

## Implementation of OJK Corporate Governance Guidelines for Public Listed Companies

Pursuant to OJK Regulation (POJK) Number 21/POJK.04/2015 concerning the Implementation of Corporate Governance Guidelines for Public Listed Companies and OJK Circular Letter (SEOJK) Number 32/SEOJK.04/2015 concerning Corporate Governance Guidelines for Public Listed Companies, in implementing the 5 (five) corporate governance aspects, 8 (eight) principles as well as the 25 (twenty five) recommendations that was given by OJK. The Bank implement GCG aspects and principles pursuant to the "comply or explain" approach as follows:

Aspect	Principle	Recommendation	Implementation
1. The Relationship between Public Companies with Shareholders In Guaranteeing Shareholder Rights	<b>Principle 1:</b> Enhance the Value of covering the General Meeting of Shareholders (GMS)	a.1. Issuer shall have a procedure for both open and closed votings which emphasize the Independence and shareholder Interest	The Bank has fulfilled this recommendation.  The procedures regarding voting rights is stipulated under the Bank's Articles of Association.  In the implementation of every General Meeting of Shareholders, the mechanism for voting is a part of the meeting's procedures informed to the shareholders at the beginning of the Meeting
		a.2. All members of BoD and BoC shall attend Annual GMS	Comply  The Bank has met this recommendation
		a.3. GMS minutes shall be made available in an issuer website for at least 1 (one) year	All members of the BoD and BOC attended MMGS 2019  Comply  The Bank has met this recommendation
	<b>Principle 2:</b> Enhance the Quality Of Public Listed Companies' Communications with Shareholders or Investors	2.1. An issuer shall have communications policy with the shareholders or investor	Comply  The Bank has made a policy for communication with shareholders as recommended
		2.2. An issuer shall disclose its communications policy to shareholders or investors on its website	Comply  The Bank has met this recommendation



Aspect	Principle	Recommendation	Implementation	
2. Function and Role of the Board of Commissioners	<b>Principle 3:</b> Strengthen the Membership and Composition of the Board of Commissioner	3.1 The composition of the Board of Commissioners shall be determined with due consideration on the issuer's condition	Comply  The Bank has met this recommendation according to its Articles of Association and regulators provisions	
		3.2 The composition of BoC shall be determined with due consideration on diversity of expertise, knowledge and experience	Comply  The Bank has met this recommendation by having referred to relevant regulations	
	<b>Principle 4:</b> Strengthen the Membership and Composition of the Board of Commissioners	4.1 Board of Commissioners shall have a self-assessment policy to evaluate its own Performance	Comply  The Bank has met this recommendation	
		4.2 The self-assessment policy to evaluate the Board of Commissioners shall be disclosed through the issuer's annual report	Comply  The Bank has met this recommendation	
		4.3 Board of Commissioners shall have a policy on to the resignation of any of them is involved in financial crimes	Comply  The Bank has met this recommendation	
		4.4 The Board of Commissioners or the Nomination and Remuneration Committee shall prepare succession policy for in the nomination process of members of the Board of Directors	Comply  The Bank has met this recommendation	
	3. Function and Role of the Board of Directors	<b>Principle 5:</b> Strengthen BoD Membership and Composition	5.1 The size of BoD shall be determined with due consideration on the issuer's condition and effectiveness in decision making	Comply  The Bank has fulfilled this recommendation according to stipulation under its Articles of Association and prevailing regulations
			5.2 The Composition of BoD shall be determined with due consideration on diversity of expertise, knowledge and experience	Comply  The Bank has met this recommendation having referred to prevailing regulations
5.3 Director in charge of Accounting and Finance shall have expertise and knowledge in Accounting			Comply  The Bank has met this recommendation	
<b>Principle 6:</b> Enhance the quality of Implementation of BoD Duties and Responsibilities		6.1 BoD shall have a self-assessment policy on its own performance	Comply  The Board of Directors performance mechanism is conducted by comparing between the Bank's targets and actual achievements, in accordance with the responsibility of the respective members of Board of Directors in accordance with the specified Balance Scorecard	
		6.2 Self-assessment policy to evaluate the Board of Directors performance shall be disclosed in the issuer's annual report	Comply  The Bank has met this recommendation	
		6.3 BoD shall have a policy on the resignation of its members if any of them is involved in financial crime	Explain  The Bank has met this recommendation	

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4. Aspect 4 Shareholders Participation	<b>Principle 7:</b> Enhance Good Corporate Governance Aspects through Stakeholders Participation	7.1 An issuer shall have a policy on insider trading	Comply  The Bank has a Code of Conduct Policy and Behavior Guidelines which prohibits the insider trading
		7.2 An issuer shall have anti-corruption and anti-fraud policy	Comply  The Bank has fulfilled this recommendation with Anti-Corruption Compliance Guidelines in place
		7.3 An issuer shall have policy on supplier or vendor selection and enhanced abilities	Comply  The Bank has met this recommendation
		7.4 An issuer shall have policy on fulfilling creditor rights	Comply  The Bank has met this recommendation
		7.5 An issuer shall have a whistle blowing system	Comply  The Bank has fulfilled the whistle blowing system as has been disclosed in the Bank's annual reports
		7.6 An issuer shall have a policy on providing long-term incentives to the Board of Directors and employees	Comply  The Bank already has a policy on long-term incentives for the Board of Directors and employees as part of the retention program
5. Information Disclosure	<b>Principle 8:</b> Improve the Implementation of Information Disclosure	8.1 The public listed company utilized the Information technology widely aside from the website as an information disclosure media.	Comply  The Bank has fulfilled this recommendation
		8.2 The public listed company's annual report disclose the Ultimate Beneficiary Owner under its shares ownership of the publicly-listed company's at least 5% (five percent), in addition to the disclosing of the ultimate beneficiary under its shares ownership of the public listed company through the main and controlling shareholders	Comply  The Bank has fulfilled this recommendation by disclosing the main and controlling shareholder structure in the annual report.