

24. Training and Competency Development of the Audit Committee

The Remuneration and Nomination Committee

The Remuneration and Nomination Committee is formed by and is responsible to the Board of Commissioners which is tasked with assisting the Board of Commissioners in carrying out its duties. The Remuneration and Nomination Committee is one of the Company's Organs, in collaboration with the Human Capital Management Division and Learning Center Division as the Board of Directors' tools for appointing human capital as strategic assets and strategic partners, analyzing policies, monitoring the implementation of preparing future prospective leaders who provide exemplary examples and careful attention to the implementation of good corporate governance, including the policy and amount of remuneration.

Basis for Establishing The Remuneration and Nomination Committee

The Company founded the Nomination and Remuneration Committee based on the following Regulations, Provisions and Legislation:

1. Regulation of the State Minister for State-Owned Enterprises No. PER-01/MBU/2011 dated 1 August 2011 concerning the Implementation of Good Corporate Governance (GCG) in State-Owned Enterprises as amended by the Regulation of the State Minister for State-Owned Enterprises No. PER-09/MBU/2012 dated 6 July 2012 .
2. PBI No. 11/33/PBI/2009 dated 7 December 2009 concerning the Implementation of Good Corporate Governance for Sharia Commercial Banks and Sharia Business Units.
3. POJK No. 59/POJK.03/2017 dated 18 December 2017 regarding the Implementation of Governance in providing remuneration for Sharia Commercial Banks and Sharia Business Units.
4. Regulation of the State Minister for State-Owned Enterprises No. PER-12/MBU/2012 dated 24 August 2012, concerning the Supporting Organs of the Board of Commissioners.
5. POJK No. 33/POJK.04/2014 dated 8 December 2014 concerning the Board of Directors and Board of Commissioners of Issuers or Public Companies.
6. POJK No. 34/POJK.04/2014 dated 8 December 2014 concerning the Remuneration and Nomination Committee for Issuers or Public Companies
7. POJK No. 21/POJK.04/2015 dated November 16, 2015, concerning the Implementation of Governance Guidelines for Public Companies.
8. POJK No. 27/POJK.03/2016 dated July 27, 2016 concerning the Fit and Proper Test for Main Parties of Financial Services Institutions.
9. Financial Services Authority Circular No. 40/SEOJK.03/2016 dated September 26, 2016, concerning the Implementation of Governance in Remuneration for Commercial Banks.
10. Regulation of the Financial Services Authority No. 55/POJK.03/2016 dated December 7, 2016, concerning the Implementation of Governance for Commercial Banks.
11. Financial Services Authority Circular No. 13/SEOJK.03/2017 dated March 17, 2017, concerning the Implementation of Governance for Commercial Banks.
12. Regulation of the Minister of BUMN Number: PER-01/MBU/05/2019 dated May 31, 2019 concerning the Fourth Amendment to the Regulation of the Minister of BUMN Number: PER-04/MBU/2014 concerning Guidelines for the Application of Income for the Directors, Board of Commissioners and Supervisory Board of BUMN, in determine the remuneration of the Board of Directors and Board of Commissioners of the BUMN Subsidiary concerned.
13. Articles of Association of the Company.

Duties and Responsibilities of The Remuneration and Nomination Committee

The Remuneration and Nomination Committee had the following duties and responsibilities:

1. The duties of the Committee regarding Remuneration were:
 - a. Providing recommendations to the Board of Commissioners regarding:
 - Remuneration structure.
 - Remuneration policy.
 - Amount of remuneration.
 - b. Assisting the Board of Commissioners in conducting performance appraisals in accordance with the remuneration received by each member of the Board of Directors and/or members of the Board of Commissioners.
 - c. In carrying out its remuneration function, the Committee is required to carry out the following procedures:
 - Formulating a structure, policy and amount of remuneration for members of the Board of Commissioners, members of the Board of Directors and/or Executive Officers one level below the Board of Directors.
 - Formulating a structure, policy and amount of remuneration for members of the Sharia Supervisory Board (DPS).
 - d. The remuneration structure can be in the form of:
 - Salary
 - Honorarium
 - Incentives
 - Allowances that are fixed and/or variable
 - e. The composition of the structure, policy and amount of remuneration must pay attention to:
 - The remuneration that applies to the industry is in accordance with the Company's business activities and the business scale of the Bank in the industry.
 - Duties, responsibilities and authorities of members of the Board of Directors and/or

- members of the Board of Commissioners in relation to the achievement of the Company's performance goals.
- Performance targets or performance of each member of the Board of Directors and/or members of the Board of Commissioners.
 - Balance between fixed and variable allowances.
- f. Evaluating the remuneration policy based on performance, risk, fairness with peer groups, targets and long-term strategies of the Company, fulfillment of reserves as stipulated in laws and regulations and the Company's potential future earnings.
- g. Evaluating Human Capital policies and monitoring their implementation in accordance with the principles of Good Corporate Governance.
- h. Delivering evaluation results and recommendations to the Board of Commissioners regarding:
- Remuneration policy for the Board of Directors, Board of Commissioners and DPS to be submitted to the General Meeting of Shareholders.
 - Overall Remuneration Policy for Employees to be submitted to the Board of Directors.
- i. Ensuring that the Remuneration policy is in accordance with applicable regulations.
- j. Conducting periodic evaluations at least 1 (one) time in 1 (one) year on the structure, policies and amount of Remuneration.
- k. Developing and evaluating the payroll system and provide allowances to members of the Board of Commissioners and Board of Directors and provide recommendations on:
- Assessment of the system.
 - Options granted, including options for shares.
 - Pension and old age benefits system.
 - Compensation system and other benefits in terms of employee reduction.
- l. Performing other duties of the Board of Commissioners in accordance with the remuneration duties area
2. The duties of the Committee regarding Nominations were:
- a. Providing recommendations to the Board of Commissioners regarding:
- Nomination of candidates for the Board of Directors refers to the Company's strategy.
 - Composition of positions of members of the Board of Directors and/or members of the Board of Commissioners.
 - Policies and criteria required in the Nomination process.
 - Performance evaluation policies for members of the Board of Directors and/or members of the Board of Commissioners.
 - Proposal to appoint and/or replace members of the Sharia Supervisory Board to the GMS.
- b. Assisting the Board of Commissioners in assessing the performance of members of the Board of Directors and/or members of the Board of Commissioners based on benchmarks that have been prepared as evaluation materials.
- c. Providing recommendations to the Board of Commissioners regarding capacity building programs for members of the Board of Directors and/or members of the Board of Commissioners.
- d. Providing recommendations for candidates who meet the requirements as members of the Board of Directors and/or members of the Board of Commissioners to the Board of Commissioners to be submitted to the GMS.
- e. In carrying out the Nomination function, the committee is obliged to carry out the following procedures:
- Preparing the nomenclature composition and nomination process for members of the Board of Directors and/or members of the Board of Commissioners.
 - Formulating policies and criteria required in the Nomination process for candidates for members of the Board of Directors and/or members of the Board of Commissioners.
 - Assisting in the evaluation of the performance of members of the Board of Directors and/or members of the Board of Commissioners.
 - Formulating capacity building programs for members of the Board of Directors and/or members of the Board of Commissioners.
 - Reviewing and proposing recommendations of candidates who meet the requirements as members of the Board of Directors and/or members of the Board of Commissioners to the Board of Commissioners to be submitted to the GMS.
- f. Developing, implementing and analyzing the criteria and nomination procedures for candidate members of the Sharia Supervisory Board.
- g. Monitoring and analyzing the nomination criteria and procedures for other exclusives up to 1 (one) level below the Board of Directors.
- h. Providing recommendations on criteria and procedures for selection, position composition, appointment and/or replacement of members of the Board of Commissioners, Board of Directors and Sharia Supervisory Board.
- i. Developing a performance appraisal system for members of the Board of Commissioners and Directors.
- j. Reviewing the human capital management system and policies for early human capital development from recruitment, assessment, competency improvement, evaluation, promotion, demotion, termination, succession, selection and others.
- k. Performing other duties of the Board of Commissioners in accordance with the Nomination duties and Human Capital Management system policies.

Authority of The Remuneration and Nomination Committee

The committee was authorized by the Board of Commissioners to:

1. Review, examine, analyze and provide opinions and recommendations within the scope of their duties.
2. Request the Company to carry out surveys and/or benchmarking studies according to the needs of the Committee.
3. Request, seek and obtain necessary information from internal and external parties of the Company.

Terms of Remuneration and Nomination Committee

The term of office of Committee members who were not members of the Board of Commissioners was no longer than 3 (three) years and could be extended 1 (one) time for a maximum of 2 (two) years of office, without prejudice to the prerogative of the Board of Commissioners to dismiss him at any time.

Remuneration and Nomination Committee Charter

In carrying out its duties and responsibilities the Remuneration and Nomination Committee referred to the Remuneration and Nomination Committee Charter based on the Decree of the Board of Commissioners No. 03/DEKOM-BTN/XII/2019 dated November 19, 2019. The Remuneration and Nomination Committee Charter aimed to make the Committee work more optimally so that the implementation of recommendations on remuneration and nomination of members of the Board of Commissioners, members of the Board of Directors, Executive Officers and Employees and Human Capital policies as a whole in accordance with the principles of Good Corporate Governance.

The contents of the Remuneration and Nomination Committee Charter were as follows:

- Part I** General Provisions, Objectives of the Establishment of the Committee Charter
- Part II** Duties, Responsibilities and Authorities of the Committee
- Part III** Scope and Working Mechanism, Access to Information, Composition and Requirements of Members
- Part IV** Meeting, Budgeting and Income of Committee Members
- Part V** Education and Supporting Personnel
- Part VI** Evaluation and Closing

The Remuneration and Nomination Committee Structure, Membership and Expertise

The membership composition of the Remuneration and Nomination Committee consists of at least:

1. 3 (three) Independent Commissioners.
2. 1 (one) Commissioner.
3. 1 (one) Independent Party
4. 1 (one) Executive Officer in charge of human resources as an Employee Representative.

In the event that there are more than 3 (three) members of the Remuneration and Nomination Committee, the Independent Commissioner should be at least 2 (two) and 1 (one) Commissioner. If necessary, the Remuneration and Nomination Committee can appoint members from outside parties who are independent of Bank BTN. The Remuneration and Nomination Committee of the Company is chaired by an Independent Commissioner, 2 (two) Independent Commissioners as a member and 1 (one) Commissioner as a member and 1 (one) Independent Party and 1 (one) Executive Officer).

Executive Officers or employee representatives of members of the Remuneration and Nomination Committee must have knowledge of the Company's remuneration system and have knowledge of the Company's nomination system and succession plan.

Table of Structure, Membership and Expertise of the Remuneration and Nomination Committee

Name	Position	Information	Expertise
Chandra M. Hamzah	Chairman	Independent President Commissioner	Law and Finance
Heru Budi Hartono	Member	Commissioner	People Management and Finance
Ahdi Jumhari Luddin	Member	Independent Commissioner	Banking, Compliance and Risk Management
Armand B. Arief	Member	Independent Commissioner	Banking, Risk Management, Business Management
I Nengah Rentaya	Member	Independent Party	Monetary Economics, Banking, Human Capital Management and Learning Development.
Eko Waluyo	Ex-Officio Member	Head of the Human Capital Management Division	Human Capital and Finance

Profile of The Remuneration and Nomination Committee


The profile of the Remuneration and Nomination Committee as of December 31, 2020 is as follows.



Chandra M. Hamzah

Chairman of Remuneration and Nomination Committee

Period I (May 4, 2020-May 3, 2023)


 His profile can be seen in the Board of Commissioners Profile section



Heru Budi Hartono

Member of Remuneration and Nomination Committee

Period I (March 16, 2020-March 15 2023)


 His profile can be seen in the Board of Commissioners Profile section



Ahdi Jumhari Luddin

Member of Remuneration and Nomination Committee

Periode I (March 16, 2020-March 15 2023)


 His profile can be seen in the Board of Commissioners Profile section



Armand B. Arief

Member of Remuneration and Nomination Committee


Period I (May 14, 2020-May 13, 2023)


 His profile can be seen in the Board of Commissioners Profile section



I Nengah Rentaya

**Member of Remuneration
and Nomination Committee**

 **Domicile**
Jakarta


 **Date of birth**
Bali, July 8, 1958

 **Age**
62 years old


 **Citizenship**
Indonesia

 **Educational background**

- Bachelor of Economics, Gadjah Mada University, Yogyakarta (1987).
- Master of International Affairs in Economic Policy and Management from Columbia University, NYC, USA (1993).
- Certificate Program in Treasury Management from New York University, School of Continuing Education, NYC, USA, Summer Session Program (1994).

 **Position History**

- Senior Vice President – Group Head of Learning Center (Corporate University) PT Bank Mandiri (Persero) Tbk. (2007-2014).
- Senior Vice President – Group Head of Human Capital Group PT Bank Mandiri (Persero) Tbk. (2006-2007).
- Senior Vice President – Deputy Group Head of Human Capital Group PT Bank Mandiri (Persero) Tbk. (2003-2006).

 **Certification**

- Training Certificate Coaching Program 60 hours (2013)
- The 4 Disciplines of Execution (4DX), Manager Certification Program - Gold Certificate (2012)


 **Basic Appointment**
Excerpt of Decree of the Board of Directors of PT Bank Tabungan Negara (Persero) Tbk. No. 1305/DIR/2020 concerning Changes in the membership composition of the Remuneration and Nomination Committee of PT Bank Tabungan Negara (Persero) Tbk.


 **Period of Service**
Period II (7 November 2019 - 6 November 2021)



Eko Waluyo

**Member of Remuneration
and Nomination Committee**

 **Domicile**
Bekasi

 **Date of birth**
Temanggung, November 29, 1971

 **Age**
49 years old


 **Citizenship**
Indonesia

 **Educational background**

- Bachelor of Accounting, Universitas Gadjah Mada (1995)
- Magister Management (MM) in finance from Universitas Gadjah Mada (UGM) and University of Kentucky USA (2004).

 **Position History**

- Head of Corporate Secretary Division (2015-2017)
- Head of Investor Relations Department (2013-2015)
- Manager of Investor Relations (2011-2013)
- Manager of Investor Communication (2010-2011)
- Section Head of KPR Securities Team (2006-2010)
- Department of Risk Management Manager PT Sarana Multigriya Finansial (2006)
- Young Auditor Supreme Audit Agency (BPK) (2006-2007)

 **Sertifikasi**

- Professional Coach Certification Program (2020)
- Certified Professional Human Resources (2018)
- UKMR Level 4 LSPP (2015)

 **Basic Appointment**
Excerpt of Decree of the Board of Directors of PT Bank Tabungan Negara (Persero) Tbk. No. 1305/DIR/2020 concerning Changes in the membership composition of the Remuneration and Nomination Committee of PT Bank Tabungan Negara (Persero) Tbk.

 **Period of Service**
Period II (6 June 2020 - 5 June 2022)