



PT HM SAMPOERNA Tbk.

PT HANJAYA MANDALA SAMPOERNA TBK.

NOMINATION AND REMUNERATION COMMITTEE CHARTER

MAY 18, 2025



PT HM SAMPOERNA Tbk.

1. Background

As a publicly listed entity, the Company is bound by the imperative of adhering to the tenets of Good Corporate Governance ("GCG") in every facet of its business endeavors. This entails the unwavering commitment to upholding utmost transparency in the nomination and remuneration procedures, while concurrently elevating the standards of proficiency, capability, and ethical responsibility of both the Board of Directors ("BOD") and the Board of Commissioners ("BOC").

Hence, the Charter is crucial as it acts as a practical guideline for the Committee to effectively carry out its duties, responsibilities, and authority. The Charter should be in line with the expectations of shareholders and other stakeholders, while also considering relevant laws, regulations, the Company's Articles of Association, and established corporate governance practices.

2. Legal Basis

- 2.1 Financial Services Authority Regulation No. 34/POJK.04/2014 dated December 8, 2014, concerning Nomination and Remuneration Committee of Issuers or Public Companies;
- 2.2 Articles of Association of the Company (as amended);
- 2.3 ASEAN Corporate Governance Scorecard;
- 2.4 Indonesian GCG Guidelines from the National Committee on Corporate Governance Policy 2021;
- 2.5 Charter of the Board of Commissioners.

3. Purpose and General Principles

- 3.1 The BOC plays a crucial role in overseeing the Company's operations. To effectively fulfill its responsibilities, the BOC can create a committee that reports directly to the BOC. To enhance corporate governance practices within the BOC and considering the Company's current growth, it is deemed necessary to establish the Committee that will support the BOC in implementing strategies, policies, procedures and approaches relating to nomination and remuneration within the Company.
- 3.2 The purpose of the Charter is to offer the Committee a practical manual for carrying out its duties, responsibilities, and authority. This document considers relevant laws, regulations, the Company's Articles of Association, and established corporate governance practices. Its main goal is to ensure that the Committee operates efficiently and adheres to relevant guidelines and standards.



PT HM SAMPOERNA Tbk.

- 3.3 The BOC may delegate certain responsibilities to the Committee which will require formal reporting back to and final decision by the BOC. The ultimate responsibility of nomination and remuneration policy matters shall remain with the BOC.

4. Composition, Structure and Requirements of Membership

- 4.1 The Committee must have at least 3 (three) members with the following provisions:
- a. The chairman of the Committee must be an independent commissioner;
 - b. Other members of the Committee can be:
 - i) BOC members;
 - ii) Individuals external to the Company who meet the following criteria: (i) possess no affiliations with the Company, members of the BOD, BOC, or the Company's main shareholder; (ii) possess relevant experience in nomination and remuneration matters; and (iii) do not hold any positions in other committees within the Company; or
 - iii) Individuals who occupy managerial positions under the BOD and are responsible for human resource affairs, but their representation shall not comprise the majority.
 - c. BOD members are prohibited from serving as members of the Committee.
- 4.2 The appointment, removal, and replacement of Committee members are determined through resolutions of a BOC meeting with the possibility of reappointment. Members of the Committee shall be appointed by the BOC meeting commencing from the date of their appointment and continuing until the conclusion of the Company's Annual General Meeting of Shareholders ("GMS") for the specified year. However, the BOC reserves the right to dismiss Committee members at any given time.
- 4.3 The tenure of the Committee members must not exceed the duration of the BOC's term in office.
- 4.4 The term of office of a member of Committee shall expire if:
- a. He/She resigns;
 - b. He/she is dismissed pursuant to a resolution of the BOC;
 - c. He/she passes away;
 - d. He/she no longer meets the requirements set forth under the prevailing laws and regulations.
- 4.5 A Committee member has the right to resign from their position by submitting a written notice of resignation to the BOC at least 30 (thirty) days prior to the intended effective date of resignation. The resigning Committee member remains accountable for their actions and



PT HM SAMPOERNA Tbk.

decisions during their tenure. The BOC reserves the right to request the fulfillment of the resigning member's accountability through a formal resolution.

The BOC shall promptly convene a meeting within a maximum of 30 (thirty) days following receipt of the resignation letter, to acknowledge and address the resignation of a Committee member.

If the resignation of one or more Committee members results in the total number of the Committee members falling below 3 (three), such resignations will be considered valid only if approved during a BOC meeting and the BOC has appointed new Committee member(s) to fulfill the minimum required number of Committee members.

- 4.6 A replacement for a Committee member who is not coming from the BOC shall be appointed within 60 (sixty) days from the date of the member's incapacity to fulfill his/her duties.
- 4.7 Every Committee member must possess the essential attributes of integrity, knowledge, and experience necessary to effectively fulfill their responsibilities.

5. Duties and Responsibilities

- 5.1 The Committee must always act independently and be responsible to the BOC in carrying out its duties.
- 5.2 The Committee shall have the following authority and responsibilities:
 - a. With respect to nomination function:
 - i) To provide recommendations to the BOC regarding the following matters:
 - Composition of the BOD and/or BOC membership, including the appointment and/or dismissal of members of BOD and/or BOC;
 - Necessary policies and criteria for the nomination process; and
 - Policies for evaluating the performance of the BOD and/or BOC.
 - ii) To support the BOC in assessing the performance of the BOD and/or BOC using a predetermined benchmark as the reference for evaluation;
 - iii) To provide recommendations to the BOC regarding the implementation of capability development program(s) for the BOD and/or BOC;
 - iv) To propose qualified candidate(s) or assess candidate(s) endorsed or recommended by the Company's shareholders for the membership of the BOD and/or BOC, whose nominations shall be submitted to and approved by the GMS, in accordance with the applicable laws and the Company's Articles of Association; and



PT HM SAMPOERNA Tbk.

- v) Identifying and proposing external candidates or reviewing and endorsing the nomination of the Company's employees or individuals from Philip Morris International ("PMI") group companies, for the membership in the Audit Committee of the BOC. This process should adhere to the criteria established by the BOC and the guidelines outlined in the corporate governance principles or the charter of the respective committee.
- b. With respect to remuneration function:
 - i) To provide recommendations to the BOC concerning the structure, policy, and amount of remuneration, allowances, and/or other compensations for the members of the BOC, its committees, and/or the BOD.; and
 - ii) To support the BOC in assessing the performance of the BOD and/or the BOC, aligning with their respective remunerations.
- c. To fulfill any additional duties and responsibilities that align with the purpose of the Committee, as deemed appropriate by the BOC; and
- d. To conduct regular review and evaluations of this Charter and suggest any necessary changes to the BOC for their approval.

5.3 To clarify, the authority and responsibilities of the Committee exclude the following:

- a. Reviewing and recommending remuneration and allowance levels of PMI group companies or the Company in relation to their duties as employees; and
- b. Making decisions or calling for resolutions by the BOC regarding matters that fall within the purview of the Committee's review.

6. Working Procedures

- 6.1 In fulfilling its nomination function, the Committee is required to follow the procedures outlined below:
 - a. Establish policies, procedures, and processes for the nomination, appointment, and composition of members of the BOD and/or the BOC; and
 - b. Ensure the proper implementation of a formal process for appointing members of the BOD and the BOC.
- 6.2 When performing the remuneration function, the Committee is responsible for establishing the remuneration structure, policy, and value for members of the BOD and/or the BOC. This should be done in alignment with the following considerations:



PT HM SAMPOERNA Tbk.

- a. The prevailing remuneration within the relevant industry or companies of comparable business and scale;
 - b. The roles, responsibilities, and authorities of members of the BOD and/or the BOC in relation to the Company's goals and performance;
 - c. The key performance indicators specific to each BOD and/or BOC member; and
 - d. Achieving a balance between fixed and variable allowances.
- 6.3 The Committee must evaluate the remuneration structure, policy, and value at least once a year.

7. Meetings

- 7.1 The Committee must hold a meeting at least once every 4 (four) months.
- 7.2 The Committee meeting may be held if attended by more than $\frac{1}{2}$ of its total members.
- 7.3 The Committee meeting may be conducted through physical attendance or via teleconference, videoconference, or any other means of real-time communication.
- 7.4 The Committee shall have full discretion regarding the timing and agenda of its meeting.
- 7.5 The date, time, venue, and agenda of a meeting shall be communicated to each member at least 3 (three) working days in advance. A shorter notice period may be applied, provided that all members of the Committee have given their consent.
- 7.6 The meeting shall be chaired by the Committee chairman or, in their absence, by any member present who is appointed by the meeting.
- 7.7 The Committee decisions must first be made unanimously. If no consensus is reached by deliberation, decisions are made by majority voting, and the dissenting opinions must be stated in the minutes of meeting together with the reasons for dissent.
- 7.8 The Committee may also adopt valid resolutions without convening a meeting, provided that all members have been notified in writing of the resolutions and have given their approvals by signing the resolutions. Such resolutions shall carry the same legal force as those adopted in a duly convened meeting.
- 7.9 In the event that a Committee member has a conflict of interest, they must recuse themselves from the decision-making process. The remaining members of the Committee shall retain full authority to vote on the matter.



PT HM SAMPOERNA Tbk.

- 7.10 The Committee may invite any Director, member of the management team, or employee of the Company to attend its meeting. The Committee may also invite third parties, such as professional consultants, as needed.
- 7.11 Meeting minutes must be documented in writing and signed by the chairman of the meeting and one other Committee member present.
- 7.12 Meeting minutes shall be distributed to all Committee members and the BOC, addressed to the President Commissioner.
- 7.13 Any use of meeting minutes for public disclosure shall require prior approval from the BOC.

8. Access and Advisers

- 8.1 The Committee shall be granted direct access to the Company's information regarding the remuneration scheme for Commissioners and Directors, as well as data related to their appointments.
- 8.2 The Committee has the authority to engage independent and professional advisors as necessary to fulfill its responsibilities.

9. Reporting

- 9.1 The Committee shall report to the BOC on the performance of its duties and provide recommendations or suggestions relating to its remit, if required, in timely manner.
- 9.2 The report referred to in Article 3.3 is an inseparable part of the BOC's reports on the performance of its duties and must be conveyed in the GMS.
- 9.3 The Committee shall submit the Committee's annual work report to the BOC in timely manner.
- 9.4 The Committee must evaluate its performance by way of self-assessment on an annual basis to improve the performance of the Committee. The results of the evaluation must be reported and discussed with the BOC.
- 9.5 The implementation and performance of Committee's duties must be disclosed by the Company in the Annual Report.

10. Miscellaneous

- 10.1 This Charter shall be effective as from the date of stipulation.



PT HM SAMPOERNA Tbk.

10.2 Any change or amendment to this Charter shall be made and approved by the BOC.

10.3 Everything related to the establishment and the guidelines for the Committee's work implementation, which is not explicitly covered in this Charter, shall be subject to the prevailing laws and regulations applicable to the matters addressed in this Charter. However, this is applicable only if it does not contradict the specific regulations established for publicly listed companies or the industry in which the Company operates.

Stipulated in : Jakarta
Date : May 18, 2025

PT HANJAYA MANDALA SAMPOERNA TBK.
Board of Commissioners

John Gledhill
President Commissioner

Paul Janelle
Vice President Commissioner

Justin Mayall
Independent Commissioner

Luthfi Mardiansyah
Independent Commissioner