



Public Company Governance Implementation Guidelines

The Company always complies with applicable regulations in implementing GCG. It includes referring to the Public Company Governance Guidelines stipulated in OJK Regulation No. 21/POJK.04/2015 and OJK Circular Letter No. 32/SEOJK.04/2015 concerning Public Company Governance Guidelines. The POJK regulates 5 (five) aspects, 8 (eight) principles, and 25 (twenty-five) recommendations for the implementation of aspects and principles of good corporate governance. Until the end of 2023, the Company has implemented all recommendations in the regulation with the following detailed information:

No	Aspects; Principles; Recommendations		Comply or Explain
A. Aspect 1: Relationship of Public Company with Shareholders in Guaranteeing the Rights of Shareholders			
A.1. Principle 1: Increasing the Value of the General Meeting of Shareholders (GMS) Holding.			
	A.1.1.	<p>Recommendation 1 : Public Company has technical ways or procedures for voting both in an open and closed manner that prioritize independence and the interests of shareholders.</p> <p>Explanation : Each share with issued voting rights has one voting right (one share, one vote). Shareholders can exercise their voting rights during decision-making, especially in making decisions through voting. However, the mechanism for decision-making through voting, both in an open and closed manner, has not been regulated in detail. Public Companies are recommended to have a voting procedure in making decisions on an agenda of the GMS. The voting procedure must maintain the independence or freedom of shareholders. For ex-ample, voting is held openly by raising hands following the instructions offered by the chairman of the GMS. Meanwhile, voting in a closed manner is carried out on decisions that require confidentiality or at the request of shareholders by using ballots or electronic voting.</p>	<p>a. The voting procedure in making decisions on an agenda of the GMS is carried out by collecting votes in a closed manner as stated in the GMS Rules, which are disclosed to the public through the Company's Website.</p> <p>b. The voting procedure has maintained the independence or freedom of shareholders. In 2023, the Company held an Annual General Meeting of Shareholders on March 16, 2023. All decisions are made based on consensus. In the condition that a decision based on consensus is not reached, a vote is carried out. A decision is taken if it is agreed by more than 1/2 (a half) part of the total number of shares with valid voting rights present at the meeting.</p> <p>Voting was executed through the following procedures:</p> <p>a. Shareholders or their proxies who casted abstention or those who disagreed were asked to raise their hands and hand over their ballots to the officers.</p> <p>b. The Meeting Officer collected the ballots from the shareholders or their proxies and then submitted them to the Notary to be counted.</p> <p>c. The number of votes that abstained and disagreed was counted towards the valid votes issued at the meeting, and the difference was the number of votes agreed.</p> <p>d. Shareholders with valid voting rights but who did not vote (abstained) were considered to have casted the same vote as the majority of shareholders who cast votes.</p> <p>e. The Notary counted and submitted the voting results regarding the proposed decision.</p> <p>Comply</p>
	A.1.2.	<p>Recommendation 2 : All members of the Board of Directors and the Board of Commissioners of Public Company participate in the Annual GMS.</p> <p>Explanation : The presence of all members of the Board of Directors and members of the Board of Commissioners of Public Company has an aim. It is to ensure that every member of the Board of Directors and members of the Board of Commissioners can pay attention, explain, and directly answer the problems that occur or the questions asked by shareholders related to the agenda in the GMS.</p>	<p>In the execution of the GMS, the Company complied with all applicable regulations. Throughout the Annual General Meeting of Shareholders held on March 16, 2023, all members of the Board of Directors and the Board of Commissioners, including members of the Audit Committee, were present</p> <p>Comply</p>

No	Aspects; Principles; Recommendations		Comply or Explain
	A.1.3.	<p>Recommendation3 : A summary of GMS minutes is available on the Website of the Public Company for at least one (1) year.</p> <p>Explanation : Based on the provisions in Article 34 paragraph (2) of the Financial Services Authority Regulation Number 32/POJK.04/2014 concerning the Plan and Implementation of the General Meeting of Shareholders of Public Companies, Public Companies are required to make a summary of GMS minutes in Indonesian and foreign languages (at least in English), and announced 2 (two) working days after the GMS is held to the public, one of which is through the Public Company Website. The availability of a summary of GMS minutes on the Public Company Website provides an opportunity for shareholders who are absent to easily and quickly obtain important information about the GMS implementation. Therefore, the provision on the minimum period of availability of a summary of GMS minutes on the Website is intended to provide sufficient time for shareholders to obtain such information.</p>	<p>The Company provides a summary of the minutes of the GMS in Indonesian and English via the Company's website www.btn.co.id in the Investor Relations menu, as well as in print media as well as through the electronic reporting system IDXnet and OJK E-reporting, namely on the date March 17 2023 for the Annual GMS for the 2022 Financial Year</p> <p>Comply</p>
A.2. Principle 2: Improving the Quality of Public Company Communication with Shareholders or Investors.			
	A.2.1.	<p>Recommendation 4 : Public Company possesses a communication policy with Shareholders or Investors.</p> <p>Explanation : The existence of communication between the Public Company and shareholders or investors is intended for the shareholders or investors to get a clearer understanding of the information that has been published to the public, such as periodic reports, the disclosure of information, business conditions or prospects and performance, as well as the implementation of public company governance. In addition, shareholders or investors can also submit suggestions and opinions to the management of the Public Company. The communication policy with shareholders or investors shows the Public Company's commitment to communicating with shareholders or investors. The policy may include strategies, programs, and communication execution timing, as well as guidance that supports shareholders or investors to participate in such communications.</p>	<p>The Company has in place a communication policy with Stakeholders or Investors referring to the Investor Relation Policy, which includes analyst meetings, public exposure, investor meetings, Annual Reports, and others.</p> <p>Technical Instruction Number PT.9-AD.9 dated September 18, 2023, concerning Bank Communication Management PT Bank Tabungan (Persero) Tbk</p> <p>Comply</p>
	A.2.2.	<p>Recommendation 5 : The Public Company discloses the communication policy of the Public Company with Shareholders or Investors on the Company Website.</p> <p>Explanation : Disclosure of communication policy is a form of transparency on the commitment of the Public Company to providing equality to all shareholders or investors regarding the implementation of communication. The disclosure of information also aims to increase the participation and role of shareholders or investors in implementing the Public Company communication program.</p>	<p>The company has disclosed its policies communication with shareholders or investors on the Company's website (www.btn.co.id) Investor Relations menu - Policy Guidelines Investor Relations.</p> <p>Comply</p>



No	Aspects; Principles; Recommendations		Comply or Explain
B. Aspect 2: Board of Commissioners' Function and Role			
B.1. Principle 3: Strengthening membership and composition of the Board of Commissioners			
	B.1.1.	<p>Recommendation 6 : Determination of the number of members of the Board of Commissioners by considering the Public Company's condition.</p> <p>Explanation : The number of members of the Board of Commissioners may affect the effectiveness of the Board of Commissioners' duties. The number of the Board of Commissioners members in a Public Company must be determined by referring to the provisions of the applicable laws and regulations. The Board of Commissioners members consist of at least two people based on the requirements of the Financial Services Authority (FSA) Regulation Number 33/POJK.04/2014 concerning the Board of Directors and Board of Commissioners of Issuers or Public Companies. In addition, it is also necessary to consider the condition of the Public Company. It includes characteristics, capacity, and size, as well as achieving goals and fulfilling different business needs among Public Companies. However, if the number of the Board of Commissioners members is too large, it could interfere with the effectiveness of the implementation of the functions of the Board of Commissioners.</p>	<p>Determination of the number of members of the Board of Commissioners has considered the condition of the Company. It includes characteristics, capacity, size, and the means of fulfilling the Bank's business requirements and goals following the provisions of the Regulator. The current number of members of the Board of Commissioners is considered sufficient and following FSA Regulation Number 33/POJK.04/2014 concerning the Board of Directors and the Board of Commissioners of Issuers or Public Companies or equal to the number of members of the Board of Directors.</p> <p>Comply</p>
	B.1.2.	<p>Recommendation 7 : Determination of the composition of members of the Board of Commissioners considering the diversity of expertise, knowledge, and experience required.</p> <p>Explanation : The composition of the Board of Commissioners is a combination of characteristics both in terms of the organs of the Board of Commissioners and members of the Board of Commissioners individually, following the needs of the Public Company. These characteristics can be reflected in the determination of the expertise, knowledge, and experience needed in implementing supervisory duties and providing advice by the Board of Commissioners of a Public Company. The composition that considers the needs of the Public Company is a positive matter, primarily related to decision-making in the context of implementing the supervisory function carried out by considering various broader aspects.</p>	<p>The composition of members of the Board of Commissioners was made by considering the diversity of expertise, knowledge, and experience required, as disclosed in the Diversity Composition section of the Board of Commissioners in this Annual Report.</p> <p>Comply</p>
B.2. Principle 4: Improving the Implementation Quality of Duties and Responsibilities of the Board of Commissioners.			
	B.2.1.	<p>Recommendation 8 : The Board of Commissioners has in place a Self-Assessment policy that assesses the performance of the Board of Commissioners.</p> <p>Explanation : The Board of Commissioners' self-assessment policy is a guideline used as a form of accountability for collegial assessment of the Board of Commissioners' performance. Self-assessment is intended to be carried out by each member to assess the implementation of the Board of Commissioners' performance in a collegial manner. Self-assessment is not used to evaluate the individual performance of each member of the Board of Commissioners. With this self-assessment, each member of the Board of Commissioners is expected to improve the performance of the Board of Commissioners on an ongoing basis. The policy can include assessment activities carried out along with their purposes and objectives, the periodic implementation time, and the benchmarks or assessment criteria used following the recommendations given by the nomination and remuneration function of a Public Company. The existence of this function has been required in the Financial Services Authority Regulation Number 34/POJK.04/2014 concerning the Nomination and Remuneration Committee of Issuers or Public Companies.</p>	<p>The Board of Commissioners has a self-assessment policy as stated in the Joint Decree on the Working Relations of the Board of Commissioners and Directors of the Company in the Joint Decree of the Board of Commissioners No. 01/DEKOMBTN/2021 and the Board of Directors No. 01/DIRBTN/2021, Chapter IV Performance Evaluation as outlined in the performance assessment section of the Board of Commissioners in this Annual Report and the Company Website (www.btn.co.id) Investor Relations menu – GCG – Cross Reference ASEAN CG Scorecard – SKB.</p> <p>Comply</p>

No	Aspects; Principles; Recommendations		Comply or Explain
	B.2.2.	<p>Recommendation 9 : Self-Assessment policies assessing the performance of the Board of Commissioners are to be disclosed through the Annual Report of the Public Company.</p> <p>Explanation : The disclosure of the self-assessment policy on the performance of the Board of Commissioners is carried out not solely to fulfill the transparency aspect as a form of accountability for implementing the board's duties. In addition, it also provides assurance, especially to shareholders or investors, as attempts need to be made to improve the performance of the Board of Commissioners. With this disclosure, shareholders or investors know the check and balance mechanism for the performance of the Board of Commissioners.</p>	<p>The Self-Assessment policy to assess the performance of the Board of Commissioners was disclosed in the performance evaluation section of the Board of Commissioners in this Annual Report.</p> <p>Comply</p>
	B.2.3.	<p>Recommendation 10 : The Board of Commissioners has a policy regarding the resignation of members of the Board of Commissioners if involved in financial crimes.</p> <p>Explanation : The policy regarding the resignation of members of the Board of Commissioners involved in financial crimes is a policy that can increase the trust of stakeholders in the Public Company, which will maintain the integrity of the Company. This policy is needed to help the legal process run smoothly so that the legal process does not interfere with the course of business activities. In addition, in terms of morality, this policy builds an ethical culture within the Public Company. The policy may be included in the Guidelines or Code of Ethics applicable to the Board of Commissioners.</p> <p>Furthermore, the status of a convict is given by the competent authority to a member of the Board of Commissioners who is involved in financial crimes. Financial crimes refer to manipulation and various forms of embezzlement in financial services activities and Money Laundering Crimes as referred to in Law Number 8 of 2010 concerning the Prevention and Eradication of Money Laundering Crimes.</p>	<p>The Company has a policy under the Board of Commissioners Guidelines and Work Rules in the Decision of the Board of Commissioners No.01/DEKOM-BTN/2021 regarding the Resignation and Dismissal of members of the Board of Commissioners. This policy regulates whether the board members are involved in any deed considered harmful to the Company and/ or the State and if the person concerned is found guilty in a court of law with permanent legal force</p> <p>Comply</p>
	B.2.4.	<p>Recommendation 11 : The Board of Commissioners or the Committee that performs the Nomination and Remuneration function composed a Nomination succession policy for members of the Board of Directors.</p> <p>Explanation : Based on the provisions of the Financial Services Authority Regulation Number 34/POJK.04/2014 concerning the Nomination and Remuneration Committee of Issuers or Public Companies, the committee that carries out the nomination function has the task of formulating the policies and criteria needed in the nomination process for prospective members of the Board of Directors. One of the policies that can support the Nomination process, as referred to, is the succession policy of members of the Board of Directors. The policy on succession aims to maintain the continuity of the process of regeneration or re-generation of leadership in the Company to maintain business sustainability and the Company's long-term goals.</p>	<p>The appointment and dismissal of the Company's Directors are based on the principles of professionalism and GCG. Since the Company is a State-Owned Enterprise (SEO), the succession policy of the Board of Directors refers to Minister of State-Owned Enterprises Regulation No. PER/11/MBU/07/2021 concerning the Requirements, Procedures for Appointment and Dismissal of Directors of State-Owned Enterprises. In addition, as a Public Company, the Company's policy also refers to the Financial Services Authority regulation Number 33/POJK.04/2014 concerning Directors and Commissioners of Issuers or Public Companies. The description of the succession policy in the Nomination process of the members of the Company's Board of Directors has been disclosed in the Policy section of the Board of Directors' Annual Report Succession.</p> <p>Comply</p>



No	Aspects; Principles; Recommendations	Comply or Explain
C. Aspect 3: Functions and Roles of the Board of Directors		
C.1. Principle 5: Strengthening the Membership and Composition of the Board of Directors.		
	<p>C.1.1. Recommendation 12 : Determination of the number of members of the Board of Directors considers the Public Company's condition and effectiveness in decision making.</p> <p>Explanation : As an authorized corporate organ that deals with the management of the Company, the determination of the number of Directors dramatically affects the performance of the Public Company. Thus, the number of members of the Board of Directors must be determined through careful consideration and refer to the applicable laws and regulations. It must be based on the Financial Services Authority Regulation Number 33 / POJK.04 / 2014 concerning the Board of Directors and Board of Commissioners of Issuers or Public Companies consisting of at least 2 (two) people. In addition, the number of Directors must be determined based on the need to achieve the goals and objectives of the Public Company and adjusted to the conditions of the Public Company. This condition includes the characteristics, capacity, and size of the Public Company and how to achieve the effectiveness of the Board of Directors' decision making.</p>	<p>Determination of the number of members of the Board of Directors has taken into consideration the Company's condition, including characteristics, capacity, and size, as well as the means of achieving objectives and fulfilling the Bank's business requirements following Regulatory provisions. The number of members of the Board of Directors has fulfilled the provisions of FSA Regulation No. 33/ POJK.04/2014 concerning the Board of Directors and Commissioners of Issuers or Public Companies.</p> <p>Comply</p>
	<p>C.1.2. Recommendation 13 : Determination of the composition of members of the Board of Directors considers the diversity of expertise, knowledge, and experience needed.</p> <p>Explanation : Similar to the Board of Commissioners, the diversity of the composition of members of the Board of Directors is a combination of desired characteristics. This combination is in terms of the organs of the Board of Directors and the individual members of the Board of Directors, following the needs of the Public Company. It is determined by considering the appropriate expertise, knowledge, and experience in the division of duties and functions of the Board of Directors in achieving the objectives of the Public Company. Thus, consideration of the characteristic combination will impact the accuracy of the nomination process and the individual appointment of members of the Board of Directors or collegial Board of Directors.</p>	<p>The composition of the Board of Directors members has taken into consideration the diversity of expertise, knowledge, and experience required, as disclosed in the Diversity Composition section of the Board of Directors in this Annual Report.</p> <p>Comply</p>
	<p>C.1.3. Recommendation 14 : Members of the Board of Directors in charge of Accounting or Finance have the required expertise and/or knowledge in accounting.</p> <p>Explanation : Financial Statements are management's accountability reports from managing resources owned by a Public Company. They must be prepared and presented following generally accepted Financial Accounting Standards in Indonesia and related FSA regulations, including laws and regulations in the Capital Market sector that regulate the presentation and disclosure of Public Company Financial Statements. Based on the laws and regulations in the Capital Market sector that regulate the responsibility of the Board of Directors for the Financial Statements, the Board of Directors is jointly responsible for the Financial Statements. The President Director and members of the Board of Directors in charge of accounting or finance sign the Financial Statements.</p>	<p>In 2023, the Director in charge of accounting or finance has an educational background and work experience in finance with the following information:</p> <p>a. Education</p> <ol style="list-style-type: none"> 1. Bachelor of Economics 2. Master of Economics 3. Have work experience in banking <p>b. Work Experience</p> <ol style="list-style-type: none"> 1. Director of Finance (March 2021 – now) 2. Head of Treasury Division (2015-2021) 3. Acting Regional Head, Regional Office I (2015) 4. Head of Treasury Division (2014) 5. Head of Institutional Banking Division (2013) 6. Post Office Alliance Desk Head (2012) <p>The certification owned by the Director in charge of finance/ accounting can be seen in the Competency Development section of the Board of Directors in this Annual Report.</p> <p>Comply</p>

No	Aspects; Principles; Recommendations		Comply or Explain
		<p>Thus, the disclosure and preparation of financial information presented in the financial statements will largely depend on the expertise and/or knowledge of the Board of Directors, especially members of the Board of Directors in charge of accounting or finance. The existence of expertise and/or knowledge qualifications in the accounting field that at least the members of the Board of Directors have can ensure the process of making the Financial Statements. Thus, the Financial Statements can be a reliable basis for stakeholders in making economic decisions related to the Public Company. Such expertise and/or knowledge can be proven by educational background, training certification, and/ or related work experience..</p>	
C.2. Principle 6: Improving the Quality of the Board of Directors' Duties and Responsibilities.			
	C.2.1.	<p>Recommendation 15 : The Board of Directors has in place a Self-Assessment policy used to assess the performance of the Board of Directors.</p> <p>Explanation : Similar to the Board of Commissioners, the Board of Directors self-assessment policy is a guideline used as a form of accountability for collegial assessment of the Board of Directors' performance. Self-assessment is intended to be carried out by each member of the Board of Directors. The aim is to assess the implementation of the Board of Directors' performance in a collegial manner. Self-Assessment is not used to evaluate the individual performance of each member of the Board of Directors. With this self-assessment, each member of the Board of Directors is expected to improve the performance of the Board of Directors on an ongoing basis.</p> <p>The policy may include assessment activities carried out along with their purposes and objectives, the periodic implementation time, and the benchmarks or assessment criteria used following the recommendations given by the nomination and remuneration function of a Public Company. The establishment of these functions has been required in the Financial Services Authority Regulation Number 34/POJK.04/2014 concerning the Nomination and Remuneration Committee of Issuers or Public Companies.</p>	<p>The Board of Directors has in place a Self-Assessment policy. It is stated in the Joint Decree regarding the Working Relationship between the Board of Commissioners and the Board of Directors of the Company Year 2021 Chapter IV on Performance Evaluation and the Valuation System. This self assessment is summarized as Key Performance Indicators (KPI) as described in the Performance Evaluation section of the Board of Directors of this Annual Report and the Company's Website (www.btn.co.id) under the Investor Relations-GCG menu – Cross Reference ASEAN CG Scorecard.</p> <p>Comply</p>
	C.2.2.	<p>Recommendation 16 : Self-Assessment policies in order to assess the performance of the Board of Directors are disclosed through the Annual Report of the Public Company.</p> <p>Explanation : The disclosure of the self-assessment policy regarding the Board of Directors' performance is carried out not solely to fulfill the transparency aspect as a form of accountability for implementing the Board of Directors' duties. In addition, it also provides essential information regarding the attempts to improve the management of the Public Company. This information is beneficial to give assurance to shareholders or investors regarding the existence of certainty that the Company management continues to be carried out in a better direction. With this disclosure, shareholders or investors know the check and balance mechanism for the performance of the Board of Directors.</p>	<p>The Self-Assessment policy to assess the performance of the Board of Directors has been disclosed in this Annual Report under the Performance Evaluation section of the Board of Directors.</p> <p>Comply</p>



No	Aspects; Principles; Recommendations		Comply or Explain
	C.2.3.	<p>Recommendation 17 : The Board of Directors has a policy related to the resignation of members of the Board of Directors when involved in financial crimes.</p> <p>Explanation : The policy of resignation for members of the Board of Directors involved in financial crimes is a policy that can increase the stakeholders' trust in the Public Company, which in return will maintain the Company's integrity. This policy is needed to help the legal process runs smoothly and so that the legal process does not interfere with the course of business activities. In addition, in terms of morality, this policy will build an ethical culture within the Public Company. The policy may be covered by the Guidelines or Code of Ethics applicable to the Board of Directors. Furthermore, the status of a convict is given by the competent authority to a member of the Board of Commissioners who is involved in financial crimes. Financial crimes refer to manipulation and various forms of embezzlement in financial services activities and Money Laundering Crimes as referred to in Law Number 8 of 2010 concerning the Prevention and Eradication of Money Laundering Crimes.</p>	<p>The Company has in place a policy in the Board of Commissioners Charter under the Decree of the Board of Directors Number 07/DIR/KD/ CMPD/2017 regarding the Resignation and Dismissal of members of the Board of Directors if involved in actions considered to harm the Company and/or the State and if the individual involved is found guilty in a court of law having permanent legal force.</p> <p>Comply</p>
D. Aspect 4: Stakeholder Participation			
D.1. Principle 7: Upgrading corporate governance aspects through stakeholder participation.			
	D.1.1.	<p>Recommendation 18 : The Public Company has in place policies to prevent Insider Trading.</p> <p>Explanation : A person with insider information is prohibited from conducting a Securities transaction using insider information as referred to in the Law on Capital Market. Public Companies can minimize the occurrence of insider trading through prevention policies, for example, by strictly separating confidential data and/or information from public ones and dividing the duties and responsibilities for the management of such information proportionally and efficiently.</p>	<p>The Company has a policy to prevent insider trading as stipulated in Special Policy Number KK.9-AA dated September 15, 2023, concerning Investor Relations Activities as can be seen on the Company's website (www.btn.co.id) Investor Relations menu – Investor Relations Policy Guidelines.</p> <p>Comply</p>
	D.1.2.	<p>Recommendation 19 : The Public Company has in place an Anti-Corruption and Anti-Fraud policy.</p> <p>Explanation : Anti-corruption policies are useful for ensuring that the business activities of public companies are carried out legally, prudently, and in accordance with the principles of good governance. The policy can be part of a code of conduct or in its own form. The policy may include, among others, programs and procedures carried out to overcome corrupt practices, kickbacks, fraud, bribery, and/ or gratification in a Public Company. The scope of the policy must describe the prevention of the Public Company against all corrupt practices, either giving or receiving from other parties.</p>	<p>Anti-fraud implementation at Bank BTN is regulated by the Circular Letter of the Board of Directors No. 03/PD/DIR/PPBD/2020 dated March 31, 2020, concerning Guidelines for Anti-Fraud Strategi Policy. As a guideline in the implementation of Gratification Control as an initiative of the national anti-corruption program, the Company issued guidelines for the gratification control guidelines in a Special Policy Number KK.6-A dated April 25, 2022, concerning Gratification Control Procedures.</p> <p>Comply</p>
	D.1.3.	<p>Recommendation 20 : The Public Company has a policy in place regarding the selection and improvement of suppliers or vendor ability.</p> <p>Explanation : The supplier or vendor selection policy is useful to ensure that the Public Company obtains the necessary goods or services at competitive prices and good quality. Meanwhile, the policy of increasing the ability of suppliers or vendors helps ensure that the supply chain runs efficiently and effectively. The suppliers' or vendors' ability to supply/provide the goods or services needed by the Company will affect the quality of the Company's output.</p>	<p>The Company has policies related to vendor management as stipulated in Special Policy Number KK.9-H dated June 30, 2022 concerning Guidelines for the Implementation of Procurement of Goods and/ or Services and Technical Guidelines Number PT.9-H.1 dated September 29, 2023 concerning Guidelines for the Implementation of Procurement of Goods and/ or Services. Generally, the scope of this policy includes, among others, criteria in vendor selection, transparent procurement mechanisms, evaluation of vendor performance, and vendor track record. Coaching vendors through coordination meetings and monitoring and evaluating vendor performance improves the ability of suppliers or vendors.</p>

No	Aspects; Principles; Recommendations		Comply or Explain
		<p>Thus, implementing these policies can guarantee the continuity of supply, both in terms of quantity and quality needed by the Public Company. The scope of this policy includes criteria in selecting suppliers or vendors, transparent procurement mechanisms, attempts to improve the capabilities of suppliers or vendors, and the fulfillment of rights related to suppliers or vendors.</p> <p>The Company has policies related to the procurement of goods and services that contain the selection and improvement of supplier or vendor capabilities as stated in the Procurement Guidelines standards.</p>	<p>The vendor selection policy is implemented by managing the Bank Associate List, which can be used as a vendor database in the application with the direct appointment/ direct election/ direct selection method. The Board of Directors Regulation and the Circular Letter, as mentioned earlier, also regulate the Standard Operating Procedure (SOP) of a transparent procurement mechanism through the auction/ direct election/ direct selection/direct appointment method and provisions on employment contracts with vendors. Thus, by implementing this policy, the continuity of supply needed by the Company is expected to be secured.</p> <p>Comply</p>
	D.1.4.	<p>Recommendation 21 : The Public Company has a policy on fulfilling the creditors' rights.</p> <p>Explanation : The policy regarding the fulfillment of creditors' rights is utilized as a guideline in making loans to creditors. The policy aims to maintain the fulfillment of rights and maintain creditors' trust in the Public Company. The policy includes considerations in making agreements, as well as follow-up actions in fulfilling the obligations of the Public Company to creditors.</p>	<p>The policy regarding fulfilling creditor rights is utilized as a guideline for providing loans to creditors. The policy aims to maintain the fulfillment of creditor rights and to maintain creditor trust in the Public Company. The policy includes consideration for making agreements and follow-up procedures in fulfilling the obligations of the Public Company to creditors. The creditors' basic rights policies include:</p> <ol style="list-style-type: none"> To receive the repayment of Principal and Interest payments at the agreed time. To secure the rights to any penalties regarding the repayment of Principal and Interest payments. To request explanations, information, documents, and inspect the Company's books. <p>For 2023, there are 2 Company creditors, namely: Bilateral Loan Creditors and Bond Creditors.</p> <p>Comply</p>
	D.1.5.	<p>Recommendation 22 : Public Company has a whistleblowing system policy.</p> <p>Explanation : A well-prepared whistleblowing system policy will provide certainty of protection to witnesses or whistleblowers for an indication of violations committed by employees or management of the Public Company. The implementation of these system policies will have an impact on the formation of good corporate governance culture. The whistleblowing system policy includes, among others, the types of violations that can be reported through the whistleblowing system, the way of complaints, protection, and guarantees of the confidentiality of the whistleblower, the handling of complaints, the party who manages the complaint, and the results of handling and following up complaints.</p>	<p>The Company has a Whistleblowing System implementation policy regulated in Technical Guideline Number PT.7-B.2 dated October 31, 2023 concerning Bank BTN Whistleblowing System Management which includes the types of violations that can be reported through the whistleblowing system, how to complain, protection, and guarantee of confidentiality of whistleblowers, handling complaints, parties who manage complaints, and the results of handling and following up complaints according to OJK regulations. The disclosure of Whistleblowing System policy referred to in the 2023 period is described in the Whistleblowing System section of this Annual Report.</p> <p>Comply</p>
	D.1.6.	<p>Recommendation 23 : Public Company has a policy of providing long-term incentives to the Board of Directors and employees.</p> <p>Explanation : Long-term incentives are incentives based on the achievement of long-term performance. The long-term incentive plan assumes that the Company's long-term performance is reflected by the growth in value of the stock or other Company's long-term targets. Long-term incentives are useful to maintain loyalty and provide motivation to the Board of Directors and employees to increase their performance or productivity, which will have an impact on improving the Company's performance in the long run.</p>	<p>Long-term incentives for the Board of Directors and the Board of Commissioners have been regulated, namely:</p> <ol style="list-style-type: none"> Board of Directors Regulation No.02/PD/HCD/2017 concerning the Income of the Board of Directors and Board of Commissioners, Board of Directors Regulation No.2/PD/DIR/PPDB/2021 regarding amendments to Board of Directors Regulation No.02/PD/HCD/2017 concerning the Income of the Board of Directors and Board of Commissioners, Circular Letter of the Board of Directors No. 16/SE/DIR/HCS/2019 concerning the Implementation of Governance in the Provision of Remuneration, <p>Remuneration and incentives have been disclosed in the Implementation of Governance section of Bank BTN's Remuneration Provision in this Annual Report.</p>



No	Aspects; Principles; Recommendations		Comply or Explain
		<p>The existence of a long-term incentive policy is a real commitment of the Public Company to encourage the implementation of long-term incentives to the Board of Directors and Employees with conditions, procedures, and forms adjusted to the long-term goals of the Public Company. The policy may include, among others, the purpose and objectives of providing long-term incentives, terms and procedures for providing incentives, and conditions and risks that the Public Company must consider in providing incentives. The policy can also be included in the remuneration policy of the existing Public Company.</p>	<p>The Board of Directors Regulation includes deferred variable-based remuneration and Material Risk Taker as in Ministry of SOE Regulation No. 04/MBU/2014 concerning Guidelines for SOE Ministerial Regulation Number Per-04/MBU/2014 as last amended by SOE Ministerial Regulation Number Per-13/MBU/09/2021 dated September 24, 2021, and POJK Number 45/POJK.03/2015.</p> <p>Since 2009, the Company has implemented long-term incentives in the form of MESOP for Directors and Employees, as described in the Share Option section in this Annual Report. In 2023, the Company implemented performance and riskbased remuneration.</p> <p>Comply</p>
E. Aspect 5: Disclosure of Information			
E.1. Principle 8: Improving the Implementation of the disclosure of information			
	E.1.1.	<p>Recommendation 24 : The Public Company utilizes information technology more broadly in addition to the Website as a medium for disclosing information.</p> <p>Explanation : The use of information technology can be a helpful medium for the disclosure of information. The disclosure of information is conducted not only to disclose information that has been regulated in laws and regulations but also to disclose other information related to Public Companies that are considered helpful for the knowledge of shareholders or investors. By using information technology more broadly apart from the Website, it is hoped that the Company can extend the effectiveness of disseminating company information. Nevertheless, the use of information technology is carried out while still considering the benefits and costs for the Company.</p>	<p>The Company always strives to improve the quality of the disclosure of information to stakeholders. It is done through the use of information technology, in addition to the Company's Website, such as through social media, namely:</p> <ul style="list-style-type: none"> • YouTube Bank BTN, • Facebook BankBTNcoid, • X @BankBTNcoid, • Instagram @bankbtn • LinkedIn PT BankTabungan Negara <p>The Company also provides information updates to shareholders via email, conference calls, and the Capital Market TV IBCM Channel of the Indonesian Stock Exchange, in addition to mentoring site visits by investors to Bank BTN branch offices, Non-Deal Roadshows, one-on-one meetings, Analyst Meeting Public Expose.</p> <p>Comply</p>
	E.1.2.	<p>Recommendation 25 : The Annual Report of the Public Company discloses the ultimate benefit of the Ownership of the Public Company of at least 5%, in addition to the disclosure of the ultimate beneficial owner of the share ownership of the Public Company through the main and controlling shareholders.</p> <p>Explanation : Laws and regulations in the Capital Market sector governing the submission of Public Company annual reports have regulated the obligation to disclose information regarding shareholders who own 5% (five percent) or more of Public Company shares. In addition, the obligation to disclose information regarding major and controlling shareholders of Public Companies, either directly or indirectly, is up to the last beneficial owner in the ownership of the shares. In this Governance Guidelines, it is recommended to disclose the ultimate beneficial owner of share ownership of a Public Company of at least 5% (five percent), in addition to disclosing the ultimate beneficial owner of share ownership by major and controlling shareholders.</p>	<p>The Annual Report of the Public Company discloses the ultimate benefit of the Ownership of the Public Company of at least 5%, in addition to the disclosure of the ultimate beneficial owner of the share ownership of the Public Company through the main and controlling shareholders.</p> <p>Comply</p>