

**SHARIA SUPERVISORY BOARD CHARTER
PT BANK TABUNGAN NEGARA (PERSERO) Tbk**

**PART I
GENERAL PROVISIONS, PURPOSE OF ESTABLISHING
THE CHARTER OF THE SHARIA SUPERVISORY BOARD**

**Article 1
GENERAL PROVISIONS**

In this regulation the following definitions are given:

1. **Bank/Company** means PT Bank Tabungan Negara (Persero) Tbk.;
2. **State-Owned Enterprises**, hereinafter referred to as SOEs, are Business Entities whose capital is wholly or largely owned by the State through direct participation originating from separated State assets;
3. **Perusahaan Perseroan (State Share Company)**, hereinafter referred to as Persero, is a SOE formed by a Limited Liability Company whose capital is divided into shares, all of which or at least 51% (fifty one percent) of the shares are owned by the Republic of Indonesia whose main objective is to pursue profits;
4. **General Meeting of Shareholders**, hereinafter referred to as the GMS, is a Persero Organ which has authority not granted to the Board of Directors or Board of Commissioners within the limits specified in Law Number 40 of 2007 and/or the Company's Articles of Association;
5. **Sharia Supervisory Board (DPS)** means a board within PT Bank Tabungan Negara (Persero) Tbk which is tasked with providing advice and suggestions to the Board of Directors in the Sharia Sector as well as supervising the activities of the Sharia Business Unit (UUS) so that they comply with Sharia Principles;
6. **National Sharia Council - Indonesian Ulema Council (DSN-MUI)** means an institution formed by the Indonesian Ulema Council, with the task of establishing Fatwas on sharia economics, business and finance and supervising their implementation in order to develop businesses in the fields of sharia economics, business, and finance in Indonesia. DSN-MUI also has the authority to provide recommendations for the appointment of DPS at Sharia Financial Institutions (*Lembaga Keuangan Syariah - LKS*);
7. **Director in charge of UUS (UUS Director)** means the Director of the Bank who is authorized and fully responsible for the implementation of UUS management based on prudential principles and Sharia Principles;
8. **Sharia Business Unit (UUS)** means a work unit of the Bank's head office which functions as the main office of offices or units that carry out business activities based on Sharia Principles;
9. **UUS Executive Officers** mean officials who report directly to the UUS Director and/or have influence on UUS policies and operations, including Head of Division, Head of Sharia Branch Office (*Kepala Cabang Syariah - KCS*) and/or other equivalent officials;
10. **Sharia Supervisory Board Charter** means a DPS Guideline for carrying out its duties and responsibilities in providing advice and suggestions to the UUS Director and supervising UUS activities so that they comply with Sharia Principles.

11. **Sharia Principles** mean the principles of Islamic law in sharia banking activities based on the fatwa of DSN-MUI;
12. **Sharia products and services** mean activities for raising funds, financing, and providing other banking services based on Sharia Principles, excluding non-bank financial institution products marketed by the Bank as a marketing agent based on Sharia Principles;
13. **Good Corporate Governance** means a good corporate governance based on a balance of authority so that no abuse of authority can occur and there is a check and balance in the Company's operations by applying the principles of transparency, accountability, responsibility, independency, and fairness;
14. **Remuneration and Nomination Committee** means a Committee formed by and responsible to the Board of Commissioners whose task is to assist the Board of Commissioners in carrying out its duties. The Remuneration and Nomination Committee is one of the Company's organs, working hand in hand with the Human Capital Management Division as a tool owned by the Board of Directors to appreciate human capital and prepare future leaders who provide exemplary examples and pay close attention to the implementation of good corporate governance;
15. **Ethics** means a set of unwritten norms or values that are believed by a community group to be a standard of behavior for that group based on statutory regulations and business ethics;
16. **Conflict of Interest** means a conflict between the economic interests of the Company and the personal economic interests of Shareholders, Members of the Board of Commissioners, Members of the Board of Directors, Members of the Sharia Supervisory Board, Executive Officers, Employees and/or parties affiliated with the Company;

Article 2

PURPOSE OF ESTABLISHING THE CHARTER OF THE SHARIA SUPERVISORY BOARD

Purpose of Establishing the Charter:

- a. Establish DPS guidelines, standards, and Code of Ethics in order to increase the effectiveness of the daily implementation of DPS functions, duties and responsibilities and create quality standards for the management of institutional administration and DPS work results, both for the needs of DPS itself, UUS and other related parties related to the implementation of DPS duties.
- b. Ensure that DPS can carry out all its duties and responsibilities as stipulated in the various legal bases mentioned above properly by providing work facilities, supporting organizational units and adequate authority; and
- c. Ensure that UUS operates, is managed, developed, and run in accordance with sharia principles and fatwas set by DSN-MUI.

PART II
DUTIES, RESPONSIBILITIES AND AUTHORITY OF
THE SHARIA SUPERVISORY BOARD

Article 3

DUTIES AND RESPONSIBILITIES OF THE SHARIA SUPERVISORY BOARD

DPS has the duties and responsibilities of providing advice and suggestions to the UUS Director as well as supervising UUS activities so that they comply with Sharia Principles. Implementation of DPS duties and responsibilities includes, among others:

1. Assess and ensure compliance with Sharia Principles for operational guidelines and Sharia-related products issued by the Bank;
2. Oversee the Bank's new product development process related to Sharia so that it complies with the fatwa of DSN-MUI;
3. Provide sharia opinions on new products and/or restructured financing related to Sharia by referring, among other things, to the DSN-MUI fatwa and provisions governing the implementation of Sharia Principles and UUS business activities;
4. Request a fatwa from DSN-MUI for new Sharia-related bank products for which there is no fatwa;
5. Conduct regular reviews of the fulfillment of Sharia Principles regarding the mechanism for collecting funds and channeling funds as well as Bank services;
6. Request data and information related to sharia aspects from Bank work units that carry out and/or relate to Sharia activities in the context of carrying out their duties;
7. DPS is obliged to carry out its duties and responsibilities in accordance with the principles of Good Corporate Governance (GCG);
8. Supervise the development of new Bank products related to Sharia:
 - 8.1. Request an explanation from the Board of Directors and/or authorized Bank officials regarding the objectives, characteristics and contracts used in the new Sharia-related products that will be issued;
 - 8.2. Ensure the availability of contracts used in new products related to Sharia in the DSN-MUI fatwa:
 - 8.2.1. In the event that there is a fatwa, DPS will carry out compliance with the new product agreement with the DSN-MUI fatwa.
 - 8.2.2. In the event that there is no fatwa, DPS proposes to the Bank's Board of Directors to complete the new product agreement related to Sharia with a fatwa from DSN-MUI.
 - 8.3. Reviewing systems and procedures for new products that will be released in relation to compliance with Sharia Principles;
 - 8.4. Provide sharia opinion on new products to be issued by the Bank;
 - 8.5. Evaluate the fulfillment of Sharia Principles on policies and procedures to manage the risks inherent in the Bank's new Products and/or Activities.

9. Supervise UUS activities:
 - 9.1. Analyzing reports submitted by and/or requested from the Board of Directors, implementation of the internal audit function and/or compliance function to determine the quality of the implementation of compliance with Sharia Principles for fund collection and distribution activities as well as Bank services;
 - 9.2. Determine the number of sample tests (samples) of transactions that will be examined by paying attention to the quality of implementation of Sharia Principles for each activity;
 - 9.3. Examine transaction documents that are sample tested to determine compliance with Sharia Principles as required in internal policies, including:
 - 9.3.1. Availability of documents as proof of purchase of goods, for *murabahah* contracts as proof of fulfillment of the pillars and conditions of *murabahah* sale and purchase;
 - 9.3.2. Availability of customer business report documents, for *mudharabah/musyarakah* contracts, as a basis for calculating profit sharing distribution.
 - 9.3.3. Availability of documents of ownership of the goods being rented, for contracts related to leasing, including: *ijarah* contract, *ijarah mutaniya bi al tamlik* contract and *musyarakah mutanaqishah* contract, as proof of fulfillment of the pillars and conditions of *ijarah*.
 - 9.4. Carry out inspections, inspections, requests for information and/or confirmation from UUS employees and/or customers to strengthen the results of document checks as referred to in pain 9.3, if necessary;
 - 9.5. Conduct a review of internal policies related to sharia aspects if there are indications of non-compliance with the implementation of Sharia Principles for the activities in question;
 - 9.6. Providing sharia opinions on fund collection and distribution activities as well as UUS services;
 - 9.7. Report the results of DPS supervision to OJK using the specified format no later than 2 (two) months after the semester period ends;
 - 9.8. Provide sufficient time to carry out duties and responsibilities optimally.
10. Bank Risk Management:
 - 10.1 Conduct an evaluation (review) of UUS Risk Management policies related to compliance with Sharia Principles;
 - 10.2 Evaluate the responsibility of the Board of Directors for implementing Risk Management policies related to fulfilling Sharia Principles;
 - 10.3 Evaluations in points 10.1 and 10.2 above are carried out at least once a year.

Article 4

AUTHORITY OF THE SHARIA SUPERVISORY BOARD

To be able to carry out its duties and responsibilities as mentioned above, DPS is given the authority to do the following things:

1. Examine and request an explanation from Bank officials at UUS with authority regarding the objectives, characteristics, internal policies, and contracts used in financial products and activities at UUS;
2. Review and approve all internal policies, systems, products, and contracts issued by the Bank/UUS related to sharia principles;

3. Carry out inspections, inspections, requests for information and/or confirmation from Bank employees, UUS and/or customers to strengthen the results of the inspection;
4. Request all necessary data and information from the UUS Director in order to carry out his duties.

PART III

Article 5

MEMBERSHIP, DPS MEMBERSHIP COMPOSITION

1. Requirement

The requirements for someone to be appointed as a DPS Member must meet the following criteria:

1.1. **Integrity**, at least includes:

- 1.1.1. Have good morals and morals;
- 1.1.2. Capable of carrying out legal actions;
- 1.1.3. Have a commitment to comply with and implement with full professionalism the Charter of the Sharia Supervisory Board, Sharia banking provisions and other applicable statutory provisions;
- 1.1.4. Having a commitment to the development of healthy and resilient sharia banking;
- 1.1.5. Not included in the Fit and Proper List (List of Unqualified Parties/*Daftar Tidak Lulus*) as regulated in the provisions regarding the fit and proper test stipulated by the OJK; and
- 1.1.6. Never committed fraud (fraud, embezzlement, and/or cheating) in banking, finance, and other business fields, never been convicted of committing a crime (as proven by a personal statement).

1.2. **Competence**, at least having knowledge and experience in the field of sharia *mu'amalah* has obtained approval/letter of recommendation from DSN-MUI and knowledge in the field of banking and/or finance in general. In order to improve their competence, DPS Members must be willing to continuously go through education and training, including participating in an induction program which aims to provide input to the person concerned in order to gain an understanding of the Bank in a relatively short time so that they can carry out their duties effectively and efficiently; and

1.3. **Reputation**, at least within the last 5 (five) years before being nominated and while serving:

- 1.3.1. Not included in the OJK black list and bad credit list;
- 1.3.2. Never declared bankruptcy;
- 1.3.3. Never been a shareholder, member of the Board of Commissioners, or member of the Board of Directors of a company and/or member of the management of a business entity who was found guilty of causing a company and/or business entity to be declared bankrupt.
- 1.3.4. Never been convicted of committing a criminal act that is detrimental to State finances and/or related to the financial sector; and
- 1.3.5. Never served on the Board of Directors and/or Board of Commissioners while serving:

- 1.3.5.1. has ever not holding an Annual GMS;
- 1.3.5.2. His accountability has ever unaccepted by the GMS or he has ever not provided accountability as a member of the Board of Directors and/or Board of Commissioners to the GMS;
- 1.3.5.3. Has ever caused a company that obtained a permit, approval, or registration from the OJK to not fulfill its obligation to submit an Annual Report and/or Financial Report to the OJK.

Article 6

COMPOSITION OF THE MEMBERSHIP OF DPS

1. The composition of DPS membership is as follows:
 - 1.1. The minimum number of DPS members is 2 (two) people and a maximum of 3 (three) people.
 - 1.2. The DPS is led by a Chairman appointed from one of the DPS members.
 - 1.3. DPS members are appointed by the Bank's General Meeting of Shareholders (GMS).
2. Requirements for Appointment and Resignation
 - 2.1. Requirements for Appointment or Reappointment.

Determination of DPS members goes through the following stages:

 - 2.1.1. The Remuneration and Nomination Committee provides recommendations for prospective DPS members to the Board of Commissioners;
 - 2.1.2. In the event that a member of the Remuneration and Nomination Committee has a conflict of interest with a prospective member of the DPS, then it must be disclosed in the recommendation;
 - 2.1.3. Based on the recommendations of the Remuneration and Nomination Committee, the Board of Commissioners through the Board of Directors proposes DPS candidates to DSN-MUI;
 - 2.1.4. DSN-MUI provides recommendations or does not provide recommendations on the proposal to determine candidates for DPS members submitted by the Board of Directors;
 - 2.1.5. The Board of Directors is obliged to submit a request for approval to the OJK for prospective DPS members who have received a recommendation from the DSN-MUI;
 - 2.1.6. OJK approves or does not approve the proposed DPS member candidates;
 - 2.1.7. The GMS appoints DPS members who have received DSN-MUI recommendations and OJK approval as referred to in letter 2.1.6 above;
 - 2.1.8. In the event that the appointment of DPS members at the General Meeting of Shareholders is carried out before OJK approval, the appointment of the DPS members must be reported by the Bank to the OJK no later than 10 (ten) calendar days from the date of appointment;

2.1.9. Prospective DPS members who have not been declared effective are unable to carry out their duties and responsibilities as DPS members and cannot make legally binding decisions, and therefore do not yet have their rights and obligations as DPS members;

2.1.10. In the event that a member of the DPS is not appointed by the GMS within a period of 3 (three) months from the date the OJK approval is given, then the OJK approval regarding the candidate for DPS member in question will become invalid.

2.2. Resignation Requirements

2.2.1. A DPS member has the right to resign from his/her position by notifying the Bank's Board of Directors in writing of the intention to resign before the resignation becomes effective;

2.2.2. Banks are obliged to disclose information to the public and submit it to the OJK no later than 2 (two) working days after receiving the DPS member's resignation letter and nominate a replacement candidate for the DPS member in accordance with the provisions;

2.2.3. If the resignation results in the number of DPS members being less than the minimum number as regulated in the applicable laws and regulations, the Bank is obliged to appoint new DPS members in accordance with the procedures and procedures for appointing DPS members in force;

2.2.4. DPS members who resign before their term of office ends, responsibility for the implementation of their duties carried out from the last accountability period until the resignation becomes effective must still be requested at the nearest Annual GMS;

2.2.5. The dismissal and/or resignation of a DPS member must be reported to the OJK no later than 10 (ten) calendar days after the dismissal and/or resignation becomes effective;

3. Independency

3.1. DPS members can hold concurrent positions as DPS members in a maximum of 4 (four) other Sharia Financial Institutions with priority to companies affiliated with the Bank's business group;

3.2. DPS members are prohibited from holding concurrent positions as consultants in all BUS and/financial institutions in Indonesia;

4. Conflict of Interest

4.1. DPS members must avoid potential conflicts of interest or always position themselves to avoid potential conflicts of interest in any situation. In the event of a conflict of interest, DPS members are prohibited from taking actions that could harm or reduce the Bank's profits and are required to disclose the potential conflict of interest referred to in each decision and submit it to the Board of Commissioners;

4.2. DPS members must comply with other provisions regarding conflicts of interest and other provisions that apply to the Bank;

- 4.3. The procedures that DPS members must go through if a conflict of interest occurs is as follows:
- 4.3.1. Obligated to immediately report in writing to the Board of Commissioners regarding all matters that have the potential to create and/or contain a conflict of interest that is financially significant in terms of financial or reputation for the Bank, the Board of Commissioners, DPS and the Board of Directors;
 - 4.3.2. It is not permitted to participate in the assessment process for all activities that contain a conflict of interest;
 - 4.3.3. You can take part in meetings, but you are not allowed to take part in decision making.

5. **Transparency**

- 5.1 DPS members are required to disclose:
- 5.1.1. Hold concurrent positions as a DPS member at another sharia financial institution in the Bank's Good Corporate Governance implementation report at least 1 (one) time every year.
 - 5.1.2. DPS members are required to disclose the remuneration and facilities received in the Bank's Good Corporate Governance implementation report as regulated in regulatory regulations regarding the implementation of GCG in BUS and UUS.

6. **Term of Office**

- 6.1. DPS is appointed from candidates who meet the applicable requirements for a certain period of time, namely:
- 6.1.1. The term of office of a DPS member is from the date determined at the GMS that appointed him until the closing of the fifth Annual GMS after the date of his appointment without prejudice to the right of the GMS to dismiss him at any time in accordance with the applicable provisions.
 - 6.1.2. The DPS member's position ends if:
 - 6.1.2.1. The term of office ends in accordance with the provisions of the Bank's Articles of Association;
 - 6.1.2.2. Resign in accordance with applicable provisions;
 - 6.1.2.3. No longer meets statutory requirements;
 - 6.1.2.4. Die;
 - 6.1.2.5. Dismissed based on GMS decision.
 - 6.1.3. DPS members who have completed their terms of office can be reappointed by taking into account the applicable provisions.

7. **Secretary of DPS**

- 7.1. The DPS Secretary is located in the Sharia Business Division.
- 7.2. The DPS Secretary is appointed by the Sharia Business Division from employees in the Sharia Business Division.

Article 7

WORK MECHANISM AND WORK PLAN

1. Working Mechanism

- 1.1. DPS members carry out their supervisory functions through:
 - 1.1.1. Conduct visits to UUS offices and other Bank work units that carry out Sharia service functions;
 - 1.1.2. Provide access to information, policies and procedures at the Bank if deemed necessary, including through an interview mechanism;
 - 1.1.3. Attend meetings of the Board of Directors and/or Board of Commissioners at the invitation of the Board of Directors and/or Board of Commissioners;
 - 1.1.4. Coordinate with the Director in charge of the compliance function and the Compliance Work Unit at the Bank regarding the implementation of the compliance function towards Sharia Principles and can be carried out in meetings at least 1 (one) time in 1 (one) year with the presence of the Director of UUS supervision;
 - 1.1.5. Coordinate with the Internal Audit Division on the results of internal audits related to the implementation of Sharia Principles at UUS.

2. Work Plan

At the beginning of every fourth quarter, DPS prepares an annual work plan for the following financial year period which is then stated in a DPS Decision.

Article 8

WORK ETHICS AND TIME

1. Work Ethics and Time

- 1.1. DPS members are required to provide sufficient time to carry out their duties and responsibilities. The provision of sufficient time is reflected, among other things, by the presence of the person concerned at DPS meetings, implementation of DPS duties and so on;
- 1.2. The physical presence of DPS members at the Bank office is recorded by the DPS Secretary, including recording the time and purpose of attendance.
- 1.3. In the event that a member of the DPS is unable to carry out his duties within a certain time (more than one month in a row), then this must be submitted in writing accompanied by reasons for further discussion at the Board of Commissioners Meeting through the Remuneration and Nomination Committee to obtain a decision on further action. including reporting this matter to DSN and OJK in accordance with applicable regulations;
- 1.4. If for some reason, a DPS member is in legal status as a suspect or defendant, then this matter must be reported by the Board of Directors to the Bank's Board of Commissioners. Furthermore, through the Board of Commissioners Meeting the DPS membership status will be determined;
- 1.5. Each DPS member may not utilize information obtained from the Bank for personal, family or affiliated parties' profits and interests;
- 1.6. Each DPS member may not receive personal income or profits from the Bank other than remuneration and other facilities that have been determined in Bank policy and approved by the GMS;

- 1.7. Each DPS member is obliged to prioritize the interests of the Bank by implementing the principles of professionalism and integrity, as well as working and behaving to a high standard;
- 1.8. Every DPS member is prohibited from using the Bank for personal, family and/or other party interests which could reduce assets or reduce Bank profits;
- 1.9. Every member of the DPS and their families and other parties affiliated with them may not lend money to the Bank;
- 1.10. Each DPS member may not store or duplicate documents and not control Bank assets for personal interests;
- 1.11. Every DPS member may not receive, give, or offer anything from/to State Officials and business partners;
- 1.12. Each DPS member is obliged to protect confidential information about the Bank or information about customers and partners from anyone who does not have the right to know it, or to parties who have no interest in the information. Unless requested by the authorized party in accordance with applicable legal provisions;
- 1.13. At least 1 member of the DPS is required to attend Bank/UUS invitations related to the Bank's corporate events and external events related to the main duties of the DPS. Determination of DPS presence will be determined by DPS itself;
- 1.14. The work ethics of DPS members are also guided by the Bank's Code of Ethics policy.

PART IV REMUNERATION, FACILITIES AND MINUTES OF THE MEETING

Article 9 REMUNERATION

Provisions regarding the amount of salary or honorarium or remuneration and/or allowances for DPS members are determined by the GMS. In the event that the GMS delegates the authority to determine the amount of salary and allowances to the Board of Commissioners, then the determination of the amount of salary and allowances is determined by a meeting of the Board of Commissioners based on the recommendation of the Remuneration and Nomination Committee, including:

1. Remuneration, namely income in the form of finance (Non-kind) including salary, THR, Transport and/or communication allowances, performance bonuses.
2. Other facilities, namely facilities received that are not financial (in kind), include post-service insurance facilities, health facilities, official travel facilities, training, and workshops if necessary.

Article 10 MEETINGS

1. Meetings

The DPS meeting is a deliberation forum between DPS members to discuss every strategic and operational policy and decision in the context of carrying out supervisory functions, providing advice and suggestions to the Board of Directors and UUS Management in the field of Sharia so that they comply with Sharia Principles. In order to make decisions, DPS can request DSN-MUI consideration if necessary. DPS meetings are held with the following provisions:

- 1.1. DPS meetings must be held periodically at least 1 (one) time in 1 (one) month or 12 (twelve) times in 1 (one) year. In certain situations, and needs. DPS can hold meetings more than 1 (one) time in a month.
- 1.2. DPS meeting invitation in point 1.1. This can be done in writing or can be done via electronic media such as email, *WhatsApp*, and others. Invitations are sent to each DPS member no later than 5 (five) calendar days before the DPS meeting is held. If there is an urgent need, the invitation can be made 3 (three) calendar days before the DPS meeting is held.
- 1.3. DPS must prepare a DPS meeting schedule for the next financial year before the end of the financial year.
- 1.4. DPS meetings must be held in the territory of Indonesia, but if they are held outside the territory of Indonesia, the meeting decision is considered valid only if it is attended by all members of the DPS;
- 1.5. At a DPS Meeting a DPS member cannot represent another DPS member who is unable to attend;
- 1.6. DPS meetings are valid and have the right to make binding decisions if attended by at least 2 (two) DPS members;
- 1.7. DPS meeting decisions are made based on deliberation and consensus. In the event that deliberation is not reached, then decision making is carried out by voting based on the affirmative votes of more than 1/2 (a half) of the total number of DPS members;
- 1.8. Voting is generally carried out verbally, but under certain conditions and according to mutual agreement voting can be carried out by means of a closed letter;
- 1.9. DPS members who are present at the Meeting but are not in the Meeting room at the time of decision making for some reason, the voting rights concerned are considered blank/do not provide voting rights;
- 1.10. Each DPS member present has the right to cast 1 (one) vote;
- 1.11. The meeting is chaired by the Chairman of the DPS or in the absence of the Chairman of the DPS, one of the DPS members is appointed as chairman of the meeting;
- 1.12. DPS members who are unable to attend the DPS Meeting must inform the DPS Chair of their absence through the DPS Secretary;
- 1.13. Meetings are held at the Bank/UUS Head Office, however, with certain considerations and mutual agreement, meetings can be held at one of the branch offices throughout Indonesia or outside the branch office;

- 1.14. Meetings can be held via teleconferencing technology (meeting participants hear and see each other) or through other electronic media that allows all meeting participants to see and hear each other directly and participate in the DPS Meeting;
- 1.15. In certain conditions where it is not possible to hold a DPS Meeting, the DPS decision can be conveyed in writing by means of circulation;
- 1.16. All DPS decisions stated in the minutes of the meeting are joint decisions of all DPS members;
- 1.17. Dissenting opinions that occur at DPS Meetings must be stated clearly in the minutes of the meeting along with the reasons;
- 1.18. The results of DPS meetings must be stated in the minutes of the meeting and properly documented.

2. Minutes of Meeting

- 2.1. Minutes of the Meeting are drawn up by the DPS Secretary and must be signed by all DPS members present at the Meeting;
- 2.2. In the event that the DPS Meeting is conducted via teleconferencing technology or through other electronic media, it must be followed up by preparing Minutes of the Meeting which are signed by all DPS members;
- 2.3. In the event that a DPS member does not sign the Minutes of Meeting, the person concerned is obliged to state the reasons in writing in a separate letter attached to the Minutes of Meeting;
- 2.4. DPS Meeting Minutes are valid evidence for DPS members and third parties regarding decisions taken at DPS Meetings and approval of a product, policy, and SOP;
- 2.5. Copies of the Minutes of Meeting must be distributed to all DPS members and administered by the DPS Secretary.
- 2.6. DPS can make valid decisions without holding a meeting by providing approval, consultation, suggestions, or advice on written proposals submitted by UUS by signing the proposal. Decisions taken in this way must receive approval from all DPS members.
- 2.7. DPS decisions are published through internal communication media.

Article 11

ASSESSMENT AND ACCOUNTABILITY OF PERFORMANCE OF DPS

1. Assessment and accountability for the implementation of DPS duties and responsibilities will be reported to the UUS Director. In this regard, it is regulated as follows:
 - 1.1. At the beginning of the year, DPS determines the Work Plan and performance achievement targets in the form of KPIs which are then approved by the UUS Director;
 - 1.2. Assessment and measurement of DPS performance is based on the results of the implementation of tasks carried out by the person concerned in accordance with the realization and achievement of the Work Plan;
 - 1.3. DPS performance assessment is carried out in the following way:
 - 1.3.1. DPS performance assessment is carried out for a period of 1 (one) year;
 - 1.3.2. DPS members assess their performance using the self-assessment method (regarding the achievement of KPIs and other components);

- 1.3.3. The results of the performance assessment using the self-assessment method are then submitted to the Human Capital Management Division (HCMD)
- 1.4. The DPS performance assessment and accountability report regarding the realization of the DPS Work Plan is submitted to the UUS Director no later than 3 (three) months after the reporting month.

PART V

SUPPORTING WORK UNITS FOR THE IMPLEMENTATION OF DUTIES AND RESPONSIBILITIES OF DPS, AND REPORTS

Article 12

SUPPORTING WORK UNITS FOR THE IMPLEMENTATION OF DPS DUTIES AND RESPONSIBILITIES

In carrying out its duties, functions, and responsibilities, DPS is assisted by several Organizations/Work Units, namely:

1. Sharia Division Organization/Work Unit in charge of Strategic Planning & Development Department.

The position of the Strategic Planning & Development Department in supporting the duties, functions, and responsibilities of DPS is:

- 1.1. Organize DPS meetings and administer meeting decisions and results;
- 1.2. Assisting DPS activities in order to liaise with internal and external parties related to Sharia Compliance functions;
- 1.3. Assist in preparing the Bank's Annual Report related to DPS agenda and activities;
- 1.4. Assist DPS in reviewing and ensuring all policies, products and SOPs developed by the Bank including legal drafts (e.g., financing agreements, product terms and conditions, Third Party Funds, cooperation agreements, and other legal matters), accounting systems and Statement of Requirements (SOR) development of information technology for sharia financial products and transactions in accordance with Sharia Compliance. Provisions for implementing the review mechanism are further regulated in more detail in the General Sharia Compliance Policy;
- 1.5. Organize and carry out DPS secretarial functions including certification/education activities required by provisions issued by the Authority or Regulator; and
- 1.6. Updating the DPS Charter in accordance with applicable internal Company regulations.

2. Organization/Work Unit in charge of the Sharia Compliance Unit

- 2.1. Supports DPS functions and tasks in:
 - 2.1.1. Prepare annual work programs and reports on the implementation of DPS duties and responsibilities to the Board of Directors, Board of Commissioners and OJK as well as other reports.
 - 2.1.2. Assist DPS in ensuring that all products, operational guidelines, and legal documents developed by the Bank are Sharia Compliance and ensure that relevant risk management aspects in accordance with applicable internal risk management provisions are adequately covered and fulfilled.

- 2.1.3. Carrying out a review/assessment of the implementation of the Bank's operational activities related to fulfilling Sharia compliance, both at the Head Office, Sharia Branch Offices and Office Channeling Branch Offices.
- 2.1.4. Assist DPS in evaluating the implementation of risk management policies related to fulfilling Sharia principles.
- 2.1.5. Supporting the implementation of Sharia GCG.
- 2.2. Coordinating the development of new and existing products to ensure compliance with applicable regulatory provisions.
3. **Organization/Work Unit in charge of Corporate Secretary.**
 - 3.1. Coordinate DPS membership in the GMS agenda in accordance with the provisions of the Bank's Articles of Association;
 - 3.2. Arranging the DPS activity agenda in the context of the Bank's corporate events;
 - 3.3. Help coordinate DPS Remuneration and Nominations with Human Capital Management Division (HCMD);
 - 3.4. Organize and accompany DPS visits to Regulators in its position as corporate Sharia supervisor;

Article 13 REPORT

1. Reports on the results of DPS supervision for one semester must be submitted via UUS to the Board of Commissioners and Director of UUS no later than 2 (two) months after the end of the reporting period, namely at the end of August and February (the following year). The report material submitted includes:
 - 1.1. Implementation of supervision of the Bank's new product development process.
 - 1.2. implementation and results of supervision of Bank activities include fund collection activities, fund distribution and other service activities.
2. The UUS Director is obliged to submit a DPS supervision report for one semester, as intended above, to the OJK, using the format as regulated by the OJK, no later than 2 (two) months after the end of the reporting period, namely the end of August and February (the following year).

PART VI MISCELLANEOUS

Article 14 DOCUMENT MANAGEMENT

Document Management

All documents regulated in the DPS Charter, including minutes of meetings, DPS Opinions, DPS performance assessment and accountability reports and others, must be administered with due observance of archive provisions as regulated in the Head Office and Branch Office Operational Management Policy.

**Article 15
CLOSING**

Closing

1. The DPS Charter is dynamic and, if necessary, can be changed/revised at any time according to the Bank's needs, if there are changes to applicable provisions, regulations, and relevant legislation.
2. Matters that have not been regulated in the DPS Charter will be regulated later with the Field Director/UUS.
3. This Sharia Supervisory Board Decree is effective from the date of stipulation.
4. So that Bank officials and employees are aware, this Sharia Supervisory Board Decree is documented by the Board of Directors and published in the Bank Announcement Gazette.

Stipulated in : Jakarta

On : 13 December 2023

**PT BANK TABUNGAN NEGARA (PERSERO) Tbk
Sharia Supervisory Board**

signed

signed

Muhammad Quraish Shihab
Chairman

Mohammad Bagus Teguh Perwira
Member