

BOARD OF DIRECTORS

neglected his/her rights to defend himself/herself in the GMS and agree to the GMS decision

- I. The Company is obliged to conduct information transparency to the public and submit it to the Financial Services Authority regarding:
 - The decision of temporary dismissal; and
 - The results of GMS either to revoke or reinforce the temporary dismissal decision as referred to in letter "d", or any information regarding the cancellation of the temporary dismissal by the Board of Commissioners due to the absence of the GMS until the due date as referred to in letter e of this article, no later than 2 (two) working days from such happening.

Policies Related to the Resignation of the Board of Directors' Members Due to Their Involvement in Financial Crimes

The Bank's Articles of Association has regulated the resignation policy of members of the Board of Directors and the Board of Commissioners if they are involved in financial crimes. If the members are no longer legally qualified, including engaging in financial crime, then the members' term of office shall automatically expire.

Performance Assessment of the Committee Under the Board of Directors and the Basis of the Assessment

In carrying out its management duties, the Board of Directors is assisted by 10 (ten) Committees under the Board of Directors called the Executive Committees:

1. Assets and Liabilities Committee (ALCO)
2. Business Committee (BC)
3. Capital and Subsidiaries Committee (CSC)
4. Human Capital Policy Committee (HCPC)
5. Information Technology & Digital Banking Committee (ITDC)
6. Integrated Risk Committee (IRC)
7. Policy and Procedure Committee (PPC)
8. Risk Management and Credit Policy Committee (RMPC)
9. Transformation Committee (TFC).
10. Credit Committee/ Rapat Komite Kredit (RKK)

The Board of Directors considered that the committees have carried out proper duties and responsibilities during 2021.

Assets and Liabilities Committee

The Assets and Liabilities Committee (ALCO) was established to assist the Board of Directors in carrying out the functions of determining the strategy of assets and liabilities management, interest rates and liquidity determination, as well as other matters related to the Company's assets and liabilities management, as well as monitoring and implementation of Recovery Plan during the Company's financial

pressure/crisis conditions. In 2021, the basis of assessment was generated from the implementation of ALCO meetings, which convened 4 (four) meetings, and had carried out its duties properly.

Business Committee

The Business Committee (BC) was established to assist the Board of Directors in determining the Company's integrated business management strategy, managing the Company's products and/or activities as well as determining the strategy and effectiveness of marketing communication for Wholesale banking and Retail banking. In 2021, the basis of assessment was generated from the implementation of BC meetings, which convened 12 (twelve) meetings, and had carried out its duties properly.

Capital and Subsidiaries Committee

The Capital and Subsidiaries Committee (CSC) was established to assist the Board of Directors in managing the Subsidiaries, including determining the management strategy of the Subsidiaries, equity participation, capital divestment, determining members of the Board of Directors and/or members of the Board of Commissioners of Subsidiaries, including remuneration for the Directors and/or Commissioners of Subsidiaries. In 2021, the basis of assessment was generated from the implementation of CSC meetings, which convened 17 (seventeen) meetings including through circulars, and had carried out its duties properly.



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Human Capital Policy Committee

The Human Capital Policy Committee (HCPC) was established to assist the Board of Directors in determining the Company's Human Capital management strategy, establishing and developing the organization, and setting the strategic direction of Human Capital Information System development. In 2021, the basis of assessment was generated from the implementation of HCPC meetings, which convened 4 (four) meetings, and had carried out its duties properly.

Information Technology & Digital Banking Committee

The Information Technology & Digital Banking Committee (ITDC) was established to assist the Board of Directors in determining IT strategic plans and IT budgeting, determining IT strategic projects and IT security. In 2021, the basis of assessment was generated from the implementation of ITDC meetings, which convened 8 (eight) meetings, and had carried out its duties properly.

Integrated Risk Committee

The Integrated Risk Committee (IRC) was established to assist the Board of Directors in the formulation of, among others, Integrated Risk Management policy and improvement or refinement of the Integrated Risk Management policy based on the assessment results. In 2021, the basis of assessment was generated from the implementation of IRC

recommendations proposals, which convened through 5 (five) online meetings and 3 (three) circulars, and had carried out its duties properly.

Policy and Procedure Committee

The Policy and Procedure Committee (PPC) was established to assist the Board of Directors by providing discussion and recommendations in the development and/or adjustment/refinement of the Company's policies and determine the Company's procedures including Human Capital policies and procedures, as well as to discuss and decide upon the granting of authority to the Company's executives (ex-officio). In 2021, the basis of assessment was generated from the implementation of PPC meetings, which convened 41 (forty-one) meetings, and had carried out its duties properly.

Risk Management & Credit Policy Committee

The Risk Management & Credit Policy Committee (RMPC) was established under two categories A and Category B. The duties of Category A include to identify, measure and monitor risks, determine risk management policies and strategies. The duties of Category B include to formulate credit policies, oversee credit policy implementation, monitor the development and condition of loans portfolio and provide recommendations for corrective measures. In 2021, the basis of

assessment was generated from the implementation of RMPC meetings, which convened 13 (thirteen) meetings and 6 (six) circulars, and had carried out its duties properly.

Transformation Committee

The Transformation Committee (TFC) was established based on the Decree of the Board of Directors Meeting dated 9 August 2021 as stated in the Minutes of the Board of Directors Meeting No. 34 dated 9 August 2021. TFC is a committee that established to assist the Board of Directors in anticipating and determining the Bank's transformation needs. In 2021, the TFC has not yet convened any meetings, as the committee was recently established on December 2021.

Credit Committee

Credit Committee/Credit Committee Meeting (RKK) was established to assist the Board of Directors in taking loans disbursement decision (new, additional, reduction, and/or extension) managed by Business Unit in accordance with the limit of authority, including the determination/change of the loans structure. In 2021, the Credit Committee has made 1,698 credit decisions, consisting of 358 decisions for Corporate segment, 1,141 decisions for Commercial segment, 16 decisions for Financial Institution segment, 19 decisions for institutional segment, and 164 decisions for SAM, and had carried out its duties properly.