

Governance Soft Structure

In terms of improving the quality and coverage of the implementation of sustainable governance, the Company drafts and applies a governance soft structure regulating the relationship between organs in the Company; hence, duties, responsibilities, and authorities of each organ are clear in accordance with the provisions of applicable regulations, GCG principles, healthy business ethics, or best practices. The governance soft structure of the Company is a policy structure used as framework and governance in policy drafting as well as the implementation of the Company's activities, including:

1. The Articles of Association of the Bank has been amended several times, as last amended based on the Deed of Decision of the Extraordinary General Meeting of Stockholders (EGMS) No. 28 dated March 28, 2023, made by Ashoya Ratam, S.H., M.Kn., Notary in South Jakarta and approved by the Ministry of Laws and Human Rights of the Republic of Indonesia, No. AHU-0023685.Ah.01.02.TAHUN 2023 dated April 20, 2023.
2. Working Relationship between Board of Commissioners and Board of Directors, ratified in the Joint Decree of Board of Commissioners No.01/DEKOM-BTN/2021 and Board of Directors No.01/DIR-BTN/2021.
3. Guidelines of GCG ratified in the Special Policy No. KK.6-F dated August 25, 2023, concerning the Guidelines of Good Corporate Governance.
4. The Board of Commissioners' Work Guidelines and Rules are ratified in Board of Commissioners Decree No. 05/KOM-BTN/2023 as an update to the Board Manual which becomes a work guideline.
5. Guidelines and Manual of Board of Directors through Special Policy No. KK.6-G dated September 12, 2023, about Guidelines and Manual of Board of Directors.
6. Guidelines and Work Procedures of the Audit Committee Number 06/KOM/BTN/2023 dated December 13, 2023 concerning Guidelines and Work Procedures of the Audit Committee of PT Bank Tabungan Negara (Persero) Tbk.
7. Guidelines and Work Rules of the Remuneration and Nomination Committee Number 07/KOM/BTN/2023 dated December 13, 2023 concerning Guidelines and Work Procedures of the Remuneration and Nomination Committee of PT Bank Tabungan Negara (Persero) Tbk.
8. Guidelines and Work Procedures of the Risk Monitoring Committee Number 08/KOM/BTN/2023 dated December 13, 2023 concerning Guidelines and Work Procedures of the Risk Monitoring Committee.
9. Special Policy No. KK.9-D dated March 30, 2023, concerning Governance Procedures of the Board of Directors Committee.
10. Special Policy No. KK.6-A dated April 24, 2022, concerning Procedures of Gratification Control and Technical Instructions No. PT.6-A.1 dated April 25, 2022, concerning Procedures for Implementing the Gratification Control.

11. Guidelines of Business Ethics and Code of Conduct ratified in the Regulation of Board of Directors No. 16/PD/CMPD/2015.
12. Special Policy No. KK.6-H dated October 10, 2023, concerning Procedures of Conflict-of-Interest Handling.
13. Whistleblowing System Management Guidelines through Technical Instructions Number PT.7-B.2 dated October 31, 2023 concerning Whistleblowing System Management.
14. Special Policy No. KK.6-F dated August 28, 2023, concerning Procedures of Good Corporate Governance.
15. The update of KK No. KK.6-E dated December 13, 2023, concerning Procedures for Implementing Anti-Bribery Management System (ISO 37001:2016).
16. Technical Instructions No. PT.6-F.1 dated September 15, 2023, about Governance Assessment of Good Corporate Governance.
17. The update of technical instructions No. PT.6-E.1 dated December 21, 2023, concerning Procedures for implementing Anti-Bribery Management System (ISO 37001:2016).

Corporate Governance Mechanism

Shareholders

As one of the State-Owned Enterprises under a public company status, the largest shareholder of the Company is the Republic of Indonesia (60,00%), which places the Republic of Indonesia as the Controlling Shareholder. In addition, the Republic of Indonesia also owns 1 (one) share of Series A Dwiwarna providing the holder with privilege rights that are not entitled to other shareholders other than the Controlling Shareholder Controlling shareholders. Apart from that, 40% of the Company's shares are owned by the public. The list of shareholders as of December 31, 2023 is 12,887,145,542 shares consisting of 1 (one) Dwiwarna Series A share and 12,887,145,541 Series B shares

Shareholders' Rights

The Company owns 2 (two) types of shares, namely Series A Dwiwarna Shares and Series B Shares, with a nominal value of Rp500 per share. Series A Dwiwarna Shareholder is the controlling shareholder and has privileges with the following rights and authorities:

Special Rights and Authorities of Series A Dwiwarna Shareholders

1. The right to approve in the GMS for the following issues:
 - a. Approval for amendments to the Articles of Association.
 - b. Approval for Capital changes.
 - c. Approval for the appointment and dismissal of members of the Board of Directors and the Board of Commissioners.



- d. Approval regarding merger, consolidation, acquisition, separation, and dissolution.
 - e. Approval for remuneration for members of the Board of Directors and Board of Commissioners.
 - f. Approval for assets transfer based on the Articles of Association that requires GMS approval.
 - g. Approval for participation and reduction in the percentage of equity participation in other companies based on the Articles of Association that requires the GMS approval.
 - h. Approval for the use of profits.
 - i. Approval for non-operational long-term investment and financing based on the Articles of Association that requires the GMS approval.
2. The right to nominate candidates for members of the Board of Directors and the Board of Commissioners.
 3. The right to propose the GMS agenda.
 4. The right to request and access Company data and documents. Apart from the privileges of Series A Dwiwarna Shareholders, as long as the Company's Article of Association does not specify otherwise, the Series A Dwiwarna Shareholder and the Series B Shareholder have the same rights.

Equal Rights for Series A Dwiwarna Shareholders and Series B Shareholders

1. The right to attend, provide opinions, and vote in the GMS based on one share; the holder is entitled to cast 1 (one) vote.
2. The right to obtain information regarding the Company in a timely, accountably, and orderly manner unless 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 sharing, in proportion to the number of shares owned.
 4. The right to obtain a comprehensive explanation and accurate information on the GMS procedures requirements Perseroan with the mechanism for exercising the said rights in accordance with the provisions in the Articles of Association and statutory regulations
 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 a number of shares owned, and each shareholder has the right to be treated equally based on the type and classification of shares owned.
 6. The right to transfer, release rights or issue a guarantee for debts from all or most of the Company's assets that are more than 50% of the total value of the Company's net assets, either in one separate or several interconnected transactions; the Board of Directors is required to obtain GMS approval.
 7. The right to propose GMS agenda items with details:
 - a. Series A Dwiwarna shareholder;
 - b. 1 (one) or more shareholders representing 1/20 (one twentieth) or more of the total number of shares that have been issued by the Company with valid voting rights.