

Proposed Amendments on the Company's Articles of Association ("AOA")

Existing AOA	Proposed AOA's Amendment
<p>Article 3 paragraph 1</p> <p>The objective and purpose of the Company shall be:</p> <ul style="list-style-type: none"> - To engage in the business sector of Commercial Bank 	<p>Article 3 paragraph 1</p> <p>The objective and purpose of the Company shall be:</p> <ul style="list-style-type: none"> - To engage in the business sector of Commercial Bank and to undertake the business activities of an Operational Financial Conglomerate Holding Company (Holding Company Activities).
<p>Article 3 paragraph 2</p> <p>In achieving the aforementioned objective and purpose, the Company shall perform the following principal business activities:</p> <ul style="list-style-type: none"> a. To collect fund from public in the form of giro savings, time deposit, deposit certificate, savings and / or other similar form. b. To issue the Letter of Debt Acknowledgement; c. To purchase, sell or warrant, at its own risk or for the benefit of and on order of its customers, the following documents: <ul style="list-style-type: none"> i) money order, including money order which is accepted by the Company, the validity period of which is not longer than the one which is customarily applied in the trade of the related documents; ii) Letter of indebtedness and other securities, the validity period of which is not longer than the one which is customarily applied in the trade of such documents; iii) Government securities and Government letter of guarantee; iv) Certificate of Bank Indonesia (SBI); v) Bond; vi) Commercial papers with a validity period; vii) Other time commercial papers instrument with a validity period, in accordance with prevailing laws and regulations. d. To provide credit. e. To place fund on, borrow fund from, or lend fund to other banks, either by using letter, means of telecommunication or by money order, cheque, or other means. f. To transfer money, either for self benefit or for the benefit of the customers. 	<p>Article 3 paragraph 2</p> <p>In achieving the aforementioned objective and purpose, the Company shall perform the following principal business activities:</p> <ul style="list-style-type: none"> a. To collect fund from public in the form of giro savings, time deposit, deposit certificate, savings and / or other similar form. b. To issue the Letter of Debt Acknowledgement; c. To purchase, sell or warrant, at its own risk or for the benefit of and on order of its customers, the following documents: <ul style="list-style-type: none"> i) money order, including money order which is accepted by the Company, the validity period of which is not longer than the one which is customarily applied in the trade of the related documents; ii) Letter of indebtedness and other securities, the validity period of which is not longer than the one which is customarily applied in the trade of such documents; iii) Government securities and Government letter of guarantee; iv) Certificate of Bank Indonesia (SBI); v) Bond; vi) Commercial papers with a validity period; vii) Other time commercial papers instrument with a validity period, in accordance with prevailing laws and regulations. d. To provide credit. e. To place fund on, borrow fund from, or lend fund to other banks, either by using letter, means of telecommunication or by money order, cheque, or other means. f. To transfer money, either for self benefit or for the benefit of the customers.

<p><i>g. To receive payment from bill for securities and perform calculation with or among third parties.</i></p> <p><i>h. To provide a place for storing valuable goods and securities.</i></p> <p><i>i. To perform custody activity for the benefit of other party under a contract.</i></p> <p><i>j. To perform placement of fund from a customer to other customer in the form of securities which are not listed in the stock exchange.</i></p> <p><i>k. To perform activities of factoring, credit card business and trusteeship.</i></p> <p><i>l. To undertake any other activities customarily carried out by banks, provided that such activities do not contravene the prevailing laws and regulations, including, among others, acting as a Custodian Bank.</i></p> <p><i>m. To provide financing and / or perform activity based on principle of Syariah, in accordance with the rule specified by the Financial Service Authority and the National Board of Syariah. To perform an activity of temporary capital participation in order to overcome the consequence of credit failure or financing failure based on Syariah Principle, on condition that it must retract its participation, in compliance with the rule specified by the Financial Service Authority.</i></p>	<p><i>g. To receive payment from bill for securities and perform calculation with or among third parties.</i></p> <p><i>h. To provide a place for storing valuable goods and securities.</i></p> <p><i>i. To perform custody activity for the benefit of other party under a contract.</i></p> <p><i>j. To perform placement of fund from a customer to other customer in the form of securities which are not listed in the stock exchange.</i></p> <p><i>k. To perform activities of factoring, credit card business and trusteeship.</i></p> <p><i>l. To undertake any other activities customarily carried out by banks, provided that such activities do not contravene the prevailing laws and regulations, including, among others, acting as a Custodian Bank.</i></p> <p><i>m. To provide financing and / or perform activity based on principle of Syariah, in accordance with the rule specified by the Financial Service Authority and the National Board of Syariah.</i></p> <p><i>n. To perform an activity of temporary capital participation in order to overcome the consequence of credit failure or financing failure based on Syariah Principle, on condition that it must retract its participation, in compliance with the rule specified by the Financial Service Authority.</i></p> <p><i>In addition to carrying on the business of a Commercial Bank, the Company shall also carry on the business of an Operational Financial Conglomerate Holding Company, including at least the following activities:</i></p> <p><i>a. Exercising control over, consolidating and assuming responsibility for all activities of the Financial Conglomerate;</i></p> <p><i>b. Making equity investments;</i></p> <p><i>c. Providing management services to enhance the effectiveness of consolidation and business strategy; and</i></p> <p><i>d. Supporting the optimisation of the financial resources of the Financial Conglomerate under its control.</i></p>
<p>Article 15 paragraph 1</p>	<p>Article 15 paragraph 1</p>

<p>(i) <i>The Company shall be managed and led by the Directors under the supervision of the Board of Commissioners;</i></p> <p>(ii) <i>The Directors shall comprise, at least of, 3 (three) members of Directors with the following composition:</i> <i>a. one President Director; and/or</i> <i>b. 2 (two) or more Directors.</i> <i>All members of the Board of Directors are required to reside in Indonesia.</i></p> <p>(iii) <i>The Company is required to have 1 (one) Director in charge of Sharia Business Unit. The Director in charge of Sharia Business Unit can hold concurrent duties as another Director.</i></p>	<p>(i) <i>The Company shall be managed and led by the Directors under the supervision of the Board of Commissioners;</i></p> <p>(ii) <i>The Directors shall comprise, at least of, 3 (three) members of Directors with the following composition:</i> <i>a. one President Director; and/or</i> <i>b. 2 (two) or more Directors.</i> <i>All members of the Board of Directors are required to reside in Indonesia.</i></p> <p>(iii) <i>The Company is required to have 1 (one) Director in charge of Sharia Business Unit. The Director in charge of Sharia Business Unit can hold concurrent duties as another Director.</i></p> <p>(iv) <i>As an Operational Financial Conglomerate Holding Company, the Company shall appoint a Director having responsibility for the Financial Conglomerate management function or unit, which responsibility may be combined with another directorial function within the Company, having regard to the scale and complexity of the Company's business.</i></p>
<p>Article 15 paragraph 3</p> <p>(i) <i>Members of the Directors shall be appointed by the General Meeting of Shareholders for a period effective as of the date specified in the General Meeting of Shareholders appointing them, until the end of the 3rd (third) General Meeting of Shareholders after the date of their appointment. A member of the Directors whose tenure has expired may be reappointed.</i></p>	<p>Article 15 paragraph 3</p> <p>(i) <i>Members of the Directors shall be appointed by the General Meeting of Shareholders for a period effective as of the date specified in the General Meeting of Shareholders appointing them, until the end of the 3rd (third) General Meeting of Shareholders after the date of their appointment. A member of the Directors whose tenure has expired may be reappointed.</i></p> <p><i>Members of the Company's Board of Directors are required to obtain approval from the Financial Services Authority before carrying out their actions, duties and functions.</i></p>
<p>Article 16 paragraph 2</p> <p><i>Each member of the Directors shall, in good faith and full liability, perform his/her duty, by observing the prevailing law and regulations in Indonesia.</i></p> <p><i>All the Directors are responsible for the development of Sharia Business Unit.</i></p>	<p>Article 16 paragraph 2</p> <p><i>Each member of the Directors shall, in good faith and full liability, perform his/her duty, by observing the prevailing law and regulations in Indonesia.</i></p> <p><i>All the Directors are responsible for the development of Sharia Business Unit.</i></p>

	<p>As the Operational Financial Conglomerate Holding Company, the Board of Directors of the Company shall, at a minimum:</p> <ul style="list-style-type: none"> a. Carry out its duties and responsibilities within the scope of its authority, in good faith and with due care and prudence; b. implement integrated governance, risk management and capital management across the Financial Conglomerate; c. Support the discharge of the duties and functions of the Financial Services Authority (Otoritas Jasa Keuangan), the relevant ministries and/or other competent authorities; and d. Submit such reports and information as may be required by the Financial Services Authority (Otoritas Jasa Keuangan).
<p>Article 16 paragraph 9 <i>The allocation of duty and authority of each member of the Directors shall be specified by the General Meeting of Shareholders and such authority can be delegated by the General Meeting of Shareholders to the Board of Commissioners.</i></p>	<p>Article 16 paragraph 9 <i>The allocation of duty and authority of each member of the Directors shall be specified by the General Meeting of Shareholders and such authority can be delegated by the General Meeting of Shareholders to the Board of Commissioners Directors.</i></p>
<p>Article 18 paragraph 3 <i>(i) Members of the Board of Commissioners shall be appointed by the General Meeting of Shareholders for a period which shall be effective as of the date specified in the General Meeting of Shareholders appointed them until the end of the 3rd (third) General Meeting of Shareholders after the date of their appointment. Members of the Board of Commissioners whose tenure have expired can be reappointed.</i></p> <p><i>Independent Commissioners who have served for 2 (two) consecutive terms of office can be reappointed in the following period as Independent Commissioners by considering, among other things, the Independent Commissioner's statement at the GMS regarding his/her independency and guided by the Financial Services Authority Regulation regarding Good Corporate Governance Implementation for Commercial Banks.</i></p>	<p>Article 18 paragraph 3 <i>(ii) Members of the Board of Commissioners shall be appointed by the General Meeting of Shareholders for a period which shall be effective as of the date specified in the General Meeting of Shareholders appointed them until the end of the 3rd (third) General Meeting of Shareholders after the date of their appointment. Members of the Board of Commissioners whose tenure have expired can be reappointed.</i></p> <p><i>Members of the Company's Board of Commissioners are required to obtain approval from the Financial Services Authority before carrying out their actions, duties and functions.</i></p> <p><i>Independent Commissioners who have served for 2 (two) consecutive terms of office can be reappointed in the following period as Independent Commissioners by considering,</i></p>

	<p>among other things, the Independent Commissioner's statement at the GMS regarding his/her independency and guided by the Financial Services Authority Regulation regarding Good Corporate Governance Implementation for Commercial Banks.</p>
<p>Article 19 paragraph 1 <i>The Board of Commissioners is tasked with supervising the Company's interests over the policies and management of the Board of Directors, providing advice to the Board of Directors, and is responsible for such supervision, in accordance with the Company's objective and purpose, as stipulated in the provisions of laws and regulations, the articles of association and the GMS Resolutions.</i></p> <p><i>The Board of Commissioners is obliged to carry out its duties, authority, and responsibility in good faith and with the principle of prudence.</i></p> <p><i>All the Commissioners are responsible for the development of Sharia Business Unit.</i></p>	<p>Article 19 paragraph 1 <i>The Board of Commissioners is tasked with supervising the Company's interests over the policies and management of the Board of Directors, providing advice to the Board of Directors, and is responsible for such supervision, in accordance with the Company's objective and purpose, as stipulated in the provisions of laws and regulations, the articles of association and the GMS Resolutions.</i></p> <p><i>The Board of Commissioners is obliged to carry out its duties, authority, and responsibility in good faith and with the principle of prudence.</i></p> <p><i>All the Commissioners are responsible for the development of Sharia Business Unit.</i></p> <p><i>As the Operational Financial Conglomerate Holding Company, the Board of Commissioners of the Company shall, at a minimum:</i></p> <ul style="list-style-type: none"> <i>a. Carry out its duties and responsibilities within the scope of its authority, in good faith and with due care and prudence;</i> <i>b. Supervise, in the interest of the Operational Financial Conglomerate Holding Company, the policies of and the management conducted by the Board of Directors, provide advice to the Board of Directors, and be responsible for such supervision; and</i> <i>c. Direct, monitor and evaluate the implementation of integrated governance, risk management and compliance, as well as the strategic policies of the Operational Financial Conglomerate Holding Company, in accordance with the applicable laws and regulations, these Articles of Association and/or resolutions of the General Meeting of Shareholders.</i>

Article 26 – The Company as an Operational Financial Conglomerate Holding Company

The Company's AOA did not previously contain provisions governing this matter

Article 26 – The Company as an Operational Financial Conglomerate Holding Company

Article 26 paragraph 1

In carrying out its functions as an Operational Financial Conglomerate Holding Company, the Company shall, at a minimum:

- a. Formulate and establish the Financial Conglomerate's strategy and risk appetite, which shall be consistently applied across each member of the Financial Conglomerate;*
- b. Establish and implement a framework for monitoring compliance with the Financial Conglomerate's strategy and risk appetite by all members of the Financial Conglomerate;*
- c. Assess the strategy and risk appetite of each member of the Financial Conglomerate to ensure alignment with the overall strategy and risk appetite of the Financial Conglomerate;*
- d. Conduct a periodic review of the Financial Conglomerate's strategy and risk appetite at least once every year to ensure their continued relevance in light of developments within the Financial Conglomerate, and make adjustments where there are material changes;*
- e. Supervise all members of the Financial Conglomerate, while taking into account the respective responsibilities and governance arrangements of each member on an individual basis;*
- f. Ensure that compliance with applicable regulatory requirements and the implementation of corrective actions by members of the Financial Conglomerate are carried out in accordance with the requirements and supervisory measures of the Financial Services Authority (Otoritas Jasa Keuangan);*
- g. Implement prudential principles, including good corporate governance and risk management, on an integrated basis throughout the Financial Conglomerate; and*
- h. Support the conduct of the business activities of members of the Financial Conglomerate in a sound and competitive manner, free from conflicts of interest, and promote the sustainability and continuity of their businesses.*

Article 26 paragraph 2

As an Operational Financial Conglomerate Holding Company, the Company shall be responsible, at a minimum, for the following:

- a. The implementation of prudential principles across the Financial Conglomerate as a whole;*
- b. The management of the relationship between the Financial Conglomerate and a wider group structure in accordance with the integrated governance framework for the Financial Conglomerate, in the event that the Company forms part of a broader group structure;*
- c. The strengthening, handling and/or resolution of financial issues affecting members of the Financial Conglomerate, as well as ensuring the continuity of their business operations; and*
- d. Ensuring the adequacy of resources for each member of the Financial Conglomerate in accordance with group governance standards and the individual governance requirements of each member.*

Article 26 paragraph 3

In carrying out its duties and responsibilities as an Operational Financial Conglomerate Holding Company, the Company shall support and control the capital strategy, business activities and operations of the Financial Conglomerate, and shall at a minimum be responsible for the following:

- a. Establishing a strategic work programme for the Operational Financial Conglomerate Holding Company for the next three (3) years;*
- b. Providing strategic direction for the next five (5) years, as set out in the corporate plan of the Financial Conglomerate;*
- c. Coordinating, directing and supervising the implementation of plans, policies and strategic work programmes of the members of the Financial Conglomerate;*
- d. Ensuring that the business plans of each member of the Financial Conglomerate are aligned with the overall corporate plan of the Financial Conglomerate;*
- e. Coordinating the determination of financial and non-financial targets for members of the Financial Conglomerate on a periodic basis;*

	<ul style="list-style-type: none"> f. Supporting the optimisation of the financial performance of members of the Financial Conglomerate; g. Consolidating the financial statements of the members of the Financial Conglomerate with the financial statements of the Company in accordance with applicable accounting standards, and preparing such other consolidated reports as may be required; h. Carrying out and supporting effective coordination, consolidation and synergy among members of the Financial Conglomerate in order to achieve performance targets and enhance value creation for the Financial Conglomerate; i. Ensuring the implementation of prudential principles and good governance across all members of the Financial Conglomerate; j. Determining such measures as may be required under applicable regulations to maintain a sound Financial Conglomerate, including at least: <ul style="list-style-type: none"> 1. Undertaking efforts to address financial issues of members of the Financial Conglomerate, including providing financial support and/or encouraging necessary corporate actions, as well as other measures; and 2. Ensuring that corrective actions by members of the Financial Conglomerate are properly implemented, and supporting recovery plans and resolution plans undertaken by members of the Financial Conglomerate; k. Determining the dividend distribution for members of the Financial Conglomerate on a proportional basis in a manner that supports the growth of such members; and l. Selecting and/or recommending candidates for management positions within members of the Financial Conglomerate. <p>Article 26 paragraph 4</p> <ul style="list-style-type: none"> a. Restrictions Applicable within the Financial Conglomerate <ul style="list-style-type: none"> 1. Restriction on Pledging Shares
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	<p><i>The Controlling Shareholder and/or the Ultimate Controlling Shareholder shall not pledge or create any security interest over the shares of the Financial Conglomerate Holding Company in favor of any other party.</i></p> <ol style="list-style-type: none"><i>2. The Director responsible for the Financial Conglomerate management function or unit is prohibited from holding concurrent positions in:<ol style="list-style-type: none"><i>(i) any other position that may give rise to a conflict of interest in the performance of duties as a member of the Board of Directors of the Operational Financial Conglomerate Holding Company; and/or</i><i>(ii) any other position as may be restricted under applicable laws and regulations.</i></i><i>3. Members of the Financial Conglomerate are prohibited from becoming shareholders in:<ol style="list-style-type: none"><i>(i) the Operational Financial Conglomerate Holding Company or a Non-Operational Financial Conglomerate Holding Company; and/or</i><i>(ii) other members of the Financial Conglomerate within the same Financial Conglomerate structure.</i></i> <p><i>b. The restriction under paragraph (a)(3)(ii) above shall not apply in the following cases:</i></p> <ol style="list-style-type: none"><i>1. Where a member of the Financial Conglomerate holds a minority shareholding in another member of the Financial Conglomerate; and/or</i><i>2. Where a member of the Financial Conglomerate holds shares in another member of the Financial Conglomerate within the same Financial Conglomerate, in a parent–subsidiary relationship, in accordance with applicable laws and regulations.</i>
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