

**GUIDELINES FOR THE IMPLEMENTATION OF GOOD
CORPORATE GOVERNANCE**

PT BFI FINANCE INDONESIA TBK



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GUIDELINES FOR THE IMPLEMENTATION OF GOOD CORPORATE GOVERNANCE

CHAPTER I – INTRODUCTION

REGULATORY BASIS

1. Financial Services Authority Regulation (POJK) Number 46 of 2024 concerning the Development and Strengthening of Finance Companies, Infrastructure Finance Companies, and Venture Capital Companies
2. POJK Number 48 of 2024 concerning Good Corporate Governance for Finance Institutions, Venture Capital Companies, Microfinance Institutions, and Other Financial Services Institutions
3. POJK Number 35/POJK.05/2018 concerning Business Implementation of Finance Companies, as amended by POJK 7/POJK.05/2022
4. POJK NUMBER 21/POJK.04/2015 concerning the Implementation of Public Company Governance Guidelines
5. OJK Circular Letter NUMBER 32/SEOJK.04/2015 concerning Guidelines for Public Company Governance
6. POJK Number 55/POJK.04/2015 concerning the Establishment and Guidelines for the Implementation of the Work of the Audit Committee
7. POJK Number 56/POJK.04/2015 concerning the Establishment and Guidelines for the Preparation of the Internal Audit Unit Charter
8. POJK Number 32/POJK.04/2014 concerning Corporate Secretary
9. POJK Number 33/POJK.04/2014 concerning the Board of Directors and Board of Commissioners
10. POJK Number 34/POJK.04/2014 concerning the Nomination and Remuneration Committee of Issuers or Public Companies
11. POJK Number 42 of 2024 concerning the Implementation of Risk Management for Finance Institutions, Venture Capital Companies, Microfinance Institutions, and Other Financial Services Institutions
12. POJK Number 8 of 2023 concerning the Implementation of Anti-Money Laundering Programs, Prevention of Terrorism Financing, and Prevention of Funding the Proliferation of Weapons of Mass Destruction in the Financial Services Sector
13. POJK Number 22 of 2023 concerning Consumer and Community Protection in the Financial Services Sector
14. POJK Number 24/POJK.05/2019 concerning Business Plans for Non-Bank Financial Services Institutions
15. POJK Number 51/POJK.03/2017 concerning the Implementation of Sustainable Finance for Financial Services Institutions, Issuers, and Public Companies.
16. Law Number 40 of 2007 concerning Limited Liability Companies
17. DSN-MUI Regulation No. PER-01/DSN-MUI/X/2017 concerning Sharia Supervisory Boards (DPS) in Sharia Financial Institutions (LKS), Sharia Business Institutions (LBS), and Sharia Economic Institutions (LPS) - <https://dsnemui.or.id/rekomendasi-dps/>



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BACKGROUND

Good Corporate Governance is an important factor in carrying out business activities. PT BFI Finance Indonesia Tbk (the Company/Company) always applies the principles of *Good Corporate Governance* (GCG) in all of its business activities as mandated in POJK Number 48 of 2024 concerning Good Corporate Governance for Finance Institutions, Venture Capital Companies, Microfinance Institutions, and Other Financial Services Institutions and pays attention to POJK Number 21/POJK.05/2015 concerning the Implementation of Governance Guidelines Public Company. The Company has prepared Good Corporate Governance Guidelines which are a reference for the Board of Directors, Commissioners, Sharia Supervisory Board and the Company's Employees in carrying out the Company's business activities.

The implementation of good corporate governance is crucial to build public trust and the international community, and is an absolute necessity for the financial services business to grow and develop. There are many different regulations regarding "best practices" that take into account the different legal systems, the structure of the Board of Commissioners, and directors, and business practices in each State.

The Good Corporate Governance Guidelines, which are implemented by the Company, are practical guidelines and objectives for all components at all levels within the Company through the following matters:

- a. Establish strategic objectives and a series of the Company's values communicated by and implemented by all organs of the Company;
- b. Establish clear limits of responsibility and accountability for the Company's organs;
- c. Establish guidelines for the application of ethical standards, values, strategic objectives and supervisory environment;
- d. Provide strong internal control guidelines, including risk management and compliance functions independent of business units and with the implementation of appropriate *check and balance mechanisms*;
- e. Provide specific monitoring instructions for risks, where there is a possibility of a conflict of interest, including business relationships with affiliated parties, Shareholders, Board of Directors, Board of Commissioners and senior management officers.

On December 31, 2012, the supervision of the non-bank financial industry, including finance companies, switched from the Capital Market and Financial Institutions Supervisory Agency (Bapepam-LK) to the Financial Services Authority (OJK). In January 2014, the OJK issued the *Indonesian Corporate Governance Roadmap*.

On November 19, 2014, OJK issued POJK (POJK) Number 30/POJK.05/2014 concerning Good Corporate Governance for Finance Companies. In 2020, POJK Number 20/2014 was amended by POJK Number 29/2020 concerning Amendments to POJK Number 30/POJK.05/2014 concerning Good Corporate Governance for Finance Companies.

On December 31, 2024, POJK Number 48 of 2024 concerning Good Corporate Governance for Finance Institutions, Venture Capital Companies, Microfinance Institutions, and Other Financial Services Institutions was promulgated, and POJK 48/2024 repealed POJK 30/2014.

In accordance with the POJK, the definition of Good Corporate Governance is the structure and

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process used and implemented by the company's organs to increase the achievement of business results goals and optimize company value for all stakeholders in an accountable manner and based on laws and regulations and ethical values.

The principles of Good Corporate Governance in accordance with POJK Number 48/2024 are:

- a. **Openness** , which is openness in the process of taking and disclosing and providing relevant information about the company, which is easily accessible to stakeholders in accordance with laws and regulations in the field of financing as well as standards, principles and practices for the implementation of a sound financing business;
- b. **Accountability** , namely the clarity of the functions and implementation of the accountability of the company's organs so that the company's performance can run transparently, reasonably, effectively, and efficiently;
- c. **Responsibility** is the conformity of the company's management with laws and regulations in the field of financing and ethical values as well as standards, principles and practices for the implementation of a sound financing business;
- d. **Independence** is the state of the company that is managed independently and professionally and free from conflicts of interest and influence or pressure from any party that is not in accordance with laws and regulations in the field of financing and ethical values as well as standards, principles and practices for the implementation of a sound financing business; and
- e. **Fairness** is equality, balance and justice in fulfilling the rights of stakeholders arising based on agreements, laws and regulations and ethical values as well as standards, principles, and practices for the implementation of a sound financing business.

THE IMPORTANCE OF GOOD CORPORATE GOVERNANCE FOR FINANCE COMPANIES

According to the provisions of Article 1 number 2 of POJK Number 47/POJK.05/2020 concerning Business and Institutional Licensing of Finance Companies and Sharia Finance Companies, as amended by POJK Number 46 of 2024 concerning the Development and Strengthening of Finance Companies, Infrastructure Finance Companies, and Venture Capital Companies, Finance Companies is a legal entity that carries out goods and/or services financing activities to the public.

As one of the Financial Institutions, Finance Companies are an important component in a country's economy. Finance Companies in accordance with POJK Number 35/POJK.05/2018 concerning the Business Implementation of Finance Companies, as amended by POJK 7/POJK.05/2022 and POJK 46 of 2024, may finance Financing Lease, Factoring, Consumer Financing and Credit Card Financing, and provide financial services that are important for financing investments, working capital, multipurpose, and/or other financing based on OJK approval. In addition, the Finance Company may also lease operations and/or fee-based activities as long as they do not conflict with laws and regulations in the financial services sector.

The importance of Finance Companies in the economy of a country is reflected in the fact that the financial sector is universally a sector that is strictly regulated and has access to government networks. It is important for every Finance Company to implement an operating



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strategy and develop accountability in the implementation of the company's strategy.

Furthermore, transparency of information related to actual conditions, decision-making and corporate actions is an integral part of accountability and makes it easier for market participants to have enough information to be able to.

The practice that occurs indicates that the supervision of Finance Companies will not function properly without the existence of GCG. This makes the supervision of Finance Companies in Indonesia an important role to ensure that GCG is effective in every Finance Company. Experience in the supervision of Finance Companies underlines the importance of responsibility and accountability as well as a checking mechanism in the operation of Finance Companies. Simply put, an effective GCG will simplify the internal control work and special attention of the Finance Company. GCG can make a substantial contribution to the business collaboration between management and the special attention of the Finance Company.



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PURPOSE AND PURPOSE

The purpose and purpose of this Good Corporate Governance Guidelines is to be used as a practical guide and reference for all components at all levels within the Company in implementing good corporate governance through the following:

- a. Establish strategic objectives and a set of Corporate values that are communicated and implemented to the entire Company's organization;
- b. Establish clear limits of responsibility and accountability for the organs within the Company;
- c. Establish guidelines for the application of ethical standards, values, objectives, strategies and supervisory environments;
- d. Provide strong internal control system guidelines, including internal and external audit functions, with risk management and compliance functions independent of business units and with the implementation of appropriate *checks and balances mechanisms*; and
- e. Provide specific monitoring instructions on risks, where there is a potential conflict of interest, including business relationships with affiliates, shareholders, directors, commissioners and senior management officers.

All of the above is intended to achieve the following:

- a. Optimizing the Company's values to shareholders through increased transparency, independence and equality as well as increased accountability and responsibility, fairness, to help the Company achieve a better level of competition at the national and international levels, as well as through the creation of a conducive environment for the investment of stakeholders, especially debtors/consumers, creditors and/or other stakeholders;
- b. Improve the management of the Company professionally, effectively and efficiently
- c. Improving the management of the organization that is more professional, open and efficient, as well as strengthening all functions and improving the impartiality of the Board of Commissioners, the Board of Directors and the General Meeting of Shareholders in the management of the Company in a professional, effective and efficient manner;
- d. Encourage shareholders, members of the Board of Commissioners and the Board of Directors, in decision-making and actions, to apply high moral values and compliance with all applicable laws and regulations, as well as awareness of the Company's social duties to stakeholders;
- e. Increase the compliance of the Company's organs (including the Sharia Supervisory Board in the Company's Sharia Business Unit) and its subordinates so that in making decisions and carrying out actions based on ethics and high moral values, compliance with laws and regulations and awareness of the Company's social responsibility to stakeholders and environmental sustainability;
- f. Improving the climate conducive to the development of national investment;
- g. Realizing a healthier, reliable, trustworthy, competitive company and meeting the principles of consumer protection; and
- h. Increasing the Company's contribution to the national economy.

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The scope of implementation of the principles of Good Corporate Governance is at least manifested in:

- a. Implementation of the duties and authorities of shareholders and the GMS;
- b. Implementation of the duties and responsibilities of the Board of Commissioners, Board of Directors and Sharia Supervisory Board;
- c. Completeness and implementation of the duties of committees and work units that carry out the Company's internal control functions;
- d. Implementation of compliance functions, internal auditors and external auditors;
- e. Implementation of risk management, including internal control systems;
- f. Handling conflicts of interest;
- g. Implementation of remuneration policy;
- h. Information disclosure;
- i. Business ethics;
- j. Financing policy;
- k. Transparency of the Company's financial and non-financial condition;
- l. The implementation of sustainable finance, including the implementation of social and environmental responsibility; and
- m. Business plan;



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CHAPTER II – VISION, MISSION AND VALUES OF THE COMPANY

COMPANY VISION

The Company's vision is to become a trusted financial solution partner that contributes to improving people's living standards.

COMPANY MISSION

- Providing reliable and effective financial solutions to our customers
- Achieve superior returns on capital and maintain our reputation as a trusted public company
- Provide a community environment that educates the future leaders of the organization
- Establish long-term cooperative relationship with our business partners based on mutual trust and benefit
- Making a positive contribution to society

COMPANY VALUES

The company's values are daily guidelines for the performance of all members of the Board of Commissioners, Board of Directors and employees in carrying out all duties and responsibilities in achieving the goals stated in the Company's Vision and Mission.

1. **Grow and Improve Continuously**

Definition: Always developing yourself to contribute to the Company.

This value is translated into three Main Behaviors that will be a handle in running the Company's business and organization, namely:

- **Learn**
We are always active in seeking knowledge to deliver continuously improving performance.
- **Innovative**
We focus on continuous work process improvement efforts.
- **Proactive**
We grow for the better and play an active role in the progress of the Company.

2. **Respect and Care**

Definition: Fostering mutual respect and caring to maintain a positive work environment.

This value is translated into three Main Behaviors that will be a handle in running the Company's business and organization, namely:

- **Respect**
We are respectful to both internal and external consumers.
- **Positive Solutions**
We provide positive solutions to the needs of internal and external consumers.
- **Care**
We play an active role in improving the quality of life of the community.



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3. **Excellent Service (Extra Service to Internal and External Customers)**

Definition: Providing the best service for internal and external consumer satisfaction.

This value is translated into three Main Behaviors that will be a handle in running the Company's business and organization, namely:

- **Positive Attitude**

We are always friendly and polite in providing services.

- **Responsive**

We provide a fast, precise, responsive, and accurate response.

- **Professional**

We ensure the creation of internal and external consumer satisfaction in accordance with the Company's service standards.

4. **Absolute Integrity**

Definition: Always prioritize integrity in every action to maintain a professional reputation for self and the Company.

This value is translated into three Main Behaviors that will be a handle in running the Company's business and organization, namely:

- **Honest**

We make honesty the foundation of our actions.

- **Consistent**

We ensure the consistency between words and deeds.

- **Obey**

We act in accordance with the Company's Regulations, norms, and ethics in society.

5. **Trust and Team Spirit**

Definition: The spirit of cooperation and mutual trust to achieve common goals.

This value is translated into three Main Behaviors that will be a handle in running the Company's business and organization, namely:

- **Communicative**

We always communicate well and trust each other in our work.

- **Cooperative**

We realize good cooperation with all parties.

- **Synergistic**

We maintain the spirit of togetherness and support each other.

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CHAPTER III – BASIC PRINCIPLES OF CORPORATE GOVERNANCE

Good Corporate Governance (GCG) is the principles that underlie a company's management process and mechanism based on laws and regulations and business ethics. The implementation of GCG in all of the Company's activities is very important. In addition to being a form of accountability and management of the Company's business risks, the implementation of GCG is also directed as a guideline for management and employees to maintain the Company's business continuity in the long term and provide added value for all stakeholders. In particular, one of the efforts to strengthen the financing industry is to improve the quality of GCG implementation for financing companies.

The Company applies GCG principles as the basis for its business management based on laws and regulations and business ethics. GCG is implemented by the Company as a guideline and form of responsibility from the Company's management and employees to all stakeholders, to maintain the Company's long-term sustainability.

The Company is also interested in improving the quality of GCG implementation as a form of its contribution to strengthening the financing business industry in Indonesia. The implementation of good GCG will also support compliance efforts with all applicable regulations, both in general and specifically in the financing industry, as well as support supervision efforts by regulators and other authorities. Therefore, the Company is committed to implementing GCG consistently in the midst of various business developments and challenges faced in the financing industry.

The implementation of good corporate governance in the Company is based on six basic principles:

- 1. Openness**, especially the provision of clear, complete, accurate and timely information;
- 2. Accountability**, in defining the roles, responsibilities, rights and obligations between the Board of Commissioners, the Board of Directors and the Company's shareholders;
- 3. Responsibility**, commitment as a professional to follow all legal and regulatory provisions and act and behave as a good company in general;
- 4. Independence**, the ability of all and every member of the Board of Commissioners, the Board of Directors and employees of the Company to make an objective assessment and free from conflicts of interest and influence or pressure from any party;
- 5. Fairness**, relating to professionalism and policy in decision-making that ensures fair and equal treatment to protect the interests of all shareholders; and
- 6. Integrity**, is a reflection of honesty which is the main foundation of behavior that must be possessed to ensure decision-making that is free from conflicts of interest and puts the interests of the company above personal interests.

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CHAPTER IV – CODE OF ETHICS

EXISTENCE OF THE COMPANY'S CODE OF ETHICS

The Company has a *Code of Conduct* that regulates value policies or norms that are explicitly stated as a standard of conduct that must be complied with by all employees. This Code of Ethics is implemented by always paying attention to the applicable laws and regulations, vision, mission, values, and fifteen main behaviors, business practices; both internal and external to the Company; as well as GCG guidelines.

The Company upholds the trust given by its shareholders, employees, customers and other stakeholders by carrying out business activities in a professional, careful and integrity manner. The business principles contained in the Company's code of ethics establish conduct that is in line with business ethics and conduct ethics.

CONTENTS OF THE CODE OF CONDUCT

The Company's Code of Ethics consists of business ethics and ethics of conduct. Business ethics describes how the Company as a business entity behaves, is ethical, and acts in an effort to balance the interests of the Company with the interests of all stakeholders in accordance with GCG principles and the Company's basic values while maintaining the Company's profitability. Meanwhile, ethics of conduct is a set of value rules that reflect an attitude and commitment in fulfilling the terms of behavior set by the Company in maintaining good name, confidentiality, and other important matters that affect the Company's reputation.

CODE OF ETHICS PRINCIPLES

- a. Uphold integrity, honesty and business ethics in carrying out duties
- b. Must be subject to and comply with applicable laws and regulations
- c. Must be subject to and comply with the Company's regulations and policies
- d. Avoidance of conflicts of interest:
 - i. Conflict of interest is the difference between the economic interests of the Company and the personal economic interests of members of the Board of Directors, members of the Board of Commissioners or major shareholders that may be detrimental to the Company.
 - ii. A potential conflict of interest must be reported to the Company's Management.
- e. All employees of the Company must ensure that confidential information that they know due to their work must be kept confidential.
- f. Every employee of the Company shall ensure that the Company's assets are safeguarded, maintained and utilized in accordance with the Company's interests.
- g. Every employee must respect and respect the human rights of every individual, among other things, respect differences in ethnicity, religion, race, gender, not harassment, not impose one's will by physical or psychological means, and not make people feel oppressed.
- h. Any Member of the Board of Directors, members of the Board of Commissioners, DPS, and employees of the Company are prohibited from:
 - Receiving money, goods, tips, commissions or other facilities, either directly or indirectly from business partners or other parties who have the potential to create a conflict of interest

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- Taking actions aimed at exploiting loopholes in provisions or business ethics that are not in accordance with the Company's principles of sound management, which may increase risks to the Company, and/or bring unreasonable profits
- Offering or providing something, either directly or indirectly to other parties, to influence decision-making related to the Company's business activities, in violation of the provisions of laws and regulations
- Receiving something for his/her personal interests, family, and/or other parties in violation of the provisions of laws and regulations, either directly or indirectly, from anyone, which may affect decision-making related to the Company's business activities

IMPLEMENTATION OF THE CODE OF ETHICS FOR MANAGEMENT AND ALL EMPLOYEES

The Company's Code of Ethics applies to every activity of the Company, from head office to branches, as well as all employees. All authorized elements in the Company are responsible for ensuring that this code of ethics is fully communicated to all employees so that they are strictly adhered to.

IMPLEMENTATION AND ENFORCEMENT OF THE CODE OF ETHICS

In order to support the implementation of the code of conduct, the Company requires the following:

- The code of conduct set by the Company applies to all employees;
- The code of ethics is socialized and understood by all employees;
- Management sets an example for its subordinates in the application of the code of ethics; and
- Non-compliance with the Company's Code of Ethics will result in employees being sanctioned and disciplinary action.

GUIDELINES FOR BUSINESS PRINCIPLES

The essence of the Company's Code of Ethics is further reflected in the Guidelines for Business Principles applicable in the Company, with the following points:

A. CORPORATE RESPONSIBILITY

In the Guidelines for Business Principles, the Company recognizes the existence of five areas of responsibility of the Company, as follows:

1. **To shareholders.** The company will undertake efforts to increase shareholder value based on GCG principles. The Company intends to provide optimal business results by always maintaining the level of return on investment to shareholders, as well as maintaining sufficient funds to drive the Company's growth. The Company highly values the relationship with the shareholders and will provide timely, regular, and reliable information regarding the Company's activities, financial condition, and business results.
2. **To the Customer.** The company is committed to acquiring and retaining customers by providing financing services that provide added value for customers in terms of benefits and costs. This includes the existence of a Consumer Complaint Handling System.
3. **To employees.** The company values employees as a very important resource through a commitment to human resource development. The Company will recruit, hire, provide

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training and promote employees based on their qualifications and abilities. Furthermore, the Company is responsible for creating healthy working conditions and ensuring the safety of employees.

4. **To all stakeholders.** The Company always maintains mutually beneficial relationships with creditors, business partners and other parties with whom the Company does business, and encourages the application of these principles in the conduct of its day-to-day activities.
5. **to the community.** As a member of society, the Company always conducts its business responsibly in respect of the laws and regulations applicable in the place where it conducts business, and strives to ensure that the Company's activities do not violate human rights. The Company's participation, both in making donations and organizing training and other social activities, is intended to improve the quality of life for the surrounding environment and provide direct benefits to all recipients.

B. BUSINESS INTEGRITY

The Company and all its branch offices are required to prioritize honesty, integrity and fairness in all aspects of the company's business and expect the same in relations with all parties with whom the Company does business. All business transactions on behalf of the Company are recorded accurately in accordance with standard operating procedures and are subject to audit. Employees need to put aside their personal needs when running the Company's business. This includes the existence of a *whistleblowing system*.

C. USE AND PROTECTION OF COMPANY ASSETS

The Company ensures that each employee is responsible for the fair use, protection and preservation of the Company's assets and resources. The Company's assets and resources, as well as any opportunities arising from a person's position, are used solely for the purpose of achieving the Company's objectives and not for personal gain. Employees of the Company are prohibited from seeking profit for themselves or others through abuse of office.

D. DISCLOSURE OF INFORMATION

The Company considers information in the field of business strategy to be an important asset for the Company that must be protected against loss, infringement and improper use and disclosure.

E. INSIDER TRADING

The Company will always ensure that all employees comply with insider trading rules. This means that the existence of non-public information that may affect the Company's share price is kept well confidential until announced by the authorized management. Employees who have sensitive information that may affect the Company's share price and related rights, may not make direct or indirect transactions on the Company's shares and related rights. The Board of Commissioners, Board of Directors and all employees are committed to always implementing the Corporate Integrity Pact as best as possible in line with the implementation of strategic policies implemented in achieving sustainable growth.

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F. EMPLOYEE SAFETY, WELL-BEING AND PROTECTION

Occupational safety is a shared responsibility in the company environment. Therefore, every employee is required to actively contribute to preventing and avoiding work accidents, fires, theft, and other incidents that can endanger themselves, colleagues, company assets, and the surrounding environment. In emergency situations, employees are also expected to participate in efforts to overcome various incidents, such as work accidents, fires, floods, theft, or other events that can threaten safety or harm the company.

The company has a strong commitment to preventing and dealing with all forms of sexual violence in the workplace. All forms of harassment, whether physical, non-physical, or electronic-based, will be acted upon in accordance with the applicable laws and regulations. Violations of this policy can lead to sanctions, ranging from written warnings to termination of employment (PHK).

Every employee has the right to submit complaints related to non-conformities in the implementation of company regulations. The complaint can be submitted to the boss or the Human Capital (HC) department to get the best solution in accordance with the procedures and mechanisms that have been set by the company. As a first step, employees should discuss and work to resolve complaints with their superiors directly. If within a certain period of time the complaint has not been resolved, then with the knowledge of the superior, the employee can submit a complaint to the Head of Department, either orally or in writing. If the settlement at this level still does not get a solution, the complaint can be forwarded to the Head of Division or the Board of Directors. If the bipartite process does not result in an adequate settlement, then the company will seek assistance from the local employment agency in accordance with the applicable legal provisions.

The company always respects the human rights of its employees by ensuring the fulfillment of employment rights, including aspects of wages, social protection, occupational health and safety, and career development. In addition, the company also ensures fair employment relations by paying attention to employee status, job placement, and policies related to mutations, promotions, and demotions in accordance with applicable regulations.

The Company is also committed to rejecting all forms of child labor and/or forced labor in its operations. Each individual employed must meet the working age limit in accordance with the provisions of applicable laws and regulations. In addition, the company ensures that the entire workforce works voluntarily, without coercion, threats, or intimidation of any kind.

As a form of creating a safe work environment, companies are required to have Guidelines on Occupational Safety, Health & Environment. In addition, companies are required to form an Occupational Safety and Health Advisory Committee (P2K3) that has been authorized by the Manpower Office in accordance with applicable laws and regulations.

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CHAPTER V – CORPORATE GOVERNANCE STRUCTURE

1. GENERAL MEETING OF SHAREHOLDERS

The GMS is an organ of the Company that has authority that is not given to the Board of Commissioners or the Board of Directors within the limits specified in the law and/or the articles of association.

The GMS is a forum for shareholders to exert influence on the management of the Company's business, as well as a forum for the Board of Commissioners and the Board of Directors to report and account for the implementation of their duties and performance to the Shareholders.

The GMS consists of the Annual GMS (AGMS) and the Extraordinary GMS (EGMS) which must be held in accordance with the applicable laws and regulations and the Company's articles of association.

AUTHORITY OF GMS

The GMS has the authority to, among other things:

1. Establish and implement a fit *and proper test system* in the context of the appointment of the Board of Commissioners and the Board of Directors;
2. Submission of the dismissal plan and receiving the self-defense of members of the Board of Directors and Board of Commissioners who will be dismissed at any time;
3. Appoint and dismiss members of the Board of Commissioners and Board of Directors;
4. Determine the number and composition of the Board of Commissioners and Board of Directors in accordance with applicable laws and regulations;
5. To determine the positions that cannot be concurrently held by members of the Board of Commissioners and the Board of Directors;
6. Determining the division of duties and authorities of members of the Board of Directors;
7. Establish and implement a system for determining salaries, allowances, and incentives for the Board of Commissioners and the Board of Directors;
8. Approving important transactions;
9. Designate an external auditor of the candidate appointed by the Board of Commissioners based on the proposal of the Audit Committee;
10. Deciding on the use of net profit including determining the amount of allowance for the reserve; and
11. Approving the Annual Report and verifying the Annual Calculations that have been audited by external auditors.

SHAREHOLDER RIGHTS

Shareholders have the right to submit agendas in any GMS to be held by the Company, propose the appointment of members of the Board of Commissioners and/or the Company's Board of Directors, especially for actions that require prior approval from shareholders in accordance with the provisions of applicable regulations and prepare notices and summonses for the implementation of the GMS, including the agenda items to be discussed in the GMS.

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Explanations and information related to the GMS include:

1. Information about the agenda and all rights that the Board of Directors will propose at the meeting, so that shareholders can participate fully in the course of the meeting and use their voting rights wisely. If this information is not available at the time of receipt of the notice, then such information and matters must be provided at the Company's office before the date of the relevant meeting;
2. Explanations of other matters related to the agenda of the GMS may be provided before and/or during the GMS;
3. The decision of the GMS must be decided in a transparent and fair manner; and
4. A copy of the Minutes of the GMS shall be distributed to each shareholder upon request, and the minutes of this meeting shall state the positive (and negative) votes cast in connection with a transaction and (the original minutes of the meeting) shall be kept by the Corporate Secretary.

In order to protect the rights of shareholders, matters that may cause fundamental changes in the Company and the rights of shareholders to be decided at the GMS are:

- Changes to the articles of association;
- Sharing of responsibilities between board members;
- Dissolution or closure of the Company;
- Mergers and acquisitions;
- Reduction of capital;
- Use of profits; and
- Changes in the composition of the Board of Commissioners and Board of Directors, and other important matters.

Shareholders are expected to be able to make decisions directly on issues that have a great impact on the Company's business continuity and the rights of shareholders. This is in addition to matters that have been determined to be decided in the GMS in accordance with the applicable laws and regulations.

The decisions of the GMS must be made in a transparent and fair manner. In addition, shareholders must also be informed in advance of the time, location and agenda of the meeting; The time and location of the meeting must be set to facilitate maximum participation of shareholders. Information must be provided to shareholders so that they can adequately study the agenda of the meeting before the GMS.

The shareholders may submit matters to be included in the meeting agenda to the Board of Directors; They can also ask questions and ask for explanations about the agenda of the meeting. The Company guarantees that the opinions of shareholders can be adequately reflected in the GMS. Unless they intend to interfere with the conduct of the GMS or ask repeated questions or ask questions that cannot be justified, shareholders must be given full capacity to be able to ask questions adequately and obtain explanations before making decisions on the agenda of the meeting.

Shareholders must be able to exercise their voting rights, either directly or indirectly, in the simplest way possible. The exercise of voting rights, either through direct or indirect means, has the following two implications: the first is regarding the exercise of a person's voting

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rights, where the shareholders can exercise their voting rights by participating directly in the GMS or through the exercise of their voting rights indirectly through a representative.

FAIR TREATMENT OF SHAREHOLDERS

The shareholders shall be given fair voting rights according to the type and number of shares they hold, and all shareholders shall have equal information about the Company.

1. The shareholders of the Company are entitled to equal treatment so that they can:
 - a. Cast their votes and receive *pari passu dividends* in the amount owned by each shareholder; and
 - b. Obtain complete, accurate and timely data and information.
2. A shareholder can cast one vote for each share he owns, and there should be no infringement of these shareholders' fundamental rights;
3. Shareholders must be protected against unfair actions by *insider trading* and *self-dealing*.

OWNERSHIP AND PURCHASE OF COMPANY SHARES

1. Individuals and/or institutions may purchase the Company's shares directly or through the stock exchange;
2. Each or all members of the management or shareholders of an institution who are already shareholders of the Company are required to meet the requirements set out in the laws and regulations, including the laws and regulations governing the Finance Company;
3. Foreign persons/nationals or institutions; both directly and indirectly; overall can only own up to 85% of the Company's paid-up capital;
4. For shareholders in the form of legal entities, the amount of direct participation in the Company is set at the highest of the shareholders' equity;
5. Shareholders participate in supporting the implementation of the Company's business activities that are healthy, competitive, in accordance with the principles of prudence, risk management, and maintaining the continuity of the Company's business;
6. Shareholders are required to have a commitment to the Company's operational development.

LIMITATIONS FOR SHAREHOLDERS

- Shareholders are prohibited from intervening or interfering in the implementation or operational activities of the Company which are the responsibility of the Board of Directors in accordance with the provisions of the Company's articles of association and the provisions of laws and regulations, and the Board of Directors and the Board of Commissioners must reject such intervention, except in exercising their rights and obligations as the GMS.
- Shareholders are prohibited from utilizing the Company for their personal, family, corporate or business group interests in a manner that is contrary to laws and regulations and fairness in the field of banking and finance.
- The controlling shareholders can coordinate in carrying out business strategies, *corporate plans* and *business plans*;
- The controlling shareholders must avoid conflicts of interest.

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- Supervision by the controlling shareholders can only be carried out through the GMS or coordination in policy and conducting audits in accordance with applicable regulations.
- The controlling shareholder is prohibited from abusing the dominance of shareholding or control thereof which may result in a violation of the principles of governance in the Company.
- The Board of Directors and the Board of Commissioners must reject requests for information about the Company from the controlling shareholders that are not in accordance with the principles of equality and fairness.

RESPONSIBILITIES OF SHAREHOLDERS

The shareholders should try to exercise their voting rights to the extent possible. The controlling shareholders, in addition to exercising their voting rights, shall assume the responsibilities corresponding to their ownership in respect of their exerting influence over the management of the Company.

- The controlling shareholders are required to meet the requirements in accordance with the applicable laws.
- The controlling shareholders are required to meet the capital adequacy of the Finance Company in the manner stipulated by laws and regulations.
- The shareholders, understanding that the exercise of their voting rights affect the management of the Company, must exercise their voting rights in the interests of the Company as far as possible. Shareholders are free to choose the exercise of their voting rights. However, for a healthy and transparent management of the company, a general shareholder must try to exercise all the rights granted to him, such as paying close attention to the implementation of the Company's management and exercising his voting rights.
- The Company's shareholders who serve as members of the Board of Directors, members of the Board of Commissioners, or members of the DPS of the same Company must put the interests of the Company first.

CONTROLLING SHAREHOLDER REQUIREMENTS

The Company's Controlling Shareholders must meet the requirements for financial integrity and reputation and obtain approval from the OJK through the implementation of an assessment of ability and propriety.

Integrity requirements include, among others:

- a. Have never committed a criminal act in the field of financial services and/or economic business;
- b. Have never been convicted of a criminal offense based on a court decision within a maximum period of five years;
- c. Not to violate the commitments that have been agreed with the supervisory and supervisory agencies of the financial services business;
- d. Never commit acts that provide unreasonable benefits to shareholders, members of the Board of Directors, members of the Board of Commissioners, employees or other parties that may harm or reduce consumer rights;
- e. It does not violate the principle of prudence in the field of financial services;
- f. Not listed in the Unpassed List in the banking sector;

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- g. Never commit an act that is not in accordance with his authority or beyond his authority;
- h. Never been declared incapable of exercising his authority; and
- i. Never violate laws and regulations in the field of non-bank financial industry.

Financial reputation requirements include, among others:

- a. Not having bad credit;
- b. Have never been declared bankrupt and have never been a shareholder, member of the board of directors, members of the board of commissioners or members of the representative body of members who have been found guilty of causing a company to be declared bankrupt based on a court decision within the last five years; and
- c. Never been involved in money laundering crimes.

OBLIGATIONS OF CONTROLLING SHAREHOLDERS

- Meet the requirements to pass the ability and propriety test from the OJK in accordance with applicable provisions;
- Exercise its right to elect members of the Board of Commissioners and Board of Directors who have high integrity and are able to manage and control the Company in a healthy manner; and
- Meet the Company's capital needs in accordance with applicable regulations. Shareholders who are unable to meet their capital needs must be willing to relinquish their rights and/or shares to parties who have the ability and/or approve the Company to be merged or merged with another Company.

A. MANAGEMENT

I. FUNCTIONS OF THE BOARD OF DIRECTORS

The Board of Directors is an organ of the Company that is fully responsible for the management of the Company for the interests and purposes of the Company and represents the Company, both in and out of court, in all matters and in all circumstances.

II. MEMBERSHIP OF THE BOARD OF DIRECTORS

- The members of the Board of Directors consist of at least 3 (three) members of the Board of Directors, 1 of whom is appointed as President Director.
- At least 50% of the members of the Board of Directors are Indonesian citizens
- Every proposal for the appointment and/or replacement of members of the Board of Directors to the GMS must pay attention to the recommendations of the nomination and remuneration committee.
- The appointment, dismissal, and/or replacement of members of the Board of Directors prioritizes professional composition, independence, competency suitability, and attention to diversity, which is appropriately needed in the implementation of the duties and responsibilities of the Board of Directors.
- It is prohibited to appoint a Board of Directors who come from active OJK employees/officials or former OJK employees/officials if the person concerned has stopped working from the OJK for less than 6 months.

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III. REQUIREMENTS TO BECOME A MEMBER OF THE BOARD OF DIRECTORS

- a. Have good morals, morals, and integrity;
- b. Capable of performing legal acts;
- c. In the five years prior to appointment and during the term:
 1. Never declared bankrupt;
 2. Have never been a member of the Board of Directors and/or a member of the Board of Commissioners who have been found guilty of causing a company to be declared bankrupt;
 3. Have never been convicted of committing a criminal act that harms the state's finances and/or related to the financial sector; and
 4. Have never been a member of the Board of Directors and/or a member of the Board of Commissioners who during their tenure:
 - i. Never held an annual GMS
 - ii. His responsibility as a member of the Board of Directors and/or a member of the Board of Commissioners has never been accepted by the GMS or has never been accountable as a member of the Board of Directors and/or a member of the Board of Commissioners to the GMS; and
 - iii. Has caused companies that have obtained permits, approvals, or registrations from the OJK not fulfilling the obligation to submit annual reports and/or financial statements to the OJK.
- d. Have a commitment to comply with laws and regulations; and
- e. Have knowledge and/or expertise in the field needed by issuers or public companies.
- f. All members of the Board of Directors must be domiciled in the territory of the Republic of Indonesia
- g. Members of the Board of Directors with foreign nationality are required to have a residence permit and a work permit from an authorized agency.

IV. CONCURRENT BOARD OF DIRECTORS

Members of the Board of Directors are prohibited from holding concurrent positions:

- a. as a DPS or member of the Audit Committee, in the same company;
- b. as a member of the board of directors and/or executive officers of other companies and/or institutions;
- c. as a member of the Board of Commissioners in more than 2 other companies and/or institutions;
- d. in other positions that may cause a Conflict of Interest in the performance of duties as a member of the Board of Directors; and/or
- e. in other positions in accordance with the provisions of laws and regulations.

The above prohibition does not include dual positions in the case of members of the Board of Directors:

- a. responsible for the supervision of the Company's participation in the subsidiary company, which carries out the functional duties of being a member of the board of commissioners in a subsidiary company controlled by the Company (must obtain the approval of the Board of Commissioners);
- b. is an association administrator who carries out functional duties as a member of the board of commissioners there are subsidiaries controlled by the association

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- c. is an association administrator who carries out functional duties as a board of commissioners in the institution based on the appointment of the OJK; and/or
- d. hold a position in a non-profit organization or institution (must be reported to the Board of Commissioners),

as long as the position does not result in the person concerned neglecting the implementation of duties and authorities as a member of the Board of Directors, and making a statement to maintain integrity, avoid any form of Conflict of Interest, and avoid actions that may harm the Company and/or cause the Company to violate the principle of prudence.

The obligation to fulfill the prohibition of dual positions The Board of Directors is effective from December 31, 2027, members of the Board of Directors who have held dual positions beyond the limit before the obligation to fulfill the prohibition of dual positions can continue to serve until the term of office of the concurrent position ends.

V. ETHICS OF THE BOARD OF DIRECTORS

1. Ethics Related to Exemplary

The Board of Directors encourages the creation of ethical behavior and upholds ethical standards in the Company. One way is to make herself a good role model for employees.

2. Ethics Related to Compliance with Laws and Regulations

The Board of Directors complies with the applicable laws and regulations, articles of association, and Good Corporate Governance Guidelines as well as the Company's policies that have been set.

3. Ethics Relating to Enterprise Opportunities

The Board of Directors is prohibited from:

- a. Taking the Company's business opportunities for its own benefit;
- b. Using the Company's assets, the Company's information or its position as a Board of Directors for personal interests outside of the provisions of applicable laws and regulations and Company policies; and
- c. Competing with the Company, namely using knowledge/information from within (*inside information*) to gain benefits for interests other than the interests of the Company.

4. Ethics Related to Information Disclosure and Confidentiality

The Board of Directors discloses information in accordance with the provisions of applicable laws and regulations and always maintains the confidentiality of the information entrusted to it in accordance with the provisions of laws and regulations and/or the provisions of the Company.

5. Ethics Related to Conflicts of Interest

Ethics related to conflicts of interest include, among others:

- 1. The Board of Directors always avoids conflicts of interest in accordance with applicable laws and regulations.
- 2. The Board of Directors shall not use the position for personal benefit or for the benefit of any person or other party that is contrary to the interests of the Company.

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3. The Board of Directors is required to fill out the Special Register containing his and/or his family's share ownership in other companies, including if he does not have share ownership, and periodically updates (*updating*) *at the end of each year* and is obliged to notify the Company if there are any changes in data, in accordance with the applicable laws and regulations.
4. In the event of a conflict of interest, the relevant members of the Board of Directors may not be involved in the Company's decision-making process related to the case.
5. Guided not to use the position for personal interests or for the interests of other persons or parties that are contrary to the interests of the Company.
6. Avoid any activity that can affect his independence in carrying out his duties.
7. Disclose in the event of a conflict of interest, and the relevant members of the Board of Directors must not be involved in the Company's decision-making process related to such matters.
8. Comply with applicable laws and regulations, including by not engaging in *insider trading* for personal gain.

6. Ethics Relating to Personal Gain

The Board of Directors is prohibited from taking personal benefits from the Company's activities, other than the salary, allowances and other facilities he receives as a member of the Company's Board of Directors.

7. Business Ethics and Anti-Corruption

Members of the Board of Directors are prohibited from accepting, either directly or indirectly, anything of value and value from the customer in order to influence or in return for what he has done and other actions.

VI. DUTIES AND OBLIGATIONS OF THE BOARD OF DIRECTORS

1. Duties and Responsibilities of the Board of Directors

The primary duties and responsibilities of the Board of Directors are to safeguard the Company's assets and provide an appropriate return on the investments of shareholders, also while taking into account the interests of other stakeholders. These responsibilities include, among others, the following:

- a. Develop the Company's vision, mission and core values as well as the Company's strategic plan consolidated in the business budget;
- b. Build a strong organizational structure and clearly define the functions of each work unit and manage human resources effectively;
- c. Establish a system for internal control and risk management mechanisms that ensure the implementation of internal audit functions across the management ranks, consistent with approved policies and procedures; and
- d. Managing the interests of the Company's stakeholders.
- e. Making decisions in accordance with the guidelines and work rules are binding and are the responsibility of all members of the Board of Directors
- f. Responsible for compliance with the implementation of the provisions of laws and regulations, including:
 - Consumer and Community Protection.
 - Improving Financial Literacy and Inclusion in the Financial Services Sector for

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Consumers and the Community.

2. Obligations of the Board of Directors

- a. Comply with the provisions of laws and regulations, articles of association, and other internal regulations of the Company in carrying out its duties;
- b. Managing the Company in accordance with its authority and responsibilities in good faith and with the Principle of prudence;
- c. Accountable for the implementation of its duties to shareholders through the GMS;
- d. Ensuring that the Company pays attention to the interests of all parties, especially the interests of the Debtor, recipients, consumers, business partners, depositor customers, creditors, funders, venture fund investors, and/or other Stakeholders in good faith and with the principle of prudence in accordance with the
- e. Provisions of laws and regulations, articles of association, and/or resolutions of the GMS;
- f. Ensure that information about the Company is provided to the Board of Commissioners accurately, relevantly, and in a timely manner;
- g. Ensure that information about the Company is provided to DPS accurately, relevantly, and in a timely manner; and
- h. Assist and provide facilities and/or resources for the smooth implementation of the duties and authorities of the Company's organs and DPS
- i. Have guidelines and work rules that are binding for each member of the Board of Directors

3. Prohibition on the Board of Directors

- a. Receiving, either directly or indirectly, something valuable and valuable from other parties who influence or in return for what they have done.
- b. Utilizing his position in the Company where the member of the Board of Directors serves for the benefit of his or her personal, family, and/or other parties that may harm or reduce the profits of the Company where the member of the Board of Directors serves;
- c. Taking and/or receiving personal benefits from the Company in which the members of the Board of Directors serve in addition to the remuneration and facilities stipulated by the resolution of the GMS;
- d. Fulfilling shareholder requests related to the Company's operational activities in which members of the Board of Directors serve other than those that have been determined based on the resolution of the GMS; and
- e. Giving general power of attorney to other parties resulting in the transfer of duties and functions of the Board of Directors
- f. Use individual advice and/or professional services except:
 1. for projects of a special nature;
 2. based on a clear employment contract;
 3. carried out by an Independent Party that has certain technical knowledge with adequate skill qualification standards to work on a special project as referred to in point 1;
 4. carried out by a party that does not occupy a structural position in the Company; and

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5. carried out by parties who do not have the authority to make operational decisions of the Company.
- g. Use individual advisors and/or professional services as experts or consultants except for the use of individual advisors and/or professional services with the following conditions:
 1. For projects that are special;
 2. Based on a clear employment contract
 3. To be carried out by an Independent Party who has certain technical knowledge with adequate standards of expertise to work on projects of a special nature as intended for projects of a special nature
 4. Carried out by parties who do not occupy structural positions in the Company
 5. Implemented by a party that does not have the authority to make the Company's operational decisions

4. Related to Business Ethics and Anti-Corruption

- a. The Board of Directors is required to sign an Integrity Pact for transactional actions that require the approval of the Board of Commissioners, and/or the GMS.
- b. Report to the Company regarding the shares owned by the relevant members of the Board of Directors and/or their families in the Company and other companies to be subsequently recorded in a special list.

5. Related to Internal Control System and Internal Audit

- a. The Board of Directors is obliged to establish policies on an effective Internal Control System to secure the Company's investments, business activities and assets.
- b. Evaluate the implementation of risk management according to the set criteria.
- c. Carrying out control activities, which are actions carried out in a process of controlling the Company's activities at each level and unit in the Company's organizational structure, including regarding authority, authorization, verification, reconciliation, assessment of work performance, division of duties and security of the Company's assets.
- d. Implementing an information and communication system, which is a process of presenting reports on operational, financial, and compliance with the provisions and regulations applicable to the Company.
- e. Carrying out *monitoring* is the process of assessing the quality of the internal control system including the internal audit function at each level and unit of the Company, so that it can be carried out optimally, provided that irregularities that occur are reported to the Board of Directors and a copy of it is submitted to the Board of Commissioners.
- f. Make *Standard Operating Procedures (SOP)* for each of the above items, adjusted to the needs of the Company.
- g. It is mandatory to prepare/build an Internal Control System so that it is able to direct and guide subordinates in the implementation of their duties to achieve the goals and objectives of the organization that have been set, as well as being able to prevent irregularities, leakage and waste of organizational finances, and even be able to detect and prevent the occurrence of corruption and collusion.

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- h. To ensure an effective internal control system, the President Director is structurally assisted by all Structural Officials up to the level of Heads of Departments/Units.
- i. Establish the Internal Audit Unit Charter which is a further elaboration of the duties and functions of the Internal Audit Unit in accordance with the Resolution of the Board of Directors.
- j. Encourage the creation of a disciplined and structured internal control environment within the Company, consisting of:
 - 1. Integrity, ethical values and employee competence;
 - 2. Management philosophy and style;
 - 3. the way in which management carries out its authority and responsibilities;
 - 4. Organizing and developing human resources; and
 - 5. Attention and direction carried out by the Board of Directors.
- k. Follow up on audit findings or audits and recommendations of the Company's internal audit work unit, external auditors, results of OJK Supervision, and/or results of supervision of other authorities and institutions.

6. Related to Information Disclosure and Confidentiality

- a. The Board of Directors is obliged to disclose important information in the Annual Report and Financial Statements to other parties, in accordance with applicable laws and regulations in a timely, accurate, clear and objective manner.
- b. Ensure that information about the Company can be obtained by the Board of Commissioners in a timely, measurable and complete manner.
- c. Reveal the extent of implementation of the principles of Good Corporate Governance.
- d. Deliver meetings held in one financial year (internal meetings or joint meetings with the Board of Commissioners).
- e. Confidential information obtained while serving as a member of the Company's Board of Directors is required to remain confidential in accordance with applicable laws and regulations.
- f. In terms of maintaining the confidentiality of the Company's information, the Board of Directors is required to prioritize the interests of the Company over the interests of individuals or groups.

7. Related to Strategies and Work Plans

- a. The Board of Directors prepares the Company's vision, mission, objectives, strategy and culture.
- b. Strive and ensure the implementation of the Company's business and activities in accordance with the purpose and objectives as well as business activities.
- c. Prepare in a timely manner the Company's development plan, Annual Work Plan, including other plans related to the implementation of the Company's business and activities and submit them to the Board of Commissioners for approval.
- d. Prepare a draft Long-Term Plan which is a strategic plan that contains the Company's goals and objectives to be achieved.
- e. Strive to achieve the long-term goals listed in the Long-Term Plan.
- f. Strive to achieve the short-term goals listed in the Annual Work Plan.

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8. Related to Risk Management

The Board of Directors is obliged to develop a risk management system and implement it consistently.

The risk management system developed consists of the following stages:

- a. Risk Identification, which is a process to recognize relevant and potential types of risks.
- b. Risk Measurement, which is a process to measure the magnitude and probability of the results of risk identification.
- c. Preparation of a Risk Profile, which is a process to describe the magnitude of impact and probability of each type of risk, based on the results of risk measurement.
- d. Risk Handling, which is the process of determining efforts that can be made to handle potential risks.
- e. Risk Monitoring, which is a process to monitor various factors that are suspected of leading to the emergence of risks.
- f. Risk evaluation, which is the process of assessing the adequacy of the overall risk management activities carried out within the Company.
- g. Reporting and Disclosure, which is the process to report the risk management system implemented by the Company and its disclosure to relevant parties in accordance with applicable regulations.

9. Related Relations with Stakeholders

- a. Ensure the guaranteed rights of *stakeholders* arising based on applicable laws and regulations and/or agreements made by the Company with employees, service users, suppliers and other *stakeholders*.
- b. Ensure the Company performs its social responsibility.

10. Related to Other Duties and Obligations

Carry out other obligations in accordance with the provisions stipulated in the articles of association and laws and regulations.

VII. AUTHORITY OF DIRECTORS

The Board of Directors has the authority to carry out the Company's business and operational activities as follows:

1. Carry out business development;
2. Representing the Company in and out of court, in accordance with the provisions of laws and regulations, articles of association, and resolutions of the GMS;
3. Regulating provisions on personnel including appointment, mutation, succession and dismissal, determination of salary, post-employment benefits and old-age guarantees, as well as other income based on applicable laws and regulations;
4. Appoint and dismiss a Corporate Secretary; and
5. Establish strategic and operational decisions that contain risks and uncertainties.

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VIII. RIGHTS OF DIRECTORS

1. Each member of the Board of Directors has the right to resign from his position by notifying the Company in writing of his intention no later than 30 days before the date of his resignation.
2. Each member of the Board of Directors has the right to defend the GMS if the GMS dismisses a member of the Board of Directors at any time.
3. The Board of Directors has the right to appoint one or more people as its representatives or proxies to perform certain legal acts by granting special powers of attorney as stipulated in the power of attorney.
4. The Board of Directors has the right to represent the Company in and out of Court in all matters and in all circumstances and to perform all actions and deeds, both regarding management and ownership, as well as binding the Company with other parties and other parties with the Company, with the restrictions stipulated in the Company's articles of association.
5. Members of the Board of Directors are entitled to salary and/or allowances whose amount is determined by the GMS and such authority can be delegated to the Board of Commissioners.

IX. BOARD MEETING

1. Board of Directors Meeting Policy

1. The Board of Directors is required to hold regular meetings of the Board of Directors at least 1 time in 1 month.
2. Each member of the Board of Directors is required to attend at least 50% of the number of meetings of the Board of Directors within a period of 1 year.
3. On a regular basis, the Board of Directors holds joint meetings with the Board of Commissioners to discuss the implementation of decisions made at previous meetings, risk management, financial performance and other matters that may have an impact on the Company's financial performance and operational activities.

2. Mechanism of Attendance and Validity of Meetings

1. The Board of Directors meeting is chaired by the President Director. In the event that the President Director is unable to attend or is unable to attend for any reason, which does not need to be proven to other parties, the meeting of the Board of Directors shall be chaired by a member of the Board of Directors who is elected by and from among the members of the Board of Directors present.
2. A member of the Board of Directors may be represented in a meeting of the Board of Directors only by one other member of the Board of Directors by virtue of a power of attorney.
3. In the event that the power of attorney does not grant special power, then the granting of power of attorney is absolute.
4. The Meeting of the Board of Directors is valid and has the right to make a binding decision if more than 1/2 (one-half) part of the total number of members of the Board of Directors is present or represented at the meeting.

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5. The meeting of the Board of Directors shall be attended by members of the Board of Directors, unless otherwise required it may also be attended by an officer at one level below the Board of Directors or other officials assigned by the President Director.
6. Meetings can be conducted face-to-face by utilizing information technology
7. Must be in accordance with the mechanism stated in the Company's articles of association and the provisions of laws and regulations.

3. Discussion and Decision Making Process

1. All decisions of the Board of Directors are based on good faith, rational consideration and have gone through an in-depth investigation into various relevant matters, sufficient information and free from conflicts of interest and made independently by each Director.
2. The decision of the Board of Directors meeting is based on deliberation for consensus. In the event that a decision based on deliberation for consensus is not reached, the decision is taken by voting based on a vote of approval of more than 1/2 (one half) part of the number of valid votes cast in the meeting.
3. In order to maintain independence and objectivity, any member of the Board of Directors who has a conflict of interest in a proposed transaction, contract or contract, to which the Company is a party, is required to disclose the matter and not participate in the voting for decision-making. This fact must be recorded in the minutes of the meeting.
4. Each member of the Board of Directors who is present has the right to cast 1 vote and 1 additional vote for each other member of the Board of Directors that he represents.
5. Blank votes and invalid votes are considered non-existent and are not counted in determining the number of votes cast.
6. The Board of Directors may also make a valid decision without holding a meeting of the Board of Directors, provided that all members of the Board of Directors give their written consent and sign the agreement. The decision is taken by means of teleconference, video conference, or other electronic media means that allow all members of the Board of Directors to see and hear each other directly and participate, where this has the same force as the decision legally taken at the meeting of the Board of Directors.
7. Decisions related to strategic aspects must be made through the mechanism of the Board of Directors' meetings. These strategic aspects include all actions of the Board of Directors that are required to obtain the approval of shareholders after obtaining a written recommendation from the Board of Commissioners, as well as all actions of the Board of Directors that are required to obtain written approval from the Board of Commissioners.
8. Members of the Board of Directors who are not present or do not give power of attorney to other members of the Board of Directors are deemed to agree to all decisions taken at the meeting of the Board of Directors.

4. Minutes of the Board of Directors Meeting

1. The minutes of the meeting of the Board of Directors are made for each meeting of the Board of Directors and in the minutes of the meeting *must include a dissenting opinion* from what was decided in the meeting of the Board of Directors (if any).

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2. The minutes of the meeting describe the dynamics of the meeting, which contain the matters discussed (including statements of disagreement by the members of the Board of Directors, if any) and the matters decided. It is important to be able to see the decision-making process and at the same time can be a legal document to determine accountability from the results of a meeting decision. For this reason, the minutes of the meeting include:
 1. The place, date and time of the meeting was held;
 2. The agenda discussed;
 3. Attendance list;
 4. The duration of the meeting time;
 5. Various opinions contained in the meeting;
 6. Decision-making process; and
 7. The decision taken.
3. Minutes of the Board of Directors meeting may be made and documented by the Corporate Secretary, including storing and distributing to meeting participants.
4. Each member of the Board of Directors is entitled to receive a copy of the minutes of the meeting of the Board of Directors, regardless of whether the member of the Board of Directors is present or absent from the meeting of the Board of Directors.
5. A copy of the minutes of the Board of Directors Meeting must be submitted to all Board of Directors no later than 7 days after the Meeting is held.
6. Within a period of 14 days from the date of submission of the minutes of the meeting, each member of the Board of Directors who is present and/or represented at the relevant Board of Directors meeting is obliged to submit his/her approval or objection and/or proposal for improvement, if any, of what is stated in the minutes of the meeting of the board of directors to the chairman of the meeting of the Board of Directors.
7. If objections and/or suggestions for improvements to the minutes of the meeting are not received within that period, then it can be concluded that there are indeed no objections and/or improvements to the minutes of the meeting of the Board of Directors concerned.
8. The minutes of the meeting that have been revised (if any) and signed by all members of the Board of Directors who attend the meeting, shall be submitted to all the Board of Directors no later than seven days after the revised minutes of the meeting are signed.
9. The original minutes of the meeting of the Board of Directors are kept and maintained by the Corporate Secretary.
10. The original power of attorney is kept by the Corporate Secretary and a copy of it is submitted to the Board of Commissioners for storage and maintenance.
11. The number of meetings of the Board of Directors that have been held and the number of attendance of each member of the Board of Directors must be included in the report on the implementation of Good Governance.

J. PERFORMANCE EVALUATION OF THE BOARD OF DIRECTORS

1. Board of Directors Performance Evaluation Policy

The performance of the Board of Directors and members of the Board of Directors will be evaluated by the Board of Commissioners. In general, the performance of the Board of

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Directors is determined based on the duties and obligations listed in the applicable laws and regulations and the Company's articles of association.

The results of the evaluation of the overall performance of the Board of Directors and the performance of each individual member of the Board of Directors will be an integral part of the compensation scheme and the provision of incentives for members of the Board of Directors.

The results of the performance evaluation of each individual member of the Board of Directors is one of the basis for consideration, especially for shareholders, for the dismissal and/or reappointment of the relevant member of the Board of Directors. The results of the performance evaluation are a means of assessment and improvement of the effectiveness of the Board of Directors.

2. Criteria for Evaluating the Performance of the Board of Directors

The criteria for evaluating the performance of the Board of Directors are outlined in the *Key Performance Indicator* (KPI). The performance criteria of the Board of Directors collegial as well as individuals based on the proposal of the Nomination and Remuneration Committee (if formed) or other committees that have nomination and remuneration functions are submitted by the Board of Commissioners to shareholders for approval. The KPIs of the Board of Directors include, at least:

1. The level of attendance at the meeting of the Board of Directors and the joint meeting with the Board of Commissioners;
2. Contribution to the Company's business activities;
3. Involvement in specific assignments;
4. Commitment to advancing the interests of the Company;
5. Compliance with applicable laws and regulations and the Company's policies;
6. Achievement of the Company's targets as stated in the Annual Work Plan and Management Contract; and
7. Performance achievement according to individual targets that have been set.

A. BOARD OF COMMISSIONERS

A. FUNCTIONS OF THE BOARD OF COMMISSIONERS

The Board of Commissioners is one of the organs of the Company that functions to supervise in accordance with the articles of association and provide advice to the Board of Directors in carrying out the management of the Company. The Board of Commissioners also has the task of monitoring the effectiveness of GCG practices implemented by the Company.

There are two levels of the Supervisory Functions of the Board of Commissioners:

- **Performance Level**, which is the function of the Board of Commissioners to supervise by providing advice to the Board of Directors and submitting proposals in the GMS.
- **Conformance Level**, which is in the form of the implementation of supervision activities at the next stage to ensure the fulfillment of the provisions in the applicable laws and regulations and articles of association.

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B. MEMBERSHIP OF THE BOARD OF COMMISSIONERS

- The members of the Board of Commissioners consist of at least 3 (three) people, one of whom is appointed as President Commissioner.
- The Board of Commissioners consists of Commissioners and Independent Commissioners. If the members of the Board of Commissioners are more than 2 (two) people, the number of Independent Commissioners is at least 30% or one-third of the total number of members of the Board of Commissioners.
- Any proposal to replace and/or nominate a member of the Board of Commissioners in the GMS takes into account the recommendations of the Nomination and Remuneration Committee.
- Each member of the Board of Commissioners is required to conduct an assessment of ability and propriety in accordance with the POJK regarding the assessment of ability and propriety.
- Former members of the Board of Directors or executive officers of the Company or parties with ties to the Company, which may affect their ability to act independently, cannot become Commissioners or Independent Commissioners of the Company, before undergoing a *cooling off period* for the last 6 months.
- At least 50% of the members of the Board of Commissioners must be domiciled in the territory of the Republic of Indonesia
- Members of the Board of Commissioners of foreign nationality who are domiciled in the territory of the Republic of Indonesia are required to have a residence permit and a work permit from an authorized agency.
- The appointment, dismissal, and/or replacement of members of the Board of Commissioners prioritizes professional composition, independence, suitability of competencies, and attention to diversity, which is appropriately needed in the implementation of the duties and responsibilities of the Board of Commissioners.
- It is prohibited to appoint members of the Board of Commissioners who are from active OJK employees/officials or former OJK employees/officials if the person concerned stops working from the OJK for less than 6 months
- At least 50% of the members of the Board of Commissioners are Indonesian citizens.
- As of December 31, 2026, the number of members of the Board of Commissioners is at most equal to the number of members of the Board of Directors.

The Independent Commissioner is obliged to meet the following requirements:

- a. Is not a person who works or has the authority and responsibility to plan, lead, control, or supervise the Company's activities within the last 6 months;
- b. Do not have shares, either directly or indirectly, in the Company;
- c. Not having an affiliation with the Company, members of the Board of Commissioners, members of the Board of Directors, DPS or major shareholders of the Company; and
- d. It does not have a direct or indirect relationship related to the Company's business activities.
- e. Understand the provisions of laws and regulations in the field of Financing and other relevant laws and regulations;
- f. Have a good knowledge of the financial condition of the Company where the Independent Commissioner serves;
- g. Have Indonesian citizenship; and

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- h. Domiciled in Indonesia.

C. CONCURRENT POSITION OF THE BOARD OF COMMISSIONERS

Members of the Board of Commissioners are prohibited from holding concurrent positions:

- a. as a member of the board of directors and/or executive officers of other companies and/or institutions if they have served as members of the Board of Commissioners of 2 other companies and/or institutions
- b. as a member of the board of directors and/or executive officers of more than 1 company and/or other institution if he has served as a member of the Board of Commissioners of 1 other company and/or institution;
- c. as a member of the Board of Commissioners in more than 2 other companies and/or institutions;
- d. in other positions that may cause a Conflict of Interest in the performance of duties as a member of the Board of Commissioners; and/or
- e. in other positions in accordance with the provisions of laws and regulations.

The above prohibition does not include dual positions in the following cases:

- a. a non-independent member of the Board of Commissioners carrying out the functional duties of the Company's shareholders in the form of a legal entity becoming a member of the board of commissioners of a subsidiary company in its business group;
- b. members of the Board of Commissioners are the administrators of the association who carry out functional duties as members of the board of commissioners in subsidiaries controlled by the association;
- c. members of the Board of Commissioners are the administrators of the association who carry out the functional duties of being the board of commissioners in the Institution based on the appointment of the OJK; and/or
- d. members of the Board of Commissioners hold positions in non-profit organizations or institutions,

as long as the position does not result in the person concerned neglecting the exercise of his duties and authority as a member of the Board of Commissioners, and making a statement to maintain integrity, avoid any form of Conflict of Interest, and avoid actions that may harm the Company and/or cause the Company to violate the principle of prudence.

The obligation to fulfill the prohibition of dual positions of the Board of Commissioners is effective from December 31, 2027, members of the Board of Commissioners who have held dual positions beyond the limit before the obligation to fulfill the prohibition of dual positions is enforced, can continue to serve until the term of office of the concurrent position ends.

D. DUTIES AND GENERAL GUIDELINES FOR THE SUPERVISION OF THE BOARD OF COMMISSIONERS

- 1. The Board of Commissioners supervises the Company's management policies and advises the Board of Directors in good faith, responsibility and prudence.
- 2. In carrying out supervision, the Board of Commissioners acts as a board and cannot act independently but based on the collective decision of all members of the Board of Commissioners.
- 3. In carrying out supervision, the Board of Commissioners is not allowed to carry out executive duties that are the authority of the Board of Directors except in certain

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- circumstances for a certain period of time based on the articles of association or resolutions of the GMS.
4. Supervision is carried out on decisions that have been taken (*ex-post facto*) and/or decisions to be taken (*preventive basis*).
 5. Supervision is carried out not only by receiving information from the Board of Directors or GMS, but can also be done by taking other actions according to information from other sources that are accurate and accountable, where these actions are carried out collectively.
 6. Supervision is carried out not only approving or disapproving actions that require the approval of the Board of Commissioners, but supervision is carried out by covering all business and corporate aspects of the Company.
 7. Ensure that the Company's Annual Report contains information about the identity of the members of the Board of Commissioners, their main occupations, the position of members of the Board of Commissioners in other companies, the position of members of the Board of Commissioners as members of the Committee in the Company or other companies including meetings held in one financial year (meetings of the Board of Commissioners or joint meetings with the Board of Directors), as well as the total honorarium received from the Company and other information as stipulated in the applicable laws and regulations.
 8. Ensure that the Board of Directors has followed up on audit findings and recommendations from the Company's internal audit work unit, external audits, OJK supervision results and/or the results of supervision of other authorities.
 9. To carry out duties, authorities, and responsibilities in good faith and with the principle of prudence;
 10. Supervise the management policy and the running of management in general carried out by the Board of Directors for the benefit of the Company and in accordance with the Company's intentions and objectives;
 11. Prepare a report on the activities of the Board of Commissioners which is part of the report on the implementation of Good Governance;
 12. Direct, monitor, and evaluate the effectiveness of the implementation of Good Governance, risk management, compliance, and internal audits;
 13. Giving approval in the case of DPS requires the assistance of committee members whose organizational structure is under the Board of Commissioners; and
 14. Ensure effective, precise, and fast decision-making and be able to act independently in carrying out tasks.
 15. Report to the OJK no later than 10 working days from the discovery of a violation of the provisions of laws and regulations in the financial sector and related companies and/or circumstances or estimated circumstances that may endanger the Company's business continuity.
 16. Have guidelines and work procedures that are binding for each member of the Board of Commissioners

E. PROHIBITION OF THE BOARD OF COMMISSIONERS

1. Utilizing his position in the Company where the member of the Board of Commissioners serves for the benefit of his or her personal, family, and/or other parties that may harm or reduce the profits of the Company where the member of the Board of Commissioners serves;

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2. Taking and/or receiving personal benefits from the Company in which the members of the Board of Commissioners sit, in addition to the remuneration and facilities determined by the resolution of the GMS; and
3. Interfere in the Company's operational activities which are the responsibility of the Board of Directors.

F. ETHICS OF THE BOARD OF COMMISSIONERS

1. Ethics Related to Exemplary

- The Board of Commissioners encourages the creation of ethical behavior and upholds ethical standards in the Company, one of the ways is by making itself a good example for the Company's Board of Directors and employees.
- The Board of Commissioners meets the requirements of ability and integrity so that the implementation of supervisory functions and providing advice to the Board of Directors for the benefit of the Company can be carried out properly.
- Carrying out duties with trust, high dedication, upholding honesty as the highest value, namely being honest in expressing one's opinions, both verbally and in writing, as well as in attitudes and actions.
- Tolerance in attitudes and actions, politeness in expressing opinions, both verbally and in writing.
- Respect the decision of the GMS.
- Have an orientation to provide added value to the Company.
- Continuously improve his knowledge and understanding of issues related to supervision and providing advice to the Board of Directors in the management of the Company.
- Take a stand, express opinions, and act as a person, clearly and unequivocally for the benefit of the Company.
- Taking attitudes, opinions and actions based on the elements of objectivity, professionalism and independence for the benefit of the Company which is balanced with the interests of *stakeholders*.
- In carrying out its duties and obligations, it puts the interests of the Company as a whole, above personal interests.

2. Ethics Related to Compliance with Laws and Regulations

The Board of Commissioners is required to comply with applicable laws and regulations, the Articles of Association, and GCG Guidelines as well as the Company's policies that have been set.

3. Ethics Relating to Enterprise Opportunities

During his tenure, the Board of Commissioners is not allowed to:

- a. Utilize the Company for the benefit of himself, his family, his business group and/or other parties that may harm or reduce the Company's profits;
- b. Using the Company's assets, the Company's information or his position as a member of the Board of Commissioners for personal or other personal interests, which is contrary to the provisions of applicable laws and regulations and the Company's policies.

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4. Ethics Related to Information Disclosure and Confidentiality

The Board of Commissioners discloses information in accordance with the provisions of applicable laws and regulations and always maintains the confidentiality of the Company's confidential information entrusted to it in accordance with the provisions of the applicable laws and regulations and the Company's policies.

5. Ethics Related to Conflicts of Interest

The definition of conflict of interest is a certain condition where the interests of the members of the Board of Commissioners conflict with the interests of the Company to achieve profits, increase value, achieve the vision and carry out the mission and direction of the GMS, which will ultimately be detrimental to the Company. For this reason, the members of the Board of Commissioners should always:

- a. Avoid conflicts of interest;
- b. Fill out the Special List containing his/her and or his family's shareholdings in other companies, including if they do not have ownership of the Company's shares, and periodically update (*updating*) *at the end of each year* and are obliged to notify the Company if there are any changes in data, in accordance with the applicable laws and regulations;
- c. Be guided not to use the position for personal interests or for the interests of other persons or parties that are contrary to the interests of the Company;
- d. Avoid any activity that may affect his independence in carrying out his duties;
- e. To make disclosures in the event of a conflict of interest, and the relevant members of the Board of Commissioners must not be involved in the Company's decision-making process related to such matters;
- f. Not responding to requests from any party and for any reason, either directly from certain parties related to donation requests, including those related to the procurement of goods and services in the Company; and
- g. Comply with applicable laws and regulations, including by not engaging in *insider trading* for personal gain.

6. Ethics Relating to Personal Gain

The Board of Commissioners is prohibited from taking personal profits from the Company's activities, other than the salary and facilities received as a member of the Board of Commissioners, as determined by the shareholders.

7. Business Ethics and Anti-Corruption

- a. A member of the Board of Commissioners shall not receive, either directly or indirectly, anything of value from another party to influence or in return for what he has done.
- b. All rewards, gifts and donations received by members of the Board of Commissioners must be reported to the Board of Commissioners.
- c. Members of the Board of Commissioners are not allowed to give gifts and other forms of gifts to certain parties that may influence the decision-making process.

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G. DUTIES AND AUTHORITIES OF THE BOARD OF COMMISSIONERS

In general, the Board of Commissioners is responsible for the following:

1. Evaluate and approve the overall business strategy, annual budget, risk management policy, and other actions of the Board of Directors that require the approval of the Board of Commissioners as stipulated in the Company's articles of association;
2. Ensure that decisions and capital expenditures take into account the Company's long-term strategic objectives;
3. In the exercise of its duties, the Board of Commissioners is prohibited from participating in the operational decision-making process, with the exception of the approval of credit proposals where the exposure exceeds the credit approval authority of the Board of Directors;
4. Ensure that the Company maintains financial integrity and in accordance with the business plan that has been approved by the Board of Commissioners and the decisions taken in the GMS; and
5. Ensure the implementation of good corporate governance in accordance with the guidelines and code of ethics in all aspects of the Company's activities, business ties and at all levels of the Company's hierarchy.
6. Supervising the implementation of the Board of Directors' responsibilities for compliance with the implementation of laws and regulations, including:
 - Consumer and Community Protection
 - Improving Financial Literacy and Inclusion in the Financial Services Sector for Consumers and the Community.

The details of the division of duties and responsibilities between the Commissioner and the Independent Commissioner are as follows:

1. President Commissioner:

- a. To review broadly and comprehensively the implementation of good corporate governance;
- b. Review macroeconomic and financial issues;
- c. communicate with controlling shareholders in relation to matters involving shareholders; and
- d. Chairing meetings of the Board of Commissioners and joint meetings with the Board of Directors.

2. Independent Commissioner:

- a. Performing a supervisory function to voice the interests of the Debtor, recipients, consumers, business partners, depositor customers, creditors, funders, venture fund investors, and/or other Stakeholders.
- b. Supervise and advise on the implementation of good corporate governance;
- c. Review and submit recommendations on any proposal from the Board of Directors that requires the approval of the Board of Commissioners and the Chairman of the Audit Committee;
- d. Providing advice in legal matters;
- e. To provide advice in the implementation of laws and regulations; and
- f. Maintain good relations with regulators.

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3. Commissioner:

- a. Supervise the Company's Management policies;
- b. To advise the Board of Directors in good faith, responsibility and prudence; and
- c. Supervise existing and unresolved decisions by the Company's Board of Directors.

H. RIGHTS OF THE BOARD OF COMMISSIONERS

In general, the Board of Commissioners has the following rights:

1. To have the right to obtain access to the Company's information from the Board of Directors accurately, relevantly, timely, complete and transparently;
2. Obtain explanations from the Board of Directors and/or members of the Board of Directors about all matters asked by members of the Board of Commissioners;
3. Temporarily dismiss members of the Board of Directors in accordance with the provisions of the articles of association;
4. Establish an Audit Committee and other committees (if deemed necessary) taking into account the needs and capabilities of the Company;
5. Can use experts in carrying out their duties for a certain period of time at the Company's expense, if deemed necessary;
6. Attend meetings of the Board of Directors and provide views on matters discussed;
7. Each member of the Board of Commissioners is entitled to receive honorarium and allowances/facilities including retirement-based compensation whose type and amount are determined by the GMS by taking into account the provisions of the applicable laws and regulations; and
8. Obtain the Company's facilities and facilities in accordance with the results of the GMS determination which is adjusted to the Company's financial condition, the principles of propriety and fairness and do not conflict with the applicable laws and regulations.
9. Each member of the Board of Commissioners has the right to resign from his position by notifying the Company in writing of his intention no later than 30 days before the date of his resignation.

I. BOARD OF COMMISSIONERS MEETING

1. Board of Commissioners Meeting Policy

- The Board of Commissioners is required to hold a meeting at least 1 time in 2 months which can be held if attended by a majority or 2/3 (two-thirds) of all members of the Board of Commissioners.
- Each member of the Board of Commissioners is required to attend a meeting of the Board of Commissioners at least 75% of the number of meetings of the Board of Commissioners within a period of 1 year.
- On a regular basis, the Board of Commissioners holds joint meetings with the Board of Directors to discuss the implementation of decisions made at previous meetings, risk management, financial performance and other matters that may have an impact on the Company's financial performance and operational activities.
- The decision of the Board of Commissioners meeting is made based on a joint decision or deliberation for consensus, in the event that the decision does not reach consensus, then the decision will be made by voting with more than 1/2 (one and two) of the number of members of the Board of Commissioners present at the meeting. Any

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member of the Board of Commissioners who has a conflict with the decision made cannot vote on the decision to be made.

- The Board of Commissioners may also make valid and binding decisions without holding a formal meeting of the Board of Commissioners, provided that all members of the Board of Commissioners have given written approval to the proposal and signed the relevant documents. Decisions made in such a way have the same force as decisions lawfully made in an official meeting of the Board of Commissioners.
- Meetings can be conducted face-to-face by utilizing information technology

2. Preparation of Minutes of the Board of Commissioners Meeting

1. In each meeting of the Board of Commissioners, a meeting minutes are made containing the matters discussed including statements of disagreement/*dissenting opinions* of members of the Board of Commissioners (if any) and matters decided.
2. The minutes of the meeting are signed by the Chairman of the Meeting and all members of the Board of Commissioners who are present at the meeting.
3. The minutes of the meeting describe the course of the meeting. It is important to be able to see the decision-making process and at the same time become a legal document and legal evidence to determine accountability from the results of a meeting decision.
4. For this reason, the minutes of the meeting include:
 - a. The place, date and time of the meeting was held;
 - b. The agenda discussed;
 - c. Attendance list signed by each meeting participant;
 - d. The length of the meeting lasted;
 - e. Various opinions contained in the meeting;
 - f. Decision-making process;
 - g. Decisions taken; and
 - h. Statement of objection to the decision of the meeting if there is no unanimity.
5. The minutes of the meeting attach a power of attorney given specifically by the members of the Board of Commissioners who are not present to other members of the Board of Commissioners.

3. Procedure for Preparing Minutes of the Board of Commissioners Meeting

- Officials appointed by the President Commissioner and/or the Chairman of the Meeting are responsible for creating, administering and distributing meeting minutes.
- The minutes of the meeting of the Board of Commissioners reflect the dynamics of the meeting, namely the matters discussed (including the *dissenting opinions* of members of the Board of Commissioners, if any) and the matters decided.
- In the event that the meeting is not attended by other officials appointed by the President Commissioner, the minutes of the meeting are made by one of the members of the Board of Commissioners appointed from among those present.
- Each member of the Board of Commissioners shall be entitled to receive a copy of the minutes of the meeting of the Board of Commissioners, regardless of whether the member of the Board of Commissioners concerned is present or absent from the meeting of the Board of Commissioners.

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- If objections and/or suggestions for improvements are not received within that period, it is concluded that there are no objections and/or improvements to the minutes of the meeting concerned.
- The minutes of the meeting that have been revised and signed by all members of the Board of Commissioners who attended the meeting are submitted to all members of the Board of Commissioners. The Deed of Minutes of the Board of Commissioners Meeting is submitted to the Board of Directors to be kept and maintained, while the Board of Commissioners keeps a copy of it.

J. PERFORMANCE EVALUATION OF THE BOARD OF COMMISSIONERS

1. Board of Commissioners Performance Evaluation Policy

The performance of the members of the Board of Commissioners is evaluated by the meeting of the Board of Commissioners. The evaluation of the performance of the members of the Individual Board of Commissioners is carried out at least through *self-assessment* and reported to the Board of Commissioners meeting.

In general, the performance of the Board of Commissioners is determined based on the duties and obligations listed in the applicable laws and regulations of the Company and the mandate of shareholders. The formal evaluation criteria are publicly communicated to the members of the Board of Commissioners from the date of their appointment.

The results of the evaluation of the performance of the Board of Commissioners as a whole and the performance of each individual member of the Board of Commissioners will be an integral part of the compensation scheme and the provision of incentives for members of the Board of Commissioners.

The results of the performance evaluation of each individual member of the Board of Commissioners is one of the basis for consideration for the Board of Commissioners to submit a proposal to dismiss and/or reappoint the relevant Board of Commissioners members. The results of the performance evaluation are a means of assessment and increase the effectiveness of the implementation of the duties and responsibilities of the Board of Commissioners.

2. Performance Evaluation Criteria of the Board of Commissioners

The criteria for evaluating the individual performance of members of the Board of Commissioners are submitted by the Nomination and Remuneration Committee to the Board of Commissioners meeting, while the results of the evaluation of the individual performance of members of the Board of Commissioners are submitted to the Board of Commissioners meeting containing at least the following:

1. The level of attendance at meetings of the Board of Commissioners, coordination meetings, and meetings with existing committees;
2. His contribution to the Company's supervisory process;
3. His involvement in certain assignments;
4. His commitment to advancing the interests of the Company; and

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5. Compliance with applicable laws and regulations, articles of association, provisions of the GMS, and the Company's policies.

K. COMMITTEES OF THE BOARD OF COMMISSIONERS

- In carrying out its supervisory duties and advisory functions, the Board of Commissioners may form an Audit Committee and other committees in accordance with the development of applicable laws and regulations and/or in accordance with the Company's needs. The committees formed have duties related to the supervisory function of the Board of Commissioners, including, but not limited to, aspects of the internal control system, nomination and remuneration functions for the Board of Directors and Board of Commissioners, the implementation of risk management and the application of good corporate governance principles in accordance with applicable regulations. Further explanations of the duties, responsibilities and scope of the committees established by the Board of Commissioners are set out in *the charter* of each committee and are an integral part of this *Board Manual*.
- The establishment of committees at the level of the Board of Commissioners is ratified in the meeting of the Board of Commissioners and must be carried out by the Board of Directors based on the Decree of the Board of Commissioners.
- Former members of the Board of Directors, Executive Officers, or parties who have a relationship with the Company that may affect the ability of the person concerned to act independently are required to undergo *a cooling-off period* of at least 6 months before becoming an Independent Party in the committee of the Board of Commissioners
- The Board of Commissioners is obliged to evaluate the performance of the committee at least at the end of each financial year

The committees that can be formed by the Board of Commissioners consist of:

A. AUDIT COMMITTEE

- The Audit Committee is tasked with providing opinions and assisting the Board of Commissioners in identifying matters that require the attention of the Board of Commissioners, and carrying out other duties related to the duties of the Board of Commissioners, or as required by the Board of Commissioners.
- The Audit Committee consists of at least 3 (three) members, 1 (one) person from the Independent Commissioner and 2 (two) people from outside the Company. The Audit Committee is chaired by an Independent Commissioner, and is accountable to the Board of Commissioners.
- The term of office of the members of the Audit Committee shall not exceed the term of office of the Board of Commissioners as stipulated in the Articles of Association and may be re-elected only for 1 (one) subsequent period
- The expertise of the Independent Party is proven at least by the possession of a certificate of competency to support the implementation of the functions and responsibilities of the committee. Competency certificates include certificates in the fields of auditing, antifraud, accounting, and/or financial management.
- In the event that the Company has a UUS, DPS can be a member of the audit committee.

In carrying out its functions, the Audit Committee has the following duties and responsibilities:

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1. Conduct a review of the financial information that the Company will issue to the public and/or other authorities; among others, financial statements, projections, and other reports related to the Company's financial information;
2. Conduct a review of the Company's compliance with laws and regulations related to the Company's activities, especially those related to accounting and finance;
3. Provide an independent opinion in the event of a difference of opinion between management and public accountants on the services provided;
4. To provide recommendations to the Board of Commissioners regarding the appointment of public accountants based on independence, scope of assignment and fees;
5. Conduct a review of the implementation of the audit by the internal auditor and supervise the implementation of follow-up by the Board of Directors on the findings of the internal auditor;
6. Conduct a review of risk management implementation activities carried out by the Board of Directors, in collaboration with the Risk Monitoring Committee of the Company;
7. Reviewing complaints related to the Company's accounting and financial reporting processes;
8. To review and provide advice to the Board of Commissioners related to the potential conflict of interest of the Company; and
9. Maintain the confidentiality of the Company's data and information documents.

In carrying out its duties, the Audit Committee has the following authority:

1. Access the Company's documents, data and information on the Company's necessary employees, funds, assets and resources;
2. Communicate directly with employees, including the Board of Directors and those who carry out the internal audit function, the Risk Monitoring Committee and public accountants regarding the duties and responsibilities of the Audit Committee;
3. Involve independent parties outside of the Audit Committee members as necessary to assist in the execution of the necessary tasks;
4. Exercise other authority granted by the Board of Commissioners; and
5. Not allowed to accept rewards and other forms of giving that may affect the decision-making process.

B. RISK MONITORING COMMITTEE

- The Risk Monitoring Committee is formed by the Board of Commissioners based on the meeting of the Board of Commissioners. The Risk Monitoring Committee is responsible for reviewing the Company's key risks contained in the Company's risk register and ensuring that all risks are identified and evaluated in advance.
- The Risk Monitoring Committee consists of at least 1 (one) person from the Independent Commissioner and 1 (one) person from outside the Company who has expertise in the field of finance and/or risk management, and is accountable to the Board of Commissioners.
- The expertise of the Independent Party is evidenced by having a certificate of competency to support the implementation of the functions and responsibilities of the committee and/or having a risk management certificate
- In the event that the Company has a UUS, then the DPS can become a risk monitoring committee.

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In its formation, the Board of Commissioners looks at several criteria that refer to the duties and responsibilities of the Risk Monitoring Committee. The criteria are as follows:

1. High integrity and being able to be independent in the management of the Company;
2. Understand the business, its products and services as well as risk management techniques;
3. Have sufficient knowledge of macroeconomics and its impact on industry;
4. Do not have family relations with members of the Board of Commissioners and the Board of Directors; and
5. The Chairman of the Risk Monitoring Committee is an independent member of the Board of Commissioners.

After meeting these criteria, the selection and appointment of the Risk Monitoring Committee is based on the following decision-making process:

1. The Board of Directors or the Chairman of the Risk Monitoring Committee may propose candidates from outside the Board of Commissioners of the Company to be nominated as members of the Risk Monitoring Committee.
2. The Nomination and Remuneration Committee will examine the qualifications and competencies of prospective members of the Risk Monitoring Committee. After completing the evaluation, the Nomination and Remuneration Committee approves the appointment of members of the Risk Monitoring Committee, then the Risk Monitoring Committee requests the Board of Commissioners to issue a Letter of Appointment for candidates for approved members of the Risk Monitoring Committee.

C. NOMINATION AND REMUNERATION COMMITTEE

- The Nomination and Remuneration Committee is established by the Board of Commissioners with the aim of supporting the Board of Commissioners in accordance with Corporate Governance Practices. The main function of this Committee is to ensure that there is a clear and proper process for regulating the appointment of new members of the Board of Directors, the Board of Commissioners and/or Committees, to evaluate the performance of the members of the Board of Directors and the Board of Commissioners, and to make recommendations to the Board of Commissioners in matters relating to the nomination and remuneration functions.
- The Nomination and Remuneration Committee consists of at least 3 (three) members, 1 (one) person comes from the Independent Commissioner as chairman, 1 (one) member of the Board of Commissioners, and 1 (one) official with a position level of 1 level below the Board of Directors in charge of human resource management.
- In the event that the Company has a UUS, then the DPS can become the Nomination and Remuneration Committee
- In the event that the members of the remuneration and nomination committee are determined to be more than 3 (three) people, the Independent Commissioner shall be at least 2 (two) people.
- The Nomination and Remuneration Committee conducts an annual review of the Performance of the Board of Directors. Performance evaluation is assessed on four main points, namely financial achievements, the effectiveness of the implementation of good corporate governance, the implementation of risk management and the achievement

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of predetermined goals, as well as a review of the Company's vision and mission. For the Board of Commissioners, their performance assessment is related to the implementation of the duties empowered by the shareholders to oversee the Company's actions, and to ensure the effectiveness of the Committees and compliance with regulations and business ethics.

The duties and responsibilities of the Nomination and Remuneration Committee are divided into two main things, namely nomination and remuneration. Duties and responsibilities related to nominations include, among others:

1. Provide recommendations to the Board of Commissioners regarding evolving criteria for the election, determination of election systems and procedures and/or replacement of members of the Board of Commissioners, Board of Directors, and Committees;
2. Assess the necessary and desirable competencies and provide recommendations to the Board of Commissioners on the nomination of members of the Board of Commissioners, the Board of Directors and the Committees to be proposed at the GMS; and
3. Provide recommendations to the Board of Commissioners regarding independent parties to be nominated as members of the Committee.

Duties and responsibilities related to remuneration include, among others:

1. Provide recommendations to the Board of Commissioners regarding the remuneration policy applicable to the Board of Commissioners and the Board of Directors. The remuneration policy is related to performance evaluation; and
2. Review the remuneration and incentive packages for members of the Board of Commissioners and the Board of Directors that will be proposed for approval in the GMS or the meeting of the Board of Commissioners in the event that the GMS has delegated a meeting of the Board of Commissioners to determine such remuneration and incentives.

L. BOARD OF COMMISSIONERS COMMITTEE MEETINGS

- The decision of the committee meeting is first made based on deliberation for consensus
- In the event that there is no deliberation for consensus, decision-making is made based on the majority of votes.
- The results of the meeting are outlined in the minutes of the meeting and well documented.
- Differences of opinion that occur in the committee meeting must be clearly stated in the minutes of the meeting along with the reasons for the disagreement.
- Committee members who are present and absent from committee meetings are entitled to receive a copy of the minutes of the committee meeting.
- The number of committee meetings that have been held and the number of attendance of each committee member must be included in the Good Governance implementation report.

M. WORKING RELATIONSHIP BETWEEN THE BOARD OF COMMISSIONERS AND THE BOARD OF DIRECTORS

The creation of a good working relationship between the Board of Commissioners and the Board of Directors is one of the most important things so that each organ of the Company can work according to its functions effectively and efficiently. Therefore, the Company in

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maintaining a good working relationship between the Board of Commissioners and the Board of Directors applies the following principles:

1. The Board of Commissioners respects the functions and roles of the Board of Directors in managing the Company as stipulated in laws and regulations and the Company's Articles of Association.
2. The Board of Directors respects the functions and roles of the Board of Commissioners to supervise and advise on the Company's management policies.
3. Every working relationship between the Board of Commissioners and the Board of Directors is a formal relationship, which is always based on a standard mechanism or correspondence that can be accounted for.
4. Any informal employment relationship can be carried out by each member of the Board of Commissioners and members of the Board of Directors, but it cannot be used as a formal policy before going through a mechanism or correspondence that can be accounted for.
5. The Board of Commissioners has the right to obtain access to the Company's information in a timely, accurate, and complete manner.
6. In order to obtain further information on a matter, the Board of Commissioners may request the explanation from officials under the Board of Directors by first coordinating with the Board of Directors so that a balance of working relations between the Board of Commissioners and the Board of Directors can be created with the aim of corporate communication through *one-gate policy* can be achieved.
7. The Board of Directors is responsible for ensuring that information regarding the Company is provided to the Board of Commissioners in a timely, accurate, consistent and complete manner.
8. Every working relationship between the Board of Commissioners and the Board of Directors is an institutional relationship. In the sense that the Board of Commissioners and the Board of Directors are collective positions that represent the entirety of each member, so that the working relationship between the members of the Board of Commissioners and members of the Board of Directors is known by members of the Board of Commissioners and other members of the Board of Directors.

4. SHARIA SUPERVISORY BOARD

The Sharia Supervisory Board (DPS) is part of the Company's organ that has the task and function of supervising the implementation of the Company's Sharia Business Unit (UUS) activities in accordance with sharia principles.

A. NUMBER, COMPOSITION, CRITERIA AND INDEPENDENCE OF DPS

- The DPS consists of at least 2 (two) sharia experts appointed by the GMS on the recommendation of the National Sharia Council-Indonesian Ulema Council (DSN-MUI).
- Have a Certificate of Basic Training for Sharia Supervisors from the DSN-MUI Institute and a Certificate of Competency for Sharia Supervisors from the Professional Certification Institute of the Indonesian Ulema Council (LSP MUI). The obligation to have an LSP MUI certificate is no later than one year after the DPS recommendation is issued.
- The appointment and/or replacement of the DPS must pay attention to the recommendations of the nomination and remuneration committee in each proposal to the GMS and prioritize the composition in a professional manner, independence, suitability of competence, and attention to diversity, which is appropriately needed in

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the implementation of the duties and responsibilities of the DPS

- A DPS member may resign from his position before the end of his term of office by written notice to the Company
- It is prohibited to appoint DPS members who come from active OJK employees/officials or former OJK employees/officials if the person concerned has stopped working from the OJK for less than 6 months

B. DPS MEMBER REQUIREMENTS AND CRITERIA

Every DPS member is required to pass the ability and propriety assessment organized by the OJK.

DPS members must meet the following criteria:

- a. Able to act in good faith, honestly and professionally;
- b. Able to act in the interests of the Company, UUS and/or other stakeholders;
- c. Prioritizing the interests of the Company, UUS and/or other stakeholders over personal interests;
- d. Able to make decisions based on independent and objective assessments for the benefit of the Company, UUS and/or other stakeholders; and
- e. Able to avoid the abuse of its authority to obtain undue personal benefits or cause losses to the Company and UUS.

C. CONCURRENT DPS POSITION

DPS is prohibited from holding dual positions:

- As a member of the Board of Directors or the Board of Commissioners of the Company.
- As a member of the Board of Directors, Board of Commissioners, and/or executive officers of other companies and/or institutions;
- As a member of DPS in more than 3 other companies and/or institutions.
- In other positions that may cause a Conflict of Interest in the implementation of duties as DPS; and/or
- In other positions in accordance with the provisions of laws and regulations.

The above prohibition does not include dual positions in the following cases:

- a. Carrying out the functional duties of the Company's shareholders in the form of legal entities to be members of the Board of Commissioners and/or DPS in subsidiaries in their business groups; and/or
- b. Occupy a position in a non-profit organization or institution, as long as the position trap does not result in the person concerned neglecting the implementation of duties and authorities as a member of the DPS, and making a statement to maintain integrity, avoid any form of Conflict of Interest, and avoid actions that may harm the Company and/or cause the Company to violate the principle of prudence.

D. DUTIES AND RESPONSIBILITIES OF DPS

DPS is in charge and functioning:

- a. As an advisor, supervise, and provide advice and advice to the Board of Directors, the leadership of the Company's UUS and the head of the Company's Sharia branch office regarding matters related to sharia principles;
- b. As a supervisor of the Company's UUS activities in accordance with sharia principles;
- c. As the representative of the Company's UUS at DSN-MUI;
- d. As a mediator between the Company and DSN-MUI, in communicating proposals and suggestions for the development of UUS products and services of the Company that require

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the study and fatwa of the National Sharia Council.

E. RIGHTS AND OBLIGATIONS OF DPS

In carrying out its functions, DPS:

- a. Entitled to obtain information from the Board of Directors regarding the Company accurately, relevantly, and in a timely manner.
- b. Must follow the fatwa of the National Sharia Council;
- c. Must report business developments and developments of the Company's UUS to the regulator with a copy to DSN-MUI; and
- d. Must have good faith, the principle of prudence and full responsibility to carry out their duties for the benefit of the Company and in accordance with the Company's Purpose and Objectives by heeding the provisions of the applicable laws and regulations.
- e. Must direct, monitor, and evaluate the effectiveness of the implementation of Good Governance, risk management, compliance, and internal audits;
- f. Must supervise the follow-up of the Board of Directors on audit findings and recommendations from the Company's internal audit work unit, external auditors, OJKm supervision results and/or the results of supervision of other authorities and institutions, related to the application of Sharia Principles
- g. Must ensure effective, precise, and fast decision-making and be able to act independently, not having interests that may interfere with his/her ability to carry out his duties independently and objectively.

The implementation of the duties, responsibilities, and obligations of DPS is carried out to:

- Business activities based on Sharia Principles
- Business contracts based on Sharia Principles marketed by the Company and UUS; and
- Business marketing practices based on Sharia Principles carried out by the Company and UUS.

F. PROHIBITION OF DPS MEMBERS

- a. Conducting transactions that have a conflict of interest with the Company's and UUS's activities;
- b. Utilizing their positions in DPS and UUS for personal interests, family and/or other parties that may harm or reduce the profits of the Company and UUS; and
- c. Taking and/or receiving personal benefits from the Company and UUS, in addition to remuneration and other facilities determined based on the resolution of the GMS.

G. SHARIA PRINCIPLES

- a. In the event that DPS considers that there are related policies or actions of the Board of Directors that are not in accordance with sharia principles, DPS is obliged to ask for an explanation from the members of the Board of Directors for policies or actions of members of the Board of Directors that are not in accordance with sharia principles,
- b. In the event that the Board of Directors rejects the results of the DPS assessment as referred to in letter (a) above, DPS is required to report fully and comprehensively to the OJK and submitted to the Board of Directors no later than seven working days after the explanation of the members of the Board of Directors is received by DPS.
- c. In the event that the Board of Directors receives the results of the DPS assessment as referred to in letter (a) above, DPS requests the Board of Directors to make improvements

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to the policies or actions of the members of the Board of Directors in accordance with sharia principles.

- d. In the event that the members of the Board of Directors do not make improvements to the policies or actions as intended in letter (c), the DPS must immediately report completely and comprehensively to the OJK and submit to the Board of Directors no later than seven working days after it is known that the members of the Board of Directors have not made any improvement efforts.

H. DPS MEETINGS

- a. DPS is required to hold meetings with the Board of Directors, Executive Officers, and/or UUS leaders periodically at least 1 time in 2 months.
- b. The results of the meeting must be stated in the meeting minutes and well documented.
- c. Differences of opinion that occur in the meeting decision must be clearly stated in the minutes of the meeting accompanied by the reasons for the difference of opinion.
- d. DPS members who attend and those who do not attend the meeting are entitled to receive a copy of the minutes of the meeting.
- e. The number of meetings that have been held and the number of attendance of each DPS member must be contained in the report on the implementation of good governance.

5. COMPLIANCE FUNCTION

The Compliance Function is a series of actions or measures that are *ex-ante* (preventive) to ensure that business activities carried out by the Company are in accordance with the applicable provisions and laws and regulations.

1. DUTIES AND RESPONSIBILITIES OF THE COMPLIANCE FUNCTION

The duties and responsibilities of the compliance function include the following actions:

- a. Realizing the implementation of a Culture of Compliance at all levels of organizations and business activities;
- b. Managing compliance risks faced;
- c. Ensure that policies, provisions, systems and procedures as well as business activities are in accordance with the provisions and applicable laws and regulations; and
- d. Ensure compliance with commitments made to regulators.

2. DIRECTOR OF COMPLIANCE

- a. The company must have a member of the Board of Directors who oversees the compliance function.
- b. Members of the Board of Directors who are under the compliance function cannot be concurrently appointed by members of the Board of Directors who are under the financing and marketing functions, except for the President Director.

3. COMPLIANCE TASK FORCE

- a. Companies are required to have a Compliance Work Unit that performs compliance functions.
- b. The compliance work unit is tasked with assisting the Board of Directors in ensuring compliance with laws and regulations in the field of financing and capital market business as well as other laws and regulations.
- c. The compliance work unit is responsible to the members of the Board of Directors who are

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subordinate to the compliance function.

- d. Together with the Board of Directors who oversee compliance, coordinate with DPS regarding the implementation of the compliance function with Sharia Principles

6. AUDIT INTERNAL

The internal audit function is an independent function of all activities and interests of the Company. The Company is obliged to establish an independent Internal Audit Unit and is responsible for carrying out internal audit functions. The company must implement the internal audit function effectively. The Internal Audit Unit is headed by a Head of the Internal Audit Unit who is appointed and dismissed by the President Director with the approval of the Board of Commissioners. The Head of the Internal Audit Unit is directly responsible to the President Director and must foster his functional relationship with the Board of Commissioners and the Audit Committee.

A. INTERNAL AUDIT DUTIES AND RESPONSIBILITIES

The duties and responsibilities of the Internal Audit Unit include, at the very least:

- a. Prepare and implement an annual internal audit plan;
- b. Testing and evaluating the implementation of internal controls and risk management systems;
- c. Conducting an audit and assessment of efficiency and effectiveness in the fields of finance, accounting, operations, human resources, marketing, information technology and other activities;
- d. Provide suggestions for improvement and objective information on the activities examined at all levels of management;
- e. Make an audit report and submit a report on the audit results to the President Director;
- f. Monitor, analyze and report on the implementation of recommended improvement follow-ups;
- g. Develop a program to evaluate the quality of internal audit activities carried out;
- h. Perform special checks when needed.

B. INTERNAL AUDIT AUTHORITY

The Internal Audit Unit has the least authority, including:

- a. Access all relevant information about the Company in relation to its duties and functions;
- b. Communicate directly with the Board of Directors, Board of Commissioners, and/or Audit Committee;
- c. Hold regular and incidental meetings with the Board of Directors, Board of Commissioners, and/or Audit Committee; and
- d. Coordinating its activities with external auditors.

C. INTERNAL AUDIT CHARTER

The internal audit unit is required to have an Internal Audit Charter set by the Board of Directors after obtaining the approval of the Board of Commissioners. The Internal Audit Charter at least includes, among others:

- a. Structure and position of the Internal Audit Unit;
- b. Duties and responsibilities of the Internal Audit Unit;
- c. Internal Audit Unit;
- d. The Code of Ethics of the Internal Audit Unit which refers to the code of ethics that is

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commonly applicable;

- e. Requirements for auditors who sit in the Internal Audit Unit;
- f. Coordination and accountability mechanism of the Internal Audit Unit; and
- g. Prohibition of capturing the duties and positions of auditors and executors who sit in the Internal Audit Unit.

7. EXTERNAL AUDIT

1. The Company's External Auditor must be appointed by the GMS from the external auditor candidates submitted by the Board of Commissioners based on the proposal of the Audit Committee.
2. Public Accountants and Public Accounting Firms (KAP) who will be appointed as external auditors must be registered with the OJK.
3. The nomination of external auditors as referred to in number (1) above must be accompanied:
 - a. The reason for the nomination and the amount of honorarium or remuneration proposed for the external auditor;
 - b. The ability of external auditors to be free from the influence of the Board of Directors, the Board of Commissioners, DPS and interested parties in the Company, and the willingness to provide information related to the results of its audit to the OJK; and
 - c. The provision of audit services is carried out by KAP and must pay attention to the provisions of the OJK.

8. FUNCTIONS OF COMPANY SECRETARY

1. The Corporate Secretary is an individual or person in charge of the work unit that performs the function of the corporate secretary.
2. The Corporate Secretary is appointed and dismissed based on the decision of the Board of Directors and is accountable to the Board of Directors.
3. The Corporate Secretary may be concurrently held by a member of the Board of Directors.
4. The Corporate Secretary is prohibited from holding any concurrent position in another public company.
5. The information submitted by the Corporate Secretary to the public is official information of the Company.
6. The Corporate Secretary is obliged to increase his knowledge by attending at least education and/or training in the fields of law, accounting, and secretarial practices.

A. CORPORATE SECRETARY REQUIREMENTS

The Corporate Secretary is required to meet the following requirements:

1. Capable of performing legal acts;
2. Have knowledge and understanding in the fields of law, finance and corporate governance;
3. Understand the Company's business activities;
4. Can communicate well; and
5. Domiciled in Indonesia.

B. CORPORATE SECRETARY WORK ETHICS

The work ethics of the Corporate Secretary and employees in the work unit that performs the function of the corporate secretary at least:

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1. Maintain the confidentiality of confidential documents, data and information except in order to fulfill obligations in accordance with laws and regulations; and
2. Not taking personal advantage; both directly and indirectly; detrimental to the Company.

C. DUTIES AND RESPONSIBILITIES OF COMPANY SECRETARIES

The duties and responsibilities of the Corporate Secretary are as follows:

1. To follow the development of the capital market, especially the applicable regulations in the field of the capital market and to disseminate them to the Board of Commissioners, the Board of Directors and the Company's stakeholders;
2. Provide input to the Board of Directors and the Board of Commissioners of the Company to comply with the provisions of laws and regulations in the field of capital market;
3. Assisting the Board of Directors and Board of Commissioners in the implementation of the Company's governance which includes, among others:
 - a. Disclosure of information to the public, including the availability of information on the website;
 - b. Submission of reports to the OJK, IDX and other regulatory institutions on time;
 - c. Implementation and documentation of the GMS, including preparing the implementation process (reporting of the GMS plan, announcement, summoning and submission of the results of the GMS), preparing GMS materials (including the Company's Annual Report) and the implementation of the GMS;
 - d. Organizing and documenting meetings of the Board of Directors and/or Board of Commissioners; and
 - e. Implementation of an introduction program to the Company for new members of the Board of Directors and/or Board of Commissioners as well as Committees under the Board of Commissioners;
4. Provide services to the public for any information regarding the Company's condition.

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CHAPTER VI – MECHANISMS FOR IMPLEMENTING GOOD CORPORATE GOVERNANCE

1. IMPLEMENTATION OF RISK MANAGEMENT AND INTERNAL CONTROLS

- The Company is obliged to implement risk management by identifying, assessing and monitoring risks effectively, including anti-money laundering programs, prevention of terrorism financing, and prevention of financing the proliferation of weapons of mass destruction in carrying out business activities.
- Risk management must be adjusted to the objectives, business policies, size and complexity of the business and the Company's capabilities.
- The implementation of risk management is carried out in accordance with the Company's Risk Management policies both as outlined in the Policy, Decision Letter, SOP and other policies.

The Company's Board of Directors is obliged to implement effective and efficient internal control to provide adequate confidence that the Company's business activities are carried out in accordance with the Company's business objectives and strategies as well as the Company's articles of association and other internal rules and regulations.

The Company's internal controls must at least include the following:

- a. A disciplined and structured internal control environment within the Company;
- b. Business risk assessment and management is a process to identify, analyze, assess and manage business risks;
- c. Control activities, which are actions taken in a process of controlling the Company's activities at each level and unit in the Company's organizational structure, including regarding authority, authorization, verification, reconciliation, assessment of work performance, division of duties and security of the Company's assets;
- d. Information and communication system, which is a process of presenting reports on operational, financial activities and compliance with laws and regulations in the field of financing business, capital market and other regulations relevant to the Company;
- e. Monitoring procedures, which are the process of assessing the quality of the internal control system including the internal audit function at each level and unit of the Company's organizational structure, so that it can be carried out optimally; and
- f. The reporting mechanism to the Board of Directors with a copy to the Audit Committee, in the event of a deviation in the quality of the internal control system, including the internal audit function at each level and organizational structure unit of the Company.

2. ANTIFRAUD STRATEGY

Companies are required to formulate and implement antifraud strategies effectively in carrying out business activities.

3. CONFLICT OF INTEREST

- Members of the Board of Directors, members of the Board of Commissioners, committee members, DPS, Executive Officers, and employees of the Company must avoid any form of conflict of interest in the implementation of the Company's management and supervision duties.

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- In the event of a conflict of interest, members of the Board of Directors, members of the Board of Commissioners, members of the Company's committee, DPS, Executive Officers, and employees of the Company are obliged to disclose the conflict of interest in every decision that meets the conditions of a conflict of interest.
- In addition to disclosing conflicts of interest, members of the Board of Directors, members of the Board of Commissioners, members of the Company's committees, DPS, Executive Officers, and employees of the Company are prohibited from taking actions that have the potential to harm the Company or reduce the Company's profits.
- The purpose of the conflict of interest policy is to identify, reduce, and manage potential conflicts of interest that may arise in the Company as a result of the implementation of business activities.

4. REMUNERATION

The Company is obliged to implement a remuneration policy for members of the Board of Directors, members of the Board of Commissioners, DPS and employees who encourage behavior based on the principle of prudence that is in line with the Company's long-term interests and fair treatment of debtors, creditors and/or other stakeholders. The minimum remuneration policy should take into account:

- a. Financial performance and fulfillment of the Company's obligations as stipulated in the applicable laws and regulations;
- b. Individual work performance;
- c. Fairness with the Company and/or equivalent level of position (*peer group*); and
- d. Consideration of the Company's long-term goals and strategy.

5. REMUNERATION OF THE BOARD OF COMMISSIONERS AND BOARD OF DIRECTORS

1. The determination of the remuneration of the Board of Commissioners and the Board of Directors is recommended by the Nomination and Remuneration Committee.
2. The preparation of the structure, policy and amount of remuneration of the Board of Directors and Board of Commissioners by the Nomination and Remuneration Committee must pay attention to at least the following:
 - a. Remuneration applicable to the industry in accordance with similar business activities and the scale of business of the Company in its industry;
 - b. The duties, responsibilities and authorities of members of the Board of Directors and/or members of the Board of Commissioners are associated with objectives and performance;
 - c. Performance targets or work achievements of each member of the Board of Directors and/or members of the Board of Commissioners;
 - d. Consideration of the Company's long-term goals and strategy; and
 - e. The balance of benefits between fixed and variable nature.
3. The structure, policy and amount of remuneration of the Board of Directors and the Board of Commissioners must be evaluated periodically.

6. TRANSPARENCY AND DISCLOSURE OF INFORMATION

Companies are required to implement transparency and information disclosure as one of the important pillars in the implementation of GCG. The implementation of transparency and information disclosure is carried out through the provision of timely, accurate, relevant and

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adequate quantitative and qualitative information. Transparency and disclosure of information can make it easier for information users to assess financial conditions, performance, risk profiles and the implementation of risk management, the Company's business activities and other related information. In the implementation of governance, disclosures in the Good Governance implementation report include:

- a. Shareholding of members of the Board of Directors and members of the Board of Commissioners that reaches 5% or more in the Company where the members of the Board of Directors and members of the Board of Commissioners serve and/or in other companies domiciled at home and abroad;
- b. financial relationship of members of the Board of Directors and members of the Board of Commissioners with other members of the Board of Directors, members;
- c. Other Board of Commissioners, DPS, shareholders of the Company, and/or employees of the Company where members of the Board of Directors and members of the Board of Commissioners serve; and family relations of members of the Board of Directors and members of the Board of Commissioners with other members of the Board of Directors, other members of the Board of Commissioners, DPS, shareholders of the Company, and/or employees of the Company where members of the Board of Directors and members of the Board of Commissioners serve up to the second degree both horizontally and vertically;
- d. Remuneration and facilities received by members of the Board of Directors and members of the Board of Commissioners;
- e. Resignation or dismissal of external auditors;
- f. Material transactions with parties with whom an affiliate relationship is held;
- g. ongoing and/or likely conflict of interest; and
- h. Other material information about the Company.

7. TRANSPARENCY AND FINANCIAL AND NON-FINANCIAL CONDITIONS

The Company is obliged to disclose financial and non-financial conditions to stakeholders. Disclosure of information regarding financial conditions is carried out, among other things, through publication reports that contain at least financial statements, financial performance, and other information presented in rupiah on a regular basis. Disclosure of non-financial information includes the management and ownership of the company, business development, business groups, management strategies and policies, management reports and other material information.

8. TRANSPARENCY OF PRODUCT INFORMATION AND USE OF CONSUMER DATA

1. User

Regarding the benefits and risks inherent in the product. The Company is obliged to provide or convey information about products and/or services that are accurate, honest, clear, and not misleading, which are stated in documents or other means that can be used as evidence in Indonesian. The information conveyed must be up-to-date and easily accessible to consumers.

2. Consumer Information

The Company is prohibited in any way from providing data and/or information about its consumers to third parties, unless the consumer has given written consent; and/or required by laws and regulations. In the event that the Company obtains personal data and/or information of a person and/or a group of persons from another party and will

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use such data and/or information to carry out its activities, it is mandatory to have a written statement that the data provider and/or information has obtained written consent.

9. COMPANY WEBSITE

The Company is required to have a company website to facilitate easy access for shareholders and other stakeholders to the Company's actual and up-to-date information. The Company's website must contain information about the Company that is open to the public, current and up-to-date presented in Indonesian and English. The information contained on the Company's website must be presented correctly, not misleading and clear, and trustworthy.

10. FINANCING POLICY

The policies and procedures for distributing financing in writing are determined by the Board of Directors to obtain the approval of the Board of Commissioners and disseminated to the management and employees in the relevant work units. Published policies and procedures contain:

- a. the principle of prudence in financing;
- b. financing organization and management;
- c. financing approval policy;
- d. documentation and financing administration;
- b. financing supervision; and
- c. Problematic financing solutions.

The Board of Directors and all levels or levels of the Company are obliged to make professional financing decisions and optimize the added value of the Company's wealth while still paying attention to the protection of consumers and Other Stakeholders. Internal control policies and procedures are also prepared and implemented to ensure that the financing process is carried out in accordance with policies and procedures regarding financing distribution, and does not violate the provisions of laws and regulations.

11. COMPANY BUSINESS PLAN

Companies are required to prepare a strategic plan in the form of a business plan. A business plan is a realistic plan for the Company's business activities, including plans to improve business performance and strategies to realize the plan while still paying attention to the principles of prudence and the application of risk management. In the event that the Company has business activities based on sharia principles, the business plan includes a business plan for sharia business activities. The company is required to prepare an annual business plan and submit it to the OJK in accordance with laws and regulations.

12. IMPLEMENTATION OF SUSTAINABLE FINANCE

Sustainable financial action plans are prepared and set out in the Company's business activities. The implementation of sustainable financial actions is in accordance with applicable laws and regulations, including in the Sustainability Report which can be presented separately or integrated with the Company's Annual Report.



FINANCE

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CHAPTER VII – SELF-ASSESSMENT AND REPORT ON THE IMPLEMENTATION OF GOOD GOVERNANCE

SELF-ASSESSMENT

The Company is required to conduct its own assessment of the implementation of the Company's governance periodically at least once a year or in accordance with the provisions of laws and regulations and prepared at the end of each financial year.

The assessment itself is carried out by compiling an analysis of the adequacy and effectiveness of implementing GCG principles in accordance with the provisions of the OJK. The assessment is outlined in a working paper in accordance with the assessment guidelines in an integrated manner and/or based on the assessment guidelines issued by the OJK.

GOOD GOVERNANCE IMPLEMENTATION REPORT

1. The Company is required to prepare a Good Governance Implementation Report at the end of each financial year;
2. The Good Governance Implementation Report shall contain at least:
 - a. Transparency in the implementation of the Company's governance, which at least includes the disclosure of all aspects of the implementation of the Company's governance principles in accordance with the provisions of the OJK;
 - b. An action plan that includes the necessary corrective actions and the completion time as well as the obstacles/obstacles to their completion if there are still deficiencies in the implementation of the Company's governance;
 - c. Antifraud Strategy; and
 - d. Including Sharia Business Units.
3. The Good Governance Implementation Report must be submitted to the OJK no later than April 30 of the following year.