting which was


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held on 4 December 2015 through the Company's Board of Commissioner resolution number 0007/Kpts/Kom/ITP/XII/2015 dated 4 December 2015.

Approved by the Board of Commissioners on the December 4, 2015.



By _____
Name : **Dr. Albert Scheuer**
Title : President Commissioner


By _____
Name : **Tedy Djuhar**
Title : Vice President Commissioner/
Independent Commissioner


By _____
Name : **I Nyoman Tjager**
Title : Vice President Commissioner/
Independent Commissioner


By _____
Name : **Daniel Lavallo**
Title : Independent Commissioner


By _____
Name : **Dr. Lorenz Naeger**
Title : Commissioner


By _____
Name : **Dr. Bernd Scheifele**
Title : Commissioner


By _____
Name : **Daniel Gauthier**
Title : Commissioner