



PEDOMAN KOMITE NOMINASI DAN REMUNERASI
NOMINATION AND REMUNERATION COMMITTEE CHARTER

Lifetime
Value Creator

PT LOTTE CHEMICAL TITAN TBK

2017

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A. DEFINISI

1. **"Komite Nominasi dan Remunerasi"**, yang selanjutnya disebut **"KNR"**, adalah komite yang dibentuk oleh dan bertanggung jawab kepada Dewan Komisaris dalam membantu melaksanakan fungsi dan tugas Dewan Komisaris terkait nominasi dan remunerasi terhadap anggota Direksi dan anggota Dewan Komisaris.
2. **"Nominasi"** adalah nominasi seseorang untuk diangkat dalam jabatan sebagai anggota Direksi atau anggota Dewan Komisaris.
3. **"Remunerasi"** adalah imbalan yang ditetapkan dan diberikan kepada anggota Direksi dan anggota Dewan Komisaris karena kedudukan dan peran yang diberikan sesuai dengan tugas, tanggung jawab dan wewenang anggota Direksi dan anggota Dewan Komisaris.
4. **"Direksi"** adalah sebuah organ Perusahaan yang berwenang dan bertanggung jawab penuh atas pengurusan Perusahaan untuk kepentingan Perusahaan, sesuai dengan maksud dan tujuan Perusahaan serta mewakili Perusahaan, baik di dalam maupun di luar pengadilan sesuai dengan ketentuan anggaran dasar Perusahaan.
5. **"Dewan Komisaris"** adalah organ Perusahaan yang bertugas melakukan pengawasan secara umum dan/atau khusus sesuai dengan anggaran dasar serta memberi nasihat kepada Direksi.
6. **"Perusahaan"** (atau Perseroan) dengan huruf **"P"** kapital, adalah PT LOTTE CHEMICAL TITAN Tbk, sedangkan perusahaan (atau perseroan) dengan

A. DEFINITION

1. **"The Nomination and Remuneration Committee"**, or **"KNR"** is a committee established by and responsible to the Board of Commissioners in helping to carry out the functions and duties of the Board of Commissioners related to the members of the Board of Directors and the members of the Board of Commissioners nomination and remuneration.
2. **"Nomination"** is the nomination of a person to be appointed as a member of the Board of Directors or the Board of Commissioners.
3. **"Remuneration"** is a salary to be approved and given to members of the Board of Directors and the Board of Commissioners due to the position and role are given in accordance with the duties, responsibilities and authority of members of the Board of Directors and the Board of Commissioners.
4. **"Board of Directors"** or **"BOD"** is a unit of the Company which authorized and responsible on the management of the Company for the Company's interest, in accordance with the purposes and objectives of the Company, and representing the Company either inside or outside of the court pursuant to the articles of association of the Company.
5. **"Board of Commissioners"** or **"BOC"** is a unit of the Company who's in charge to conduct supervision in general and/or in particular pursuant with the articles of associations of the Company and to provide advices to the Board of Directors.
6. **"Company"** with the letter **"C"** capital, PT LOTTE CHEMICAL TITAN Tbk, while the company with a small **"c"** letter shall refer to the company in general.

huruf "p" kecil menunjuk kepada perusahaan secara umum.

B. KOMPOSISI DAN STRUKTUR KEANGGOTAAN **B. COMPOSITION AND STRUCTURE OF MEMBERSHIP**

1. Anggota KNR diangkat dan diberhentikan berdasarkan keputusan rapat Dewan Komisaris, yang harus di dokumentasikan oleh Perusahaan.
 2. Anggota KNR diangkat untuk masa jabatan maksimum 3 (tiga) tahun dan dapat diangkat kembali. Masa jabatan tersebut tidak lebih lama dari masa jabatan Dewan Komisaris sebagaimana diatur dalam anggaran dasar Perusahaan.
 3. Keanggotaan KNR paling kurang terdiri dari 3 (tiga) orang anggota, dengan ketentuan:
 - a. 1 (satu) orang ketua merangkap anggota, yang merupakan Komisaris Independen.
 - b. Anggota lainnya dapat berasal dari:
 - 1) anggota Dewan Komisaris;
 - 2) Orang yang berasal dari luar Perusahaan; atau
 - 3) Orang yang menduduki jabatan manajerial di bawah Direksi yang membidangi sumber daya manusia. Dengan ketentuan tidak menduduki sebagian besar jabatan pada anggota KNR.
 4. Anggota KNR yang berasal dari luar Perusahaan, wajib memenuhi syarat sebagai berikut:
 - a. Tidak mempunyai hubungan afiliasi dengan Perusahaan, anggota Direksi, anggota Dewan Komisaris, atau
1. KNR members are appointed and dismissed by the Board of Commissioners resolution meeting, which must be documented by the Company.
 2. KNR Members shall be appointed for a maximum of three (3) years and may be reappointed. The term of office is no longer than the Board of Commissioners term of office as stipulated in the articles of association of the Company.
 3. KNR membership shall consist of at least three (3) members, with following provision:
 - a. 1 (one) person as a chairman and a member, which is an Independent Commissioner.
 - b. Other members maybe derived from:
 - 1) members of the Board of Commissioners;
 - 2) Person which derived from outside of the Company; or
 - 3) The person who occupied managerial positions under the Board of Directors which in charge of human resources. Under a condition that the person shall not occupy the majority of positions on KNR members.
 4. KNR member which derived from outside of the Company shall comply with the following requirements:
 - a. Not affiliated with the Company, members of the Board of Directors, Board of Commissioners, or majority

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| <p>Pemegang Saham Utama Perusahaan;</p> <p>b. Memiliki pengalaman terkait Nominasi dan/atau Remunerasi; dan</p> <p>c. Tidak merangkap jabatan sebagai anggota komite lainnya yang dimiliki oleh Perusahaan.</p> <p>5. Anggota Direksi Perusahaan tidak dapat ditunjuk sebagai anggota KNR.</p> <p>6. Jika seorang anggota KNR mengundurkan diri, atau berhenti menjadi anggota KNR karena alasan tertentu yang mengakibatkan berkurangnya jumlah anggota menjadi dibawah tiga orang, maka dalam waktu 60 (enam puluh) hari sejak tanggal pengunduran diri atau pemberhentian tersebut, Dewan Komisaris akan mengangkat seseorang atau beberapa orang anggota baru agar jumlahnya sama dengan jumlah anggota sebelum terjadinya peristiwa tersebut.</p> | <p>shareholder of the Company;</p> <p>b. having experience related to Nomination and/or Remuneration; and</p> <p>c. Not holding concurrent positions as member of the other committee in the Company.</p> <p>5. Members of the Board of Directors shall not appoint as member of KNR.</p> <p>6. If KNR member resigns or ceases to be a member of the KNR for a particular reason, which may results a reduce to the number of KNR members below three members, therefore within 60 (sixty) days after the resign or cease date, the BOC shall appoint one or more new members in order to balance the number of members prior to the resign or cease date.</p> |
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C TUGAS, TANGGUNG JAWAB, TATA CARA DAN PROSEDUR KERJA

C. TASKS, RESPONSIBILITIES, PROCEDURES AND WORK PROCEDURES

C.1. TUGAS DAN TANGGUNG JAWAB TERKAIT FUNGSI NOMINASI

C.1. DUTIES AND RESPONSIBILITIES RELATED TO THE FUNCTIONS OF NOMINATIONS

1. Memberikan rekomendasi kepada Dewan Komisaris mengenai:
 - a. Komposisi jabatan anggota Direksi dan/atau Dewan Komisaris;
 - b. Kebijakan, dan kriteria yang dibutuhkan dalam proses Nominasi; dan
 - c. Kebijakan evaluasi kinerja bagi anggota Direksi dan/atau

1. Provide recommendations to the Board of Commissioners regarding:
 - a. The composition of the tenure of members of the Board of Directors and/or Board of Commissioners;
 - b. Policy, and the criteria required in the process of Nomination; and
 - c. Performance evaluation policy for members of the Board of

anggota Dewan Komisaris.

Directors and/or members of the Board of Commissioners.

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| <p>2. Membantu Dewan Komisaris melakukan penilaian kinerja anggota Direksi dan/atau anggota Dewan Komisaris berdasarkan suatu tolok ukur yang telah disusun sebagai bahan evaluasi.</p> <p>3. Memberikan rekomendasi kepada Dewan Komisaris mengenai program pengembangan kemampuan anggota Direksi dan/atau anggota Dewan Komisaris.</p> <p>4. Memberikan usulan calon yang memenuhi syarat sebagai anggota Direksi dan/atau anggota Dewan Komisaris kepada Dewan Komisaris, untuk disampaikan kepada RUPS.</p> | <p>2. To assist the Board of Commissioners assessing the performance of members of the Board of Directors and/or members of the Board of Commissioners based on a benchmark that has been prepared as a material evaluation.</p> <p>3. Provide recommendations to the Board of Commissioners on the capabilities development program of members the Board of Directors and/or the Board of Commissioners.</p> <p>4. Provide the proposed candidates which qualified as members of the Board of Directors and/or members of the Board of Commissioners to the Board of Commissioners, which will be submitted to the General Meeting of Shareholders.</p> |
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C.2. TATA CARA DAN PROSEDUR KERJA NOMINASI

C.2. WORKS PROCEDURES OF THE NOMINATIONS

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| <p>1. Menyusun komposisi dan proses Nominasi anggota Direksi dan/atau Dewan Komisaris;</p> <p>2. Menyusun kebijakan dan kriteria yang dibutuhkan dalam proses Nominasi calon anggota Direksi dan/atau anggota Dewan Komisaris;</p> <p>3. Membantu pelaksanaan evaluasi atas kinerja anggota Direksi dan/atau anggota Dewan Komisaris;</p> | <p>1. to compose the composition and the process of Nomination of members of the Directors and/or Board of Commissioners;</p> <p>2. Provide the proposed candidates which qualified as members of the Board of Directors and/or members of the Board of Commissioners to the Board of Commissioners, which will be submitted to the General Meeting of Shareholders;</p> <p>3. To assist the evaluation implementation on the members of the Board of Directors and/or members of the Board of Commissioners performance;</p> |
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4. Menyusun program pengembangan kemampuan anggota Direksi dan/atau anggota Dewan Komisaris; dan
5. Menelaah dan mengusulkan calon yang memenuhi syarat sebagai anggota Direksi dan/atau anggota Dewan Komisaris kepada Dewan Komisaris untuk disampaikan kepada RUPS.

4. To develop the skill development programs of the members of the Board of Directors and/or the members of the Board of Commissioners; and
5. To review and propose candidates which qualified as members of the Board of Directors and/or members of the Board of Commissioners to the Board of Commissioners, which will be submitted to the General Meeting of Shareholders.

C.3. TUGAS DAN TANGGUNG JAWAB TERKAIT FUNGSI REMUNERASI

1. Memberikan rekomendasi kepada Dewan Komisaris mengenai:
 - a) Struktur Remunerasi
 - b) Kebijakan atas Remunerasi
 - c) Besaran atas Remunerasi
2. Membantu Dewan Komisaris melakukan penilaian kinerja dengan kesesuaian Remunerasi yang diterima masing-masing anggota Direksi dan/atau anggota Dewan Komisaris.

C.3. DUTIES AND RESPONSIBILITIES OF THE REMUNERATION FUNCTIONS

1. Provide recommendations to the Board of Commissioners on:
 - a) Remuneration Structure
 - b) Remuneration Policy
 - c) The amount on Remuneration
2. To assist the Board of Commissioners to assess the performance of the conformity of remuneration received by each member of the Board of Directors and/or members of the Board of Commissioners.

C.4. TATA CARA DAN PROSEDUR KERJA REMUNERASI

1. Memberikan rekomendasi mengenai struktur Remunerasi bagi anggota Direksi dan/atau anggota Dewan Komisaris, meliputi:
 - a. Gaji;
 - b. Honorarium;

C.4. PROCEDURES AND WORKS PROCEDURES OF THE REMUNERATION

1. To give recommendation regarding the remuneration structure for the members of the Board of Directors and/or members of the Board of Commissioners, which includes:
 - a. Salary;
 - b. Honorarium;

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| <ul style="list-style-type: none"> c. Insentif, dan/atau; d. Tunjangan yang bersifat tetap dan/atau variabel. | <ul style="list-style-type: none"> c. Incentive, and/or; d. Allowances which are fixed and/or variable. |
| <p>2. Memberikan rekomendasi mengenai kebijakan atas Remunerasi bagi anggota Direksi dan/atau anggota Dewan Komisaris.</p> | <p>2. To give recommendation on remuneration for the members of the Board of Directors and/or members of the Board of Commissioners.</p> |
| <p>3. Memberikan rekomendasi mengenai besaran atas Remunerasi bagi anggota Direksi dan/atau anggota Dewan Komisaris.</p> | <p>3. To give recommendation regarding the remuneration amount for members of the Board of Directors and/or members of the Board of Commissioners.</p> |
| <p>4. Penyusunan struktur, kebijakan dan besaran Remunerasi ini wajib dilakukan evaluasi oleh KNR paling kurang 1 (satu) kali dalam 1 (satu) tahun, dengan memperhatikan:</p> <ul style="list-style-type: none"> a. Remunerasi yang berlaku pada industri sesuai dengan kegiatan usaha Perusahaan; b. Tugas, tanggung jawab, dan wewenang anggota Direksi dan/atau anggota Dewan Komisaris dikaitkan dengan pencapaian tujuan dan kinerja Perusahaan; c. Target kerja atau kinerja masing-masing anggota Direksi dan/atau anggota Dewan Komisaris; dan d. Keseimbangan tunjangan antara yang bersifat tetap dan bersifat variabel. | <p>4. Structure , policies and the remuneration amount shall be evaluated by KNR at least 1 (one) time in 1 (one) year, subject to:</p> <ul style="list-style-type: none"> a. Remuneration which apply in the industry related to the Company's business; b. Duties, responsibilities, and authority of members of the Board of Directors and/or members of the Board of Commissioners is associated with the achievement of the goals and performance of the Company; c. Works target or performance of individual members of the Board of Directors and/or members of the Board of Commissioners; and d. Allowance balance between fix allowance and variable allowance. |

C.5. WEWENANG

KNR memiliki wewenang untuk memperoleh akses terhadap informasi tentang karyawan dan laporan keuangan yang berkaitan

C.5. AUTHORITY

KNR has the authority to obtain access to any information related to the employees and the financial statements relating to the

dengan pelaksanaan tugasnya.

performance of its duties.

D. PENYELENGGARAAN RAPAT

1. Rapat KNR diselenggarakan secara berkala paling kurang 1 (satu) kali dalam 4 (empat) bulan.
2. Rapat KNR hanya dapat diselenggarakan apabila:
 - a. Dihadiri oleh mayoritas dari jumlah anggota KNR; dan
 - b. Ketua KNR harus hadir dalam pertemuan tersebut.
3. Keputusan rapat KNR dilakukan berdasarkan musyawarah mufakat.
4. Dalam hal keputusan berdasarkan musyawarah mufakat tidak tercapai, pengambilan keputusan dilakukan berdasarkan suara terbanyak.
5. Jika dalam pengambilan keputusan yang dilakukan dengan cara pemungutan suara terjadi suara yang sama banyaknya, maka akan diputuskan oleh Dewan Komisaris.
6. Dalam hal proses pengambilan keputusan terdapat perbedaan pendapat, perbedaan pendapat tersebut wajib dimuat dalam risalah rapat beserta alasan perbedaan tersebut.
7. Hasil rapat KNR wajib dituangkan dalam risalah rapat dan didokumentasikan oleh Perusahaan.
8. Risalah rapat KNR wajib disampaikan secara tertulis kepada Dewan Komisaris.

D. MEETINGS ORGANIZATION

1. KNR meeting shall be convened periodically at least once in 4 (four) months.
2. KNR meeting shall only be convened if:
 - a. Attended by a majority of KNR members; and
 - b. The Chairman of KNR shall be attended to the meeting.
3. the resolution of the KNR meeting shall be conducted by a consensus.
4. in the event of the consensus cannot result a resolution, the resolution shall be made by a voting.
5. If the voting has resulted equal vote, the decision shall be made by the Board of Commissioners.
6. If any disagreement arise during the meeting, the differences and the reasons shall be stated in the minutes of the meeting.
7. KNR meeting resolution shall be stated in a minutes of meeting and documented by the Company.
8. The minutes of the meeting shall be submitted in writing to the Board of Commissioners.

E. SISTEM PELAPORAN KEGIATAN

1. KNR harus melaporkan pelaksanaan tugas, tanggung jawab, dan prosedur Nominasi dan Remunerasi, yang meliputi:
 - a. Komposisi dan Struktur Keanggotaan KNR;
 - b. Tugas, Tanggung jawab, Tata Cara dan Prosedur Kerja KNR;
 - c. Penyelenggaraan Rapat KNR.
2. Laporan ini merupakan bagian dari laporan pelaksanaan tugas Dewan Komisaris dan disampaikan dalam RUPS.
3. Perusahaan wajib mengungkapkan pelaksanaan terkait fungsi Nominasi dan Remunerasi dalam laporan tahunan dan situs web Perusahaan.
4. Informasi mengenai pelaksanaan fungsi terkait Nominasi dan Remunerasi yang diungkapkan dalam laporan tahunan Perusahaan paling kurang memuat:
 - a. Pernyataan bahwa Perusahaan telah memiliki pedoman KNR;
 - b. Uraian singkat pelaksanaan tugas dan tanggung jawab KNR dalam tahun buku.
5. Informasi mengenai pelaksanaan fungsi terkait Nominasi dan Remunerasi yang diungkapkan dalam situs web Perusahaan paling kurang memuat:
 - a. Pedoman KNR; and
 - b. Uraian singkat pelaksanaan tugas dan

E. ACTIVITIES REPORTING SYSTEM

1. KNR shall report the duties, responsibilities, and procedures for the Nomination and Remuneration Committee, which includes:
 - a. Composition and Structure Membership KNR;
 - b. Tasks, Responsibilities, Procedures and Work Procedures KNR;
 - c. KNR meetings.
2. the report is part of the Board of Commissioners report and shall be delivered by the Board of Commissioners in the GMS.
3. The Company shall disclose the implementation of the related functions of the Nomination and Remuneration in the annual report and the Company's website.
4. Information on the implementation of the related functions of the Nomination and Remuneration Committee are disclosed in the Company's annual report shall at least contain:
 - a. Statement that the company has established KNR guidelines;
 - b. A brief description of the duties and responsibilities of KNR in the fiscal year.
5. Information on the implementation of the related functions of the Nomination and Remuneration Committee are disclosed in the Company's website at least contain:
 - a. KNR charter; and
 - b. A brief description of the duties

tanggung jawab KNR dalam tahun buku.

and responsibilities of KNR in the fiscal year.

Jakarta, 30 November 2017/November 30, 2017

PT LOTTE CHEMICAL TITAN Tbk
KOMITE NOMINASI DAN REMUNERASI
NOMINATION AND REMUNERATION COMMITTEE



Mas Achmad Daniri

KETUA/
Chairman



Lee Dong Woo

Anggota/
Member



Marijono

Anggota/
Member