

## Corporate Governance

The Company realizes that the business sustainability of a business entity is not only measured by financial performance and increased profits alone, but also through the company's internal management, including the effective implementation of good corporate governance (GCG). Basically, the Company applies GCG principles with the aim and belief that this will ensure the creation of overall business balance so that all forms of interest, covering business and social, individual and group, internal and external, short term and long term as well as the interests of shareholders and stakeholders, will reach the balance point. The application of GCG principles is very necessary, so that the Company becomes more resilient and able to survive in the face of increasingly fierce competition. The Company continues to strive to follow developments in best GCG practices at relevant national, regional and international levels adjusted to needs.

In order to improve the implementation of sustainable governance, Bank BTN always applies the five principles of GCG, namely transparency, accountability, responsibility, independence and fairness. These five principles are implemented through fulfilling shareholder interests and providing equal treatment to all shareholders; sustainability and durability; implementing disclosure and transparency; as well as carrying out the duties and responsibilities of the Board of Commissioners in carrying out supervisory functions and providing advice to the Board of Directors.

In fulfilling shareholder interests, Bank BTN has fulfilled shareholder rights, including paying dividends fairly and on time. The basis of the dividend distribution policy is based on the decision of the Annual General Meeting of Shareholders (AGMS) or Extraordinary General Meeting of Shareholders (EGMS) based on Law no. 40 of 2007 concerning Limited Liability Companies. The amount of the Company's dividend will be determined at the General Meeting of Shareholders (GMS). Factors that become the consideration in determining the amount and payment of dividends include the level of financial soundness, the level of capital adequacy, the need for funds for further business expansion, without reducing the rights of the Company's GMS to determine otherwise in accordance with the provisions of the articles of association. Apart from distributing dividends, the Company has also fulfilled the following shareholder rights:

Special Rights and Authorities of Series A Dwiwarna Shareholders:

1. The right to approve at the GMS.
2. The right to nominate candidates for members of the Board of Directors and candidates for members of the Board of Commissioners.
3. The right to propose GMS agenda items.

4. The right to request and access Company data and documents with the mechanism for exercising this right in accordance with the provisions in the Articles of Association and statutory regulations.

The same rights as Series A Dwiwarna Shareholders and Series B Shareholders:

1. The right to attend, express opinions and vote at the GMS based on one share, gives the holder the right to cast 1 (one) vote.
2. The right to obtain information about the company in a timely, correct and regular manner, except for matters of a confidential nature.
3. The right to receive a share of the Company's profits intended for Shareholders in the form of dividends and other profit distributions, in proportion to the number of shares owned.
4. The right to obtain a complete explanation and accurate information regarding the procedures that must be fulfilled in connection with holding a GMS.
5. In the event that there is more than one type and classification of shares in the Company, each shareholder has the right to vote according to the type, classification and number of shares owned, and each shareholder has the right to be treated equally based on the type and classification of shares he or she owns.
6. The right to transfer, relinquish rights or use as collateral for debt all or most of the Company's assets exceeding 50% of the total value of the Company's net assets, either in one transaction or several transactions that stand alone or are related to each other. The Board of Directors must obtain approval from the GMS.
7. The right to propose GMS agenda items with details:
  - a. Series A Dwiwarna shareholder;
  - b. 1 (one) shareholder or more representing 1/20 (one twentieth) or more of the total number of shares issued by the Company with valid voting rights.

In 2023, the Company will hold an Annual GMS on time. The 2023 Annual GMS was held on March 16, 2023. The Annual GMS was held well in accordance with the established agenda.

In ensuring the implementation of sustainability and resilience, the Company has measured sustainability performance and reported it in the Sustainability Report every year. The Company contributes to handling sustainability issues and increasing the company's resilience to sustainability risks. The Company has identified key stakeholder groups to be involved in discussing important issues faced by the Company. In this way, the Company can accurately classify the most interested stakeholders in the Company in a reciprocal manner, the form of relationship that is established, the topics that need to be communicated, and the appropriate efforts to maximize the characteristics of the communication media. These efforts aim to achieve the Company's expected follow-up targets through effective communication.