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# good corporate governance



The Bank always put the good corporate governance as the top priority in all their action to protect the interest of customer, employee, and all stakeholders.



## GCG implementation report

In creating digital ecosystem for the inclusive communities, good corporate governance serves as a pillar that not only supports every initiative to be implemented according to the regulations, but also ensures development of a healthy and resilient banking industry sustainably uphold the rights of stakeholders.



### general description of good corporate governance (GCG) implementation in BTPN Syariah

BTPN Syariah continues to improve in refining the implementation of good GCG principles based on the Bank Business Plan and Sustainable Finance Action Plan initiatives. This refinement is carried out to ensure that the Bank provides sustainable added value to the shareholders, customers, and all stakeholders, including the general public, as well as assurance that the Bank is run according to its functions as Sharia Commercial Bank and Public Company.

At BTPN Syariah, GCG is consistently implemented by attempting timely fulfillment of obligations. The Bank is committed to the continuous improvement of GCG implementation in accordance with the provisions in the Articles of Association as well as the prevailing laws and regulations, to ensure that the Bank is capable of protecting the interests of shareholders, customers, employees, and all other stakeholders.

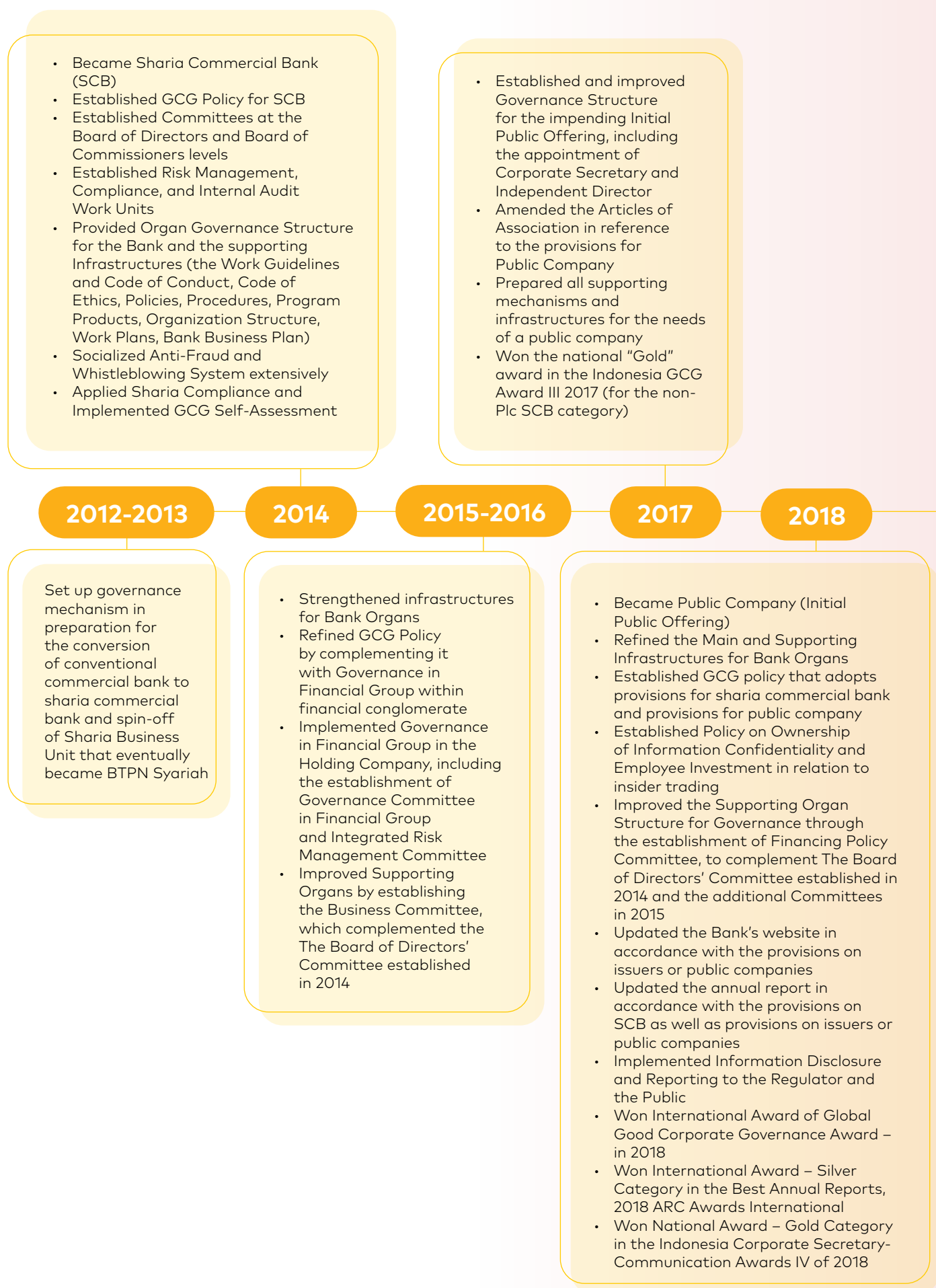


## GCG implementation roadmap in BTPN Syariah

GCG principles has been implemented since BTPN Syariah was still a Sharia Business Unit (SBU) of PT Bank BTPN Tbk, at the time known as PT Bank Tabungan Pensiunan Nasional Tbk.

As it develops, BTPN Syariah attempts to keep refining its supporting governance mechanism to ensure compliance with the provisions and the prevailing laws and regulations, as well as the foundation of the Bank's governance to ensure sustainable business growth.

## A decade of GCG Implementation Road Map In BTPN Syariah



- Improved how the GMS was held by conducting first electronic GMS (e-GMS) with electronic voting and vote calculation (e-voting) and E-PROXY
- The perfection of GCG guidance implementation to adopt ASEAN Corporate Governance Scorecard with a **score above 100** and managed to be a Top 5 from 100 domestic companies that are deemed successful in implementing a high-quality corporate governance and worth to get the interest of global investors through the category achievement of through **"ASEAN Assets Class Public Listed Companies and Domestic Significantly Improved Public Listed Companies"**
- PT BTPN Syariah Ventura, a subsidiary, officially started operations
- Implemented Consolidated Risk Management with Subsidiary
- Carried out consolidated GCG Self-Assessment with Subsidiary, to complement consolidated GCG Self-Assessment with Main Entity
- Won International Award - Global Good Governance Award (3G Award)
- Won International Award - Nomination of Asset Class Category by Institute of Corporate Directors Philippines
- Won National Award - Top 50 Big Capitalization Public Listed Company
- Won National Award - The Best Roles of Stakeholders

## 2019-2020

- Changed name to PT Bank BTPN Syariah TBK, in accordance with the name of the Main Entity
- Adopted ASEAN Corporate Governance Scorecard for the implementation of GCG principles in the fiscal year of 2019 with a score of 87.75 (above industry average)
- Conveyed the Sustainable Finance Action Plan 1 (one) year earlier than the obligation for the Bank under Book 2 category
- Established Integrity Pact for employees
- Won International Award – Global Good Governance Award in 2019 and 2020
- Won International Award – Gold – in the 34h Annual International ARC Award 2020
- Won National Award – Gold – in Asia Sustainability Reporting Rating 2020
- Was among the Top 100 Big Capitalization Public Listed Category

## 2021

- Amended the Articles of Association, including the refinement of GCG Policy and other Procedures related to implementation of e-GMS
- Improved the quality of GCG principles implementation as a public company and sharia commercial bank through provision of e-Proxy in the Annual GMS 2021
- Improved GCG implementation through the adoption of ASEAN Corporate Governance Scorecard for the fiscal year of 2020 and improved the score to 92.03 or equivalent to Very Good
- Implemented Banking Synergy
- Made Declaration of Compliance
- Won International Award – Global Good Governance Award in 2021
- Won International Award – Gold – Annual Report Competition by LACP 2020 Vision Awards
- Won International Award – Platinum – in Sustainability Report Competition by LACP 2020 Vision Awards
- Was among the Top 50 Big Capitalization Public Listed Category

## 2022

## the objective of GCG Implementation

GCG implementation in BTPN Syariah aims to build a healthy and resilient sharia banking industry that protects the interest of stakeholders, and to improve compliance with the prevailing provisions as well as the generally applicable ethical values in sharia banking industry.

BTPN Syariah firmly upholds the rights of stakeholders and sustainably maintains the transparency and accountability of BTPN Syariah, by maintaining the trust of shareholders and investors through the implementation of GCG guidelines for Public Company, by also observing the relevant sector and industry as well as the size and complexity as a sharia commercial Bank.

Internally, BTPN Syariah ensures the sustainability of commitment in practicing good GCG principles, namely by managing business and operational activities professionally, continuously improving the bank's internal control system and risk management, and always complying with the prevailing provisions and staying in line with sharia principles.

Externally, BTPN Syariah competes professionally in fair and healthy manner, and with integrity, by still considering the emerging risks and firmly upholding the bank's vision and mission in maintaining the Company's reputation through implementation of good GCG guidelines for Public Company.

## legal basis of GCG implementation

In implementing GCG principles, BTPN Syariah refers to the prevailing laws and regulations on the banking industry, Sharia Banking, Capital Market in relation to GCG implementation, and the internal guidelines contained in the Bank's Vision, Mission, and Values, Articles of Association, Policies, Procedures, and Code of Ethics.

## commitment toward basic principles and guidelines of governance in BTPN Syariah

BTPN Syariah continues to uphold its commitment in fulfilling the basic principles and guidelines of governance in 2022.

The implementation of good GCG principles in BTPN Syariah aims to build a healthy and resilient sharia banking industry, protect the interests of stakeholders, and improve compliance with the prevailing regulations as well as generally applicable ethical values in sharia banking industry.

In building a healthy and resilient sharia banking industry, BTPN Syariah firmly upholds the rights of stakeholders. Every function of the Bank Organs have carried out the management and supervision of the Bank in accountable and transparent manner, aiming to maintain the trust of stakeholders and investors through implementation of GCG guidelines for Public Company by always considering the development of the relevant sector and industry, as well as the size and complexity of BTPN Syariah.

To ensure the implementation of Good Corporate Governance (GCG) in the Bank's operations, there is a sufficient and effective check and balance as well as control system in place. As a sharia commercial bank, BTPN Syariah is subject to the provisions on GCG implementation for Sharia Commercial Bank based on 6 (six) basic principles. Also, as a public Company, the implementation of GCG guidelines in BTPN Syariah includes 5 (five) aspects, 8 (eight) GCG principles, and 25 (twenty five) implementations of GCG aspects and principles.

## basic principles and guidelines of GCG

### As Sharia Commercial Bank

As Sharia Commercial Bank, BTPN Syariah complies with the basic principles of GCG implementation, namely Transparency, Accountability, Liability, Professionalism, Fairness, and Sharia Compliance.

The manifestation of these aspects are as follows:

<b>Transparency</b>	The Bank must provide relevant material information in a way that is easily accessible and understood by stakeholders, in order to maintain objectivity in running its business. The Bank must take initiative to disclose not only on issues stipulated by the laws and regulations, but also on matters important for the decision-making by Shareholders, Customers, and other Stakeholders;
<b>Accountability</b>	The Bank must be able to account for its performance in transparent and fair manner. To do so, the Bank must be properly and measurably managed in line with the Bank's interest by still considering the interests of Shareholders and other stakeholders. Accountability is a prerequisite to achieve sustainable performance;
<b>Liability</b>	The Bank must comply with all Sharia Principles and prevailing laws and regulations, as well as conduct its responsibilities to the God Almighty, Society, environment, and other relevant stakeholders, so that from time to time the Sharia Principles can be optimally implemented and maintained within long-term business sustainability, and the Bank is acknowledged as a business entity with good reputation that complies with the sharia law and prevailing positive laws;
<b>Professionalism</b>	The Bank is independently managed, so that each of its organs could not dominate each other and be intervened by other parties, while also having the competency, objectivity, freedom from any influence, and strong commitment to develop the Bank. This is meant to ensure that GCG principles are always implemented across all of the Bank's activities;
<b>Fairness</b>	In running its business, the Bank always considers the interests of Shareholders and other stakeholders to fulfill the stakeholders' rights based on the principles of fairness and equity;
<b>Sharia Compliance</b>	The Bank is a banking institution that conducts financial intermediary functions, managed and operated based on the Sharia Principles as the heart and soul of its existence. Therefore, compliance with Sharia Principles across all activities and products of fund distribution and collection, as well as other banking service products, is certain and mandatory. Included in this aspect is the standard of ethics and conduct for all managers and Employees of the Bank in their daily activities, which do not contradict the Sharia Principles and Values.

## As Public Company

As Public Company, the implementation of GCG guidelines in BTPN Syariah include 5 (five) aspects, 8 (eight) GCG principles, and 25 (twenty five) implementations of GCG aspects and principles.

### ASPECTS of GCG implementation for Public Company, which include:


1. Aspect of Relationship between Public Company and Shareholders in ensuring the Rights of Shareholders;
2. Aspect of Functions and Roles of the Board of Commissioners and the Sharia Supervisory Board;
3. Aspect of Functions and Role of the Board of Directors;
4. Aspect of Stakeholders' Participation;
5. Aspect of Information Disclosure.

### PRINCIPLES of GCG implementation for Public Company, which include:

1. Improvement of the Value of General Meeting of Shareholders (GMS);
2. Improvement the Quality of Communication between Public Company and Shareholders or Investors;
3. Strengthening of the Membership and Composition of the Board of Commissioners;
4. Improvement of the Quality of Duties and Responsibilities' Performance by the Board of Commissioners;
5. Strengthening of the Membership and Composition of the Board of Directors;
6. Improvement of the Quality of Duties and Responsibilities' Performance by the Board of Directors;
7. Improvement of the Corporate Governance Aspects through Stakeholders' Participation;
8. Increased Implementation of Information Disclosure.

### IMPLEMENTATIONS of GCG ASPECTS and PRINCIPLES for Public Company, which include:

1. Public Company shall have a method or technical procedure on voting, whether open or closed, which prioritizes the independence and interest of shareholders;
2. All members of the Board of Directors and Board of Commissioners of Public Company shall attend Annual GMS;
3. Summary of GMS shall be available in the Website of Public Company for at least 1 (one) year;
4. Public Company shall have policy on communication with shareholders or investors;
5. Public Company shall disclose its policy on communication with shareholders or investors in the Website;
6. The number of members in the Board of Commissioners shall take into account the condition of the Public Company;
7. The composition of members in the Board of Commissioners shall take into account the diversity of skills, knowledge, and experience required;
8. Board of Commissioners shall have its own self-assessment to assess the performance of the Board of Commissioners;
9. The self-assessment policy to assess the performance of Board of Commissioners shall be disclosed in the Annual Report of Public Company;
10. Board of Commissioners shall have policy on resignation of its members if the person were involved in financial crime;
11. Board of Commissioners, or a Committee performing Nomination and Remuneration function, shall make policy on succession in the process of Nominating members of the Board of Directors;
12. The number of members in the Board of Directors shall take into account the condition of the Public Company and effectiveness in decision making;
13. The composition of members in the Board of Directors shall take into account the diversity of skills, knowledge, and experience required;
14. Member of the Board of Directors that supervises accounting and finance sector should have expertise and/or knowledge in accounting;
15. Board of Directors shall have its own self-assessment to assess the performance of the Board of Directors;

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16. The self-assessment policy to assess the performance of Board of Directors shall be disclosed in the Annual Report of Public Company;
  17. Board of Directors shall have policy on resignation of its members if the person were involved in financial crime;
  18. Public Company shall have policy to prevent insider trading;
  19. Public Company shall have policy on anti-corruption and anti-fraud;
  20. Public Company shall have policy on selection and capacity improvement of suppliers or vendors;
  21. Public Company shall have policy on the fulfillment of creditors' rights;
  22. Public Company shall have policy on whistleblowing mechanism;
  23. Public Company shall have policy on long-term incentive for the Board of Directors and employees;
  24. Public Company shall utilize information technology more expansively in addition to website as information disclosure media;
  25. Annual Report of Public Company shall disclose the final beneficial owner within the shares ownership of at least 5% (five percent) in the Public Company, in addition to the disclosure of final beneficial owner within the shares ownership in the Public Company through main and controlling shareholders.

Throughout 2022, BTPN Syariah has continued to prioritize the recommended implementation of GCG guidelines across all levels of organization.

## improved standards of GCG guidelines implementation in BTPN Syariah

The effort of BTPN Syariah in improving the standards of GCG guidelines implementation is a mandate. The Bank continuously improves the transparency and quality of how it delivers information to all stakeholders based on international standards.

With the continuously refined standards based on the methodology of Asean Corporate Governance Standards (ACGS) within the Southeast Asia Region, the Good Corporate Governance implementation produced real results in the form of international awards, namely the GLOBAL GOOD GOVERNANCE (3G) Awards as 3G Socially Responsible Banking Award 2021, 3G Excellence in Socio-Economic Development for the Fiscal Year 2021 at the beginning of 2022 and on 24 November 2022 managed to get into the Nomination of Assets Class Category by Institute of Corporate Directors Philippines.

In addition, BTPN Syariah have managed to increase their score for the good GCG principles referring to the Asean Governance Scorecard. The Results of the Assessment by Independent Institution that was sent to the Bank in July 2022 and January 2023, both showed **scores above 100 (which means the Leadership in Corporate Governance, is beyond the level 1 of ACGS structure)**, improved from the previous year with the average value being above 90. The improved factors are especially the improved score that are focused on the rights of shareholders, revelation and transparency, and responsibility of the Board of Commissioners and the Bank has managed to withhold the good value of equal treatment to shareholders and the role of stakeholders.

PT Bursa Efek Indonesia in collaboration with ASEAN Corporate Governance highly recognized the significant score improvement of BTPN Syariah and acknowledged the Bank as 9 (nine) out of 100 domestic companies that are deemed successful in implementing a high-quality corporate governance and worth to get the interest of global investors through **"Domestic Significantly Improved Public Listed Companies"** based on 2021 Asean Corporate Governance Scorecard assessment, that was announced on 31 January 2023.

To complete this high achievement, BTPN Syariah has managed to fulfill the expectation of stakeholders of the governance management that adapt the international guideline in Southeast Asia level by getting position 5 out of 9 public companies in Indonesia that received **ASEAN Asset Class PLSs** from PT Bursa Efek Indonesia (Indonesia Stock Exchange) and Asean Corporate Governance that was also announced on 31 January 2023 at the Indonesia Stock Exchange.

The improved score from the previous year showed a strong commitment by the Bank's organs to ensure international-scale quality in the Bank. This achievement means that the implementation of corporate governance in the Company has complied with the international standards as stipulated by ACGS.

To complement the international recognition on recommended implementation of GCG principles, BTPN Syariah also earned national recognition by being included among the **TOP 50** Big Capitalization Issuers in The 12th IICD Corporate Governance Award at the end of May 2022, a rise from the previous year when the Bank was ranked among Top 100.

Obviously, BTPN Syariah will continue to improve its processes through sustainable and consistent business growth, which is in line with the improvement of the recommended implementation of GCG principles in the Bank.

The quality standard of GCG implementation is enforced through various mechanisms and parameters, such as:

1. Fraud Awareness;
2. Establishment of Collective Identity;
3. Monitoring of Internal Audit;
4. Implementation of prudential principles in Risk Management;
5. Fostering Compliance Culture;
6. Active Role of Bank Organs;
7. Internal Control System;
8. External Audit Function;
9. Enforcement of Legal Lending Limit Provision;
10. Transparency of Financial and Non-Financial State;
11. Implementation of Sharia Principles in Fund Collecting, Fund Raising, and Service Delivery activities;
12. Internal Reporting;
13. Handling of Conflict of Interest; and
14. Reporting and Assessment of GCG Implementation.

## Quality Standard of GCG Implementation Through Fraud Awareness

BTPN Syariah is committed to the suppression of the number of internal violations through routine "fraud awareness" dissemination program to all employees.

JAGA is an internal mechanism for the employees and other parties who would like to report a fraud or indication of fraud.

### JAGA

- J** = Conduct process in accordance with the prevailing provisions;
- A** = Monitor and observe the surrounding work environment if there is anything that is not in line with the provisions;
- G** = Look for more information when there is information or suspicion of fraud; and
- A** = Submit a report when there is an indication of fraud.

Throughout 2022, there were 446 of reported cases, and they have all been followed-up.

As a form of the Bank's commitment in ensuring no tolerance for fraud across all of its business activities, BTPN Syariah provides various easily accessible JAGA channels. Details on the form and scope of JAGA can be read in the section of Anti Fraud Management, GCG Implementation Report, in this Annual Report.

## Quality Standard of GCG Implementation Through Establishment of Collective Identity

As the business scale and activities of the Bank grew, the challenges also became bigger and more complex. The collective identity as #bankirpemberdaya was established to unify the Employees in performing the Vision and Mission, as well as to build character in BTPN Syariah.

The term *#bankirpemberdaya* refers to a profession that works in a bank (banker), but a different type that gather funds from well-to-do groups and distribute them to the empowerment of inclusive families, for the self-fulfillment of helping others.

Every *#bankirpemberdaya* shares the unique traits that are collectively developed and serves an extremely necessary purpose for productive inclusive families, namely:

- **For *#bankirpemberdaya* who directly engages the customers**

Responsible for every service provided to customers (Responsible Customer Engagement), which means that *#bankirpemberdaya* at the frontline is fully committed to serving the customers;

- **For *#bankirpemberdaya* who does not directly engage the customers**

A simple and secure way in developing every product and process, with predetermined risk tolerance, considering that inclusive families are limited in terms of education background, financial records, and formal documentations.

This unique trait of *#bankirpemberdaya* enables BTPN Syariah to serve inclusive families; not only waiting for customers to become "bankable", but serving the customers deemed as "unbankable".

BTPN Syariah is committed to creating a positive working environment, providing opportunities to grow and have a more meaningful life, and moving forward together to achieve collective resilience in the face of the pandemic and economic challenges.

## Quality Standard of GCG Implementation through Internal Audit Monitoring

Internal Audit is an independent work unit that is directly responsible to the President Director and functionally responsible to the Audit Committee. The Internal Audit unit in BTPN Syariah has successfully performed all of their work plans and programs throughout 2022, in which the results from inspection and supervision have been used to evaluate possible improvements

on management policies, business processes, and operational activities to be in line with internal and external procedures, infrastructure adequacy, supporting procedures, and human resources management.

To ensure recommended implementation of GCG as judged by independent report, periodic discussion on audit results are held among the Board of Directors and the Internal Audit Committee, in which the summary of discussion is routinely delivered to the President Director and the Board of Commissioners through the Audit Committee or during the relevant corporate meeting.

The Internal Audit has recommended improvement measures for all Divisions and Work Units through supervision and direct consultation, in reference to the regulatory provisions on Implementation of Internal Audit Function for Commercial Bank, International Standards for the Professional Practice of Internal Auditing, and Annual Audit Plan 2022.

## Quality Standard Control of GCG Implementation Through Prudential Principles on Risk Management

BTPN Syariah controls the quality standard of GCG implementation through prudential principles on Risk Management by continuously improving internal risk management and coordinating in integrated risk management with PT Bank BTPN Tbk as the Main Entity.

On supervision of Subsidiary, the Bank applies prudential principles in capital investment and consolidated risk management for the bank that controls the subsidiary, including monitoring the legal lending limit for relevant parties.

To build a Risk Management framework, BTPN Syariah develops a systematic and measured first line of defence through the CARE (Champion of Assurance for Risk Enterprise) program. CARE is responsible for identifying, comprehending, and monitoring Inherent Risk Indicator, RCSA, LED, Risk Appetite, and Risk Tolerance in every work unit of the Bank, and ensuring the adequacy, fitness, and availability of Policies and Procedures as well as limit supervision and authority of the work unit. CARE

also ensures that there is a contingency plan in emergency situations. In terms of supervision, CARE holds active discussion and sharing session with the RMU and Internal Risk Forum regarding the existing risk exposure, control mechanism, and action plan, while also coordinates on the settlement of risk indication improvement, audit findings, and Quality Assurance.

### **Quality Standard of GCG Implementation through Fostering Compliance Culture**

As a Public Company that is publicly listed in the stock exchange, the Bank must improve its compliance rate with the prevailing provisions from time to time; not only complying with the provisions from the Banking Financial Services Authority, but also with the provisions from the Capital Market Monitor of Financial Services Authority, Indonesian Stock Exchange, and other related Regulators.

Compliance culture in BTPN Syariah is focused on several aspects, namely Governance, Awareness, and Assessment. BTPN Syariah has implemented Risk-Based Approach (RBA) through Sectoral Risk Assessment (SRA) for the implementation of APU-PPT program according to the provisions from Financial Services Authority and PPATK.

According to the Key Strategic Initiatives, the compliance function shall be adjusted to the current needs, which is to ensure that the culture of compliance is fostered in BTPN Syariah. Besides the functions of Sharia Compliance and Advisory, as well as AML and CFT Compliance, Compliance Development is also developed to improve the tools and various concepts that enable employees to easily access external and internal provisions.

Systems and procedures are continuously improved to ensure that all processes in BTPN Syariah remain simple and secure.

The Bank also ensures that the Subsidiary has sufficient systems and procedures in running its business.

### **Quality Standard of GCG Implementation through the Role of Bank Organs**

The Bank Organs of BTPN Syariah, which consist of the General Meeting of Shareholders, Board of Directors, Board of Commissioners, and Sharia Supervisory Board, are considered to have implemented the GCG well.

The Board of Commissioners and Sharia Supervisory Board perform active supervision to ensure that GCG principles have been implemented in BTPN Syariah. In performing its supervisory function, the Board of Commissioners is assisted by the The Board of Commissioners' Committee to ensure that all procedures, strategic decisions, products, and services, as well as human resources management, logistics, and supporting documentations, have been sufficient.

The Sharia Supervisory Board, assisted by the Compliance Team, supervises to ensure that BTPN Syariah has implemented GCG principles and sharia principles in all of its activities, products and services, and operational activities.

The scope of supervision by the Board of Commissioners and Sharia Supervisory Board covers the implementation of GCG principles in branch offices and functional offices throughout Indonesia, conducted via routine inspection. As social activity and mobility started to recover in 2022, direct field inspection has also been resumed. During 2022, the Board of Commissioners has visited numerous areas through online and offline inspections, while the Sharia Supervisory Board conducted direct inspection at several cities in Indonesia. All recommendations and follow-ups from the visits have been made under a good governance.

The Board of Directors has performed its managerial function, assisted by the Board of Directors' Committees in BTPN Syariah, and ensured the suitability of operational activities, products, and services, as well as availability of supporting mechanisms and infrastructures in the form of adequate provisions and procedures that are in line with the provisions from Regulators.

In terms of risk identification, measurement, monitoring, and control adequacy, as well as risk management information system, BTPN Syariah has achieved the required processes, including good

capital adequacy. The Bank also has an Operational Risk Management System (ORMS) in supporting the monitoring and control of operational risks, in which all risky occurrences are recorded, governed, and analyzed to anticipate and mitigate the possibility of the recurring incidents in the future.

In order to supervise the Subsidiary, the Board of Directors, Board of Commissioners, and Sharia Supervisory Board have their own respective duties and responsibilities in ensuring the implementation of prudential principles on capital investment, consolidated risk management for the Bank that controls the subsidiary, and implementation of good corporate governance related to legal lending limit, while ensuring consolidated supervision of the overall health of the Bank.

Further details on the Bank Organs can be found in the section on Shareholders, Board of Directors, Board of Commissioners, and Sharia Supervisory Board in the GCG Implementation Report of this Annual Report.

Quality Standard of GCG Implementation through Internal Control System

BTPN Syariah implements 3 (three) lines of defence for internal control, namely:

1. First Line

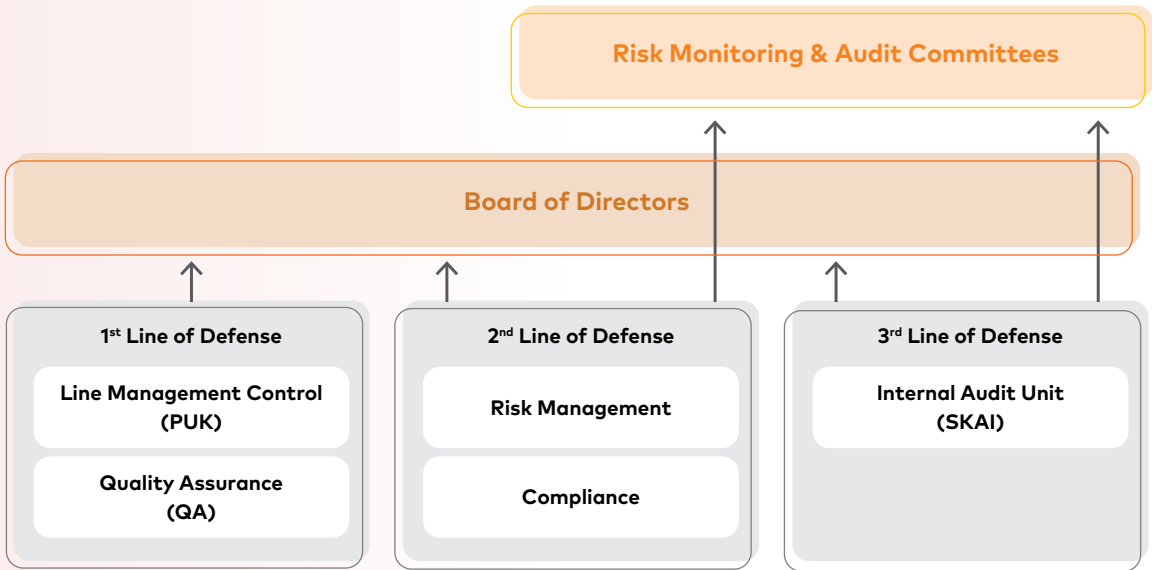
Internal control function (Quality Assurance), helping the Risk Taking Unit in enforcing the practice of daily operation risk control;

2. Second Line

Risk Management Division, along with Compliance Division, define, refine, and maintain the methodology of operational risk management, ensure adequacy of risk mitigation, policies, and procedures, and coordinate/facilitate operational risk management activities as a whole;

3. Third Line

Internal Audit will independently ensure that all residual risks have been managed within predetermined risk tolerance.



### **Quality Standard of GCG Implementation through External Audit Function**

BTPN Syariah implements GCG principles in appointing the public accountant and public accounting firm registered under Bank Indonesia to audit the Bank's financial statement. The appointment of public accountant and Public Accounting Firm always refers to the decision made in the General Meeting of Shareholders.

The financial statement of the Bank and other financial information audited by external auditor are used as reference in assessing the Bank's health.

Further details on External Audit and the Public Accounting Firm appointed by the Bank in 2022 can be found in the GCG Implementation Report of this Annual Report.

### **Quality Standard of GCG Implementation through Legal Lending Limit (LLL)**

In order to increase its role in the economy, BTPN Syariah takes measures to support economic growth, including financing real sector.

The Bank always takes into consideration the prudential principles in properly managing risks, particularly in relation to concentration risk. BTPN Syariah has provisions in place on LLL, as well as provisions on providing funds, particularly Funds Channeling to Certain Parties, Large Funds Channeling (large exposures), and/or Funds Channeling to other parties with certain interest in the Bank.

Throughout 2022, BTPN Syariah has fulfilled the provisions on legal limit credit, and there was no violation of LLL.

### **Quality Standard of GCG Implementation Through Transparency of Financial and Non- Financial State**

For the transparency of its financial and non-financial state, BTPN Syariah has prepared and presented report in accordance with the provisions of the Regulator on Transparency and Publication of Report of Sharia Commercial Bank and Public Company Report.

The Bank has a Website to ensure Information Disclosure and that all information for stakeholders, whether on financial or non-financial state, have been presented in integrated and complete form, and are regularly updated.

BTPN Syariah has the mechanisms to deliver financial and non-financial information to stakeholders, such as the General Meeting of Shareholders and Public Expose.

Further details on Information Disclosure is presented in the Corporate Secretary section and the financial state of the audited Financial Statement section in this Annual Report.

### **Quality Standard of GCG Implementation Through Sharia Principles Implementation in Funds Acquisition, Funds Channeling, and Service Delivery**

As a sharia commercial bank, BTPN Syariah fulfills the sharia principles in its operational activities, as regulated in the provisions of Bank Indonesia on the implementation of Sharia Principles in Funds Acquisition, Funds Channeling, and service delivery of sharia bank.

Throughout 2022, BTPN Syariah has properly implemented sharia principles in funds acquisition, funds channeling, and service delivery activities.

## Quality Standard through Internal Reporting

To improve the quality of decision-making process by the Board of Directors, and the quality of supervision by the Board of Commissioners and Sharia Supervisory Board, BTPN Syariah ensures that there is sufficient and adequate internal reporting system in place, supported by sufficient and reliable management information system, in the Bank.

Throughout 2022, the internal reporting system was properly available.

## GCG Implementation Quality Standard through Conflict of Interest Handling

The conflict of interest handling in BTPN Syariah is regulated in the Company Governance Policy, the Work Guidelines and Code of Conduct of Bank Organ and Supporting Organ, and the Code of Ethics.

The Bank has sufficient internal procedure in line with the provisions on conflict of interest handling, which is binding to all managers and employees of BTPN Syariah. The administration, recording, documentation, and disclosure of the relevant conflict of interest shall be described in meeting minutes and/or other documents according to the requirements.

As sharia commercial bank and public company, BTPN Syariah is obliged to disclose information and report to Regulator as governed by the OJK provision in the event of a conflict of interest during the Bank's transactional process.

Further details on Information Disclosure is presented in the Corporate Secretary section in this Annual Report.

During 2022, there was no transaction with conflict of interest in BTPN Syariah.

## GCG Implementation Quality Standard Through Reporting and Assessment of GCG Implementation

BTPN Syariah has carried out a self-assessment for Semester I and Semester II of 2022, and presented the GCG implementation report of 2021 in the General Meeting of Shareholders on 21 April 2022. The scope of the GCG Implementation Report was set according to the Bank Indonesia Regulation on GCG implementation for Sharia Commercial Bank, and is described in the Website of the Bank.

The GCG implementation report of 2022 is as presented in this Annual Report.

## Benefits of GCG Principles Implementation

BTPN Syariah is confident that by implementing GCG principles, the Bank's efficiency, effectiveness, and sustainability would improve and contribute to the wellbeing and trust of shareholders, employees, and other stakeholders, owing to the firm adherence to good and transparent GCG principles.

The benefit of GCG principles implementation is that it serves as a parameter and benchmark to achieve the vision and mission of BTPN Syariah based on prudence principles, intertwined with the role of all stakeholders according to the prevailing laws and regulations.

## Results of GCG Implementation

The implementation of GCG principles, along with the spirit to innovate for goodness and *#tangguhbersama* (resilient together), has led to good performance growth by BTPN Syariah throughout 2022, as seen in the key performance indicators per 31 December 2022, as follows:

- ROE 24.2%
- CAR 53.7%
- Total Assets Growth 14.1%
- Distributed Financing of Rp11.5 Trillion
- Third Party Funds of Rp12.0 Trillion

The Bank also earned trust and recognition from external parties, both nationally and internationally, through various awards it received in 2022, including:

### International

1. Cambridge IFA 3G Awards
  - 3G Socially Responsible Banking Award 2022
  - 3G Excellence Award in Socio-Economic Development 2022
2. Global Islamic Finance Awards 2022
  - GIFA Market Leadership Award (Islamic SME Banking) 2022
3. International LACP Award
  - AR Competition Award (book year 2021)
  - SR Competition Award (book year 2021)
4. ARC Award International XXXXVI 2022
  - Bronze Award in Sustainability Report Competition
5. 2020 Asean Corporate Governance Scorecard (ACGS) by PT Bursa Efek Indonesia and ASEAN Corporate Governance
  - ASEAN Assets Class PLCs
  - Domestic Significantly Improved PLCs
6. Institute of Corporate Governance, Philippines
  - Nomination of Asean Assets Class

### National

1. The 13th IICD – GCG Award 2022
  - Top 50 Big Capitalization Public Listed Company
  - Best Roles of Stakeholders
2. Infobank SME Financing Awards 2022
  - The Strongest Company in Ultra Micro Market Segment Penetration
  - The Best Bank in SME Financing
3. 27th Infobank Awards 2022
  - Financial Performance Full Year 2021 with Excellent predicate
  - The Most Profitable Bank in 2022
4. The Economics Indonesia Banking Summit 2022
  - 3rd Indonesia Top Bank Awards in 2022 in KBMI 2 category

5. Investor Best Syariah 2022
  - The Best Sharia Bank 2022 in Sharia Bank with asset under Rp20 T category
6. 11th Infobank Sharia Awards 2022
  - The Best Sharia Bank in Empowering Ultra Micro Segment 2022
  - Sharia Institution with predicate "5 Years Excellent" for Financial Performance during 2017–2021
  - Sharia Institution with Predicate "Excellent" for Financial Performance in 2021
7. Bisnis Indonesia Financial Award 2022
  - The Best Performance Bank in Sharia Bank category
8. CNBC Indonesia Awards 2022
  - Most Outstanding Bank in Micro Finance for Women Empowerment
9. ESG Disclosure Award 2022 – Media Berita Satu
  - Commitment C predicate
10. Bank Indonesia Award
  - The Best Bank in Supporting MSMEs Category KBMI 1 & 2

## Form of Commitment in GCG Implementation

The implementation of GCG principles in BTPN Syariah manifests in how the Bank stays firmly committed in implementing GCG for Public Company by continuously adjusting operational processes according to current circumstances, including responding to the challenges of the COVID-19 pandemic, without hindering the Bank's efforts to continuously innovate in improving the implementation quality of GCG principles from time to time.

Compliance implementation in BTPN Syariah is conducted by the three strategies that cover:

### GOVERNANCE

All supervisory actions taken by the Board of Commissioners, Sharia Supervisory Board, Board of Directors, and Other Supporting Organs through measured and structured mechanism, updating of the overall internal control procedures and provisions as well as ensuring that they are in sync with all operational processes, fulfillment of the Bank's commitment and improvement for the Regulator and all stakeholders, and ensuring that every aspect of the compliance have been properly implemented.

### AWARENESS

The initiatives across all levels of organization in an effort to improve culture of compliance with the regulations and the employees' daily tasks and work, the provision of attractive media and platform to inform employees on regulations, and the involvement of the Sharia Supervisory Board in the Bank to ensure that business and operational processes have been in line with the sharia principles and are accountable.

### ASSESSMENT

All supervisory, inspection, and formulation of efforts to improve and develop, which aim to improve the Bank's compliance with regulations, including by inspection at the Head Office, Branch Office, and on the Site, through identification of customers to guard and protect the Bank from any practice of money laundering, terrorism-related funding, and others.

## The Fulfillment of Commitment for GCG Implementation at BTPN Syariah as a Public Company and Sharia Commercial Bank in 2022 Includes the Following:

1. BTPN Syariah continues to support the Government in the National Economic Recovery Plan during the COVID-19 pandemic by providing various relaxation policies and facilities to financing customers. The programs and policy of BTPN Syariah for customers are explained in further detail in the "Financial Performance and Business Review" section of this Annual Report;
2. In order to fulfill the Regulation of Bank Indonesia PBI Number 11/33/PBI/2009 concerning Good Corporate Governance Implementation for Sharia Commercial Banks and Sharia Business Units, BTPN Syariah has regularly updated Good Corporate Governance Policy in 2022;
3. In order to fulfill PBI Number 11/33/PBI/2009 concerning the Implementation of Good Corporate Governance for Sharia Commercial Banks and Sharia Business Units, BTPN Syariah has updated the Guidelines and Code of Conduct for Bank Organs and Bank Supporting Organs, including Guidelines and Code of Conduct of the Board of Commissioners, the Board of Directors, Committees at the Board of Commissioners level (namely the Audit Committee, the Risk Monitoring Committee, and the Nomination and Remuneration Committee), and the Committees at the Board of Directors level (namely the ALCO Committee, Risk Management Committee, Information Technology Steering Committee, and Business Committee) in 2022;
4. In order to fulfill the Bank Indonesia Regulation Number 11/33/PBI/2009 concerning Good Corporate Governance Implementation for Sharia Commercial Banks and Sharia Business Units, and Bank Indonesia Circular Letter Number 12/13/DPBS concerning Good Corporate Governance Implementation for Sharia Commercial Banks and Sharia Business Units, PBI Number 15/13/PBI/2013 concerning Amendments to PBI Number 11/3/PBI/2009 on Sharia Commercial Banks, and the Financial Services Authority Regulation (POJK) Number 33/POJK.04/2014 concerning Board of Directors and Board of Commissioners of Issuers or Public Companies, BTPN Syariah has ensured the entire processes of nomination, and appointment of the new members for the

- Board of Commissioners have adhered to the regulations. All effective members of the Board of Directors, the Board of Commissioners, and the Sharia Supervisory Board have passed the Fit and Proper Test from the Financial Services Authority (OJK);
5. In order to fulfill the Bank Indonesia Regulation Number 11/33/PBI/2009 concerning Good Corporate Governance Implementation for Sharia Commercial Banks and Sharia Business Units, the Board of Commissioners has re-established the composition of members of the Risk Monitoring Committee of BTPN Syariah in 2022;
  6. In order to fulfill POJK Number 34/POJK.04/2014 on Nomination and Remuneration Committee for Issuers or Public Companies, the Board of Commissioners has re-established the composition of members of the Nomination and Remuneration Committee of BTPN Syariah in 2022;
  7. In order to fulfill POJK Number 8 / POJK.03/2014 concerning Assessment of the Soundness Level of Sharia Commercial Banks and Sharia Business Units and POJK Number 65/POJK.03/2016 concerning Implementation of Risk Management for Sharia Commercial Banks and Sharia Business Units, as well as taking into account the OJK Circular Letter Number 10/SEOJK.03/2014 regarding the Soundness Assessment of Sharia Commercial Banks, BTPN Syariah has risk management and internal control standards in accordance with the three lines of defense principles;
  8. In order to fulfill POJK Number 21/POJK.04/2015 regarding the Implementation of Guidelines for Governance of Public Companies, in conjunction with the OJK Circular Letter Number 32/SEOJK.04/2015 concerning the Guidelines for the Governance of Public Companies, BTPN Syariah is guided by the Good Corporate Governance Guidelines, which include 5 (five) aspects, 8 (eight) principles of good corporate governance, and 25 (twenty five) recommendations for the implementation of aspects and principles of good corporate governance;
  9. In order to fulfill POJK Number 8/POJK.04/2015 concerning Websites of Issuers or Public Companies, BTPN Syariah is continuously committed to the transparency and disclosure of information in accordance with the provisions;
  10. In order to fulfill POJK Number 29/POJK.04/2016 regarding the Annual Report of Issuers or Public Companies, BTPN Syariah has submitted the Annual Report for the financial year ended on 31 December 2021. The Annual Report was approved during the Annual General Meeting of Shareholders (Annual GMS) on 21 April 2022;
  11. In order to fulfill POJK Number 13/POJK.03/2017 concerning the Engagement of Public Accountant and Public Accounting Firms for the Financial Services Activities and OJK Circular Number 36/SEOJK.03/2017 concerning the Procedures to Engage the Services of Public Accountant and Public Accounting Firms for the financial services activities, BTPN Syariah has taken into consideration the limitation of the period of engaging audit services for the annual historical financial information from the same public accountant for a maximum of 3 (three) consecutive financial years, BTPN Syariah has ensured that the appointment of the Public Accountant and the Public Accounting Firm to audit the bookkeeping of the Bank for the financial year that ended 31 December 2022, has been in accordance with the provisions. The Board of Commissioners of BTPN Syariah has followed up on the resolution of the 2021 Annual General Meeting of Shareholders regarding the appointment of Public Accountant and Public Accounting Firm that would audit the Bank's bookkeeping for the financial year ended 31 December 2022 and the Bank has disclosed the information related to said appointment;
  12. In order to fulfill POJK Number 30/POJK.04/2017 concerning the Buyback of Shares Issued by Publicly-Listed Companies, BTPN Syariah has redirected the treasury shares on 25 January 2022 with procedures in accordance with the provisions and the prevailing laws and regulations in order to deliver variable remuneration to the Board of Directors for the performance of BTPN Syariah in fulfillment of POJK 59/POJK.03/2017 concerning the Implementation

of Governance in Providing Remuneration for Sharia Commercial Banks and Sharia Business Units;

13. In order to fulfill POJK Number 32/POJK.03/2018 concerning Legal Lending Limit and Provisions of Large Funds for Commercial Banks, BTPN Syariah emphasizes the prudential principles and submits reports regarding related parties regularly or in the event that there is an update of data in the report;
14. In order to fulfill POJK Number 15/POJK.04/2020 (POJK 15), regarding Planning and Implementation of the General Meeting of Shareholders for Public Companies, BTPN Syariah conducted the Annual and Extraordinary General Meeting of Shareholders in 2022 for shareholders;
15. In order to fulfill POJK Number 16/POJK.04/2020 (POJK16) regarding the Implementation of General Meeting of Shareholders through Electronic means by Public Companies, BTPN conducted the Annual and Extraordinary General Meeting of Shareholders in 2022 through electronic means (e-GMS) and provided an alternative to electronic power of attorney and electronic voting (e-Proxy and e-Voting) for shareholders;
16. In order to fulfill SEOJK Number 16/SEOJK.04/2021 concerning Forms and Contents of Annual Reports of Issuers or Public Companies, BTPN Syariah adheres to the relevant provisions in preparing the Annual Report and the Sustainability Report 2021;
17. In order to fulfill POJK Number 11/POJK.03/2022 on the Implementation of Information Technology by Commercial Banks (including Sharia Commercial Banks), BTPN Syariah has re-established the composition of members of the Nomination and Remuneration Committee of BTPN Syariah in 2022;
18. In order to fulfill POJK Number 16/POJK.03/2022 concerning Sharia Commercial Banks, BTPN Syariah has amended the

Guidelines and Code of Conduct of Board of Commissioners, Guidelines and Code of Conduct of Board of Directors, Guidelines and Code of Conduct of Sharia Supervisory Board, and Good Corporate Governance Policy; and

19. In order to fulfill POJK Number 16/POJK.03/2022 concerning Sharia Commercial Banks, BTPN Syariah has updated the internal Policy and Standard Operational Procedures (SOP) of the bank.

### **The Fulfillment of Commitment for Information Disclosure in 2022 Includes the Following:**

1. In order to fulfill POJK Number 31/POJK.04/2015 concerning Disclosure of Information or Material Facts by Issuers or Public Companies, BTPN Syariah has conducted transparency in presenting the Annual Report, Interim Financial Reports and Annual Financial Reports, Consolidated Reports and other incidental reports to the Regulator through the reporting system and has announced the reports to the public on the BTPN Syariah's website;
2. In order to fulfill POJK Number 7/POJK.04/2018 concerning the Submission of Reports through the electronic reporting system of issuers or public companies, BTPN Syariah has regularly submitted the reports;
3. In order to fulfill the Decision Letter of the Board of Directors of PT Bursa Efek Indonesia Number KEP-00066/BEI/09-2022 concerning Amendment of Regulation Number I-E concerning Mandatory Information Delivery, BTPN Syariah ensured the fulfillment of obligation to deliver information on Securities Holder Registration Monthly Report or Changes in Shareholders Structure through regular reporting system to the regulator, with information available on the Bank's website; and
4. In order to fulfill the Decision Letter of the Board of Directors of PT Bursa Efek Indonesia Number KEP-00066/BEI/09-2022 concerning Amendment of Regulation Number I-E concerning Mandatory Information Delivery, section III 1.3.1, BTPN Syariah has conducted

a Public Expose on 13 September 2022, and delivered the Public Expose Report to the Financial Services Authority and PT Bursa Efek Indonesia on 16 September 2022, achieving information disclosure for the purpose.

### **The Fulfillment of Commitment for GCG Implementation through Banking Synergy in 2022, Which Include the Following:**

In order to comply with POJK Number 16/POJK.03/2022 dated 30 August 2022 concerning Sharia Commercial Bank, which contains Banking Synergy, BTPN Syariah along with PT Bank BTPN Tbk, which have an ownership relationship, have carried out the banking synergies:

1. It is stipulated in 11 (eleven) cooperation agreements aimed at supporting the execution of BTPN Syariah's activities and providing added values for sharia commercial banks and conventional commercial banks;
2. The establishment of Subsidiary of BTPN Syariah with the support from BTPN Syariah. The establishment aims to adapt to changing customer needs and ensure improved welfare for the inclusive customers, as well as seizing the opportunity to serve more customers in a sustainable manner by utilizing technology for goodness with the purpose of achieving the Bank's aspiration: Sharia Digital Ecosystem for Inclusive Communities. (Elaboration on Subsidiary can be found in the Subsidiary section of this Annual Report 2022)

### **The Fulfillment of Commitment for GCG Implementation Through Sustainability Actions in 2022, Which Include the Following:**

In order to fulfill POJK 51/POJK.03/2017 concerning the Implementation of Sustainable Finance for Financial Services Institutions, Issuers and Public Companies:

1. BTPN Syariah has prepared a Sustainable Finance Action Plan for the 2020–2024 period;

2. BTPN Syariah has issued the third Sustainability Report for the 2021 financial year, which was published in a timely manner in 2022;
3. The Sustainability Report for the 2021 financial year has been available on the Bank's Website since the date of the Invitation to the 2022 Annual General Meeting of Shareholders (Annual GMS) on 21 April 2022; and
4. BTPN Syariah has maintained transparent communication to all stakeholders, including the Shareholders and Investors concerning the Sustainable Finance Action Plan as required by POJK 51/POJK.03/2017 regarding the Implementation of Sustainable Finance in the Annual GMS on 21 April 2022;

### **The Fulfillment Of Commitment Related to Subsidiary, which Include the Following:**

1. In order to make corporate investment action and to add capital to Subsidiary, BTPN Syariah has considered, among others:
  - a. Fulfillment of POJK Number 31/POJK.03/2018 concerning Legal Lending Limit and Provision of Large Funds for Commercial Banks;
  - b. Fulfillment of POJK Number 36/POJK.03/2017 concerning Prudential Principles in Capital Investment Activity;
  - c. Fulfillment of POJK Number 35/POJK.05/2015 concerning Business Operations of Venture Capital Company in relation to the business of Subsidiary;
2. In order to fulfill POJK Number 65/POJK.03/2016 concerning Risk Management Implementation for Sharia Commercial Banks and Sharia Business Units, BTPN Syariah has implemented consolidated Risk Management with Subsidiary, including delivering the consolidated Risk Profile Report to OJK in 2022; and
3. In order to fulfill POJK Number 8/POJK.03/2014 and OJK Circular Letter Number 10/SEOJK.03/2014 concerning Health Assessment of Sharia Commercial Banks and Sharia Business Units, BTPN Syariah has conducted consolidated self-assessment of GCG with Subsidiary to complement the GCG Self-Assessment with Main Entity.

## efforts to improve GCG implementation in BTPN Syariah as public company and sharia commercial bank in 2022, among others:

1. Improvement of General Meeting of Shareholders (GMS). In the Annual General Meeting of Shareholders (Annual GMS) on 21 April 2022, BTPN Syariah held electronic GMS for the first time based on the Regulation of the Financial Services Authority (POJK) Number 15/POJK.04/2020 concerning Planning and Organizing General Meeting of Shareholders for Public Companies, POJK Number 16/POJK.04/2020 dated 20 April 2020 concerning General Meeting of Shareholders for Public Companies through electronic means, and articles of association;
2. To complement the electronic Annual GMS 2022, BTPN Syariah also made it convenient for shareholders to fulfill their rights by providing E-voting facility and E-proxy mechanism according to POJK 15, POJK 16, and articles of association;
3. BTPN Syariah provided fair treatment to Shareholders. Besides organizing Annual GMS in 2022, BTPN Syariah has disbursed cash dividend to shareholders and carried out payment date on 20 May 2022. The disbursement of cash dividend was the third disbursement of cash dividend since the establishment of BTPN Syariah;
4. Improved Communication Quality between Public Company and Shareholders or Investors through implementation of GCG principles in BTPN Syariah by maintaining transparent and credible communication;
5. Improved Communication by timely Delivery of the Bank's Annual Report. The Accountability Report of GCG implementation by the Board of Commissioners, Sharia Supervisory Board, and Board of Directors, along with supporting organs of the Bank, has been included in the Annual Report of BTPN Syariah for the financial year that ended on 31 December 2021, and has been conveyed in the Annual GMS on 21 April 2022. Every information on the Annual Report and Annual GMS 2022 Summary have been reported to the regulator and made available in the website of BTPN Syariah;
6. To fulfill its annual obligation, BTPN Syariah has also delivered Sustainability Report for the financial year that ended on 31 December 2021, and conveyed the report in the Annual GMS on 21 April 2022. As the fulfillment of POJK 51/POJK.03/2017 on the implementation of sustainable financial actions for Financial Service Institutions, Issuers, and Public Companies, the Bank has communicated the highlights of sustainable financial action plans to the Shareholders in the Annual GMS 2022;
7. BTPN Syariah is committed to the continuous improvement of transparency and information disclosure through other media, including by holding at least 1 (one) public expose every year as a continuous effort to improve communication to the authorities, shareholders, investors, and the general public. This is in line with Regulation of PT Bursa Efek Indonesia Number Kep-00066/BEI/09-2022 dated 30 September 2022 concerning Amendment to Regulation Number I-E concerning Mandatory Information Delivery. The public expose of BTPN Syariah in 2022 has been held on 13 September 2022. Therefore, BTPN Syariah has fulfilled information disclosure through Public Exposure in 2022 in accordance with the prevailing provisions and laws and regulations;
8. Improved Communication through other Communication Media and Facilities and infrastructures based on information technology has also been made by BTPN Syariah in disclosing information and holding coordination and strategic meetings, both internally and externally;
9. To strengthen Membership and Composition of its Board of Commissioners, BTPN Syariah has a policy in place on resignation of members in the Board of Commissioners, as stipulated in the Guidelines and Code of Conduct of Board of Commissioners, which is reviewed regularly. The review and update of the Guidelines and Code of Conduct of Board of Commissioners in BTPN Syariah refer to the

Regulation of Bank Indonesia Number 11/33/PBI/2009 concerning the implementation of Good Corporate Governance for Sharia Commercial Banks and Sharia Business Units, and POJK Number 33/POJK.04/2014 concerning the Board of Directors and Board of Commissioners of Issuers or Public Companies.

In Semester I of 2022, there were changes in the membership of the Board of Commissioners of BTPN Syariah with the resignation of a member of the Board of Commissioners, which has been approved in the Annual GMS on 21 April 2022; in Semester II of 2022, a new member of the Board of Commissioners was appointed to strengthen the composition of the Board of Commissioners of BTPN Syariah through Extraordinary GMS on 13 October 2022;

10. In the effort to improve the Quality of Performance of Duties and Responsibilities by the Board of Commissioners and in order to consistently maintain good GCG implementation in the midst of COVID-19 pandemic, the Board of Commissioners has made several adjustments related to the performance of supervisory duties, among others by adjusting the mechanism of the corporate meetings of the Board of Commissioners, meetings between the Board of Commissioners and Directors, and meetings of The Board of Commissioners' Committee by maximizing the use of information technology facilities and infrastructures in the form of video conference, while still complying with the recommended GCG implementation for sharia commercial banks, good documentation governance as supported by Corporate Secretary & Legal Counsel Division, and fulfillment of timely assessment reporting by the Board of Commissioners.

Supported by the Audit Committee and Risk Monitoring Committee, the supervisory duties of the Board of Commissioners during the first inspection visit in 2022 covered two areas in Indonesia: Brebes in Central Java and North Binjai in Sumatra; while the inspection in the second half of 2022 covered Bogor and Yogyakarta areas.

To complement its inspection duty and supervision, the Board of Commissioners of BTPN Syariah also conveyed Supervision Report for the implementation of Business Plan in timely manner to OJK, and Compliance Assessment Report to the President Director with a copy to the Compliance Director;

11. Committees at the Board of Commissioners and the Board of Directors levels have performed their functions according to the applicable provisions. The meetings of the The Board of Commissioners' Committee and The Board of Directors' Committee have been held according to the Charter in effective and efficient manner. The result of these Committee Meetings have been well-documented, and recommendations made in these meetings have been followed up in timely and sufficient manner.

In the third year of COVID-19 pandemic, the commitment to hold meetings was still fulfilled. By adjusting to the regulations from DKI Jakarta Government and the improved situation of the pandemic at the beginning of 2022, meetings were held in the combined form of offline meetings and online meetings through video conference. All meetings were properly held, and all members of the Board of Commissioners and Board of Commissioners' Committees have been able to meet the provisions and schedules of the corporate meetings in 2022.

There were changes in the composition of the Risk Monitoring Committee and the Nomination and Remuneration Committee in 2022 with the resignation of a member of the Board of Commissioners in April 2022, and appointment of a new member of the Board of Commissioners in October 2022, who was holding positions in the two Committees. The changes in composition of the Risk Monitoring Committee and the Nomination and Remuneration Committee in BTPN Syariah have been approved by the Board of Commissioners, and have been communicated in transparent manner via the Bank's Website according to provisions;

12. Currently, there are 5 (five) active Directors in BTPN Syariah, and one of them has been appointed as President Director. There is also a Compliance Director, who holds another position as Corporate Secretary.

During 2022, there was no change in the composition of the Board of Directors of BTPN Syariah. All members of the Board of Directors have fulfilled the requirements of the Fit and Proper Test from OJK;

13. The Appointment of Corporate Secretary in BTPN Syariah has been in line with the Regulation of Financial Services Authority Number 35/POJK.04/2014 dated 8 December 2014 concerning Secretary of Issuers or Public Companies, as well as Decree of Board of Directors of PT Bursa Efek Indonesia Nomor Kep-00001/BEI/01-2014 dated 20 January 2014 concerning Listing of Equity and Non-Equity Securities Issued by Listed Companies, Appendix I (section III.1.8 concerning Provision for Corporate Secretary);

14. In an effort to improve the Quality of Performance of its Duties and Responsibilities, the Board of Directors has prepared and approved key strategic initiative that is derived into Bank Product Operation Plan (Rencana Penyelenggaraan Produk Bank/RPPB) for new products and new advanced products, to be followed by Information Technology Development Plan (Rencana Pengembangan Teknologi Informasi/RPTI). The two plans were then included in the Bank Business Plan (Rencana Bisnis Bank/RBB) and Sustainable Finance Action Plan (Rencana Aksi Keuangan Berkelanjutan/RAKB). The realization of RPPB, RPTI, RBB, and RAKB were included in the Periodic Report to the Authorities, Shareholders, and Stakeholders, as presented in the Annual Report and Sustainability Report every year.

In terms of the Bank's Compliance, the Board of Directors has also designed and delivered Compliance Report to the Board of Commissioners on semesterly basis as a transparent fulfillment of the Bank's commitment in implementing GCG and sharia principles;

15. The composition of Sharia Supervisory Board (DPS) consists of 2 (two) people, one of them serving as Chairman of Sharia Supervisory Board. Members of DPS have sufficient experience and knowledge in various sectors of sharia finance, accounting, Risk Management, Sharia Compliance, and Internal Control, as well as experience in the sharia banking industry.

During 2022, there was no change in the composition of the DPS of BTPN Syariah. All members of the DPS have fulfilled the requirements of the Fit and Proper Test from OJK;

16. Improvement of the Quality of Performance of Duties and Responsibilities by the DPS was made through implementation of good corporate governance principles.

DPS has performed its supervisory duties, assisted by the Compliance Division, by supervising and making periodic visits to Branch Offices to ensure that fund collection, fund channeling, and service delivery activities of the Bank in Branch Offices had been in line with sharia principles.

During 2022, the DPS has provided Sharia Opinion on the Bank's products and services through monthly DPS meetings. DPS has requested explanation from each Bank officer in the relevant work units, and conducted review on suitability with sharia principles based on Fatwa of National Sharia Board – Indonesian Council of Ulama (Dewan Syariah Nasional–Majelis Ulama Indonesia/DSN-MUI).

The fund acquisition and channeling, service delivery, and development of new products in BTPN Syariah have been carried out in accordance with the sharia principles, as reported by the Compliance Director to the Board of Commissioners.

During 2022, DPS conducted active supervision to ensure that sharia principles and GCG principles had been implemented in the Bank's operations through direct and online inspection to Branch Office/Operational Offices/MMS in areas that cover Jakarta (Pondok Indah), Yogyakarta, Pontianak, Kupang, Kendari, Samarinda, Pekanbaru, Surabaya, Bangka Belitung, Tasikmalaya, and Rangkasbitung.

To complement its supervisory duties and inspections, the DPS of BTPN Syariah has also delivered Supervision Report on semesterly basis to OJK in timely manner;

17. The meetings of the Board of Commissioners, DPS, and Board of Directors have been held according to the Charter in effective and efficient manner. The result of these meetings between the Board of Commissioners, DPS, and Board of Directors have been recorded and well-documented. The Board of Directors routinely followed up on various recommendations made by the Board of Commissioners and the Sharia Supervisory Board, complemented by sufficient supporting information.

With the improving pandemic situation in 2022, Corporate meetings were held in customized ways that still comply with the provisions on GCG implementation for Sharia Commercial Banks. Several of the corporate meetings, including the Board of Directors' meeting, have been held in combined form of offline and online meeting by still complying with limit on physical meetings and provisions in the articles of association. To complement operational supervision, the Board of Directors made direct inspection on the site in rotation.

In general, the Board of Commissioners, DPS, and the Board of Directors have performed their duties and responsibilities well, complemented by supervision on Branch Offices and Functional Offices, as well as Customer Centers, which were routinely visited across various areas;

18. The efforts to improve Corporate Governance Aspects through Stakeholders' involvement were made through provision of various provisions and internal procedures, including the provision on insider trading prevention as contained in the Corporate Governance Policy, as well as provisions on internal control mechanisms on Whistleblowing, Code of Ethics, Anti-Corruption, and Vendor Management. Meanwhile, Internal Provisions on the improvement efforts through Stakeholders' involvement are described in the Website of BTPN Syariah, which is updated regularly;

19. In order to improve Information Disclosure, BTPN Syariah continued its commitment in reporting to Sharia Banking Supervisor, OJK and Capital Market Supervisor OJK, and PT Bursa Efek Indonesia in timely manner. All information disclosure has been made available in the BTPN Syariah Website, Integrated Website of PT Bursa Efek Indonesia, and Website of Capital Market Supervisor Financial Services Authority. BTPN Syariah is committed to fulfilling other certain obligations on reporting, the delivery mechanism of which has been adjusted according to the situation of the COVID-19 pandemic and the respective provisions of each authorities;

20. The Compliance Director has fulfilled its reporting obligation to the Board of Commissioners. According to the latest report, there was no significant fine imposed by the Regulator on the Bank throughout 2022.

However, there was an administrative sanction imposed based on the letter of BI dated 20 April 2022 on the mistaken use of Code 52 for Transaction Passcode instead of Code 50, and the clearing account of Bank Indonesia has been deducted by Rp200,002.- on 20 April 2022.

In line with the Board of Directors' commitment, the Bank has made an action plan. Nevertheless, the Bank continues to make preparatory measures to ensure prevention of fine in the future. On the said report, the Board of Commissioners has conducted compliance assessment and delivered the report to the President Director with a copy to the Compliance Director.

Further explanation regarding administrative sanction can be found on BTPN Syariah 2022 Good Corporate Governance Report.

21. BTPN Syariah has delivered transparent report on its financial and non-financial state to the relevant authorities in timely manner. BTPN Syariah has also fulfilled their obligation on information disclosure by presenting Trimester Financial Statement in online form through reporting system to the Regulator,

making public announcement through nationally circulated Newspaper as well as the Website of BTPN Syariah as mandated for a Public Company, and held Information Disclosure events and other Press Conferences related to corporate actions, Financial Performance, and other Corporate activities throughout 2022;

22. In terms of internal control, the Board of Directors prompted for sufficient internal audit and follow up on the result of SKAI audit. The Board of Directors also ensured the availability of internal audit report on the Bank in the Annual Report. SKAI has performed audit in objective manner according to audit policies and procedures by considering the risk levels of each work unit, based on SPFAIB principles.

The Board of Directors followed up on audit findings and recommendations from OJK and External Auditor, and regularly updated the Board of Commissioners and the Committees on the follow-up. The Bank's Compliance Report was delivered by the Compliance Director to the Board of Commissioners.

In terms of internal control, the Quality Assurance function has been operating according to its function to ensure that BTPN Syariah's operational activities have been in line with the prevailing regulations. Routine inspection had also been made by Internal Audit (SKAI) on the existing work units. These two internal inspections are part of BTPN Syariah's internal control.

23. Risk management at the level of the Board of Commissioners and Directors is implemented through the Risk Management Committee and Risk Monitoring Committee. These committees are meant to actively and effectively supervise through routine corporate meetings and Committee reporting.

BTPN Syariah has ensured that there are tight and continuous identification, measurement, monitoring and control over the 10 types of embedded risks. As part of its information system, BTPN Syariah also reports assessment result toward these risks on trimesterly basis to the regulator.

In both Semester I and II of 2022, the result of self-assessment of inherent risk management quality placed the Bank in Rank 2. Inherent Risk is generally classified as "Low to moderate", while Risk Management Quality as a whole is classified as "Satisfactory".

24. The Bank determines provision on disclosure of conflict of interest in the minutes of Corporate meetings. During 2022, there was no conflict of interest in the implementation of GCG principles in BTPN Syariah;

25. In terms of LLL management, BTPN Syariah has delivered Related Party Report on semesterly basis and incidental basis from time to time. Report on provision of funds to related parties has also been delivered according to provisions. The Bank has made periodic report on the procedures of Affiliates Transaction and Conflict of Interest. Related Party Report has been delivered by the Bank to OJK according to the provisions;

26. Transparent information on products have been made available in the website of BTPN Syariah, and the Bank regularly reported product development to OJK and Bank Indonesia. The Bank fully protected the private data of its customers, as regulated in the Information Safeguarding Policy. DPS plays an active role in the implementation of sharia principles in BTPN Syariah by ensuring that all products and their derivatives have acquired the Opinion and Approval from DPS, and have been in line with the Fatwa & Opinion of DSN MUI;

27. BTPN Syariah has performed a self-assessment on GCG principles every 6 (six) months by referring to the Regulation of Bank Indonesia Number 11/33/PBI/2009 concerning GCG Implementation for Sharia Commercial Banks and Sharia Business Units;

With the operations of PT BTPN Syariah Ventura, a Subsidiary, effective 30 May 2022, the result of GCG self-assessment in BTPN Syariah during Semester I and II of 2022 constitutes the consolidated GCG self-assessment with the Subsidiary.

## banking synergy under sole proprietorship for sharia banking development

### Background of Banking Synergy

BTPN Syariah is guided by POJK Number 16/POJK.03/2022 dated 30 August 2022 concerning Sharia Commercial Bank in relation to Banking Synergy.

To improve the efficiency of national banking industry and develop sharia banking, it is necessary to have a banking synergy in the form of partnership between Sharia Commercial Bank and Conventional Commercial Bank under the same ownership through optimization of the Conventional Commercial Bank's resources to support the activities of Sharia Commercial Bank, which then would yield added value to both the Sharia Commercial Bank and Conventional Commercial Bank.

### Banking Synergy Implementation in BTPN Syariah

#### By Means of Memorandum of Agreement

In sustaining activities that provide added value, BTPN Syariah is synergizing with BTPN as the Main Entity, which is a Conventional Commercial Bank, through various strategic partnerships to improve efficiency and develop BTPN Syariah, as described in the Memorandum of Agreement (MoA) approved by the authorized officers from the respective institutions.

The banking synergy between the two entities is carried out across Human Capital sectors – Payroll, Information Technology Infrastructure, Sharia Service of Commercial Bank, Cash Management (Cash Withdrawal and Deposit), Productive Financing for Institutions supporting development of the inclusive segment, Performance of Certain Work, MultiBiller Payment Service, Laku Pandai Agent, data and information exchange on suppliers of services and goods, and for Joint Location as well as the Collective Agreement MoA as the master MoA that governs the banking synergy between BTPN Syariah and BTPN.

The Development of Cooperation Agreement (PKS) is done by monitoring each semester through Banking Synergy Implementation Monitoring Meeting, participated by the Managing Team and Compliance Director of each Bank in 2022.

#### By Means of Governance Coordination Meeting

To complement the memorandum of agreement, BTPN Syariah continues various strategic cross-division coordination within the Bank to synergize the fulfillment of needs, as described in the periodic update and review of the memorandum of agreement in order to support the banking synergy, and continue to sustain the efforts to provide supporting documents for the preparation of the Banking Synergy Report for the needs of both entities in timely manner.

BTPN Syariah continues to improve the supporting infrastructure quality for banking synergy, namely through the internal provisions and procedures in BTPN Syariah to be in line with the sharia essence and principles as well as the implementation of GCG principles, both as a sharia commercial bank and as a public company. BTPN and BTPN Syariah have included the commitment in Banking Synergy in their respective Governance Policy, Compliance Policy, and Risk Management Policy.

To ensure harmony across business units and governance of MoA between BTPN Syariah and BTPN, governance coordination meeting between each entities' representatives were held to discuss the updating of the process or to adjust the Bank's procedures and provisions. The implementation is simultaneously supervised by referring to a check list of banking synergy as agreed upon by both parties.

#### By Means of Coordination in Sharia Banking Development through PT BTPN Syariah Ventura

The other commitment of the Bank in implementing banking synergy is to develop sharia banking, which is manifested by the strategic initiative of capital investment by BTPN and BTPN Syariah in the sharia venture capital company of PT BTPN Syariah Ventura, which has acquired operational license on 20 May 2022 and started to operate since 30 May 2022.

This initiative aims to adjust to the constantly changing needs of customers, ensure improved welfare of inclusive customers, and ensure opportunities to serve more customers in sustainable manner by utilizing technology for goodness in achieving the Bank's aspiration of Sharia Digital Ecosystem for Inclusive Communities.

### **By Means of Supervision of Banking Synergy Implementation in BTPN Syariah**

According to the confirmation by Financial Services Authority to BTPN of the financial conglomerate status of SMBC Group in Indonesia, BTPN as the Main Entity and BTPN Syariah as a Entity Member, are no longer categorized as financial conglomerate effective since 15 November 2021. Therefore, the Good Corporate Governance Committee in Financial Group in charge of supervising governance in the financial conglomerates of BTPN and BTPN Syariah, was officially disbanded in 2021.

The Good Corporate Governance Committee in Financial Group has performed its last duty, while BTPN has completed internal settlement and delivered the final report from the Good Corporate Governance Committee in Financial Group (as of 31 December 2021) on 11 February 2022 to the Financial Services Authority.

BTPN Syariah has reported on the matter, as described in the Bank's Annual Report 2021, which has been presented in the Annual General Meeting of Shareholders in April 2022.

### **By Means of Establishment of Good Corporate Governance Committee**

In line with the commitment to supervise banking synergy by BTPN and BTPN Syariah following the disbandment of Good corporate governance committee in Financial Group, a new mechanism was formed through the establishment of Good Corporate Governance Committee by BTPN as Coordinating Entity, in which representatives of BTPN Syariah, who were previously members of the good corporate governance committee in Financial Group, are now permanent invitees in the Good Corporate Governance Committee.

The Good Corporate Governance Committee is tasked to supervise and ensure that integrated internal control within the financial group is implemented in prudent and transparent manner, and in line with the governance principles as Conventional Commercial Bank, Sharia Commercial Bank, and Public Company.

The first meeting of Good Corporate Governance Committee in 2022 was held on 18 August 2022 to discuss Anti-Fraud Management, Banking Synergy Monitoring, and GCG Rating, as well as to deliver the results of Governance Coordination Meeting to the Committee.

Moving forward, as part of the Bank's business strategy growth, BTPN Syariah will continue to explore other synergy possibilities with BTPN as well as the Final Controlling Shareholder of SMBC.

### **By Means of Governance Supervision of Banking Synergy Within the Finance Group**

To ensure availability of sufficient and suitable infrastructures, BTPN Syariah reviews the supporting facilities of internal policies and provisions, which were synergized with the provisions and procedures of the Main Entity, provisions of the Regulator, and the Bank's vision and mission, and coordinated in proper and measurable manner.

Monitoring on governance in a Financial Group is done by governance coordination meeting and banking synergy monitoring meeting in managing level and through Good Corporate Governance Committee Meeting on supervisory level has been done well in 2022.

In terms of the initiative to establish Subsidiary, the Bank also ensures implementation of Risk Management in the supervision of Subsidiary, which includes supervision of GCG principles implementation, prudential principles in capital investment, delivery of high-quality sharia products and services, and supervision of members of the Board of Directors and Management of the Bank in the Subsidiary, as well as the completion of consolidated BTPN Syariah report to BTPN as Main Entity.

The working teams in both entities have followed up on the banking synergy implementation and conducted the following:

- a. Held coordination meetings on Integrated Compliance and delivered report on the result of Banking Synergy supervision on semesterly basis;
- b. Performance of Compliance, Risk Management, and Audit Functions; and
- c. Audit of BTPN Syariah by the Main Entity.

## forms of sustainable GCG

Based on POJK Number 51/POJK.03/2017 concerning implementation of sustainable financial actions for Financial Service Institutions, Issuers, and Public Companies, BTPN Syariah is entering the third year in its active commitment for sustainable finance through preparation and delivery of Sustainable Financial Action Plan in BTPN Syariah for 2022 to the Authorities.

The presence of BTPN Syariah has made real and positive contributions to the stability of financial system in Indonesia, as the Bank attempts to increase its resilience and competitiveness through better management of social and environmental risks, reduction of social gap, reduction and prevention of environmental destruction, maintenance of biodiversity, and promotion of efficient energy and natural resources utilization by implementing sustainable financial principles.

There is also the inclusive principle that has been in place since 10 (ten) years ago in BTPN Syariah, or when the Company was operating as a Sharia Business Unit in 2010, until the current situation when the Bank has actualized 12 (twelve) of the Sustainable Development Goals in 2022.

Implementation of sustainable finance in BTPN Syariah involved various functions and divisions across numerous levels. The Board of Commissioners, Sharia Supervisory Board, and Board of Directors also support the

implementation and supervision of sustainable finance, and are committed in providing infrastructure deemed as sufficient and in line with the condition of BTPN Syariah, which includes sustainable GCG management. Supervision at the level of Board of Commissioners is carried out through the Good Corporate Governance Committee in Financial Group, which ensures the integrated governance management among the Main Entity and Entity Member within the financial conglomerate under sole proprietorship.

Sustainable measures in the implementation of GCG principles aim to promote the efforts to support environmental conservation and the use of environmentally-friendly products.

Further elucidation on sustainable GCG is available in the Sustainability Report of BTPN Syariah in 2022.

## good corporate governance policy (GCG policy)

Good Corporate Governance Policy (GCG Policy) is the Main Policy in BTPN Syariah as a form of commitment in the implementation of Corporate Governance Principles across all levels of organization.

BTPN Syariah has reviewed and updated the GCG Policy in 2022 by referring to the prevailing regulations and provisions.

In line with the GCG Policy, the Board of Commissioners, Sharia Supervisory Board, Executive Officers, and all Employees have implemented GCG principles, and there was no material violation against the prevailing regulations throughout 2022.

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## Introduction

- 1.1. Background of GCG Implementation
  - 1.2. Objectives of GCG Policy
  - 1.3. Scope of GCG Policy
  - 1.4. Information Dissemination and Distribution
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## Good Corporate Governance Bank's Principle

- 2.1. General Principles
  - 2.2. Good Corporate Governance Guidelines
  - 2.3. Implementation of GCG Guidelines as a Public Company
  - 2.4. Legal Basis and Reference
  - 2.5. Vision, Mission, Values, and Collective Identity
  - 2.6. Internal Policies and Regulations
  - 2.7. Code of Ethics
  - 2.8. Corporate Governance Structure  
is a description of existing Bank Organs, which consist of Shareholders, Board of Commissioners, Sharia Supervisory Board, The Board of Commissioners' Committee, The Board of Directors' Committee
- 

## Bank Strategy

Describes Bank Business Plan, Key Strategic Initiative, and Risk Appetite implemented in the Bank

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## Internal Control System and Assurance in the Bank

- 4.1. Internal Control System
  - 4.2. Risk Management
  - 4.3. Compliance Function
  - 4.4. Internal Audit
  - 4.5. External Audit
  - 4.6. Consumer Protection
  - 4.7. Legal Lending Limit (LLL)
  - 4.8. Sharia Principles Implementation in Fund Acquisition, Fund Channeling, and Service Delivery
  - 4.9. Internal Reporting
  - 4.10. Provisions concerning Affiliate Transactions and Conflict of Interest Transactions, Handling Conflict of Interest in the Bank
  - 4.11. Handling Conflict of Interest
  - 4.12. GCG Implementation Report and Assessment
  - 4.13. GCG Self-Assessment
  - 4.14. Responsibilities for Environment and Work Safety and Health Practices
  - 4.15. Work Safety and Health
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## Human Capital Management in the Bank

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## Information Transparency and Disclosure

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## Governance of Information and Communication Proprietary Rights

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## other policies and regulations

### Company Policy and Regulation

As a Limited Liability Company, BTPN Syariah has Company Policy and Regulation in place.

Policy is the manual that governs every activity or process in the Bank that represents the overall management of the Bank's risk appetite for such activities, including the processes and supervision.

Company Regulation establishes legal certainty and clarity of employees' and employer's rights and obligations in conducting working relationships in the Bank.

### Program Product and Procedures

To ensure that the detailed process from the beginning to the end is administered correctly, BTPN Syariah has developed Product Program and Procedures.

The procedure explains the guideline and steps of an activity that have to be performed, including who, how, where, when and the supervision mechanism, by implementing strict four-eye principles, adequate internal control system and referring to the prevailing policy.

Product Programs are regulations structured as a sharia commercial bank, that elaborate product management in a structured and systematic manner, detailing the product type and name, product characteristics, product benefits and the costs incurred by the Bank, and the risks for the Bank that are inherent in the products, product analysis and targets set for the products.

### Technical Guidelines

Technical Guidelines are developed, when deemed necessary, to detail the steps to perform certain processes that are specified in the standard operating procedures in BTPN Syariah.

### Hierarchy Of Provisions

The Hierarchy of Provisions aims to structure the provisions within the Bank properly and to ensure the consistency of implementation.

BTPN Syariah has developed Hierarchy of Policy for each level of the organization. The Hierarchy is developed in adherence to the related GCG regulations for Sharia Commercial Banks.

All provisions in BTPN Syariah are reviewed regularly, according to schedule or sooner if there is a change in process or the underlying Regulator's provisions.

# implementation of public company governance guidance in BTPN Syariah in 2022

In accordance with the Regulation of the Financial Services Authority (FSA) Number 21/POJK.04/2015 and the Circular Letter of the FSA Number 32/SEOJK.04/2015 on Guideline for the Governance of Public Company, BTPN Syariah is committed to make the Guideline as the foundation in its good corporate activities and basis for key decision making.

The Guideline for the Governance of Public Company is a reference for BTPN Syariah in delivering the best service to all stakeholders, which shall continuously be better in quality.

The implementation of the Guideline for the Governance of Public Company in BTPN Syariah for 2022 based on the fulfillment of "Comply" and "Explain" can be seen in the following table.

Principle	Recommendation	Fulfillment	Implementation
<b>Principle 1</b> Improve the Value of General Meeting of Shareholders (GMS)	1.1 Public Company owns a technical method or procedure for both open and close voting which upholds the independence and interest of shareholders	Comply	<ol style="list-style-type: none"> <li>1. The Articles of Association of BTPN Syariah has regulated the GMS, including Place and Time, Notification, Announcement, Invitation for the Chairperson of the GMS, Media and Language, Quorum, Voting Rights, Resolution, and Minutes of Meeting;</li> <li>2. In the 2022 Annual GMS and Extraordinary GMS, BTPN Syariah has ensured the availability of adequate information in relation to Announcement and Invitation, accompanied by GMS Code of Conduct which regulates the procedure for voting which upholds the independence and interest of shareholders. GMS Announcement, Invitation, and Code of Conduct has been disseminated to shareholders and their representatives and has been published in BTPN Syariah's website, Indonesian Stock Exchange's and FSA's website, as well as Easy KSEI application prior to the meeting;</li> <li>3. BTPN Syariah has ensured the availability of Additional Information in relation to the Agenda of GMS and Implementation Protocol of Annual GMS and Extraordinary GMS during the pandemic in BTPN Syariah's website prior to the meeting;</li> </ol>

Principle	Recommendation	Fulfillment	Implementation
			<p>4. For the purpose of upholding the interest and safety of the Shareholders during the COVID-19 pandemic, BTPN Syariah provides E-proxy service as an alternative for the shareholders to give their power of attorney to their designated parties to attend the 2022 Annual GMS and Extraordinary GMS;</p> <p>5. To complement the easy-attendance e-proxy service, BTPN Syariah held an electronic GMS for the 2022 GMS and Extraordinary GMS, which were organized in accordance with the Regulation of FSA Number 16/POJK.04/2020 on the Implementation of Electronic GMS for Public Company, and in a manner that fully takes into account the principle of prudence in preventing the spread of COVID-19 by adopting health protocols and building security measures during the 2022 Annual GMS and Extraordinary GMS.</p>
	1.2 All members of the Board of Directors, Board of Commissioners, and Sharia Supervisory Board of the public company are present in the Annual GMS	Comply	<p><b>Attendance in the GMS of 21 April 2022</b></p> <p>1. All members of the Board of Directors, Board of Commissioners, and Sharia Supervisory Board of BTPN Syariah were present physically and via online video conference in the GMS held on 21 April 2022 in the midst of COVID-19 pandemic while still taking into account the Articles of Association as well as applicable laws and regulations;</p>

Principle	Recommendation	Fulfillment	Implementation
		2. Members of Board of Directors, Board of Commissioners, and Sharia Supervisory Board who were physically present in the Annual GMS of 21 April 2022 are as follows:	<p><b>Board of Directors:</b></p> <ul style="list-style-type: none"> <li>a. Hadi Wibowo, President Director</li> <li>b. Arief Ismail, Compliance Director</li> <li>c. Gatot Adhi Prasetyo, Director</li> <li>d. Fachmy Achmad, Director</li> <li>e. Dwiyono Bayu Winantio, Director</li> </ul> <p><b>Board of Commissioners:</b></p> <ul style="list-style-type: none"> <li>a. Kemal Azis Stamboel, President/Independent Commissioner</li> <li>b. Dewie Pelitawati, Independent Commissioner</li> <li>c. Yenny Lim, Commissioner</li> </ul> <p><b>Sharia Supervisory Board:</b> H. Muhamad Faiz, MA, Sharia Supervisory Board Member</p>
		3. Members of the Board of Commissioners and Sharia Supervisory Board who were present via online video conference in the Annual GMS of 21 April 2022 are as follows:	<p><b>Board of Commissioners:</b> Mahdi Syahbuddin, Commissioner*</p> <p><b>Sharia Supervisory Board:</b> H. Ikhwan Abidin, MA, Head of Sharia Supervisory Board</p>
		4. Matters in regard to the 2022 Annual GMS have been disseminated to all members of the Board of Directors, Board of Commissioners, and Sharia Supervisory Board prior to the meeting.	<p><b>Attendance in the Extraordinary GMS of 13 October 2022</b></p> <p>1. All members of the Board of Directors, Board of Commissioners, and Sharia Supervisory Board of BTPN Syariah were present physically and via online video conference in the Extraordinary GMS held on 13 October 2022 in the midst of COVID-19 pandemic while still taking into account the Articles of Association as well as applicable laws and regulations;</p>

\*effectively not serving at the closing of 2022 Annual GMS on 21 April 2022

Principle	Recommendation	Fulfillment	Implementation
			<p>2. Members of Board of Directors, Board of Commissioners, and Sharia Supervisory Board who were physically present in the Extraordinary GMS of 13 October 2022 are as follows:</p> <p><b>Board of Directors:</b></p> <p>a. Arief Ismail, Compliance Director b. Gatot Adhi Prasetyo, Director c. Dwiyono Bayu Winantio, Director</p> <p><b>Board of Commissioners:</b></p> <p>a. Kemal Azis Stamboel, President/Independent Commissioner b. Dewie Pelitawati, Independent Commissioner</p> <p><b>Sharia Supervisory Board:</b> H. Ikhwan Abidin, MA. Head of Sharia Supervisory Board</p> <p>3. Members of the Board of Directors and Board of Commissioners who were present via online video conference in the Extraordinary GMS of 13 October 2022 are as follows:</p> <p><b>Board of Directors:</b></p> <p>a. Hadi Wibowo, President Director b. Fachmy Achmad, Director</p> <p><b>Board of Commissioners:</b> Yenny Lim, Commissioners</p> <p>4. Matters in regard to the 2022 GMS have been disseminated to all members of the Board of Directors, Board of Commissioners, and Sharia Supervisory Board prior to the meeting.</p>
	1.3 Summary of GMS Minutes is available in the Company's website for at least 1 (one) year	Comply	<p>1. The Summary of 2022 Annual GMS and Extraordinary GMS were available in BTPN Syariah's website 2 (two) days after the date of the GMS;</p> <p>2. The Summary of BTPN Syariah's Annual GMS and Extraordinary GMS other than the year 2022 were available in BTPN Syariah's website as well as in the website of PT Bursa Efek Indonesia and PT Kustodian Sentral Efek Indonesia;</p>

Principle		Recommendation	Fulfillment	Implementation
<b>Principle 2</b> Increase the Communication Quality between Public Company and Shareholders or Investors	2.1	Public Company owns a policy for communication with shareholders or investors	Comply	<ol style="list-style-type: none"> <li>1. BTPN Syariah owns a Policy that regulates Communication with Shareholders and/or Investors within the Corporate Governance Policy, which includes: <ol style="list-style-type: none"> <li>a. General Principle</li> <li>b. Strategy</li> <li>c. Program and implementation time;</li> </ol> </li> <li>2. BTPN Syariah owns a Policy that regulates Information Transparency and Openness within the Corporate Governance Policy;</li> <li>3. BTPN Syariah has appointed a Corporate Secretary who represents the Bank in regards to Corporate Governance, with a duty of representing the Bank in dealing with the regulators, government, media, and the general public;</li> <li>4. BTPN Syariah has formulated a mechanism for Information Openness towards the stakeholders by referring to applicable regulations, and has briefly been implemented: <ol style="list-style-type: none"> <li>a. Through Adherence to Report Submission  BTPN Syariah submits Periodic Report and Incidental Report to the Financial Services Authority Sharia Banking Supervisor, Financial Services Authority Capital Market Supervisor, and other related institutions</li> <li>b. Through BTPN Syariah's Website  BTPN Syariah has periodically adopted Information Openness as stated in BTPN Syariah's website as well as the website of PT Bursa Efek Indonesia and Financial Services Authority Capital Market Supervisor;</li> </ol> </li> </ol>

Principle	Recommendation	Fulfillment	Implementation
			<p>c. Through Program and Other Communication Media</p> <p>Program and activities of BTPN Syariah which are conducted structurally at appropriate timing in accordance with the applicable regulations, such as:</p> <ul style="list-style-type: none"> <li>• Annual General Meeting of the Shareholders (Annual GMS) held annually and no later than 6 (six) months after the financial year ends;</li> <li>• Extraordinary General Meeting of Shareholders (Extraordinary GMS) which can be held at any time as necessary;</li> <li>• Public Expose, held to fulfill annual obligations and act as a media that provides exposure on current corporate actions of BTPN Syariah to be known by the general public, in this case the Shareholders and/or Investors;</li> </ul> <p>d. Carried out other activities in relation with communication to the Shareholders and/or Investors such as Analysts Briefings, Investor Meetings, and Press Releases.</p>
2.2	Public Company disclose its communication policy to the shareholders or investors in its website	Comply	<ol style="list-style-type: none"> <li>1. BTPN Syariah owns a policy on communication with the shareholders and/or investors which are stated in the Corporate Governance Policy;</li> <li>2. The Corporate Governance Policy has been disclosed in BTPN Syariah's website.</li> </ol>

Principle	Recommendation	Fulfillment	Implementation
<b>Principle 3</b> Strengthen the Membership and Composition of the Board of Commissioners	3.1 Designation of the number of members of the Board of Commissioners considers the condition of Public Company	Comply	<ol style="list-style-type: none"> <li>1. The designation of the number of members of the Board of Commissioners in BTPN Syariah has considered the condition of the Bank;</li> <li>2. As a Sharia Public Bank, the designation of the number of members of the Board of Commissioners has fulfilled the provisions in the Regulation of Bank Indonesia Number 11/33/PBI/2009 in conjunction with the Circular Letter of Bank Indonesia Number 12/13/Dpbs on the Implementation of Good Corporate Governance for Sharia Public Bank, in conjunction with the Regulation of the FSA Number 16/POJK.03/2022 on Sharia Public Bank;</li> <li>3. As a Public Company, the designation of the number of members of the Board of Commissioners in BTPN Syariah has fulfilled the Regulation of the FSA Number 33/POJK.04/2014 on the Board of Directors and the Board of Commissioners of Issuer or Public Company;</li> <li>4. The current number of members of the Board of Commissioners in BTPN Syariah is 4 (four) members, consisting of <ul style="list-style-type: none"> <li>• 2 (two) Independent Commissioners</li> <li>• 2 (two) Commissioners.</li> </ul> </li> </ol>
	3.2 Designation of the number of members of the Board of Commissioners considers the variety of necessary skills, knowledge, and experience	Comply	The composition of the Board of Commissioners in BTPN Syariah has considered business needs, complexity, and variety of skills, based on knowledge in the banking and sharia banking industry, skills, professional experience, and educational background to support the effectiveness of duties performance of the Board of Commissioners.

Principle		Recommendation	Fulfillment	Implementation
<b>Principle 4</b> Increase the Quality of Task and Responsibility Performance of the Board of Commissioners	4.1	The Board of Commissioners owns a self-assessment policy to assess the performance of the Board of Commissioners	Comply	<ol style="list-style-type: none"> <li>1. The Board of Commissioners of BTPN Syariah owned a self-assessment policy to assess the performance of the Board of Commissioners;</li> <li>2. The policy is regulated in the Guideline and Code of Conduct of the Nomination and Remuneration Committee;</li> <li>3. Every half-yearly, BTPN Syariah conducts a self-assessment activity as a Sharia Public Bank to assess the performance of its Organs and Supporting Organs and other matters in reference to the work paper stipulated by the regulator.</li> </ol>
	4.2	The self-assessment policy to assess the performance of the Board of Commissioners is disclosed in the Annual Report of the Public Company	Comply	The self-assessment policy to assess the performance of the Board of Commissioners is regulated in the Guideline and Code of Conduct of the Nomination and Remuneration Committee and is disclosed in the 2022 Annual Report in the Performance Assessment of the Board of Commissioners section.
	4.3	The Board of Commissioners owns a policy on the resignation of a member of the Board of Commissioners involving in financial crime	Comply	<ul style="list-style-type: none"> <li>• BTPN Syariah owned a regulation on the resignation of members of the Board of Commissioners stipulated in the Articles of Association;</li> <li>• The Board of Commissioners of BTPN Syariah owned a policy on the resignation of a member of the Board of Commissioners which is stated in the Guideline and Code of Conduct of the Board of Commissioners.</li> </ul>
	4.4	The Board of Commissioners or the Committee that carries out the Nomination and Remuneration function formulates a succession policy in nominating members of the Board of Directors	Comply	The Board of Commissioners and the Nomination and Remuneration Committee owned a succession policy in nominating members of the Board of Directors which is stated in the Guideline and Code of Conduct of the Nomination and Remuneration Committee.

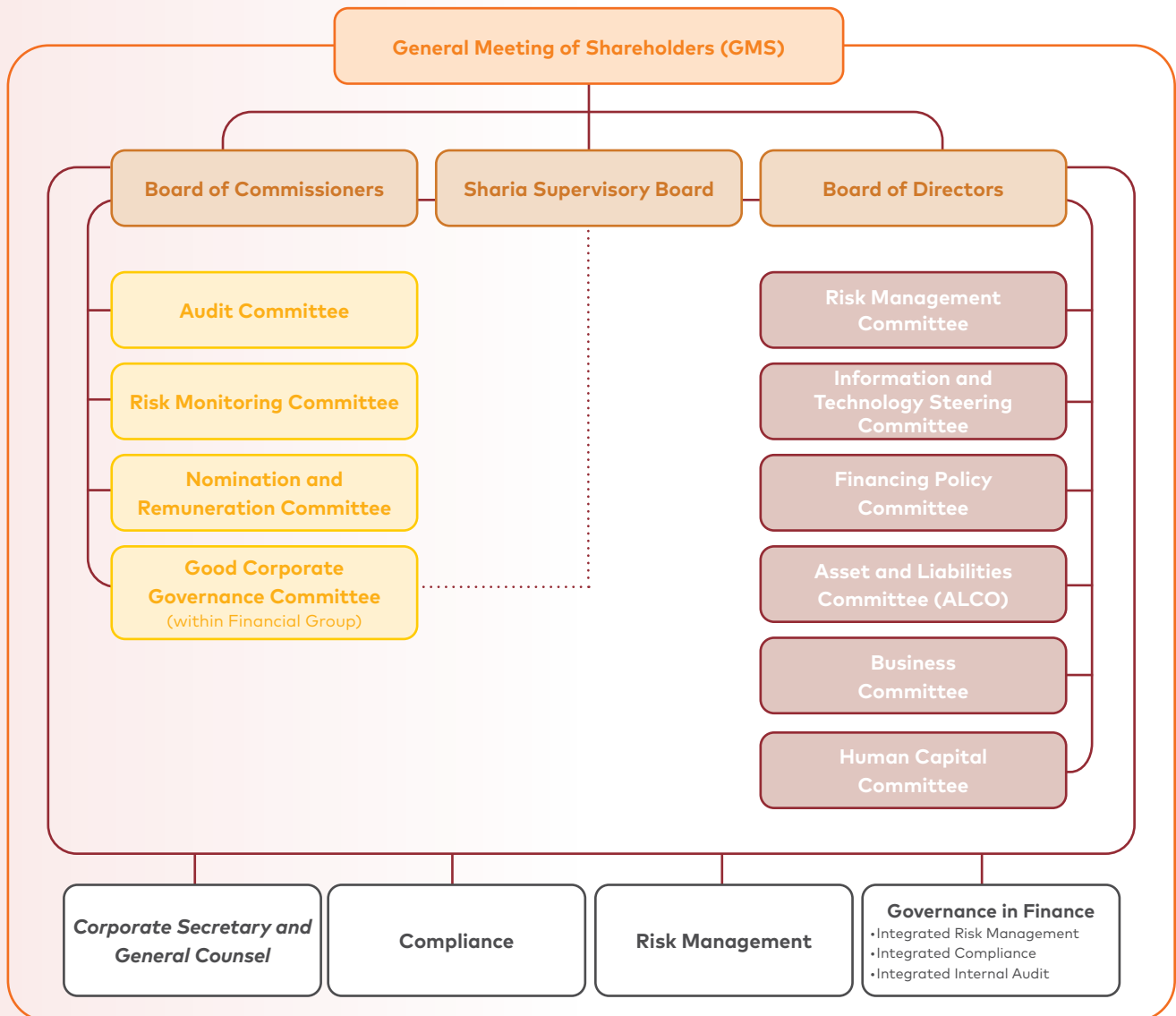
Principle	Recommendation	Fulfillment	Implementation
<b>Principle 5</b> Strengthen the Membership and Composition of the Board of Directors	5.1 Designation of the number of members of the Board of Directors considers the condition of Public Company and the effectiveness of decision making	Comply	<ol style="list-style-type: none"> <li>1. Designation of the number of members of the Board of Directors of BTPN Syariah has considered the condition of the Bank and the effectiveness of decision making</li> <li>2. As a Sharia Public Bank, the designation of the number of members of the Board of Directors has fulfilled the provisions in the Regulation of Bank Indonesia Number 11/33/PBI/2009 in conjunction with the Circular Letter of Bank Indonesia Number 12/13/Dpbs on the Implementation of Good Corporate Governance for Sharia Public Bank, in conjunction with the Regulation of the FSA Number 16/POJK.03/2022 on Sharia Public Bank;</li> <li>3. As a Public Company, the designation of the number of members of the Board of Directors in BTPN Syariah has fulfilled the Regulation of the FSA Number 33/POJK.04/2014 on the Board of Directors and the Board of Commissioners of Issuer or Public Company;</li> <li>4. The current number of members of the Board of Directors in BTPN Syariah is 5 (five) members, led by a President Director, and one of the Directors has been appointed as Compliance Director and concurrently as Corporate Secretary. The designation of the number of members of the Board of Directors was based on the requirement to achieve the purpose and objectives of the Bank and has been adjusted to the condition, needs, and complexity of BTPN Syariah.</li> </ol>
	5.2 Designation of the number of members of the Board of Directors considers the variety of necessary skills, knowledge, and experience	Comply	The composition of the Board of Directors in BTPN Syariah has considered business needs, complexity, and variety of skills, based on knowledge in the banking and sharia banking industry, skills, professional experience, and educational background to support the effectiveness of duties performance of the Board of Directors.

Principle	Recommendation	Fulfillment	Implementation
	5.3 Members of the Board of Directors in charge of accounting or finance has the necessary skills and/or knowledge in accounting field	Comply	<ol style="list-style-type: none"> <li>1. Member of the Board of Directors of BTPN Syariah in charge of Accounting and Finance and Operational has sound knowledge in the fields of Accounting and Sharia Accounting, Finance, Risk Management, Operational, Treasury, and Good Corporate Governance;</li> <li>2. He is a Certified Public Accountant;</li> <li>3. Currently, he is serving as a member of the Indonesian Sharia Accounting Standards Board for the period of 2020-2024;</li> <li>4. Prior to serving as the Director in charge of Accounting and Finance as well as Operational in BTPN Syariah, he served as the Head of Finance in BTPN Syariah and has an experience of working in a Public Accounting Firm providing Service Audit, Due Diligence, Merger and Integration, Implementation System, Capital Rising, and other accounting services to various kinds of companies and banks, and has a good relationship with corporate clients with good reputation in mass market field.</li> </ol>
<b>Principle 6</b> Increase the quality of task and responsibility performance of the Board of Directors	6.1 The Board of Directors owns a self-assessment policy to assess the performance of the Board of Directors	Comply	<ol style="list-style-type: none"> <li>1. BTPN Syariah owned a self-assessment policy to assess the performance of the Board of Directors;</li> <li>2. The policy is regulated in the Guideline and Code of Conduct of the Nomination and Remuneration Committee;</li> <li>3. very half-yearly, BTPN Syariah conducts a self-assessment activity as a Sharia Public Bank to assess the performance of its Organs and Supporting Organs and other matters in reference to the work paper stipulated by the regulator.</li> </ol>
	6.2 The self-assessment policy to assess the performance of the Board of Directors is disclosed in the annual report of the public company	Comply	The self-assessment policy is regulated in the Guideline and Code of Conduct of the Nomination and Remuneration Committee and is disclosed in the 2022 Annual Report in the Performance Assessment of the Board of Directors section.

Principle		Recommendation	Fulfillment	Implementation
	6.3	The Board of Directors owns a policy on the resignation of a member of the Board of Directors if involving in financial crime	Comply	<ul style="list-style-type: none"> <li>BTPN Syariah owned a regulation on the resignation of members of the Board of Directors stipulated in the Articles of Association;</li> <li>The Board of Directors of BTPN Syariah owned a policy on the resignation of a member of the Board of Directors which is stated in the Guideline and Code of Conduct of the Board of Directors.</li> </ul>
<b>Principle 7</b> Increase the Good Corporate Governance through the Participation of Stakeholders	7.1	Public Company owns a policy to prevent insider trading	Comply	<ul style="list-style-type: none"> <li>BTPN Syariah owned a policy to prevent insider trading, as stated in the Corporate Governance Policy and Ownership Policy, Information Confidentiality Policy, and Investment for Employees Policy;</li> <li>The above policy is disclosed in BTPN Syariah's website.</li> </ul>
	7.2	Public Company owns anti-corruption and anti-fraud policies	Comply	BTPN Syariah owned anti-corruption and anti-fraud policies as stated in the Corporate Governance Policy, Code of Ethics, Anti-Fraud Strategy Procedure, and Entertainment and Gratuity Procedure, the summarized points of which are disclosed in BTPN Syariah's website.
	7.3	Public Company owns a policy on the selection and skills building of vendors	Comply	BTPN Syariah owned a policy on the selection and skills building of vendors, which are stated in the Operational Policy on Vendor Management and Goods and Service Procurement Policy, the summarized points of which are disclosed in BTPN Syariah's website.
	7.4	Public Company owns a policy on the fulfillment of creditor's rights	Explain	<ol style="list-style-type: none"> <li>BTPN Syariah has no loans from other party (creditor);</li> <li>The policy on the consideration in entering into agreement and follow-up actions on the fulfillment of obligations shall be available when there are policy changes in the future.</li> </ol>
	7.5	Public Company owns a policy on whistleblowing system	Comply	BTPN Syariah owned a policy on whistleblowing, the summarized points of which are disclosed in BTPN Syariah's website.

Principle	Recommendation	Fulfillment	Implementation
	7.6 Public Company owns a policy on long-term incentives for the Board of Directors and Employees	Comply	<ul style="list-style-type: none"> <li>BTPN Syariah owned a policy on long-term incentives for the Board of Directors and Employees</li> <li>The Bank has consistently ensure fair compensation system by exploring long-term compensation system for the Board of Directors and Employees which is deemed to be able to align the interest of the Bank and employees.</li> <li>Disclosure of Long-Term Incentive Distribution is shown on Governance Implementation Report in this 2022 Annual Report.</li> </ul>
<b>Principle 8</b> Increase the disclosure of Information	8.1 Public Company utilizes information technology other than the website more broadly as a media for information openness	Comply	<ul style="list-style-type: none"> <li>BTPN Syariah has utilized information technology other than the website more broadly as a media for information openness;</li> <li>The followings are the official Social Media Account of BTPN Syariah:               <ol style="list-style-type: none"> <li>Instagram: @btpnsyariah <a href="https://www.instagram.com/btpnsyariah/">https://www.instagram.com/btpnsyariah/</a></li> <li>Instagram: @saya.bankirpemberdaya <a href="https://www.instagram.com/saya.bankirpemberdaya/">https://www.instagram.com/saya.bankirpemberdaya/</a></li> <li>Facebook: BTPN Syariah / @btpnsyariah.id <a href="https://facebook.com/btpnsyariah.id">https://facebook.com/btpnsyariah.id</a></li> <li>Youtube: BTPN Syariah <a href="https://www.youtube.com/c/BTPNSyariah">https://www.youtube.com/c/BTPNSyariah</a></li> <li>Linkedin: BTPN Syariah <a href="https://www.linkedin.com/company/btpnsyariah">https://www.linkedin.com/company/btpnsyariah</a></li> </ol> </li> </ul>
	8.2 The Annual Report of Public Company discloses the beneficiaries of share ownership of the public company of at least 5% (five percent), other than the disclosure of beneficiaries in share ownership of the public company through major shareholders and controlling shareholders	Comply	<ul style="list-style-type: none"> <li>The Annual Report of BTPN Syariah has disclosed the beneficiaries of share ownership of the Public Company of at least 5% (five percent);</li> <li>The above information has been disclosed in BTPN Syariah's website.</li> </ul>

## good corporate governance structure in BTPN Syariah



As one of the banking industry players and in accordance to the Law No.40 of 2007, the governance structure in BTPN Syariah consists of the Main Organs and Supporting Organs.

### main organs

- General Meeting of Shareholders
- Board of Commissioners
- Sharia Supervisory Board
- Board of Directors

## supporting organs

1. The Board of Commissioners' Committee
  - a. Audit Committee
  - b. Risk Monitoring Committee
  - c. Nomination and Remuneration Committee
  - d. Good Corporate Governance Committee
2. The Board of Directors' Committee
  - a. Asset and Liability Committee (ALCO)
  - b. Business Committee
  - c. Human Capital Committee
  - d. Risk Management Committee
  - e. Information Technology Steering Committee
  - f. Financing Policy Committee
3. The availability of Working Units for business development, operations, risk management, and internal control in BTPN Syariah. Internal Units BTPN Syariah includes amongst others Internal Audit Unit, Risk Management Unit, and Compliance Unit.
4. Other divisions have been established in BTPN Syariah, namely Corporate Secretary & General Counsel, Analytics & Market Intelligence, Corporate Information Security, Financing Business (supervising Business Planning & Assurance, Distribution in Region 1-5), Funding & Fee Based Business team (Supervising Business Development, Retail & Wholesale Funding, Funding & Fee Based Business Planning & Support, Corporate & Marketing Communication, DAYA), Finance & Operation Team (supervising Financial Planning & Control, Treasury & Financial Institution, Operation Development, QA Funding & Operations, Transaction Services and Corporate Services), Information Technology Team and Human Capital Team.
5. Sustainability Task Force  
BTPN Syariah delivers real contribution for the improvement of environmental quality and is committed to continue its role in improving the welfare of inclusive customers that the Company is serving in line with the sustainability objectives.

In order to realize the achievement of sustainable financial action, BTPN Syariah established a Task Force in charge of ensuring comprehensive coordination and internal control for the implementation of the Bank's plans are in line with the Sustainable Finance Action Plan.

Refinement of the GCG structure is always made by BTPN Syariah from time to time to adjust to the changes of the situation and the needs of the Bank

## shareholders

Shareholders are parties who can act as owners in BTPN Syariah and must have the highest standard of integrity as stipulated in the prevailing regulations.

As for candidates of Controlling Shareholders, they must have integrity and financial feasibility, and are obliged to fulfill the requirements and be committed to the development of healthy Bank operations, as well as have a plan that includes the direction and the development strategy of the Bank at the minimum, and a plan to strengthen the Bank Capital for a period of at least 3 (three) years.

Other requirements and information refer to prevailing regulations.

## Protection for Minority Shareholders

BTPN Syariah guarantees protection for minority shareholders in reference to Law No.40 of 2007 concerning Limited Liability Companies, Articles of Association, and BTPN Syariah Good Corporate Governance Policy.

## Listing of Shares and Shareholders Register

BTPN Syariah guarantees the protection of Shareholder Rights in accordance with prevailing regulations and Articles of Association.

The Board of Directors of BTPN Syariah guarantees the availability of Shareholders Register that consist of:

- a. Monthly Shareholders Register;
- b. Shareholders Register related to the implementation of corporate action and according to the specified recording date;
- c. Special Register that contains the description of shares owned by members of the Board of Directors and the Board of Commissioners.

Such information is available on BTPN Syariah website and is updated regularly.

## Dividend Policy

Distribution of dividend at BTPN Syariah is regulated in Articles of Association and Good Corporate Governance Policy of the Bank.

Allocation and Determination of the dividend is under the authority of the Shareholders and is decided at the Annual General Meeting of Shareholders (Annual GMS).

The Dividend Policy is exercised by considering the adequacy of the Retained Earning Balance, prevailing regulations such as long term and short term capital requirement, and the expected growth of the Bank and market condition. The recommendation of dividend distribution is proposed by the Board of Directors and approved by the Board of Commissioners. Such recommendation is presented at the Annual GMS to be approved by the Shareholders.

Further elaboration concerning the Dividend Distribution for the year 2022 in BTPN Syariah is presented in the Corporate Action section of this 2022 Annual Report.

## General Meeting of Shareholders

General Meeting of Shareholders (GMS) is the highest organ in a Limited Liability Company. This organ has the rights and authorities that are not granted to the Board of Directors and the Board of Commissioners within the limits as stipulated in Law of Limited Liabilities Companies and Articles of Association of BTPN Syariah.

Every resolution made by the GMS in BTPN Syariah is based on good intentions for the best interest of the Bank and does not contradict any prevailing regulations, including regulations in Capital Market and Articles of Association. As stipulated in the Law, GMS in BTPN Syariah is unable to make any intervention to the duties, function, and authorities of the Board of Commissioners and the Board of Directors without reducing the authorities of GMS to exercise its rights according to Articles of Association and prevailing regulations.

## Rights and Responsibilities of Shareholders

Shareholders are the owner of capital who has certain rights and responsibilities for the Company according to prevailing regulations and Articles of Association.

The Bank guarantees the fulfillment of rights and responsibilities of shareholders based on fairness principles. And in exercising their rights and responsibilities, shareholders are obliged to adhere to the business sustainability principles of the Company.

### Rights of Shareholders of BTPN Syariah, Include:

1. Shareholders have the right to attend GMS, both by themselves and through representative with the power of attorney, to provide response to the GMS agenda, and to cast votes according the number of shares owned;
2. Shareholders have the right to obtain accurate, adequate and timely information about the Bank, in so far as it is connected to the GMS Agenda and are not in conflict with the interest of BTPN Syariah so shareholders can reach the right decisions during GMS;
3. Shareholders have the right for the distribution of net profit in the form of dividend and the distribution of profit in other forms according to the number of shares owned;
4. One or more shareholders who jointly represent at least 1/20 (one twentieth) or equal to 5% (five percent) of the total number of shares with voting right issued by the Bank, are eligible to propose agenda

item in GMS, that is to be received by the GMS organizing party at the latest 7 (seven) days before the respective meeting notice is issued, and is made with good intentions by including the reason for the convening of GMS and materials of the proposed agenda item in the meeting, for which such proposed agenda item should be an agenda item that requires the resolution of GMS, as well as in consideration of the interest of the Bank and are not contradiction to prevailing laws and regulations;

5. Shareholders have the right to obtain explanation should the proposed agenda item be rejected by the Board of Directors and the reason for the rejection of the proposed agenda item must be disclosed at the GMS;
6. Every shareholder has the right to ask the Bank for their shares to be purchased at a fair price. If shareholders do not agree with the Bank's action that may disadvantage the shareholders, including the act of changing the Articles of Association, transfer or mortgage of the Bank's assets that are worth more than 50% of the Bank's net assets, consolidation, merger, take over or spin off.

### **Responsibilities of Shareholders at BTPN Syariah, Include:**

Shareholders must understand their responsibilities as owners of the capital, taking into account prevailing laws and regulations as well as Articles of Associations, including:

1. Every shareholder shall abide by and comply with Articles of Association as well as prevailing laws and regulations;
2. Controlling Shareholders should consider the interest of the minority Shareholders and other shareholders according to prevailing laws and regulations;
3. Minority shareholders are responsible to exercise their rights according to laws and regulations and Articles of Associations;
4. Shareholders must separate ownership of the Bank's asset from ownership of personal asset, and separate their function as shareholders and as members of the Board of Commissioners or the Board of Directors, in the case where a shareholder holds such position in the Bank;

5. In the condition where Shareholders are the Controlling Shareholders of several Banks, accountability and relationship among the Banks must be well administered and always comply with prevailing laws and regulations, particularly concerning transactions with related parties or those with special relationship;
6. Disclose the List of Related Parties if Shareholders are acting as Controlling Shareholders of the Bank;
7. Every party or shareholder who owns at least 5% (five percent) or more of paid-up shares must report to OJK for every ownership or change of shares ownership, according to prevailing regulations and this occurrence must be reported in the Bank's Annual Report.
8. Ownership of Bank Shares by the Controlling Shareholders shall not be mortgaged or pledged to other parties.

## **implementation of GMS in 2022**

BTPN Syariah conducted the Annual General Meeting of Shareholders (hereinafter referred to as Annual GMS) for the financial year 2021 on 21 April 2022 and Extraordinary General Meeting of Shareholders (hereinafter referred to as Extraordinary GMS) on 13 October 2022, and fulfilled the manner and procedure of holding Annual GMS and Extraordinary GMS while taking into account Articles of Association and prevailing regulations.

The best efforts from BTPN Syariah in improving the value of Annual GMS in 2022 were addressed with mechanism and approach that were different from convening Annual GMS in the years before the pandemic. Similar to Annual GMS implementation in 2021, Annual GMS and Extraordinary GMS in 2022 were conducted in full compliance with Physical Distancing rules, strict health and building safety, as well as with the mechanism that prioritized health and safety of shareholders and employees, without reducing the quality of GCG principle implementation.

The preparation and implementation of Annual GMS was carried out well and thoroughly at every stage. The Bank took great care in adhering to the following provisions:

- Statement of the World Health Organization (WHO) that Corona Virus 2019 Disease is a pandemic;
- Declaration from the Government of the Republic of Indonesia concerning the Special Situation Status of Disaster Emergency due to COVID-19 Pandemic followed by a declaration regarding restriction of working hours, public activities and public transportation that eventually impacted the bank's operations;
- Government Regulation No. 21 of 2020 concerning Large-Scale Social Restriction in order to accelerate the handling of Corona Virus Disease 2019 (COVID-19);
- Statement from the Chief National Police of the Republic of Indonesia No. Mak/2/III/2020 dated 19 March 2020 concerning Compliance to Government Policy in Overcoming the Spread of Corona Virus Disease 2019 (COVID-19);
- Letter of Financial Services Authority (OJK) No. 37/D.01/2020 dated 2 April 2020 concerning the Request for Operationalization of Financial Services Institution during the period of Large-Scale Social Restriction;
- Regulation of OJK No. 15/POJK.04/2020 concerning the Plan and Implementation of General Meeting of Shareholders for Public Companies;
- Regulation of OJK Number 16/POJK.04/2020 on Procedures for Electronic General Meeting of Shareholders of Public Company
- Regulation of OJK No. 7/POJK.04/2021 dated 16 March 2021 concerning the Policy to Maintain Performance and Stability of Capital Market due to the Spread of Corona Virus Disease 2019 and Regulation of OJK No. 4/POJK.04/2022 dated 18 March 2022 regarding Amendment to OJK Regulation No. 7/POJK.04/2021 regarding Policy in Maintaining the Performance and Stability of the Capital Market due to the Spread of COVID-19; and
- Other related regulations.

As an improvement to the implementation of electronic power of attorney (e-proxy) at the Annual GMS in 2021, the Annual GMS and Extraordinary GMS in 2022 were convened virtually (e-RUPS) by implementing virtual voting (e-Voting) supported by information

technology to improve efficiency. This mechanism was also intended to increase participation from shareholders at the Annual GMS, both in physical attendance and by e-proxy. From the regulator side, the implementation of e-Proxy and e-RUPS represent their commitment to creating regulatory efficiency by integrating RUPS provisions in one set of OJK Regulations.

## Improving Value of Annual GMS Implementation by Ensuring Fair Treatment of Shareholders

BTPN Syariah is committed to administering fair treatment and equitable opportunities to all shareholders, both individual shareholders and institutional shareholders who are present or represented in the 2022 Annual GMS.

Responding to the pandemic condition which continued in 2022, BTPN Syariah facilitated by providing Annual GMS supporting documents that enabled shareholders to fully exercise their rights, among others:

### 1. eASY.KSEI Facility

The Bank actively participated in offering eASY.KSEI to facilitate shareholders in attending (e-Proxy) and voting virtually (e-Voting);

### 2. Power of Attorney is available for Independent Party at no charge

- In prioritizing safety and health in the COVID-19 Pandemic, the Bank discouraged shareholders from attending physically, and to instead attend by proxy with eASY.KSEI application, represented by an Independent Party appointed by the Shareholder, or by an Independent Party appointed by BTPN Syariah at no charge;
- Shareholders did not need to pay appointment fee for the Independent party, except for the costs for stamp duty for the power of attorney, delivery of the original Power of Attorney to the office of Securities Administration Bureau, and data charges to send emails or Live Streaming.

### 3. Sufficient Time for Shareholders to Create Power of Attorney

- Without reducing the rights of shareholders, from the date of Notice until 3 days before the Annual GMS was given to the shareholders to create Power of Attorney, BTPN Syariah applied fair treatment to all shareholders who did not have the chance to prepare Power of Attorney (due to the Pandemic or other condition) during the specified period of time by still giving the opportunity until the day of Annual GMS;
- Shareholders would not lose voting rights and were able to raise question through the Independent Party.

### 4. 2022 Annual GMS Supporting Documents that Were Sufficient, Comprehensive, and Timely

#### Implementation of Annual GMS in 2022

- 2021 Annual Report and Sustainability Report are available on the Bank's website since the date of Annual GMS 2022 Notice;
- 2022 Annual GMS procedures and protocols to guide the event procession and facilitate shareholders at the meeting's location;
- Meeting mechanism and protocols that were brief and concise, while adhering to the provisions of organizing Annual GMS;
- Power of Attorney forms and questionnaires were easy to access and available at the Bank's website for the shareholders starting from the date of notice until the date of the meeting.

#### Implementation of Extraordinary GMS in 2022

- Short profiles of members of the Board of Commissioners were available at the Bank's website starting from the date of notice of Extraordinary GMS in 2022;
- 2022 Extraordinary GMS procedures and protocols to guide the event procession and facilitate shareholders at the meeting's location;
- Meeting mechanism and protocols that were brief and concise, while adhering to the provisions of organizing Annual GMS; and

- Power of Attorney forms and questionnaires were easy to access and available at the Bank's website for the shareholders starting from the date of notice until the date of the meeting.

### 5. BTPN Syariah cautiously implemented health and safety protocols in organizing efficient Annual GMS and Extraordinary GMS in 2022

- In prioritizing preventing measures in the spreading of COVID-19, BTPN Syariah upaya preventif penyebaran COVID-19, BTPN Syariah prepared procedures and protocols for Annual GMS and Extraordinary GMS in 2022, starting from requiring meeting attendant to go through various preventive measures by wearing personal protective equipment (PPE), including face mask, checking body temperature, showing antigen test results, not allowed to eat or drink at the location on of the meeting, as well as providing hand sanitizer, and mask for shareholders and power of attorney holders who attended the meeting. The protocols were available at the BTPN Syariah before the Annual GMS and Extraordinary GMS were held in 2022
- To provide health and comfort to Shareholders attending Annual GMS and Extraordinary GMS, and in accordance to guidance from DKI Jakarta government regarding restriction on social activities, the Bank limited the capacity of meeting rooms during Annual GMS and Extraordinary GMS in 2022 by observing physical distancing of 2 meters between seats and maintaining distance at registrations and other activities that involved queueing;
- Sterilized meeting rooms by ensuring every organizing committee member who was actively involved in the meetings passed screening and showed negative results for their antigen testing; and
- BTPN Syariah strived to ensure the safety of the management and supervisors by limiting physical attendance of members of the Board of Directors, members of the Board of Commissioners, and members of the Sharia Supervisory Board in the Meeting room by abiding to the rules, maintaining

physical distancing, and providing video conference facility for members of the Board of Directors, members of the Board of Commissioners, and members of the Sharia Supervisory Board who could not attend physically so they could still observe and follow the progress of Annual GMS and Extraordinary GMS.

#### **6. Option for Shareholders to attend virtually and/or monitor Annual GMS and Extraordinary GMS in 2022 with live streaming facilities**

- Shareholders who registered with eASY. KSEI application were able to observe and virtually attend Annual GMS and Extraordinary GMS by accessing AKSes KSEI; and
- The Bank still provided an opportunity for Shareholders to attend by proxy while observing Annual GMS and Extraordinary GMS in 2022 through live streaming. The application procedure for this facility is already stated in the 2022 Annual GMS and Extraordinary GMS code of conduct.

#### **7. Summary of 2022 Annual GMS and Extraordinary GMS resolutions was available in a timely manner**

The Meeting Summary was available in a timely manner and bilingual format to inform shareholders and stakeholders of decisions made at the 2022 Annual GMS and Extraordinary GMS. The Summary of 2022 Annual GMS and Extraordinary GMS is available bilingually, in Bahasa Indonesia and English.

### **procedure for casting and calculation votes at the 2022 Annual GMS and Extraordinary GMS**

#### **Shareholders Eligible to Attend the 2022 Annual GMS and Extraordinary MGS**

Shareholders who were eligible to attend or be represented at the 2022 Annual GMS of BTPN Syariah were Shareholders of the Bank

whose names were registered in the Register of Shareholders of the Company on 29 March 2022 at 16:00 Western Indonesia Time and/or the shareholders registered at the securities sub account with KSEI at the closing of share trading at the Indonesian Stock Exchange on 29 March 2022 or Proxy Shareholders proven by legitimate Power of Attorney and had been verified with Written Confirmation for Meeting and other proof of personal identification to be submitted prior to entering the Meeting Room.

Shareholders who were eligible to attend or be represented at the 2022 Extraordinary GMS of BTPN Syariah were Shareholders of the Bank whose names were registered in the Register of Shareholders of the Company on 20 September 2022 at 16:00 Western Indonesia Time and/or the shareholders registered at the securities sub account with KSEI at the closing of share trading at the Indonesian Stock Exchange on 20 September 2022 or Proxy Shareholders proven by legitimate Power of Attorney and had been verified with Written Confirmation for Meeting and other proof of personal identification to be submitted prior to entering the Meeting Room.

#### **Shareholders Who Granted Power of Attorney to Independent Parties Appointed by the Company and Were Validated as Shareholders by Securities Administration Bureau**

Shareholders who have given authorization to Independent Party appointed by the Corporation can ask questions through the Independent Party at the latest three days before the Meeting, and are able to still monitor the Meeting through Live Streaming by accessing AKSes KSEI in the eASY.KSEI application and had done submission previously according to the procedure in 2022 Annual GMS and Extraordinary GMS code of conduct.

#### **Shareholders Who Decided to Not Attend and Did Not Grant Authority to Independent Party**

The Company guarantees the fulfillment of Shareholder rights in the pandemic situation by providing opportunity for Shareholders who decided to not attend and not grant authority to

an Independent Party appointed by the Company to still be able to monitor the course of the 2022 Annual GMS and Extraordinary GMS through Live Streaming facility provided by the Bank. However, these shareholders did not have the right to raise question and did not have the right to cast votes according to the rules.

Access code for Live Streaming facility was given after registering with eASY.KSEI application using the procedure stated in the 2022 Annual GMS and Extraordinary GMS code of conduct.

### **Question and Answer Session in the 2022 Annual GMS and Extraordinary GMS**

According to the Code of Conduct, prior to making Resolution for a Meeting Agenda, the Meeting Chairperson would provide opportunity to Shareholders and Representative/Proxy Shareholders to raise questions related to it. Shareholders and Representative/Proxy Shareholders intending to raise question would be asked to mention their name, the company being represented, and the number of shares owned.

Shareholders who attended virtually were also given the opportunity to ask questions in written by using the chat feature in the 'electronic opinions' column on the e-Meeting Hall monitor. The Meeting Chairperson or a person appointed by the Meeting Chairperson provided answers to questions directly related to the Meeting Agenda.

### **Calculation of Votes at the 2022 Annual GMS and Extraordinary GMS**

The calculation of votes at the 2022 Annual GMS and Extraordinary GMS is 1 (one) share entitled to the holder for the right to cast 1 (one) vote and such vote represents all the number of shares owned.

### **Independent Party During Calculation of Vote at 2022 Annual GMS and Extraordinary GMS**

At the 2022 Annual GMS that was convened on 21 April 2022, BTPN Syariah appointed several independent parties, namely Notary Ashoya Ratam, S.H., M.Kn as Public Notary and PT Datindo Entrycom as Securities Administration Bureau to administer calculation and/or validation of quorum and voting at the Annual GMS.

At the 2022 Extraordinary GMS which took place on 13 October 2022, BTPN Syariah appointed the following independent parties: Notary Ashoya Ratam, S.H., M.Kn as Public Notary and PT Datindo Entrycom as Securities Administration Bureau to administer calculation and/or validation of quorum and voting at the Annual GMS.

### **Mechanism for Casting and Calculation of Votes at the 2022 Annual GMS and Extraordinary GMS**

The mechanism for casting and calculating of votes at the 2022 BTPN Syariah Annual GMS and Extraordinary GMS are regulated in the Annual GMS and Extraordinary GMS Code of Conduct that were distributed to the Shareholders and Shareholder Proxies/Representatives.

Meeting participants who attended physically and virtually had the right to express their opinion or ask question and cast a vote at the Meeting and the Meeting Chairperson had the right to ask meeting participants to prove their authority to attend the meeting (both physically and virtually) according to the requirements stated in the Meeting Notice.

Shareholders or their proxies who attended the Meeting after it was convened by the Meeting Chairperson were considered absent and therefore could not offer suggestion and/or raise question, as well as cast a vote at the Meeting.

## Casting of Vote at the 2022 Annual GMS and Extraordinary GMS

In reference to the 2022 Annual GMS and Extraordinary GMS Code of Conduct, the casting of votes for every meeting agenda was done verbally, except when the Meeting Chairperson requested otherwise with no objection from the shareholders who attended the meeting who controlled at least 5% (five percent) shares of the Bank from the total number of shares with voting rights issued by the Bank and the casting of votes was administered after all questions were answered and/or the question & answer session ended.

### The Casting of Votes was Conducted by:

- **For Shareholders Who Attended Physically**

The oral votes were administered by the Meeting Chairperson asking Shareholders and Representative/Proxy Shareholders who stated disagreement or abstention to the proposal being presented to raise hand. To facilitate calculation, shareholders and representative shareholders who disagreed or abstained from the proposal being presented were requested to raise hand, write the name and number of votes in the voting cards provided by the Bank. The Securities Administration Bureau and a Notary officer collected completed voting cards and examined the votes written in the Power of Attorney to be calculated. The notary then reported the result of the calculation to the Meeting Chairperson.

- **For Shareholders Who Attended Virtually**

The casting of votes was done by every Meeting Participant using eASY.KSEI application, on the e-Meeting Hall menu, under the submenu Live Broadcasting (e-Voting) according to the code of conduct and procedures informed in the app eASY.KSEI.

- **For Shareholders Using E-Proxy**

Shareholders who used the e-proxy mechanism using eASY.KSEI application were considered to use their vote on eASY.KSEI app and Shareholder representatives were not allowed to conduct e-Voting.

After the voting for the Meeting Agenda was concluded, every vote that was casted by the Meeting Participant – through voting card or e-Proxy or e-Voting eASY.KSEI – was calculated by the Securities Administration Bureau and the result was verified by the Notary. Afterward, Notary announced the result to the Meeting Participants. The Meeting Chairperson then confirmed the result of the voting.

Based on POJK 15/POJK.04/2020 article 47 regarding Planning and Implementation of GMS for Public Companies, shareholder who abstained are considered to have cast the same vote as the majority of shareholders who cast votes, shareholders and shareholder proxies who did not raise their hands are considered to agree to the proposal, and if the number who disagreed was insignificant, the Meeting Chairperson has the right to declare that the proposal has been approved by the Meeting. The decision of the Meeting Chairperson on this matter is binding.

Referring on POJK 16/POJK.04/2020 article 11 on Procedures for Electronic General Meeting of Shareholders of Public Company, shareholders who virtually attended but not used their voting right or abstained, were considered to have officially attended the meeting dan casted the same vote as the majority shareholders who voted by adding the said votes to the majority shareholders' vote.

## Resolution

Resolution on the proposed meeting Agenda was made by considering mutual consensus based on Article 15 POJK 15/POJK.04/2020. If mutual consensus was not reached, the resolution would be legitimate if it was agreed by more than ½ (one-half) of the total number of shares with voting rights that were present or represented in the Meeting. This is in accordance to the Article 41 Paragraph (1) POJK 15 in conjunction with Article 87 paragraph (2) of the Law of Limited Liabilities Company 2007 in conjunction with Article 11 paragraph 7 of the Articles of Association.

## Costs

Shareholders were not charged any costs for the power of attorney for the Independent Party appointed by the Company. However, the mailing cost of the Power of Attorney, stamp duty (if incurred) and data charges for using Video Conference to access the Meeting were born by each shareholder.

## Attendance Of The Board Of Commissioners, Sharia Supervisory Board, And The Board Of Directors of BTPN Syariah in the 2022 Annual GMS

No	Name	Position	Annual GMS 21 April 2022		Description
			Present	Absent	
1	Kemal Azis Stamboel	President/Independent Commissioner	√	-	On-site present
2	Dewie Pelitawati	Independent Commissioner	√	-	On-site present
3	Mahdi Syahbuddin*	Commissioner	√	-	Via teleconference video
4	Yenny Lim	Commissioner	√	-	On-site present
5	H. Ikhwan Abidin, MA	Chairman of Sharia Supervisory Board	√	-	Via teleconference video
6	H. Muhamad Faiz, MA	Member of Sharia Supervisory Board	√	-	On-site present
7	Hadi Wibowo	President Director	√	-	On-site present
8	Gatot Adhi Prasetyo	Director	√	-	On-site present
9	Fachmy Achmad	Director	√	-	On-site present
10	Arief Ismail	Compliance Director	√	-	On-site present
11	Dwiyono Bayu Winantio	Director	√	-	On-site present

note

\* The resignation of Mahdi Syahbuddin is effective since the closing of Annual GMS 2022 that was held on 21 April 2022

## Attendance of Shareholders and or Their Proxies in the 2022 Annual GMS

2022 Annual GMS  
was attended by shareholders and or their proxies  
representing **7,339,289,672** shares or **95.2853550%**

from all shares with voting rights issued by the company  
totalling **7,702,432,000** shares  
excluding shares in the treasury of **1,268,000** shares  
in consideration of the shareholder list dated 29 March 2022

## Attendance of Capital Market Supporting Institutions and/or Professionals in the 2022 Annual GMS

Description	Name	Attendance in the 2022 Annual GMS
Notary	Ashoya Ratam, SH., Mkn	√
Securities Administration Bureau	PT Datindo Entrycom	√
Public Accounting Firm	Siddharta Widjaja & Partners (an Indonesian partnership and member firm of the KPMG network of independent member firm affiliated with KPMG International Cooperative)	√

## 2022 Annual GMS

### Deed

Deed No. 41 dated 21 April 2022 made by Ashoya Ratam, SH., Mkn, Notary at the Administrative City of South Jakarta

### Regarding

Minutes of the Annual General Meeting of Shareholders of PT Bank BTPN Syariah Tbk

### Meeting Agenda

#### First Agenda of the Meeting:

Ratification and Approval of Financial Statement, Annual Report, and Sustainability Report which have been reviewed by the Board of Commissioners for the financial year 2021, including but not limited to:

- Ratification of Financial Statement for the financial year ending on 31 December 2021;
- Report on the supervisory duty of the Board of Commissioners and Sharia Supervisory Board for the financial year ending on 31 December 2021; and
- Release and Released of Responsibility (Volledig Acquit et Decharge) for the Board of Directors, Board of Commissioners, and Sharia Supervisory Board for the administration and supervision carried out in and throughout the financial year ending on 31 December 2021.

### Meeting Resolution

- Approved the Annual Report that has been reviewed by the Board of Commissioners and supervisory reports of the Board of Commissioners and Sharia Supervisory Board for the financial year ending on 31 December 2021, as stated in the 2021 Annual Report and 2021 Sustainability Report.
- Ratified the Consolidated Financial Statement for the financial year ending on 31 December 2021 which has been reviewed or audited by the Public Accounting Firm SIDDHARTA WIDJAJA & Partners (an Indonesian partnership and member firm of KPMG network of independent member affiliated with KPMG International Cooperative), as stated in its report dated 10 February 2022 with the opinion that the Consolidated Financial Statement presents fairly in all material respects the consolidated financial position of the Company and its subsidiaries as of 31 December 2021, as well as financial performance and cash flow, reconciliation of income and profit sharing, source and distribution of zakat funds, and source and utilization of consolidated benevolence funds for the financial year ending on the above date, in accordance with the Financial Accounting Standard applicable in Indonesia, and as stated in the 2021 Annual Report.
- Released and full release of responsibility (volledig acquit et decharge) to the members of the Board of Directors who served in the financial year ending on 31 December 2021, regarding the administration, and to the Board of Commissioners and Sharia Supervisory Board regarding the supervisory activities throughout the financial year ending on 31 December 2021, as long as those activities are reflected in the Annual Report, Sustainability Report, and Consolidated Financial Statement for the financial year ending on 31 December 2021, except for acts of fraud, embezzlement, and other criminal actions.

<b>Voting</b>	Based on the voting carried out in the GMS and through eASY.KSEI:	
	Agree	: 7,335,735,172 or 99.9515689%
	Disagree	: 3,094,100 or 0.0421580%
	Abstain	: 460,400 or 0.0062731%
	Total Agreed Votes	: 7,336,195,572 or 99.9578420%
<b>Resolution</b>	The meeting passed with the most votes of 7,336,195,572 or 99.9578420% participants.	
<b>Implementation/ Follow-Up Action</b>	The Annual Report, Sustainability Report, and Financial Statement of BTPN Syariah have been approved by the Shareholders and are available in BTPN Syariah's website as part of Information Openness and are reported to the Authorities in accordance with the regulations	

## Meeting Agenda

### Second Agenda of the Meeting:

Determination of the utilization of Company's Profit and/or Loss for the financial year ending on 31 December 2021.

### Meeting Resolution

1. Approved the appropriation of Net Profit of the Company for the financial year ending on 31 December 2021 totalling Rp1,465,003,529,173 (one trillion four hundred sixty five billion three million five hundred twenty nine thousand one hundred seventy three Rupiah), in accordance with Law number 40 of 2007 on Limited Liability Companies, as follows:
  - i. An amount of Rp20,000,000,000 (twenty billion Rupiah) shall be set aside as "General Reserve" of the Company;
  - ii. An amount of Rp61.75 (sixty one point seventy five Rupiah) per share or a total of Rp475,625,176,000 (four hundred seventy five billion six hundred twenty five million one hundred seventy six thousand Rupiah) shall be set aside as Cash Dividend for the Shareholders, provided that:
    - a. For the above dividend, the Board of Directors shall withhold dividend taxes according to the applicable rate on shareholders receiving dividend payment;
    - b. The Board of Directors is hereby granted power and authority to determine matters regarding on relation to dividend payments for the financial year 2021.
2. Record a remaining net profit of the Company for the financial year ending on 31 December 2021 of Rp969,378,353,173 (nine hundred sixty nine billion three hundred seventy eight million three hundred fifty three thousand one hundred seventy three Rupiah) as the retained earnings to finance the Company's business activities.

<b>Voting</b>	Based on the voting carried out in the GMS and through eASY.KSEI:
	Agree : 7,287,045,672 or 99.2881600%
	Disagree : 49,569,900 or 0.6754046%
	Abstain : 2,674,100 or 0.0364354%
	Total Agreed Votes : 7,289,719,772 or 99.3245954%
<b>Resolution</b>	Therefore, the Meeting passed the resolution with majority votes totalling 7,289,719,772 or 99.3245954%.
<b>Implementation/ Follow-Up Actions</b>	<ol style="list-style-type: none"> <li>1) With regards to the fulfillment of mandatory reserves amount The withholding of a portion of BTPN Syariah's net balance to increase the amount of reserves has been followed-up and recorded in accordance with the resolution of 2022 Annual GMS.</li> <li>2) with regards to the distribution of Dividend               <ol style="list-style-type: none"> <li>a. Summary of the 2022 Annual GMS Minutes and the schedule and procedure for the distribution of cash dividend have been submitted to the Financial Services Authority (FSA) and PT Bursa Efek Indonesia (BEI) as well as PT Kustodian Sentral Efek Indonesia (KSEI) by virtue of letter No. S.154/DIR/CSGC/IV/2022 dated 25 April 2022 and the information has been disclosed in the websites of the Indonesian Stock Exchange and Financial Services Authority and BTPN Syariah.</li> <li>b. Report on Cash Dividend Payment                   <ol style="list-style-type: none"> <li>1. Payment of Cash Dividend (scriptless ) Distribution of Cash Dividend (scriptless) was carried out in reference to the letter of PT Kustodian Sentral Efek Indonesia (KSEI) to BTPN Syariah by virtue of letter number KSEI-8502/JKU/0522 dated 12 May 2022 on Payment of Cash Dividend on the shares of PT Bank BTPN Syariah Tbk (BTPS) with a distribution date of 20 May 2022 based on share ownership and tax rate of each account Recorded on the Recording Date of 11 May 2022 as well as in consideration of the reply letter from the Bank to KSEI by virtue of Instruction Letter Number S.192/DIR/CSGC/V/2022 dated 18 May 2022 on Instruction on the Distribution of Cash Dividend on BTPS' shares.  Notification to the Account Holders on the distribution of the above mentioned Cash Dividend has been delivered to relevant Account Holders on 20 May 2022, including information related to Tax Payment on the Dividend Payment in accordance with applicable regulations.</li> <li>2. Cash Dividend payment (non-scriptless) BTPN Syariah has carried out dividend distribution to PT Bank BTPN Tbk on its 1% ownership which is not recorded in BEI on 20 May 2022.</li> </ol> </li> </ol> </li> </ol>

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## Meeting Agenda

### Third Agenda of the Meeting:

Changes in the composition of members of Supervisors of the Company (Changes in the composition of the membership of the Board of Commissioners due to the resignation of a member of the Board of Commissioners)

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### Meeting Resolution

1. Approve and accept in goodwill the resignation of MAHDI SYAHBUDDIN as a member of the Board of Commissioners as of the closing of the GMS by thanking and expressing the highest appreciation to MAHDI SYAHBUDDIN on his services and contributions while serving as a member of the Board of Commissioners;
2. Upon the above resignation, the composition of the Board of Directors, Board of Commissioners, and Sharia Supervisory Board are as follows:

#### BOARD OF DIRECTORS:

**President Director:** HADI WIBOWO

**Director:** GATOT ADHI PRASETYO

**Director Kepatuhan:** ARIEF ISMAIL

**Director:** FACHMY ACHMAD

**Director:** DWIYONO BAYU WINANTIO

#### BOARD OF COMMISSIONERS:

**President Commissioner & Independent Commissioner:** KEMAL AZIS STAMBOEL

**Independent Commissioner:** DEWIE PELITAWATI

**Commissioner:** YENNY LIM

#### SHARIA SUPERVISORY BOARD:

**Head:** Haji IKHWAN ABIDIN, MA

**Member:** Haji MUHAMAD FAIZ, MA

3. Granted the authority to the Board of Directors by rights of substitution to carry out all actions necessary in relation to the resolution for the 3rd (third) meeting agenda in accordance with applicable regulations, including to notarize it in a separate Notarial Deed and to inform the changes in the composition of the members of the Board of Commissioners to the Ministry of Law and Human Rights of the Republic of Indonesia and other relevant institutions in accordance with applicable regulations.
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<b>Voting</b>	Based on the voting carried out in the GMS and through eASY.KSEI: Agree : 7,339,286,072 or 99.9999509% Disagree : 0 or 0% Abstain : 3,600 or 0.0000491% Total Agreed Votes : 7,339,289,672 or 100%
<b>Resolution</b>	The meeting passed the resolution with unanimous votes (with a note that there were 3,600 abstain votes)
<b>Implementation/ Follow-Up Actions</b>	Changes in the composition of the Board of Commissioners has been notarized in the Deed of Resolution of the Annual General Meeting of Shareholders of PT Bank BTPN Syariah Tbk Number 42 dated 21 April 2022 made by the Notary Ashoya Ratam, SH., Mkn, Notary in the Administrative City of South Jakarta, and has been registered in the Ministry of Law and Human Rights of the Republic of Indonesia concerning Notification of Changes in Company Data Number AHU-AH.01.09-0010849 dated 1 May 2022 which has been submitted to the Financial Services Authority (FSA) and PT Bursa Efek Indonesia (BEI) as well as PT Kustodian Sentral Efek Indonesia (KSEI) by virtue of letter No. S.155/DIR/CSGC/IV/2021 dated 25 April 2022 and the information has been disclosed in the websites of the Indonesian Stock Exchange and Financial Services Authority and BTPN Syariah;

### Meeting Agenda

#### Fourth Agenda of the Meeting:

Determination of the amount of remuneration for members of the Board of Directors, Board of Commissioners, and Sharia Supervisory Board for the year 2022.

### Meeting Resolution

1. Grant full authority to the Board of Commissioners of the Company to determine Remuneration amount for members of the Board of Directors and the Sharia Supervisory Board for year 2022 through a meeting of the Nomination and Remuneration Committee and to determine its distribution among members of the Board of Directors and the Sharia Supervisory Board, provided that in determining the total Remuneration amount and distribution among members of the Board of Directors and the Sharia Supervisory Board, the Board of Commissioners shall considers the recommendation of the Nomination and Remuneration Committee;
2. Approved the recommendation of the Nomination and Remuneration Committee as stated in the Minutes of Meeting of the Nomination and Remuneration Committee Number M.002/RNC/IV/2022 dated 8 April 2022, which was approved by the Board of Commissioners as stated in the Minutes of Meeting of the Board of Commissioners Number 004/KOM/CSGC/IV/2022 dated 8 April 2022 that determine the amount of total gross Remuneration for the Board of Commissioners for year 2022, totalling not more than Rp10.61 billion (gross), and approved the granting of power and authority to the Board of Commissioners to determine the distribution of the Remuneration among members of the Board of Commissioners provided that in determining the distribution of Remuneration the Board of Commissioners shall considers the recommendation of the Nomination and Remuneration Committee.

<b>Voting</b>	Based on the voting carried out in the GMS and through eASY.KSEI:
	Agree : 7,311,880,370 or 99.6265401% Disagree : 27,103,202 or 0.3692892% Abstain : 306,100 or 0.0041707% Total Agreed Votes : 7,312,186,470 or 99.6307108%
<b>Resolution</b>	Meeting with majority votes of 7,312,186,470 shares or 99.6307108%
<b>Implementation/ Follow-Up Actions</b>	<ol style="list-style-type: none"> <li>1. The granting of power and authority to the Board of Commissioners to determine remuneration amount for members of the Board of Directors and the Sharia Supervisory Board for the year 2022 and its distribution among members of the Board of Directors and the Sharia Supervisory Board, as well as the determination of remuneration amount for members of the Board of Commissioners and its distribution among members of the Board of Commissioners, have been granted in accordance with meeting resolution.</li> <li>2. Determination of Remuneration amount for members of the Board of Directors and Sharia Supervisory Board for the year 2022 as well as determination of its distribution among members of the Board of Directors and Sharia Supervisory Board, and determination of remuneration amount for members of the Board of Commissioners as well as its distribution among members of the Board of Commissioners have been carried out in accordance with the resolution of the meeting, i.e. Minutes of Meeting of the Nomination and Remuneration Committee Number M.002/RNC//IV/2022 dated 08 April 2022, which has been approved by the Board of Commissioners as stated in the Minutes of Meeting of the Board of Commissioners Number 003/KOM/CSGC/IV/2022 dated 08 April 2022 on the determination of total gross remuneration for members of the Board of Commissioners for the financial year ending on 31-12-2022 (thirty first of December two thousand and twenty-two).</li> </ol>

## Meeting Agenda

### Fifth Agenda of the Meeting:

The appointment of a Public Accountant and/or Public Accounting Firm to examine the Company's books for the financial year ending on 31 December 2022 and the determination of its honorarium and other requirements related to the appointment.

### Meeting Resolution

1. Approved to grant power and authority to the Board of Commissioners to:
  - a. Appoint a Public Accountant and/or Public Accounting Firm to examine and audit Company's books and records for the financial year ending on 31 December 2022 and determine its honorarium and other requirements related to the appointment of the Public Accountant and/or Public Accounting Firm while taking into account recommendations of the Audit Committee and applicable regulations.
  - b. Appoint a substitute Public Accountant and/or Public Accounting Firm in the event that the Public Accountant and/or Public Accounting Firm appointed by the Meeting for any reason whatsoever is unable to complete/carry out an audit for the financial report of 31 December 2022, including to determine its honorarium and other requirements related to the appointment of substitute Public Accountant and/or Public Accounting Firm.
2. That in the appointment and designation of Public Accountant and/or Public Accounting Firm, the Company shall comply with the following provisions:
  - a. The appointed Public Accountant and/or Public Accounting Firm shall be registered as a Capital Market Supporting Professionals at the Financial Services Authority and has experience in auditing banking companies;
  - b. The appointed Public Accounting Firm shall be affiliated with an international Public Accounting Firm.

<b>Voting</b>	Based on the voting carried out in the GMS and through eASY.KSEI:
	Agree : 7,011,014,531 or 95.5271538% Disagree : 323,994,863 or 4.4145262% Abstain : 4,280,278 or 0.0583201% Total Agreed Votes : 7,015,294,809 or 95.5854738%
<b>Resolution</b>	Meeting with majority votes of 7,015,294,809 shares or 95.5854738%
<b>Implementation/ Follow-Up Actions</b>	<ol style="list-style-type: none"> <li>1. Circular Resolution of the Audit Committee in lieu of Resolution Taken in a Meeting of the Audit Committee PT Bank BTPN Syariah Tbk Number 002/CIR/AK/CSGC/IX/2022 dated 9 September 2022 on Recommendation of the Audit Committee on the Appointment of the Public Accountant and/or Public Accounting Firm to examine or audit the books and records of PT Bank BTPN Syariah Tbk for the financial year ending on 31 December 2022;</li> <li>2. Circular Resolution of the Board of Commissioners in lieu of Resolution Taken in a Meeting of the Board of Commissioners PT Bank BTPN Syariah Tbk Number 006/CIR/DEKOM/IX/2022 dated 28 September 2022 on Approval of the Board of Commissioners Regarding the Appointment of the Public Accountant and/or Public Accounting Firm to examine or audit the books and records of PT Bank BTPN Syariah Tbk for the financial year ending 31 December 2022;</li> <li>3. Report of the Implementation of the Appointment of the Public Accountant and/or Public Accounting Firm in regard to the annual audit on historical financial information on 31 December 2022 has been submitted to the Sharia Bank Supervisory Board FSA by virtue of letter number S.365/DIR/CSGC/IX/2022 dated 29 September 2022, as well as to the Capital Market FSA and to PT Bursa Efek Indonesia by virtue of letter number S.364/DIR/CSGC/IX/2022 dated 29 September 2022.</li> </ol>

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## Meeting Agenda

### Sixth Agenda of the Meeting:

Company Report on the Transfer Assignment of Portion of Treasury Shares in 2021

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### Meeting Resolution

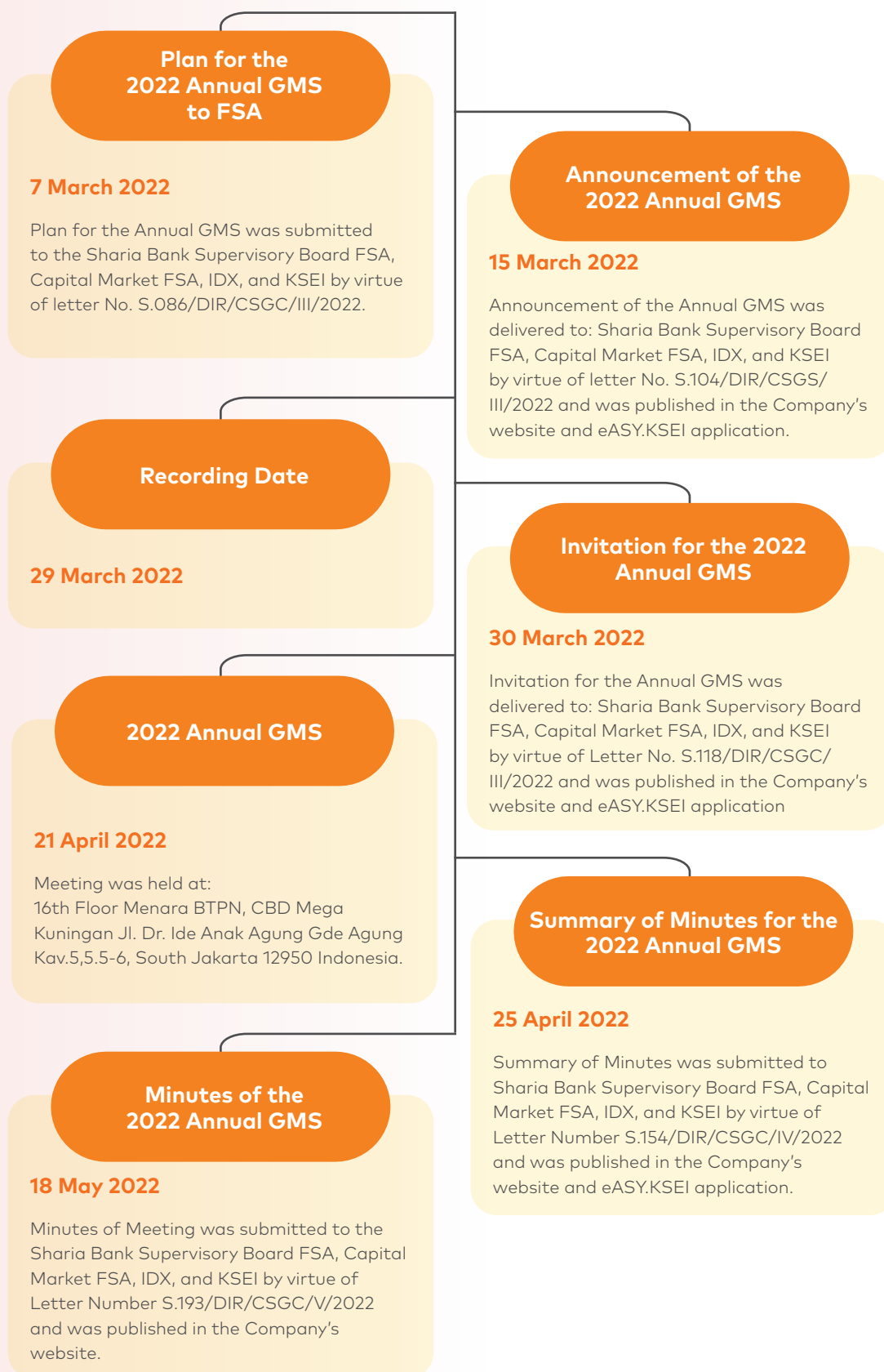
As the Sixth Agenda of the Meeting is a Report on the Assignment of A Portion of Company's Treasury Shares, there were no resolution passed, i.e.:

"In reference to the Information Disclosure Letter of the Company Number S.030/DIR/CSGC/I/2022 dated 26 January 2022 on Report on Shares Ownership or Change of Shares Ownership of Members of the Board of Directors PT Bank BTPN Syariah Tbk and Letter Number S.031/DIR/CSGC/I/2022 dated 26 January 2022 on Information that Needs to be Disclosed to the Public – Assignment of a Portion of Treasury Shares, we would like to inform the Shareholders regarding the following:

1. The Company has followed-up on the Resolution of the Extraordinary GMS of the Company held on 2 September 2019, Second Agenda of the Meeting regarding the Repurchase of Company Shares for the purpose of Distribution of Variable Remuneration in accordance with Regulation of the FSA Number 59/POJK.03/2017, and has carried out variable remuneration payment as above through the assignment of a portion of Treasury Shares of the Company on 25 January 2022.
2. That the subsequent payment of the above variable remuneration shall consider the above mentioned Resolution of the Extraordinary GMS of the Company on 2 September 2019.

<b>Resolution</b>	As the Sixth Agenda of the Meeting is a report, there were no resolution passed
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## Steps Taken for the 2022 Annual GMS



## Attendance Of The Board Of Commissioners, Sharia Supervisory Board, And Board Of Directors of BTPN Syariah in the 2022 Extraordinary GMS

No	Name	Position	Extraordinary GMS 13 October 2022		Note
			Present	Absent	
1	Kemal Azis Stamboel	President/Independent Commissioner	√	-	On-site present
2	Dewie Pelitawati	Independent Commissioner	√	-	On-site present
3	Ongki Wanadjati Dana*	Commissioner	√	-	On-site present
4	Yenny Lim	Commissioner	√	-	Via teleconference video
5	H. Ikhwan Abidin, MA	Chairman of Sharia Supervisory Board	√	-	On-site present
6	H. Muhamad Faiz, MA	Member of Sharia Supervisory Board	-	√	Absent due to illness
7	Hadi Wibowo	President Director	√	-	Via teleconference video
8	Gatot Adhi Prasetyo	Director	√	-	On-site present
9	Fachmy Achmad	Director	√	-	Via teleconference video
10	Arief Ismail	Compliance Director	√	-	On-site present
11	Dwiyono Bayu Winantio	Director	√	-	On-site present

Note:

\* The appointment of Ongki W Dana is effective since the closing of Extraordinary GMS that was held on 13 October 2022

## Attendance of Shareholders and or Their Proxies in the 2022 Extraordinary GMS

**2022 Extraordinary GMS**  
was attended by shareholders and or their proxies  
representing **7,349,286,383** shares or **95.4151414%**

From all shares with voting rights issued by the Company  
totalling **7,703,700,000** shares  
excluding shares in the treasury of **1,268,000** shares  
in consideration of the Shareholder List dated 20 September 2022

## Attendance of Capital Market Supporting Institutions and/or Professionals in the 2022 Extraordinary GMS

Description	Name	Attendance in 2022 Extraordinary GMS
Notary	Ashoya Ratam, SH., Mkn	√
Share Registrar	PT Datindo Entrycom	√

## Extraordinary GMS 2022

### Deed

Deed No. 24 dated 13 October 2022 made by Ashoya Ratam, SH., Mkn, Notary at the Administrative City of South Jakarta

### Regarding

Minutes of the Extraordinary General Meeting of Shareholders of PT Bank BTPN Syariah Tbk

### Meeting Agenda

#### First Agenda of the Meeting

Appointment of a Member of the Board of Commissioners

### Meeting Resolution

1. Approved the appointment of ONGKI WANADJATI DANA as member of the Board of Commissioners effective on the closing of the Meeting, for the same period as the remaining period of other members of the Board of Commissioners i.e. the closing of Annual GMS that will be held in 2023 (two thousand twenty three) without prejudice to the right of the Meeting or applicable laws and regulations to terminate them at any time prior to the end of the serving period.

Therefore, the full composition of the Board of Directors, Board of Commissioners, and Sharia Supervisory Board as of the closing of the Meeting are as follows:

#### BOARD OF DIRECTORS:

**President Director:** HADI WIBOWO

**Director:** GATOT ADHI PRASETYO

**Compliance Director:** ARIEF ISMAIL

**Director:** FACHMY ACHMAD

**Director:** DWIYONO BAYU WINANTIO

#### BOARD OF COMMISSIONERS:

**President Commissioner & Independent Commissioner:** KEMAL AZIS STAMBOEL

**Independent Commissioner:** DEWIE PELITAWATI

**Commissioner:** ONGKI WANADJATI DANA

**Commissioner:** YENNY LIM

#### SHARIA SUPERVISORY BOARD:

**Head:** Haji IKHWAN ABIDIN, MA

**Member:** Haji MUHAMAD FAIZ, MA

2. Granted the authority to the Board of Directors by rights of substitution to re-state the resolution of the meeting agenda in a Notarial Deed and to report it to the Ministry of Law and Human Rights of the Republic of Indonesia and to carry out all necessary actions in accordance with the Articles of Association of the Company as well as applicable laws and regulations.

<b>Voting</b>	Based on the voting carried out in the GMS and through eASY.KSEI:  Agree : 7,336,756,383 or 99.8295073% Disagree : 12,530,000 or 0.1704927% Abstain : 0 or 0% Total Agreed Votes : 7,336,756,383 or 99.8295073%
<b>Resolution</b>	Meeting with majority votes of 7,336,756,383 shares or 99.8295073%
<b>Implementation/ Follow-Up Actions</b>	Deed of Resolution of the Extraordinary Meeting of the Shareholders BTPN Syariah Number 25 dated 13 October 2022 made by Ashoya Ratam, SH., Mkn, Notary in the Administrative City of South Jakarta, which has been registered in the Ministry of Law and Human Rights of the Republic of Indonesia by virtue of its decision Number AHU. AH.01.03-0332927 dated 17 October 2022.

## Steps Taken for the 2022 Extraordinary GMS



## follow-up – resolution of the previous Previous Annual GMS

BTPN Syariah has implemented the resolutions of the Annual GMS held on 21 April 2021 for the financial year ending on 31 December 2020, with the following notes:

### Follow-Up – Annual GMS (21 April 2021)

No	Agenda	Resolution	Status	Description
1	Ratification and Approval of Financial Statement, Annual Report, and Sustainability Report which have been reviewed by the Board of Commissioners for the financial year 2020, including but not limited to:	<ol style="list-style-type: none"> <li>1. Approved the Annual Report and Sustainability Report that have been reviewed by the Board of Commissioners and supervisory reports of the Board of Commissioners and Sharia Supervisory Board for the financial year ending on 31 December 2020, as stated in the 2020 Annual Report and 2020 Sustainability Report.</li> <li>2. Ratified the Financial Statement for the financial year ending on 31 December 2020 which has been reviewed or audited by the Public Accounting Firm Siddharta Widjaja &amp; Partners (an Indonesian partnership and member firm of KPMG network of independent member affiliated with KPMG International Cooperative), as stated in the 2020 Annual Report.</li> <li>3. Released and full release of responsibility (volledig acquit et decharge) to the members of the Board of Directors who served in the financial year ending on 31 December 2020, regarding the administration, and to the Board of Commissioners and Sharia Supervisory Board regarding the supervisory activities throughout the financial year ending on 31 December 2020, as long as those activities are reflected in the Annual Report, Sustainability Report, and Financial Statement for the financial year ending on 31 December 2020, except for acts of fraud, embezzlement, and other criminal actions.</li> </ol>	Completed	The Annual Report, Sustainability Report, and Financial Statement of BTPN Syariah have been approved by the Shareholders during the 2021 Annual GMS and are available in BTPN Syariah's website as part of Information Openness and have been reported to the Authorities in accordance with applicable regulations
	<ol style="list-style-type: none"> <li>1. Ratification of Financial Statement for the financial year ending on 31 December 2020;</li> <li>2. Report on the supervisory duty of the Board of Commissioners and Sharia Supervisory Board for the financial year ending on 31 December 2020; and</li> <li>3. Release and Release of Responsibility (Volledig Acquit et Decharge) for the Board of Directors, Board of Commissioners, and Sharia Supervisory Board for the administration and supervision carried out in and throughout the financial year ending on 31 December 2020.</li> </ol>			

No	Agenda	Resolution	Status	Description
2	Determination for the appropriation of the Company's net profit for the financial year ending on 31 December 2020	<ol style="list-style-type: none"> <li>Approved the appropriation of the Company's Net Profit for the financial year ending on 31 December 2020 totalling Rp854,614,061,894 (eight hundred fifty four billion six hundred fourteen million sixty one thousand eight hundred ninety four Rupiah), in accordance with Law Number 40 of 2007 on Limited Liability Companies, as follows: <ol style="list-style-type: none"> <li>An amount of Rp20,000,000,000 (twenty billion Rupiah) shall be set aside as General Reserve of the Company;</li> <li>An amount of Rp33 (thirty three Rupiah) per share or a total of Rp254,152,892,400 (two hundred fifty four billion one hundred fifty two million eight hundred ninety two thousand four hundred Rupiah) shall be set aside as Cash Dividend for the Shareholders, provided that: <ol style="list-style-type: none"> <li>For the above dividend, the Board of Directors shall withhold Dividend Taxes according to the applicable rate on Shareholders receiving dividend payment, and</li> <li>The Board of Directors is hereby granted power and authority to determine matters regarding on in relation to Dividend payments for the financial year 2020;</li> </ol> </li> </ol> </li> </ol>	Completed	<ol style="list-style-type: none"> <li>The withholding of a portion of BTPN Syariah's net balance to increase the amount of reserves has been followed-up and recorded in accordance with the resolution of 2021 Annual GMS.</li> <li>With regards to the distribution of Dividend <ol style="list-style-type: none"> <li>Summary of the 2021 Annual GMS Minutes and the schedule and procedure for the distribution of cash dividend have been submitted to the Financial Services Authority (FSA) and PT Bursa Efek Indonesia (BEI) as well as PT Kustodian Sentral Efek Indonesia (KSEI) by virtue of letter No. S.150/DIR/CSGC/IV/2021 dated 23 April 2021 and the information has been disclosed in the websites of the Indonesian Stock Exchange and Financial Services Authority and BTPN Syariah.</li> <li>Cash dividend payment (scriptless) <ol style="list-style-type: none"> <li>Payment of Cash Dividend has been carried out through PT Kustodian Sentral Efek Indonesia (KSEI) by virtue of letter number KSEI-8733/JKU/0521 dated 20 May 2021 on Report on the Distribution of Cash Dividend on BTPN Syariah's shares.</li> </ol> </li> </ol> </li> </ol>

No	Agenda	Resolution	Status	Description
		2. Record a remaining net profit of the Company for the financial year ending on 31 December 2020 of Rp580,461,169,494 (five hundred eighty billion four hundred sixty one million one hundred sixty nine thousand four hundred ninety four Rupiah) as the retained earnings to finance the Company's business activities.		<p>In its letter, KSEI has conducted that it has conducted Cash Dividend payment to Account Holders at KSEI on 20 May 2022 (Payment Date) in accordance with share ownership on 11 May 2022 (Recording Date) and Notification to the Account Holders on the distribution of the abovementioned Cash Dividend has been delivered to relevant Account Holders on 20 May 2022. In regard to Tax Payment on the Dividend Payment, it has been carried out in accordance with applicable regulations.</p> <p>ii. Cash Dividend payment (non-scriptless)</p> <p>BTPN Syariah has carried out dividend distribution to PT Bank BTPN Tbk on its 1% ownership which is not recorded in BEI on 20 May 2021.</p>

No	Agenda	Resolution	Status	Description
3	Changes in the composition of members of the Board of Directors	<p>1. Reappointed Dwiyono Bayu Winantio as member of the Board of Directors for the same period as the remaining period of other members of the Board of Directors i.e. the closing of Annual GMS that will be held in 2023 without prejudice to the right of the GMS to terminate them at any time prior to the end of the serving period.</p> <p>With the appointment, the full composition of the Board of Directors, Board of Commissioners, and Sharia Supervisory Board are as follows:</p> <p><b>BOARD OF DIRECTORS:</b>  <b>President Director:</b>  Hadi Wibowo  <b>Director:</b> Gatot Adhi Prasetyo  <b>Compliance Director:</b>  Arief Ismail  <b>Director:</b> Fachmy Achmad  <b>Director:</b>  Dwiyono Bayu Winantio</p> <p><b>BOARD OF COMMISSIONERS:</b>  <b>President/Independent Commissioner:</b>  Kemal Azis Stamboel  <b>Independent Commissioner:</b>  Dewie Pelitawati  <b>Commissioner:</b>  Mahdi Syahbuddin  <b>Commissioner:</b> Yenny Lim</p> <p><b>SHARIA SUPERVISORY BOARD:</b>  <b>Head of Sharia Supervisory Board:</b> H. Ikhwan Abidin, MA  <b>Member of Sharia Supervisory Board:</b> H. Muhamad Faiz, MA</p> <p>Therefore, the Meeting affirmed the resolution passed in the 2020 Annual General Meeting of Shareholders in relation to the Composition of Members of the Board of Directors.</p>	Completed	Changes in the composition of members of the Board of Directors was stated in the Deed of Resolution of the Annual General Meeting of Shareholders PT Bank BTPN Syariah Tbk Number 36 dated 21 April 2021 made by Ashoya Ratam, SH., Mkn, a Notary in the Administrative City of South Jakarta, and has been registered in the Ministry of Law and Human Rights of the Republic of Indonesia regarding the Acceptance of Notification on the Changes of Company Data Number AHU-AH.01.03-0260167 dated 23 April 2021 which has been submitted to the Financial Services Authority (FSA) and PT Bursa Efek Indonesia (BEI) as well as PT Kustodian Sentral Efek Indonesia (KSEI) by virtue of letter No. S.151/DIR/CSGC/IV/2021 dated 23 April 2021 and the information has been disclosed in the websites of Indonesian Stock Exchange, Financial Services Authority, and BTPN Syariah;

No	Agenda	Resolution	Status	Description
		2. Granted the authority to the Board of Directors by rights of substitution to carry out all necessary actions in relation to the resolution of the third meeting agenda in accordance with applicable regulations, including to state it in a separate Notarial Deed and to report the change in composition to the Ministry of Law and Human Rights of the Republic of Indonesia and other institutions in accordance with applicable regulations.		
4	Determination on the amount of remuneration for members of the Board of Directors, Board of Commissioners, and Sharia Supervisory Board for the year 2021	1. Granted power and full authority to the Board of Commissioners of the Company to determine Remuneration amount for members of the Board of Directors and the Sharia Supervisory Board for year 2021 through a Meeting of the Nomination and Remuneration Committee, and to determine its distribution among members of the Board of Directors and the Sharia Supervisory Board, provided that in determining the total Remuneration amount and distribution among members of the Board of Directors and the Sharia Supervisory Board, the Board of Commissioners shall considers the recommendation of the Nomination and Remuneration Committee;	Completed	1) Minutes of Meeting of the Board of Commissioners Number 004/CIR/DEKOM/IV/2021 dated 9 April 2021 (Ninth of April two thousand and twenty one) determine the total gross remuneration amount for members of the Board of Commissioners for the financial year ending on 31-12-2021 (thirty first of December two thousand and twenty one);

No	Agenda	Resolution	Status	Description
		2. Approved the recommendation of the Nomination and Remuneration Committee as stated in the Minutes of Meeting of the Nomination and Remuneration Committee Number 002/RNC/IV/2021 dated 6 April 2021, which was approved by the Board of Commissioners as stated in the Minutes of Meeting of the Board of Commissioners Number 004/CIR/DEKOM/IV/2021 dated 9 April 2021 that determine the amount of total gross Remuneration for the Board of Commissioners for year 2022, totalling not more than Rp11,100,000,000 (eleven billion one hundred million Rupiah), and grant power and authority to the Board of Commissioners to determine, in a decision of the Board of Commissioners, the distribution of the Remuneration among members of the Board of Commissioners, provided that in determining the distribution of Remuneration the Board of Commissioners shall considers the recommendation of the Nomination and Remuneration Committee.	Completed	2) Minutes of Meeting of the Nomination and Remuneration Committee of BTPN Syariah Number 002/RNC/IV/2021 dated 6 April 2021 (sixth April two thousand and twenty one) on the determination of total gross remuneration for members of the Board of Commissioners for the financial year ending on 31-12-2021 (thirty first of December two thousand and twenty one).

No	Agenda	Resolution	Status	Description
5	The appointment of a Public Accountant and/or Public Accounting Firm to examine the Company's books for the financial year ending on 31 December 2021 and the determination of its honorarium and other requirements related to the appointment.	<ol style="list-style-type: none"> <li>Agreed to grant power and authority to the Board of Commissioners to: <ol style="list-style-type: none"> <li>Appoint a Public Accountant and/or Public Accounting Firm to examine and audit Company's books and records for the financial year ending on 31 December 2021 and determine its honorarium and other requirements related to the appointment of Public Accountant and/or Public Accounting Firm while taking into account recommendations of the Audit Committee and applicable regulations;</li> <li>Appoint a substitute Public Accountant and/or Public Accounting Firm in the event that the Public Accountant and/or Public Accounting Firm appointed by the Meeting for any reason whatsoever is unable to complete/carry out audit for the financial report of 31 December 2021, including to determine its honorarium and other requirements related to the appointment of substitute Public Accountant and/or Public Accounting Firm;</li> </ol> </li> <li>That in the appointment and designation of Public Accountant and/or Public Accounting Firm, the Company shall comply with the following provisions: <ol style="list-style-type: none"> <li>The appointed Public Accountant and/or Public Accounting Firm shall be registered as a Capital Market Supporting Professionals at the Financial Services Authority and has experience in auditing banking companies</li> <li>The appointed Public Accounting Firm shall be affiliated with an international Public Accounting Firm.</li> </ol> </li> </ol>	Completed	<ol style="list-style-type: none"> <li>Circular Resolution of the Audit Committee in lieu of Decision Taken in a Meeting of the Audit Committee PT Bank BTPN Syariah Tbk Number 002/CIR/AK/CSGC/VIII/2021 dated 9 August 2021 on Recommendation of the Audit Committee on the Appointment of the Public Accountant and/or Public Accounting Firm to examine or audit the books and records of PT Bank BTPN Syariah Tbk for the financial year ending on 31 December 2021;</li> <li>Circular Resolution of the Board of Commissioners in lieu of Decision Taken in a Meeting of the Board of Commissioners PT Bank BTPN Syariah Tbk Number 007/CIR/DEKOM/VIII/2021 dated 10 August 2021 on Approval of the Board of Commissioners Regarding the Appointment of the Public Accountant and/or Public Accounting Firm to examine or audit the books and records of PT Bank BTPN Syariah Tbk for the financial year ending 31 December 2021;</li> <li>Report of the Implementation of the Appointment of the Public Accountant and/or Public Accounting Firm in regard to the annual audit on historical financial information on 31 December 2020 has been submitted to the Sharia Bank Supervisory Board FSA by virtue of letter number S.338/DIR/CSGC/VIII/2022 dated 23 August 2021, to the Capital Market FSA by virtue of letter number S.339/DIR/CSGC/VIII/2021 dated 23 August 2021, and to PT Bursa Efek Indonesia by virtue of letter number S.340/DIR/CSGC/VIII/2021 dated 23 August 2021. August 2021.</li> </ol>

No	Agenda	Resolution	Status	Description
6	Report on the Transfer Assignment of A Portion of Treasury Shares	<ol style="list-style-type: none"> <li>1. The Company has followed-up on the Resolution of the Extraordinary GMS of the Company held on 2 September 2019, Second Agenda of the Meeting regarding the Repurchase of Company Shares for the purpose of distribution of variable remuneration in accordance with Regulation of the FSA Number 59/POJK.03/2017, and has carried out variable remuneration payment as above through the assignment of a portion of Treasury Shares of the Company on 25 January 2021.</li> <li>2. That the subsequent payment of the above variable remuneration shall considers the above mentioned Resolution of the Extraordinary GMS of the Company on 2 September 2019</li> </ol>	Completed	As the Sixth Agenda of the Meeting is a report, there were no Resolution passed

No	Agenda	Resolution	Status	Description
		<p>In reference to the Information Disclosure Letter of the Company Number S.027/DIR/CSGC/I/2022 dated 26 January 2021 on Report on Shares Ownership or Change of Shares Ownership of Members of the Board of Directors PT Bank BTPN Syariah Tbk and Letter Number S.028/DIR/CSGC/I/2022 dated 26 January 2021 on Information that Needs to be Disclosed to the Public – Assignment of a Portion of Treasury Shares, we would like to inform the Shareholders regarding the following:</p> <ol style="list-style-type: none"> <li>1. The Company has followed up on the Resolution of the Extraordinary GMS of the Company held on 2 September 2019, Second Agenda of the Meeting regarding the Repurchase of Company Shares for the purpose of Distribution of Variable Remuneration in accordance with Regulation of the FSA Number 59/POJK.03/2017, and has carried out variable remuneration payment as above through the assignment of a portion of Treasury Shares of the Company on 25 January 2021.</li> <li>2. That the subsequent payment of the above variable remuneration shall considers the above mentioned Resolution of the Extraordinary GMS of the Company on 2 September 2019</li> </ol>		

No	Agenda	Resolution	Status	Description
7	Amendment of the Articles of Association of the Company	<ol style="list-style-type: none"> <li>1. Approved the amendment to the Articles of Association of the Company for the purpose of adjusting to the Regulation of the Financial Services Authority Number 14/POJK.04/2019 on the Amendment to the Regulation of the Financial Services Authority Number 32/POJK.04/2015 on Capital Increase of Public Company by Granting Pre-emptive Rights, Regulation of the FSA Number 15/POJK.04/2020 on the Preparation and Organization of the General Meeting of Shareholders of Public Company and Regulation of the FSA Number 16/POJK.04/2020 on the Organization of the General Meeting of Shareholders of Public Company Electronically;</li> <li>2. Granted the authority to the Board of Directors by rights of substitution to re-state the above resolution in a Notarial Deed including to re-formulate all provisions of the Articles of Association of the Company in a notarial deed and subsequently to submit a notification request for the amendment of the Articles of Association to the Ministry of Law and Human Rights of the Republic of Indonesia and to promulgate it in the State Gazette of the Republic of Indonesia, and for that purpose to modify and/or add in any form as necessary and/or required by the Minister of Law and Human Rights of the Republic of Indonesia for their approval on the abovementioned amendments and to carry out all necessary actions as required by applicable laws and regulations.</li> </ol>	Completed	Amendment to the Articles of Association of the Company was stated in the Deed of Resolution of the Annual General Meeting of Shareholders BTPN Syariah Number 35 dated 21 April 2021 made by Ashoya Ratam, SH., Mkn, a Notary in the Administrative City of South Jakarta, and was registered in the Ministry of Law and Human Rights of the Republic of Indonesia regarding the Acceptance of Notification of the Amendment to the Articles of Association PT Bank BTPN Syariah Tbk Number AHU-AH. 01.03-0309443 dated 17 May 2021 which has been submitted to the Sharia Bank Supervisory Board Financial Services Authority (FSA) by virtue of letter Number S.200/DIR/CSGC/V/2021 dated 18 May 2021 and PT Bursa Efek Indonesia (BEI) as well as PT Kustodian Sentral Efek Indonesia (KSEI) by virtue of letter Number S.200/DIR/CSGC/V/2021 dated 18 May 2021, and the information was disclosed in the websites of the Indonesian Stock Exchange, Financial Services Authority, and BTPN Syariah.

## disclosure of transactions containing conflict of interest

Conflict of interest in BTPN Syariah is defined as incompatibility between economic interests of the Financial Services Institutions (FSI) within the financial conglomeration of SMBC Group and personal economic interests of owners, members of the Board of Commissioners, members of the Board of Directors, executives, and/or parties related to FSI.

BTPN Syariah, as an FSI and a member of the financial conglomeration of SMBC Group, has a policy to identify, mitigate, and manage conflicts of interest, including those from transactions with affiliated parties and intra-group transactions.

The policy also including prohibition for any members of Directors, Board of Commissioners, and Sharia Supervisory Board to take any action that can inflict loss or reduce profit of FSI, and they are obliged to disclose if any conflict of interest occurs in any decision-making.

Guidelines in handling conflicts of interest in BTPN Syariah for the implementing organs refer to Articles of Association, Good Corporate Governance Policy, Charters of the Board of Commissioners, Sharia Supervisory Board, and Board of Directors, and the Bank's Code of Ethics.

BTPN Syariah stipulates the disclosure and transparency for any conflict of interest in the Bank in the minutes of corporate meetings, as well as other information disclosure media.

The Board of Directors, the Board of Commissioners, and Sharia Supervisory Board of BTPN Syariah have acted independently and have no conflict of interest that could interfere with their ability to carry out their duties professionally and objectively in BTPN Syariah.

There was no transaction with conflict of interest in BTPN Syariah and there was no intervention from shareholders or other parties that could cause conflict of interest in BTPN Syariah throughout 2022.

# board of commissioners, sharia supervisory board, and board of directors

## fit and proper test

All members of the Board of Commissioners, Sharia Supervisory Board, and Board of Directors in BTPN Syariah have met the requirements of the Fit and Proper Test/F&PT by the Financial Services Authority as of 31 December 2022.

## board of commissioners

In reference to Law No. 40 of 2007 dated 16 August 2007 on Limited Liability Companies, the Board of Commissioners is a company organ with collective functions and responsibilities (every member of the Board of Commissioners cannot act on their own, and has to act based on the decision of the Board of Commissioners), which is independently tasked to perform general supervisory functions and/or special function according to Articles of Association, as well as to provide advice to the Board of Directors in managing the Bank in line with the Good Corporate Governance.

The members of the Board of Commissioners are appointed and approved through the General Meeting of Shareholders, and must fulfill the requirements of the fit and proper test.

## Duties and Responsibilities of Board of Commissioners

The Duties and Responsibilities of the Board of Commissioners according to the latest Charter of the Board of Commissioners of BTPN Syariah are as follows:

1. The Board of Commissioners must ensure the implementation of GCG principles in every business activity of the Bank across all levels or ranks of the organization;
2. The Board of Commissioners must supervise the duties and responsibilities of the Board of Directors, and provide advice to the Board of Directors;
3. In performing its supervision, the Board of Commissioners must direct, monitor, and evaluate the implementation of the Bank's strategic policies. To perform these duties and responsibilities, the Board of Commissioners could request the necessary data and information from the Board of Directors;
4. In performing its supervision, the Board of Commissioners is prohibited from taking part in the decision-making of the Bank's operational activities, excluding:
  - a. Provision of fund to related Party as regulated in the provisions of Bank Indonesia or Financial Services Authority concerning Legal Limit Credit (LLC) or in the amount that exceeds the amount set by the Board of Commissioners from time to time; and
  - b. Other matters as determined in the Articles of Association of the Bank or the prevailing laws and regulations.
5. The decision made by the Board of Commissioners does not nullify the responsibilities of the Board of Directors in managing the Bank;
6. The Board of Commissioners must set aside sufficient time to optimally perform its duties and responsibilities;
7. The Board of Commissioners must ensure that the Board of Directors has followed up on audit findings and recommendations from the internal audit work unit of the Bank, external auditor, monitoring results of OJK, and/or monitoring results from other authority bodies;

8. The Board of Commissioners must notify the OJK no later than 7 (seven) business days since the finding of:
  - a. Violation of Law and Regulation on finance and banking, and;
  - b. Circumstances or forecast of circumstances that may endanger the sustainability of the Bank's business.
9. The Board of Commissioners must propose the candidates for the membership in the Sharia Supervisory Board (Dewan Pengawas Syariah/DPS) in observance of the recommendations by the Nomination and Remuneration Committee, for the recommendations by the Indonesian Ulama Council and approval by OJK later on. The GMC could delegate the authority to appoint DPS members to the Board of Commissioners.
10. In performing its internal audit function, the Board of Commissioners is responsible in:
  - a. Ensuring that the Board of Directors set up and maintain a sufficient, effective, and efficient internal control system;
  - b. Reviewing the effectiveness and efficiency of internal control system based on information obtained from SKAI at least once in 1 (one) year and;
  - c. Appointing independent Quality Assurance from external party to reevaluate the performance of SKAI by considering recommendations from the Audit Committee.
11. The Board of Commissioners shall communicate with the internal audit function of the holding company, so that the internal audit function of the holding company can set the scope of audit and perform internal audit activities within the sufficient scope towards the Bank.

### **Duties and Responsibilities of President Commissioner**

The main functions of President Commissioner in BTPN Syariah according to the latest Charter of the Board of Commissioners in BTPN Syariah are as follows:

1. The position of each member of the Board of Commissioners, including the President Commissioner, is equal;
2. The duties of President Commissioner is to coordinate the Board of Commissioner's activities and ensure that every member of the Board of Commissioners can express their opinion based on sufficient information;
3. GMS is chaired by a member of Board of Commissioners who is appointed by the Board of Commissioners. In the event that all members of Board of Commissioners are absent or unable to chair, the GMS shall be chaired by a member of the Board of Directors who is appointed by the Board of Directors;
4. Other provisions refer to the Company's Articles of Association.

### **Establishment of The Board of Commissioners' Committee**

According to the Charter of the Board of Commissioners in BTPN Syariah, in order to support the effectiveness in performing its duties and responsibilities, the Board of Commissioners must establish and have The Board of Commissioners' Committee, which are comprised of:

1. Audit Committee;
2. Risk Monitoring Committee;
3. Nomination and Remuneration Committee.

The Board of Commissioners ensured that the established committees has performed their duties effectively. The Board of Commissioners' Committee in BTPN Syariah have their respective Work Guidelines and Charter in place.

## Charter of the Board of Commissioners

In performing their duties and responsibilities, members of the Board of Commissioners in BTPN Syariah always refer to the Charter of the Board of Commissioners, which is periodically updated and refined according to the prevailing provisions.

The Board of Commissioners has conducted annual review and approved the latest Charter of the Board of Commissioners No. 01/PedomanKerja/CSGC/XII/2022 dated 22 December 2022 in reference to the most recent provisions.

The Charter of the Board of Commissioners in BTPN Syariah regulates:

1. Organization;
2. Independence;
3. Duties and Responsibilities;
4. Establishment of Committees;
5. Functions of President Commissioner;
6. Work Ethics;
7. Work Hours;
8. Meetings;
9. Conflict of Interest;
10. Transparency/Disclosure;
11. Term of Office;
12. Accountability of Board of Commissioners;
13. Development;
14. Others.

## Composition and Criteria of the Board of Commissioners Members

The Composition and Criteria of Members of the Board of Commissioners and the Organization as described in the Charter of the Board of Commissioners in BTPN Syariah are as follows:

1. There shall be at least 3 (three) members in the Board of Commissioners and at most the same amount as the members in Board of Directors;

2. At least 1 (one) member of the Board of Commissioners must be domiciled in Indonesia;
3. The Board of Commissioners shall be chaired by President Commissioner;
4. The Board of Commissioners must at the minimum consist of members with expertise in macroeconomy, Sharia banking and financing, law, accounting, and auditing;
5. The Board of Commissioners must perform its duties and responsibilities independently. To ensure the independency of the Board of Commissioners, at least 50% (fifty percent) of the members in the Board of Commissioners shall be Independent Commissioners;
6. Those who can be members of the Board of Commissioners are people who fulfill the following requirements at the time of appointment and during their term of office:
  - a. Demonstrate good character, moral, and integrity.
  - b. Capable of taking legal action.
  - c. In the 5 (five) years before appointment and term of office:
    - i. Has never been declared bankrupt;
    - ii. Has never been a member of the Board of Directors and/or Commissioners who was declared guilty of causing the bankruptcy of a company;
    - iii. Has never been convicted for committing a criminal act that harmed the state finance and/or related to the finance sector, and;
    - iv. Has never been a member of the Board of Directors/Commissioners, whom during their term of office:
      - a) Has neglected to hold annual GMS;
      - b) Has their statement of responsibility as a member of the Board of Directors and/or Commissioners rejected by GMS, or has never provided statement of responsibility as a member of the Board of Directors and/or Commissioners to GMS, and;

- c) Has caused a company that had obtained license, approval, or registration from OJK to not fulfill its obligation in delivering annual report and/or financial statement to OJK.
  - d. Has the commitment to comply with prevailing laws and regulations;
  - e. Has the knowledge and/or expertise in areas needed by the Issuer or Public Company;
  - f. The fulfillment of requirements as described above must be presented in a letter of statement, which shall be delivered to the Bank;
  - g. The Bank must hold GMS to replace members of the Board of Commissioners who do not fulfill the requirements as described above.
7. All suggestions to replace and/or appoint members of the Board of Commissioners to GMS must consider the recommendations from the Nomination and Remuneration Committee;
  8. All members of the Board of Commissioners must fulfill the requirement of passing the fit and proper assessment according to provisions of the Financial Services Authority/ Bank Indonesia (OJK/BI) concerning fit and proper test;
  9. Members of the Board of Commissioners are prohibited from having another position as member of the Board of Commissioners, member of the Board of Directors, or Executive Officer in:
    - a. Financial institution or financial company, whether bank or non-bank; and/or
    - b. More than 1 (one) non-financial institution or non-financial company, domestically or overseas.

10. The following are exemptions from the concurrent position as described in article (9):
  - a. Member of the Board of Commissioners holding a position as member of the Board of Directors, member of the Board of Commissioners, or Executive Officer who performs supervisory function over 1 (one) non-bank subsidiary controlled by the Bank
  - b. Non-Independent member of the Board of Commissioners who performs functional duties from shareholder of the Bank in the form of a legal entity over the business group of the Bank; and/or
  - c. Member of the Board of Commissioners who holds a position in nonprofit institution or organization.
11. The duties in the position and function as described in article (1.10) can be performed as long as the relevant party does not neglect the performance of their duties and responsibilities as a member of the Board of Commissioners of the Bank.
12. Majority of the members of the Board of Commissioners are prohibited from having up to second degree of family relation with a fellow member of the Board of Commissioners and/or a member of the Board of Directors.

## Composition of the Board of Commissioners

According to the result of the Annual General Meeting of Shareholders of BTPN Syariah in 2020, all members of the Board of Commissioners have been reappointed with their terms of office lasting until the end of the Annual General Meeting of Shareholders in 2023, without prejudice to possible change that may occur before the end of that term of office.

There was a change in the Composition of the Board of Commissioners of BTPN Syariah in 2022, namely the resignation of a member of the Board of Commissioners, effective 21 April 2022; and appointment of a new member of the Board of Commissioners, effective on 13 October 2022.

### Composition of the Board of Commissioners before Annual General Meeting of Shareholders 2022

No	Name	Position	Approval by Financial Services Authority	Effective Starting Date of Term
1	Kemal Azis Stamboel	President Commissioner/ Independent Commissioner	24 Feb 2014 (KEP-8/D-03/2014)	22 May 2014
2	Dewie Pelitawati	Independent Commissioner	24 Feb 2014 (KEP-9/D-03/2014)	22 May 2014
3	Mahdi Syahbuddin	Commissioner	23 Des 2014 (KEP-128/D-03/2014)	13 January 2015
4	Yenny Lim	Commissioner	17 July 2019 (KEP-122/D.03/2019)	2 September 2019

### Composition of the Board of Commissioners after Annual General Meeting of Shareholders 2022

No	Name	Position	Approval by Financial Services Authority	Effective Starting Date of Term
1	Kemal Azis Stamboel	President Commissioner/ Independent Commissioner	24 Feb 2014 (KEP-8/D-03/2014)	22 May 2014
2	Dewie Pelitawati	Independent Commissioner	24 Feb 2014 (KEP-9/D-03/2014)	22 May 2014
3	Yenny Lim	Commissioner	17 July 2019 (KEP-122/D.03/2019)	2 September 2019

### Composition of the Board of Commissioners after Extraordinary General Meeting of Shareholders and as of 31 December 2022

No	Name	Position	Approval by Financial Services Authority	Effective Starting Date of Term
1	Kemal Azis Stamboel	President Commissioner/ Independent Commissioner	24 Feb 2014 (KEP-8/D-03/2014)	22 May 2014
2	Dewie Pelitawati	Independent Commissioner	24 Feb 2014 (KEP-9/D-03/2014)	22 May 2014
3	Ongki Wanadjati Dana	Commissioner	25 August 2022 (KEP-129/D-03/2022)	13 October 2022
4	Yenny Lim	Commissioner	17 July 2019 (KEP-122/D.03/2019)	2 September 2019

All members of the Board of Commissioners in BTPN Syariah have fulfilled the requirements as members of the Board of Commissioners according to Regulation of Bank Indonesia concerning the Implementation of Good Corporate Governance for Sharia Commercial Banks and Sharia Business Units, Financial Services Authority Regulation concerning Sharia Commercial Banks, and Financial Services Authority Regulation concerning Fit and Proper Test for Main parties of Financial Services Institutions, as well as observed the Financial Services Authority Regulation concerning Board of Directors and Board of Commissioners for Issuers or Public Companies.

In particular, each member of the Board of Commissioners in BTPN Syariah have the following duties:

Name	Position	Duties
Kemal Azis Stamboel	President Commissioner/ Independent Commissioner	Performs duties and responsibilities as: a. Chairman of Audit Committee b. Chairman of Nomination and Remuneration Committee c. Member of Risk Monitoring Committee
Dewie Pelitawati	Independent Commissioner	Performs duties and responsibilities as: a. Chairman of Risk Monitoring Committee b. Member of Nomination and Remuneration Committee c. Member of Risk Monitoring Committee d. Permanent Invitee in the Corporate Governance Committee concerning the supervisory duty of Banking Synergy within Finance Group
Ongki Wanadjati Dana	Commissioner	Performs duties and responsibilities as: a. Member of Risk Monitoring Committee b. Member of Nomination and Remuneration Committee
Yenny Lim	Commissioner	Performs duties and responsibilities as: Member of Nomination and Remuneration Committee

## Independency and Diversity of Members of the Board of Commissioners

### Independency of Independent Commissioner

BTPN Syariah has fulfilled the requirements related to Independent Commissioner according to Bank Indonesia Regulation No. 11/33/PBI/2009 concerning the GCG Implementation for Sharia Commercial Banks and Sharia Business Units, which stipulates that Independent Commissioner shall not have any financial, management, shares ownership, and/or family relation with the controlling shareholders, other members of the Board of Commissioners, and/or the Board of Directors, or any financial relation and/or shares ownership relation with the Bank that may hinder their ability to act independently, in junction with Financial Services Authority Regulation No. 16/POJK.03/2022 concerning Sharia Commercial Banks, which regulates the number of independent commissioners in Banks.

The purpose of Independent Commissioners' presence in BTPN Syariah is in line with the provisions of OJK, which aims to promote the creation of a more objective working climate and environment that ensure fairness and equality among various interests, including the interests of minority shareholders and other stakeholders.

The independency of the Board of Commissioners in BTPN Syariah according to the Charter of the Board of Commissioners includes:

1. The Board of Commissioners must perform its duties and responsibilities independently;
2. Independent Commissioner is a member of the Board of Commissioners without financial, management, shares ownership and/or family relation with other members of the Board of Commissioners, members of the Board of Directors, and/or Controlling Shareholders, or other relation that may naturally affect their ability to act independently;
3. Former member of the Board of Directors or Executive Officer of the Bank or parties affiliated with the Bank, which may affect their ability to act independently, cannot become Independent Commissioner in the said Bank until after a cooling off period for 6 (six) months;

4. However, these provisions are not applicable for former Director or Executive Officer performing supervisory function;
5. Independent Commissioner must fulfill the following requirements:
  - a. Not being a person who work on or having the authority and responsibility to plan, chair, control, or supervise the Bank's activities within the last 1 (one) year, except for the reappointment of the Bank's Independent Commissioner in the subsequent period;
  - b. Not having direct or indirect shares ownership in the Bank;
  - c. Not having any relation with the Bank, members of the Board of Commissioners, members of the Board of Directors, or Primary Shareholders of the Bank;
  - d. Not having direct or indirect relation with the Bank's activities.
6. Independent Commissioner that has been serving for 2 (two) terms of office can be reappointed in the subsequent period as long as the Independent Commissioner reaffirm their independency to the GMS;
7. The statement of independence from Independent Commissioner must be expressed in the Annual Report;
8. In the event that Independent Commissioner holds a position in the Audit Committee, the Independent Commissioner can only be reappointed for 1 (one) subsequent term of office in the Audit Committee.

9. In special cases, Independent Parties of the Company who have served for over 2 (two) terms can be reappointed, as long as such Independent Parties continue to state their Independence through their respective statement of independence letter in order to comply with the provisions, particularly provision concerning the Establishment of Audit Committee for public companies, and shall be contained in this Annual Report.

The Independent Commissioners in the Board of Commissioners, who had been appointed as member of Audit Committee for over two terms, has declared their independence through a Letter of Statement concerning independence, and the documents have been properly governed.

The Independent Commissioners in the Board of Commissioners of BTPN Syariah has fulfilled the requirement of independence as proven by the lack of financial, management, shares ownership, and/or family relation, with other members of the Board of Commissioners, members of the Board of Directors, and/or Controlling Shareholders, or other relation that may naturally affect their ability to act independently.

None of Independent Commissioners in BTPN Syariah is former member of the Bank's Directors or Executive Officer, or any party that has any relationship with the Bank, that might influence their capability to act Independently.

## Realization of the Independence Aspects of Independent Commissioners

Independence Aspects	Independent Commissioner	
	Kemal Azis Stamboel	Dewie Pelitawati
Not having direct or indirect shares ownership in the Bank	√	√
Not having any direct or indirect business relation to business activities of the Bank	√	√
Not holding concurrent position as a Director or Executive Officer performing supervisory function	√	√
Not having up to second degree of family relation with another member of Board of Commissioners and/or member of the Board of Directors and/or Controlling Shareholders, or relation with the Bank	√	√

## Diversity of the Board of Commissioners

All members of the Board of Commissioners in BTPN Syariah are appointed by General Meeting of Shareholders by considering recommendations from the Nomination and Remuneration Committee, and have fulfilled the requirement of passing the Fit and Proper Test from Financial Services Authority.

The composition of the Board of Commissioners is established by taking into account the complexity and needs of the Bank. The composition of the Board of Commissioners is based on the banking knowledge, expertise, professional experience, and background to support the effectiveness of the Board of Commissioners' performance of duties without regards to gender, ethnicity, race, and religion.

The diversity of the Board of Commissioners in BTPN Syariah is represented by the four members of the Board, which consists of two female members of the Board of Commissioners, and two male members of the Board of Commissioners. Two of the members of the Board of Commissioners are Independent Commissioners.

All members of the Board of Commissioners in BTPN Syariah have met the number, composition, criteria, and independency in accordance with according to the prevailing regulations provisions.

## Characteristics of Diversity in the Board of Commissioners

No	Aspects of Diversity	Realization
1.	Nationality	Indonesian Citizen
2.	Education	<ol style="list-style-type: none"> <li>1. Psychology</li> <li>2. Master of Business Management</li> <li>3. Law</li> <li>4. Master of Law</li> <li>5. Engineering</li> <li>6. Business Administration</li> <li>7. Master of Financial Management and Mathematics</li> <li>8. Comprehension of Sharia Banking and Finance as well as Capital Market Regulations;</li> <li>9. Comprehension of Human Resources, Financial Planning, Accounting, and Risk Management (including risk strategy determination and modern risk management development), compliance, audit, treasury, corporate banking, information technology, retail &amp; wholesale banking, consumer services, and business strategy planning (including consolidated strategy under a financial group and corporate action strategy).</li> </ol>

No	Aspects of Diversity	Realization
3.	Certification	<ul style="list-style-type: none"> <li>a. Risk Management Certification level 2 (specifically for Independent Commissioners in the Board of Commissioners)</li> <li>b. Risk Management Certification level 4 (specifically for members of the Board of Commissioners who hold concurrent position as Executive Officer in Main Entity)</li> <li>c. Risk Management Certification Level 5 (specifically for members of the Board of Commissioners who had been a member of Board of Directors at a bank of national scale)</li> <li>d. Basics of Sharia Banking Certification</li> </ul>
4.	Work Experience	<ul style="list-style-type: none"> <li>1. The House of Representatives - Commission I and XI</li> <li>2. Chairman of Audit Committee in National-Scale Company</li> <li>3. National Information and Communication Technology Council</li> <li>4. Corporate Legal, Governance, Compliance, Corporate Secretary, Risk Management</li> <li>5. Lawfirm Partner</li> <li>6. Indonesia Bank Restructuring Agency (IBRA)</li> <li>7. President Director in National-Scale Bank</li> <li>8. Deputy Chief Finance Officer in National-Scale Bank</li> <li>9. Executive Officer in National-Scale Bank, supervising Corporate Planning, Corporate Performance, General Affairs, Credit Risk, Market Risk, Operational Risk, Financial Planning and Performances, Credit Analyst, and establishment of Risk Management Work Unit</li> <li>10. Board of Commissioners and a member of Risk Monitoring Committee and Corporate Governance Committee in National-Scale Bank, which is the Main Entity of BTPN Syariah</li> </ul>
5.	Gender	<ul style="list-style-type: none"> <li>• 2 Females</li> <li>• 2 Males</li> </ul>

## Disclosure of Concurrent Position Held by Members of the Board of Commissioners

Concerning the disclosure of concurrent positions as of 31 December 2022, the members of the Board of Commissioners in BTPN Syariah do not hold concurrent positions as members of the Board of Commissioners, members of the Board of Directors, and Executive Officer in a banking institution, company, or other institution in a way that exceeds the maximum limit allowed by the provision.

## Disclosure of Concurrent Position Held by the Board of Commissioners as of 31 December 2022

No	Name	Position	Company	Term of Office
1.	Kemal Azis Stamboel	Member of Executive Board	WWF Indonesia	1999 – Present
		President Commissioner	PT Digital Solusi Pratama	2019 – Present
		Member of Board of Trustees	Universitas Padjadjaran	2020 – 2025
2.	Dewie Pelitawati	Member of Audit Committee	Universitas Padjadjaran	2021 – 2025
3.	Ongki Wanadjati Dana	Member of Board of Commissioners	PT Bank BTPN Tbk	2022 – Present
4.	Yenny Lim	Planning & Deputy CFO	PT Bank BTPN Tbk	2019 – Present

## Disclosure of Shares Ownership of the Board of Commissioners

Concerning disclosure of BTPN Syariah shares ownership by members of the Board of Commissioners in BTPN Syariah as of 31 December 2022, the Board of Commissioners do not own shares of BTPN Syariah as regulated by the provision.

The disclosure of BTPN Syariah shares ownership by members of the Board of Commissioners as of 31 December 2022

Name	Position	Shares Ownership Percentage	Total Shares
<b>Board of Commissioners</b>			
Kemal Azis Stamboel	President Commissioner/ Independent Commissioner	0.00%	0
Dewie Pelitawati	Independent Commissioner	0.00%	0
Ongki Wanadjati Dana	Commissioner	0.00%	0
Yenny Lim	Commissioner	0.00%	0

## Term of Office of Members of the Board of Commissioners

According to Articles of Association of BTPN Syariah, members of the Board of Commissioners are appointed by General Meeting of Shareholders for a three-year period, and can be reappointed.

## Orientation for the Board of Commissioners

President Commissioner has to ensure that all new members of the Board of Commissioners acquire the necessary information related to the Bank to be able to perform their duties and responsibilities, and that the Compliance Director concurrently serving as Corporate Secretary has provided the necessary information.

In 2022, there was 1 (one) member of Board of Commissioners who attended orientation.

Besides orientation and induction programs, all members of the Board of Commissioners in BTPN Syariah have participated in training and refreshment programs; the details of which are described in the Training List for the Board of Commissioners, included in the Corporate Governance Report of this Annual Report 2022.

## The Board of Commissioners Supervision and Recommendation Report

The Board of Commissioners has performed its supervisory duty over the Board of Directors concerning the operational management and activities of the Bank by directing, monitoring, and evaluating implementation of the Bank's strategic policies, as well as providing recommendations and advice to the Board of Directors, and ensuring the implementation of GCG principles and compliance with sharia principles in BTPN Syariah throughout 2022. To conclude its supervisory duty, the Board of Commissioners has reviewed the corporate material controls, which includes operations, finance, compliance, and risk management system of the Bank.

In performing such supervisory duties and responsibilities, the Board of Commissioners has been provided with the necessary data and information from the Board of Directors.

The supervisory function of the Board of Commissioners in BTPN Syariah is officially described in the Charter of the Board of Commissioners.

Meanwhile, the supervisory function of the Board of Commissioners is supported by the The Board of Commissioners' Committee, which were established via routine corporate meetings, Meetings of The Board of Commissioners' Committee, Meetings of the Board of Commissioners that invite the Board of Directors, Meetings of the Board of Commissioners with Head of SKAI and Compliance without the presence of the Management, Meeting of the Board of Commissioners with Internal Audit Task Force (SKAI) from the Parent Entity without the presence of the Management, Coordination Meetings of the Board of Commissioners with Sharia Supervisory Board, and other coordination meetings with Independent Parties who are members of the Committees at the Board of Commissioners level which is held from time to time as a form of supervision by the Board of Commissioners.

The Board of Commissioners is supported by The Board of Commissioners' Committee to ensure that the Board of Directors is practicing prudential principles in operational processes, business plan development, and strategic initiatives in business competition, supported by the increasingly capable and mature information technology. The Board of Commissioners ensures that Board of Directors are developing the quality of human resources for the long term, improving internal talents, and maintaining integrity of financial statement, internal control and risk management systems, reporting and information disclosure, compliance, corporate governance, and provides recommendations to the Board of Directors on the strategic measures deemed necessary by still observing the prevailing laws and regulations.

Specifically, the Board of Commissioners' fulfillment of supervisory duties in 2022 includes the following aspects, among others:

1. The Board of Commissioners have ensured the alignment and suitability of the company's vision and mission with the Bank's Business Plan, Sustainability Financial Action Plan, and Strategic Initiative in 2022.
2. The Board of Commissioners has supervised the implementation of good corporate governance in BTPN Syariah. In line with the process of implementing GCG principles in BTPN Syariah, which has entered the 10th year, there has been an improvement in the standards of GCG implementation as shown by the significantly improved quality in the adopted ASEAN SCORECARD standard, which will continue to be gradually refined in the achievements.  
In particular, the improved factors in 2022 were shown by the improved scores focusing on the rights of shareholders, disclosure and transparency, and responsibility of the Board of Commissioners. The Bank has also managed to maintain a good score on fair treatment towards shareholders and role of stakeholders.
3. The Board of Commissioners has done supervision over the Directors on the Corporate Material Control that includes operations, finance, compliance, and the Bank's risk management system, and supervised financial

achievements, integrity of financial statement, internal control system, and Non-Financial achievements throughout 2022. The positive conclusion of Financial Statement exceeded the target in the Bank Business Plan, while business growth showed a positive trend. The optimal work achievements were evidenced by the actualization of business plans across most areas that were in line with the predetermined targets.

4. The Board of Commissioners has supervised the commitment of BTPN Syariah in supporting the Government through its involvement in the National Economic Recovery Plan, which entered its third year due to the COVID-19 pandemic, by continuing to provide various facilities to the financing customers of BTPN Syariah throughout 2022. The programs and policies of BTPN Syariah for customers are described in the Bank Business Plan, and reported in the Realization Report of Bank Business Plan, Financial Statement, and routine Report to the authorities on the customer restructuring program.
5. The Board of Commissioners has supervised the Board of Directors' fulfillment of its duties and responsibilities in managing the company, among others by fulfilling the Information Disclosure obligation to the Regulator in the presentation of Annual Report, Sustainability Report, Interim Financial Statement, Annual Financial Statement, and Consolidated Financial Statement through reporting system, and to the public through nationally-circulated Newspaper and in the Bank Website as mandated for public companies;
6. The Board of Commissioners has reviewed and approved the suggestions of the Board of Directors for:
  - a. Refinement of Bank Business Plan (Rencana Bisnis Bank/RBB) 2022–2024, as described in the Supervision Report of the Board of Commissioners towards Realization of Bank Business Plan, to be delivered to the Sharia Banking Supervisor of OJK;
  - b. RBB 2023–2025, as described in the Report of the Board of Commissioners towards Realization of RBB to the Authorities;

- c. RAKB 2020–2024, and the commitment to supervise the realization of RAKB with the Board of Directors every year;
  - d. Corporate Plan and Revised Corporate Plan 2022–2031;
  - e. Annual Report for the financial year of 2021;
  - f. Sustainability Report for the financial year of 2021;
  - g. Implementation of Annual GMS 2022;
  - h. Implementation of Extraordinary GMS 2022;
  - i. Annual Work Plan of The Board of Commissioners' Committee, including annual Audit Plan 2022, which was submitted at the end of 2021, and Work Plan 2023, which was submitted at the end of 2022.
  - j. Follow-up on the decisions made in Annual GMS 2022 concerning appointment of Public Accountant and/or Public Accounting Firm in 2022 by approving the Appointment of Public Accountant and/or Public Accounting Firm in 2022 for the financial year that ended on 31 December 2022, and Determination of Remuneration for the Board of Directors, Board of Commissioners, and Sharia Supervisory Board;
  - k. Follow-up on the decisions made in Extraordinary GMS 2019 concerning Partial Redirection of Treasury Shares at the beginning of 2022 for the provision of variable remuneration to the members of the Board of Directors based on Company Performance.
7. The Board of Commissioners has reviewed the Infrastructure strengthening of the Bank Organs and approved the:
- a. Charter of the Board of Commissioners in 2022;
  - b. Performance of The Board of Commissioners' Committee in 2022;
  - c. Nomination Process of New Candidates for the Board of Commissioners in 2022;
  - d. Changes in Composition of The Board of Commissioners' Committee in 2022.
8. The Board of Commissioners has supervised the Bank's compliance with GCG and Sharia principles through its Subsidiary, good implementation of Risk Management, monitoring of Financial and Non-Financial Performance, quality sharia services, and over members of the Board of Directors and Management of the Bank performing supervisory duties over the Subsidiary.
9. In performing its supervisory duties, the Board of Commissioners routinely coordinated with the Sharia Supervisory Board to align strategic supervision with the Sharia Principles.
10. The Board of Commissioners, supported by The Board of Commissioners' Committee, has ensured that the Board of Commissioners practiced prudential principles in operational processes, business plan development, and strategic initiatives in business competition, supported by the increasingly capable and mature information technology;
11. The Board of Commissioners has supervised the policies of the Board of Directors in developing the quality of human resources for the long term and improving internal talents, and provided recommendations to the Board of Directors on the strategic measures deemed necessary by still observing the provisions. The Board of Commissioners supported the policy of the Board of Directors to not reduce the number of Employees amidst the still-ongoing pandemic throughout 2022;
12. The Board of Commissioners' Committee have assisted the Board of Commissioners in formulating, reviewing, supervising good measures on internal control, monitoring the Bank's risks, ensuring availability of human resources that are not only physically fit and resilient for having survived the pandemic, and ensuring the good and measured implementation of nomination and remuneration policy in the Bank as well as availability of capable information technology devices to support the achievements of the Bank's objective in creating a digital ecosystem for inclusive communities. The Committees at the Board of Commissioners level also monitor and ensure that the Board of Directors has followed up on every audit findings and recommendations from OJK and external auditors, as well as their resolutions.

13. The Board of Commissioners, along with members of The Board of Commissioners' Committee, have supervised the implementation of business plans and good governance through visits to branch offices, functional offices, and Wisma, by taking into account the circumstances of the pandemic. To conclude the inspection, the Board of Commissioners presents Inspection Assessment Report, which contains recommendations and input to the Board of Directors;
14. In providing the best services to funding and financing customers, the Board of Commissioners recommended to the Board of Directors to continue refining the policies and internal procedures of the Bank to support the Bank's business activities, including policies on Banking Internet Service and Mobile Banking policies for funding customers, which has obtained license in 2022, as well as policies on various developmental programs for financing customers.
15. The Board of Commissioners has evaluated the compliance function of the Bank, the monitoring of which has been routinely conducted and delivered to the President Commissioner with a copy to Compliance Director. In 2022, the culture of Compliance has been implemented well, as reflected by the well-maintained prudential ratio, the lack of significant fine from the regulator, and positive scores in all parameters of the compliance risk profile, as the Bank has understood the importance in emphasizing new activities.
16. The Board of Commissioners has supervised the fulfillment of duties and responsibilities in the Finance Group, including receiving the latest information on the monitoring results by the Corporate Governance Committee towards implementation of banking synergy between the two banks in 2022. The Corporate Governance Committee is tasked to monitor the implementation of integrated internal control within the finance group in prudential and transparent manner, as well as complying with governance principles as Conventional Commercial Bank, Sharia Commercial Bank, and Public Company.  
  
(Further elaboration concerning Corporate Governance Committee is contained in the Report of Committees at the Board of Commissioners level in the Corporate Governance Report Chapter of this Annual Report)
17. In the effort to improve the Quality of the Board of Commissioners' Performance of Duties and Responsibilities, throughout 2022 the Board of Commissioners has approved the implementation of supervisory duties, and mechanism of the Board of Commissioners corporate meetings, Board of Commissioners meeting with Board of Directors, and meetings of Committees at the Board of Commissioners level by combining offline and online means without neglecting the provisions of good corporate governance and timely evaluation reporting by the Board of Commissioners;
18. The Board of Commissioners has supervised the Policy of the Board of Directors in responding to the spread of COVID-19 in 2022, which continued to implement an increasingly organized hybrid working system while also ensured that employees were not exposed to COVID-19 without neglecting the timely fulfillment of key performance initiatives.

**The Board of Commissioners has received power and authority from the Shareholders through the Annual General Meeting of Shareholders performed in 2022, and to follow-up the said decision, among which:**

1. Appointment of Public Accountant and Public Accounting Firm, Sidharta Widjaja and Partners (an Indonesian partnership and member firm of KPMG network of independent member affiliated with KPMG International Cooperative), as External Auditor to audit the financial records of BTPN Syariah for the financial year that ended on 31 December 2022, and determination of the amount of honorarium and other requirements in appointing Public Accountant and Public Accounting Firm in observance of the recommendations from the Audit Committee of BTPN Syariah;
2. Determination of Remuneration for members of Board of Directors and Sharia Supervisory Board in 2022 through Meeting of Nomination and Remuneration Committee, and determination on its distribution among members of Board of Directors and members of Sharia Supervisory Board, in compliance with the provision stating that in determining the total amount and distribution of Remuneration for members of Board of Directors and Sharia Supervisory Board, the Board of Commissioners shall observe the recommendations from the Nomination and Remuneration Committee of the Bank.

### **Implementation of the Board of Commissioners Meetings and Joint Meetings between the Board of Commissioners and Board of Directors in 2022**

According to the provision of Articles of Association, the Board of Commissioners must hold routine Board of Commissioners meetings at least 1 (once) every 2 (two) months, and schedule Board of Commissioners meetings for the next financial year before the end of the current financial year. The Articles of Association also regulates that at least 1 (once) every 4 (four) months, the Board of Commissioners shall have a joint Meeting with members of the Board of Directors according to the prevailing provisions.

The schedule and agenda of the Board of Commissioners Meeting in 2022 have been approved by the Board of Commissioners before the end of financial year through Memorandum No. M.001/KOM/CSGC/XII/2021 dated 2 December 2021.

### **Policy on the Board of Commissioners Meeting**

The policy on the Board of Commissioners Meeting is based on the latest Charter of the Board of Commissioners as follows:

1. The meeting of the Board of Commissioners are valid and is legitimate and is entitled to take a binding decision if attended by more than 2/3 (two thirds) of the total members of the Board of Directors attending the Meeting or being represented in the Meeting, refer to stricter laws and regulations, and shall schedule for the Board of Commissioners Meeting on periodic basis. periodicals for the following financial year, before the end of the current financial year;
2. The meeting of the Board of Commissioners shall be attended by all members of the Board of Commissioners physically at least twice a year. Under special circumstances (pandemic or other force majeure), the obligation to attend meetings physically refers to the applicable provisions governing physical meetings or its restrictions, without prejudice to the applicable provisions regarding the implementation of GCG and provisions in the capital market;

3. The Board of Commissioners must hold routine meetings with the Board of Directors at least 1 (one) time in 4 (four) months;
4. Meeting can also be held anytime it is deemed necessary by a member or members of the Board of Commissioners or through a written request by 1 (one) shareholder or more that in total represent 1/10 (one tenth) of total amount of shares with valid voting rights;
5. The Board of Commissioners Meeting shall be chaired by the President Commissioner, and in their absence, other Commissioner appointed in the meeting;
6. The decision made in the Board of Commissioners meeting shall be based on deliberation for mutual consensus;
7. If the deliberation for mutual consensus is unable to reach a decision, the decision made shall be based on the majority votes of over 2/3 (two-thirds) of total votes in the meeting, in reference to stricter provisions of laws and regulations;
8. All officially made decisions in the Board of Commissioners are binding to all members of the Board of Commissioners;
9. Dissenting opinion in the Board of Commissioners meeting must be clearly described in the minutes along with the reason for the dissenting opinion;
10. The result of the Board of Commissioners meeting must be described in the minutes of meeting and properly documented;
11. Minutes of the Board of Commissioners meeting shall be prepared by Corporate Secretary or a party appointed in the meeting, and signed by all members of the Board of Commissioners who attended the meeting;
12. In Special Cases, which do not need to be proven to any party, the time limit for preparation of Minutes of Meeting by Party appointed by the Board of Commissioners can take more than 2 (two) days, and with approval from the Board of Commissioners (whether in verbal/written form);
13. Minutes of meeting shall be kept by the Corporate Secretary and distributed to all members of the Board of Commissioners;
14. Scheduled Board of Commissioners meeting shall be informed to participants of meeting at the latest 5 (five) work days before the meeting;
15. In the event that there are meetings outside the schedule, material of such meeting shall be delivered to participants of meeting at the latest before the meeting is held;
16. The summons of the Board of Commissioners meeting shall be made in written form and delivered via electronic mail (electronic media) or recorded letter or directly delivered with a proof of reception. The summon must be sent to member(s) of Board of Commissioners by 3 (three) business days at the latest before the Board of Commissioners Meeting, excluding the date of the summon and the date of the Board of Commissioners Meeting. In the case of scheduled meetings, summon of meeting shall be unnecessary;
17. A member of the Board of Commissioners can only be represented by another member of Board of Commissioners through power of attorney. A member of Board of Commissioners can only represent 1 (one) other member of Board of Commissioners;
18. The Board of Commissioners can invite other parties to attend the Board of Commissioners Meeting to monitor and/or as invitee, including but not limited to, representative of shareholder;
19. Members of the Board of Commissioners may participate in the Board of Commissioners Meeting via conference call, conference video, or other similar communication media that enable all members of the Board of Commissioners attending the Board of Commissioners meeting to see, listen to, and talk to each other. The participation of relevant members of the Board of Commissioners in such method shall be considered as direct participation by members of the Board of Commissioners and shall be included in the calculation of the Board of Commissioners meeting quorum. Decision made in such Board of Commissioners meeting must be made in written form, and signed by the Meeting Chairperson and another member of the Board of Commissioners that attended the meeting and appointed for such purpose in the Board of Commissioners meeting;

20. If during the meeting there is a malfunction or failure in the conference call, conference video, or other similar communication media, such occurrence shall not affect the previous attendance quorum of the meeting before the malfunction or failure in the conference call, conference video, or other similar communication media, and in such event, the members of the Board of Commissioners participating in the Board of Commissioners meeting via such method shall be considered as not have voted on the suggestions proposed in the Board of Commissioners meeting after the malfunction or failure in the conference call, conference video, or other similar communication media;
21. Minutes of the Board of Commissioners meeting conducted with conference call, video conference, and other similar communication media shall be made in written form, and circulated among and signed by all members of the Board of Commissioners attending the Board of Commissioners meeting. The signing is not required if the minutes of the Board of Commissioners meeting is made in the form of Notary deed;
22. The Board of Commissioners can also make a legally valid & binding decision without holding a Board of Commissioners meeting, under the condition that all active members of the Board of Commissioners have been notified in written form & all active members of the Board of Commissioners have given their approval in written form towards the proposed suggestion by signing the agreement. Decision made by the Board of Commissioners in such method has the same legal power as the decision officially made in the Board of Commissioners meeting;
23. Members of the Board of Commissioners shall not make a decision in the Board of Commissioners meeting on matters where said members of the Board of Commissioners have conflict of interest with the Bank, unless determined otherwise in the Board of Commissioners meeting;
24. Coordination Meeting between the Board of Commissioners and Sharia Supervisory Board shall be routinely held at least twice in a year. The Board of Commissioners and/or Sharia

Supervisory Board may determine a higher number of this routine meeting than what is stipulated in this provision, according to their needs and agreement.

### **Frequency and Attendance Rate of the Board of Commissioners in Board of Commissioners Meetings and Joint Meetings between Board of Commissioners and Board of Directors in 2022**

In 2022, the Board of Commissioners has held 16 (sixteen) Meetings out of 6 (six) planned meetings and 4 (four) scheduled Board of Commissioners meetings that invited the Board of Directors, in accordance with the provisions of GCG for Sharia Commercial Banks as well as Charter of the Board of Commissioners.

In 2022, the Board of Commissioners has published 8 circular decisions, which is in line with the provisions in the Articles of Association of BTPN Syariah as well as the Charter of the Board of Commissioners, which rules that the Board of Commissioners may also take a legally valid and binding decision without holding a Board of Commissioners meeting, under the condition that all active members of the Board of Commissioners have been notified in written form & all active members of the Board of Commissioners have given their approval in written form towards the proposed suggestion by signing the agreement. Decision made by the Board of Commissioners in such method has the same legal power as the decision officially made in Board of Commissioners meeting.

In 2022, the Board of Commissioners and the Directors has performed 4 Meetings, in line with meeting plans, in accordance with the provisions of GCG for Sharia Commercial Banks as well as the Charter of the Board of Commissioners, without having any circular decision.

Due to the pandemic, the Board of Commissioners Meetings and Joint Meetings between the Board of Commissioners and Board of Directors throughout 2022 were held online without any physical presence, in accordance with the provisions of Articles of Association as well as

the Charter of Board of Commissioners, which regulate that members of the Board of Commissioners may participate in the Board of Commissioners meeting via conference call, conference video, or other similar communication media that enable all members of the Board of Commissioners attending the Board of Commissioners meeting to see, listen to, and talk to each other.

In special cases, in accordance with the provision of the Charter of the Board of Commissioners on the event of pandemic or other force majeure, the obligation to physically attend meetings shall refer to the prevailing Government regulations on physical meeting and its restrictions, without prejudice to the prevailing provisions on good implementation of GCG and in the capital market sector.

According to the Charter of the Board of Commissioners, Invitation and Material for Board of Commissioners Meetings and Joint Meetings between the Board of Commissioners and Directors shall be delivered to all meeting participants before the meeting is held. Decision in both the Board of Commissioners Meetings and Joint Meetings between the Board of Commissioners and Board of Directors shall be made based on deliberation for mutual consensus.

There was no dissenting opinion towards all resolution of the meeting and all of the agenda in the Board of Commissioners meeting and meeting of the Board of Commissioners and Board of Directors throughout 2022.

In 2022, the frequency of meetings and attendance of members of the Board of Commissioners in the Board of Commissioners meeting and meeting of the Board of Commissioners and Board of Directors has complied with the prevailing provisions.

## Meetings between the Board of Commissioners and Internal Audit Head of Main Entity

For the fulfillment of Charter of Board of Commissioners, Meeting between the Board of Commissioners and Internal Audit Head from the Main Entity, PT Bank BTPN Tbk, was convened 1 (one) time without the presence of the Management. The meeting discussed Internal Audit Plan for 2023, which covered internal audit alignment, Key Strategic Initiatives, and Projects related to Business Group of the Bank, as well as the communication line between BTPN Syariah and BTPN.

## Realization of Frequency and Attendance Rate of the Board of Commissioners in the Board of Commissioners Meetings and Joint Meetings between the Board of Commissioners and Board of Directors in 2022

Members of Board of Commissioners	Total Board of Commissioners Meetings (including inspection visit) (Realization/Meeting Plans)	Percentage of Attendance	Total Joint Meetings between Board of Commissioners and Directors (Realization/Meeting Plans)	Percentage of Attendance
Kemal Azis Stamboel	12/6	100%	4/4	100%
Dewie Pelitawati	12/6	100%	4/4	100%
Mahdi Syahbuddin*	5/5	100%	1/1	100%
Ongki Wanadjati Dana**	4/4	100%	1/1	100%
Yenny Lim	12/6	100%	4/4	100%

\* The resignation of Mahdi Syahbuddin as the member of the board of commissioners being effective upon the closing of Annual GMS on 21 April 2022

\*\* The appointment of Ongki Wanadjati Dana as the member of Board of Commissioners being effective upon the closing of Extraordinary GMS on 13 October 2022

## Meeting Agenda of the Board of Commissioners in 2022

No	Minutes of Meeting Number	Meeting Date	Meeting Agenda
1	MOM.002/KOM/CSGC/III/2022	7 March 2022	The Board of Commissioners' Approval of the Plan for Annual General Meeting of Shareholders of BTPN Syariah in 2022 (for the financial year that ended on 31 December 2022)
2	MOM.002A/KOM/CSGC/III/2022	25 March 2022	Inspection Report of the Board of Commissioners in Semester I of 2022 – MMS Brebes, Central Java
3	MOM.002B/KOM/CSGC/III/2022	25 March 2022	Inspection Report of the Board of Commissioners in Semester I of 2022 – MMS Binjai Utara, Sumatra
4	MOM.003/KOM/CSGC/III/2022	29 March 2022	The Board of Commissioners' Approval of the Proposed Decision of Annual General Meeting of Shareholders in 2022 (for the Financial Year that ended on 31 December 2021)
5	MOM.004/KOM/CSGC/IV/2022	8 April 2022	The Board of Commissioners' Approval of the Proposed Decision of the Meeting Agenda 4 (four) in the Annual General Meeting of Shareholders in 2022 (for the Financial Year that ended on 31 December 2021)
6	MOM.005/KOM/CSGC/IV/2022	27 April 2022	<ol style="list-style-type: none"> <li>1. Follow-up on the recommendations by the Board of Commissioners in the meeting on 8 February 2022;</li> <li>2. Updates by Compliance Director to the Board of Commissioners concerning Disbandment of Financial Conglomerate in 2022</li> </ol>
7	MOM.006/KOM/CSGC/V/2022	31 May 2022	The Board of Commissioners' Approval of the Nominated Commissioner in PT Bank BTPN Syariah Tbk to be approved in the Extraordinary General Meeting of Shareholders in 2022
8	MOM.008/KOM/CSGC/VI/2022	27 June 2022	Approval of Recommendations from the Nomination and Remuneration Committee for the Potential New Member of Board of Commissioners
9	MOM.010/KOM/CSGC/X/2022	26 October 2022	<ol style="list-style-type: none"> <li>1. Follow-up on recommendations from the Board of Commissioners in the meeting on 27 July 2022;</li> <li>2. Updates by Director of Compliance to the Board of Commissioners concerning Finance Group and Fulfillment of Duties of Corporate Governance Committee in Semester 2 of 2022</li> </ol>
10	MOM.011/KOM/CSGC/XI/2022	11 November 2022	Approval of Recommendations from the nomination and Remuneration Committee through MOM No. M.005/RNC/XI/2022 dated 11 November 2022
11	MOM.012/KOM/CSGC/XI/2022	11 November 2022	Approval of Recommendations from the nomination and Remuneration Committee through MOM No. M.006/RNC/XI/2022 dated 11 November 2022
12	MOM.014/KOM/CSGC/XII/2022	5 December 2022	Coordination Meeting with Internal Audit Head of Main Entity to discuss Internal Audit Function

## Agenda of Joint Meetings between the Board of Commissioners and Board of Directors in 2022

No	Minutes of Meeting Number	Meeting Date	Meeting Agenda
1	MOM.001/KOM/CSGC/II/2022	8 February 2022	<ol style="list-style-type: none"> <li>1. Follow-up on the recommendations from the Board of Commissioners in the meeting on 18 November 2021;</li> <li>2. Compliance Director's Report to the Board of Commissioners in Semester 2 of 2021</li> </ol>
2	MOM.007/KOM/CSGC/VI/2022	22 June 2022	<ol style="list-style-type: none"> <li>1. Follow-up on the recommendations from the Board of Commissioners in the meeting on 18 April 2022;</li> <li>2. Request for Approval by the Board of Commissioners for the Revision of RBB 2022–2024;</li> <li>3. Support Functions Update as of 31 May 2022 (Operations, Information Technology, and Human Capital)</li> </ol>
3	MOM.009/KOM/CSGC/VII/2022	27 July 2022	<ol style="list-style-type: none"> <li>1. Follow-up on the recommendations from the Board of Commissioners in the meeting on 22 June 2022;</li> <li>2. Compliance Director's Report to the Board of Commissioners in Semester 1 of 2022</li> </ol>
4	MOM.013/KOM/CSGC/XI/2022	16 November 2022	Request for Approval by the Board of Commissioners for the proposed Bank Business Plan (Rencana Bisnis Bank/RBB) 2023–2025 and Sustainable Financial Action Plan (Rencana Aksi Keuangan Berkelanjutan/RAKB) 2020–2024 (Updated Indicators in 2023)

## Realization of Circular Decision of the Board of Commissioners in 2022

No	Circular Number	Date	Subject
1	No.001/CIR/DEKOM/II/2022	10 February 2022	<p>The Board of Commissioners, with regards to the recommendations from the Financial Services Authority, updated the:</p> <ol style="list-style-type: none"> <li>1. Bank Business Plan (Rencana Bisnis Bank/RBB) 2022–2024,</li> <li>2. Sustainable Financial Action Plan (Rencana Aksi Keuangan Berkelanjutan/RAKB) 2020–2024,</li> <li>3. Report on Plan to Develop Information Technology in 2022</li> </ol>
2	No.002/CIR/DEKOM/IV/2022	21 April 2022	The Board of Commissioners' Approval of the Changes in Composition of Nomination and Remuneration Committee in 2022
3	No.003/CIR/DEKOM/VII/2022	23 July 2022	The Board of Commissioners' Approval of the Appointment of Permanent Invitees as representatives of PT Bank BTPN Syariah Tbk in the Meeting of Corporate Governance Committee
4	No.004/CIR/DEKOM/VIII/2022	30 August 2022	The Board of Commissioners' Approval of the Plan for Extraordinary General Meeting of Shareholders of PT Bank BTPN Syariah Tbk in 2022

No	Circular Number	Date	Subject
5	No.005/CIR/DEKOM/IX/2022	20 September 2022	The Board of Commissioners' Approval of Proposed Decision in Extraordinary General Meeting of Shareholders of PT Bank BTPN Syariah Tbk in 2022
6	No.006/CIR/DEKOM/IX/2022	28 September 2022	The Board of Commissioners' Approval of Appointment of Public Accountant and/or Public Accounting Firm to audit the Book and Records of PT Bank BTPN Syariah Tbk for the financial year that ended on 31 December 2022
7	No.007/CIR/DEKOM/X/2022	13 October 2022	The Board of Commissioners' Approval of Changes in the Composition of Nomination and Remuneration Committee and Risk Monitoring Committee in 2022
8	No.008/CIR/DEKOM/XII/2022	28 December 2022	The Board of Commissioners' Approval of the Board of Commissioners Meeting Agenda and Meeting Agenda of The Board of Commissioners' Committee in 2023

## Schedule of the Board of Commissioners Meeting in 2023

in conjunction with the provision of Articles of Association of BTPN Syariah, the Board of Commissioners shall convene routine Board of Commissioners meetings at least 1 (once) every 2 (two) months, and schedule Board of Commissioners meetings for the next financial year before the end of the current financial year. The Articles of Association also regulates that at least 1 (once) every 4 (four) months, the Board of Commissioners shall have a Joint Meeting between the Board of Commissioners and Board of Directors according to the prevailing provisions.

The Board of Commissioners Meeting Schedule and Agenda in 2023 have been approved by the Board of Commissioners before the end of financial year through Circular Decision of the Board of Commissioners No. 008/CIR/DEKOM/XII/2022 dated 28 December 2022 concerning the Board of Commissioners' Approval of the Board of Commissioners Meeting Agenda and Meeting Agenda of The Board of Commissioners' Committee in 2023, and Memorandum No. M.001/KOM/CSGC/XII/2022 dated 28 December 2022.

## Performance Evaluation of the Board of Commissioners

### Procedures for Performance Evaluation of the Board of Commissioners

The Board of Commissioners' performance evaluation in BTPN Syariah is carried out based on predetermined criteria by considering its duties and responsibilities according to the prevailing regulations, the Bank's Articles of Association, and the Bank's internal policies.

Performance evaluation is conducted by means of self-assessment every year to assess the performance of the Board of Commissioners on a collegial basis.

The purpose of the Self-Assessment on the performance of the Board of Commissioners' members is to provide the Nomination and Remuneration Committee with basic considerations for making recommendations to the Board of Commissioners for the reappointment of members of the Board of Commissioners

and for developing a remuneration structure of the Board of Commissioners, as well as increasing the effectiveness of the Board of Commissioners' performance.

### **Criteria for the Performance Evaluation of the Board of Commissioners**

The criteria for evaluating the individual performance of each member of the Board of Commissioners (individual performance assessment) in BTPN Syariah refers to various considerations, including:

1. Implementation of Good Corporate Governance in every business of the Bank and
2. Supervision of the duties and responsibilities of the Board of Directors.

### **Performance Evaluation**

1. Performance Evaluation of Members of the Board of Commissioners is carried out by the President Commissioner every year based on the duties and responsibilities of the Board of Commissioners;
2. The Result of Performance Evaluation of Members of the Board of Commissioners is used as one of the considerations for the Nomination and Remuneration Committee when making recommendations to the Board of Commissioners for the reappointment of members of the Board of Commissioners, and as consideration in developing a remuneration structure of the Board of Commissioners;
3. The performance of the Board of Commissioners is reported to shareholders in the GMS, and presented in the Annual Report.

### **Evaluation of the Board of Commissioners towards Performance of Committees at the Board of Commissioners Level**

In 2022, The Board of Commissioners' Committee have performed their supervisory duties and responsibilities well and effectively in accordance with the provisions of sound implementation of Good Corporate Governance for Sharia Commercial Banks and in accordance with the Charter of each Committee.

The performance evaluation of the Committees at the Board of Commissioners level is carried out through self-assessment by each committee member, which is summarized quantitatively.

As a fulfillment of POJK 33/POJK.04/2014 concerning the Board of Directors and the Board of Commissioners of Issuers or Public Companies, article 28 (paragraph 5) which states that the Board of Commissioners shall evaluate the performance of the committees that assist in carrying out its duties and responsibilities,

The Board of Commissioners' Committee in BTPN Syariah have compiled regular reports which were submitted to the Board of Commissioners in 2022. The reports were evaluated by the Board of Commissioners and properly administered by the Corporate Secretary.

Further elaboration of Reports of the The Board of Commissioners' Committee is available in the Good Corporate Governance Section of this Annual Report 2021.

### **Sharia Supervisory Board**

In conjunction with Sharia Banking Law No. 21 of 2008 and POJK Regulation No. 16/POJK.03/2022 concerning Sharia Commercial Banks, the Sharia Supervisory Board (Dewan Pengawas Syariah/ DPS) is tasked to provide advice and suggestions to the Board of Directors and supervise the Bank's activities to ensure their compliance with sharia principles.

Members of the Sharia Supervisory Board are appointed and ratified through the General Meeting of Shareholders based on the recommendation of the Indonesian Ulama Council, and shall pass the fit and proper test requirement.

### **Duties and Responsibilities of the Sharia Supervisory Board**

The duties and responsibilities of the DPS according to the latest Work Guidelines and Charter No. 012/Pedoman Kerja/COMP/VI/2020 dated 17 June 2022 are as follows:

1. Fulfilling its duties and responsibilities in accordance with the principles of Good Corporate Governance;
2. Giving advice and suggestions to the Board of Directors and supervising the Bank's activities to ensure compliance with Sharia Principles;
3. Assessing and ensuring adherence to Sharia Principles in the Bank's operating procedures and products or services offered by the Bank;
4. Supervising the Bank's new product development process to ensure adherence to the fatwa of the National Sharia Board (Dewan Syariah Nasional/DSN) – Indonesian Ulama Council (Majelis Ulama Indonesia/MUI);
5. Requesting fatwa from DSN – MUI for the Bank's new products, for which there has not been any fatwa;
6. Conducting regular reviews of fulfillment of Sharia Principles in the mechanism for funds acquisitions and provisions as well as the Bank's services;
7. Requesting data and information related to sharia matters through the Compliance Unit in carrying out its duties;
8. In carrying out its duties and responsibilities, the DPS shall be assisted by the Compliance task force;
9. The DPS shall submit DPS Supervision Report every semester to OJK and DSN-MUI no later than 2 (two) months after the semester ends;
10. In carrying out its duties and responsibilities, the DPS shall coordinate with the Board of Commissioners and the Board of Directors;
11. The DPS shall spend adequate time to carry out its duties and responsibilities optimally.

In 2022, the DPS has provided Sharia Opinion on the Bank's products and services through routine DPS meeting held every month. The DPS has requested clarifications from each Bank Officers in the relevant working unit, and reviewed the adherence to sharia principles against the DSN MUI.

The DPS carried out its supervisory function assisted by the Compliance Division by conducting regular supervision and visits to Branch Offices

throughout 2022 to ensure that the acquisition and provision of funds and other services of the Bank in the Branch Offices are in accordance with sharia principles.

### Charter of the Sharia Supervisory Board

In carrying out their duties and responsibilities, members of the DPS always refer to the Charter of the DPS, which is updated and refined regularly according to the prevailing regulations.

The latest Charter of the DPS refers to the Work Guidelines and Charter No. 012/PedomanKerja/COMP/VI/2022 dated 17 June 2022.

The Charter of the DPS regulate:

1. Legal Basis;
2. Organization;
3. Duties and Responsibilities;
4. Decision-Making Process (Meeting and Circular Decision);
5. Transparency/Disclosure;
6. Work Ethics;
7. Conflicts of Interest;
8. Access to Information;
9. Others.

### Composition and Criteria of Members of the Sharia Supervisory Board

The DPS is appointed by the General Meeting of Shareholders and its position is equal to that of the Board of Commissioners. The DPS shall report the fulfillment of its duties and responsibilities to the OJK every 6 (six) months through Supervision Report of the DPS.

The DPS is organized by considering effective and efficient decision-making process.

The composition and criteria of the DPS members according to the latest Work Guidelines and Charter in BTPN Syariah are as follows:

1. The minimum number of members of the Sharia Supervisory Board shall be 2 (two) and the maximum number shall be 50% (fifty percent) of the total number of the Board of Directors members;
2. The Sharia Supervisory Board shall be led by a Chairman appointed from one of the Sharia Supervisory Board members;
3. Any proposal for replacement and/or appointment of DPS members from the Board of Commissioners to the GMS shall take into consideration the recommendations from the Nomination and Remuneration Committee;
4. Every member of the DPS shall pass fit and proper test in accordance with the provision of Financial Services Authority (Otoritas Jasa Keuangan/OJK) provisions concerning fit and proper test, and shall have obtained recommendation from the National Sharia Board-Indonesian Ulema Council;
5. The maximum term of office of DPS members is the same as the term of office of the members of the Board of Directors or the Board of Commissioners;
6. Members of the DPS shall only be allowed to hold concurrent positions as members of the DPS in a maximum of 4 (four) other sharia financial institutions.

All members of the Sharia Supervisory Board shall abide by the Code of Ethics and other prevailing regulations.

The Chairman of the DPS is responsible for coordinating the fulfillment of the DPS' duties and responsibilities and ensuring that the DPS members obtain the information necessary to carry out their duties and responsibilities.

## Composition of Sharia Supervisory Board

Composition of the DPS of BTPN Syariah as of 31 December 2022

No	Name	Position	Effective Date
1	H. Ikhwan Abidin, MA	Chairman of DPS	13 June 2017
2	H. Muhamad Faiz, MA	Member of DPS	2 May 2017

All DPS members of BTPN Syariah have fulfilled the requirements as DPS members in accordance with the prevailing regulations, namely the Financial Services Authority Regulation concerning the Fit and Proper Test for Main Parties of Financial Services Institutions, Bank Indonesia Regulation concerning Sharia Commercial Banks, and Bank Indonesia Regulation regarding Implementation of Good Corporate Governance for Sharia Commercial Banks and Sharia Business Units.

## Independency of the Sharia Supervisory Board

As of 31 December 2022, all members of the DPS of BTPN Syariah have met the independency requirements, as evidenced by not having financial, management, share ownership and/or family relations with other members of the Sharia Supervisory Board, members of the Board of Commissioners, Board of Directors and/or Controlling Shareholders or other relations that could naturally influence its ability to act independently.

## Diversity of Sharia Supervisory Board

All DPS members in BTPNS Syariah have been appointed by the General Meeting of Shareholders taking into account the recommendations from the DSN-MUI as well as the Nomination and Remuneration Committee and have passed the Fit and Proper Test by the Financial Services Authority.

The composition of the DPS is determined by taking into account the complexity and needs of the Bank. The composition of the DPS is based on knowledge of sharia banking, expertise, professional experience and background to support the fulfillment of DPS' duties.

Currently, there are 2 (two) DPS members of BTPN Syariah, and one of the members has been appointed as the DPS Chairman.

All DPS members of BTPN Syariah have fulfilled the number, composition, criteria and independency according to the prevailing regulations.

### Realization of the Independency Aspects of the Sharia Supervisory Board Members

Independency Aspects	Sharia Supervisory Board	
	H. Ikhwan Abidin, MA	H. Muhamad Faiz, MA
No direct or indirect shares ownership in the Bank	√	√
No direct or indirect business relation to the business activities of the Bank	√	√
Not holding concurrent position as a Director or Executive Officer performing supervisory function	√	√
No family relation with members of the Board of Commissioners, Board of Directors, and/or Controlling Shareholders, or relation to the Bank.	√	√

### Characteristics of Diversity of the Sharia Supervisory Board Members

No	Aspects of Diversity	Realization
1	Nationality	Indonesian Citizen
2	Education	<ul style="list-style-type: none"> <li>Sharia</li> <li>Islam Economics</li> </ul>
3	Certification	<ol style="list-style-type: none"> <li>Sharia Supervisory Board Certification, Sharia Banking level I</li> <li>Sharia Supervisory Board Certification, Sharia Banking level II</li> <li>Certification of the Sharia Supervisory Board of Financing Companies organized by the National Sharia Board-Indonesian Ulema Council (DSN-MUI)</li> </ol>
4	Work Experience	<ol style="list-style-type: none"> <li>Postgraduate Lecturer at the Institute of Qur'anic Science (IIQ)</li> <li>Expert staff of the Board of Directors for sharia at LPPi</li> <li>Sharia Economics Expert</li> <li>Chairman and Member of the Sharia Supervisory Board in National Bank,</li> <li>Securities Companies, Financing Companies, Asset Management</li> <li>Deputy Secretary of Fatwa Committee of Indonesian Ulema Council</li> <li>Deputy Chair of the PNB Bahtsul Masail Institute</li> <li>Deputy Caretaker of Darul Rohman Islamic Boarding School</li> <li>Plenary Member of the National Sharia Board, Indonesian Ulema Council</li> </ol>
5	Gender	2 Males

## Disclosure of Concurrent Positions of Sharia Supervisory Board as of 31 December 2022

Name	Position	Company	Term of Service
H. Ikhwan Abidin, MA	DPS Chairman	Bank Syariah Bukopin	2000 – Present
	DPS Chairman	PT Bahana Arta Ventura	2008 – Present
	DPS Chairman	PT Radana Bhaskara Finance Tbk	2013 – Present
	DPS Member	PT Asanusa Asset Management	2014 – Present
H. Muhamad Faiz, MA	DPS Chairman	UUS PT Bank Permata Tbk	2008 – Present
	DPS Chairman	PT Indomobil Finance Indonesia (IMFI) Syariah	2012 – Present

With regards to the disclosure of concurrent positions, the DPS of BTPN Syariah have observed the Financial Services Authority Regulation No. 16/POJK.03/2022 concerning Sharia Commercial Banks, which stipulates that members of a Sharia Supervisory Board are allowed to hold concurrent positions as a member of Sharia Supervisory Board in a maximum of 4 (four) other sharia financial institutions.

All DPS members have implemented transparency and disclosure of relations and management based on the provisions.

## Disclosure of Share Ownership of the Sharia Supervisory Board as of 31 December 2022

The disclosure of BTPN Syariah share ownership by members of the Sharia Supervisory Board as of 31 December 2022 is as follows:

Name	Position	Percentage of Share Ownership	Total Shares
H. Ikhwan Abidin, MA	Sharia Supervisory Board Chairman	0.00%	0
H. Muhamad Faiz, MA	Sharia Supervisory Board Member	0.00%	0

## Term of Office of the Sharia Supervisory Board Members

As stipulated in the Articles of Association of BTPN Syariah, members of the Sharia Supervisory Board are appointed by the General Meeting of Shareholders for a period of three years, and may be reappointed.

## Orientation

The President Commissioner has to ensure that all new members of DPS acquire the necessary information related to the Bank to be able to perform their duties and responsibilities. The Compliance Director, concurrently serving as Corporate Secretary, is tasked to provide the necessary information.

In 2022, there was no new member of DPS who underwent orientation.

The Board of Directors has ensured sufficient provision of information to all DPS members concerning the state of BTPN Syariah throughout 2022. The Compliance Division is a Division in BTPN Syariah that is mandated to periodically coordinate and communicate the Division's needs to the Sharia Supervisory Board concerning the implementation of Compliance Function within sharia principles.

To support the performance of duties and responsibilities of DPS, all DPS members must attend strategic seminars in 2022, namely:

1. Webinar Workshop Pre-Ijtima' Sanawi (Annual Meeting) of Sharia Supervisory Board in Sharia Banking on 21 September 2022.
2. Ijtima' Sanawi (Annual Meeting) of Sharia Supervisory Board on 1–2 December 2022.

## Implementation Report of Duties and Responsibilities of the Sharia Supervisory Board in 2022

In 2022, all DPS members in BTPN Syariah have fulfilled their supervisory duties by providing advice and suggestions to the Board of Directors as conveyed through the DPS Opinion and Approval.

### Sharia Supervisory Board's Opinion and Approval in 2022

No.	Number	DPS's Opinion & Approval in 2022
1.	127/DPS/ODP/I/2022	Updates on Tepat Tabungan Product Program
2	128/DPS/ODP/I/2022	Savings Top-up Program with Gold/Voucher award
3	129/DPS/ODP/II/2022	Application Document for Financing and Account Creation, Covenant, & Realization/Renewal Form of Goods Purchase
4	130/DPS/ODP/II/2022	Updates on Mobile Banking Product Program
5	131/DPS/ODP/II/2022	ATM & Mini ATM Product Program
6	132/DPS/ODP/III/2022	Third-Party Cash Deposit, Withdrawal, & Payment Service
7	133/DPS/ODP/III/2022	Treasury Products (SIPA, FliSBI & PaSBI)
8	134/DPS/ODP/IV/2022	Utilization of Insurance for E-Fishery Financing
9	135/DPS/ODP/IV/2022	Individual Sharia Tepat Financing Product Program
10	136/DPS/ODP/IV/2022	Utilization of BI Fast Sponsor Bank
11	137/DPS/ODP/V/2022	BTPN Syariah Financing through Fintech & Conventional Cooperative
12	138/DPS/ODP/VI/2022	Partnership Synergy between BTPN Syariah and PT BTPN Syariah Ventura
13	139/DPS/ODP/VI/2022	Customer Onboarding Service – Mobile Banking via E-KYC
14	140/DPS/ODP/VI/2022	Profit Sharing Credit Mechanism for Deposit Customers
15	141/DPS/ODP/VI/2022	Updates on the Work Guidelines & Charter of DPS
16	142/DPS/ODP/IX/2022	Opinion on Grant Provision to PT BTPN Syariah Ventura
17	143/DPS/ODP/IX/2022	Utilization of Social Funds to Support Educational Economic and Financial Literacy Activities for Customers
18	144/DPS/ODP/X/2022	Product Payment Service Promotion Program in Warung Tepat Application
19	145/DPS/ODP/XI/2022	Customer Application for Income Smoothing from DPK Customer
20	146/DPS/ODP/XI/2022	Updates on Tepat Giro Product Program
21	147/DPS/ODP/XI/2022	Updates on Tepat Deposito Product Program
22	148/DPS/ODP/XI/2022	Free Transaction Program for Customers & Gopay Credit Reward for RM
23	149/DPS/ODP/XI/2022	Updates on Laku Pandai Product Program
24	150/DPS/ODP/XI/2022	Updates on MFinancing Facility Product Program of MK Mitra Tepat
25	151/DPS/ODP/XI/2022	Financing Scheme through Partnership with Affiliate
26	152/DPS/ODP/XII/2022	Profit Sharing Agreement Format for DPK Customer
27	153/DPS/ODP/XII/2022	Obligation to Include Covenant

## Sharia Supervisory Board Meetings in 2022

According to the provisions of the Articles of Association of BTPN Syariah and the Charter of DPS, the DPS shall convene regular meetings at least 1 (one) time in 1 (one) month.

DPS also convene joint meetings with the Board of Commissioners when necessary to discuss various topics concerning the implementation of sharia principles in the Bank.

Meeting Schedule and Agenda of Sharia Supervisory Board in 2022 have been approved by the Sharia Supervisory Board.

In 2022, the DPS has convened 13 (thirteen) meetings out of a total of 12 planned meetings and issued 3 (three) Circular Decisions of the Sharia Supervisory Board throughout 2022 in accordance with the provisions of GCG implementation for Sharia Commercial Banks, where there were both physical and online (video conference) presence of the attendees.

The DPS has attended 2 (two) of the coordination meetings with the Board of Commissioners throughout 2022.

## Realization of the Number of Meetings and Attendance of the Sharia Supervisory Board Members in Sharia Supervisory Board Meetings in 2022

Members of Sharia Supervisory Board	Total Sharia Supervisory Board Meetings (Realization/Planned Meetings)	Percentage of Attendance
H. Ikhwan Abidin, MA	13/12	100%
H. Muhamad Faiz, MA	12/12	100%

In line with the Charter of DPS concerning Sharia Supervisory Board Meetings, the number and frequency of DPS meetings throughout 2022 have complied with the provisions.

## Agenda of Sharia Supervisory Board Meetings in 2022

No.	Minutes of Meeting Number	Meeting Date	Meeting Agenda
1	No. 01/DPS/RR/I/2022	19 January 2022	<ol style="list-style-type: none"><li>1. Updates on Daya Platform Information for DPS</li><li>2. Draft of Renewed Trade Covenant/ Realization Form/Goods Renewal</li><li>3. Discussion on Covenant Draft of Individual Sharia Tepat Financing Agreement</li><li>4. Updates on Tepat Tabungan PP</li><li>5. Voucher/Gold Reward Program</li><li>6. Discussion on DPS Supervision Report in Semester II of 2021</li><li>7. Discussion on DPS Work Program in 2022</li></ol>
2	No. 02/DPS/RR/II/2022	17 February 2022	<ol style="list-style-type: none"><li>1. Application Document for Financing and Account Creation, Covenant, &amp; Realization/Renewal Form of Goods Purchase</li><li>2. Mobile Banking Product Program</li><li>3. ATM &amp; Mini ATM Product Program</li><li>4. Updates on Information concerning Internal Audit Monitoring Activity in Semester II of 2021</li></ol>

No.	Minutes of Meeting Number	Meeting Date	Meeting Agenda
3	No. 03/DPS/RR/III/2022	16 March 2022	<ol style="list-style-type: none"> <li>1. Third-Party Cash Deposit, Withdrawal, &amp; Payment Service</li> <li>2. Treasury Products (SiPA, FLiSBI &amp; PaSBI)</li> </ol>
4	No. 04/DPS/RR/IV/2022	13 April 2022	<ol style="list-style-type: none"> <li>1. Utilization of Non-Sharia Insurance for E-Fishery Financing during Limited Implementation Period</li> <li>2. Updates on Brand Awareness Program Information to DPS</li> <li>3. Individual Sharia Tepat Financing Product Program</li> <li>4. Utilization of Sponsor Bank in BI-Fast Transaction</li> </ol>
5	No. 05/DPS/RR/V/2022	18 May 2022	Distribution of Financing through Non-Sharia Institution
6	No. 06/DPS/RR/VI/2022	17 June 2022	<ol style="list-style-type: none"> <li>1. Partnership Synergy of BTPN Syariah with PT BTPN Syariah Ventura</li> <li>2. Customer Onboarding Service – Mobile Banking via E-KYC</li> <li>3. Updates on the Charter of DPS</li> <li>4. Profit Sharing Credit Mechanism for Deposit Customers</li> </ol>
7	No. 07/DPS/RR/VII/2022	20 July 2022	<ol style="list-style-type: none"> <li>1. Presentation of Supervision Report of DPS in Semester I of 2022</li> <li>2. Discussion on Visitation Plan of DPS in August 2022</li> </ol>
8	No. 08/DPS/RR/VIII/2022	18 August 2022	<ol style="list-style-type: none"> <li>1. Updates on Internal Audit Activity in Semester I of 2022</li> <li>2. Updates on Information of DPS Inspection Result to Surabaya Branch Office</li> <li>3. Sharia Banking Refreshment Material for MMS Employees</li> <li>4. Sharia Banking for MMS/KC Employees</li> </ol>
9	No. 09A/DPS/RR/IX/2022	7 September 2022	Grant Provision to PT BTPN Syariah Ventura
10	No. 09/DPS/RR/IX/2022	22 September 2022	Utilization of Social Funds to Support Educational, Economic Literacy, and Financial Activities for Customers
11	No. 10/DPS/RR/X/2022	20 October 2022	<ol style="list-style-type: none"> <li>1. Promotion Program of Product Payment Service (Layanan Pembayaran Produk/ LPP) in Warung Tepat Application</li> <li>2. Updates on Information of DPS Inspection Report in KFO &amp; MMS of Ciawi Tasik Area</li> </ol>
12	No. 11/DPS/RR/XI/2022	16 November 2022	<ol style="list-style-type: none"> <li>1. Request for Opinion &amp; Approval of DPS on Request for Income Smoothing from DPK Customers</li> <li>2. Updates on Tepat Giro Product Program &amp; Tepat Deposito Product Program</li> <li>3. Free Transaction Program for Customers &amp; Gopay Credit Reward for RM</li> <li>4. Updates on Laku Pandai Product Program &amp; MK Mitra Tepat Financing Facility Product Program</li> <li>5. Financing Scheme through Partnership with Affiliate</li> <li>6. Discussion on Participation in Sharia Syndicate Financing</li> </ol>

No.	Minutes of Meeting Number	Meeting Date	Meeting Agenda
13	No. 12/DPS/RR/XII/2022	19 December 2022	1. Income Smoothing Agreement Format 2. Obligation to Include Covenant 3. Discussion on OJK Inspection Report concerning Sharia Principles 4. Presentation of DPS Work Program

## Realization of Circular Decision of Sharia Supervisory Board in 2022

No	Circular Number	Date	Subject
1	No. 01/CIR/DPS/ODP/VII/2022	27 July 2022	Approval of Appointment of Permanent Invitees in Corporate Governance Committee Meeting of PT Bank BTPN Tbk
2	No.02/CIR/DPS/ODP/VIII/2022	31 August 2022	Opinion & Approval of DPS concerning Addition of Clauses in <i>Wakalah bil Ujrah</i> covenant covering Terms & Condition for Transfer and Account Creation with <i>Mudharabah</i> Covenant
3	No.03/CIR/DPS/ODP/IX/2022	27 September 2022	Addition of Provision in DPS Opinion No. 132/DPS/ODP/III/2022 concerning Third Party Cash Deposit, Withdrawal, and Payment Service

## Performance Evaluation of the Sharia Supervisory Board

### Procedures for Performance Evaluation of the Sharia Supervisory Board

The DPS Performance Evaluation in BTPN Syariah is carried out based on predetermined criteria taking into account the duties and responsibilities in accordance with the prevailing regulations, the Bank's Articles of Association, and the Bank's internal policies.

The DPS Performance Evaluation is carried out by means of a self-assessment every year to evaluate the DPS performance based on a collegial basis.

The purpose of the Self-Assessment of the DPS members' performance is to provide recommendations to the Board of Commissioners for the re-appointment of DPS members as well as consideration for developing a DPS remuneration structure and increasing the effectiveness of the DPS performance.

### Criteria for the Sharia Supervisory Board Performance Evaluation

The Evaluation Criteria for individual performance evaluation of each member of the DPS (individual performance assessment) in BTPN Syariah refers to various considerations, including:

1. Supervision of fulfillment of duties and responsibilities of the Board of Directors to ensure that it is in accordance with Sharia Principles and;
2. Good Corporate Governance in every business activity of the Bank

### Performance Evaluation

The Performance Evaluation of DPS Member is conducted by the DPS Chair every year based on the duties and responsibilities of the DPS;

The Performance Evaluation result of the DPS Members is one of the considerations for the Nomination and Remuneration Committee in making recommendations to the Board of Commissioners for the reappointment of the DPS members, as well as a consideration in developing a remuneration structure for the DPS;

The DPS performance is reported to the shareholders in the GMS, and is presented in the Annual Report.

## Implementation of Sharia Principles in the Acquisition and Provision of Funds and Bank Services Delivery

The acquisition and provision of funds, services Delivery, and developments of new BTPN Syariah products have generally been implemented in accordance with sharia principles as stated in the DPS Supervision Report, which has been submitted to the OJK every semester.

To ensure compliance with sharia principles in the Bank's operational activities, all DPS members have conducted regular supervision and inspection to branch offices to ensure that the Bank's operational activities in the branch offices or work units have been carried out according to sharia principles.

In 2022, the online DPS inspections covered Branch Offices (Kantor Cabang/KC), Pondok Indah, KC & MMS Kupang, KFO & MMS Pekanbaru, KFO & MMS Samarinda and KFO & MMS Kendari, as well as physical inspection to KC & MMS Jogjakarta, KC & MMS Surabaya KFO & MMS Pontianak, MMS of Bangka Belitung area, KFO & MMS Ciawai Tasik, KFO & MMS Rangkasbitung, while still complying with health protocols.

## board of directors

Referring to Law No. 40 of 2007 dated 16 August 16 2007 concerning Limited Liability Companies, the Board of Directors is a company organ that is authorized and fully responsible for the management of the company in accordance with the intents and objectives of the company and represents the company both inside and outside the court of justice in accordance with the provisions of the Articles of Association and executes sound implementation of good corporate governance consistent with the principles of Good Corporate Governance (GCG).

The Board of Directors is appointed and ratified by the General Meeting of Shareholders, and shall pass the fit and proper test requirements.

All members of the Board of Directors of BTPN Syariah have fulfilled the number, composition, criteria and independency according to the prevailing regulations.

## Duties and Responsibilities of the Board of Directors

The Duties and Responsibilities of BTPN Syariah's Board of Directors according to its latest Work Guidelines and Charter are as follows:

1. The Board of Directors shall be fully responsible for the execution of the Bank's management;
2. The Board of Directors shall manage the Bank within its authority and responsibilities as stipulated in the Articles of Association and the prevailing laws and regulations;
3. The Board of Directors shall implement the principles of Good Corporate Governance in every business activity of the Bank at all levels or layers of the organization;
4. The Board of Directors shall follow up on all audit findings and recommendations from the Internal Audit Unit (SKAI), Sharia Supervisory Board (DPS), External Auditor, supervision reports of Financial Services Authority/ Bank Indonesia and/or supervision reports of other authorities;
5. To implement Good Corporate Governance principles, the Board of Directors shall at least establish:
  - a. Internal Audit Unit;
  - b. Risk Management Unit;
  - c. Risk Management Committee;
  - d. Compliance Unit.
6. The Board of Directors shall convene an Annual GMS and other GMS as stipulated in the laws and regulations and the Articles of Association;
7. The Board of Directors shall account for the fulfillment of its obligations to the Shareholders in the GMS;
8. The Board of Directors shall disclose the Bank's strategic policies in human capital to employees;

9. The Board of Directors is prohibited from hiring individual advisors and/or professional services as consultants unless under the following conditions:
  - a. Projects shall have specific characteristics;
  - b. Projects shall have clear underlying contracts, which at least cover the scope of work, responsibilities and duration of work as well as investment costs;
  - c. Consultant shall be an independent party and have the qualifications to undertake the specific project as referred to above.
10. The Board of Directors shall provide accurate, relevant, and timely data and information to the Board of Commissioners;
11. In order to support the effectiveness of the implementation of its duties and responsibilities, the Board of Directors shall establish committees;  
In the event that committees are established, the Board of Directors shall evaluate the performance of the committees at the end of each financial year.
12. With regard to the undertaking of Internal Audit function, the Board of Directors shall be responsible for:
  - a. Developing an internal control framework to identify, measure, monitor, and control all risks encountered by the bank;
  - b. Ensuring that Internal Audit Unit obtains information related to the latest developments, project initiatives, products, and operational changes as well as changes in identified and anticipated risks;
  - c. Ensuring that the right corrective actions have been taken.

## Functions of President Director

Without prejudice to the rights of the Board of Directors as stipulated in the Articles of Association and other prevailing provisions, the President Director is authorized to:

1. Coordinate the activities of the Board of Directors and ensure that the division of duties among members of the Board of Directors works effectively;
2. Set meeting schedules and determine agenda according to the responsibility and priority of the Board of Directors;

3. Determine meeting invitations;
4. Ensure adequacy and availability of information necessary for decision-making;
5. Determine decisions of the Board of Directors in the event of a deadlock.

## Establishment of Board of Directors' Committees

In realizing the sound implementation of GCG principles in BTPN Syariah and increasing the effectiveness of implementation, quality of work and responsibilities of members of the Board of Directors, efforts to implement risk management in accordance with the scale and complexity of the Bank and reduce irregularities in company management, the Board of Directors has established the Board of Directors' Committees as supporting organs of the Board of Directors which report to the Board of Directors.

Taking into account the complexity of BTPN Syariah business, the Bank has established the Board of Directors' Committees, namely:

1. Assets and Liabilities Committee;
2. Risk Management Committee;
3. Information Technology Steering Committee;
4. Financing Policy Committee;
5. Business Committee;
6. Human Capital Committee.

Further explanation of the Board of Directors' Committees is available in the Report of the Board of Directors' Committees in this Annual Report.

## Charter of the Board of Directors

In performing their duties and responsibilities, all members of the Board of Directors refer to the Charter of the Board of Directors, which is updated regularly in accordance with the prevailing regulations.

In 2022, the Board of Directors has reviewed and approved the update of The Board of Directors' Work Guidelines and Charter. The latest Charter of the Board of Directors is No. 05/PedomanKerja/CSGC/XII/2022 dated 22 December 2022.

The Charter of the Board of Directors covers:

1. Organization;
2. Independency;
3. Duties and Responsibilities of Board of Directors;
4. Functions of President Director;
5. Compliance Director;
6. Meeting;
7. Conflict of Interest;
8. Transparency/Disclosure;
9. Term of Office;
10. Report to Holding Company;
11. Relationship with Stakeholder;
12. Work Ethics;
13. Work Hours;
14. Training;
15. Others.

## Composition and Criteria of the Board Directors

The Composition and Criteria for Members of the Board of Directors and the Organization according to the latest Charter of the Board of Directors are:

1. The minimum number of members of the Board of Directors shall be 3 (three);
2. All members of the Board of Directors shall be domiciled in Indonesia;
3. The Board of Directors shall be led by a President Director;
4. Individuals eligible to be appointed as members of the Board of Directors at the time of appointment and during their term of office, shall:
  - a. Demonstrate good character, moral, and integrity.
  - b. Capable of taking legal action.
  - c. In the 5 (five) years before appointment and term of office:

- 1) Has never been declared bankrupt;
- 2) Has never been a member of Board of Directors and/or Commissioners who was declared guilty of causing the bankruptcy of a company;
- 3) Has never been convicted for committing a criminal act that harmed the state finance and/or related to the finance sector, and;
- 4) Has never been a member of a Board of Directors/Commissioners, whom during their term of office:
  - a) Has neglected to hold annual GMS;
  - b) Has their statement of responsibility as a member of Board of Directors and/or Commissioners rejected by GMS, or has never provided statement of responsibility as a member of Board of Directors and/or Commissioners to GMS, and;
  - c) Has caused a company that had obtained license, approval, or registration from OJK to not fulfill its obligation in delivering annual report and/or financial statement to OJK.

5. Has the commitment to comply with prevailing laws and regulations;
6. Has the knowledge and/or expertise in areas needed by the Issuer or Public Company;
7. The fulfillment of requirements as described from point 4 to point 6 above must be presented in a Letter of Statement, which shall be delivered to the Bank;
8. All members of the Board of Directors shall in general have capabilities in Banking and in particular have at least one of the skills in the field of Sharia Banking and Finance, Economics, Human Resources, Law, Technology, Accounting, or Audit:
  - a. One member of the Board of Directors shall be appointed and assigned as Compliance Director who is responsible for ensuring compliance with Sharia Principles, Financial Services Authority/Bank Indonesia regulations and other laws and regulations regarding Compliance Director;
  - b. The Compliance Director shall perform a compliance function that is independent from operating units;

- c. The implementation of the compliance function must be supported by people who at least have knowledge and/or understanding of Sharia Banking operations.
9. All members of the Board of Directors shall have the capability to strategically manage the Bank in order to develop a sound and resilient Sharia Banking;
  10. All members of the Board of Directors shall have knowledge, understanding and skills in risk management implementation;
  11. The Banks shall hold a GMS to replace members of the Board of Directors who do not meet the requirements in accordance with the provisions of the law;
  12. Any proposal for replacement and/or appointment of members of the Board of Directors by the Board of Commissioners to the General Meeting of Shareholders (GMS), shall take into account the recommendations of the Nomination and Remuneration Committee (KRN);
  13. The majority of the members of the Board of Directors shall have at least 4 (four) years of experience as an Executive Officer in Banking and 1 (one) year of as an Executive Officer in a Sharia Commercial Bank or Sharia Business Units and its changes;
  14. Every member of the Board of Directors shall meet the requirements of having passed the fit and proper test in accordance with the prevailing Financial Services Authority regulations;
  15. Members of the Board of Directors are prohibited from holding concurrent positions as members of the Board of Commissioners, members of the Board of Directors or Executive Officer in other banks, companies and/or other institutions, except as:
    - a. Director who is responsible for overseeing the investment in a Sharia Commercial Bank subsidiary, performing functional duties as a Member of the Board of Commissioners in a non-bank subsidiary company controlled by a Sharia Commercial Bank; and/or
    - b. Director who holds a position in a nonprofit organization or institution, as long as it does not cause them to neglect the fulfillment of their duties and responsibilities as a member of the Board of Commissioners of the Bank.
  16. Members of the Board of Directors, either individually or jointly, are prohibited from owning shares exceeding 25% (twenty five percent) of the paid-up capital of the Bank and/or other companies;
  17. The majority of members of the Board of Directors are prohibited from having up to the second degree of family relations with fellow members of the Board of Directors and/or with members of the Board of Commissioners;
  18. Members of the Board of Directors are prohibited from granting general power of attorney to other parties which results in the transfer of duties and functions of the Board of Directors.

## Composition of the Board of Directors

The composition of the Board of Directors in BTPN Syariah is determined by considering the complexity and needs of the Bank and is based on knowledge, both in banking and sharia banking, expertise, professional experience and background to support the Board of Directors in fulfilling its duties effectively.

## Structure of the Members of Board of Directors

Pursuant to the resolutions of the BTPN Syariah Annual General Meeting of Shareholders in 2020, all members of the Board of Directors have been reappointed with a term of office until the end of Annual General Meeting of Shareholders in 2023, without prejudice to changes that may occur before the end of the term of office.

Pursuant to the resolutions of the BTPN Syariah Annual General Meeting of Shareholders in 2021, a new member of the Board of Directors has

been appointed to strengthen the existing composition of the Board of Directors. The new member shall take office until the end of the Annual General Meeting of Shareholders in 2023, without prejudice to changes that may occur before the end of the term of office.

There was no change in the composition of the Board of Directors members throughout 2022.

As of 31 December 2022, there were 5 (five) members of the Board of Directors in BTPN Syariah, who have fulfilled the number, composition, criteria and independency in accordance with the prevailing regulations.

### Composition of the Board of Directors before and after Annual GMS on 21 April 2022 and as of 31 December 2022

No	Name	Position	Term of Office
1	Hadi Wibowo	President Director	2020 - 2023
2	Gatot Adhi Prasetyo	Director	2020 - 2023
3	Arief Ismail	Compliance Director	2020 - 2023
4	Fachmy Achmad	Director	2020 - 2023
5	Dwiyono Bayu Winantio	Director	2021 - 2023

### Scope and Division of Duties of the Members of Board of Directors

The division of Duties, Authority, and Responsibilities of the Board of Directors in BTPN Syariah is described in the Decree of the Board of Directors concerning Division of Duties, Authority, and Responsibilities of the Board of Directors No. SK.010/DIR/CSGC/XI/2022 dated 30 November 2022.

Name	Position	Duties and Responsibilities
Hadi Wibowo	President Director	<ol style="list-style-type: none"> <li>1. Coordinating duties among members of the Board of Directors and is directly responsible for Internal Audit Function, Human Capital, and Information Technology;</li> <li>2. Collaborating with other members of the Board of Directors to coordinate, direct strategic policies and supervise all operational activities of the Bank in order to ensure sound and effective implementation;</li> <li>3. Ensuring sound implementation of Good Corporate Governance at all levels of the organization.</li> </ol>
Arief Ismail	Compliance and Risk Management Director  (concurrently Corporate Secretary)	<ol style="list-style-type: none"> <li>1. Coordinating and leading the implementation of strategies in Compliance and Risk Management;</li> <li>2. Ensuring that all policies, provisions, systems and procedures as well as business activities carried out by the Bank are in accordance with the prevailing laws and regulations;</li> <li>3. Ensuring sound implementation of Good Corporate Governance at all levels of the organization.</li> </ol>
Gatot Adhi Prasetyo	Director	<ol style="list-style-type: none"> <li>1. Leading and coordinating development of Funding and Fee Based Business;</li> <li>2. Ensuring sound implementation of Good Corporate Governance at all levels of the organization;</li> <li>3. As member of the Board of Directors who performs supervisory function over Subsidiary</li> </ol>
Fachmy Achmad	Director	<ol style="list-style-type: none"> <li>1. Leading and coordinating strategies in Finance dan Operations;</li> <li>2. Ensuring sound implementation of Good Corporate Governance at all levels of the organization;</li> <li>3. As member of the Board of Directors who performs supervisory function over Subsidiary</li> </ol>

Name	Position	Duties and Responsibilities
Dwiyono Bayu Winantio	Director	<ol style="list-style-type: none"> <li>1. Leading and coordinating development of Financing Business (TUR);</li> <li>2. Ensuring sound implementation of Good Corporate Governance at all levels of the organization.</li> </ol>

## Independency and Diversity of Members of Board of Directors

### Independency of Members of Board of Directors

All members of the Board of Directors in BTPN Syariah have complied with Bank Indonesia Regulation No. 11/33/PBI/2009 concerning the Implementation of GCG for Sharia Commercial Banks and Sharia Business Units, in conjunction with Financial Services Authority Regulation No. 16/POJK.03/2022 concerning Sharia Commercial Banks which regulates the number, concurrent positions, family relations, and other requirements for members of the Board of Directors.

The President Director in BTPN Syariah shall come from independent party of the Controlling Shareholders. The independency of the President Director has been fulfilled by not having financial, management, share ownership and/or family relations with the Controlling Shareholders.

As of 31 December 2022, all members of the Board of Directors of BTPN Syariah have no up to the second degree of family relations with fellow members of the Board of Directors and/or members of the Board of Commissioners or members of the Sharia Supervisory Board and Controlling Shareholders.

The independency of the Board of Directors in BTPN Syariah refers to the latest Charter of the Board of Directors which stipulates, among others:

1. The Board of Directors shall be independent as defined and referred to in Good Corporate Governance (GCG) Policy;
2. The President Director shall come from a party that is independent of the Controlling Shareholder (PSP);
3. The independency criteria pursuant to Bank Indonesia Regulation concerning GCG Implementation for Sharia Commercial Banks are parties that do not have:
  - a. Financial, management, share ownership relations and/or family relations with the controlling shareholder, members of the Board of Commissioners and/or members of the Board of Directors;
  - b. Financial relations and/or relations of share ownership of Sharia Commercial Banks.

All members of the Board of Directors in BTPN Syariah do not have a share ownership of 5% or more in the Bank as well as in other banks and companies domiciled within and outside the country and have no financial or family relations with the controlling shareholder, members of the Board of Commissioners and/or other members of the Board of Directors, as stated in the GCG implementation report in accordance with the provisions on GCG implementation for Sharia Commercial Banks.

### Diversity of the Members of Board of Directors

All members of the Board of Directors have been appointed by the General Meeting of Shareholders by taking into consideration the recommendations of the Nomination and Remuneration Committee, and have met the requirements to pass the Fit and Proper Test by the OJK.

The diversity of members of the Board of Directors is determined by taking into account the complexity and needs of the Bank, and is based on banking and sharia banking knowledge, expertise, professional experience and background to support the Board of Directors in effectively carrying out its duties regardless of gender, ethnicity, race, and religion.

## Diversity Characteristics of the Board of Directors

No	Aspects of Diversity	Realization
1	Nationality	Indonesian Citizen
2	Education	1. Economics 2. Sharia Accounting 3. Civil Engineering 4. Geodetic Engineering 5. Industrial Engineering
3	Certification	1. Risk Management Certification Level 1,2,3,4,5 2. Sharia Banking Certification; 3. Treasury Dealer Certification for Director in charge of Treasury; 4. Certified Public Accountant for Director in charge of Finance
4	Work Experience	1. Director of Operations in a National-Scale Bank; 2. Director of SME Business in a National-Scale Bank; 3. Member of the Board of Management and Executive Officer in a National-Scale Bank, and in charge of, among others, Process Transformation, Branchless Banking, Mobile Banking, Operations, Distribution and Sales Force Development, Mass Market, E-banking, Cash Management, Electronic Banking, Consumer Banking; 4. President Director in a National-Scale Bank; 5. Executive Officer in a National-Scale Bank, and in charge of, among others, Human Resource Operations, Business, Operations, Business Development, Personal Line Operations; 6. Individual Risk Director and Director of New Business; 7. Executive Officer in an International-Scale Bank in charge of, among others, Retail Banking, Wealth Management, Consumer Credit Risk, Portfolio Management Consumer Credit Risk, Retail Credit Risk, Consumer Risk, Unsecured Risk Management, Card Center, Credit Policy; 8. Auditor and Consultant in an International Public Accounting Firm; 9. Executive Officer in a National-scale Bank in charge of, among others, Accounting, Finance, Investor Relations, Treasury; 10. Member of the Indonesian Sharia Accounting Standards Board; 11. Chief of Financing Business in a National-Scale Bank; 12. Senior Vice President in a National-Scale Bank
5	Gender	5 Males

## Composition of Members of the Board of Directors

Composition of Members of the Board of Directors in BTPN Syariah as of 31 December 2022 is as follows:

Director	Position	OJK Approval	Effective Appointment Date
Hadi Wibowo	President Director	03 April 2020 Letter Number KEP-41/D.03/2020	16 April 2020
Gatot Adhi Prasetyo	Director	24 Feb 2014 Letter Number KEP-16/D-03/2014	22 May 2014
Arief Ismail	Compliance Director and Corporate Secretary	22 August 2017 Letter Number KEP-69/D.03/2017	22 August 2017
Fachmy Achmad	Director	20 May 2020 Letter Number KEP-58/D-03/2020	27 May 2020
Dwiyono Bayu Winantio	Director	26 February 2021 Letter Number KEP-32/D.03/2021	21 April 2021

All members of the Board of Directors in BTPN Syariah have met the requirements as members of the Board of Directors in accordance with the provisions, namely Bank Indonesia Regulation concerning Implementation of Good Corporate Governance for Sharia Commercial Banks and Sharia Business Units, Bank Indonesia Regulations concerning Sharia Commercial Banks, Financial Services Authority Regulations concerning Fit and Proper Tests for Main Parties of Financial Services Institutions, and by taking into consideration the Regulations of the Financial Services Authority regarding the Board of Directors and the Board of Commissioners for Issuers or Public Companies.

## Concurrent Position of Members of the Board of Directors

As of 31 December 2022, with regard to disclosure of concurrent positions of the Board of Directors, there were no members of the Board of Directors of BTPN Syariah who held concurrent positions as members of the Board of Commissioners, Board of Directors, and Executive Officers in other banking institutions, companies or other institutions that exceeded the maximum limit allowed by the prevailing regulations.

## Disclosure of Share Ownership of the Board of Directors

Disclosure of shares in BTPN Syariah by members of the Board of Directors as of 31 December 2022:

Name	Position	Shares Ownership Percentage	Total Shares Ownership
Hadi Wibowo	President Director	0.00%	0
Gatot Adhi Prasetyo	Director	0.00%	0
Arief Ismail	Compliance Director	0.0016979%	130,800*
Fachmy Achmad	Director	0.00%	0
Dwiyono Bayu Winantio	Director	0.00%	0

Note:

\* A direct share ownership from receiving variable remuneration for members of the Board of Directors with reference to Financial Services Authority Regulation No. 59/POJK.03/2017 concerning the Implementation of Governance in Giving Remuneration for Sharia Commercial Banks and Sharia Business Units

## Orientation for Members of the Board of Directors

The President Director shall ensure that newly appointed members of the Board of Directors receive the necessary information regarding the Bank to enable them to fulfill their duties and responsibilities. The Compliance Director who is in charge of Corporate Secretary is responsible for providing such information.

In 2022, there was no new member of Board of Directors attended orientation.

In addition to orientation and introduction programs, all members of Board of Directors in BTPN Syariah have participated in training and refreshment programs; the details of which are described in the Training List for Board of Directors, included in the Corporate Governance Report of this Annual Report 2022.

## Accountability Report of Members of the Board of Directors

The Board of Directors is fully responsible for the management of the Bank. The execution of duties and responsibilities of the Board of Directors of BTPN Syariah in 2022 includes, amongst others:

### 1. Alignment of Vision and Mission

The Board of Directors has ensured the alignment and conformity of the Company's Vision and Mission with the Business Plan, Sustainable Finance Action Plan, and Strategic Initiatives of the Bank in 2022;

## 2. Support to the Government, among others

- a. The Board of Directors is committed to supporting the Government through involvement of BTPN Syariah in the National Economic Recovery Program, which entered its second year due to the COVID-19 pandemic, by continuing to provide various facilities to the financing customers of BTPN Syariah throughout 2022.
- b. The programs and policies of BTPN Syariah for customers have been described in the Bank Business Plan, and reported in the Report of Bank Business Plan Realization, Financial Statement, and routine Report related to the customer restructuring program for the Authority;  
The programs and policies of BTPN Syariah for customers are explained in details in the section of Financial Performance and Business Review in this Annual Report 2022.
- c. The Board of Directors attended the strategic discussion with the Coordinating Ministry of Economy of the Republic of Indonesia to Share Knowledge on Micro Business and Its Social impact. In line with the Vision and Mission of BTPN Syariah, which not only provides financing but also educates and empowers customers by promoting financial literacy to the inclusive segment of the society. Based on such understanding, there is an opportunity to improve the economy of the community in the attempt to alleviate extreme poverty in Indonesia, as declared by the Government.
- d. Support for National Education in Indonesia by providing internship opportunity for university students through Kampus Merdeka program to equip the future leaders with various skills in entrepreneurship in the internship program, which goes in line with the Bank's Commitment in Tepat Komunitas program.
- e. BTPN Syariah also follow the government's program to provide booster vaccine for employees of BTPN Syariah. Almost all BTPN Syariah employees have taken the booster vaccine in 2022;
- f. In line with the Sustainable Development Goals, BTPN Syariah have performed Kahoi forest reforestation for 1,000 beluma and

1,009 kahoi in the 3 hectare area in East Kalimantan Timur. This reforestation is performed to restore the forest's function that has underwent fire and degraded.

## 3. Implementation of Good Corporate Governances, among others

- a. The Board of Directors has ensured sound implementation of GCG principles at all levels of organization in the Bank. In line with the process of implementing GCG principles in BTPN Syariah, which has entered the 10th year, there has been an improvement in the standards of GCG implementation as shown by the significantly improved quality in the adopted ASEAN SCORECARDS standard, which will continue to be gradually refined in the achievements. In 2022, GCG implementation in BTPN Syariah exceeded the score of 100, which reflected a top mark in the management and implementation of good corporate governance.  
In particular, the improved factors in 2022 were shown by the improved scores focusing on the rights of shareholders, disclosure and transparency, and responsibility of the Board of Commissioners. The Bank has also managed to maintain a good score on fair treatment towards shareholders and role of stakeholders.
- b. The Board of Directors has fulfilled its duties and responsibilities in managing the company, among others by fulfilling the Information Disclosure obligation to the Regulator in the presentation of Annual Report, Sustainability Report, Interim Financial Statement, Annual Financial Statement, and Consolidated Financial Statement through reporting system, and to the public through nationally-circulated Newspaper and in the Bank Website as mandated for public companies and sharia commercial banks;
- c. The Board of Directors has reviewed and approved of, among others:
  - 1) Refinement on Bank Business Plan (RBB) 2022–2024 and the commitment for monitoring realization in the form of routine report to OJK;

- 2) Revised Bank Business Plan (RBB) 2023–2025 and the commitment for monitoring realization in the form of routine report to OJK;
  - 3) Sustainable Financial Action Plan (RAKB) 2020–2024 and the commitment to monitor the realization of the RAKB of the Bank along with the Board of Commissioners every year;
  - 4) Corporate Plan and Revised Corporate Plan 2022–2031;
  - 5) Annual Report for the financial year 2021;
  - 6) Sustainability Report for the financial year 2021;
  - 7) Annual GMS 2022;
  - 8) Extraordinary Annual GMS 2022;
  - 9) Charter of the Board of Directors 2022;
  - 10) Changes in the Composition of Board of Directors' Committees in 2022;
  - 11) Self-Assessment of GCG in 2022
- d. In conducting the Bank's activities, the Board of Directors is supported by Committees at the Board of Directors Level in reviewing the corporate material controls, which includes operations, finance, compliance, and risk management system of the Bank, internal control, human resources development, business plan development, formulation of strategic initiatives in business competition, maturity and preparedness of information technology, and financing policy;
  - e. The Board of Directors prioritized the implementation of compliance culture, which includes implementation of anti-money laundering and counter-terrorism funding through (APU/PPT) and anti-fraud;
  - f. The Board of Directors has followed up on audit findings and recommendations from the Bank's internal audit unit, external auditor, recommendations and monitoring by Financial Services Authority;
  - g. The Board of Directors has ensured the soundness level of the Bank. In 2022, the Compliance culture has been well-implemented, as reflected by the fulfillment of the well-maintained prudential ratio, the lack of significant fine

from the regulator, and positive scores in all parameters of the compliance risk profile, as the Bank has understood the importance in emphasizing new activities.

#### **4. Fulfillment of Commitment in Developing the Bank's Business and to the Customers, among others:**

- a. To adjust to the constantly evolving needs of the customers, ensure the welfare improvement of inclusive customers, and have the opportunity to serve more customers in sustainable manner, the Board of Directors has optimized the opportunity to make various breakthroughs by utilizing technology for goodness and build the aspired Sharia Digital Ecosystem for Mass Market through the Subsidiary, PT BTPN Syariah Ventura.
- b. In providing the best services to funding customers, the Board of Directors has approved the refinement of internal policies and procedures, which include the Internet Banking and Mobile Bankign services for funding customers, which have been licensed in 2022;
- c. In providing the best services to funding customers, the Board of Directors has set up various developmental policies for funding customers, ensured availability of infrastructure development programs according to the needs of customers and the surrounding community, and continuously conducted assistance and empowerment programs to create a conducive situation in the community to stay positive in sustaining their daily lives in the middle of the pandemic.

#### **5. Fulfillment of Commitment to the Community, among others:**

The Board of Directors has approved the development program for communities with potential to be tapped into in entrepreneurship, health, and environmental aspects. The program also enables access to new online and offline markets in the form of customer guidance program through empowerment training on digital marketing literacy, so that the products made by the customers can compete at a high level against other local products, with the expectation that this could increase their revenue outlook.

**6. Commitment to Shareholders, among others:**

- a. The Board of Directors has distributed dividend based on performance of the financial year that ended on 31 December 2021 according to the resolution of Annual GMS 2022.  
The distribution of dividend is meant to uphold the rights of stakeholders and sustainably grow the trust of shareholders and investors in the result of healthy sharia banking industry development in BTPN Syariah.
- b. The Board of Directors has followed up on the Resolution of Annual GMS 2022 concerning the appointment of Public Accountant and Public Accounting Firm, Sidharta Widjaja and Partners (an Indonesian partnership and member firm of KPMG network of independent member affiliated with KPMG International Cooperative), in observance of recommendations from the Audit Committee and with approval from Board of Commissioners. The Report on Appointment of Public Accountant and Public Accounting Firm for the Audit of Annual Historical Financial Information as of 31 December 2022 has been delivered by the Bank to the Sharia Banking Monitor of Financial Services Authority with a copy to the Department of Banking Licensing and Information;
- c. The Board of Directors has followed up on the Resolution of Extraordinary GMS in 2022 by reporting the appointment of new member of the Board of Commissioners to the Regulator and the Ministry of Law and Human Rights;
- d. The Board of Directors has routinely delivered Information Disclosure and Reports;
- e. The Board of Directors has communicated the Consolidated Financial Statement, Bank Business Plan, and Corporate Plan to the Main Entity within the Finance Group;
- f. The Board of Directors has followed up on the Resolution of Extraordinary GMS 2019 concerning transfer of Treasury stock on the redirection of variable remuneration for the approval of Board of Commissioners in terms of its placement.

**7. Supervision over Subsidiary, among others:**

- a. The Board of Directors supervised Subsidiary on the implementation of GCG principles, Sharia Principles, and compliance, sound implementation of Risk Management, monitoring of Financial and Non-Financial Performance, quality sharia services, and timely reporting;
- b. The Board of Directors supervised members of the Board of Directors and the Management of the Bank that supervise the Subsidiary;
- c. On behalf of BTPN Syariah as shareholder, the Board of Directors has approved the Extraordinary General Meeting of Shareholders in 2022 for the Appointment of Managers and Appointment of Public Accountant and Public Accounting Firm for the financial year that ended on 31 December 2022.
- d. On behalf of BTPN Syariah as shareholder, the Board of Directors has approved the addition of authorized capital for the Subsidiary in 2022.

**8. Fulfillment of Commitment to Stakeholders, among others:**

- a. The Board of Directors has conducted Annual Public Expose 2022 on the Company's financial performance in the effort to improve the quality of communication with shareholders and investors;
- b. The Board of Directors has carried out information disclosure and delivered routine mandatory and incidental reports;

**9. Fulfillment of Commitment towards the Strengthening of Bank Infrastructure, among others:**

- a. The Board of Directors has reviewed the Bank's infrastructures by updating and refining main policies, operational policies, and internal procedures of the Bank by taking into consideration the review of risk management, compliance, information law and security, and the prevailing Regulations;
- b. The Board of Directors has approved the restructuring of Office Network throughout 2022;

- c. The Board of Directors has approved the construction of empowering platform that provides customers with the access to knowledge and a bigger market for the increased empowerment quality of customers. This digital platform also enables employees and other stakeholders to participate in giving concrete support in various forms to inclusive customers.
- d. The Board of Directors has approved the continuing automation process through RPA for reconciliation, the use of chatbot for response service center or other work units, and the automation with H2H for insurance registration and claim.

**10. Fulfillment of Commitment towards Implementation of Banking Synergy,** among others:

- a. The Board of Directors has supervised the implementation of Banking Synergy and Partnership Agreement between 2 financial service institutions throughout 2022
- b. The Board of Directors has approved the establishment of Work Unit to monitor the Banking Synergy in BTPN Syariah and Governance Implementation in the finance group in coordination with PT Bank BTPN Tbk as Main Entity;

**11. Fulfillment of Commitment towards Sustainable Financial Action,** among others:

- a. The Board of Directors has prepared Sustainable Financial Action Plan 2020–2024 (Indicator 2023);
- b. The Board of Directors has reviewed and conveyed the Sustainability Report for financial year of 2021 to stakeholders in 2022;
- c. The Board of Directors has ensured that the implementation of sustainable initiatives based on environmental, social, economic, and governance aspects in the Bank has been communicated to the Shareholders in Annual General Meeting of Shareholders 2022.

**12. Fulfillment of Commitment to Employees,** among others:

- a. The Board of Directors stipulated the policy to not reduce the number of Employees throughout 2022;

- b. The Board of Directors has approved the policy for long-term quality development of human resources, improvement of internal talents, and provision of career paths, long-term benefits, as well as medical insurance and facilities;
- c. The Board of Directors has approved the performance bonus and salary adjustment for Employees as well as provision of long-term compensation program for Senior Employees in 2022;
- d. The Board of Directors has determined a work mechanism in response to the spread of COVID-19 throughout 2022 through an increasingly organized hybrid working system while also ensured that employees were not exposed to COVID-19 without neglecting the timely fulfillment of key performance initiatives.
- e. The Board of Directors approved the development of human capital competencies and follow-up efforts on its progress, including those related to competencies in risk management for employees in accordance with their respective duties in 2022, as stipulated in the regulation of risk management implementation for sharia commercial banks;
- f. Through a Business Continuity Management, the Board of Directors has monitored the impact of pandemic situation in its third year towards all of the Bank's Employees, and approved the participation of BTPN Syariah in the Government Vaccination Program and *Gotong Royong* Vaccination Program for Employees.

### **The Board of Directors' Supervision of Risk Management in BTPN Syariah**

Pursuant to the Bank Business Plan, the Board of Directors ensured that supervision of risk management implementation in BTPN Syariah was carried out during 2021, in reference to the Financial Services Authority Regulation No. 65/POJK.03/2016 concerning the Implementation of Risk Management for Sharia Commercial Banks and Sharia Business Units.

The supervision of risk management implementation by the Board of Directors was fully supported by the supervisions of the Board of Commissioners and the Sharia Supervisory Board. The Board of Directors ensured that every function in the organization implemented risk management tailored to the conditions of each division and that each division was well consolidated.

To complement the supporting instruments, the Board of Directors ensured the availability of adequate risk management policies and procedures as well as the availability of adequate risk limit implementation. In order to ensure that the risk management process can be carried out in the Bank, BTPN Syariah has had a policy that regulates the adequate process of risk identification, measurement, monitoring and control as well as risk management information system.

The Board of Directors ensured that every employee in BTPN Syariah implemented the principle of internal control in carrying out the Bank's business activities. This meant that every employee played a role in the management plan and development of the Bank's operational activities and human capital.

The Board of Directors' supervision of internal control is supported by a system that implements 3 (three) lines of defense supported by adequate Quality Assurance in accordance with the conditions and needs of the Bank, the availability of a Risk Management Unit and an Internal Audit Unit.

In order to build a Risk Management framework and build a culture of escalation, BTPN Syariah is developing a systematic and measurable first line of defense through the CARE (Champion of Assurance for Risk Enterprise) Program. CARE has the responsibility to identify, understand and monitor the Inherent Risk Indicator, RCSA, LED, Risk Appetite and Risk Tolerance in each work unit in the Bank and to ensure the adequacy, conformity and existence of policies and procedures as well as supervision of work unit's limits and authority. CARE also ensures the availability of a contingency plan for emergency situations. In terms of supervision, CARE actively holds discussion and sharing events with Risk

Management Unit and the Internal Risk Forum on risk exposures, control mechanisms and action plans. In addition, CARE coordinates to resolve risk indication improvements, auditor findings and Quality Assurance.

In terms of supervision over Subsidiary, BTPN Syariah implemented the prudential principles in the consolidated risk management for the Bank that supervises the subsidiary, including monitoring of maximum financing limit to related parties.

The implementation of risk management is further described in the description of the Operational Review with the theme of Risk Management in this Annual Report 2022.

### **The Board of Directors Meetings and Joint Meetings between the Board of Directors and Board of Commissioners**

In accordance with the provisions of the Articles of Association, the Board of Directors shall hold regular meetings at least 1 (one) time every month and schedule Board of Directors Meetings for the following financial year before the end of the current financial year. The Articles of Association also stipulates that at least 1 (one) time in 4 (four) months, the Board of Directors shall hold a joint meeting between the Board of Directors and the Board of Commissioners as part of the Board of Directors' accountability for strategic, financial, operational aspects, internal control systems, compliance, risk management, and corporate governance.

The Board of Directors' Meeting Schedule and Agenda for 2022 were approved by the Board of Directors before the end of the financial year through Memorandum No. M.082A/DIR/CSGC/XII/2021 dated 6 December 2021.

### **Policy on the Board of Directors Meeting**

The Board of Directors' meeting policy is in accordance with its latest Work Guidelines and Charter, which includes:

1. The Board of Directors shall convene regular meetings of the Board of Directors at least 1 (one) time a month;

2. Meetings of the Board of Directors shall be convene if attended or represented by the majority of all members of the Board of Directors;
3. The Board of Directors shall convene regular meetings of the Board of Directors with the Board of Commissioners at least 1 (one) time in 4 (four) months;
4. The Board of Directors shall schedule its meetings for the following year prior the end of the financial year;
5. For the scheduled meetings as referred to in point d, the meeting materials shall be distributed to the meeting participants no later than 5 (five) days before the meeting is held;
6. In the event that a meeting is convene not in accordance with the planned schedule, the meeting materials shall be distributed to the meeting participants no later than no later than the day prior the meeting is convened;
7. Every policy and strategic decision shall be decided through a Board of Directors meeting according to the prevailing regulations;
8. Board of Directors Meetings shall be chaired by the President Director, or in their absence, by another Director appointed in the meetings of the Board of Directors of which evidence to a third party is not required;
9. Decision-making of the Board of Directors meetings shall be based on deliberation for mutual consensus;
10. In the event that deliberation for mutual consensus is not reached, the decision making shall be administered through a majority vote;
11. All decisions legitimately made in the Board of Directors meetings shall be binding to all members of the Board of Directors;
12. Dissenting opinions occurred in the Board of Directors meetings shall be clearly recorded in the minutes of meeting, including the reasons for the dissenting opinions.
13. The results of the Board of Directors Meeting shall be recorded in the Minutes of the Board of Directors Meeting and properly documented:
  - a. Minutes of the Board of Directors Meeting shall be recorded by the Corporate Secretary or a party appointed in the Meeting;
  - b. Minutes of the Meeting shall be distributed to all members of the Board of Directors who are present within a period of no later than 2 (two) business days after the meeting to obtain their input. The Board of Directors shall within a period of no later than 2 (two) business days after receiving the Minutes of Meeting provide their input. Minutes of the Meeting are considered approved by all members of the Board of Directors present after the expiration of the said period.
  - c. The Board of Directors may determine another time period for the preparation of Minutes of Board of Directors Meeting in the event that there are special underlying conditions and approved by the Compliance Director.
  - d. Minutes of the Board of Directors Meeting shall be signed by all members of the Board of Directors present;
  - e. The results of the meeting of the Board of Directors with the Board of Commissioners (as referred to in number 3) shall be recorded in the Minutes of Meeting, signed by all members of the Board of Directors and members of the Board of Commissioners present and distributed to all members of Board of Directors and Board of Commissioners;
  - f. In the event that a Member of the Board of Directors and/or a Member of the Board of Commissioners does not sign the results of the meeting as referred to in number 13 letters d) and e), the person concerned shall state the reasons in writing in a separate letter attached to the Minutes of the Meeting.
14. Minutes of Meetings shall be kept by the Corporate Secretary and distributed to all members of the Board of Directors upon request from members of the Board of Directors;
15. Invitation to the Board of Directors Meeting shall be submitted by an electronic mail, registered letter, or a memo of delegation from the Board of Directors to the Corporate Secretary to submit the meeting calendar to the Board of Directors for the current year's meeting schedule with the meeting time and agenda approved by the Board of Directors;

16. Meetings of the Board of Directors shall be valid and have the right to make binding decisions should more than 1/2 (one half) of the total members of the Board of Directors are present or represented at the meeting;
17. A member of the Board of Directors may be represented in the Meeting of the Board of Directors only by another member of the Board of Directors based on a power of attorney. A Member of the Board of Directors may only represent 1 (one) other Member of the Board of Directors;
18. Members of the Board of Directors may participate in the Board of Directors Meeting by telephone conference, video conference or similar communication systems, the use of which allow members of the Board of Directors present in the meeting to see, hear and talk to each other. The participation of a member of the Board of Directors using this mechanism shall be considered as the direct presence of the member of the Board of Directors in the Board of Directors Meeting and shall be counted in determining the quorum for the Meeting. Decisions made in the Board of Directors Meeting held in this way are valid and binding. As for a Board of Directors Meeting in which members of the Board of Directors participate in the manner described in Article 6.18, all terms and conditions regarding the Board of Directors Meeting contained in Article 6 of this Work Guidelines shall apply, with the following provisions:
  - a. Members of the Board of Directors who participate in the Board of Directors Meeting in the manner described in this paragraph shall not act as chairman of the meeting.
  - b. The votes cast by members of the Board of Directors who participate in the Board of Directors Meeting in the manner described in this paragraph are equated with the valid votes cast in the meeting.
  - c. Should during a meeting of the Board of Directors a malfunction or failure of the telephone conference, video conference or similar means of communication occurs, this will not affect the quorum for the meeting that was reached prior to the malfunction or failure of the telephone conference, video conference, or similar means of communication.
  - d. The members of the Board of Directors participating in the Board of Directors meeting via such method shall be considered as not have voted on the suggestions proposed in the Board of Directors meeting after the malfunction or error in the conference call, conference video, or other similar communication media;
19. Minutes of Directors Meeting done over conference call or video conference or equal communication device as mentioned on point 18 here will be made in written and circulated among all Directors participating in the meeting to be signed. Should the minutes of meeting made into a notarial deed, then the signatures of the Directors Meeting participants are not required.
20. The Board of Directors may also make valid decisions without holding a Board of Directors Meeting, under the condition that all members of the Board of Directors shall have been notified in writing and all members of the Board of Directors shall have given circular approvals of the proposal submitted in writing by signing the circular approvals. Decisions made in this way shall have the same legitimacy as decisions made legitimately in a Board of Directors Meeting;
21. Members of the Board of Directors are prohibited from making decisions in a Meeting of the Board of Directors regarding matters where the Members of the Board of Directors have conflicts of interest with the Bank unless otherwise specified in the Board of Directors Meeting;
22. Board of Directors' coordination meeting with the Sharia Supervisory Board shall be held regularly at least once every semester. The Board of Directors and/or Sharia Supervisory Board may determine the minimum number of regular meetings that are more than this provision when necessary and mutually agreed.

## **Frequency and Attendance Rate of the Board of Directors in the Board of Directors Meetings and Joint Meetings between the Board of Directors and Board of Commissioners in 2022**

In 2022, The Board of Directors convened 44 (forty four) out of 38 (thirty eight) scheduled meetings in accordance with the provisions on GCG implementation for Sharia Commercial Banks and the Charter of the Board of Directors in 2021.

In Semester II of 2022, the Board of Directors has convened physical meetings for members of the Board of Directors in the Board of Directors Meeting, in line with the improving situation of the pandemic and the Government's directive on the adjusted social distancing level. Meanwhile, the mechanism of Board of Directors meeting is still combined by having video conference as another alternative during the implementation of Board of Directors meetings in 2022.

The Board of Directors has taken 17 (seventeen) Circular Decisions in 2022, which is in line with the provisions in the Articles of Association of BTPN Syariah as well as the Charter of Board of Directors, which rules that the Board of Directors may also take a legally valid and binding decision without holding a Board of Directors meeting, under the condition that all active members of the Board of Directors have been notified in written form & all active members of the Board of Directors have given their approval in written form towards the proposed suggestion by signing the agreement. Decision made by the Board of Directors in such method has the same legal power as the decision officially made in the Board of Directors meeting.

In 2022, the Meeting between the Board of Directors and Board of Commissioners convened 8 (four) times out of 4 (four) scheduled meetings, in accordance with the provisions of GCG for Sharia Commercial Banks as well as the Charter of the Board of Directors, without having any circular resolution.

The mechanism of Meeting between the Board of Directors and Board of Commissioners in 2022 was convened online without any physical presence, in accordance with the provisions of Articles of Association as well as the Charter of the Board of Directors and/or Commissioners, which regulate that members of the Board of Directors and/or Commissioners may participate in the Board of Directors and/or Commissioners meeting through telephone conference, video conference, or similar communication system that allows all members of the Board of Directors attending the Meeting to see, listen and talk to one another.

Under special circumstances, the Charters of the Board of Directors and the Board of Commissioners stipulate that in the event of a pandemic or other force majeure, the obligation to attend meetings physically refers to the applicable provisions governing physical meetings or its restrictions, without prejudice to the applicable provisions regarding the implementation of GCG and provisions in the capital market.

In accordance with the Charter of the Board of Directors, Invitation and Material for the Board of Directors Meetings and Meetings between the Board of Directors and Board of Commissioners have been distributed to all meeting participants prior to the meetings. Decision-making both in the Board of Directors Meetings and Meetings between the Board of Directors and the Board of Commissioners has been taken by on deliberation for mutual consensus.

There are no dissenting opinion over the whole meeting agenda, nor over any decision made on the Board of Directors' Meeting and the Board of Directors with the Board of Commissioners Meeting in 2022.

In 2022, the provisions regarding the number of meetings and the attendance of members of the Board of Directors in the Board of Directors Meeting and Meetings between the Board of Directors and the Board of Commissioners were fulfilled.

## Realization of the Number of Meetings and Attendance of Members of the Board of Directors in the Board of Directors Meetings and Joint Meetings between the Board of Directors and Board of Commissioners in 2022

Members of Board of Directors	Total Attendance of Members of the Board of Directors in the Board of Directors Meetings (Realization/Planned)	Attendance Rate of Members of the Board of Directors in the Board of Directors Meetings	Total Joint Meetings between the Board of Directors and Board Commissioners (Realization/Planned)	Attendance Rate of Members of the Board of Directors in Joint Meetings
Hadi Wibowo	34/36	94%	7/4	100%
Gatot Adhi Prasetyo	36/36	100%	7/4	100%
Arief Ismail	36/36	100%	8/4	100%
Fachmy Achmad	36/36	100%	8/4	100%
Dwiyono Bayu Winantio	36/36	100%	8/4	100%

## Board of Directors Meeting Agenda in 2022

No	Minutes of Meeting Number	Meeting Date	Meeting Agenda
1	MOM.001/DIR/CSGC/I/2022	10 January 2022	<ol style="list-style-type: none"> <li>1. Internal Audit Dashboard Update (as of December 31, 2021)</li> <li>3. UPPK Update (as of December 31, 2021)</li> <li>4. Daya Quarterly Update (as of December 31, 2021)</li> <li>5. Corporate &amp; Marketing Communication Quarterly Update (as of December 31, 2021)</li> </ol>
2	MOM.002/DIR/CSGC/I/2022	17 January 2022	<ol style="list-style-type: none"> <li>1. Financial Performance &amp; KSI Update (as of December 31, 2021)</li> <li>2. ALCO Update (as of December 31, 2021)</li> <li>3. TUR Financing Business Update (as of December 31, 2021)</li> <li>4. Retail &amp; Wholesale Funding Business Performance Update (as of December 31, 2021)</li> <li>5. Operations Dashboard Update (as of December 31, 2021)</li> </ol>
3	MOM.003/DIR/CSGC/I/2022	24 January 2022	<ol style="list-style-type: none"> <li>1. Risk Management Committee Update (as of December 31, 2021)</li> <li>2. Anti Fraud Management Quarterly Update (as of December 31, 2021)</li> <li>3. Compliance Quarterly Update (as of December 31, 2021)</li> </ol>
4	MOM.004/DIR/CSGC/II/2022	7 February 2022	<ol style="list-style-type: none"> <li>1. Internal Audit Dashboard Update (as of January 31, 2022)</li> <li>2. RBRR &amp; ICAAP Update Update (as of December 31, 2021)</li> </ol>
5	MOM.006/DIR/CSGC/II/2022	14 February 2022	<ol style="list-style-type: none"> <li>1. ALCO Update (as of January 31, 2022)</li> <li>2. Business Committee Update (as of January 31, 2022)</li> <li>3. Business Non TUR Update (as of January 31, 2022)</li> <li>4. Retail &amp; Wholesale Funding Business Performance Update (as of January 31, 2022)</li> </ol>

No	Minutes of Meeting Number	Meeting Date	Meeting Agenda
6	MOM.007/DIR/CSGC/II/2022	21 February 2022	<ol style="list-style-type: none"> <li>1. Financial Performance &amp; KSI Update (as of January 31, 2022)</li> <li>2. Risk Management Committee Update (as of January 31, 2022)</li> <li>3. IT Dashboard (including ITSC) Update (as of January 31, 2022)</li> <li>4. HC Dashboard (including HC Committee) Update (as of January 31, 2022)</li> </ol>
7	MOM.009/DIR/CSGC/III/2022	7 March 2022	Internal Audit Dashboard Update (as of February 28, 2022)
8	MOM.010/DIR/CSGC/III/2022	14 March 2022	<ol style="list-style-type: none"> <li>1. Financial Performance &amp; KSI Update (as of February 28, 2022)</li> <li>2. ALCO Update (as of February 28, 2022)</li> <li>3. Business Committee Update (as of February 28, 2022)</li> <li>4. Retail &amp; Wholesale Funding Business Performance Update (as of February 28, 2022)</li> </ol>
9	MOM.011/DIR/CSGC/III/2022	21 March 2022	<ol style="list-style-type: none"> <li>1. Risk Management Committee Update (as of February 28, 2022)</li> <li>2. Operations Dashboard Update (as of February 28, 2022)</li> <li>3. HC Dashboard (including HC Committee) Update (as of February 28, 2022)</li> </ol>
10	MOM.012/DIR/CSGC/IV/2022	11 April 2022	<ol style="list-style-type: none"> <li>1. Internal Audit Dashboard Update (as of March 31, 2022)</li> <li>2. Daya Quarterly Update (as of March 31, 2022)</li> <li>3. Corporate &amp; Marketing Communication Quarterly Update (as of March 31, 2022)</li> </ol>
11	MOM.014/DIR/CSGC/IV/2022	18 April 2022	<ol style="list-style-type: none"> <li>1. Risk Management Committee Update (as of March 31, 2022)</li> <li>2. Anti Fraud Management Update (as of March 31, 2022)</li> </ol>
12	MOM.015/DIR/CSGC/IV/2022	25 April 2022	<ol style="list-style-type: none"> <li>1. ALCO Update (as of March 31, 2022)</li> <li>2. Business Committee Update (as of March 31, 2022)</li> <li>3. Retail &amp; Wholesale Funding Business Performance Update (as of March 31, 2022)</li> <li>4. Compliance Quarterly Update (as of March 31, 2022)</li> </ol>
13	MOM.016/DIR/CSGC/V/2022	9 May 2022	Internal Audit Dashboard Update (as of April 30, 2022)
14	MOM.017/DIR/CSGC/V/2022	17 May 2022	<ol style="list-style-type: none"> <li>1. Financial Performance &amp; KSI Update (as of April 30, 2022)</li> <li>2. ALCO Update (as of April 30, 2022)</li> <li>3. TUR Financing Business Update (as of April 30, 2022)</li> <li>4. Business Non TUR Update (as of April 30, 2022)</li> <li>5. Retail &amp; Wholesale Funding Business Update (as of April 30, 2022)</li> </ol>

No	Minutes of Meeting Number	Meeting Date	Meeting Agenda
15	MOM.018/DIR/CSGC/V/2022	23 May 2022	<ol style="list-style-type: none"> <li>1. Operations Dashboard Update (as of April 30, 2022);</li> <li>2. IT Dashboard Update (including IT Steering Committee) (as of April 30, 2022)</li> <li>3. HC Dashboard Update (as of April 30, 2022)</li> </ol>
16	MOM.019/DIR/CSGC/VI/2022	6 June 2022	Internal Audit Dashboard Update (as of May 31, 2022)
17	MOM.020/DIR/CSGC/VI/2022	13 June 2022	<ol style="list-style-type: none"> <li>1. Financial Performance &amp; KSI Update (as of May 31, 2022)</li> <li>2. BOD Approval for RBB Revision 2022 – 2024</li> <li>3. ALCO Update (as of May 31, 2022)</li> <li>4. Business Committee Update (as of May 31, 2022)</li> <li>5. Retail &amp; Wholesale Funding Business Performance Update (as of May 31, 2022)</li> </ol>
18	MOM.021/DIR/CSGC/VI/2022	20 June 2022	<ol style="list-style-type: none"> <li>1. Risk Management Committee Update (as of May 31, 2022)</li> <li>2. HC Dashboard Update (as of May 31, 2022)</li> </ol>
19	MOM.022/DIR/CSGC/VII/2022	11 July 2022	<ol style="list-style-type: none"> <li>1. Internal Audit Dashboard Update (as of June 30, 2022)</li> <li>2. UPPK Update (as of June 30, 2022)</li> <li>3. Daya Quarterly Update (as of June 30, 2022)</li> <li>4. Corporate &amp; Marketing Communication Quarterly Update (as of June 30, 2022)</li> <li>5. Green Taxonomy BTPN Syariah</li> </ol>
20	MOM.023/DIR/CSGC/VII/2022	18 July 2022	<ol style="list-style-type: none"> <li>1. Financial Performance &amp; KSI Update (as of June 30, 2022) (including Social Impact Scorecard and BOD Approval for unaudited FS Q2 2022)</li> <li>2. Anti Fraud Management Quarterly Update (as of June 30, 2022)</li> <li>3. Compliance Quarterly Update (as of June 30, 2022)</li> </ol>
21	MOM.024/DIR/CSGC/VII/2022	25 July 2022	<ol style="list-style-type: none"> <li>1. ALCO Update (as of June 30, 2022)</li> <li>2. Business Committee Update (as of June 30, 2022)</li> <li>3. Retail &amp; Wholesale Funding Business Performance Update (as of June 30, 2022)</li> <li>4. Operations Dashboard Update (as of June 30, 2022)</li> <li>5. HC Dashboard Update (as of June 30, 2022)</li> </ol>
22	MOM.026/DIR/CSGC/VIII/2022	8 August 2022	Internal Audit Dashboard Update (as of July 31, 2022)

No	Minutes of Meeting Number	Meeting Date	Meeting Agenda
23	MOM.027/DIR/CSGC/VIII/2022	15 August 2022	<ol style="list-style-type: none"> <li>1. Financial Performance &amp; KSI Update (as of July 31, 2022)</li> <li>2. ALCO Update (as of July 31, 2022)</li> <li>3. Business Committee Update (as of July 31, 2022)</li> <li>4. Business Non TUR Update (as of July 31, 2022)</li> <li>5. Retail &amp; Wholesale Funding Business Performance Update (as of July 31, 2022)</li> </ol>
24	MOM.028/DIR/CSGC/VIII/2022	22 August 2022	<ol style="list-style-type: none"> <li>1. Risk Management Committee (as of July 31, 2022)</li> <li>2. IT Dashboard Update (including ITSC) (as of July 31, 2022)</li> <li>3. HC Dashboard Update (as of July 31, 2022)</li> </ol>
25	MOM.029/DIR/CSGC/IX/2022	5 September 2022	<ol style="list-style-type: none"> <li>1. Internal Audit Dashboard Update (as of August 31, 2022)</li> <li>2. Update regarding the additional capital of PT Bank BTPN Syariah Ventura and the plan to grant PT Bank BTPN Syariah to PT BTPN Syariah Ventura in 2022</li> </ol>
26	MOM.031/DIR/CSGC/IX/2022	12 September 2022	<ol style="list-style-type: none"> <li>1. Financial Performance &amp; KSI Update (as of August 31, 2022)</li> <li>2. ALCO Update (as of August 31, 2022)</li> <li>3. Business Committee Update (as of August 31, 2022)</li> <li>4. Retail &amp; Wholesale Funding Business Performance Update (as of August 31, 2022)</li> </ol>
27	MOM.032/DIR/CSGC/IX/2022	19 September 2022	<ol style="list-style-type: none"> <li>1. Risk Management Committee (as of August 31, 2022)</li> <li>2. Operations Dashboard Update (as of August 31, 2022)</li> <li>3. HC Dashboard Update (as of August 31, 2022)</li> </ol>
28	MOM.033/DIR/CSGC/X/2022	10 October 2022	<ol style="list-style-type: none"> <li>1. Internal Audit Dashboard Update (as of September 30, 2022)</li> <li>2. Daya Quarterly Update (as of September 30, 2022)</li> <li>3. Corporate &amp; Marketing Communication Quarterly Update (as of September 30, 2022)</li> </ol>
29	MOM.035/DIR/CSGC/X/2022	17 October 2022	<ol style="list-style-type: none"> <li>1. Risk Management Committee Update (as of September 30, 2022)</li> <li>2. Anti Fraud Management Quarterly Update (as of September 30, 2022)</li> </ol>
30	MOM.036/DIR/CSGC/X/2022	24 October 2022	<ol style="list-style-type: none"> <li>1. ALCO Update (as of September 30, 2022)</li> <li>2. Business Committee Update (as of September 30, 2022)</li> <li>3. Retail &amp; Wholesale Funding Business Performance Update (as of September 30, 2022)</li> <li>4. Compliance Quarterly Update (as of September 30, 2022)</li> </ol>
31	MOM.037/DIR/CSGC/XI/2022	7 November 2022	Internal Audit Dashboard Update (as of October 31, 2022)

No	Minutes of Meeting Number	Meeting Date	Meeting Agenda
32	MOM.038/DIR/CSGC/XI/2022	14 November 2022	<ol style="list-style-type: none"> <li>1. Financial Performance &amp; KSI Update (as of October 31, 2022)</li> <li>2. BOD Approval for RBB 2023 – 2025</li> <li>3. BOD Approval for RAKB 2020 – 2024 (activities in 2023)</li> <li>4. ALCO Update (as of October 31, 2022)</li> </ol>
33	MOM.039/DIR/CSGC/XI/2022	21 November 2022	<ol style="list-style-type: none"> <li>1. Business Committee Update (as of October 31, 2022)</li> <li>2. Business Non TUR (as of October 31, 2022)</li> <li>3. Retail &amp; Wholesale Funding Business Performance Update (as of October 31, 2022)</li> <li>4. IT Dashboard (including ITSC) Update (as of October 31, 2022)</li> <li>5. Operations Dashboard (as of October 31, 2022)</li> </ol>
34	MOM.040/DIR/CSGC/XII/2022	5 December 2022	<ol style="list-style-type: none"> <li>1. Internal Audit Dashboard Update (as of November 30, 2022)</li> <li>2. Financing Policy Committee Updates (as of 31 October 2022)</li> </ol>
35	MOM.041/DIR/CSGC/XII/2022	12 December 2022	<ol style="list-style-type: none"> <li>1. Financial Performance &amp; KSI Update (as of November 30, 2022)</li> <li>2. ALCO Update (as of November 30, 2022)</li> <li>3. Business Committee Update (as of November 30, 2022)</li> <li>4. Retail &amp; Wholesale Funding Business Performance Update (as of November 30, 2022)</li> </ol>
36	MOM.042/DIR/CSGC/XII/2022	19 December 2022	HC Dashboard Update (including HC Committee) (as of November 30, 2022)

### Agenda of Joint Meetings between the Board of Directors and Board of Commissioners in 2022

No	Minutes of Meeting Number	Meeting Date	Meeting Agenda
1	MOM.005/DIR/CSGC/II/2022	8 February 2022	<ol style="list-style-type: none"> <li>1. Presentation of Audit Examination Process by KPMG on the 2021 Financial Statements (Audited) to the Board of Directors and Board of Commissioners;</li> <li>2. Financial Performance and KSI Updates as well as request for approval from the Board of Commissioners for the Publication of Annual Financial Statements as of 31 December 2021</li> </ol>
2	MOM.008/DIR/CSGC/II/2022	25 February 2022	Request for Approval from the Board of Commissioners for the Ten-Year Corporate Plan of BTPN Syariah, which was presented in 2022

No	Minutes of Meeting Number	Meeting Date	Meeting Agenda
3	MOM.013/DIR/CSGC/IV/2022	18 April 2022	<ol style="list-style-type: none"> <li>1. Follow-up on recommendations from the Board of Commissioners in the meeting on 8 February 2022</li> <li>2. Financial Performance &amp; KSI Updates as well as Request for Approval from the Board of Commissioners for the Planned Publication of Interim Financial Statement as of 31 March 2022</li> </ol>
4	MOM.025/DIR/CSGC/VII/2022	27 July 2022	<ol style="list-style-type: none"> <li>1. Follow-up on the Recommendations from the Board of Commissioners in the Meeting on 18 April 2022</li> <li>2. Financial Performance &amp; KSI Updates as well as Request for Approval from the Board of Commissioners for the Planned Publication of Interim Financial Statement as of 30 June 2022</li> </ol>
5	MOM.030/DIR/CSGC/IX/2022	8 September 2022	Request for Recommendation from the Board of Commissioners for Planned Grant Provision by PT Bank BTPN Syariah Tbk to PT BTPN Syariah Ventura in 2022
6	MOM.034/DIR/CSGC/X/2022	17 October 2022	<ol style="list-style-type: none"> <li>1. Follow-up on the Recommendations from the Board of Commissioners in the Meeting on 27 July 2022</li> <li>2. Financial Performance &amp; KSI Updates as well as Request for Approval from the Board of Commissioners for the Planned Publication of Interim Financial Statement as of 30 September 2022</li> </ol>
7	MOM.042/DIR/CSGC/X/2022	15 December 2022	Updates on Grant Option by PT Bank BTPN Syariah Tbk to PT BTPN Syariah Ventura and Preparation of Grant Provision
8	MOM.044/DIR/CSGC/X/2022	19 December 2022	Request for Approval from the Board of Commissioners for the Bank's Updated Corporate Plan in the period of 2022–2031

### Realization of Circular Resolution of the Board of Directors in 2022

No	Number	Date	Subject
1	No.001/CIR/DIR/II/2022	15 February 2022	Refinement of RBB 2022–2024, RAKB 2020–2024, and Report of Planned Information Technology Development 2022
2	No.002/CIR/DIR/III/2022	7 March 2022	Plan for Annual General Meeting of Shareholders of PT Bank BTPN Syariah Tbk for the Financial Year that Ended on 31 December 2021
3	No.003/CIR/DIR/III/2022	28 March 2022	Proposal for Decision in Annual General Meeting of Shareholders of PT Bank BTPN Syariah Tbk for the Financial Year that Ended on 31 December 2021
4	No.004/CIR/DIR/IV/2022	22 April 2022	Proposal for Change in Composition of the Nomination and Remuneration Committee and Risk Monitoring Committee in 2022
5	No.004A/CIR/DIR/VII/2022	21 July 2022	Recommendations by Risk Management Committee (as of 30 June 2022)

No	Number	Date	Subject
6	No.004B/CIR/DIR/VII/2022	21 July 2022	Soundness Level Assessment of the Bank & ICAAP (as of 30 June 2022)
7	No.005/CIR/DIR/VII/2022	22 July 2022	Recommendations for the appointment of Permanent Invitees in Corporate Governance Committee Meetings in PT Bank BTPN Tbk
8	No.006/CIR/DIR/VIII/2022	30 August 2022	Plan for Extraordinary General Meeting of Shareholders of PT Bank BTPN Syariah Tbk
9	No.007/CIR/DIR/IX/2022	8 September 2022	Proposal for Appointment of Public Accountant (AP) and/or Public Accounting Firm (KAP) to audit the book and records of PT Bank BTPN Syariah Tbk for the Financial Year that Ended on 31 December 2022
10	No.008/CIR/DIR/IX/2022	19 September 2022	Proposal for Decision in Extraordinary General Meeting of Shareholders of PT Bank BTPN Syariah Tbk in 2022
11	No.008A/CIR/DIR/X/2022	12 October 2022	Composition of Members of Committees at the Board of Directors level in 2022
12	No.009/CIR/DIR/X/2022	13 October 2022	Proposal for Changes in Composition of the Nomination and Remuneration Committee and Risk Monitoring Committee in 2022
13	No.010/CIR/DIR/XI/2022	1 November 2022	Approval by the Board of Directors for the Strengthening of Composition in Sustainable Task Force
14	No.010A/CIR/DIR/XI/2022	23 November 2022	Recommendations by the Risk Management Committee (as of 31 October 2022)
15	No.011/CIR/DIR/XI/2022	30 November 2022	Updates on the Distribution of Tasks, Authority, and Responsibilities of the Board of Directors of PT Bank BTPN Syariah Tbk
16	No.012/CIR/DIR/XII/2022	27 December 2022	Establishment of Work Unit concerning Monitoring of Banking Synergy in PT Bank Syariah Tbk
17	No.013/CIR/DIR/XII/2022	27 December 2022	Approval by the Board of Directors of the Board of Directors Meeting Agenda in 2023

## Schedule of Board of Directors Meetings in 2023

Referring to the Articles of Association of BTPN Syariah, the Board of Directors shall hold a Board of Directors meeting regularly, at least 1 (one) time every month and schedule routine Board of Directors Meetings for the following financial year before the end of the current financial year. The Articles of Association also stipulates that at least 1 (one) time in 4 (four) months, the Board of Directors shall hold a joint meeting of the Board of Directors with the Board of Commissioners.

The Meeting Schedule and Agenda of the Board of Commissioners in 2023 have been approved by the Board of Directors before the end of the financial year through Circular Decision of the Board of Directors No. 013/CIR/DIR/XII/2022 dated 27 December 2022 concerning the Approval by the Board of Commissioners of the Agenda of the Board of Commissioners Meeting and Meeting Agenda of Committees at the Board of Commissioners Level in 2023, and Memorandum No. M.005/DIR/CSGC/XII/2022 dated 27 December 2022.

## Performance Evaluation of the Board of Directors

### Procedures for Performance Evaluation of the Board of Directors

The procedures for the performance evaluation of the Board of Directors in BTPN Syariah are stipulated in the Charter of the Nomination and Remuneration Committee taking into account the Bank's Articles of Association and internal policies.

Performance evaluation is carried out by means of a self-assessment every year to evaluate the performance of the Board of Directors on a collegial basis.

The purpose of the Self-Assessment of the performance of the members of the Board of Directors is to provide the Nomination and Remuneration Committee with basic consideration for making recommendations to the Board of Commissioners to reappoint members of the Board of Directors and for developing a remuneration structure of the Board of Directors and improving the effectiveness of the Board of Directors' performance.

Remuneration given to the Committee was given based on the performance assessment of each Director in the current year, done by the President Director and the Board of Commissioners. This assessment was then consolidated into the collegial assessment of the Board of Directors and the Board of Commissioners.

### Criteria in the Performance Evaluation of the Board of Directors

The criteria in the individual performance assessment of each member of the Board of Directors in BTPN Syariah refers to various considerations, which include:

1. Implementation of the Bank's strategy as a whole;
2. Supervision of the Bank's strategy as a whole;
3. Supervision of Risk Management activities in each area (risk management activities)
4. Implementation of good corporate governance principles.

## Performance Evaluation of the Board of Directors

1. The Board of Directors shall review the management performance that has been carried out by the Board of Directors during the financial year and report it to the shareholders, at least once a year;
2. As part of the performance evaluation, the Board of Directors shall ensure that the composition and qualifications of the Board of Directors are fulfilled;
3. The Board of Directors' performance evaluation reports shall be submitted to the shareholders in the GMS and stated in the Annual Report;
4. Performance evaluation of members of the Board of Directors shall be carried out by the Nomination and Remuneration Committee based on input from the President Director;
5. The performance evaluation results of members of the Board of Directors shall serve as a reference in determining the nomination and remuneration of members of the Board of Directors.

## Succession of the Board of Directors

### Nomination of Members of the Board of Directors

1. Selection of candidates for the Board of Directors shall not discriminate on the basis of ethnicity, race, religion, nationality, and gender;
2. The selection shall be based on individual qualifications and organizational needs and diversity of background expertise and experience;
3. The selection process shall be carried out by the Nomination and Remuneration Committee through an evaluation of qualification fulfilment and interview processes;
4. The candidate who has been recommended by the Nomination and Remuneration Committee shall be submitted to the Board of Commissioners for approval and then submitted to the Financial Services Authority (OJK) for a Fit and Proper Test process;
5. After obtaining OJK approval, the candidate for the member of the Board of Directors shall be nominated for approval by the GMS.

## Appointment and Replacement of Directors

1. Proposals for appointment and or replacement of members of the Board of Directors to the General Meeting of Shareholders shall take into account the recommendations of the Nomination and Remuneration Committee;
2. In the event that a member of the Nomination and Remuneration Committee has a conflict of interest with a recommended candidate, the conflict of interest shall be disclosed in the proposal;
3. Members of the Board of Directors shall meet the requirements of having passed the Fit & Proper Test in accordance with provisions of OJK regarding Fit & Proper Tests;
4. The position of a member of the Board of Directors shall automatically end if the member of the Board of Directors:
  - a. Resigns; or
  - b. No longer meets the requirements of the prevailing laws.
  - c. Passes away; or
  - d. Terminated based on GMS; or
  - e. Declared bankrupt or under supervision based on Court judgment
5. Members of the Board of Directors have the right to resign from their positions by notifying the Bank in writing of the said intentions. The Bank shall hold a GMS to decide on the request for resignation of a member of the Board of Directors no later than 90 (ninety) days after the receipt of the request for resignation without prejudice to the prevailing laws and regulations, including the laws and regulations on capital market;
6. The Bank shall exercise information disclosure to the public and submit the information to the OJK no later than 2 (two) business days after:
  - a. Receipt of the request for resignation of members of the Board of Directors
  - b. Results of GMS

## Term of Office of Members of the Board of Directors

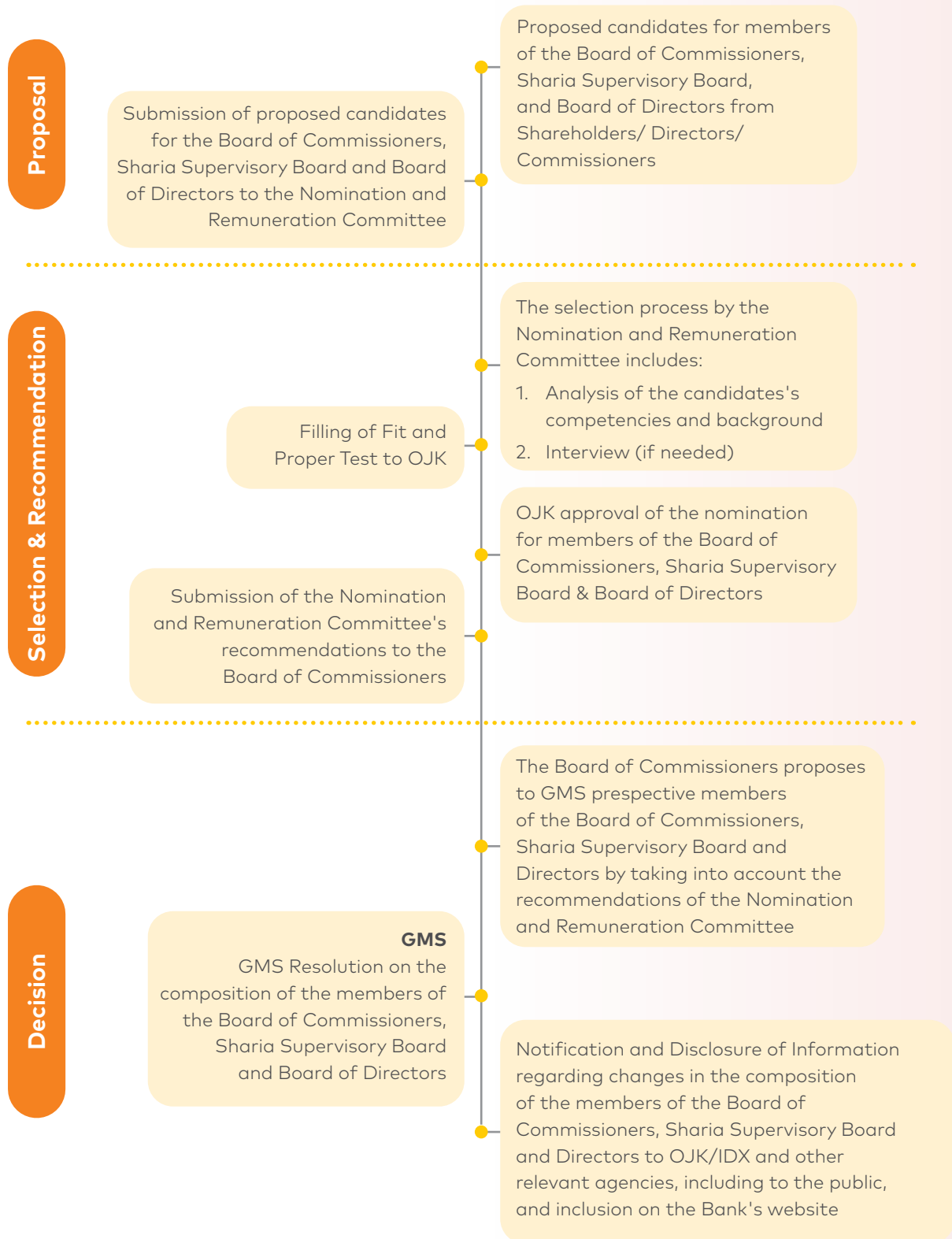
Members of the Board of Directors in BTPN Syariah are appointed by the General Meeting of Shareholders for a period of 3 years, and may be reappointed.

## Performance Evaluation by the Board of Directors of the Board of Directors' Committees and the Evaluation Results

In 2022, the Board of Directors' Committees were actively involved in supporting the fulfillment of duties of the Board of Directors by ensuring that all strategies and initiatives were followed up in accordance with the provisions of sound implementation of GCG for Sharia Commercial Banks and the Charter of each Committee.

Further elaboration regarding the Board of Directors' Committees is presented in Good Corporate Governance Implementation Report in this 2022 Annual Report.

## The process of nomination and appointment of members of the Board of Commissioners, Board of Commissioners, and Sharia Supervisory Board in BTPN Syariah:



(\*) Filling of Fit and Proper Test to Financial Services Authority (OJK) for members of the Board of Commissioners, Sharia Supervisory Board and Board of Directors can be carried out after the GMS;  
The submission of Fit and Proper Test for DPS members candidates is subsequent to obtaining a recommendation from the National Sharia Council (DSN)

## Training and Refreshing Program attended by members of Directors and Board of Commissioners

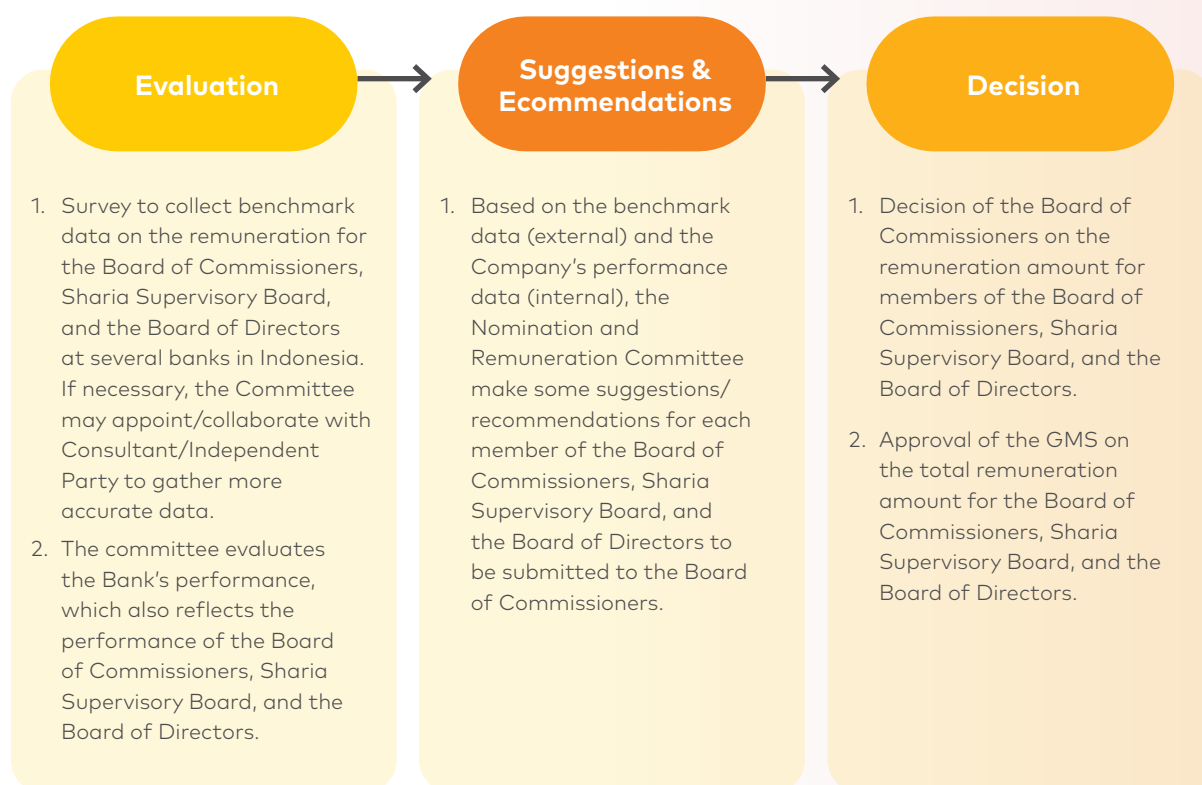
In addition to the orientation and introduction program, all members of the Board of Commissioners and members of the Board of Directors of BTPN Syariah attended online training and refreshment programs in 2022, which included:

No	Description	Participants	Date	Location
1	SR 2021 Materiality	Board of Directors	19 January 2022	Jakarta
2	Regtech's Role in supporting Performance of Financial Services of Authority	Board of Directors	31 March 2022	Jakarta
3	Leadership Series 2022 IT Governance: Speeding Up The Growth To Bank 4	Board of Commissioners	27 April 2022	Jakarta
4	Bank Digitalization: Lessons Learned from Asian Countries	Board of Directors	19 May 2022	Jakarta
5	Refreshment Program on Banking Risk Management	Board of Commissioners and Board of Directors	5 July 2022	Jakarta
6	Knowledge Sharing on Sustainable Financial Action under the topic of Green Taxonomy	Board of Directors	11 July 2022	Jakarta
7	Town Hall Meeting under the scope of SMBC Finance Group	Board of Commissioners and Board of Directors	3 August 2022	Jakarta
8	2023 Economic Outlook	Board of Commissioners	3 August 2022	Jakarta
9	Macro Economic Update 2023	Board of Commissioners and Board of Directors	3 August 2022	Jakarta
10	Digital Governance: Prerequisites to Support Digital Transformation	Board of Directors	11 August 2022	Jakarta
11	Leadership for System Change: Delivering Social Impact at Scale (Harvard Kennedy School)	President Director	20-27 August 2022	USA
12	Refreshing on Anti-Fraud & Pact of Integrity and Code of Ethics of	Board of Commissioners	23 August 2022	Jakarta
13	Be Innovative Leader: Transform your Business with Innovation	Board of Directors	6 September 2022	Jakarta
14	Refresher of SMR Level	Member of Board of Commissioners	19 October 2022	Jakarta
15	2023 Economic Outlook	Board of Commissioners	8 November 2022	Jakarta
16	Mandatory 2022: Ethics Code 2021	Board of Commissioners	18 November 2022	Jakarta
17	Anti-Fraud Awareness 2022	Board of Commissioners	18 November 2022	Jakarta
18	Information Security Awareness 2022	Board of Commissioners	18 November 2022	Jakarta
19	Operational Risk Management 2022	Board of Commissioners	21 November 2022	Jakarta
20	Risk Beyond 2022 International Conference, Cultivating The Perception: Managing It or Being Drifted Away	Board of Commissioners	8-9 December 2022	Bali

## remuneration policy for the board of commissioners, sharia supervisory board, and the board of directors

The determination of remuneration and facilities refers to the resolution of the shareholders as passed in the General Meeting of Shareholders by taking into consideration the recommendations of the Nomination and Remuneration Committee.

In determining the amount of remuneration for each member of the Board of Commissioners, Sharia Supervisory Board, and the Board of Directors, BTPN Syariah takes into consideration the general performance of BTPN Syariah, performance assessment result, fairness with its peer group in the bank and banking industry, as well as the Company's ability. Company performance, as a factor in the determination of remuneration amount for the members of the Board of Commissioners, Sharia Supervisory Board, and the Board of Directors, can be seen as follows:



## remuneration governance

### Preparation Process for the Remuneration Policy

The objective of Remuneration Policy is to ensure that the remuneration given is in accordance with applicable laws and regulations, Company's financial performance, individual work achievement, fairness with peer groups in bank and banking industry, as well as the Bank's ability.

Remuneration review process is conducted annually, including review on the remuneration of the Board of Commissioners, Sharia Supervisory Board, the Board of Directors, and Employees. The review is carried out periodically for both the fixed and variable remunerations and takes into account the creation of effective risk management, the Bank's financial stability, the adequacy and strengthening of capital, short- and long-term liquidity needs, potential for future income, and compliance with Sharia principles.

### Scope of Remuneration Policy and Its Implementation

Remuneration Policy in BTPN Syariah applies for all employees in each of their business unit, both in the Head and Regional Office where the implementation and monitoring are centralized in the Head Office.

### Remuneration in Relation to Work Performance Measurement

The Bank adopts the principle of meritocracy (achievement-/performance-based) in giving remuneration to its Board of Directors and Employees, for both fixed and variable remunerations.

In the Bank's performance management, each member of the Board of Directors and Employees was given an individual target as a basis for performance assessment. The target of individual members of the Board of Directors, which also becomes the target of their work unit/directorate, are derived from the Bank's target and then gradually reduced into targets for the smallest work unit and individual Employees at the lowest level.

The individual performance is assessed based on the realization of individual target in the following categories: Outstanding, Very Good, Good, Need Improvement, and Poor. The amount of remuneration shall be adjusted based on individual performance assessment result, and the management shall provide a guideline on the adjustment amount for fixed and variable remunerations in accordance with the individual performance.

### External Consultant

The Bank employs external consultant to gather remuneration data from the banking industry. The duty of external consultant is to collect fixed and variable remuneration data for particular positions from several banks with similar business types and operational activities. The data is collected by the consultant by means of a remuneration survey which is attended by several banks.

## Variable Remuneration

Variable remuneration consists of Incentive and Performance Bonus. Incentive is given based on individual performance to Employees in sales position, monthly and semesterly.

Performance bonus is given based on performance, business scale, business complexity, peer group, inflation rate, financial condition and ability, as well as applicable laws and regulations, while encouraging prudent risk-taking.

The Board of Commissioners in BTPN Syariah are ineligible to receive variable remuneration (bonus or profit sharing) to protect their independence to do their tasks and responsibilities.

### Remuneration and facility packages received by the Board of Commissioners, Sharia Supervisory Board, and the Board of Directors

In million

	2022		2021	
	Headcount	Amount	Headcount	Amount
Board of Directors	5	45,142	5	35,372
Board of Commissioners	5*	8,979	4	8,563
Sharia Supervisory Board	2	952	2	915

\* 1 (one) Commissioner concluded his term of office at the Annual General Meeting Shareholders (Annual GMS) in April 2022 and 1 (one) Commissioner joined since the Extraordinary General Meeting Shareholders in October 2022.

### Number of Members of the Board of Commissioners, Sharia Supervisory Board, and the Board of Directors receiving Fixed and Variable Remunerations in 1 (one) year and the Nominal Amount

#### Fixed Category

In million

	2022		2021	
	Headcount	Amount	Headcount	Amount
Board of Directors	5	21,479	5	17,083
Board of Commissioners	5*	6,529	4	7,589
Sharia Supervisory Board	2	948	2	912

\* 1 (one) Commissioner concluded his term of office at the Annual General Meeting Shareholders (Annual GMS) in April 2022 and 1 (one) Commissioner joined since the Extraordinary General Meeting Shareholders in October 2022.

#### Variable Category

In million

	2022		2021	
	Headcount	Amount	Headcount	Amount
Board of Directors	5	20,694	5	15,871
Board of Commissioners	5*	624**	4	-
Sharia Supervisory Board	2	-	2	-

In million

	2022		2021	
	Headcount	Amount	Headcount	Amount
Employee Bonus		50,305		39,920
Employee Incentive		66,768		55,798

\* 1 (one) Commissioner concluded his term of office at the Annual General Meeting Shareholders (Annual GMS) in April 2022 and 1 (one) Commissioner joined since the Extraordinary General Meeting Shareholders in October 2022.

\*\* End-of-Term Gratuity for 1 (one) Commissioner whose term of office has ended since the Annual General Meeting of Shareholders in April 2022

### Amount of Deferred Variable Remuneration

In million

	2022		2021	
	Headcount	Amount	Headcount	Amount
Deferred bonus (gross)	5	3,715	5	3,742

### Ratio of the highest and lowest salary

	2022	2021
Ratio	83.2	82.7

## remuneration of the board of commissioners, sharia supervisory board, and the board of directors

The determination of remuneration and facilities refers to the resolution of the shareholders as passed in the General Meeting of Shareholders by taking into consideration the recommendation of the Nomination and Remuneration Committee

In million

Type of Remuneration & Other Facilities	Amount of Rupiah Received in 1 (One) Year					
	Board of Commissioners		Board of Directors		Sharia Supervisory Board	
	Persons	Million Rupiah	Persons	Million Rupiah	Persons	Million Rupiah
Remuneration (salary/honorarium, bonus**, routine allowances, & other non-natura facilities)	5*	7,769	5	37,641	2	948
Other natura facilities (housing, transportation, health insurance, etc.):						
Can be owned	5*	1,189	5	7,378	2	4.4
Cannot be owned	5*	21	5	123	2	0
<b>Total</b>	<b>5*</b>	<b>8,979</b>	<b>5</b>	<b>45,142</b>	<b>2</b>	<b>952</b>

\* 1 (one) Commissioner concluded his term of office at the Annual General Meeting Shareholders (Annual GMS) in April 2022 and 1 (one) Commissioner joined since the Extraordinary General Meeting Shareholders in October 2022.

\*\* Bonus in this table are only Bonus for Directors, not for the Board of Commissioners or Sharia Supervisory Board

Members of the Board of Commissioners, Sharia Supervisory Board, and the Board of Directors receiving remuneration package in 1 (one) year, grouped according to income level, as per following table:

In Million Rupiah

Remuneration Amount per person in 1 (one) year*	Number of Commissioners	Number of Directors	Number of Sharia Supervisory Board
Above Rp2 billion	1	5	
Between Rp1 billion to Rp2 billion	2		
Between Rp500 million to Rp1 billion			
Under Rp500 million	2*		2

\* 1 (one) Commissioner concluded his term of office at the Annual General Meeting Shareholders (Annual GMS) in April 2022 and 1 (one) Commissioner joined since the Extraordinary General Meeting Shareholders in October 2022.

### Ratio of the Highest & Lowest Salary

Description	Ratio
Ratio between the highest and lowest employee salary	83.2
Ratio between the highest and lowest Director salary	1.9
Ratio between the highest and lowest Commissioner salary	2.3
Ratio between the highest Director salary and the lowest employee salary	2.4

## long-term remuneration in BTPN Syariah

BTPN Syariah has a remuneration program to maintain and motivate its best Managers and Talents to contribute optimally for the Company. The remuneration program for the Board of Commissioners, Sharia Supervisory Board, the Board of Directors, and Employees is formulated by taking into account the creation of effective risk management, Bank's financial stability, adequacy and strengthening of capital, short- and long-term liquidity needs, Bank future potential income, and conformity with the Sharia principles.

The Remuneration Policy of BTPN Syariah aligns with the Regulation of the Financial Services Authority (OJK) No. 59/POJK.03/2017 on the Implementation of Governance in the Provision of Remuneration for Sharia Commercial Banks and Sharia Business Units. In general, the remuneration components consist of fixed and variable remunerations.

The determination of Fixed remuneration shall at least consider business scale, business complexity, peer group, inflation rate, financial condition and ability, as well as applicable laws and regulations, and differences between remuneration in each position level.

The determination of Variable remuneration shall at least consider performance, business scale, business complexity, peer group remuneration rate, inflation rate, financial condition and ability, as well as applicable laws and regulations, while encouraging prudent risk-taking.

## disclosure of long-term incentive compensation including awarding scholarship for employees

BTPN Syariah needs the best talents to realize their good intentions and both short- and long-term aspirations. Therefore, the Bank has made efforts to maintain their best talents, among which through long-term compensation program with 3 (three)-yearly period. The first period of the program has been held in 2018-2021, and at the moment is in its second period started in 2021-2024..

Employee knowledge and competence improvement in all organizational levels is an important thing in BTPN Syariah. Considering 46% employees (especially the ones in MMS Team) are high school graduates, the Company give them the opportunity to reach a higher education by awarding Bachelor's degree Scholarship in collaboration with Universitas Terbuka. This program has been run since 2016 and has been provided to more than 450 employees. In 2022 and 2023, this Bachelor's degree scholarship is also given to employees of Sharia Branch Office and Functional Operational Office. The opportunity to grow other work-related skills and expertise will also be given through subsidized course scholarship that will be started in 2023.

Since 2017, the Company has also given Master's degree scholarship program, in collaboration with Business and Management School of Institut Teknologi Bandung (SBM ITB) to chosen Talents. Up to 2022, there are 26 employees joining this program.

The Bank made efforts to develop organizational talents in the middle level to enable them to have advanced thinking and be ready to face future organizational challenges. An in-depth assessment program is done to build the bench-strength of the future leaders.

## variable remuneration for the board of directors

In accordance with the Regulation of the Financial Services Authority (OJK) Number 59/POJK.03/2017 on the Implementation of Governance in the Provision of Remuneration for Sharia Commercial Banks and Sharia Business Units, BTPN Syariah has provisions related to Material Risk Takers (MRT). MRT in BTPN Syariah consists of the Board of Directors, considering that their tasks and responsibilities are making decisions that have a strategic or significant impact for both short and long term for the Bank.

Variable remuneration for MRT is regulated as follows:

1. 80% shall be given as cash without deferment;
2. 20% shall be deferred for 3 (three) years with the following composition and scheme:
  - First year of deferment: 10% given in cash, to be paid in January;
  - Second year of deferment: 5% given as BTPN Syariah's shares, to be given in January; and
  - Third year of deferment: 5% given as BTPN Syariah's shares, to be given in January.

The Bank may cancel partial or whole variable remuneration payment should it be postponed, or *Malus*, if:

- the individual has been proven to be responsible for a significant loss of the Bank; or
- the individual has been proven to violate applicable laws and regulations.

## rewards & performance management

### Rewards Management

To maintain the competitiveness of the Bank's remuneration program in the banking industry in accordance with the strategy and direction of the Company, BTPN Syariah shall at least once a year carry out benchmarking with its peer group with the assistance of a reputable Independent Consultant.

The remuneration structure has been formulated and determined in accordance with applicable employee's grading system.

The Board of Directors shall ensure that the remuneration policy and strategy adopted by the Bank is communicated to the Board of Commissioners.

### Performance Management

Employee Performance Assessment is a tool for the Company to measure the performance of its employees towards the pre-determined performance targets.

Performance Assessment in BTPN Syariah is carried out by explicitly determining key performance indicators that fulfills SMART (specific, measurable, achievable, realistic, and time-bound) elements, so that the assessment may be conducted objectively and the targets given to each employee are closely related to the strategic objectives of the Company in the current year.

## affiliation between the board of commissioners, sharia supervisory board, the board of directors, and controlling shareholders

### board of commissioners

Name	Position	Period	Familial Affiliations with			Familial Affiliations with		
			Board of Commissioners	Board of Directors	Controlling Shareholders	Board of Commissioners	Board of Directors	Controlling Shareholders
Kemal Azis Stamboel	President/ Independent Commissioner	2014 – Present	None	None	None	None	None	None
Dewie Pelitawati	Independent Commissioner	2014 – Present	None	None	None	None	None	None
Ongki Wanadjati Dana	Commissioner	2022 – Present	None	None	None	None	None	Yes*
Yenny Lim	Commissioner	2019 – Present	None	None	None	None	None	Yes**

\* The Management Relationship related to his role as a Member of the Board of Commissioners in PT Bank BTPN Tbk that is a Controlling Shareholder of BTPN Syariah

\*\* The Management Relationship related to her role as an Executive Officer in PT Bank BTPN Tbk that is a Controlling Shareholder of BTPN Syariah

## sharia supervisory board

Name	Position	Period	Familial Affiliations with			Familial Affiliations with		
			Board of Commissioners	Board of Directors	Controlling Shareholders	Board of Commissioners	Board of Directors	Controlling Shareholders
H. Ikhwan Abidin, MA	Chairman of Sharia Supervisory Board	2017 – Present	None	None	None	None	None	None
H. Muhamad Faiz, MA	Member of Sharia Supervisory Board	2017 – Present	None	None	None	None	None	None

## board of directors

Name	Position	Period	Familial Affiliations with			Familial Affiliations with		
			Board of Commissioners	Board of Directors	Controlling Shareholders	Board of Commissioners	Board of Directors	Controlling Shareholders
Hadi Wibowo	President Director	2020 – Present	None	None	None	None	None	None
Gatot Adhi Prasetyo	Director	2014 – Present	None	None	None	None	None	None
Arief Ismail	Compliance Director	2017 – Present	None	None	None	None	None	None
Fachmy Achmad	Director	2020 – Present	None	None	None	None	None	None
Dwiyono Bayu Winantio	Director	2021 – Present	None	None	None	None	None	None

# external audit

## profile of accountant-in-charge

In preparing the Financial Statements that was audited in 2022, BTPN Syariah has appointed a Public Accounting Firm registered in the Financial Services Authority, i.e. Siddharta Widjaja and Partners (an Indonesian Partnership and member firm of the KPMG Network of Independent Member Firm affiliated with KPMG International Cooperative – KPMG). The appointment of the Public Accounting Firm is based on the Power of Attorney from the Shareholders by virtue of the Annual General Meeting of Shareholders to the Board of Commissioners by considering the recommendations of the Audit Committee.

Total cost spent for auditing the Financial Statement 2022 is Rp1,620,000,000 (one billion six hundred twenty million Rupiah) before the 10% (ten percent) VAT. The appointment of KPMG Public Accounting Firm as external auditor started in the financial year of 2019.

During the service delivery of the Public Accountant and Public Accounting Firm, there was no conflict of interest with the audit services provided to BTPN Syariah.

The Public Accountant and Public Accounting Firm has completed their duties independently in accordance with the standard guidelines of public accountant profession as well as designated work requirements and audit scope.

## Profile of the Accountant-in-charge

### **Novie, Bachelor of Economics, CPA**

Indonesian citizen

Received her bachelor's degree in Accounting from Universitas Tarumanagara, Jakarta.

She received the Public Accountant certificate from Institut Akuntan Publik Indonesia (IAPI), the Indonesian Chartered Accountant from Ikatan Akuntan Indonesia (IAI), members of IAPI and IAI, and is a Public Accountant registered in the Banking FSA, Sharia Banking FSA, Capital Market FSA, and Non-Bank Financial Institution FSA.

She has more than 18 years of experience in conducting financial statement audit for financial service institutions in Indonesia, particularly banks and funding companies. She is involved in various advisory projects, including merger & acquisition at banking industry, consultancy for the determination of financial instrument accounting standard, and provide inputs for companies and regulatory agencies from accounting point of view for particular issues or draft regulations.

Complementary to her role as a Public Accountant, she actively conducts accounting-related trainings, and is one of the trainers assisting FSA in the dissemination of PSAK 71 for funding institutions.

The year of 2022, is the first year Novie perform the audit on BTPN Syariah's annual report.

## public accounting firms conducting financial statement audit at BTPN Syariah (for the period of 2018–2022)

Below are the Public Accounting Firms conducting Financial Statement Audit at BTPN Syariah from 2018 to 2022:

Financial Year	Public Accounting Firm	Public Accounting Firm Period	Accountant-in-charge	Accounting Period	Service Provided	Cost (million Rp)
2018	Tanudiredja, Wibisana, Rintis dan Partners (a member of PwC Global Network)		Angelique Dewi Daryanto, SE, CPA	1	Audit Financial Statement	1.210
2019	Siddharta Widjaja dan Partners (an Indonesia Partnership and member firm of the KPMG Network of Independent Member Firm affiliated with KPMG International Cooperative)		Liana Lim, SE, CPA	1	Audit Financial Statement	1.325
2020	Siddharta Widjaja dan Partners (an Indonesia Partnership and member firm of the KPMG Network of Independent Member Firm affiliated with KPMG International Cooperative)	4	Liana Lim, SE, CPA	2	Audit Financial Statement	1.370
2021	Siddharta Widjaja dan Partners (an Indonesia Partnership and member firm of the KPMG Network of Independent Member Firm affiliated with KPMG International Cooperative)		Liana Lim, SE, CPA	3	Audit Financial Statement	1.440
2022	Siddharta Widjaja dan Partners (an Indonesia Partnership and member firm of the KPMG Network of Independent Member Firm affiliated with KPMG International Cooperative)		Novie, SE, CPA	1	Audit Financial Statement	1.620

## other services provided

Throughout the audit period, all Public Accounting Firms did not provide other services other than financial audit services.

# anti fraud management

Anti-Fraud Enforcement in BTPN Syariah refers to the Regulation of the Financial Services Authority No. 39/POJK.03/2019 concerning the Implementation of Anti-Fraud Strategy for Commercial Banks (hereinafter referred to as POJK 39) and the implementation of Good Corporate Governance according to the Regulation of Bank Indonesia No. 11/33/PBI/2009 dated 7 December 2009 (hereinafter referred to as PBI 11), and Circulation Letter of Bank Indonesia No. 12/13/DPbS dated 30 April 2010 concerning the Implementation of Good Corporate Governance for Sharia General Bank and Sharia Business Unit (hereinafter referred to as SEBI 12).

BTPN Syariah through its Anti-Fraud Management unit is committed to preventing all forms of irregularities/violations/fraud, whether committed by internal or external parties. The Bank has already established guidelines for the implementation of the Anti-Fraud Strategy as stated in the Anti-Fraud Strategy Policy and Standard Operating Procedures for the Anti-Fraud Strategy. The Bank has zero tolerance towards fraud for every employee involved in fraud, by imposing firm consequences and sanctions.

The Bank implements 4 (four) pillars in its anti-fraud strategy as an effort to control fraud incident and continuously evaluates them to improve processes and fraud mitigation.

## pillars of anti-fraud strategy

### 1. Prevention

#### a. Anti-Fraud Awareness

1. The Bank continuously builds a culture of fraud prevention awareness for all employees through:
  - The signing of the Integrity Pact and Anti-Fraud Declaration, as a commitment to build the awareness of not committing fraud, so all employees always comply with the prevailing rules and are disciplined in carrying out their duties;
  - Anti-Fraud Awareness is carried out by the Bank continuously through anti-fraud campaigns, both in in-class and online training, using the Bank's internal media including email blasts and video blasts that aim to raise awareness and strengthen care for anti-fraud culture in the Bank;

- In addition, the Bank also disseminates information on the Whistleblowing Channel for reporting allegations of fraud so any report of alleged fraud, whether carried out by internal or external parties, can be handled quickly and appropriately. As such, it is hoped that awareness of anti-fraud culture in the Bank is continuously maintained and improved; and
  - A moral approach is also carried out by the Bank with Tausiyah (informal broadcast of dakwah) by the Sharia Supervisory Board and all employees are obliged to apply the Bank's values in every activity.
2. The Bank builds fraud prevention awareness among customers and third parties (vendor) through educational media when administering Know Your Customers process and signing collaboration agreement.

#### **b. Principles of Know Your Employee**

The Bank applies the principles of Know Your Employee during employee recruitment or admission process and continuously monitors all employees.

## **2. Detection**

- a. To improve effectiveness of the control system implementation, the Bank provides the media for reporting allegations or alleged acts of fraud through easily accessible whistleblowing system (email, QR code, written letter/mail and telephone) and the Bank guarantees the confidentiality of the whistleblower's identity.
- b. Conducting proactive detection process using anomaly data based on certain parameters to detect fraud.
- c. Performing surprise audit in business unit areas with high risks and are prone to fraud.

## **3. Investigation, Reporting, and Sanction**

- a. Following up on reports of fraud indications by conducting investigations of the fraud incidents, by authorized, competent, and independent Unit in accordance with standards of investigation.
- b. Reporting fraud incidents regularly to the Board of Directors, Board of Commissioners, Risk Management Committee, Bank BTPN (Parent Company) and to the Financial Services Authority (OJK) in accordance with the prevailing regulations.
- c. Imposing strict sanctions to employees involved in fraudulent acts through the Fraud Committee forum in accordance with the type of violations, as stipulated in the Bank regulations. The Bank reports the fraud perpetrators to law enforcement officials, as decided by the fraud committee.

#### 4. Monitoring, Evaluation, and Follow-Up

- a. Conducting regular monitoring of fraud investigation results, which includes improving systems and procedures, improving the quality of internal control and risk awareness, imposing sanctions on fraud perpetrators, monitoring legal proceedings and recovery of loss due to fraud.
- b. Evaluating the fraud incident continuously to identify weaknesses in the control system that allow the opportunity for fraud.
- c. Conducting follow-up actions to repair weaknesses, strengthen the control system, and prioritize preventive actions in order to minimize and prevent the recurrence of similar fraud in the future.

#### Progress of Handling Internal Fraud

Internal Fraud in 1 Year	Number of Fraud Cases Committed by					
	Management		Permanent Employee		Non-Permanent Employee	
	2022	2021	2022	2021	2022	2021
Resolved	-	-	2	2	2	6
In the process of being resolved	-	-	-	-	-	-
Not yet resolved	-	-	-	-	-	-
Followed up with legal proceeding	-	-	-	2	8	6
<b>Total</b>	-	-	<b>2</b>	<b>4</b>	<b>10</b>	<b>12</b>

Note: Irregularities with a value of more than Rp100,000,000

# anti-money laundering and counter-terrorism financing (APU & PPT)

BTPN Syariah is fully committed to implementing the regulation regarding Anti-Money Laundering and Counter-Terrorism Financing, including the application of Know Your Customer principles. The Bank implements Anti-Money Laundering and Counter-Terrorism Financing in accordance with OJK Regulation Number 23/POJK.01/2019 regarding Amendment to OJK Regulation Number 12/POJK.01/2017 on the Implementation of Anti-Money Laundering Program and Counter-Terrorism Funding Program in the Financial Services Sector. The implementation took form in establishing Policy and Procedure for prevention efforts of Money Laundering and Terrorism Funding.

APU & PPT programs that were conducted by the bank in 2022 include:

1. APU & PPT Regulation
  - a. The Bank adjusted provisions in APU & PPT according to the latest regulations;
  - b. The Bank evaluated the implementation of APU & PPT programs by reviewing APU & PPT risks in the Bank's new or existing products/services.
2. Reporting to Indonesian Financial Transaction Reports and Analysis Center (INTRAC)

The Bank submitted a report regarding APU & PPT which included Cash Financial Transaction Report, Suspicious Financial Transaction Report, Integrated Service User Information System (SIPESAT) Report, and Terrorism Financing Suspected Information System (SIPENDAR) Report.

3. Assessment of Customer Risk Profile using Risk-Based Approach

The Bank has implemented a Risk-Based Approach (RBA) using Sectoral Risk Assessment (SRA) and National Risk Assessment (NRA) methods from Financial Services Authority (OJK) and PPATK, to identify customers based on their risk category of low, medium, and high.

4. AML & CTF Assessment

In ensuring proper implementation of AML & CTF that is in accordance with prevailing regulations, AML & CTF offsite and onsite assessments were conducted at selected branch offices in 2022. The assessment mechanism was carried out by conducting sampling examination on customer documents and interviewing officers in the branch offices.

5. Training and Dissemination

To improve the quality of human capital, the Bank conducted AML & CTF trainings and disseminated information regarding AML & CFT. AML & CTF training was provided for new employees, and refresher trainings were also provided on a regular basis using e-learning or online communication media. Information on AML & CFT was provided for officers at branch offices to ensure they were updated on the latest provisions.

# code of ethics

## 1. company values

The values of BTPN Syariah is PRISMA (Professional, Integrity, Mutual Respect, and Cooperation)

### Professional

BTPN Syariah employees are required to always be honest, responsible, smart, and communicative in the performance of their professional duties.

### Integrity

BTPN Syariah employees shall uphold justice, truth, and commitment in implementing the Company's Code of Ethics.

### Mutual Respect

BTPN Syariah employees shall respect each other's opinion and the contribution of each Employee according to their tasks, responsibilities, and competencies.

### Cooperation

BTPN Syariah employees shall always strive to create a synergized work environment to achieve the best work result.

## 2. shared identity

The larger the Company, the more challenges it will face. One of the challenges is a fragmented organization. Therefore, to unite the determination of all employees in BTPN Syariah in carrying out the Vision and Mission of the Company, the Bank has created one shared identity, i.e. #bankirpemberdaya

Meaning:

"All people working in BTPN Syariah is a professional banker, but a different banker (bankir), who raise funds from prosperous group to be distributed to empower the inclusive families (pemberdaya). We are different in order to fulfill our longing to be a blessing for others."

## 3. dissemination of company's vision, mission, values, and shared identity

Steps taken including:

1. Continuously held Induction Program for new Executives and Employees on GCG principles, including the dissemination of the Company's Vision and Mission.
2. Company Values and Shared Identity.

The dissemination is also carried out through email blast to all employees.

## 4. code of ethics

BTPN Syariah's Code of Ethics serves as the guideline of attitude and behavior for the Board of Commissioners, Sharia Supervisory Board, the Board of Directors, Independent Parties, and all Employees in carrying out their duties, authority, obligations, and responsibilities in decision-making so that each decision is consistently in line with BTPN Syariah's Values, Vision, and Mission, as well as applicable laws and regulations. This is a reasonable and appropriate standard of behavior for all employees of the Bank in carrying out their business activities including during interactions with stakeholders.

Behavioral guidelines contained in the Code of Ethics include:

1. Company's Vision, Mission, Values, as well as Purpose and Scope of the Code of Ethics;
2. Compliance and Risk Management;
3. Conflict of Interest;
4. Creation of Conducive Work Environment (which includes Equal Treatment to All Employees, Anti-Discrimination, and Anti-Harassment, Safety in the Workplace, Use of Company's Facilities, Activities Outside the Company, Use of Social Media);
5. Information Management and Security;
6. Relationship with Customers and Stakeholders (which include Relationship with Customers, Relationship with Partners, Relationship with Regulators, Bribery and Corruption, Giving and Receiving Gifts, Anti-Money Laundering); and
7. Enforcement of the Code of Ethics (which includes the Role and Responsibilities, Violation of the Code of Ethics).

## Enforcement of the Code of Ethics

BTPN Syariah is committed to continuously enforcing the Code of Ethics as one of the steps towards good corporate governance, and at the same time to build Employees' behavior that conforms to ethical standards.

The Code of Ethics is continuously adopted in the attitudes, actions, commitment, and provisions which support the creation of Corporate culture. The steps taken including the dissemination of the Code of Ethics via email blast to all Employees, and the Employees shall respond by accepting and adopting the Code of Ethics as well as possible.

The dissemination of the Code of Ethics is also carried out by distributing Code of Ethics digital book to all Employees and during the Induction Program for new Executives and Employees. Dissemination of the Code of Ethics shall be carried out periodically to all Employees.

The Code of Ethics shall be updated regularly. All Employees shall know, understand, and implement BTPN Syariah's Code of Ethics.

BTPN Syariah shall impose strict sanctions to any irregularities, abuses, and violations of the Code of Ethics.

# whistleblowing

BTPN Syariah is committed to ensuring the availability of facilities for employees or other parties who wish to submit reports or information on allegations of fraud through Whistleblowing System called "JAGA" (Jalankan, Awasi, Gali, Ajukan Laporan – Execute, Monitor and Observe, Investigate, Report). Reports related to fraud allegations can be submitted through the following media: email, anonymous link; hotline and mail. The Bank encourages employees to report any suspicion of fraud through the available media and the Bank guarantees the confidentiality and safety of the whistleblower.

This mechanism is governed in the JAGA's whistleblowing operational procedure. This procedure is regularly reviewed and updated to ensure that it remains relevant to the Bank's latest conditions and complies with the internal and external regulations.

## whistleblower protection

The Bank provides full support and protection for every whistleblower, guarantees the confidentiality of the whistleblower's identity and the confidentiality of the information reported.

### reporting channels in JAGA

#### hotline



(+6221) 300 26 200  
Ext. 83553 and 86470

This hotline receives verbal reports where people can speak directly to an Anti-Fraud Management Officer.

#### mail



Anti-Fraud Management for reporting by mail

Menara BTPN, Lantai 12 CBD  
Mega Kuningan

Jl. Dr. Ide Anak Agung Gde Agung Kav.  
5.5-5.6, Kelurahan Kuningan Timur,  
Jakarta Selatan 12950.

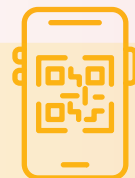
#### email



Jaga@btpnsyariah.com

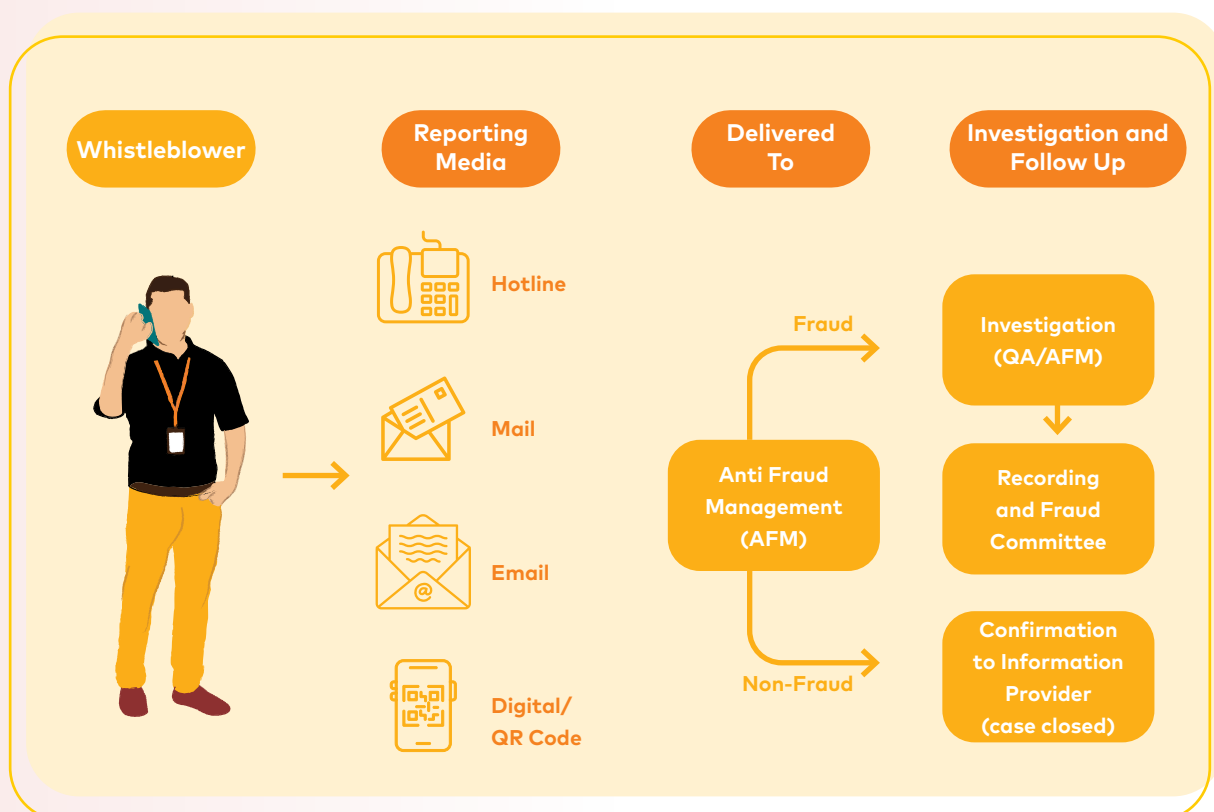
May be used for reporting via email.

#### QR code



May be used to submit report using a QR Code link.

## "JAGA" whistleblowing escalation process



## complaint management

The management of the whistleblowing channel is carried out by an internal party, namely the Anti-Fraud Management.

## types of sanction for perpetrator

Types of sanctions for fraud perpetrators refer to the prevailing regulations of the Bank.

## complaint handling and follow-up in 2022

There were **446** complaints that came in through the Whistleblowing Channel which were followed up and resolved throughout 2022.

Complaints submitted through the whistleblowing channel were followed-up and resolved. BTPN Syariah always urges employees to convey their aspirations, ideas, problems related to irregularities and reporting any suspicion or incident of fraud by referring to the Whistleblowing Reporting Mechanism Procedures, so that BTPN Syariah continues to be a trusted bank that upholds its integrity for its community, employees, and stakeholders.

## litigation case

Litigation case (a term in law) is a legal issue whose resolution is carried out through a judicial process by submitting various forms of information as evidence. The legal issue can be in the form of criminal or civil case or other legal cases.

Throughout 2022, there was no dispute nor legal issue that significantly impacted BTPN Syariah's financial condition.

## important cases involving the company, members of board of commissioners, members of sharia supervisory board, and members of board of directors

Throughout 2022, the Company did not face any incident that might pose legal threats which would impact the activities of the Company, members of Board of Commissioners, members of Sharia Supervisory Board, and members of Board of Directors.

## administrative sanction

There was no significant sanction from the regulator.

There was a Rp200,002,- sanction on transaction cost and administrative sanction on the use of transaction code that the Bank has settled on 20 April 2022 and Rp13,701,828.- on the lack of the average minimum statutory reserves (GWM) fulfillment that the Bank has settled on 19 Agustus 2022. There was another administrative sanction that refers to Bank Indonesia circular letter No. 24/598/DSSK/Srt/Rhs on 7 June 2022 related to the fulfillment of Payment System and Rupiah Money Management (SPPUR) Certification of Competency Based Training (CBT) that the Bank has responded to on 17 June 2022, and Letter of the Financial Services Authority No. S-129/PB.34/2022 tanggal 30 November 2022 related to the fulfillment of the completeness of administrative documents on BTPN Syariah equity capital on Subordinate Entity that the Bank has responded to on 8 December 2022.

## conflict of interest

Conflict of interest is a condition where there is a conflict between the Bank's economic interests and the personal economic interests of a member of the Board of Commissioners, Board of Directors, Controlling Shareholders or any affiliated parties of members of the Board of Commissioners, Board of Directors or Controlling Shareholders.

In 2022, there are no conflict-of-interest in BTPN Syariah

## granting of fund for social activity and halal and non-halal fund income

Referring to the Regulation of Bank Indonesia No. 11/33/PBI/2009 on the Implementation of Good Corporate Governance for General Sharia Bank and Sharia Business Unit and SEBI No. 12/13/DPBS on the Implementation of Good Corporate Governance for General Sharia Bank and Sharia Business Unit, BTPN Syariah must disclose their non-halal income and its use in Bank Syariah through GCG implementation annual report.

Halal and non-halal Fund Income that become the source of BTPN Syariah's social funds consists of:

1. Income from current account service received by the Bank from current account on a Conventional Bank;
2. Income from closing of account before the due date.
3. Income from fine imposed on the customer.
4. Internal corporate donation.
5. Income from funding transactions that contract agreement and/or contract condition was not fulfilled.

Report of Source and Use of Benevolence Fund of PT Bank BTPN Syariah Tbk up to 31 December 2022:

in million Rupiah

Description	31 December 2022	31 December 2021
Source of benevolence fund at the beginning of period	137	173
Reception of benevolence fund		
a. Infaq	-	-
b. Sadaqah/Alms	-	-
c. Productive benevolence fund returns	-	-
d. Fine	113	13
e. Non-halal reception	2,569	299
f. Others	-	467
<b>Total Reception</b>	<b>2,682</b>	<b>779</b>
Use of benevolence fund		
a. Productive benevolence fund	-	-
b. Donation	-	-
c. Other use for public interest	415	815
<b>Total Use</b>	<b>415</b>	<b>815</b>
Increase (decrease) on source of benevolence fund	2,267	(36)
Source of benevolence fund at the end of period	2,404	137

## provision of funds to related parties and large exposure

BTPN Syariah consistently considers capital capacity and portfolio distribution/diversification in lending, and in 2022 there was no violation or excess of Maximum Limit of Disbursement of Funds (LLL).

Provision of Funds to Related Parties are done with the applicable provision. BTPN Syariah ensures that the Related Parties transactions are done in a fair, independent way, and according to arm's length principle.

Below is the table of Provision of Funds to Related Parties and Large Exposure up to 31 December 2022:

No.	Provision of Funds	Total	
		Debtor	Amount (in million Rupiah)
1	to Related Parties	1 (BTPN)	8,982
2	to Related Parties	1 (BTPN Syariah Ventura)	297,000
3	To Core Debtors		
	a. Individual	25	82,724
	b. Group	-	-

## fulfillment the right of creditors

BTPN Syariah adopts an open corporate governance implementation to increase the governance aspect to ensure the protection of creditors' rights.

Up to 2022, BTPN Syariah has no lending position from Creditor as shown in the table "Open Corporate Governance Implementation in 2022, Principle 7 point 7.4 in this Annual Report."

## transparency of financial and non financial condition of the bank

Referring to the Financial Services Authority Regulation Number POJK 37/POJK.03/2019 dated 20 December 2019 concerning Transparency and Publication of Bank Reports, BTPN Syariah has fulfilled its obligations regarding transparency of financial and non-financial conditions.

The delivery mechanism is carried out through various communication channels, from the availability on the Bank's website to being submitted directly to regulators and interested parties.

In addition, transparency is also carried out through publications in the print media. Transparency in financial and non-financial conditions include the following:

Subject of Transparency	Publication
Monthly Financial Report to regulators	Website
Quarterly Financial Report to regulators	Print media and website
Annual Report to regulators, rating agencies, shareholders, and other interested parties	Website
Governance Information	Website
Bank's Products and Services Information including Office Network	Website
Announcement of General Meeting of Shareholders	Print media and website
Other information related to information disclosure	Website and other channels

## internal control system

The framework for risk management and internal control in BTPN Syariah applies the three lines of defense approach.

Further elaboration of the risk management and internal control system is presented in the Risk Management section of this 2022 Annual Report.

## disclosure of internal control supervision

The Directors, the Board of Commissioners, and the Sharia Supervisory Board has ensured supervision in all aspects to ensure good internal control and management has been implemented well at the Bank in operational, financial, obedience, including obedience to sharia principles, and risk management system at BTPN Syariah.

All kinds of supervision by the Directors, the Board of Commissioners, and the Sharia Supervisory Board has been done through discussion, meeting, and field visits which meeting agenda detail and fulfillment of the supervisory task explained on the Directors' Meeting Agenda, the Board of Commissioners with Directors Meeting Agenda, Directors Level Committee Meeting Agenda, the Board of Commissioners Level Committee Meeting Agenda, and Sharia Supervisory Board Meeting Agenda on the Bank Organ Governance Implementation Report Part of this 2022 Annual Report.

## supervision of board of directors on risk management

In accordance with the Bank's Business Plan, the Board of Directors ensured that supervision was carried out on the implementation of risk management in BTPN Syariah in 2022, in accordance with the Financial Services Authority (OJK) Regulation Number 65/POJK.03/2016 concerning the Implementation of Risk Management for Sharia Banks and Sharia Business Units.

Supervision of risk management implementation by the Board of Directors was fully supported by the supervision of the Board of Commissioners and the Sharia Supervisory Board. The Board of Directors ensured that each function in the organization implemented risk management according to the condition of each division and that each part was well consolidated.

To complement the supporting tools, the Board of Directors ensured the availability of adequate risk management policies and procedures as well as the implementation of adequate risk limit. In order to ensure that the risk management process is carried out in the Bank, BTPN Syariah has a policy that regulates the adequacy of the process of identification, measurement, monitoring, and risk control, as well as the risk management information system.

The Board of Directors ensured that the internal control principle was fully supported by every employee at BTPN Syariah in carrying out the Bank's business activities. This means that each employee plays a role in the management plan and development of the Bank's operational activities and human capital.

Supervision of the Board of Directors on internal control is supported by a system that implements 3 (three) lines of defense supported by adequate Quality Assurance according to the conditions and needs of the bank, the availability of a Risk Management Work Unit, and an Internal Audit Work Unit

The implementation of risk management is further elaborated in the description of Operational Review themed Risk Management in this 2022 Annual Report.

## access to information and company data

BTPN Syariah provides all stakeholders with ease of access to information related to the Bank through communication media such as press releases, Public Expose, and Analyst Briefing. In addition, BTPN Syariah provides information about its products and services, office network, financial report, annual report, report on Day's corporate governance implementation and activities, corporate actions, and other information through the following channels:

### Website (in Bahasa Indonesia and English)

[www.btpnsyariah.com](http://www.btpnsyariah.com)

### Call Center

1500300 (BTPN Syariah Call), 0-800-1500-300 (Toll Free)

### Corporate Secretary Email

[corsec@btpnsyariah.com](mailto:corsec@btpnsyariah.com)

### Corporate Communication Email

[corporatecommunication@btpnsyariah.com](mailto:corporatecommunication@btpnsyariah.com)

### Investor Relation Email

[InvestorRelation@btpnsyariah.com](mailto:InvestorRelation@btpnsyariah.com)

### Information Disclosure through the Bank's website and Indonesia Stock Exchange

[www.btpnsyariah.com](http://www.btpnsyariah.com) and [www.idx.co.id](http://www.idx.co.id)

### Press Release

[www.btpnsyariah.com](http://www.btpnsyariah.com) and distribution via media

## Social Media



**Instagram: @btpnsyariah**

<https://www.instagram.com/btpnsyariah/>



**Instagram: @saya.bankirpemberdaya**

<https://www.instagram.com/saya.bankirpemberdaya/>



**Facebook: @btpnsyariah.id**

<https://facebook.com/btpnsyariah.id>



**Youtube: BTPN Syariah**

<https://www.youtube.com/@BTPNSyariah>



**LinkedIn: BTPN Syariah**

<https://www.linkedin.com/company/btpnsyariah>

# self-assessment report good corporate governance implementation

The summary of self-assessment composite grading of PT Bank BTPN Syariah Tbk (BTPN Syariah) as of 31 December 2022 is presented in the following table:

Self-Assessment Results of Good Corporate Governance Implementation		
	Rating	Rating Definition
Individual	2	Good
Consolidated with Subsidiary Entity	2	Good

## 1. overview of good corporate governance (GCG) implementation

With the ongoing national economic recovery as the pandemic was under better control and public activities started to normalize, BTPN Syariah continued to make improvements to strengthen the implementation of GCG principles. BTPN Syariah proceeded to strengthen its commitment toward initiatives in the Bank Business Plan and Sustainable Financial Action Plan by pursuing quality improvement efforts to fulfill GCG principles to ensure every business activity was aligned with the prevailing regulations.

GCG implementation in BTPN Syariah was conducted consistently by fulfilling every requirement in a timely manner. The bank continued to stay committed to improving the quality of sound, integrated, and sustainable GCG principles implementation according to the provisions in Articles of Association and statutory provisions to ensure that the Bank gave sustainable added values to shareholders. The implementation of GCG in BTPN Syariah was aligned with its function as a Sharia Commercial Bank, GCG Guidelines for Public Companies, Implementation of Sustainable Finance for Financial Services Institutions, Issuers and Public Companies, the provisions of the Indonesia Stock Exchange, and other relevant provisions.

### Commitment to Governance Fundamental Principles and Guidelines in BTPN Syariah

BTPN Syariah is committed to the sound implementation of GCG principles in order to build a sound and resilient sharia banking industry, protecting the interests of stakeholders, improving compliance with the prevailing regulations, and generally accepted ethical principles of the sharia banking industry.

Internally, BTPN Syariah ensures the sustainable commitment of sound implementation of GCG principles, by managing business activities and operations professionally, and continued to improve the quality of internal control system and the management of the bank's risks while adhering to prevailing regulations and staying aligned to shariah principles.

The Bank upholds the rights of its stakeholders by consistently conducting an accountable and transparent Bank management to grow and maintain the trust from shareholders and investors through the implementation of GCG principles for Public Companies, by consistently observing latest developments in the sector and industry, as well the size and complexity of the Bank.

### **Quality Standards of GCG Implementation in BTPN Syariah**

The establishment of quality standards for GCG implementation in BTPN Syariah begins with strengthening the character of employees. Every employee of the Bank has been equipped with a good understanding of the principles of GCG and their sound implementation in every layer of the organization, business activities, and operational activities since the first day they joined the Bank and through regular refresher programs.

### **Manifestation of GCG Implementation in BTPN Syariah**

GCG implementation in BTPN Syariah in 2022 is manifested through continuous and sustained commitments to the implementation of GCG principles for public companies and sharia commercial banks, with mechanisms and implementations that are adapted to the conditions and situations as the COVID-19 entered its third year.

Even with relaxation policies from the regulators, BTPN Syariah continued to strive to fulfill all obligations in a timely manner without taking advantage of the relaxation. This is proof of BTPN Syariah's full commitment to the regulators and stakeholders in implementing GCG principles consistently.

The Bank is committed to continuously improving the quality of sound, integrated, and sustained implementation of GCG principles in accordance with the provisions of the Articles of Association and statutory provisions. The implementation of GCG in BTPN Syariah is in line with its function as a Sharia Commercial Bank, GCG Guidelines for Public Companies, Implementation of Sustainable Finance for Financial Services Institutions, Issuers and Public Companies, the provisions of the Indonesia Stock Exchange, and other relevant provisions.

Implementation of consolidated GCG in Semesters I and II of 2022 was also applied by the bank for the Subsidiary that effectively started operations on 30 May 2022.

### **Efforts to Improve Standards of GCG Guideline Implementation in BTPN Syariah**

Within the scope of the Southeast Asia Regional standards, BTPN Syariah is committed to continuously improving the remarkable achievement of GCG implementation, the standards of which have continuously been enhanced by referring to the ASEAN Corporate Governance Standards (ACGS) methodology.

The improvement and enhancement of this standard is a mandate that is well preserved and the Bank carries out sustainable measures to improve and refine its internal processes and information delivery with increasingly higher quality to all stakeholders.

With continuously enhanced standards using the Asean Corporate Governance Standards (ACGS) within the standard scope of South East Asia, the implementation of 'Good Corporate Governance' in BTPN Syariah has produced real results in winning the 'GLOBAL GOOD GOVERNANCE (3G) Awards as the "3G Socially Responsible Banking Award 2021' and 3G Excellence in Socio-Economic Development for the fiscal year of 2021 in early 2022.

Moreover, BTPN Syariah succeeded in increasing its score for implementing GCG principles based on Asean Governance Scorecards. The assessment was conducted by an independent institution and was presented to the Bank in July 2022 with the score of over 100 (which means Leadership in Corporate Governance, higher than Level 1 of ACGS structure), an improvement of the previous year at 92.03. The factors that improved specifically were higher scores for shareholder rights, disclosure and transparency, as well as in the responsibilities of the Board of Commissioners and the Bank in maintaining good scores for equal treatment for shareholders and the role of stakeholders.

Completing the achievement of sound GCG implementation at national level, alhamdulillah, the Bank achieved the Top 50 Largest Market Capitalization at the 12<sup>th</sup> IICD Corporate Governance Award at the end of May 2022, an advancement from the previous year of the Top 100 ranking.

BTPN Syariah will continue to improve every process accurately with sustainable and consistent business growth while simultaneously improving sound GCG implementation in the Bank.

### **Supervision of Governance in Financial Group in Implementing Banking Synergy in BTPN Syariah**

Synergizing with PT Bank BTPN Tbk as Main Entity, which is a Public Conventional Bank, BTPN Syariah has coordinated with various divisions to align the fulfillment of requirements in various divisions as stated in 11 (eleven) Cooperation Agreements and conducted regular review through coordination meetings to monitor the implementation of banking synergy.

In ensuring the availability of adequate and harmonized infrastructure, BTPN Syariah conducted reviews on the alignment of the supporting infrastructure, namely the internal provisions and procedures in BTPN Syariah

in order to be aligned with the provisions of the Main entity. Statutory provisions and the Bank's mission and vision are coordinated well and measurable. BTPN Syariah also formed Task Force for Banking Synergy whose duty is to coordinate the implementation of Banking Synergy with the Main Entity and Subsidiary Entity.

Supervision of the banking synergy implementation was carried out by the Board of Directors, Board of Commissioners, and Sharia Supervisory Board for both financial service institutions, namely BTPN and BPTN Syariah through governance Committee meeting which started in Semester II of 2022 as part of the supervisory duty of the Board of Commissioners and Sharia Supervisory Board, along with several Independent Commissioners from BTPN. The coordination meeting replaced the duties and responsibilities of the Integrated Governance Committee that was officially disbanded near the end of 2021 due to both entities no longer fall into financial conglomerate category.

The commitment to implement GCG for banking synergy was also realized in the strategic capital investment initiative in a sharia capital venture company, namely PT BTPN Syariah Ventura, which officially commenced operations on 30 May 2022. The objective of this initiative is to adapt to the changing needs of customers and ensure improvement of welfare among inclusive customers, as well as to serve more customers sustainably by utilizing technology for goodness to build aspiration: Sharia Digital Ecosystem for Inclusive Communities.

BTPN Syariah also ensured the implementation of Risk Management on the supervision of Subsidiary Entity, including observing prudence principles in equity participation, product display, and quality sharia services, as well as supervision of BTPN Syariah's members of Board of

Directors and Management who hold positions in the Subsidiary Entity, and submitting consolidated report of BTPN Syariah to BTPN as the Main Entity and self-assessment report regarding good corporate governance.

## Conclusion

In Semester II of 2022, BTPN Syariah was able to maintain its good performance, not only by implementing sound GCG principles but also in improving the quality standards from time to time.

## 2. Implementation of GCG in general, is reviewed from the governance perspectives in BTPN Syariah as stipulated in GCG Implementation Provisions for Sharia Commercial Bank and Sharia Business Unit

### 2.1 Governance Structure

#### Positive factors in the Governance Structure in BTPN Syariah

1. The Bank Organs' requirements that include the number, composition, criteria, concurrent positions of the Board of Commissioners, Sharia Supervisory Board (DPS) and the Board of Directors, comply with the prevailing regulations regarding the GCG implementation for Sharia Commercial Banks and Sharia Business Units. Currently there are 4 (four) members of the Board of Commissioners, 2 (two) members of Sharia Supervisory Board, and 5 (five) members of the Board of Directors;
2. BTPN Syariah has established 3 (three) The Board of Commissioners' Committee, namely the Audit Committee, Risk Monitoring Committee, and Nomination and Remuneration Committee, in accordance with the prevailing regulations. Each of the Committees has issued a Charter and is reviewed regularly;
3. As a continuation of the supervision of the Board of Commissioners of the Financial Group after the official disbandment of

the Financial Conglomerate, members of the Board of Commissioners and Sharia Supervisory Board stated their constant commitment to support an integrated monitoring of the Financial Group and attended as invitees at the Corporate Governance Committee meeting which was held in Semester II of 2022;

4. BTPN Syariah has established The Board of Commissioners' Committee, namely the Assets & Liabilities Committee (ALCO), Risk Management Committee, Human Capital Committee, Information Technology Steering Committee, Business Committee, and Financing Policy Committee. The Committees submit reports on the implementation of their duties to the Board of Directors through the Board of Directors meetings and other strategic meetings. Each of these Committees in BTPN Syariah has produced a Charter and reviews the Charter regularly;
5. BTPN Syariah has established other Units for the purpose of business development, operations, risk management implementation and internal control. The Bank's internal units are:
  - a. Internal Audit Unit (SKAI),
  - b. Risk Management Unit (SKMR), and
  - c. Compliance Unit which is supported by Business Financing and Business Funding Team, Operations Team, Information Technology Team, Human Capital, Legal, Finance and Accounting, Treasury, Analytics, Information Security, Communication and DAYA;
6. The Compliance Unit (SKK) operates independently of the operational unit. In the prevailing organizational structure, SKK is segregated from the operational unit and does not carry out tasks other than the compliance function and throughout Semesters I and II of 2022, there was not any appointment, termination and/or resignation of the Director in charge of compliance function;
7. The Internal Audit Unit (SKAI) is in accordance with the prevailing provisions, that is, SKAI directly reports

to the President Director and is able to communicate directly with the Board of Commissioners through the Audit Committee. There is a line of communication between SKAI and the Compliance Director. SKAI is independent from the operational units, as reflected in the Bank's organizational structure. SKAI has produced Standards for the Practice of the Bank Internal Audit Function (SPFAIB), Internal Audit Charter, and risk-based audit policies and procedures;

8. The Risk Management Unit implements the four pillars of risk management, in accordance with the Financial Services Authority Regulation No. 65/POJK.03/2016 concerning the Implementation of Risk Management for Sharia Commercial Banks and Sharia Business Units. The implementation includes managing 10 types of risks, namely: credit risk, market risk, liquidity risk, operational risk, legal risk, reputation risk, strategic risk, compliance risk, rate of return risk, and investment risk. The implementation of risk management is carried out in line with the execution of the Bank's business plan with the internal control system administered by the Bank using the three layers of defense framework.
  - a. The first line of defense is the Risk Taking Unit assisted by the Quality Assurance (QA) function which ensures that the activities are carried out in accordance with the Bank's policies and procedures.
  - b. The second line of defense is the Risk Management Unit (SKMR) which identifies, measures, monitors, and controls the risks of the Bank. The Compliance Unit (SKK) ensures that all Bank activities are in accordance with the prevailing regulator provisions and comply with the sharia principles.
  - c. The third line of defense is the Internal Audit Unit which ensures that all residual risk has been managed properly, and reports it to the Board of Directors and Board of Commissioners;
9. In managing Legal Lending Limit (LLL), BTPN Syariah has established Credit Risk Management Procedure which governs the management of LLL and its related procedures, Provision of Financing Facilities to bank and non-bank counterparties which regulates the provision of funds to related parties and the provision of huge funds, including the monitoring and settlement. Limits of authority of the Board of Directors granted by the Board of Commissioners have been stated in the Decision of the Board of Commissioners with due regard to the prevailing regulations, best practice in BTPN Syariah, and the Articles of Association. BTPNS Syariah has also established internal procedures that regulate the handling of affiliated transactions and conflict of interest transactions;
10. BTPN Syariah has policies and procedures regarding transparency of financial and non-financial conditions and has produced reports in a timely manner, as stipulated in Bank Indonesia regulations concerning Transparency of Bank Financial Conditions;
11. BTPN Syariah has established policies and procedures that govern the implementation of information transparency in products and the use of Bank customer data;
12. BTPN Syariah has implemented Syariah Principles in acquiring funds and providing financing as well as delivering services. The presence of the Sharia Supervisory Board is to ensure proper supervision over sound implementation of sharia principles and GCG principles in the Bank;
13. The Bank has an internal reporting mechanism in place in order to improve the quality of decision-making process as well as the quality of supervision by the Board of Commissioners and Sharia Supervisory Board. The Bank has also ensured the availability and adequacy of internal reporting supported by adequate management information systems;

14. Handling conflicts of interest is clearly stipulated in the GCG policy and further elaborated in the Charters of Bank Organs in BTPN Syariah. The Bank's Code of Ethics governs the handling of conflicts of interest for all employees;
15. BTPN Syariah conducts GCG Implementation Assessment every semester through GCG Self-Assessment. In Semesters I and II of 2022, BTPN Syariah effectively conducted Consolidated GCG Self-Assessment with Subsidiary Entity's GCG Implementation; and
16. BTPN Syariah has ensured that infrastructure and company organ supporting instruments are available for the Subsidiary Entity after PT BTPN Syariah Ventura was officially operational on 30 May 2022.

#### Other Structure

1. In promoting banking synergy, BTPN Syariah has carried out various strategic coordination to align the fulfillment of the needs of sharia commercial banks with the Main Entity. The alignment process is stipulated in the update of Collaboration Agreement and the provision of supporting documents for the Banking Synergy Report.  
Internally, BTPN Syariah has formed Synergy Banking Task Force whose duty is to coordinate supervision over Banking Synergy. Complementing the task of coordinating in supporting supervision, the Task Force ensures to review the alignment of supporting infrastructure at implementation level to internal regulations and procedures in BTPN Syariah as well as with the Main Entity;
2. BTPN Syariah has established a Sustainability Task Force in accordance with Financial Services Authority Regulation No. 51/POJK.03/2017 concerning the Implementation of Sustainable Finance for Financial Services Institutions, Issuers, and Public Companies. The Task Force is tasked with ensuring comprehensive coordination and internal

supervision over the implementation of Bank plans in accordance with the Sustainability Action Plan. The Board of Commissioners, Sharia Supervisory Board, and Board of Directors also support the execution and supervision of sustainable finance implementation and are committed to supporting the provision of adequate supporting infrastructure that is adapted to the Bank's conditions;

3. BTPN Syariah has Bank Business Plan (RBB) and Sustainability Action Plan (RAKB) which have been reviewed and approved by the Board of Commissioners. Realizations of the RBB and RAKB have been presented in the Bank's 2021 Annual Report and Sustainability Report and presented to the Shareholders during Annual General Meeting of Shareholders on 21 April 2022. Based upon RBB's realizations, RAKB and Corporate Plans for 2022 would be stated in the report at the beginning of 2023;
4. BTPN Syariah has Business Continuity Management and Contingency Funding Plan, and is committed to ensuring the sustainability of the Bank's operations and business in an emergency;
5. BTPN Syariah has strategic initiatives, policies, and other supporting procedures in place that are reviewed regularly to support operational processes.

#### Negative Factors in the Governance Structure in BTPN Syariah

Implementation of banking synergy requires availability of access to sharia banking services for those who are not familiar with, use and/or obtain sharia banking services. Providing access certainly requires large investment and a well thought-out plan, as well as effective infrastructure to reach people in remote areas.

Limitation in services is bridged with cooperation with Main Entity in various divisions, including human resources, information technology, and office network, which would offer added values both for the commercial sharia bank and the commercial conventional bank.

## 2.2 Governance Process

### Positive Factors in Governance Process in BTPN Syariah

The process of sound and effective implementation of good corporate governance which have been carried out by BTPN Syariah includes:

1. Requirements for Bank Organs in terms of number, composition, criteria and concurrent positions have been in accordance with the provisions of sound GCG implementation. All Bank Organs have obtained approval from the Financial Services Authority. There were no concurrent positions of the Board of Commissioners, Sharia Supervisory Board, and Board of Directors that exceed the prevailing provisions. The undertaking of duties of the Board of Directors and the implementation of supervisory functions by the Board of Commissioners and Sharia Supervisory Boards have been carried out effectively and independently;
2. To fulfill the Charters, the The Board of Commissioners' Committee carry out monitoring processes through committee meetings which are held regularly according to the meeting agenda based on the provisions and the needs of the bank. Other forms of supervision include field visits. Every recommendation by the Committees has been followed up and there was no intervention on the fulfillment of the Committees' duties in BTPN Syariah. The Committees, which are independent parties, claimed that they remain independent. The Bank found no conflict of interest in the process of implementing supervisory function of the Board of Commissioners' Committees in BTPNS Syariah throughout Semesters I and II of 2022;

3. In Semester I of 2022, there was a change in the member composition of the Nomination and Remuneration Committee through Circular Letter of Board of Commissioners Number 002/CIR/DEKOM/IV/2022 dated 21 April 2022 dan declared with Decree of the Board of Directors Number SK.004/DIR/CSGC/IV/2022 dated 21 April 2022 on Composition of the Nomination and Remuneration Committee Members of PT Bank BTPN Syariah Tbk and Decree of the Board of Directors Number SK.003/DIR/CSGC/IV/2022 dated 21 April 2022 on the Composition of the Risk Monitoring Committee of PT Bank BTPN Syariah Tbk in which there was a resignation by one of the members of Board of Commissioners who was a member of both Committees, and was approved by the Annual GMS on 21 April 2022.

In Semester II of 2022, there was another change in the member composition of the Nomination and Remuneration and Risk Monitoring Committees, through Circular Letter of Board of Commissioners Number 007/CIR/DEKOM/X/2022 dated 13 October 2022 and declared with Decree of the Board of Directors number SK.007/DIR/CSGC/X/2022 dated 13 October 2022 regarding Member Composition of Nomination and Remuneration Committee of PT Bank BTPN Syariah Tbk and Decree of the Board of Directors number SK.006/DIR/CSGC/X/2022 dated 13 October 2022 regarding Member Composition of the Risk Monitoring Committee of PT Bank BTPN Syariah Tbk. The change was a follow-up action on the change of composition in the Board of Commissioners which was approved at the Extraordinary GMS on 13 October 2022.

There was no change in the member composition of the Audit Committee in Semesters I and II of 2022. The member composition of the Audit Committee still refers to Circular Letter of Board of Commissioners Number 009/CIR/DEKOM/X/2021 dated 18 Oktober 2021 declared with Decree of Board of Directors No. SK.021/DIR/CSGC/XI/2021 dated 1 November 2021 regarding Member Composition of the Audit Committee (for the period 2021–2023);

4. To support the fulfillment of its duties, the Board of Directors is assisted by 6 (six) The Board of Directors' Committees whose duties are to ensure that the fulfillment of the Bank's operational activities and business targets is in accordance with GCG principles, which are carried out through Committee meetings, Board of Directors decisions, and regular strategic meetings. The fulfillment of the Committees' duties refers to the Committees' Charters. There was no conflict of interest in the implementation of GCG principles in BTPN Syariah by The Board of Directors' Committees in Semesters I and II of 2022. The fulfillment of duties and responsibilities of the Board of Directors, as well as the supervisory functions by the Board of Commissioners and the Sharia Supervisory Board are carried out through various stages and mechanisms, including conducting corporate meetings. In the midst of the COVID-19 pandemic, the holding of the meetings adheres to sound GCG implementation, the Charter of each Bank organ, and the Articles of Association;
5. The selection and establishment of Units in the Bank have been based on the prevailing provisions, the composition of which is adjusted to the Bank's conditions;
6. Compliance Unit (SKK) is independent of the operational units. In the prevailing organizational structure, Compliance Unit is segregated from the operational units and does not perform tasks other than the compliance function. SKK identifies, measures, monitors, and controls compliance risk. The Director in charge of compliance function has carried out the function in accordance with the prevailing laws and regulations;
7. The implementation of the internal audit function of BTPN Syariah is guided by the requirements and procedures in accordance with the provisions of the Financial Services Authority and the International Professional Practice Framework (IPPF). The results of audits by the Internal Audit Unit (SKAI) are reported to stakeholders within BTPN Syariah and have been followed up properly. The implementation of SKAI is reviewed regularly by external auditors every 3 years. The latest 3-year review by an external auditor was carried out in May–July 2020 for the period 1 April 2017–30 June 2020, and the next review will be conducted in 2023;
8. The Risk Management Unit (SKMR) ensures that risk identification, measurement, monitoring and control processes, as well as risk management information system are well managed;

9. The LLL in BTPN Syariah has been implemented properly. Limits of authority of the Board of Directors is approved by the Board of Commissioners as stipulated in the Articles of Association. The limits of authority of the Board of Directors were updated in 2022. The said limits of authority are in accordance with the prevailing provisions, while still in reference to the Articles of Association and Bank conditions, as well as best practices in the industry in general. In Semesters I and II of 2022, there was not any affiliated transaction or transaction that caused a conflict of interest in BTPN Syariah; BTPN Syariah updates the policies, systems, and procedures for Credit Risk Management which include regulations to manage LLL and adequate process to ensure that the provision of funds to related parties and decision-making in the provision of funds are carried out independently;
10. BTPN Syariah has implemented transparencies in financial and nonfinancial conditions to stakeholders through information disclosure and reporting in accordance with the prevailing regulations, both as a Sharia Commercial Bank and as a Public Company. Transparency of financial conditions is stated in the Corporate Financial Statements which is available on the BTPN Syariah website, as well as on the websites of PT Bursa Efek Indonesia and the Financial Services Authority on a regular basis. The Bank also discloses information on non-financial aspects regularly;
11. BTPN Syariah discloses product information on the Bank's website and fully guarantees the security of the Bank's customer data. Information related to the Bank's products has also been reported to the Authorities on a regular basis and includes being held accountable to the General Meeting of Shareholders;
12. The active role of the Sharia Supervisory Board has ensured the implementation of sharia principles in acquisition and provisions of funds as well as the Bank service delivery. In accordance with its Charter, the Sharia Supervisory Board holds regular monthly meetings with various business units in the Bank. The Sharia Supervisory Board also coordinates with the Board of Commissioners and Board of Directors regularly on the implementation of sharia principles in the Bank, including carrying out supervisory duties through visits to branch offices and centers;
13. The internal reporting mechanism supported by an adequate management system has been running effectively. BTPN Syariah has various provisions and procedures to ensure that each Business Unit carries out its duties and obligations appropriately and refers to the provisions of GCG;

14. The handling of conflicts of interest in BTPN Syariah is stipulated in the GCG Policy, Charters for Bank Organs, and the Code of Ethics. The updating of policies and guidelines as well as socialization of the Code of Ethics are carried out regularly. Each employee signs an Integrity Pact as a written commitment to implement GCG principles and the Bank's values. The Bank recorded no conflict of interest in BTPN Syariah throughout Semesters I and II of 2022;
15. The GCG implementation in BTPN Syariah in each year is stated in the GCG Implementation Report which includes Self-Assessment results. The BTPN Syariah GCG Implementation Report 2021 was presented in the 2021 Annual Report which was presented at the General Meeting of Shareholders on 21 April 2022 and to Bank Indonesia, the Indonesian Consumers Foundation, Rating Agencies in Indonesia, Indonesian Bank Association, research institutes in economics and finance, as well as economic and financial magazines in a timely manner.
16. Governance Process in the Subsidiary Entity went well and have its own Self-Assessment on the Implementation of GCG in Semesters I and II of 2022. The good governance implementation in the Subsidiary Entity was in accordance with the provisions of good governance for a sharia venture capital company.

### Other process

1. BTPN Syariah continues the banking synergy with the Main Entity in accordance with the provisions by monitoring the Collaboration Agreement regularly and holding coordination meetings to ensure compliance with the various provisions and procedures of each Bank;
2. BTPN Syariah ensures the fulfillment of commitment to sustainability action initiatives as stated in the 2022 plan of the Bank Sustainable Financial Action Plan (RAKB) 2020–2024. The implementation of the 2020 RAKB was presented in the Sustainability Report 2020. The Sustainability Report is available on the BTPN Syariah website and other information disclosure authorities to ensure transparency. In 2022, the Bank communicated the RAKB to Shareholders and stakeholders at the Annual GMS on 21 April 2022 as fulfillment of provision.

As for the membership dynamic in the Sustainability Task Force in BTPN Syariah, an annual review was conducted in 2022 with many new internal talents joining the Bank to further strengthen the task force in the spirit of sustainability at BTPN Syariah.

The Sustainability Task Force held 6 (six) meetings in 2021. Additionally, the Task Force also held coordination meetings with Main Entity PT Bank BTPN Tbk and SMBC Regional Singapore regarding the sustainability initiatives of SMBC financial group.

Members of the Sustainability Task Force attended a kick-off meeting to prepare the 2022 Sustainability Report which is now in the preparation stage and expected to be completed in early 2023.

## Coordination Meetings of Sustainability Task Force in 2022

No	Date of Meeting	Discussion Topic
1	19 January 2022	Materiality Topic of 2021 Sustainability Report
2	16 March 2022	Discussion on 2022 Sustainability Report
3	5 April 2022	Meeting of Sustainability Task Force (Core Team)
4	19 July 2022	<ul style="list-style-type: none"> <li>Updating of Sustainability Task Force members;</li> <li>Work Agenda;</li> <li>General review on Sustainable Finance Action; and</li> <li>2022–2024 Sustainable Finance Action Plan for 2022</li> </ul>
5	5 August 2022	<ul style="list-style-type: none"> <li>Preparation to compile 2022 Sustainability Report for BTPN Syariah; and</li> <li>Preparation to compile 2022 Sustainability Report for Subsidiary Entity, PT BTPN Syariah Ventura.</li> </ul>
6	29 September 2022	Compilation of Sustainability Report – kick-off meeting

## Coordination Meetings of Sustainability Task Force with SMBC Finance Group in 2022

No	Date of Meeting	Discussion Topic
1	17 February 2022	Environmental Data Collection
2	7 April 2022	Enhancement of Initiatives for Sustainability
3	22 August 2022	Sustainability Meeting Update with SMBC

- The Bank Business Plan has been prepared in a realistic, comprehensive, and measurable (achievable) manner with due observance of prudential principles and has been submitted to the Financial Services Authority. BTPN Syariah has also submitted a revision to the Bank Business Plan to anticipate conditions resulting from the COVID-19 pandemic by making various adjustments related to business conditions, operational activities, and achievement targets;
- Every Business Unit in the Bank regularly updates its Business Continuity Management and Contingency Funding Plan to ensure the sustainability of the Bank's operational and business activities in an emergency situation. Anticipating any force majeure in Semesters I and II of 2022, BTPN Syariah still paid close attention to customer conditions and employees while continuing to anticipate for provisions in relation to Restrictions on Community Activities (PPKM) where the bank's offices and branches were located all over in Indonesia;
- In supporting the smooth operation of the Bank's operational processes, particularly in response to the pandemic, BTPN Syariah continues to implement new work mechanisms that are flexible and agile. The Bank also continuously strives for developing system and internal talent to support the Bank's strategic initiatives.
- The Subsidiary Entity has Business Plan, Chart for Company Organs, Company Governance Policy, and other Policies and Procedures required for a sharia venture capital company. The business processes of the Subsidiary Entity are in accordance with the provisions stated in the Self-Assessment Report of the Corporate Governance for Semesters I and II of 2022.

### Negative factors in Governance Process in BTPN Syariah

The Bank moved dynamically, adjusting to conditions after the third wave of COVID-19 pandemic and the normalization of public activities in Semesters I and II of 2022. With business model that required physical presence at meetings with customers, the Management ensured that limited business processes could still be conducted while prioritizing the health and safety of employees and customers. BTPN Syariah continued to hold regular customer operational meetings with various service models that ensured that health protocols were still observed and provided digital access for payment and services.

## 2.3 Governance Outcome

### Positive factors in Governance Outcome in BTPN Syariah

The Board of Commissioners, Sharia Supervisory Board (DPS), and Board of Directors are committed to achieving sustainable business growth, and consistently improving the implementation of GCG principles for Sharia Commercial Banks and Public Companies. All organizational levels in BTPN Syariah cooperate to ensure the continued commitment to sound GCG implementation, including:

1. The GCG implementation accountability reports by the Board of Commissioners, Sharia Supervisory Board, and Board of Directors, as well as supporting organs in the Bank for 2021 were presented in the Annual Report and Sustainability Report for the Financial Year 2021, and submitted in the Annual General Meeting of Shareholders held on 21 April 2022.

The fulfillment of corporate reporting obligations by the Board of Directors, and the fulfillment of the supervisory functions by the Board of Commissioners and the Sharia Supervisory Board were carried out in accordance with the provisions in semesters I and II of 2022.

BTPN Syariah stays committed to continued support of the Government Program regarding National Economic Recovery by providing relief programs to customers to ease installment payments in Semesters I and II of 2022 and disseminating the programs in a proper and transparent manner.

During Semesters I and II of 2022, the Implementation of Employee Vaccination Program through independent vaccination as well as Vaksin Gotong Royong went well and almost every employee has received vaccination: Head Office (99.80%), Branch (100%), and MMS (99.99%).

COVID-19 pandemic has taught BTPN Syariah many things, from digital technology to more efficient service opportunities in the future. Therefore, BTPN Syariah implemented several well-targeted digital initiatives, including Scale Up Mitra Tepat for transaction using features available on the MT application, such as mobile purchasing phone credit, paying bills, and banking services for cash deposits and withdrawals; Internet Banking launch preparation; and the establishment of PT BTPN Syariah Ventura to support the creation of a digital sharia ecosystem;

2. The fulfillment of duties and responsibilities of the Board of Directors, as well as the supervisory functions by the Board of Commissioners and the Sharia Supervisory Board are carried out through various stages and mechanisms including corporate meetings of which the results are well documented. The Bank recorded no dissenting opinion in Semesters I and II in 2022.

Meetings of the Board of Commissioners, Sharia Supervisory Board, and Board of Directors are carried out in accordance with Charters and are held effectively and efficiently. Results of the meetings of the Board of Commissioners, Sharia Supervisory Board, and Board of Directors are recorded in writing and well documented. The Board of Directors regularly follows up on various recommendations submitted by the Board of Commissioners and the Sharia Supervisory Board in a timely manner accompanied by adequate supporting information.

In 2022, Corporate meetings were arranged carefully by continuing to observe the fulfillment of Good Corporate Governance (GCG). Meetings were convened in a combination of online via video conference and offline by observing proper health protocols. Fulfillment of the duties and responsibilities of the Board of Commissioners, Sharia Supervisory Board and Board of Directors includes supervision of Branch Offices and Functional Offices as well as Customer Centers through regular visits to various locations;

3. Each of the Board of Commissioners' Committees has carried out its functions in accordance with the prevailing regulations. Meetings of Committees at the Board of Commissioners Level have been convened according to the Charter effectively and efficiently.

Results of the meetings of Committees at the Board of Commissioners Level have been well documented and recommendations submitted by the Committees at the meetings have been followed up in a timely and adequate manner.

During COVID-19 pandemic, meetings of Committees at the Board of Commissioners Level were arranged in such a way that ensures continued compliance with the provisions of good corporate governance (GCG). governance (GCG) and prioritized physical (offline) meeting restrictions and being replaced by online meetings via video conferencing media

4. Each of the Board of Directors' Committee has carried out its functions in accordance with the prevailing regulations. The meetings of Committees at the Board of Directors Level are held in accordance with the Charters effectively and efficiently. The results of the Committee meetings have been recorded in the minutes and properly administered. The Committees' recommendations serve as references for the Board of Directors and Management in making strategic decisions. Each Division Head ensures that follow-ups to recommendations that require follow-ups, are carried out appropriately. There was no dissenting opinion during the meetings of Board of Directors' Committee in Semesters I and II of 2022.

The meetings of Committees at the Board of Directors Level in 2022 were convened in a combination of online via video conference and offline by observing proper health protocols and continued compliance with the provisions of corporate governance (GCG).

With the pandemic being under better control and the public activities started normalizing, a number of meetings of Committees at the Board of Directors Level were held offline by still prioritizing the safety of employees and a safe and sterile office environment;

5. Fulfillments of reporting obligations and duties of the Compliance Director for Semester II of 2021 was submitted according to provisions and in a timely manner on 31 January 2022. As for fulfillments of reporting obligations and duties of the Compliance Director in Semester I of 2022 was submitted according to provisions and in a timely manner on 29 July 2022. The Semester II of 2022 Report will be submitted in the first trimester of 2023.

In Semester II of 2022, the Bank was fined by the regulator due to a violation in the Minimum Reserve Requirement, but the amount was insignificant. Regarding the fine, the Bank compiled an action plan that was reported to the regulator. Furthermore, the Bank continued to make improvement efforts to ensure there would be no more fine in the future. In creating the culture of compliance, BTPN Syariah already submitted its reporting Requirement to OJK and related authorities on time;

6. The Board of Directors urges the implementation of adequate internal audit activities and follow-ups on the audit results by SKAI (the Internal Audit Unit). The Board of Directors also ensures the availability of reports on the implementation of the Bank's internal audit function as outlined in the Annual Report. SKAI has maintained objectivity in conducting the audit process (based on existing fact/evidence). With the Bank's current condition, SKAI was conducted adequately;
7. The implementations of risk management at the levels of the Board of Commissioners and the Board of Directors are carried out through the Risk Management Committee and the Risk Monitoring Committee, respectively and these Committees have conducted active and efficient supervision through regular corporate meetings and committee reporting.  
  
The Board of Directors of BTPN Syariah has carried out active supervision on the implementation of risk management policies and strategies effectively. This supervision was performed among others, through the Board of Directors meetings with the Risk Management Committee and Risk Management Unit in BTPN Syariah;
8. In administering Legal Lending Limit, BTPN Syariah submits a Related Party Report on a semi-annual basis and occasionally when there is a change. Reports on the provision of funds to related parties have been submitted in accordance with the regulations. The Bank also conducts regular reviews of procedures related to Affiliated Transactions and Conflicts of Interest.

9. BTPN Syariah has conveyed transparency of financial and non-financial conditions to the relevant authorities in a timely manner. BTPN Syariah has also fulfilled its information disclosure obligations by presenting the Quarterly Published Financial Report online through the reporting system to the Regulator. The Bank also has announced it to the public through newspapers with national circulation and BTPN Syariah website, which are mandatory for a public company. The Bank also conducted Information Disclosure and other Press Releases related to the implementation of corporate actions and Financial Performance as well as other corporate activities in Semesters I and II of 2022;
10. The implementation of product information transparency is available on the BTPN Syariah website. The Bank reports product development regularly to the Financial Services Authority and Bank Indonesia. The Bank fully maintains the security of customers' personal data as governed in the Information Management and Security Policy and the Ownership Policy, Information Confidentiality, and Investment Policy for Employees;
11. The active role of the Sharia Supervisory Board in the implementation of sharia principles in BTPN Syariah is to ensure that all new products and their developments have received the opinion and approval of the Sharia Supervisory Board and are in accordance with the 'fatwa' (legal opinion by Islamic authority) of the National Sharia Board-Indonesian Ulema Council & Opini;
12. The GCG implementation report and internal reporting have been carried out in accordance with the Financial Services Authority Regulations and Bank Indonesia. The GCG implementation report 2021 has been included in the 2021 BTPN Syariah Annual Report and is available on the BTPN Syariah website.  
  
BTPN Syariah has carried out internal reporting in the form of transparency of financial and non-financial conditions to stakeholders, transparency of customer complaint handling procedures, in accordance with the prevailing regulations.
13. The Bank discloses conflicts of interest in the minutes of corporate meetings. There was no conflict of interest in the implementation of GCG principles in BTPN Syariah in Semesters I and II of 2022.
14. The GCG and Integrated GCG self-assessment process is carried out every 6 (six) months in accordance with the provisions of Bank Indonesia as a Sharia Commercial Bank. BTPN Syariah carries out other self-assessments in coordination with the Parent Company on the fulfillment of subsidiary obligations to the Parent Company.
15. Subsidiary PT BTPN Syariah Venture conducts its Self-Assessment process of GCG implementation every semester. The Initial Assessment was in Semesters I and II of 2022.

### Other Outcome

1. Accountability for the banking synergy realization is conveyed in reports in with the provisions, which include Consolidated Financial Reports, Bank Business Plan Realization Reports, Banking Synergy Reports, Annual Reports, Bank Sustainability Reports.  
The Banking Synergy Monitoring Report for 2022 would be submitted by Banking Synergy Task Force to the main entity (BTPN). The main entity would then submit it to the Conventional Commercial Bank Supervisory Financial Services Authority (with a copy furnished to the Sharia Commercial Bank Supervisor);
2. The Business Plan Realization Reports by the Board of Commissioners for the 4th Quarter of 2021 was submitted to the Authority on 27 January 2022, 1st Quarter of 2022 on 9 May 2022, 2nd Quarter of 2022 on 27 July 2022, 3rd Quarter of 2022 on 26 October 2022, while the Report for 4th Quarter of 2022 would be submitted in January 2023.  
BTPN Syariah Sustainable Finance Action Plan for 2022–2024 was submitted to the Authorities along with the Bank's Business Plan in a timely manner, while the Corporate Plan was submitted in February 2022 and its update was submitted in November 2022.
3. As fulfilment of provision, BTPN Syariah has announced the Information Disclosure regarding the start of operations of the Subsidiary Entity on 30 May 2022 and has submitted the required report in a timely manner;

4. Business Continuity Management and Contingency Funding Plan of BTPN Syariah are updated regularly; and
5. Along with the Bank's business development, BTPN Syariah consistently develops its Human Resources to support the implementation of sound and sustainable GCG principles, and organize induction, training, refresher and special certification programs for the Board of Commissioners, Sharia Supervisory Board, Board of Directors, and all Employees.

### Negative Factors in Governance Outcome in BTPN Syariah

#### None

BTPN Syariah continuously makes improvements to the overall results and quality of sound implementation of GCG in every level in the organization so that the processes and outcomes are in accordance with the prevailing regulations and in line with the Bank's vision and mission.

The Board of Commissioners, the Sharia Supervisory Board, and the Board of Directors are fully committed to ensuring continuous and sound implementation of good corporate governance principles.

# corporate secretary

## corporate secretary profile

The role of Corporate Secretary in BTPN Syariah is assumed by the Compliance Director, who is responsible for the dissemination of material information regarding BTPN Syariah's performance.

The Corporate Secretary Profile can be found in the Board of Directors Profile page. The Corporate Secretary is domiciled in South Tangerang, Indonesia.

## basis of reference

To fulfill the Financial Services Authority Regulation No. 35/POJK.04/2014 dated 8 December 2014 concerning Corporate Secretary, and Decree of the Board of Directors No. Kep-00066/BEI/09-2022 dated 30 September 2022 concerning Amendment to Regulation No. I-E concerning Appointment or Replacement of Corporate Secretary, BTPN Syariah has reappointed Arief Ismail, Compliance Director, as Corporate Secretary.

The aforementioned reappointment of Corporate Secretary is based on the Circular Decree of the Board of Directors Number 004/CIR/DIR/IV/2020 dated 16 April 2020 concerning the Reappointment of Corporate Secretary of PT Bank Tabungan Pensiunan Nasional Syariah Tbk (currently named PT Bank BTPN Syariah Tbk), and has been determined by the Decision Letter of the Board of Directors Number SK 002/DIR/CSL/IV/2020 dated 16 April 2020 concerning Appointment of Corporate Secretary dated 16 April 2020.

The Bank has disclosed information on the reappointment of Corporate Secretary through the Website of Indonesia Stock Exchange and Capital Market, as well as the Website of BTPN Syariah.

The term of office for the Corporate Secretary in BTPN Syariah began since the signing of the Circular Decision of the Board of Directors Number 004/CIR/DIR/IV/2020 dated 16 April 2020 until the end of the Annual General Meeting of Shareholders in 2023 (according to the term of office for the members of Board of Directors, who were appointed based on the Resolution Statement of the Annual General Meeting of Shareholders on 16 April 2020).

A brief description of the Corporate Secretary of BTPN Syariah:

Name	: Arief Ismail
Domicile	: Tangerang Selatan
Office	: Menara BTPN Lantai 12
Address	: CBD Mega Kuningan Jl. DR. Ide Anak Agung Gde Agung Kav. 5.5 – 5.6, Jakarta Selatan 12950
Telephone	: +6221 300 26 400
Facsimile	: +6221 255 67 190
Email	: corsec@btpnsyariah.com

## employment history of corporate secretary

1. Compliance Director in PT Bank BTPN Syariah Tbk (2017–present)
2. HSBC Indonesia
  - a. SVP Country Head Retail Banking & Wealth Management (RBWM) Risk – (previously Head of Consumer Credit Risk) (2011–2017)
  - b. SVP Portfolio Management Consumer Credit Risk (2011)
3. Division Head of Consumer Risk in PT Bank Negara Indonesia Tbk (2010)
4. Head of Retail Credit Risk in ANZ Panin Bank (2010)
5. Country Head of Risk and Head of Consumer Risk in ABN AMRO Bank/Royal Bank of Scotland (RBS) (2008–2010)

6. Head of Consumer Risk in ABN AMRO Bank/ Royal Bank of Scotland (RBS) (2005–2008)
7. PT Bank Danamon Indonesia Tbk
  - a. Unsecured Risk Management Head (2004–2005)
  - b. Card Centre's Credit Cycle Manager (2001–2004)
8. Marketing Director in PT Rahajasa Media Internet (1999–2001)
9. Director of New Business in GE Capital, Global Consumer (1998–1999)
10. Director of Risk in GE Capital, Global Consumer (1995–1997)
11. Citibank
  - a. Direct Sales Manager, Global Consumer (1995)
  - b. Credit Policy Manager, Global Consumer (1991–1994)
  - c. Management Associate Program as Credit Analyst, Global Consumer (1990–1991)
12. Entry level trainee in PT USI Jaya – IBM Indonesia (1991)

## education history of corporate secretary

Industrial Engineering Graduate, Institut Teknologi Bandung (1990)

## duties and responsibilities of corporate secretary

The Duties and Responsibilities of Corporate Secretary in BTPN Syariah based on the Circular Decision of the Board of Directors Number 004/ CIR/DIR/IV/2020 dated 16 April 2020 concerning the Reappointment of Corporate Secretary of PT Bank Tabungan Pensiunan Nasional Syariah Tbk (currently named PT Bank BTPN Syariah Tbk) are:

1. To keep up to date with the development of Capital Market, particularly on the prevailing laws and regulations on Capital Market;

2. To provide suggestions to the Board of Directors and Board of Commissioners of the Issuer or Public Company to comply with the provisions of the laws and regulations on Capital Market;
3. To assist the Board of Directors and Board of Commissioners on corporate governance, which includes:
  - Information Disclosure to the public, including making information available on the Website of the Issuer or Public Company;
  - Deliver Report to the Financial Services Authority in timely manner;
  - Organize and document the General Meeting of Shareholders;
  - Organize and document meetings of the Board of Directors and/or Board of Commissioners; and
  - Organize orientation program on the Company for the Board of Directors and/or Board of Commissioners
4. To act as a liaison between the Issuer or Public Company and the Shareholders of the Issuer or Public Company, the Financial Services Authority, and other Stakeholders.

Throughout 2022, the Corporate Secretary of BTPN Syariah performed his duties and responsibilities according to the provisions.

## affiliations

The Corporate Secretary does not have any affiliation with the Board of Directors, Board of Commissioners, Sharia Supervisory Board, and Controlling Shareholders

## performance of duties and responsibilities of corporate secretary of BTPN Syariah in 2022

### A. Ensuring the fulfillment of BTPN Syariah's commitment in GCG implementation as a public company and sharia commercial bank by, among others:

1. Ensuring that the continuing support of BTPN Syariah to the Government in the National Economic Recovery Program during the COVID-19 pandemic, through the provision of various relaxation policies and facilities to financing customers, had been in line with the provisions;
2. In order to fulfill PBI Number 11/33/PBI/2009 concerning Good Corporate Governance Implementation for Sharia Commercial Banks and Sharia Business Units, ensuring the fulfillment of provisions through routine updating of the Corporate Governance Policy in 2022;
3. In order to fulfill PBI Number 11/33/PBI/2009 concerning Good Corporate Governance Implementation for Sharia Commercial Banks and Sharia Business Units, ensuring that BTPN Syariah has updated the Guidelines and Code of Conduct for Bank Organs and Supporting Organs in 2022;
4. In order to fulfill PBI Number 11/33/PBI/2009 concerning Good Corporate Governance Implementation for Sharia Commercial Banks and Sharia Business Units and SEBI Number 12/13/DPBS concerning Good Corporate Governance Implementation for Sharia Commercial Banks and Sharia Business Units, POJK Number 16/POJK.03/2022 concerning Sharia Commercial Banks, and POJK Number 33/POJK.04/2014 concerning Board of Directors and Board of Commissioners of Issuers, ensuring that the entire process of nominating and appointing new members of the Board of Commissioners in 2022 in BTPN Syariah has been in line with the provisions. All active members of the Board of Commissioners, Sharia Supervisory Board, and Board of Directors have passed the Fit and Proper Test by OJK;
5. In order to fulfill PBI Number 11/33/PBI/2009 concerning Good Corporate Governance Implementation for Sharia Commercial Banks and Sharia Business Units, the Board of Commissioners has reestablished the composition of Risk Monitoring Committee for 2022 in BTPN Syariah following the inclusion of new member in the Board of Commissioners who holds a position in the aforementioned The Board of Commissioners' Committee;
6. In order to fulfill POJK Number 34/POJK.04/2014 concerning Nomination and Remuneration Committee of Issuers or Public Companies, the composition of Nomination and Remuneration Committee in BTPN Syariah has been reestablished in 2022 following the inclusion of new member in the Board of Commissioners who holds a position in the aforementioned The Board of Commissioners' Committee;
7. In order to fulfill POJK 8/POJK.03/2014 concerning Assessment on the Soundness Level of Sharia Commercial Banks and Sharia Business Units and POJK Number 65/POJK.03/2016 concerning Risk Management Implementation for Sharia Commercial Banks and Sharia Business Units, and in observance of SE OJK Number 10/SEOJK.03/2014 concerning Assessment on Soundness of Sharia Commercial Banks, ensuring that BTPN Syariah's risk management and internal control standards have been in line with the 'three lines of defense' principle;
8. In order to fulfill POJK Number 21/POJK.04/2015 concerning Implementation of Governance Guidelines for Limited Liability Companies, in conjunction with Circular Letter of OJK Number 32/SEOJK.04/2015 concerning Governance Guidelines for Limited Liability Companies, ensuring that BTPN Syariah refers to the Governance Guidelines, which comprises 5 (five) aspects, 8 (eight) good corporate governance principles, and 25 (twenty

- five) recommended implementations of good corporate governance aspects and principles;
9. In order to fulfill POJK Number 55/POJK.04/2015 concerning Establishment and Work Guidelines of Audit Committee, ensuring that BTPN Syariah has disclosed information on changes in the composition of Audit Committee in 2021. In 2022, there has been no change in the composition of Audit Committee in BTPN Syariah.
  10. In order to fulfill POJK Number 8/POJK.04/2015 concerning Website of Issuers or Public Companies, ensuring the commitment of BTPN Syariah in transparency and information disclosure according to the provisions;
  11. In order to fulfill POJK Number 13/POJK.03/2017 concerning The Use of Public Accountant and Public Accounting Firm in Financial Services Activity and SEOJK Number 36/SEOJK.03/2017 concerning Procedures for the Use of Public Accountant and Public Accounting Firm in Financial Services Activity, ensuring that BTPN Syariah has observed the restriction on the use of audit service toward the annual historical financial information for at most 3 (three) consecutive financial years, and ensuring that the appointment of Public Accountant and Public Accounting Firm to audit the Bank's books in 2022 has been in line with the provisions. The Board of Commissioners of BTPN Syariah has followed up on the Resolution of Annual General Meeting of Shareholders 2022 concerning the appointment of Public Accountant and Public Accounting Firm that would audit the Bank's books for the financial year that ended on 31 December 2022, and the Bank has disclosed information on said appointment;
  12. In order to fulfill POJK Number 30/POJK.04/2017 concerning Buyback of Shares Issued by Limited Liability Companies, BTPN Syariah has redirected treasury shares on 25 January 2022 based on the procedure that complies with the provisions of the prevailing laws in order to provide variable remunerations to the Board of Directors for the performance of BTPN Syariah in compliance with POJK 59/POJK.03/2017 concerning Governance Implementation in Providing Remuneration for Sharia Commercial Banks and Sharia Business Units;
  13. In order to fulfill POJK Number 26/POJK.03/2021 concerning Maximum Limit of Funds Channeling and Large Funds Channeling for Sharia Commercial Bank, POJK Nomor 32/POJK.03/2018 concerning Legal Lending Limit and Provision of Large Funds for Commercial Banks, and POJK Number 38/POJK.03/2019 concerning Amendment to POJK Number 32/POJK.03/2018 concerning Legal Lending Limit and Provision of Large Funds for Commercial Banks, ensuring that BTPN Syariah has prioritized the prudential principles and delivered both routine and incidental (if there is update to the data) Report related to Relevant Parties;
  14. In order to fulfill POJK Number 15/POJK.04/2020 (POJK15) concerning Planning and Implementation of General Meeting of Shareholders by Public Company, ensuring that BTPN Syariah has held Annual and Extraordinary General Meeting of Shareholders in 2022 for the shareholders;
  15. In order to fulfill POJK Number 16/POJK.04/2020 (POJK16) concerning Implementation of General Meeting of Shareholders by Public Companies through Electronic Means, BTPN Syariah has held Annual and Extraordinary General Meeting of Shareholders in 2022 through electronic means (e-GMS) and provided the options of electronic proxy and voting (e-proxy and e-voting) for the shareholders.
  16. In order to fulfill POJK Number 29/POJK.04/2016 concerning Annual Report of Issuers or Public Companies, ensuring the presentation of Annual Report of BTPN Syariah for the financial year that ended on 31 December 2021 and gaining approval from the shareholders in the General Meeting of Shareholders on 21 April 2022;

17. In order to fulfill POJK Number 16/SEOJK.04/2021 concerning Form and Content of Annual Report by Issuers or Public Companies, BTPN Syariah referred to the provisions related to the preparation of Annual Report and Sustainability Report of 2022;
18. In order to fulfill POJK Number 51/POJK.03/2017 concerning Implementation of Sustainable Finance for Financial Service Institutions, Issuers, and Public Companies, BTPN Syariah has prepared Sustainability Report of 2022 and delivered it to OJK DPBS according to the provisions;
19. In order to fulfill POJK Number 11/POJK.03/2022 concerning Implementation of Information Technology by Commercial Banks (including Sharia Commercial Banks), BTPN Syariah has reestablished the composition of members in the Information Technology Steering Committee of BTPN Syariah in 2022;
20. In order to fulfill POJK Number 16/POJK.03/2022 concerning Sharia Commercial Banks, BTPN Syariah has adjusted the Guidelines and Code of Conduct of the Board of Commissioners, Guidelines and Code of Conduct of the Board of Directors, Guidelines and Code of Conduct of the Sharia Supervisory Board, and Good Corporate Governance Policy;
21. In order to fulfill POJK Number 16/POJK.03/2022 concerning Sharia Commercial Banks, BTPN Syariah has updated the internal Policies and Standard Operating Procedures (SOP) of the bank; and

22. In order to fulfill Article 133 of POJK Number 16/POJK.03/2022 concerning Banking Synergy (POJK 16), the Banking Synergy between BTPN Syariah, Main Entity, and Entity Member has been ensured to be conducted on arms' length principle, complemented by supporting documents and the opinion of Sharia Supervisory Board, as regulated in the aforementioned POJK 16.

**B. Ensuring the fulfillment of BTPN Syariah's commitment to Information Disclosure in 2022, among others by:**

1. In order to fulfill POJK Number 31/POJK.04/2015 concerning Disclosure of Information or Material Fact by Issuers or Public Companies, ensuring that BTPN Syariah has presented Annual Report, Interim Financial Statement and Annual Financial Statement, consolidated report, and other incidental reports in transparent manner through the reporting system to the Regulator, and announced them to the public through the website of BTPN Syariah;
2. In order to fulfill POJK Number 7/POJK.04/2018 concerning Delivery of Report through Electronic Reporting by Issuers or Public Companies, BTPN Syariah has routinely delivered its reports;
3. In order to fulfill the Decision Letter of the Board of Directors of PT Bursa Efek Indonesia Number Kep-00066/BEI/09-2022 dated 30 September 2022 concerning Amendment to Regulation Number I-E concerning Information Delivery Obligation, ensuring that BTPN Syariah has fulfilled the obligation to routinely deliver the Monthly Report of Securities Holder Registration or Changes in Shareholders Structure through a reporting system to the regulator and made the information available on the Bank's website; and

4. In order to fulfill the Decision Letter of the Board of Directors of PT Bursa Efek Indonesia Number Kep-00066/BEI/09-2022 dated 30 September 2022 concerning Amendment to Regulation Number I-E concerning Information Delivery Obligation, section III.3.1, BTPN Syariah has conducted a Public Expose on 13 September 2022, delivered Public Expose Report to the Financial Services Authority and PT Bursa Efek Indonesia on 16 September 2022, and disclosed information to achieve such purposes.

**C. Ensuring the Fulfillment of BTPN Syariah's Commitment to GCG Implementation for the Banking Synergy in 2022, among others by:**

To fulfill POJK Number 16/POJK.03/2022 dated 30 August 2022 concerning Sharia Commercial Banks, which includes Banking Synergy, BTPN Syariah along with PT Bank BTPN Tbk as a proprietary affiliate have carried out the following measures in banking synergy:

1. Produced 11 (eleven) partnership agreements with the Main Entity, which aims to support the performance of BTPN Syariah's activities and provide added value for sharia and conventional commercial banks;
2. Established Subsidiary of BTPN Syariah. This measure was taken to adapt to the constantly evolving needs of customers and to ensure improved wellbeing of the inclusive customers, as well as to create opportunity to sustainably serve more customers by utilizing technology for goodness in achieving the aspiration of Sharia Digital Ecosystem for Inclusive Communities;  
(Explanation of Subsidiary is contained in the Subsidiary section of this Annual Report 2022)

3. Supervision of the Banking Synergy implementation at Supervisor level in BTPN Syariah (Board of Commissioners and Sharia Supervisory Board) and at executives level (Management, aided by the relevant unit Teams); and
4. Strategic coordination among divisions on the routine monitoring of Banking Synergy between the Main Entity, Entity Member, and BTPN Syariah.

**D. Ensuring the fulfillment of BTPN Syariah's Commitment to GCG Implementation for Sustainable Actions 2022, among others by:**

In order to fulfill POJK 51/POJK.03/2017 concerning Implementation of Sustainable Finance for Financial Services Institutions, Issuers, and Public Companies;

1. BTPN Syariah has a Sustainable Finance Action Plan for 2020–2024 in place;
2. BTPN Syariah has delivered the Sustainability Report for the financial year of 2021, published in 2022, through timely presentation of report; and
3. BTPN Syariah has engaged in transparent communication with the stakeholders, including Shareholders and Investors, regarding the Sustainable Finance Action Plan, as stipulated by POJK 51/POJK.03/2017 concerning Implementation of Sustainable Finance, in the Annual GMS on 21 April 2022.

#### E. Ensuring the fulfillment of BTPN Syariah's commitment to support its Subsidiary

1. In taking the corporate action of equity investment and addition to the Subsidiary, BTPN Syariah has observed the following:
  - a. Fulfillment of POJK Number 31/POJK.03/2018 concerning Legal Lending Limit and Provision of Large Funds for Commercial Banks;
  - b. Fulfillment of POJK Number 36/POJK.03/2017 concerning Prudential Principles in Equity Investment Activities;
  - c. Fulfillment of POJK Number 35/POJK.05/2015 concerning Business Operations of Venture Capital Companies in relation to the business activities of Subsidiary;
2. In order to fulfill POJK Number 65/POJK.03/2016 concerning Implementation of Risk Management for Sharia Commercial Banks and Sharia Business Units, BTPN Syariah has implemented consolidated Risk Management with the Subsidiary, including the delivery of consolidated Risk Profile Report of 2022 to OJK; and
3. In order to fulfill POJK Number 8/POJK.03/2014 and SEOJK Number 10/SEOJK.03/2014 concerning Soundness Assessment of Sharia Commercial Banks and Sharia Business Units, BTPN Syariah has performed a consolidated GCG Self-Assessment with the Subsidiary to complement the GCG Self-Assessment with the Main Entity in 2022.

#### training and certification programs attended by corporate secretary in financial year of 2022

No	Training/Workshop	Organizer	Date
1	Regtech's Role in Supporting Performance of Financial Services Authority	Financial Services Authority	31 March 2022
2	Bank Digitalization: Lessons Learned from Asian Countries	Financial Services Authority	19 May 2022
3	Executive Risk Management Certification Refresher - 2022	PT Raharja Duta Solusindo (RSD Consultant)	05 July 2022
4	Executive Risk Management Certification Refresher - 2023	PT Raharja Duta Solusindo (RSD Consultant)	05 July 2022
5	Green Taxonomy (Provision for Sustainable Finance Action)	Board of Directors Meeting	11 July 2022
6	E- Town Hall	SMBC Group and PT Bank BTPN Tbk	3 August 2022
7	2023 Macro Economic Outlook	Creco Consulting	3 August 2022
8	Digital Governance, Prerequisite for Digital Transformation	Financial Services Authority	11 August 2022
9	Sustainability	Independent Learning	25 September 2022

#### press conference in 2022

No	Date	Description
1	10 February 2022	Maintaining Focus on Assistance in Challenging Times, Financing of Ultra-micro Customers Grew by 10%
2	22 April 2022	Positive Performance, BTPN Syariah Disburses Dividends
3	26 April 2022	Focus on Building Digital Foundation, BTPN Syariah Becomes Adaptive Bank for Optimal Growth
4	28 July 2022	Continuing to Support Inclusive Community, BTPN Syariah Increases Focus on Building Digital Sharia Ecosystem

No	Date	Description
5	13 September 2022	BTPN Syariah Transforms to Create Sharia Digital Ecosystem for Inclusive Community in Indonesia
6	13 October 2022	BTPN Syariah's Extraordinary General Meeting of Shareholders Appoints Ongki Wanadjati Dana as Commissioner
7	21 October 2022	Digital Ecosystem Spurs Enhanced Inclusive Community Financing

information disclosure report to the OJK DPBS, capital market OJK, indonesia stock exchange, other institutions, and website (as of 31 December 2022)

No	Letter Number	Letter Date	Website		Content	Description
1	S.002/DIR/CSGC/I/2022	6 January 2022	OJK DPBS	✓	Monthly Report on Securities Holder Registration (as of 31 December 2021)	Other institutions, such as PT Kustodian Sentra Efek Indonesia, PT Datindo Entrycom
			FSA Net	✓		
			IDX Net	✓		
			Other Institutions	✓		
			Website of BTPN Syariah	✓		
2	S.008/DIR/CSGC/I/2022	10 January 2022	OJK DPBS	✓	Plan for Partial transfer of Treasury Shares for Provision of Variable Remuneration toward the Performance of PT Bank BTPN Syariah Tbk, in fulfillment of the Financial Services Authority Regulation Number 59/POJK.03/2017 concerning the Implementation of Governance in Provision of Remuneration for Sharia Commercial Banks and Sharia Business Units	Other institutions, such as PT Kustodian Sentra Efek Indonesia, PT Datindo Entrycom
			FSA Net	✓		
			IDX Net	✓		
			Other Institutions	✓		
			Website of BTPN Syariah	✓		
3	S.030/DIR/CSGC/I/2022	26 January 2022	OJK DPBS	✓	Report on Shares Ownership/ Changes in Shares Ownership of Board of Directors	Other institutions, such as PT Kustodian Sentra Efek Indonesia, PT Datindo Entrycom
			FSA Net	✓		
			IDX Net	✓		
			Other Institutions	✓		
			Website of BTPN Syariah	✓		
4	S.031/DIR/CSGC/I/2022	26 January 2022	OJK DPBS	✓	Necessary Public Information Disclosure on the Partial Redirection of Treasury Shares	Other institutions, such as PT Kustodian Sentra Efek Indonesia, PT Datindo Entrycom
			FSA Net	✓		
			IDX Net	✓		
			Other Institutions	✓		
			Website of BTPN Syariah	✓		

No	Letter Number	Letter Date	Website		Content	Description
5	S.041/DIR/CSGC/II/2022	8 February 2022	OJK DPBS	✓	Monthly Report of Securities Registration (as of 31 January 2022)	Other institutions, such as PT Kustodian Sentra Efek Indonesia, PT Datindo Entrycom
			FSA Net	✓		
			IDX Net	✓		
			Other Institutions	✓		
			Website of BTPN Syariah	✓		
6	S.050/DIR/CSGC/II/2022	10 February 2022	OJK DPBS	-	Presentation of Financial Statement and Published Advertisement Proof of Financial Statement as of 31 December 2021 (Audited)	Other institutions, such as PT Kustodian Sentra Efek Indonesia, PT Datindo Entrycom
			FSA Net	✓		
			IDX Net	✓		
			Other Institutions	✓		
			Website of BTPN Syariah	✓		
7	S.058/DIR/CSGC/II/2022	10 February 2022	OJK DPBS	✓	Necessary Public Information Disclosure – Press Conference - Focused on Guidance through Challenging Times, Ultramicro Financing Customers Grow 10%	Other institutions, such as PT Kustodian Sentra Efek Indonesia, PT Datindo Entrycom
			FSA Net	✓		
			IDX Net	✓		
			Other Institutions	✓		
			Website of BTPN Syariah	✓		
8	S.081/DIR/CSGC/II/2022	24 February 2022	OJK DPBS	-	Rehashed Presentation of Financial Statement and Published Advertisement Proof of Financial Statement as of 31 December 2021 (Audited) PT Bank BTPN Syariah Tbk	Other institutions, such as PT Kustodian Sentra Efek Indonesia, PT Datindo Entrycom
			FSA Net	✓		
			IDX Net	✓		
			Other Institutions	✓		
			Website of BTPN Syariah	✓		
9	S.086/DIR/CSGC/III/2022	7 March 2022	OJK DPBS	✓	Plan and Agenda Dissemination of Annual General Meeting of Shareholders of PT Bank BTPN Syariah Tbk for Financial Year that Ended on 31 December 2021	Other institutions, such as PT Kustodian Sentra Efek Indonesia, PT Datindo Entrycom
			FSA Net	✓		
			IDX Net	✓		
			Other Institutions	✓		
			Website of BTPN Syariah	✓		

No	Letter Number	Letter Date	Website		Content	Description
10	S.087/DIR/CSGC/III/2022	4 March 2022	OJK DPBS	✓	Necessary Public Information Disclosure on resignation of members of Board of Commissioners	Other institutions, such as PT Kustodian Sentra Efek Indonesia, PT Datindo Entrycom
			FSA Net	✓		
			IDX Net	✓		
			Other Institutions	✓		
			Website of BTPN Syariah	✓		
11	S.088/DIR/CSGC/III/2022	8 March 2022	OJK DPBS	✓	Necessary Public Information Disclosure – Report on Shares Ownership or Changes in Shares Ownership of Public Company – Report on Changes in the Amount of Company Shares Owned by Members of the Company's Board of Directors	Other institutions, such as PT Kustodian Sentra Efek Indonesia, PT Datindo Entrycom
			FSA Net	✓		
			IDX Net	✓		
			Other Institutions	✓		
			Website of BTPN Syariah	✓		
12	S.089/DIR/CSGC/III/2022	8 March 2022	OJK DPBS	✓	Monthly Report on Securities Registration (As of 28 February 2022)	Other institutions, such as PT Kustodian Sentra Efek Indonesia, PT Datindo Entrycom
			FSA Net	✓		
			IDX Net	✓		
			Other Institutions	✓		
			Website of BTPN Syariah	✓		
13	S.104/DIR/CSGC/III/2022	15 March 2022	OJK DPBS	✓	Announcement of Planned Annual General Meeting of Shareholders PT Bank BTPN Syariah Tbk	Other institutions, such as PT Kustodian Sentra Efek Indonesia, PT Datindo Entrycom
			FSA Net	✓		
			IDX Net	✓		
			Other Institutions	✓		
			Website of BTPN Syariah	✓		
14	S.117/DIR/CSGC/III/2022	30 March 2022	OJK DPBS	✓	Presentation of Annual Report and Sustainability Report for the Financial Year of 2021 PT Bank BTPN Syariah Tbk	Other institutions, such as PT Kustodian Sentra Efek Indonesia, PT Datindo Entrycom
			FSA Net	✓		
			IDX Net	✓		
			Other Institutions	✓		
			Website of BTPN Syariah	✓		

No	Letter Number	Letter Date	Website		Content	Description
15	S.118/DIR/CSGC/III/2022	30 March 2022	OJK DPBS	✓	Summons to the Annual General Meeting of the Shareholders of PT Bank BTPN Syariah Tbk	Other institutions, such as PT Kustodian Sentra Efek Indonesia, PT Datindo Entrycom
			FSA Net	✓		
			IDX Net	✓		
			Other Institutions	✓		
			Website of BTPN Syariah	✓		
16	S.137/DIR/CSGC/IV/2022	7 April 2022	OJK DPBS	✓	Monthly Report on Securities Holder Registration (as of 31 March 2022)	Other institutions, such as PT Kustodian Sentra Efek Indonesia, PT Datindo Entrycom
			FSA Net	✓		
			IDX Net	✓		
			Other Institutions	✓		
			Website of BTPN Syariah	✓		
17	S.154/DIR/CSGC/IV/2022	25 April 2022	OJK DPBS	✓	Summarized Minutes of Annual General Meeting of Shareholders for Financial Year 2021 and Schedule and Procedures for Disbursement of Cash Dividends of PT Bank BTPN Syariah Tbk	Other institutions, such as PT Kustodian Sentra Efek Indonesia, PT Datindo Entrycom
			FSA Net	✓		
			IDX Net	✓		
			Other Institutions	✓		
			Website of BTPN Syariah	✓		
18	S.155/DIR/CSGC/IV/2022	25 April 2022	OJK DPBS	✓	Necessary Public Information Disclosure on Changes in Composition of Board of Commissioners	Other institutions, such as PT Kustodian Sentra Efek Indonesia, PT Datindo Entrycom
			FSA Net	✓		
			IDX Net	✓		
			Other Institutions	✓		
			Website of BTPN Syariah	✓		
19	S.161/DIR/CSGC/IV/2022	26 April 2022	OJK DPBS	✓	Presentation of Financial Statement and Published Advertisement Proof of Financial Statement as of 31 March 2022 (Unaudited) of PT Bank BTPN Syariah Tbk	-
			FSA Net	-		
			IDX Net	-		
			Other Institutions	-		
			Website of BTPN Syariah	-		

No	Letter Number	Letter Date	Website		Content	Description
20	S.162/DIR/CSGC/IV/2022	26 April 2022	OJK DPBS	✓	Presentation of Financial Statement and Published Advertisement Proof of Financial Statement as of 31 March 2022 (Unaudited) of PT Bank BTPN Syariah Tbk	Other institutions, such as PT Kustodian Sentra Efek Indonesia, PT Datindo Entrycom
			FSA Net	✓		
			IDX Net	✓		
			Other Institutions	✓		
			Website of BTPN Syariah	✓		
21	S.165/DIR/CSGC/IV/2022	26 April 2022	OJK DPBS	✓	Necessary Public Information Disclosure – Press Conference - Focused on Laying Digital Foundation, BTPN Syariah Becomes an Adaptive Bank to Create Optimum Growth	Other institutions, such as PT Kustodian Sentra Efek Indonesia, PT Datindo Entrycom
			FSA Net	✓		
			IDX Net	✓		
			Other Institutions	✓		
			Website of BTPN Syariah	✓		
22	S.182/DIR/CSGC/V/2022	9 May 2022	OJK DPBS	✓	Monthly Report on Securities Holder Registration (as of 30 April 2022)	Other institutions, such as PT Kustodian Sentra Efek Indonesia, PT Datindo Entrycom
			FSA Net	✓		
			IDX Net	✓		
			Other Institutions	✓		
			Website of BTPN Syariah	✓		
23	S.193/DIR/CSGC/V/2022	18 May 2022	OJK DPBS	✓	Summary of Annual General Meeting of Shareholders for Financial Year that Ended on 31 December 2021 of PT Bank BTPN Syariah Tbk	Other institutions, such as PT Kustodian Sentra Efek Indonesia, PT Datindo Entrycom
			FSA Net	✓		
			IDX Net	✓		
			Other Institutions	✓		
			Website of BTPN Syariah	✓		
24	S.202/DIR/CSGC/VI/2022	3 June 2022	OJK DPBS	✓	Necessary Public Information Disclosure on Business License Approval for Company Subsidiary in the form of Sharia Capital Venture Company to the PT Bank BTPN Syariah Ventura and Addition of Authorized Capital, Subscribed Capital, and Paid-Up Capital for said Subsidiary	Other institutions, such as PT Kustodian Sentra Efek Indonesia, PT Datindo Entrycom
			FSA Net	✓		
			IDX Net	✓		
			Other Institutions	✓		
			Website of BTPN Syariah	✓		

No	Letter Number	Letter Date	Website		Content	Description
25	S.203/DIR/CSGC/VI/2022	6 June 2022	OJK DPBS	✓	Monthly Report on Securities Holder Registration (as of 31 May 2022)	Other institutions, such as PT Kustodian Sentra Efek Indonesia, PT Datindo Entrycom
			FSA Net	✓		
			IDX Net	✓		
			Other Institutions	✓		
			Website of BTPN Syariah	✓		
26	S.204/DIR/CSGC/VI/2022	6 June 2022	OJK DPBS	✓	Necessary Public Information Disclosure on Changes in Amount of Shares Owned by Members of Board of Directors	Other institutions, such as PT Kustodian Sentra Efek Indonesia, PT Datindo Entrycom
			FSA Net	✓		
			IDX Net	✓		
			Other Institutions	✓		
			Website of BTPN Syariah	✓		
27	S.246/DIR/CSGC/VII/2022	8 July 2022	OJK DPBS	✓	Monthly Report on Securities Holder Registration (as of 30 Jun 2022)	Other institutions, such as PT Kustodian Sentra Efek Indonesia, PT Datindo Entrycom
			FSA Net	✓		
			IDX Net	✓		
			Other Institutions	✓		
			Website of BTPN Syariah	✓		
28	S.275/DIR/CSGC/VII/2022	28 July 2022	OJK DPBS	✓	Presentation of Consolidated Financial Statement and Published Advertisement Proof of Consolidated Financial Statement as of 30 June 2022 (Unaudited) PT Bank BTPN Syariah Tbk	-
			FSA Net	-		
			IDX Net	-		
			Other Institutions	-		
			Website of BTPN Syariah	-		
29	S.276/DIR/CSGC/VII/2022	28 July 2022	OJK DPBS	-	Presentation of Consolidated Financial Statement and Published Advertisement Proof of Consolidated Financial Statement (Unaudited) as of 30 June 2022 PT Bank BTPN Syariah Tbk	Other institutions, such as PT Kustodian Sentra Efek Indonesia, PT Datindo Entrycom
			FSA Net	✓		
			IDX Net	✓		
			Other Institutions	✓		
			Website of BTPN Syariah	✓		

No	Letter Number	Letter Date	Website		Content	Description
30	S.279/DIR/CSGC/ VII/2022	28 July 2022	OJK DPBS	✓	Necessary Public Information Disclosure – Press Conference - Continuously Supporting Inclusive Communities, BTPN Syariah Increasing Focus on Building Sharia Digital Ecosystem	Other institutions, such as PT Kustodian Sentra Efek Indonesia,
			FSA Net	✓		
			IDX Net	✓		
			Other Institutions	✓		
			Website of BTPN Syariah	✓		
31	S.298/DIR/CSGC/ VIII/2022	8 August 2022	OJK DPBS	✓	Monthly Report on Securities Registration (As of 31 July 2022)	Other institutions, such as PT Kustodian Sentra Efek Indonesia, PT Datindo Entrycom
			FSA Net	✓		
			IDX Net	✓		
			Other Institutions	✓		
			Website of BTPN Syariah	✓		
32	S.307/DIR/CSGC/ VIII/2022	12 August 2022	OJK DPBS	✓	Necessary Public Information Disclosure on Changes in Amount of Shares Owned by Members of Board of Directors	Other institutions, such as PT Kustodian Sentra Efek Indonesia, PT Datindo Entrycom
			FSA Net	✓		
			IDX Net	✓		
			Other Institutions	✓		
			Website of BTPN Syariah	✓		
33	S.316/DIR/CSGC/ VIII/2022	30 August 2022	OJK DPBS	✓	Presentation of Plan for Annual Public Expose 2022 PT Bank BTPN Syariah Tbk	Other institutions, such as PT Kustodian Sentra Efek Indonesia
			FSA Net	✓		
			IDX Net	✓		
			Other Institutions	✓		
			Website of BTPN Syariah	✓		
34	S.317/DIR/CSGC/ VIII/2022	30 August 2022	OJK DPBS	✓	Plan and Agenda Dissemination of Extraordinary Annual General Meeting of Shareholders PT Bank BTPN Syariah Tbk	Other institutions, such as PT Kustodian Sentra Efek Indonesia, PT Datindo Entrycom
			FSA Net	✓		
			IDX Net	✓		
			Other Institutions	✓		
			Website of BTPN Syariah	✓		

No	Letter Number	Letter Date	Website	Content	Description
35	S.327/DIR/CSGC/IX/2022	6 September 2022	<a href="#">OJK DPBS</a> ✓ <a href="#">FSA Net</a> ✓ <a href="#">IDX Net</a> ✓ <a href="#">Other Institutions</a> ✓ <a href="#">Website of BTPN Syariah</a> ✓	Announcement of Planned Extraordinary General Meeting of Shareholders PT Bank BTPN Syariah Tbk	Other institutions, such as PT Kustodian Sentra Efek Indonesia, PT Datindo Entrycom
36	S.331/DIR/CSGC/IX/2022	8 September 2022	<a href="#">OJK DPBS</a> ✓ <a href="#">FSA Net</a> ✓ <a href="#">IDX Net</a> ✓ <a href="#">Other Institutions</a> ✓ <a href="#">Website of BTPN Syariah</a> ✓	Material Delivery on Annual Public Expose 2022	Other institutions, such as PT Kustodian Sentra Efek Indonesia
37	S.332/DIR/CSGC/IX/2022	8 September 2022	<a href="#">OJK DPBS</a> ✓ <a href="#">FSA Net</a> ✓ <a href="#">IDX Net</a> ✓ <a href="#">Other Institutions</a> ✓ <a href="#">Website of BTPN Syariah</a> ✓	Monthly Report on Securities Holder Registration (As of 31 August 2022)	Other institutions, such as PT Kustodian Sentra Efek Indonesia, PT Datindo Entrycom
38	S.338/DIR/CSGC/IX/2022	13 September 2022	<a href="#">OJK DPBS</a> ✓ <a href="#">FSA Net</a> ✓ <a href="#">IDX Net</a> ✓ <a href="#">Other Institutions</a> ✓ <a href="#">Website of BTPN Syariah</a> ✓	Necessary Public Information Discourse – Press Conference - BTPN Syariah Transforms to Realize Sharia Digital Ecosystem for Inclusive Communities in Indonesia	Other institutions, such as PT Kustodian Sentra Efek Indonesia
39	S.342/DIR/CSGC/IX/2022	16 September 2022	<a href="#">OJK DPBS</a> ✓ <a href="#">FSA Net</a> ✓ <a href="#">IDX Net</a> ✓ <a href="#">Other Institutions</a> ✓ <a href="#">Website of BTPN Syariah</a> ✓	Report on Public Expose PT Bank BTPN Syariah Tbk	Other institutions, such as PT Kustodian Sentra Efek Indonesia

No	Letter Number	Letter Date	Website		Content	Description
40	S.344/DIR/CSGC/IX/2022	21 September 2022	OJK DPBS	✓	Summons to the Extraordinary General Meeting of Shareholders of PT Bank BTPN Syariah Tbk	Other institutions, such as PT Kustodian Sentra Efek Indonesia, PT Datindo Entrycom
			FSA Net	✓		
			IDX Net	✓		
			Other Institutions	✓		
			Website of BTPN Syariah	✓		
41	S.364/DIR/CSGC/IX/2022	29 September 2022	OJK DPBS	-	Report on Appointment of Public Accountant and/or Public Accounting Firm for the Audit on Annual Historical Financial Information on 31 December 2022	Other institutions, such as PT Kustodian Sentra Efek Indonesia
			FSA Net	✓	PT Bank BTPN Syariah Tbk	
			IDX Net	✓		
			Other Institutions	✓		
			Website of BTPN Syariah	✓		
42	S.365/DIR/CSGC/IX/2022	29 September 2022	OJK DPBS	✓	Report on Appointment of Public Accountant and/or Public Accounting Firm for the Audit on Annual Historical Financial Information on 31 December 2022	-
			FSA Net	-	PT Bank BTPN Syariah Tbk	
			IDX Net	-		
			Other Institutions	-		
			Website of BTPN Syariah	-		
43	S.369/DIR/CSGC/X/2022	3 October 2022	OJK DPBS	✓	Necessary Public Information Discourse on affirmation of PT Fitch Ratings Indonesia toward the Long Term National Rank of BTPN Syariah at AAA (idn) with Stable Outlook	Other institutions, such as PT Kustodian Sentra Efek Indonesia
			FSA Net	✓		
			IDX Net	✓		
			Other Institutions	✓		
			Website of BTPN Syariah	✓		
44	S.374/DIR/CSGC/X/2022	7 October 2022	OJK DPBS	✓	Monthly Report on Securities Holder Registration (As of 30 September 2022)	Other institutions, such as PT Kustodian Sentra Efek Indonesia, PT Datindo Entrycom
			FSA Net	✓		
			IDX Net	✓		
			Other Institutions	✓		
			Website of BTPN Syariah	✓		

No	Letter Number	Letter Date	Website		Content	Description
45	S.380/DIR/CSGC/X/2022	13 October 2022	OJK DPBS	✓	Necessary Public Information Discourse – Press Conference:	Other institutions, such as
			FSA Net	✓	Extraordinary GMS of BTPN Syariah Appoints	PT Kustodian
			IDX Net	✓	Ongki Wanadjati Dana as Commissioner	Sentra Efek Indonesia
			Other Institutions	✓		
			Website of BTPN Syariah	✓		
46	S.384/DIR/CSGC/X/2022	14 October 2022	OJK DPBS	✓	Necessary Public Information Discourse on Changes in Composition of Board of Commissioners of the Company	Other institutions, such as
			FSA Net	✓		PT Kustodian
			IDX Net	✓		Sentra Efek Indonesia
			Other Institutions	✓		
			Website of BTPN Syariah	✓		
47	S.385/DIR/CSGC/X/2022	17 October 2022	OJK DPBS	✓	Summarized Minutes of Extraordinary General Meeting of Shareholders 2022	Other institutions, such as
			FSA Net	✓	PT Bank BTPN Syariah Tbk	PT Kustodian
			IDX Net	✓		Sentra Efek Indonesia,
			Other Institutions	✓		PT Datindo
			Website of BTPN Syariah	✓		Entrycom
48	S.396/DIR/CSGC/X/2022	21 October 2022	OJK DPBS	✓	Presentation of Consolidated Financial Statement and Published Advertisement	Other institutions, such as
			FSA Net	✓	Proof of Consolidated Financial Statement as of 30 September 2022 (Unaudited)	PT Kustodian
			IDX Net	✓	PT Bank BTPN Syariah Tbk	Sentra Efek Indonesia,
			Other Institutions	✓		PT Datindo
			Website of BTPN Syariah	✓		Entrycom
49	S.397/DIR/CSGC/X/2022	21 October 2022	OJK DPBS	✓	Presentation of Consolidated Financial Statement and Published Advertisement	-
			FSA Net	-	Proof of Consolidated Financial Statement as of 30 September 2022 (Unaudited)	
			IDX Net	-	PT Bank BTPN Syariah Tbk	
			Other Institutions	-		
			Website of BTPN Syariah	-		

No	Letter Number	Letter Date	Website		Content	Description
50	S.400/DIR/CSGC/X/2022	21 October 2022	OJK DPBS	✓	Necessary Public Information Discourse – Press Conference – Digital Ecosystem Spurs Enhanced Inclusive Community Financing	Other institutions, such as PT Kustodian Sentra Efek Indonesia
			FSA Net	✓		
			IDX Net	✓		
			Other Institutions	✓		
			Website of BTPN Syariah	✓		
51	S.402/DIR/CSGC/X/2022	24 October 2022	OJK DPBS	✓	Report on Appointment of Member of Board of Commissioners in PT Bank BTPN Syariah Tbk	-
			FSA Net	-		
			IDX Net	-		
			Other Institutions	-		
			Website of BTPN Syariah	-		
52	S.409/DIR/CSGC/XI/2022	7 November 2022	OJK DPBS	✓	Summary of Extraordinary General Meeting of Shareholders PT Bank BTPN Syariah Tbk	Other institutions, such as PT Kustodian Sentra Efek Indonesia, PT Datindo Entrycom
			FSA Net	✓		
			IDX Net	✓		
			Other Institutions	✓		
			Website of BTPN Syariah	✓		
53	S.411/DIR/CSGC/XI/2022	8 November 2022	OJK DPBS	✓	Monthly Report on Securities Holder Registration (as of 31 October 2022)	Other institutions, such as PT Kustodian Sentra Efek Indonesia, PT Datindo Entrycom
			FSA Net	✓		
			IDX Net	✓		
			Other Institutions	✓		
			Website of BTPN Syariah	✓		
54	S.438/DIR/CSGC/XII/2022	8 December 2022	OJK DPBS	✓	Monthly Report on Securities Registration (as of 30 November 2022)	Other institutions, such as PT Kustodian Sentra Efek Indonesia, PT Datindo Entrycom
			FSA Net	✓		
			IDX Net	✓		
			Other Institutions	✓		
			Website of BTPN Syariah	✓		

# internal audit report

Internal Audit as an independent unit is one of the elements of the internal control system, namely as the third line of defense. Internal Audit has an important role in supporting the Bank in achieving its objectives, through independent and objective assurance and consultation activities that provide added value to the Bank and improve the Bank's performance.

## internal audit charter

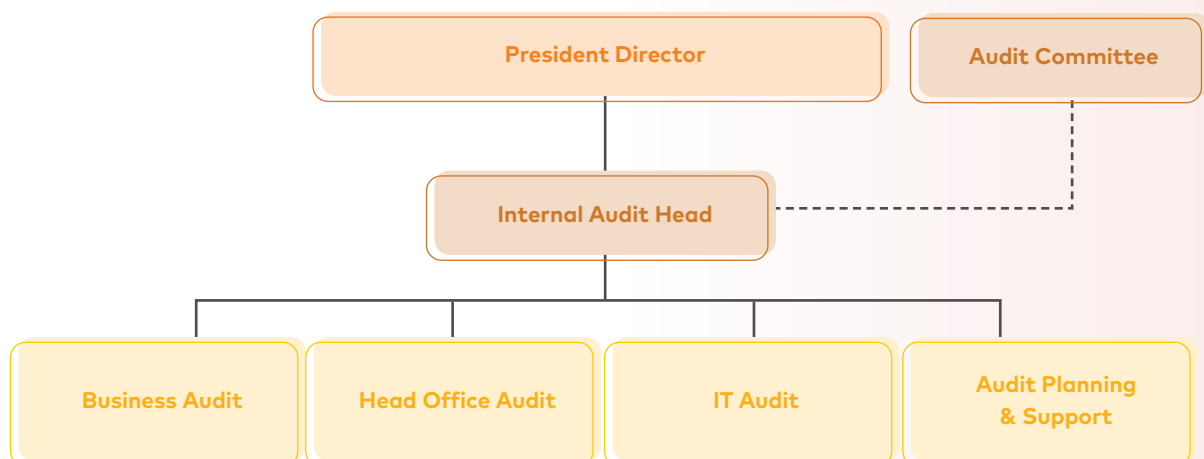
In carrying out its functions, Internal Audit is guided by the Internal Audit Charter which was approved by the Board of Commissioners based on the recommendations of the Audit Committee and declared by the Decree of the Board of Directors number SK.008/DIR/SKAI/X/2022 dated 30 November 2022. The Internal Audit Charter provides guidelines on the scope, responsibilities, and authority of Internal Audit. This Charter confirms the position of Internal Audit within the Bank's organization, its independence, and working relationships with external parties. The Internal Audit Charter also serves as an official confirmation that Internal Audit is committed to upholding the internal auditor's code of ethics in carrying out its duties.

The establishment of Internal Audit Charter and the implementation of Internal Audit activities refer to the Regulation of the Financial Services Authority (POJK) No. 1/ POJK.03/2019 concerning the Implementation of Internal Audit Function in Commercial Banks and POJK No. 56/POJK.04/2015 concerning the Establishment and Guidelines of Internal Audit Charter, as well as The International Professional Practice Framework (IPPF) from the Institute of Internal Auditors (IIA). Internal Audit has regularly reviewed and aligned the audit charter with the prevailing provisions and standards.

## position of internal audit in the organization structure of the bank

As an independent unit, Internal Audit reports directly to the President Director, coordinates with the Audit Committee, and is able to directly communicate with the Board of Commissioners to inform various matters related to audit. Therefore, BTPN Syariah Internal Audit does not have any reporting responsibilities nor relationships with management or other parties related to the Bank's operations that may influence the results of the audit process.

The following is the organizational structure of Internal Audit:



The Internal Audit organization consists of 4 sections, each of which functions as follows:

1. Business Audit

To perform audits in the Business areas which include funding and financing businesses as well to monitor the follow-up to the audit results.

2. Head Office Audit

To carry out audits in the Head Office areas, which include support functions that serve the overall Bank and to monitor follow-up on audit results.

3. Information Technology Audit

To conduct audits of Information Technology areas and monitor follow-up on audit results.

4. Audit Planning & Support

Responsible for facilitating the annual audit planning process, development of audit methodology and tools, auditor development, implementing audit quality assurance, remote audit, data support and MIS, and regular internal and external reporting.

## profile of internal audit head

<b>Name</b>	Gatot Prasetyo
<b>Nationality</b>	Indonesia
<b>Domicile</b>	Tangerang Selatan
<b>Age</b>	50 years at the end of 2022 fiscal year
<b>Educational Background</b>	Master of Management, Universitas Bina Nusantara (2007)
<b>Audit Competency Certification</b>	Qualified Internal Auditor (QIA)
<b>Basis of Appointment</b>	Appointed by the President Director with the approval of the Board of Commissioners to be effective on 1 June 2017, through Decree No. 003/CIR/KRN/V/2017 concerning the Approval of Change of Head of Internal Audit Unit of PT Bank Tabungan Pensiunan Nasional Syariah Tbk
<b>Work Experience</b>	<ul style="list-style-type: none"> <li>Internal Audit Head, Bank BTPN Syariah, Jakarta (2017 – Present)</li> <li>Business Risk Head, Bank BTPN Syariah, Jakarta (2017)</li> <li>Micro and Small Business Audit Head, Bank BTPN, Jakarta (2015 – 2017)</li> <li>Head Office and IT Audit Head, Bank BTPN, Jakarta (2011 – 2015)</li> <li>Internal Audit Head, Bank Barclays Indonesia, Jakarta (2011)</li> <li>Operations Control Head, Bank Barclays Indonesia, Jakarta (2009 – 2011)</li> <li>Operations Control Head, Royal Bank Scotland (RBS) Bank, Jakarta (1998 – 2009)</li> </ul>
<b>Affiliated Relations</b>	Has no affiliation with the Board of Directors, Board of Commissioners and Controlling Shareholders

## appointment and termination

The appointment and termination of the Internal Audit Head is carried out by the President Director with the approval of the Board of Commissioners taking into account the recommendation of the Audit Committee. The appointment and termination of the Head of Internal Audit is reported to the Financial Services Authority (OJK).

## independency

Several regulations have been established to ensure the implementation of an independent and objective internal audit function, which include that the Internal Auditor is not allowed to hold concurrent positions or carry out other operational activities and is not involved in operational decision-making (its involvement is limited to providing recommendations). Furthermore, every Internal Auditor assignment must avoid both actual and potential bias of conflict of interest. In addition, Internal Audit defines the limitation of duties regularly. Internal Audit also has the right to define and implement audit methodology in accordance with the standards of the profession and the generally accepted auditing standards.

## code of ethics

Internal Audit has a code of ethics that serves as guidance for all auditors in carrying out their duties as formulated by The Institute of Internal Auditors as follows:

### Integrity

The integrity of internal auditors establishes assurance and therefore becomes the foundation of internal auditors' confidence in forming judgment.

### Objectivity

Internal auditors demonstrate the highest level of professional objectivity in obtaining, evaluating, and communicating information about the activities or processes being inspected. Internal auditors perform a balanced assessment of all relevant matters and are not improperly influenced by personal interests nor other parties in making judgments.

## Confidentiality

Internal auditors respect the values and ownership of information they receive and do not disclose such information without legal authority, unless required by law or the profession.

## Competencies

Internal auditors apply the necessary knowledge, skills, and experience in providing internal audit services.

## duties and authorities of internal audit

The main duties of Internal Audit are as follows:

- Assist the President Director and Board of Commissioners in performing supervision by managing the operations of planning, implementation, and monitoring of audit results
- Employ analysis and evaluation in the areas of finance, accounting, operations, and other activities through audits
- Identify all opportunities to improve efficiency of the use of resources and funds
- Provide advice for improvement and objective information about activities inspected at all levels of management

To facilitate the undertaking of its duties and functions, Internal Audit is granted the following authorities:

- Having access to all information about the company (all functions within the organization, records, employees, resources and funds, and other Bank assets) that is related to its duties and functions
- Allocate resources, determine the frequency, subjects, and scope of audit activities that are required to achieve audit objectives
- Implement audit methodology in accordance

with the generally accepted professional standard and audit standard with the necessary adjustment to the situation in the field

- Obtain necessary assistance from personnel of the audited unit as well as subject matter experts from both the inside and outside the organization
- Be involved in audit assignments conducted by the Main Entity (PT Bank BTPN Tbk ) as part of knowledge transfer and staff development
- Communicate directly with the Board of Directors, Board of Commissioners, Audit Committee, and Sharia Supervisory Board (DPS), including through private meetings without the presence of management as well as communicate with the Financial Services Authority (OJK) at least once a year
- Hold regular and ad-hoc meetings with the Board of Directors, Board of Commissioners, and the Audit Committee, as well as the Sharia Supervisory Board
- Coordinate activities with external auditors
- Attend strategic meetings with no voting rights
- Ensure that there is sufficient approval should there is an extension request of follow-up fulfillment target

## human capital development

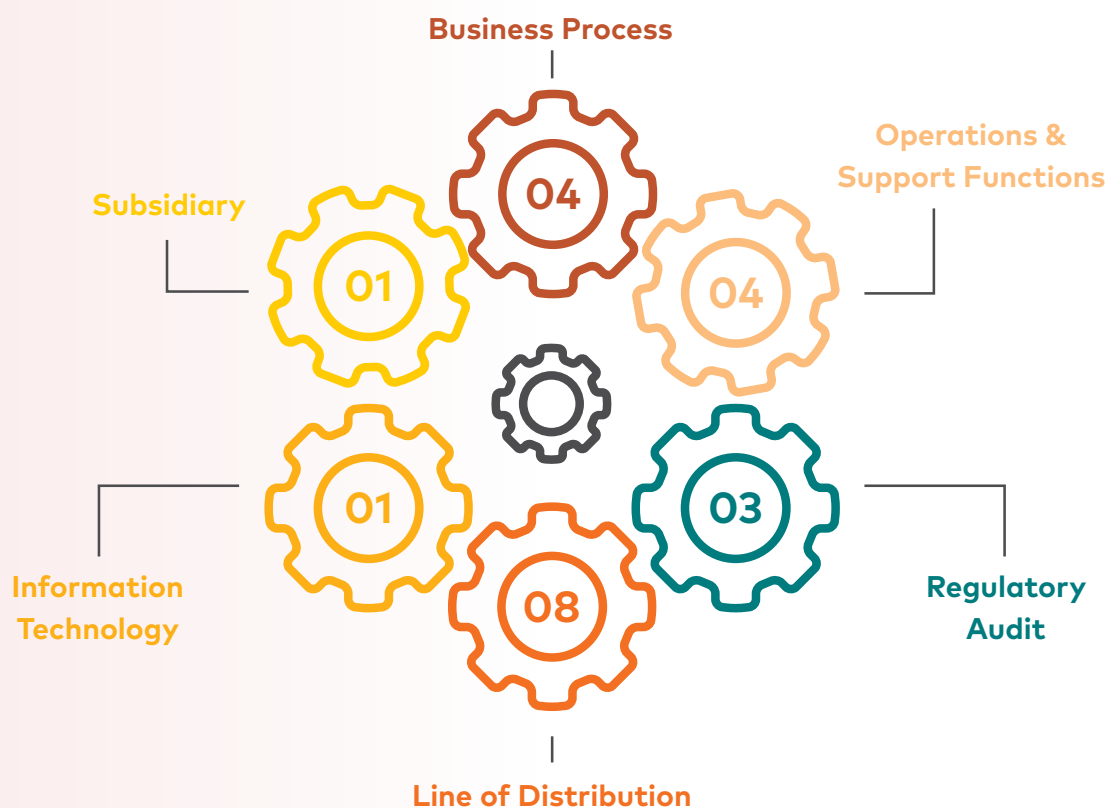
Internal Audit is committed to continuously improving its quality through comprehensive assessment by competent human resources and implementing professional auditing standards to create added values for the Bank. The Internal Audit human resource development is carried out by improving the skills and competencies of auditors through certification and training programs, both internally and externally. As of 31 December 2022, Internal Audit is being supported by competent auditors with the following professional certifications:

Certification	Organizer	Number of Participants
Risk Management Certification - Level 2	LSPP	18
Risk Management Certification - Level 3	LSPP	3
Risk Management Certification - Level 4	LSPP	1
Compliance Certification	LSPP	1
Certified Information System Auditor (CISA)	ISACA	1
Chartered Accountant (CA)	IAI	1
Qualified Internal Auditor (QIA)	YPIA	3
Certified Bank Internal Audit (CBIA) - Auditor	LSPP	11
Certified Bank Internal Audit (CBIA) - Supervisor	LSPP	6

The following are the training programs attended by Internal Audit during 2022:

Training/Course/Webinar	Organizer
Risk Management Certification Refreshment Level1 - 3	LSPP
Agile & Scrum Master Introduction	BTPN Syariah
Asset & Liability Management: Theory, Practice and How to Audit	IAIB Indonesia
Be Innovative Leader: Transform your Business with Innovation	CEO Paragon Tech & Inv: Salman Subakat
IIA Indonesia National Conference 2022 "Impactful Internal Audit in a Changing World"	IIA Indonesia
Leadership Development Program: Insights Discovery	Talent Box
Leadership Development Program: Leading & managing People	Talent Box
Leadership Development Program: Teams Assessment & Future of BTPNS	Talent Box
Leadership Series: Executive RMC Refresher with "Cyber Crime in the era of Digital Banking" topic	Teguh Arifiyadi, S.H. M.H. CEH., CHFI and Ir. Mohammad Guntur, MBA
Dispelling Cyber Attacks by Improving the Culture of Information Security	Felix Arnold, R. Panji Wulung Indrasworo, Prof. Eko Indrajit
Certified Bank Internal Auditor (CBIA) Briefing	IAIB
Internal Audit Level Auditor Certification Briefing	EfektifPro
SMR Level 1 Briefing	Efektif Pro
CBIA Refreshment	Raharja Duta Solusindo
Information Security Awareness Program 2022	Prof. Eko Indrajit
Remote Auditing: How to Make an Effective Audit	IIA Indonesia
Agile Auditing Training	IIA Indonesia
Machine Learning Training in Data Science Using Python	Inixindo
QIA Advanced Level Certification	YPIA
Wholesale Credit Training 'Key Risk and Audit Focus'	IAIB
Webinar: Detecting and Countering Brand Abuse in Cyber World	Dr. Pratama Pesadha and Prof. Eko Indrajit
Root Cause Analysis	IAD SMBC
Internal Control Framework	IAD SMBC
Cyber Security Seminar in Financial Services Industry	OJK
ISACA MTS & AGM	ISACA Indonesia
AMD Live Webinar: Future Banking Edge to Cloud	HPE
Regtech Seminar	OJK
Cyberwarfare: Threats and Mitigation in Information Security	BTPN Syariah
Banking Digitalization Seminar	OJK
IT Governance	ISACA Indonesia
Agile Talk - Maximize Through Simplicity	BTPN Syariah
Digitalization to Encourage Financial Inclusion	OJK
ISACA Conference Oceania 2022	ISACA Oceania

## implementation of audit activities in 2022



In 2022, Internal Audit conducted audit as planned with 21 regular audit assignments, which include 6 assignment classifications: Business Process, Operations & Support Functions, Information Technology, Regulatory Audit, Subsidiary and Line of Distribution. Additionally, Internal Audit also conducted 1 limited review on the implementation of Mobile Banking and Internet Banking.

The audit results have been addressed as source of evaluation for improvements in policies, business and operational processes, infrastructure, and human resources management. Internal Audit monitored all follow-up actions of audit results to ensure every problem was resolved and risks were controlled. To ascertain this, each audit result and progress of follow-up actions were reported to the Board of Directors and to the Board of Commissioners through the Audit Committee. By end of 2022, the follow-up for improvements were completed according to agreed schedules.

In order to improve the quality of audit, Internal Audit continues to develop audit methodologies and refine its audit program to ensure conformity with the development of business processes and best practices of institutions such as The Institute of Internal Auditors (IIA) and the Information System Audit and Control Association (ISACA).

## audit methodology

Internal Audit applies a risk-based audit methodology in carrying out internal audit activities by focusing on high-risk areas. Internal Audit made adjustments to the audit process as part of the mitigation of the spread of COVID-19 by performing line of distribution audits, namely by conducting inspections either by Remote Audit or Hybrid Audit in 2021. Remote Audit is an off-site audit through analysis of data obtained from the core banking system with the aim of monitoring and evaluating bank operational activities (bank-wide). Hybrid Audit is an audit approach whereby field work is carried out off-site and on-site, so that on-site activities are more efficient and effective.

## implementation and quality development standard

Internal Audit refers to the Mandatory Guidance (which included Core Principles for Professional Practice of Internal Auditing, Code of Ethics, Standards, and Definition of Internal Auditing) set by The Institute of Internal Auditors and POJK No. 1/POJK.03/2019 on the Implementation of the Function of Internal Audit in Public Bank, as Standards for the Professional Practice of Internal Auditing (SPPIA). Internal Audit also use ISACA Standards as best practice.

Internal Audit has Audit Quality Control program that is designed to evaluate the alignment between internal audit activities with the set standards and provisions. The Audit Quality Control Activities are implemented through:

1. Periodic Assessment
  2. External Assessment by independent and competent Public Accountant Office/Consultant
- Review for the alignment of internal audit

practices were conducted by Public Accounting Firm RSM Indonesia, a member of RSM Network, for the period starting 1 April 2017 to 30 June 2020, with the result that the Internal Audit function is "generally in line" with PBI, POJK, and IIA Standards. The review result was submitted to OJK in August 2020.

## internal audit information system

To improve effectiveness and maintain the quality of audit implementation according to standards, Internal Audit uses the Audit Management System (AMS) which provides support from the preparation stage, field implementation, reporting, to monitoring follow-up of audit results.

In addition, the process of digitalizing business and operational processes in BTPN Syariah encourages Internal Audit to continuously develop data analytics capabilities within the Internal Audit organization. In 2022, through the Remote Audit System project phase 3, Internal Audit enriched the audit data mart, developed anomalies, continuous monitoring, and visualized the results of data analysis through the dashboard tableau. Strengthening audit analytics are also carried out by developing auditor resources so they are able to carry out audit analytics adequately.

In an effort to improve the quality of the audit process, an internal audit dashboard was also developed to ensure that monitoring of audit implementation was carried out in accordance with the established plan, follow-up of audit results could be continuously monitored, and the implementation of audit quality assurance on ongoing audits could be properly monitored.

# compliance report

As a public company, the level of compliance with prevailing regulations must be continuously improved, not only to comply with OJK banking regulations but also with OJK capital market regulations and provisions of other regulators. The culture of compliance must be continuously embedded in all layers of the organization.

In accordance with the 2021 plan, the strategy to improve compliance culture prioritized the following aspects:

## 1. Governance Perspective

- Supervision by Board of Commissioners, Board of Directors, and Sharia Supervisory Board was performed with a structured mechanism in the form of regular meetings and direct visits in the field.
- Despite the COVID-19 pandemic, supervision was always performed both using on-site and off-site mechanism, based on documents in the Bank's system and by online/virtual link communication using the Bank's communication technology.
- The Bank continued to disseminate information about the regulation portal of the Bank, which contained external and internal regulations to facilitate employees to easily find reliable references for their work.
- Monitoring of the validity period of provisions was always conducted effectively so internal policies were always updated to the prevailing external regulations.
- With a work process that was based on relationship with business unit, internalization of regulations worked faster, more effectively, and delivered good quality.

- Intensive coordination was being maintained with all working units of the Bank during the inspection by the regulator starting from the initial stage of requesting document, on-site visit, discussion or interview with working unit to the exit meeting and fulfilling the commitment for the follow up actions.
- The exit meeting with the Financial Services Authority for inspection as of 30 September 2022 was held on 22 December 2022.
- Commitment to the regulators for the recommended improvements were completed according to the agreed timeframe.
- The compliance risk management process was well implemented to ensure that compliance risk potentials were mitigated well, which indicated that compliance culture had been well implemented in the Bank.

## 2. Awareness Perspective

- Mandatory training went effectively and every employee understood the training material to be implemented properly in performing their daily work and duties.
- Various information to improve compliance culture was presented through various engaging media that were attractive and easily understood by employees.
- To assist with compliance-related problems, a platform and a ready-to-help mechanism were developed to facilitate employees to ask questions and obtain quick and thorough answers.

- Dissemination, sharing session, and refreshment program to improve understanding of sharia principles, particularly regarding the Akad (agreement) being used in the operational activities of the Bank and its implementation, and understanding of other matters pertaining sharia principles by employees in all areas were conducted online and offline on a continuous basis.
- In addition to the Sharia principles, awareness through dissemination and refreshment were raised for regulations for the Bank activities, such as POJK, SEOJK, PBI, and PADG BI and other regulations.

### 3. Assessment Perspective

- The implementation of sharia principles in the operational activities of the Bank, included but not limited to fund acquisition, fund distribution, and services delivery of the Bank, for which checking mechanism was built both indirectly based on document examination and directly by discussion and interview between DPS and other related team with employees in Head Office, Branches, KFO or Community Officers and even with customers, especially financing customers.
- DPS conducted online visits to areas including KFO Kupang, KFO Kendari, KFO Samarinda, KFO Pekanbaru, and onsite visits to KC and MMS Surabaya, KC Yogyakarta, MMS Bangka Belitung, KFO/MMS Rangkasbitung and KFO Ciawi Tasikmalaya while maintaining strict COVID-19 health protocols.

- AML CFT program was conducted at several Branch Offices, including KC Pondok Indah Jakarta, KC DIY Sleman, KC Medan, and KC Banda Aceh to ensure that AML & CFT implementation was according to provisions to mitigate the Bank's risks from Money Laundering and Terrorism Financing activities.

In addition, for AML/CFT program implementation BTPN Syariah applied Risk-Based Approach (RBA) using Sectoral Risk Assessment (SRA) method and National Risk Assessment (NRA) method in accordance with OJK and PPATK. By applying these methods, BTPN Syariah could identify customers into several categories, namely Low, Medium, and High. Implementation of 'know your customer' practices would keep the Bank healthy and prevent money laundering and terrorism financing activities. Strong compliance culture would support BTPN Syariah to grow fast and healthily.

According to the corporate key strategies, in order to realize the work plan in 2022, the organization structure of the compliance function was adjusted to conform to the needs, one of which was to ensure that Compliance Culture would continue to improve in the Bank. In addition to Sharia Compliance and Advisory and AML and CFT Compliance, another function, namely the Compliance Development, was added to refine the tools and concept to facilitate employees to access the portal containing internal and external regulations as the reliable source of reference for working. Updating policies and other provisions were done on a continuous basis to ensure that the Bank would always implement the latest regulations from the regulator. System and procedures were continuously improved to support all processes in the Bank to run in a simple and secure manner.

Implementation of the above strategies would gradually create good Compliance Culture as all the working units could understand external and internal regulations properly because compliance is indeed a shared responsibility of all layers of the organization. The Bank's compliance with the prevailing regulations reflects a good corporate governance, which serves as the foundation of BTPN Syariah to grow quickly and healthily.

In order to contribute and support the realization of Make Over Brighter Future, the Bank established Compliance Helpdesk and implemented relationship concept to address the needs of all working units for clarity of external and internal regulations. It is expected that with fast and proper information services, the Compliance Culture will be embedded in all layers of the organization.

Based on the conducted activities, the main achievements in 2022 were:

1. Compliance culture was well implemented in the Bank as evidenced by the well-maintained prudential ratio, and there was no significant penalty imposed by regulator, and all parameters of compliance risk profile showed positive results making the composite compliance risk profile in Level 2 (Low to Moderate).
2. Internalization of regulator's provisions were implemented well as evidenced by no delay in the implementation of external regulations into internal regulations. The existence of the Bank's regulation portal helped monitor the period of review for each regulation to ensure that all regulations were always up to date according to the current regulation reference.

3. The Bank's commitment to the regulators were well fulfilled. The Bank implemented improvements based on the OJK inspection results in 2022 and mandatory provisions required of the Bank, such as AML/CFT programs with Risk-Based Approach as well as GO AML in accordance with prevailing regulations.
4. According to the Bank's Business Plan to continue initiation on the exploration for equity participation in a Sharia Venture Capital company, on 20 May 2022, BTPN's subsidiary BTPN Syariah Ventura obtained operational license from OJK IKNB through Resolution of Member of Board of Commissioners of Financial Services Authority number KEP-23/D.05/2022 on Business Licensing for Sharia Venture capital firm to PT BTPN Syariah Ventura and already reported its operations realization to OJK IKNB on 10 June 2022.
5. The Bank obtained license from Bank Indonesia for internet banking on 2 June 2022, while the license from the Financial Authority Services was obtained in December 2021.

These achievements would not have been possible without the way the Bank managed all the challenges in 2022, including the following:

1. The large number of regulations issued and the Bank was obliged to comply. To cope with this challenge, the Bank conducted daily regulation update and thorough follow-up actions according to every subject. The Bank also ensured to adhere to the prevailing regulations.

2. The large number of employees spread over various locations caused a potential incompliance with regulations. To address this issue, the Bank ensured internal control was implemented adequately and DPS monitoring was conducted periodically to ensure compliance with syariah principles, both among the employees and customers. Moreover, compliance assessment was also done to ensure the Bank's operations were in accordance with the prevailing regulations, while disseminating information through communication media easily accessed by all employees.
3. There was a large number of reports, each with different deadline, to be submitted to OJK. To address this challenge, the Bank continuously made sure that the reminder system was functional to avoid late submission of reports.
4. As for the report to PPATK, the Bank implemented GO AML Applications as the reporting mechanism to PPATK, in addition to the RBA customers risk profile assessment with the latest parameters. Additionally, to ensure the Bank was free from corruptions, dissemination of integrity pact and application of employee declaration to comply with regulation and not accept or offer bribery (anti-bribery).

Compliance Culture must be continuously improved as good compliance culture will support the Bank to grow fast and healthy. Compliance is a shared responsibility of all layers in the organization. The Bank's compliance with the prevailing regulations reflects good corporate governance, as evidenced by various awards received by the Bank, proving that compliance culture has been implemented well in all layers of the organization of the Bank.

Entering its 8th year, BTPN Syariah's core capital reached more than Rp6 trillion, and pursuant to POJK No 12/POJK.03/2021 concerning Commercial Banks, BTPN Syariah would fall under KBMI 2 (Group of Banks based on Core Capital), namely the group of Banks with Core Capital between Rp6 trillion to Rp14 trillion Rupiah). Accordingly, internal control function must continue to be strengthened. Coordination among Compliance Division, Risk Management Division, Corporate Information Security Division, and Corporate Secretary and General Counsel is needed even more to support the business from the initiation to the evaluation stage.

With the issuance of POJK No. 16/POJK.03/2022 on Sharia Public Banks, the Bank conducted a mapping of the office network and adjusted it to provisions in the said POJK. Additionally, the POJK also regulated Synergy between the Bank and its non-bank financial institution subsidiaries. In this matter, the Bank synergized with BTPN Syariah Ventura in several areas, including Human Capital, Information & Technology, Compliance, Corporate Secretary, and others.

Implementation of internal control consolidation was intended as risk mitigation for both the compliance risk and other type of risks. In the midst of COVID-19 pandemic that was still going on, optimization of database was extremely important to support on-site and off-site inspection. The Bank continued to create simple and secure business processes and build better communication channels to improve Compliance Culture.

Implementation of Banking Synergy and Integrated Governance with the Parent Bank was administered by updating the Collaboration Agreement with PT Bank BTPN Tbk as the Parent Bank to strengthen banking synergy. The updated Collaboration Agreement was submitted to OJK according to the prevailing regulations. As regards the integrated compliance, the Bank supported the integrated compliance function of the main entity in the function of Integrated Compliance Unit by submitting integrated report, risk profile, and compliance dashboard, as well as conducted coordination meeting on a periodic basis.

Proceeding with what had been delivered in the previous year and in order to fulfill the demand of the business to grow fast and healthy, in addition to continuing the Compliance Culture strategy that was initiated, it was important to ensure that all services of compliance function were delivered in a friendly, fast, and thorough manner.

Friendly in terms of communication and

interaction with every work unit in delivering regulation chapters in a comprehensible language for employees, accompanied by practical examples. Procedures are translated into flowchart to be more simple and secure. Information dissemination is more frequent, using various media that were commonly used by employees, compliance pick test in compliance assessment is conducted onsite and offsite.

Fast means that all requirement of the units for information are met quickly and have measurable and dependable SLA.

Thorough means that every compliance problem and risk potential is identified accurately to ensure the root cause is solved thoroughly to avoid the same mistake from happening.

With the above activities, we hope to create a good Compliance Culture because essentially compliance is the responsibility of every line of organization. The Bank's compliance to the prevailing regulations is a reflection of good corporate governance, as well as the foundation on which the Bank is able to grow fast and healthy.

# committee report

## the board of commissioners' committee

In the eighth year of its operation as a Sharia Commercial Bank, BTPN Syariah continues to demonstrate positive performance in business achievement, risk management, human resource management, Bank compliance, and the implementation of good corporate governance principles.

The global COVID-19 pandemic phenomenon was marked by the emergence of a new COVID-19 variant, i.e. the Omicron, and the increase of global daily cases after access was opened for several countries, as well as the tightening of social restrictions at the end of the first quarter of 2022. Nevertheless, BTPN Syariah has consistently ensured business continuity by prioritizing timely prudent Banking towards its stakeholders. This initiative was fully supported by PT Bank BTPN Tbk (BTPN) as the controlling shareholder. BTPN Syariah is committed to maintaining report quality and information disclosure in line with applicable regulations.

From the risk management strategy perspective, the Committees hold an opinion that the Board of Directors has carried out various mitigation policies in addressing work process and mechanism of BTPN Syariah in 2022 without reducing the service quality towards the customers. Compliance to health protocols became the main requirement in performing daily activities at both the main office and in the fields. The management continues to do the best in displaying anticipation and optimism by adopting agile work system in the midst of Large-Scale Social Restriction in various parts of Indonesia until its termination at the end of 2022.

From the audit monitoring perspective, the Committees supported the Board of Commissioners in ensuring integrity monitoring of the financial statement, business plan realization, audit plan monitoring, Internal Audit monitoring, fund and resource utilization, as well as providing objective improvement advice in 2022 and ensuring that the Board of Directors is following-up every audit finding, as well as FSA and external auditor recommendations, and monitoring its implementation periodically.

From the human resource strategy management perspective, the Committees hold an opinion that the Board of Directors has ensured the availability of human resource to meet manpower requirements at critical and remote areas, and employees who are exposed with COVID-19 virus were immediately supported, as well as assisted the Bank to be prepared for emergency situation both at the Main Office and in the fields. At the corporate level, BTPN Syariah has a well-prepared plan to anticipate emergency situation, both at the Main Office and in the fields, by preparing adequate reserves. The Committees hold an opinion that the Bank's management strategy on the development of internal talents and employees welfare have taken into account industrial norms, internal equality, and corporate capabilities. The Bank has also provided various incentive programs to increase employee engagement and reduce turnover rate, such as long-term remuneration program for senior employees. To increase competencies, the Bank has organized various training and refresher programs for overall development of the employees, collectively and individually, which are tailored to each employee as needed to prepare them as future leaders.

BTPN Syariah is consistent in responding to COVID-19 by adopting hybrid work system which was increasingly focused over time as can be seen by the increase of physical attendance at offices while at the same time protecting the employees from COVID-19 exposure without compromising the fulfillment of key performance initiatives in a timely manner.

The Committees appreciate the effort of the Management in ensuring that there was no employee reduction in 2022 while continuing its operational activities in accordance with the Government's policies.

In terms of Bank's performance, the Committees have assisted the Board of Commissioners in ensuring that the Board of Directors has achieved the objectives of the Bank in creating digital ecosystem for inclusive Communities, investment risk with the establishment of Subsidiaries, prudence in operational activities, expansion of business plan and strategic initiatives in business competition, information technology readiness to support the digital ecosystem, integrity of financial statements, internal control system, reporting, information disclosure, compliance, and provided recommendations to the Board of Directors on policies to implement while ensuring compliance with applicable laws and regulations.

To improve Service for financing customers, BTPN Syariah has supported national economic recovery program by providing customer restructuring program and new or top-up funding according to customer needs while maintaining prudence. The Committees hold an opinion that this program has considered the Regulation of the FSA (POJK) No. 48/POJK.04/2020 on the Amendment of POJK No. 11/POJK.03/2020 on the National Economic Stimulus as a Countercyclical Policy on the Impact of Coronavirus 2019 Disease, which was followed by POJK No. 17/POJK.03/2021 on the Second Amendment of POJK No. 11/POJK.03/2020

on the National Economic Stimulus as a Countercyclical Policy on the Impact of Coronavirus 2019 Disease. In addition, BTPN Syariah participated in the National Economic Recovery Program through the Guarantee Program (PMK RI No. 71/PMK.08/2020 on the Procedure on Government's Guarantee through Appointed Guarantee Business Entities for the Purpose of National Economic Recovery Program Implementation).

To complement its Services towards the customers, BTPN Syariah received FSA's approval for its Internet Banking service in June 2022. This service can be accessed for independent transaction by individual customers and was equipped with the latest and useful features with high protection level. BTPN Syariah also received approval for its Mobile Banking service in June 2022, which can be accessed independently for the opening of additional account. Its features are more comprehensive, with attractive display, ease of use, and is aimed to increase the loyalty of funding customers.

In terms of compliance with GCG principles at every level of the organization, BTPN Syariah displayed a quality increase by adopting the Asean Scorecard guidelines. The Bank received an acknowledgment as a nominee from the Philippine Institute of Corporate Directors in November 2022, and as a Company with significant value increase from PT Bursa Efek Indonesia in January 2023, both for the ASEAN Asset Class category at ASEAN level.

In general, the Committees hold an opinion that all business and operational activities in BTPN Syariah have been carried out in good manner by adhering to GCG principles. Supporting tools, i.e. regulations and procedures, were adequately available and there was no significant violation in BTPN Syariah. For the review and monitoring, the Bank has completed self-assessment and consolidation as an

assessment parameter to continuously improve GCG principles implementation quality as a sharia commercial bank. This initiative is to oversee the implementation of governance in Subsidiaries which have carried out their operational activities effectively since 30 May 2022.

Each Committee member has periodically communicate with other members of the Board of Commissioners (which is not a member of the Committee) in responding to current condition and in monitoring the strategic measures taken by the Board of Directors and Management. It is deemed that the information delivery was evenly received by all members of the Committee and the Board of Commissioners.

In 2022, there was a change in the membership composition of the Risk Monitoring Committee and the Nomination and Remuneration Committee with the resignation of a member of the Board of Commissioners who served in these Committees in April 2022, and the appointment of a new member of the Board of Commissioners in October 2022. Detailed information of this change has been disclosed in the reports of the Risk Monitoring Committee and the Nomination and Remuneration Committee in this 2022 Annual Report.

Within the scope of a financial group, the Corporate Governance Committee, as a The Board of Commissioners' Committees which was established by the Main Entity, has complied with the regulations.

From the supervision side, the Board of Commissioners has done a positive synergy through collaborative supervision with the Sharia Supervisory Board to ensure that the Bank has appropriately implement sharia principles in their products and operational activities.

The Board of Commissioners has agreed to make adjustment to the minimum number of face-to-face meetings of the Committees, in line with DKI Jakarta Provincial Government's instruction during the pandemic, and has determined the minimum number of face-to-face meetings by considering the situation and condition at

the time of the meeting, without prejudice to the provisions regarding GCG and Articles of Association throughout 2022.

In decision-making, the Committees hold an opinion that the Bank has prioritized deliberation for consensus as stated in the Minutes of the Meeting and the Circular Resolution for both the decision of the Board of Commissioners and the Committees at The Board of Commissioners' Committees, which were signed by each member of the Board of Commissioners or member of the The Board of Commissioners' Committees, and properly managed by the Corporate Secretary.

Monitoring of the Committees' duties and responsibilities was consistently carried out in the midst of the pandemic through field visits. During 2022, monitoring field visits were conducted face-to-face and online while still prioritizing effective interaction with field employees to identify existing constraints and provide recommendations for mitigating those constraints.

In terms of supervising the Bank's strategy and supporting sustainability, the Board of Commissioners and the The Board of Commissioners' Committees have reviewed the Bank's 2022-2024 Business Plan. The realization of the plan is described in the Supervisory Report of the Board of Commissioners on the Realization of the Bank's Business Plan to be submitted to the FSA Sharia Bank Supervisor (semesterly). The Board of Commissioners has also prepared Evaluation Report on the Bank's Compliance based on the Report of Compliance Director (semesterly).

To complement their supervisory duty, the Committees are committed to conducting regular and incidental monitoring according to the schedule, or if there is a request or special underlying condition, including but not limited to the periodic monitoring to the Board of Directors on the Subsidiary PT BTPN Syariah Ventura.

In adhering to POJK No. 33/POJK.04/2014 on the Board of Directors and the Board of Commissioners of Issuers or Public Companies, article 28 (paragraph 5) which states that the Board of Commissioners shall evaluate the performance of the committees assisting it in

carrying out their duties and responsibilities, the The Board of Commissioners' Committees have prepared a periodic report which has been evaluated by the Board of Commissioners. Reports of the The Board of Commissioners' Committees throughout 2022 has been properly wmanaged.

## risk monitoring committee

BTPN Syariah has adhered to the Regulation of Bank Indonesia No. 11/33/PBI/2009 on Good Corporate Governance for Sharia Commercial Banks and Sharia Business Units in relation to the establishment of the Risk Monitoring Committee in the Bank.

The Risk Monitoring Committee is appointed and dismissed by the Board of Commissioners.

### Charter of Risk Monitoring Committee

The Risk Monitoring Committee owns a set of Rules and Guidelines for the performance of its duties and responsibilities, which include, among others, the management of: Organization, Membership Requirements, Independency, Duties and Responsibilities, Authority, Work Ethics, Meetings, Minutes of Meetings and Reports, Reporting Responsibilities, Term of Office, etc.

The Risk Monitoring Committee reviews the Guidelines and Rules of the Risk Monitoring Committee and the said Guidelines is available in the website of BTPN Syariah.

### Independency of the Risk Monitoring Committee

1. Independent Commissioner in the Risk Monitoring Committee is a member of the Board of Commissioners who does not have any financial, management, share ownership, and/or family relationship with other members of the Board of Commissioners, Sharia Supervisory Board, the Board of Directors, and/or Controlling Shareholders, or other relationship which could impact their ability to act independently;
2. Independent Party in the Risk Monitoring Committee is a party outside the Bank who does not have any financial, management,

share ownership, and/or family relationship with other members of the Board of Commissioners, the Board of Directors, and/or Controlling Shareholders, or other relationship which could impact their ability to act independently.

The independency of members of the Risk Monitoring Committee at BTPN Syariah is reflected by the appointment of an Independent Commissioner as the head of the Committee and that there is no member of the Board of Directors that serves as a member of the Risk Monitoring Committee in the Bank.

The Risk Monitoring Committee in BTPN Syariah is chaired by an Independent Commissioner, one member which is another Independent Commissioner, one member which is a member of the Board of Commissioners, and 2 (two) members which are Independent Parties to the Bank. Therefore, its membership composition has fulfilled the requirements.

Throughout 2022, the Risk Monitoring Committee has carried out its duties independently and there was no conflict of interest in BTPN Syariah.

### Duties and Responsibilities of the Head of the Risk Monitoring Committee

The duties and responsibilities of the Head of the Risk Monitoring Committee in BTPN Syariah refers to the 2022 Guidelines and Rules of the Committee, i.e. conduct annual Assessment on the performance of each member of the Committee on the following matters:

1. Proficiency, mastery of work, or ability to carry out tasks;
2. Independency and objectivity in the decision-making process in order to provide advice and recommendations to the Board of Commissioners;
3. Integrity;
4. Responsibility and Reliability;
5. Harmony and group cooperation;
6. Ability and Determination to express opinion in Committee meetings;

7. Contribution to achieve Committee's objectives;
8. Efforts to overcome weaknesses and maintain strengths, competencies, and capabilities to ensure stable performance;

## Duties and Responsibilities of the Risk Monitoring Committee

In accordance with the latest Work Guidelines and Charter No. 04/PedomanKerja/CSGC/XII/2022 dated 22 December 2022, the Risk Monitoring Committee's duties and responsibilities are to provide independent professional advice to the Board of Commissioners on reports or other matters submitted by the Board of Directors to the Board of Commissioners and to identify matters that require the attention of the Board of Commissioners, which include:

1. Preparing annual action plan of the Committee which is submitted to the Board of Commissioners for approval;
2. Providing independent professional advice to the Board of Commissioners on reports or other matters related to risk management submitted by the Board of Directors to the Board of Commissioners and identifying matters that require the attention of the Board of Commissioners;
3. Evaluating risk appetite and limit that has to be approved by the Board of Commissioners;
4. Analyzing function effectiveness of the Risk Management Work Unit and Risk Management Committee;
5. Evaluating the conformity between the risk management policy of the Bank and its implementation;
6. Monitoring and evaluating duties performance of the Risk Management Committee and Risk Management Work Unit in order to provide recommendations to the Board of Commissioners;
7. Evaluating the risk management policy of the Bank individually and consolidated at least once a year;
8. Evaluating the accountability of the Risk Management Policy implementation of the Board of Directors at least half-yearly;

9. Maintaining confidentiality of all data and information of the Bank and Subsidiaries;
10. Organizing and giving the authority to investigate matters within the scope of related tasks;
11. Collaborating with external consultant, accountant, or other external parties which provide advice to the committee or provide direction in relation to investigation, finding relevant information on employees from other cooperating parties at the request of the Committee;
12. Other tasks, other than those mentioned above, which are assigned by the Board of Commissioners to the Committee in accordance with its function and duties from time to time as necessary.

## Composition of the Risk Monitoring Committee

The latest membership composition of the Risk Monitoring Committee of BTPN Syariah by virtue of the Decision Letter of the Board of Directors No. SK.006/DIR/CSGC/X/2022 dated 13 October 2022 on the Composition of the Risk Monitoring Committee.

In the semester I of 2022, there was a change in the Composition of the Risk Monitoring Committee, by the Circular resolution of the Board of Commissioners No. 002/CIR/DEKOM/IV/2022 dated 21 April 2022 and established by the Decision Letter of the Board of Directors No SK.003/DIR/CSGC/IV/2022 dated 21 April 2022 about the Composition of the Risk Monitoring Committee of PT Bank BTPN Syariah Tbk where this change is related to the resignation of a member of the Board of Commissioners acting as a member on the Bank's Risk Monitoring Committee and Nomination and Remuneration Committee that has been approved by the Annual GMS dated 21 April 2022.

In the semester II of 2022, there was another change of the Composition of the Risk Monitoring Committee, by the Circular resolution of the Board of Commissioners No. 007/CIR/DEKOM/X/2022 dated 13 October 2022 and was established by the Decision Letter of the Board of Directors No. SK.006/DIR/CSGC/X/2022 dated 13 October 2022 about the Composition of the

Risk Monitoring Committee of PT Bank BTPN Syariah Tbk. This change is a follow-up on the change of the Composition of the Risk Monitoring Committee that got endorsed on the Extraordinary GMS dated 13 October 2022.

The appointment of the member of the Risk Monitoring Committee was approved by the Board of Commissioners and the Bank has disclosed all information related to this membership changes.

### Composition of the Risk Monitoring Committee as of 31 December 2022:

No	Name	Position	Appointment Date
1	Dewie Pelitawati (Independent Commissioner)	Chairperson of of the Committee concurrently Member	13 June 2014
2	Kemal Azis Stamboel (President/Independent Commissioner)	Committee Member	17 April 2015
3	Ongki Wanadjati Dana (Commissioner)	Committee Member	13 October 2022
4	Tika Arundina (Independent Party)	Committee Member	14 February 2019
5	Rena Mutia Indriani (Independent Party)	Committee Member	01 November 2021

### Evaluation of the Risk Monitoring Committee General Provisions in BTPN Syariah

- The Risk Monitoring Committee was established in accordance with the Regulation of Bank Indonesia (PBI) No. 11/33/PBI/2009 dated 7 December 2009 on the Good Corporate Governance Implementation for Sharia Commercial Banks and Sharia Business Units (BUS and UUS), SEBI No.12/13/DPbS dated 30 April 2010 on the Good Corporate Governance Implementation for BUS. The Committee is responsible to the Board of Commissioners in assisting the duties and functions of the Board of Commissioners;
- The composition of the Risk Monitoring Committee was established by virtue of the Decision Letter of the Board of Directors and is in accordance with the provisions on GCG;
- The Risk Monitoring Committee was chaired by an Independent Commissioner and the membership consists of two Independent Commissioners, one Commissioner, and two Independent Parties, therefore it adheres to the Regulation of Bank Indonesia No. 11/33/PBI/2009 dated 7 December 2009 on the Good Corporate Governance Implementation for Sharia Commercial Banks and Sharia Business Units (BUS and UUS), SEBI No. 12/13/DPbS dated 30 April 2010 on the Good Corporate Governance Implementation for BUS and UUS, which states that the membership of the Risk Monitoring Committee shall at least consist of one Independent Commissioner, an independent party with sharia banking expertise, and an independent party with risk management expertise.

### Evaluation of the Risk Monitoring Committee Membership Requirements

- The Commissioners and Independent Commissioners in the Risk Monitoring Committee have fulfilled the requirements in the Regulation of Bank Indonesia No. 11/33/PBI/2009 dated 7 December 2009 on the Good Corporate Governance Implementation for Sharia Commercial Banks and Sharia Business Units (BUS and UUS), SEBI No. 12/13/DPbS dated 30 April 2010 on the Good Corporate Governance Implementation for BUS and UUS. Membership in the Risk Monitoring Committee has observed POJK 33/POJK.04/2014 on the Board of Directors and the Board of Commissioners of Issuers or Public Companies;

- b. The Commissioners and Independent Commissioners in the Risk Monitoring Committee have passed the Fit and Proper test and were declared fit and proper by the FSA;
- c. There is no member of the Board of Directors who serves as a member of the Risk Monitoring Committee, pursuant to the applicable provisions regarding GCG Implementation in BUS and UUS;
- d. The Independent Parties in the Risk Monitoring Committee are parties who have fulfilled the membership requirements;
- e. Members of the Risk Monitoring Committee have educational background and expertise in risk management, compliance, accounting and finance, have sound knowledge on financial statement and corporate business particularly in relation with the service or business activities of BTPN Syariah, audit process, legal, banking and sharia banking, regulations in capital market, as well as other laws and regulations, and therefore have complied with applicable laws and regulations;
- f. Members of the Risk Monitoring Committee do not have affiliation with members of the Board of Commissioners, members of the Board of Directors, or Main Shareholders of the Issuers, and therefore have complied with applicable laws and regulations.

### Authority of the Risk Monitoring Committee

In reference to the latest Charter of Risk Monitoring Committee of the Risk Monitoring Committee No. 04/PedomanKerja/CSGC/XII/2022 dated 22 December 2022, the authority of the Risk Monitoring Committee is as follows:

1. The Committee is authorized to obtain full, free, and unlimited access to information on employees, fund, assets, and other resources of the Bank related to the performance of their duties;
2. In carrying out its authority, the Committee shall cooperate with the Risk Management Work Unit and/or other units as deemed necessary and Subsidiaries for the implementation of consolidated risk management.

### Term of Office of the Risk Monitoring Committee

1. The term of office of the members of the Risk Monitoring Committee shall not exceed the term of office of the Board of Commissioners as provided in the Articles of Association, and they may be re-elected for the subsequent period;
2. If a member of the Board of Commissioners (Independent Commissioner) who serves as the Head of the Committee resigned prior to the end of his term as the Commissioner of the Bank, the Head of the Committee shall be replaced by an Independent Commissioner;
3. If the term of office of members of the Committee has ended and pursuant to the provisions, may not be re-appointed, while at the same time, the Board of Commissioners does not have the right yet to appoint Committee members, the membership of the old Committee shall be extended until the Board of Commissioners obtain the right to appoint new members of the Committee.

### Profile of the Members of the Risk Monitoring Committee

Members profile of the Risk Monitoring Committee can be seen in the members profile of the Board of Commissioners and Independent Parties in this Annual Report.

### Kebijakan Rapat Komite Pemantau Risiko

1. Committee Meeting shall be held periodically as necessary, at least equal to the minimum meeting numbers for the Board of Commissioners, i.e. 6 (six) times in 1 (one) year. The Board of Directors and or the Board of Commissioners may determine a minimum number of periodic meetings which is more than this provision according to the requirements and agreement;
2. Committee Meeting may only be held if attended by at least 51% (fifty one percent) of all members, including one Independent Commissioner and one Independent Party;

3. Resolution of the Committee Meeting shall be made based on deliberation to reach a consensus. If a consensus cannot be reached, resolution shall be made based on the majority votes;
4. Committee Meeting shall be chaired by the Head of the Committee;
5. If the Head of the Committee is unable to attend the meeting, a present member of the Committee shall be appointed to chair the meeting;
6. Members of the Committee may attend the Committee Meeting through conference call, video conference, or similar communication channel, the use of which can enable all members present in the meeting of the Risk Monitoring Committee to see, hear, and talk with each other. Such attendance of Committee member shall be considered as a direct attendance of the member in the Committee Meeting and shall be counted in quorum determination. Resolution taken in the Committee Meeting shall be made in writing and signed by the Head of the Meeting and another present member of the Committee who was appointed for such purpose by the Committee Meeting;
7. Dissenting opinions in Committee Meeting shall be stated explicitly in the Minutes of Meeting with their underlying reasons;
8. The Committee may make a valid resolution without holding a Committee Meeting, provided that all members of the committee have been notified in writing and all members of the committee have given their approval on the written proposed resolution by signing the circular resolution. Resolution passed in this manner shall have the same power as resolution passed validly in the Committee Meeting.

### Work Report of the Risk Monitoring Committee

As of 31 December 2022, the Risk Monitoring Committee has held 6 (six) meetings with no circular resolution. The Risk Monitoring Committee's commitment of holding a certain number of meetings has been fulfilled in 2022.

All members of the Risk Monitoring Committee have carried out supervisory duties on good risk management implementation in BTPN Syariah, which include supervision at the main office and in the fields throughout 2022.

In accordance with the Government's instruction and the implementation of Social Restriction throughout 2022, the meetings of the Risk Monitoring Committee in 2022 were conducted online while prioritizing effectiveness for members of the Committee and the Board of Commissioners, and fundamentally still adhering to BUS's GCG principles. The said meetings have covered the discussion on all work plan of the Risk Monitoring Committee in 2022, including the supervision of the follow-up action of the Board of Directors and the Management regarding the recommendations of the Risk Monitoring Committee.

To complement the supervision, the Risk Monitoring Committee has conducted online field visits, which were adapted to pandemic situation and condition, at several areas, namely MMS Brebes and MMS North Binjai. With the pandemic getting under control in the second half of 2022, field visits were conducted face-to-face at several areas, namely MMS Ranca Bungur, MMS Dramaga Bogor, MMS Kalasan Yogyakarta, and MMS Pakem Yogyakarta.

As of 31 December 2022, the Risk Monitoring Committee in BTPN Syariah has discussed matters and provided recommendations to the Board of Commissioners on the following:

1. To prepare and approve 2022 work plan and program, 2022 Risk Appetite & Tolerance, and Work Guidelines and Charter;
2. To monitor the duties of the Risk Management Committee and risk exposure of the Bank's business activities;
3. To monitor the Bank's risk profile, capital adequacy, and Bank's Health Level;
4. To provide recommendations and improvement advice to increase the Bank's performance.

In the performance of its duties, the Risk Monitoring Committee in BTPN Syariah has fulfilled its commitment as stated in the 2022 Report of the Risk Monitoring Committee to the Board of Commissioners.

## audit committee

BTPN Syariah has adhered to the Regulation of Bank Indonesia No. 11/33/PBI/2009 on Good Corporate Governance for Sharia Commercial Banks and Sharia Business Units in relation to the establishment of the Audit Committee in the Bank.

The Audit Committee is appointed and dismissed by the Board of Commissioners

As a public company, the establishment of the Audit Committee and the fulfillment of its duties and responsibilities in BTPN Syariah adheres to the Regulation of the FSA No. 55/POJK.04/2015 dated 23 December 2015 on the Establishment and Work Guidelines of the Audit Committee. The membership of Independent Commissioners in the Audit Committee adheres to POJK 33/POJK.04/2014 on the Board of Directors and the Board of Commissioners of Issuers or Public Companies.

The Audit Committee was established for the purpose of supporting the effectiveness of the Board of Commissioners' performance of duties and responsibilities, including in assisting the Board of Commissioners in monitoring the validity of financial statements, internal control system, and the accuracy of the Bank's financial statement, Internal Audit performance, and Bank's compliance to applicable laws and regulations.

## Charter of the Audit Committee

The Audit Committee owns a set of Rules and Guidelines for the performance of its duties and responsibilities, which include, among others, the management of: Organization, Membership Requirements, Independency, Duties and Responsibilities, Authorities, Work Ethics, Meetings, Minutes of Meetings, Reporting Responsibilities, Term of Office, etc.

The Audit Committee has conducted its annual review and has approved on the updating of the Charter of the Committee in 2022. The Guidelines of the Audit Committee is available in the website of BTPN Syariah.

## Independency of the Audit Committee

In compliance with applicable regulations, the Audit Committee in BTPN Syariah acts independently in the performance of its duties and responsibilities.

The followings are explanation on the independency of the Audit Committee:

1. Independency of the Audit Committee of BTPN Syariah is maintained and adheres to the Audit Committee's code of ethics which is determined by the Issuers or public companies, as well as other applicable regulations;
2. All members of the Audit Committee have fulfilled the independency criteria and are able to carry out their duties independently. This is reflected from the current memberships that comply to the regulations as follows:
  - a. An Independent Commissioner is a member of the Board of Commissioners who does not have any financial, management, share ownership, and/or family relationship with other members of the Board of Commissioners, the Board of Directors, and/or controlling shareholders or other relationship which could impact their ability to act independently;
  - b. Independent Party is a party outside BTPN Syariah who does not have any financial, management, share ownership, and/or family relationship with other members of the Board of Commissioners, the Board of Directors, and/or controlling shareholders or other relationship which could impact their ability to act independently.

The Audit Committee in BTPN Syariah is chaired by an Independent Commissioner, and other members consist of one member which is another Independent Commissioner, and two members which are Independent Parties to the Bank. There is no member of the Board of Directors that serves as a member of the Audit Committee in the Bank.

All members of the Audit Committee have stated their independency towards the Bank, as described in their Statements on Independency. The document is well managed in the Bank.

Throughout 2022, the Audit Committee has carried out its duties independently and there was no conflict of interest in BTPN Syariah.

## Duties and Responsibilities of the Audit Committee

In accordance with the latest Charter of the Audit Committee No. 02/PedomanKerja/CSGC/VIII/2022 dated 31 August 2022, the Audit Committee's duties are to monitor and evaluate internal and external audit planning and implementation as well as to monitor audit's finding follow-up action for the assessment of internal control adequacy, including the adequacy of financial report process, and to provide independent professional opinion to the Board of Commissioners regarding reports or matters submitted by the Board of Directors to the Board of Commissioners, and to identify matters that require the attention of the Board of Commissioners, which include:

1. Preparing annual action plan to be approved by the Board of Commissioners;
2. Assisting the Board of Commissioners in its duties of ensuring the effectiveness of the Bank's Internal Audit Work Unit and the Board of Directors in following-up audit finding;
3. Reviewing financial information to be issued by the Bank, such as financial statement, projection, and other financial information, and ensuring that the financial statement is in accordance with applicable standard of accounting;
4. Analyzing the Bank's compliance towards laws and regulations on capital market and applicable laws and regulations;
5. Providing recommendations on the appointment of Public Accountant and Public Accounting Firm to the Board of Commissioners to be presented in the GMS, based on independency, appointment scope, and fee, as well as ensuring that the audit carried out by the public accountant is in accordance with applicable audit standard.

In the event that the appointed Public Accountant and/or Public Accounting Firm is unable to complete their audit service on the annual historical financial statement during its Professional Appointment Period, the Committee shall provide recommendation for a replacement Public Accountant and/or Public Accounting Firm to the Board Commissioners;

6. Analyzing the independency and objectivity of the Public Accountant and Public Accounting Firm as well as the suitability of the audit carried out by the Public Accounting Firm with applicable audit standard;
7. Analyzing the adequacy of investigation conducted by the Public Accountant and Public Accounting Firm and ensuring that all major risks have been considered;
8. Reviewing and reporting to the Board of Commissioners on any claim arising in relation to the Bank;
9. Reviewing complaints related to accounting and financial reporting of the Bank, and as such, the Committee may request and directly receive reports, determining or conducting investigation and other action in relation to the complaint it received, if the complaint is suspected to involve members of the Board of Directors or management;
10. Maintaining confidentiality of all documents, data, and information of the Bank that it has;
11. Organizing and authorizing investigations within the scope of its duties, if necessary;
12. Collaborating with external consultant, accountant, or other external parties which provide advice to the Committee or its members, provide direction in relation to investigation, finding relevant information on employees, and employees are requested to cooperate to fulfill the request of the Committee;
13. Providing independent opinion in the event of dissenting opinions between the management and the public accountant in relation to its service;
14. Evaluating audit implementation on the annual historical financial statements by the Public Accountant and/or Public Accounting Firm;

15. Reviewing complaints received through the whistleblowing channel and the Committee may request or directly receive reports, determining or conducting investigation and other action in relation to the complaint it received, especially if the complaint is suspected to involve members of the Board of Directors or management.

## Composition of the Audit Committee

The latest composition of the Audit Committee of BTPN Syariah is based on the designation of the Decision Letter of the Board of Directors No. 021/DIR/CSGC/XI/2021 dated 01 November 2021 on the Composition of the Audit Committee in BTPN Syariah.

There was no change in the composition of the Audit Committee in 2022.

### Composition of the Audit Committee as of 31 December 2021 is:

No	Name	Position	Appointment Date
1	Kemal Azis Stamboel (President/Independent Commissioner)	Chairman of Audit Committee	13 June 2014
2	Dewie Pelitawati (Independent Commissioner)	Committee Member	17 April 2015
3	Tika Arundina (Independent Party)	Committee Member	14 February 2019
4	Rena Mutia Indriani (Independent Party)	Committee Member	01 November 2021

## Evaluation of the Audit Committee General Provisions

- a. The Audit Committee was established in accordance with the Regulation of Bank Indonesia (PBI) No. 11/33/PBI/2009 dated 7 December 2009 on the Good Corporate Governance Implementation for Sharia Commercial Banks and Sharia Business Units (BUS and UUS), SEBI No. 12/13/DPbS dated 30 April 2010 on the Good Corporate Governance Implementation for BUS and UUS. The Committee is responsible to the Board of Commissioners in assisting the duties and functions of the Board of Commissioners;
- b. The composition of the Audit Committee was established by virtue of the Decision Letter of the Board of Directors and is in accordance with applicable provisions;
- c. The Audit Committee is chaired by an Independent Commissioner and the membership consists of two Independent Commissioners and two Independent Parties, therefore it adheres to the Regulation of Bank Indonesia No. 11/33/PBI/2009 dated 7 December 2009 on the Good Corporate Governance Implementation for Sharia Commercial Banks and Sharia Business Units (BUS and UUS), SEBI No. 12/13/DPbS dated 30 April 2010 on the Good Corporate Governance Implementation for BUS and UUS, which stated that the membership of the Audit Committee shall at least consist of one Independent Commissioner, and an Independent Party with financial accounting expertise, and an Independent Party with sharia banking expertise. The Audit Committee in BTPN Syariah also adheres to the Regulation of the FSA No. 55/POJK.04/2015 on the Establishment and Work Guidelines of the Audit Committee.

## Evaluation of the Audit Committee Membership Requirements

- a. The Independent Commissioners in the Audit Committee have fulfilled the requirements in the Regulation of Bank Indonesia No. 11/33/PBI/2009 dated 7 December 2009 on the Good Corporate Governance Implementation for Sharia Commercial Banks and Sharia Business Units (BUS and UUS), SEBI No. 12/13/DPbS dated 30 April 2010 on the Good Corporate Governance

Implementation for BUS and UUS, as well as POJK 33/POJK.04/2014 on the Board of Directors and the Board of Commissioners of Issuers or Public Companies;

- b. The Independent Commissioners in the Audit Committee have passed the Fit and Proper test and were declared fit and proper by the FSA;
- c. There is no member of the Board of Directors who serves as a member of the Audit Committee, pursuant to the applicable provisions regarding GCG Implementation in BUS and UUS;
- d. The Independent Parties in the Audit Committee are parties who have fulfilled the membership requirements, which include not a person in a Public Accountant Firm, Legal Consultant Firm, Public Appraisal Service Firm, or other parties providing insurance service, non-insurance service, appraisal service, and/or other consultancy service to BTPN Syariah within the past 6 (six) months, and not a person who is working or having authority and responsibility to plan, lead, control, or supervise the activities of BTPN Syariah within the past 6 (six) months, except Independent Commissioner;
- e. There is a member of the Audit Committee with educational background and expertise in accounting and finance, compliance, have sound knowledge on financial statement and corporate business particularly in relation with the service or business activities of BTPN Syariah, audit process, risk management, legal, operational, banking and sharia banking, regulations in capital market, as well as other laws and regulations, and therefore have complied with applicable laws and regulations;
- f. All members of the Audit Committee do not have affiliation with members of the Board of Commissioners, members of the Board of Directors, or Main Shareholders of the Issuers, and therefore have complied with applicable laws and regulations.

## Authority of the Audit Committee

In reference to the latest Charter of the Audit Committee

No. 02/PedomanKerja/CSGC/VIII/2022 dated 31 August 2022, the authority of the Audit Committee is as follows:

1. The Committee is authorized to obtain full, free, and unlimited access to information on employees, fund, assets, and other resources of the Bank related to the performance of their duties, including other authorities granted by the Board of Commissioners;
2. In carrying out its authority, the Committee shall cooperate with the SKAI and/or other units as deemed necessary;
3. The Committee shall involve necessary independent parties that are not members of the Audit Committee to assist their duties (if necessary).

## Term of Office of the Audit Committee

1. The term of office of the members of the Committee shall not exceed the term of office of the Board of Commissioners as provided in the Articles of Association, and they may be re-elected only for 1 (one) subsequent period;
2. If the Head or member of the Audit Committee resigned prior to the end of his term, other Independent Commissioner shall replace them;
3. If the term of office of members of the Audit Committee has ended and pursuant to the provisions, may not be re-appointed, while at the same time, the Board of Commissioners is not eligible to appoint new Audit Committee members, the membership of the old Audit Committee shall be extended until the Board of Commissioners is eligible to appoint new members of the Audit Committee.

## Profile of the Members of the Audit Committee

Members profile of the Audit Committee can be seen in the members profile of the Board of Commissioners and Independent Parties in this Annual Report.

## Meeting Policies for the Audit Committee

1. The Committee shall hold meetings as necessary or at least 4 (four) times in a year. The Board of Commissioners may determine a minimum number of periodic meetings which is more than this provision according to the requirements and agreement;
2. Committee Meeting may only be held if attended by at least 51% (fifty one percent) of all members, including one Independent Commissioner and one Independent Party;
3. Resolution of the Committee Meeting shall be made based on deliberation to reach a consensus. If a consensus cannot be reached, resolution shall be made based on the majority votes;
4. Committee Meeting shall be chaired by the Head of the Committee;
5. If the Head of the Committee is unable to attend the meeting, a present member of the Committee shall be appointed to chair the meeting;
6. Members of the Committee may attend the Committee Meeting through conference call, video conference, or similar communication channel, the use of which can enable all members present in the meeting of the Audit Committee to see, hear, and talk with each other. Such attendance of Committee member shall be considered as a direct attendance of the member in the Committee Meeting and shall be counted in quorum determination. Resolution taken in the Committee Meeting shall be made in writing and signed by the Head of the Meeting and another present member of the Committee who was appointed for such purpose by the Committee Meeting;
7. Committee Meeting resolution shall be stated in a minutes and shall be well-documented;
8. Dissenting opinions in Committee Meeting shall be stated explicitly in the minutes of meeting with their underlying reasons;
9. The Committee may make a valid resolution without holding a Committee Meeting, provided that all members of the committee have been notified in writing and all Members of the Committee have given their approval

on the written proposed resolution by signing the circular resolution. Resolution passed in this manner shall have the same power as resolution passed validly in the Committee Meeting.

10. Meetings between SKAI and the Committee without management's attendance shall be held at least 1 (once) a year;
11. Meetings between the Audit Committee and Compliance work unit without management's attendance shall be held at least 1 (once) a year;
12. Meetings between the Committee and External Auditor without management's attendance shall be held at least 1 (once) a year after the closing of financial statement.

The results of the Committee Meetings have been stated in a minutes of meetings which were distributed to each member of the Committed, members of the Board of Commissioners which are not members of the Committee, and the Corporate Secretary. Minutes of Meetings were well documented in printed and electronic media by the Corporate Secretary.

## Statement of the Audit Committee on the Effectiveness of Internal Control System

The Audit Committee has carried out review, evaluation, and monitoring, and holds an opinion that the internal control system of BTPN Syariah is effective and adequate, which includes financial control, operational control, and compliance to applicable laws and regulations.

The review results of the Audit Committee on the effectiveness and efficiency of the Bank's Internal Control System are as follows:

- a. Audit findings from the Internal Audit Work Unit showed that in general, the Internal Control System has been running effectively.
- b. Follow-up action on audit findings has been carried out according to the set schedule.

In addition, BTPN Syariah adopted an internal control work frame using Three Lines of Defence, each working independently:

- a. The implementing work unit, assisted by the relevant Quality Assurance function, has carried out their duties in accordance

with applicable regulations to conduct daily operational risk management practices as best as possible;

- b. The Risk Management Work Unit together with the Compliance Work Unit have defined and maintained the risk management methodology, ensured the adequacy of risk mitigation efforts, policies, and procedures, determined risk limit, and coordinated or facilitated overall risk management activities. The Compliance Work Unit ensured that all BTPN Syariah activities complied with external and internal regulations, as well as compliance with the sharia principles;
- c. Internal Audit was tasked with independently ensuring that all inherent risks have been managed so that residual risks are in accordance with Bank's pre-agreed risk tolerance and pre-determined risk appetite. The supervision result was reported to the Board of Directors and the Board of Commissioners and the follow-up actions on audit findings shall be monitored to improve the performance and health of BTPN Syariah.

## audit committee report

As of 31 December 2022, the Audit Committee has held 8 (eight) meetings and has issued 2 (two) Circular Decisions. Therefore, the commitment on Audit Committee Meetings has been fulfilled.

The Audit Committee Meetings in BTPN Syariah discussed various matters and gave recommendations to the Board of Commissioners which include:

1. To prepare work plans and programs for the Audit Committee in 2023;
2. To monitor and evaluate Bank's financial performance periodically;
3. To review Financial Statement to be issued by the Bank;
4. To provide recommendations on the appointment of the Public Accounting Firm to carry out financial statement audit 31 December 2022;
5. To evaluate the audit services rendered by the Public Accountant and/or Public Accounting Firm;

6. To provide strategic recommendations which support the performance of Internal Audit Work Unit's duties and responsibilities;
7. To provide recommendations on 2023 Audit Plan based on the review result on the audit plan;
8. To monitor and evaluate the performance and evaluation carried out by the Internal Audit Work Unit throughout 2022 and monitor follow-up actions on the findings;
9. To monitor the Bank's compliance towards applicable laws and regulations;
10. To monitor internal fraud incidents and case handling;
11. To review the Charter of the Audit Committee;
12. To monitor the Bank's strategic measures.
13. Performing coordination meeting with Head of Internal Audit from the Parent Entity and head of Compliance without the attendance of the Management to ensure the transparency of the whole internal control process during the Second Semester of 2022.

To complement its monitoring duties, the Audit Committee conducted online field visits adapted to the pandemic situation and condition at several locations in Indonesia, i.e. MMS Brebes and MMS North Binjai. With the improvement of pandemic condition, the field visits were conducted face-to-face at MMS Ranca Bungur, MMS Dramaga Bogor, and MMS at various areas in Yogyakarta.

During these visits, members of the Board of Commissioners and members of the Board of Commissioners' Committee listened directly to information about condition and situation at the local area from the Community Officers (CO), Business Managers (BM), and Business Coaches (BC). In addition, the field officers gave various positive inputs which can be used to improve BTPN Syariah's service. Meanwhile, members of the Board of Commissioners and Committee conveyed matters that need to be considered by the field officers to ensure the best performance of their duties.

The Audit Committee at BTPN Syariah conveyed its duties performance throughout 2022 as stated in the Audit Committee Duties Implementation Report, which was submitted to the Board of Commissioners semesterly.

## **nomination and remuneration committee**

BTPN Syariah has adhered to the Regulation of Bank Indonesia No. 11/33/PBI/2009 on Good Corporate Governance for Sharia Commercial Banks and Sharia Business Units in relation to the establishment of the Nomination and Remuneration Committee in the Bank. The membership of the Board of Commissioners in the Nomination and Remuneration Committee has considered POJK 33/POJK.04/2014 on the Board of Directors and the Board of Commissioners of Issuers or Public Companies.

The Nomination and Remuneration Committee is appointed and dismissed by the Board of Commissioners.

As a public company, the establishment of the Nomination and Remuneration Committee in BTPN Syariah as well as the fulfillment of its duties and responsibilities has considered the Regulation of the FSA Number 34/POJK.04/2014 dated 8 December 2014 on the Nomination and Remuneration of Issuers or Public Companies.

## **Charter of the Nomination and Remuneration Committee**

The Nomination and Remuneration Committee at BTPN Syariah owns Guidelines and Charter for the performance of its duties and responsibilities, which include the management of: Organization, Membership Requirements, Independency, Duties and Responsibilities, Remuneration Policies for the Board of Commissioners, Sharia Supervisory Board, and the Board of Directors, Authorities of the Nomination and Remuneration Committee, Work Ethics, Meetings, Minutes of Meetings, Reporting Responsibilities, Term of Office, etc.

The Nomination and Remuneration Committee has carried out annual review and has agreed to update the Guidelines and Charter of the Nomination and Remuneration Committee in 2022. The said Guidelines is available in the website of BTPN Syariah.

## **Independency of the Nomination and Remuneration Committee**

1. Independent Commissioner in the Nomination and Remuneration Committee is a member of the Board of Commissioners who does not have any financial, management, share ownership, and/or family relationship with other members of the Board of Commissioners, Sharia Supervisory Board, the Board of Directors, and/or Controlling Shareholders or other relationship which could impact their ability to act independently;
2. Independent Party is a party outside the Bank who does not have any financial, management, share ownership, and/or family relationship with other members of the Board of Commissioners, Sharia Supervisory Board, the Board of Directors, and/or controlling shareholders or other relationship which could impact their ability to act independently.

Independency of the Nomination and Remuneration Committee in BTPN Syariah can be seen by the appointment of the head of the Committee who is an Independent Commissioner, and other membership of 2 (two) members which are Independent Commissioner, 2 (two) members which are members of the Board of Commissioners, and 1 (one) member who is an Executive Officer in charge of human resources. There is no member of the Board of Directors that serves as a member of the Nomination and Remuneration Committee in the Bank.

The Nomination and Remuneration Committee has fulfilled the provisions that stated that if the members of the Nomination and Remuneration Committee is set to consist more than 3 (three) members, it should consist of at least 2 (two) Independent Commissioners.

Throughout 2022, the Nomination and Remuneration Committee has carried out its duties without any conflict of interest in BTPN Syariah.

## Duties and Responsibilities of the Nomination and Remuneration Committee

In accordance with the latest Charter of the Nomination and Remuneration Committee No. 03/Pedomankerja/CSGC/X/2022 dated 12 October 2022, the Nomination and Remuneration Committee is tasked with providing independent professional opinion to the Board of Commissioners on reports or matters submitted by the Board of Directors to the Board of Commissioners and identifying matters that require the attention of the Board of Commissioners, which include:

### 1. In relation with remuneration policy:

- a. Evaluating remuneration policy;
- b. Evaluating the conformity between remuneration policy and its implementation;
- c. Providing recommendation to the Board of Commissioners on:
  - Remuneration policy, remuneration structure, and remuneration amount for the Board of Commissioners, the Board of Directors, and Sharia Supervisory Board to be proposed during the General Meeting of Shareholders;
  - Recommendation review and provision to the Board of Commissioners on high-level employees remuneration strategy by considering internal and external factors to be submitted to the Board of Directors.

### 2. In relation to nomination policy:

- a. Providing recommendations to the Board of Commissioners on the membership composition of the Board of Directors and/or Sharia Supervisory Board and/or the Board of Commissioners;
- b. Preparing and providing recommendations on the system and procedure for the appointment and/or replacement of members of the Board of Commissioners, Sharia Supervisory Board, and the Board of Directors to the Board of Commissioners to be proposed at the GMS;
- c. Providing recommendations on the nominee for members of the Board of Commissioners, the Board of Directors, and Sharia Supervisory Board to the

Board of Commissioners to be proposed at the GMS. Particularly for nominee for members of the Board of Directors, the Human Capital shall help facilitate the identification of internal or external potential members, assessment on their suitability, and their development potential in the future;

- d. Providing recommendation on independent parties that will become members of the Audit Committee and Risk Monitoring Committee to, in particular, the Board of Commissioners;
  - e. Assisting the Board of Commissioners to assess the work of members of the Board of Commissioners and/or Sharia Supervisory Board and/or the Board of Directors;
  - f. Preparing programs for capacity building of members of the Board of Directors and/or members of the Board of Commissioners.
3. The Committee shall ensure that the remuneration policies at least in line with:
    - a. Financial performance and reserves for the Loss Allowance on Assets as provided in applicable laws and regulations;
    - b. Individual work performance;
    - c. Fairness with peer group inside and outside of the Bank;
    - d. Consideration of the Bank's long-term goals and strategy.
  4. Maintain the confidentiality of all Bank's documents and information;
  5. Duties other than those mentioned above, given by the Board of Commissioners to the Committee according to their functions and duties from time to time as necessary.

## Composition of Members of the Nomination and Remuneration Committee

The latest composition of members of the Nomination and Remuneration Committee of BTPN Syariah is based on the determination by virtue of the Decision Letter of the Board of Directors SK.007/DIR/CSGC/X/2022 dated 13 October 2022 on the Composition of Members of the Nomination and Remuneration Committee.

in the 1st semester of 2022, there was a change in the Composition of the Nomination and Remuneration Committee, by the Circular resolution of the Board of Commissioners No. 002/CIR/DEKOM/IV/2022 dated 21 April 2022 and established by the Decision Letter of the Board of Directors No. SK.004/DIR/CSGC/IV/2022 dated 21 April 2022 about the Composition of the Nomination and Remuneration Committee of PT Bank BTPN Syariah Tbk where this change is related to the resignation of a member of the Board of Commissioners acting as a member on the Bank's Risk Monitoring Committee and Nomination and Remuneration Committee that has been approved by the Annual GMS dated 21 April 2022.

in the 2nd semester, there was another change of the Composition of the Risk Monitoring Committee, by the Circular resolution of the Board of Commissioners No. 007/CIR/DEKOM/X/2022 dated 13 October 2022 and was established by the Decision Letter of the Board of Directors No. SK.007/DIR/CSGC/X/2022 dated 13 October 2022 about the Composition of the Nomination and Remuneration Committee of PT Bank BTPN Syariah Tbk. This change is a follow-up on the change of the Composition of the Risk Monitoring Committee that got endorsed on the Extraordinary GMS dated 13 October 2022.

### Composition of the Nomination and Remuneration Committee as of 31 December 2022 are:

No	Name	Position	Appointment Date
1	Kemal Azis Stamboel (President/Independent Commissioner)	Chairman of Committee concurrently Member	13 June 2014
2	Dewie Pelitawati (Independent Commissioner)	Committee Member	13 June 2014
3	Ongki Wanadjati Dana (Commissioner)	Committee Member	13 October 2022
4	Yenny Lim (Commissioner)	Committee Member	2 September 2019
5	Ibnu Agung Mulyanto (Human Capital Head)	Committee Member concurrently Committee Secretary	21 April 2021

### Evaluation of the Nomination and Remuneration Committee General Provisions

1. The Nomination and Remuneration Committee in BTPN Syariah was established in accordance with the Regulation of Bank Indonesia (PBI) No. 11/33/PBI/2009 dated 7 December 2009 on the Good Corporate Governance Implementation for Sharia Commercial Banks and Sharia Business Units (BUS and UUS), SEBI No. 12/13/DPbS dated 30 April 2010 on the Good Corporate Governance Implementation for BUS and UUS. The Committee is responsible to the Board of Commissioners in assisting the duties and functions of the Board of Commissioners;
2. The composition of the Nomination and Remuneration Committee was established by virtue of the Decision Letter of the Board of Directors and is in accordance with applicable provisions;
3. The Nomination and Remuneration Committee in BTPN Syariah is chaired by an Independent Commissioner and the membership consists of two Independent Commissioners, two Commissioners, and one Executive Officer who is in charge of Human Resources, and therefore it adheres to the Regulation of Bank Indonesia No. 11/33/PBI/2009 dated 7 December 2009 on the Good Corporate Governance Implementation for Sharia Commercial Banks and Sharia Business Units (BUS and UUS), SEBI No. 12/13/DPbS dated 30 April 2010 on the Good Corporate Governance Implementation for BUS and UUS, which stated that the membership of the Nomination and Remuneration Committee shall at least consist of two Independent Commissioners and an

Executive Officer who is in charge of Human Resources. The Nomination and Remuneration Committee in BTPN Syariah also adheres to the Regulation of the FSA Number 34/POJK.04/2014 on the Nomination and Remuneration Committee of Issuers or Public Companies.

### Evaluation of the Nomination and Remuneration Committee Membership Requirements

- a. The Commissioner and Independent Commissioner in the Nomination and Remuneration Committee have fulfilled the membership requirements in the Regulation of Bank Indonesia No. 11/33/PBI/2009 dated 7 December 2009 on the Good Corporate Governance Implementation for Sharia Commercial Banks and Sharia Business Units (BUS and UUS), SEBI No. 12/13/DPbS dated 30 April 2010 on the Good Corporate Governance Implementation for BUS and UUS, as well as POJK 34/POJK.04/2014 on the Nomination and Remuneration Committee of Issuers or Public Companies in conjunction with POJK 33/POJK.04.2014 on the Board of Directors and the Board of Commissioners of Issuers or Public Companies;
- b. The Commissioner and Independent Commissioner in the Nomination and Remuneration Committee have passed the Fit and Proper test and were declared fit and proper by the FSA;
- c. There is no member of the Board of Directors who serves as a member of the Nomination and Remuneration Committee, pursuant to the applicable provisions regarding GCG Implementation in BUS and UUS;
- d. Parties serving managerial position under the Board of Directors who is in charge of Human Resources have fulfilled the regulation, whereas a member concurrently secretary of the Nomination and Remuneration Committee is the Head of Human Capital Department, and therefore has fulfilled the membership requirement;
- e. Members of the Nomination and Remuneration Committee in BTPN Syariah have educational background and expertise in Human Resources, Legal, Compliance, Risk Management, accounting and finance, have

sound knowledge on financial statement and corporate business particularly in relation with the service or business activities of BTPN Syariah, audit process, and regulations in capital market, as well as other laws and regulations, and therefore have complied with applicable laws and regulations;

- f. Members of the Nomination and Remuneration Committee in BTPN Syariah do not have affiliation with members of the Board of Commissioners, members of the Board of Directors, or Main Shareholders of the Issuers, and therefore have complied with applicable laws and regulations.

### Authority of the Nomination and Remuneration Committee

1. The Nomination and Remuneration Committee is authorized to obtain full, free, and unlimited access to information on employees, fund, assets, and other resources of the Bank related to the performance of their duties;
2. In carrying out its authority, the Nomination and Remuneration Committee shall cooperate with the Directorate in charge of Human Capital and other units, including the authorities to appoint a consultant as deemed necessary.

### Term of Office of the Nomination and Remuneration Committee

1. The term of office of the members of the Nomination and Remuneration Committee shall not exceed the term of office of the Board of Commissioners as provided in the Articles of Association, and they may be re-elected for the subsequent period;
2. If a member of the Board of Commissioners who serves as the Head of the Nomination and Remuneration Committee resigned prior to the end of his term as Commissioner, other Independent Commissioner shall replace them as Head of the Nomination and Remuneration Committee;
3. If the term of office of members of the Nomination and Remuneration Committee has ended and pursuant to the provisions, may not be re-appointed, while at the same time, the Board of Commissioners is not

eligible to appoint new Nomination and Remuneration Committee members, the membership of the old Nomination and Remuneration Committee shall be extended until the Board of Commissioners is eligible to appoint new members of the Nomination and Remuneration Committee.

4. The replacement of members of the Nomination and Remuneration Committee who is not a member of the Board of Commissioners shall be carried out no later than 60 (sixty) days after the said member cannot perform their function.

### Profile of the Members of the Nomination and Remuneration Committee

Members profile of the Nomination and Remuneration Committee can be seen in the members profile of the Board of Commissioners and Executive Officer who is in charge of the Human Resources in this Annual Report.

### Meeting Policies

1. The Committee shall hold meetings regularly at least once every 4 (four) months or at the request of the Board of Commissioners;
2. Committee Meeting may only be held if attended by at least 51% (fifty one percent) of all members, including the Head of the Committee and Member of the Committee who is an Independent Commissioner and Executive Officer;
3. Resolution of the Committee Meeting shall be made based on deliberation to reach a consensus. If a consensus cannot be reached, resolution shall be made based on the majority votes;
4. Committee Meeting shall be chaired by the Head of the Committee;
5. If the Head of the Committee is unable to attend the meeting, a present member of the Committee who is an Independent Commissioner shall be appointed to chair the meeting;
6. Members of the Committee may attend the Committee Meeting through conference call, video conference, or similar communication

channel, the use of which can enable all members present in the meeting of the Nomination and Remuneration Committee to see, hear, and talk with each other. Such attendance of Committee member shall be considered as a direct attendance of the member in the Committee Meeting and shall be counted in quorum determination. Resolution taken in the Committee Meeting shall be made in writing and signed by the Head of the Meeting and another present member of the Committee who was appointed for such purpose by the Committee Meeting;

7. Committee Meeting resolution shall be stated in a minutes and shall be well-documented;
8. Dissenting opinions in Committee Meeting shall be stated explicitly in the minutes of meeting with their underlying reasons;
9. The Committee may make a valid resolution without holding a Committee Meeting, provided that all members of the committee have been notified in writing and all Members of the Committee have given their approval on the written proposed resolution by signing the circular resolution. Resolution passed in this manner shall have the same power as resolution passed validly in the Committee Meeting.

### Nomination and Remuneration Committee Report

As of 31 December 2022, the Nomination and Remuneration Committee has held 6 (six) meetings of the Nomination and Remuneration Committee out of the 3 (three) planned and has issued 6 (six) Circular Decisions. Therefore, the commitment on Nomination and Remuneration Committee Meetings for the year 2022 has been fulfilled.

In accordance with the Government's instruction and the implementation of Social Restriction throughout 2022, the meetings of the Nomination and Remuneration Committee in 2022 were conducted online while prioritizing effectiveness for members of the Committee and the Board of Commissioners, and fundamentally still adhering to BUS' GCG principles. The said meetings have covered the discussion on all work plan of the

Nomination and Remuneration Committee in 2022, including the supervision of the follow-up action of the Board of Directors and the Management regarding the recommendations of the Nomination and Remuneration Committee.

As of 31 December 2022, the Nomination and Remuneration Committee in BTPN Syariah has discussed matters and provided recommendations to the Board of Commissioners on the following:

1. Committee's recommendation regarding the consideration for 2022 proposed remuneration for the Board of Commissioners, the Board of Directors, Sharia Supervisory Board, and Independent Parties of the Audit Committee's and Risk Monitoring Committee's members, and regarding the resignation of a member of Non-Independent Commissioner;
2. Committee's recommendation regarding 2022 total remuneration amount for the Board of Commissioners, the Board of Directors, Sharia Supervisory Board, and Independent Parties of the Audit Committee's and Risk Monitoring Committee's members;
3. Committee's recommendation regarding the nomination for members of Non-Independent Commissioners to be proposed in 2022 Extraordinary GMS;
4. Committee's recommendation regarding proposed remuneration for candidates for Non-Independent Commissioners;
5. Committee's recommendation regarding the Organization Structure for the period of 2023–2026;
6. Committee's recommendation regarding 2023 Pay Review for the Board of Directors, Deferred Award Shares allocation for the Material Risk Takers (MRT), plan for End-of-Term Gratuity for the Board of Commissioners and the Board of Directors, and other agendas.

The Nomination and Remuneration Committee at BTPN Syariah conveyed its duties performance throughout 2022 as stated in the Nomination and Remuneration Committee Duties Implementation Report, which was acknowledged by the Board of Commissioners, in consideration that all current members of the Board of Commissioners are also members of the Nomination and Remuneration Committee.

## Meetings of the Board of Commissioners' Committees

Throughout 2022, meeting frequencies, Circular Decision made, and attendance of members of the Committees at the level of the Board of Commissioners are as follows:

No	Name	Audit Committee		Risk Monitoring Committee		Nomination & Remuneration Committee	
		(Realization/ Planned)	%	(Realization/ Planned)	%	(Realization/ Planned)	%
1	Kemal Azis Stamboel	8/6	100%	6/6	100%	6/3	100%
2	Dewie Pelitawati	8/6	100%	6/6	100%	6/3	100%
3	Mahdi Syahbuddin <sup>(a)</sup>	Non member		1/1	100%	2/2	100%
4	Ongki Wanadjati Dana <sup>(b)</sup>	Non member		2/2	100%	2/2	100%
5	Yenny Lim	Non member		Non member		6/3	100%
6	Tika Arundina	8/6	100%	6/6	100%	Non member	
7	Rena Mutia	8/6	100%	6/6	100%	Non member	
8	Gatot Prasetyo S.	8/6	100%	Non member		Non member	
9	Dharma Putera	Non member		6/6	100%	Non member	
10	Ibnu Agung Mulyanto	Non member		Non member		6/3	100%

(a) Mahdi Syahbuddin is no longer served as member of the Risk Monitoring Committee and the Nomination and Remuneration Committee effectively since his resignation as member of the Board of Commissioners at the closing of the Annual GMS on 21 April 2022

(b) Ongki Wanadjati Dana served as member of the Risk Monitoring Committee and the Nomination and Remuneration Committee effectively since his appointment as member of the Board of Commissioners at the closing of the Extraordinary GMS on 13 October 2022, replacing Mahdi Syahbuddin

## Number of Resolution of Board of Commissioners Committee in 2022

Audit Committee	Risk Monitoring Committee	Nomination and Remuneration Committee	Corporate Governance Committee
2 (two)	No Circular Decision	6 (six)	No Circular Decision

## Performance Evaluation for the Board of Commissioners' Committee

In continuation of Good Corporate Governance principles fulfillment, the supervision for the duties of the Board of Commissioners' Committee at BTPN Syariah has been carried out in good manner through corporate meetings and field visits throughout 2022. The Committees at the Board of Commissioners' Committee through the Audit Committee, the Risk Monitoring Committee, and the Nomination and Remuneration Committee have ensured that the Bank's activities were carried out within good corridors and reporting were submitted on time.

The Committees prioritize the principles of prudence, in line with the Government's instruction on social limitation during the pandemic without reducing the compliance with GCG provisions and the Articles of Association. In terms of decision-making, the Board of Commissioners' Committee prioritize deliberation to reach a consensus, all of them are stated in the Minutes of Meeting and Circulars, which were well-governed. There was no dissenting opinion throughout 2022.

In achieving GCG, which was gradually become more and more focused by reference to the ASEAN Corporate Governance Scorecard (ACGS) methodology within the scope of Southeast Asian Regional standards, the Board of Commissioners' Committee have supported the Board of Commissioners in carrying out supervisory duties properly based on the Good Corporate Principles.

Efforts to improve these standards are well-maintained and BTPN Syariah is continuously making improvements to its internal processes and information disclosure to all stakeholders.

The measure of achievement for the Board of Commissioners' Committee was manifested by the practice of Self-Assessment based on the criteria stated in the Charter of each the Board of Commissioners' Committee, that reflect the overall performance of the duties and responsibilities of each member in a measurable and targeted manner.

The criteria for Self-Assessment of the the Board of Commissioners' Committee are as follows:

### Performance Assessment of Risk Monitoring Committee Members

No	Assessment Factor
1.	The Committee has provided recommendation to the Board of Commissioners on the formulation and periodic update of Annual Work Plan, Work Guidelines and Charter, and Risk Management Policy;
2.	The Committee has provided independent professional opinion to the Board of Commissioners on reports or matters related to risk management, both as an individual Bank and as a consolidation with the Subsidiaries, as reported by the Board of Directors to the Board of Commissioners and the Committees, as well as identified matters that require the attention of the Board of Commissioners;
3.	The Committee has assisted the Board of Commissioners in the evaluation of risk appetite and risk tolerance and limit, which have to be approved by the Board of Commissioners;
4.	The Committee has assisted the Board of Commissioners in the monitoring and evaluation of the duties performance of the Risk Management Committee and the Risk Management Work Unit in order to provide recommendations to the Board of Commissioners;
5.	The Committee has assisted the Board of Commissioners in the monitoring and evaluation of the conformity between the Risk Management Policies, both as an individual Bank and as a Consolidation, and their implementation;

### No Assessment Factor

6. The Committee has assisted the Board of Commissioners to do evaluation on the Bank's risk management policy, and Consolidation with the Subsidiary.

## Performance Assessment of Audit Committee Members

### No Assessment Factor

1. The Committee has provided recommendations to the Board of Commissioners for the formulation and periodic update of the Annual Audit Plan, Work Guidelines and Charter, and the Internal Audit Charter.
2. The Committee has provided an independent professional opinion to the Board of Commissioners on reports or matters reported by the Board of Directors to the Board of Commissioners, and has identified matters that require the attention of the Board of Commissioners including review of financial information that will be published by the Bank such as financial statement, financial projection, and other information, as well as ensured that the financial statement is in line with applicable accounting standard.
3. The Committee has assisted the Board of Commissioners in its duties to ensure the effectiveness of the Internal Audit Work Unit and the effectiveness of the Board of Directors in following-up audit findings improvement.
4. The Committee has provided recommendations to the Board of Commissioners for the appointment of the Public Accountant and/or the Public Accounting Firm as well as their replacement if the appointed Public Accountant and/or the Public Accounting Firm is unable to complete their duties, as well as analyzed the independency and objectivity of the Public Accountant and/or Public Accounting Firm and the conformity of audit by the Public Accounting Firm with applicable audit standard.
5. The Committee has monitored and evaluated the plan and performance of internal and external audit as well as monitored the follow-up actions on audit findings for the purpose of assessing the adequacy of internal control including the adequacy of financial reporting process.
6. The Committee has analyzed the compliance of the Bank towards applicable laws and regulations in capital market and other applicable laws and regulations which are related to Bank's activities including providing recommendations to the Board of Commissioners regarding potential conflict of interest.
7. The Committee has provided recommendation to the Board of Commissioners on the appointment of external parties to re-evaluate the performance of the Internal Audit Work Unit.
8. The Committee has provided recommendation to the Board of Commissioners regarding overall annual remuneration and performance award for the Internal Audit Work Unit.

## Performance Assessment of Nomination and Remuneration Committee Members

### No Assessment Factor

1. The Committee has provided recommendation to the Board of Commissioners for the formulation and periodic update on the Nomination and Remuneration Policy as well as the Work Guidelines and Charter.
2. **In relation to Remuneration Policy**  
The Committee has ensured that the Bank's Remuneration Policy has considered:
  - a. Financial Performance and reserves for Loss Allowance on Assets as provided in applicable laws and regulations;
  - b. Individual Work Performance;
  - c. Fairness with its Peer Group inside and outside the Bank;
  - d. Consideration on the Bank's long-term goals and strategy.

## No Assessment Factor

### 3. In relation to Remuneration Policy

The Committee has provided recommendation to the Board of Commissioners regarding the Remuneration Policy, Structure, and amount for the Board of Commissioners, the Board of Directors, and Sharia Supervisory Board, to be submitted to the General Meeting of Shareholders, and has conducted review and provided recommendation to the Board of Commissioners regarding high-level remuneration strategy for employees by considering internal and external factors, to be submitted to the Board of Directors;

### 4. In relation to Nomination Policy

The Committee has provided recommendation to the Board of Commissioners regarding the membership composition for members of the Board of Commissioners and/or Sharia Supervisory Board and/or the Board of Directors, as well as regarding the selection system and procedure and/or replacement of members of the Board of Commissioners, Sharia Supervisory Board, and the Board of Directors, to the Board of Commissioners be submitted to the General Meeting of Shareholders, as well as recommendation on Independent Party to become member of the Audit Committee and the Risk Monitoring Committee to the Board of Commissioners;

### 5. In relation to Nomination Policy

The Committee has assisted the Board of Commissioners to assess the performance of members of the Board of Commissioners and/or Sharia Supervisory Board and/or the Board of Directors, and formulate capacity building for members of the Board of Directors and/or the Board of Commissioners.

## corporate governance committee

In line with the commitment to monitor Banking Synergy by BTPN and BTPN Syariah after the dissolution of the Integrated Governance Committee, a new mechanism has been established through the formation of the Corporate Governance Committee by BTPN as the Coordinating Entity, where the representative of BTPN Syariah who previously sat as a member of the Integrated Governance Committee, became permanent invitee to the Corporate Governance Committee.

The Corporate Governance Committee is tasked with the monitoring to ensure the implementation and integration of internal control within the financial group in a prudent and transparent manner, in accordance with the principles of governance as a Conventional Commercial Bank, Sharia Commercial Bank, and as a Public Company.

The first meeting of the Corporate Governance Committee in 2022 was convened on 18 August 2022 to discuss Anti-Fraud Management, Banking Synergy Monitoring, and GCG Rating as well as report on the result of Governance Coordination Meeting to the Committee and the second meeting was convened on 23 February 2023 to discuss the Anti-Fraud Management Reports

BTPN and BTPN Syariah, Banking Synergy Monitoring Report and Governance Coordination Meeting Remarks.

In the future, as part of the Bank's business development strategy, BTPN Syariah will continue to explore other synergies with BTPN and the latest Controlling Shareholders, namely the SMBC.

## Banking Synergy Within One Ownership for the Development of Sharia Banking

### Banking Synergy Background

BTPN Syariah refers to the Regulation of the Financial Services Authority of the Republic of Indonesia No. 16/POJK.03/2022 dated 30 August 2022 on Sharia Commercial Bank in relation to Banking Synergy.

The regulation states that to increase the efficiency of the national banking industry and the development of sharia banking, a banking synergy is required in the form of cooperation between Sharia Commercial Bank and Conventional Commercial Bank with ownership relation through the optimization of the Conventional Commercial Bank's resources to support the activities of the Sharia Commercial Bank, which will give added value for both the Sharia and the Conventional Commercial Banks.

## Implementation of Banking Synergy in BTPN Syariah

### Through Cooperation Agreement

In supporting the activities that provide added value, BTPN Syariah synergizes with BTPN as the Main Entity, which is a Conventional Commercial Bank, in various strategic partnerships to improve efficiency and develop BTPN Syariah as set forth in the Work Agreement that has been approved by competent authorities in each institution.

Banking synergy between the two entities is carried out in the areas of Human Capital - Salary Transfer Services, Information Technology Infrastructure, Commercial Bank Sharia Services, Cash Management - Cash Withdrawal and Deposit Services, Productive Financing for Institutions that support the development of the inclusive segment, Work Implementation Specifically, MultiBiller Payment Services, Laku Pandai Agents, Data and Information Exchange related to vendors providing goods and services, as well as for Joint Locations and Joint Agreements as a general agreement which regulate banking synergy between BTPN Syariah and BTPN.

### Through Governance Coordination Meeting

To complement the cooperation agreements, BTPN Syariah established various cross-divisional strategic coordination within the Bank to align fulfillment of the needs set forth in the updating and regular review of cooperation agreements for the purpose of supporting banking synergy, as well as continued to support the provision of supporting documents for the preparation of Banking Synergy Reports for both entities in a timely manner.

BTPN Syariah continued to make improvements in the quality of the supporting infrastructure for banking synergy, namely the internal provisions and procedures at BTPN Syariah which are aligned with sharia rules and principles and the application of GCG principles, both as a sharia commercial bank and as a public company. Both BTPN and BTPN Syariah had stated their Banking Synergy commitments in their respective Governance Policies, Compliance Policies, and Risk Management Policies.

In terms of harmony between business units and governance of the cooperation agreement between BTPN Syariah and BTPN, a coordination meeting is held between the persons in charge of the cooperation agreement, to discuss process updates or adjustments to bank procedures and regulations, while simultaneously continue to supervise its implementation through a banking synergy checklist agreed by both parties.

### Through coordination in the development of Sharia banking via PT BTPN Syariah Ventura

Another commitment of the Bank in the implementation of banking synergy for the purpose of developing sharia banking is manifested in strategic investment initiatives for BTPN and BTPN Syariah in a sharia venture capital company, namely PT BTPN Syariah Ventura, which obtained its operational permit on 20 May 2022 and effectively commenced operational activities on 30 May 2022.

This initiative aims to adapt to changing customer needs and ensure an increase in their welfare, as well as the opportunity to serve more customers on an ongoing basis by positive leveraging of technology in: Sharia Digital Ecosystem for Inclusive Communities.

### Through the Supervision on the Implementation of Banking Synergy in BTPN Syariah

In accordance with the confirmation from the Financial Services Authority to BTPN regarding the status of the financial conglomerate SMBC Group in Indonesia, BTPN as the Main Entity and BTPN Syariah as a Member Entity are no longer categorized as financial conglomerate effective on 15 November 2021. Therefore, the Integrated Governance Committee as the Committee in charge of supervising governance in a financial conglomerate whose members are BTPN and BTPN Syariah has been officially disbanded in 2021.

The Integrated Governance Committee has carried out its final obligations and BTPN has carried out internal settlements and has submitted the final report from the Integrated Governance Committee (as of 31 December 2021) on 11 February 2022 to the Financial Services Authority.

BTPN Syariah has submitted a report regarding the above matter, as stated in the 2021 Annual Report, which was presented at the Annual General Meeting of Shareholders in April 2022.

The monitoring task by the Integrated Governance Committee is continued by the new mechanism in the Corporate Governance Committee which explanation shown in the Corporate Governance Implementation Report below.

## the board of directors' committees

In order to implement good corporate governance (GCG) principles and to support the effectiveness of the execution of duties and responsibilities of the Board of Directors, BTPN Syariah has established Committees at the Board of Directors Level.

### Asset and Liabilities Committee/ALCO

According to the latest Decree of the Board of Directors No.005B/DIR/CSGC/X/2022 dated 12 October 2022 on the latest Composition of ALCO Members, the membership status of the Committee is ex officio consisting at least of the following:

	Committee Composition	Ex officio Membership
Member with Voting Right	Committee Chairperson	Director in charge of Finance & Operations
	Committee Secretary	Executive Officer in charge of Treasury & Financial Institution (FI) appointed by the Director in charge of Finance & Operations
	Committee Member	President Director
	Committee Member	Director in charge of Funding & Fee-Based Business
	Committee Member	Director in charge of Financing Business
	Committee Member	Executive Officer in charge of Risk Management
	Committee Member	Executive Officer in charge of Financing Business Planning & Support
	Committee Member	Executive Officer in charge of Retail & Wholesale Funding
Member without Voting Right	Regular Invitee	Officer appointed by Executive Officer in charge of Risk Management, that is, the officer in charge of Liquidity & Market Risk
	Regular Invitee	Officer appointed by Executive Officer in charge of Treasury & FI, that is, the officer in charge of Treasury & FI

The establishment of ALCO Committee has fulfilled the conditions and competency requirements in accordance with the CGC principles.

### ALCO Duties and Responsibilities

ALCO duties and responsibilities according to the latest ALCO Work Guidelines and Charter No. 06/ PedomanKerja/CSGC/XII/2022 dated 30 Desember 2022 are, as follows:

1. To review, develop and determine the strategy, guidelines, and policy of Asset Liability Management (ALMA);
2. To monitor the liquidity position of the Bank on regular basis by managing the primary and secondary reserves;
3. To monitor the development and strategy of third-party fund and financing;
4. To study the development and projection of the macro-economy in general, globally, domestically, and industry-related as basis to set direction for policies and strategies;
5. To determine the boundaries and guidelines in managing and controlling risks that impact Liquidity Risk (Liquidity Management) and Market Risk;

6. To evaluate and set the pricing of financing rate and funding rate and Funds Transfer Price (FTP) or incentives for interoffice accounts to optimize the return of deposits, minimize cost of fund, and preserve the Bank's balance sheet structure in line with the Bank's ALMA strategy;
7. To evaluate the position of the Bank's rate of return risk and evaluate ALMA Strategy which ensures that the Bank's risk-taking position is consistent with its objectives in managing rate of return risk;
8. To review the performance and asset and liabilities position of the Bank to assess the impact of previous Committee decisions on the Bank's objectives;
9. To evaluate the actual achievement against the budget or the Bank Business Plan;
10. To inform the Board of Directors about any changes in provisions and regulations which may impact ALMA strategy and policy.

### ALCO Committee Report

In 2022, ALCO conducted 12 (twelve) regular meetings in the second week of every month, that were attended both in person and online, and issued no circular resolution.

All the meetings complied with the ALCO Work Guidelines and Charter.

ALCO Committee discussed and provided recommendation to the Board of Directors in 2022 concerning the condition of macro-economy, forecast and pricing of funding and financing, funding concentration, liquidity indicators, control of liquidity risk and rate of return risk, including review of the threshold of Treasury Portfolio and risk as instruments to control risk; determined gross yield; managed secondary reserves; developed money market and fixed income market; discussed composition of deposits return based on category; disseminated new investment instruments, both money market and fixed income instrument; and disseminated new Treasury regulations.

ALCO Committee produced several strategic decisions in the management of the Bank's assets and liabilities to ensure the implementation of the Bank's policy in facing the pressure against inflation which impacted the market benchmark interest rate in 2022.

### ALCO Committee Meeting

Name	Position	Number of Meetings (Realized/Planned Meeting)	Attendance Percentage (Realized/Planned Meeting)
Fachmy Achmad	Committee Chairperson	12/12	100%
Hadi Wibowo	Committee Member	11/12	92%
Gatot Adhi Prasetyo	Committee Member	12/12	100%
Dwiyono Bayu Winantio	Committee Member	12/12	100%
Dharma Putera	Committee Member	12/12	100%
Shita Satyawati Priandani	Committee Member	12/12	100%
Ade Fauzan	Committee Member	12/12	100%
Antonius Priyadi	Committee Secretary	12/12	100%

### Information Technology Steering Committee

According to the latest Decree of the Board of Directors No. 005A/DIR/CSGC/X/2022 dated 12 October 2022 on the Composition of Information Technology Steering Committee, the membership status of the Committee is ex officio consisting at least of the following:

<b>Committee Composition ex officio Membership</b>		
Member with Voting Right	Committee Chairperson	Director in Charge of Information Technology Unit
	Committee Secretary	Executive Officer in charge of Information Technology appointed by the Director in charge of Information Technology
	Committee Member	Director in Charge of Financing Business
	Committee Member	Director in Charge of Funding & Fee Based Business
	Committee Member	Director in Charge of Finance & Operations
	Committee Member	Director in Charge of Compliance & Risk
Member without Voting Right	Regular Invitee	Executive Officer in charge of Risk Management
	Regular Invitee	Executive Officer in charge of Human Capital
	Regular Invitee	Executive Officer in charge of Financing Business Planning & Support
	Regular Invitee	Executive Officer in charge of Business Development
	Regular Invitee	Executive Officer in charge of Operations Development
	Regular Invitee	Executive Officer in charge of Transaction Services
	Regular Invitee	Executive Officer in charge of Analytics & Market Intelligence
	Regular Invitee	Executive Officer in charge of Funding & Fee Based Business Planning & Support
	Regular Invitee	Executive Officer in charge of Financial Planning & Control
	Regular Invitee	Executive Officer in charge of Corporate Information Security

The establishment of Information Technology Steering Committee has fulfilled the conditions and competency requirements in accordance with the CGC principles.

### **Duties and Authority of Information Technology Steering Committee**

Duties and authority of the Information Technology Steering Committee are according to the latest Work Guidelines and Charter No. 07/PedomanKerja/CSGC/X/2022 dated 12 October 2022 and the Committee is responsible to provide recommendation to the Board of Directors at least in the following matters:

1. Information Technology Strategic Plan in line with the Bank Strategic Plan;
2. Formulation of the primary Information Technology policies, standards, and procedures;
3. Conformity between Information Technology Development Plan and the Information Technology Strategic Plan;
4. Conformity between implementation of Information Technology Development and the Information Technology Development Plan;
5. Evaluation of Information Technology cost effectiveness against the achievement of planned benefits;
6. Monitor the Information Technology performance and its improvement efforts;
7. Resolve Information Technology problems that cannot be solved by Information Technology work unit users and providers in effective, efficient, and timely manner;
8. Adequacy and allocation of the Bank's resources;
9. Provide direction and approval for strategic initiatives concerning data governance.

### **Information Technology Steering Committee Report**

In 2022, the Information Technology Steering Committee held 4 (four) meetings that were attended both in-person and online, and issued no circular resolution.

All the meetings complied with the Charter of Information Technology Steering Committee.

Information Technology Steering Committee discussed and provided the following recommendations to the Board of Directors in 2022:

1. Starting 2022 by continuing the Information Technology strategic plan for Digital Front End Platform development initiatives; developing integrated features for Sharia products and services at the Core Banking System to support business growth; continue exploring the utilization of infrastructure and public cloud technology; and increasing capabilities in data management, data governance, and data analytics to produce faster, more accurate, and safer reporting.
2. Continue modernizing the Core Business System for TUR business service by utilizing the latest reliable technology to ease integration and enrich new sharia contract (akad)-based financing products.
3. Focusing on sharia banking services development that is based on digital technology through features in Mobile Banking and Internet Banking to improve independent services to provide easier access for customers and improve the quality of customer services.
4. Improving the capability and capacity of DC and DRC infrastructures to fulfill the support of the Bank's business growth and digital initiatives by ensuring the recovery of very critical application, critical application dan regulatory application that were successfully conducted as the Bank's compliance requirement were ready to operate under normal or disaster conditions.
5. Improving the capabilities to secure assets, data, and information by implementing security system in IT infrastructure and IT team work method that is integrated to the Bank's Corporate Information Security (CIS) unit.

### Information Technology Steering Committee Meeting

Name	Position	Number of Meetings (Realized/Planned Meeting)	Attendance Percentage (Realized/Planned Meeting)
Hadi Wibowo	Committee Chairperson	4/4	100%
Dwiyono Bayu Winantio	Committee Member	4/4	100%
Gatot Adhi Prasetyo	Committee Member	4/4	100%
Fachmy Achmad	Committee Member	4/4	100%
Arief Ismail (a)	Committee Member	1/1	100%
Dharma Putera (b)	Committee Member	3/3	100%
Robertus J. Hadisurya	Committee Secretary	4/4	100%

Notes:

(a) Arief Ismail was appointed as a member of Information Technology Steering Committee to replace Dharma Putera on 12 October 2022

(b) Dharma Putera became an regular invitee and no longer held the position as a member of Information Technology Steering Committee since 12 October 2022.

### Human Capital Committee

According to the latest Decree of the Board of Directors No. SK.005/DIR/CSGC/IV/2021 dated 21 April 2021 on the Composition of Human Capital Committee, the membership status of the Committee is ex officio consisting at least of the following:

<b>Committee Composition    <i>Ex officio</i> Membership</b>		
Member with Voting Right	Committee Chairperson	Director in charge of Human Capital
	Secretary	Executive Officer in charge of Human Capital, appointed by Director in charge of Human Capital
	Committee Member	President Director
	Committee Member	Director in charge of Finance & Operations
	Committee Member	Director in charge of Funding & Fee Base Business
	Committee Member	Director in charge of Financing Business
Member without Voting Right	Regular Invitee	Director in charge of Risk Management

The establishment of Human Capital Committee has fulfilled the conditions and competency requirements in accordance with the CGC principles.

### **Duties and Authority of Human Capital Committee**

Duties and authority of Human Capital Committee according to the latest Human Capital Committee Charter No. 08/Pedomannya/CSGC/X/2021 dated 4 October 2021 are, as follows:

1. To establish the policy, strategy and strategic objectives in the area of Human Capital;
2. To approve the implementation of Human Capital remuneration program;
3. To approve the recommendations that are beyond the authority of Division Head and/or Director in charge of Human Capital.

### **Human Capital Committee Report**

In 2021, Human Capital Committee conducted 6 (six) meetings which were attended both in-person and online and issued 1 (one) circular resolution.

All the meetings complied with the Human Capital Committee Work Guidelines and Charter.

The Human Capital Committee discussed and provided the following recommendations in 2022 to the Board of Directors:

1. Performance Appraisal Result for 2021, decision on proposed grade promotion for 2022, review of 2022 salary and 2021 bonus;
2. Result report for review of 2022 salary and 2021 bonus;
3. Implementation of the Job Evaluation & Reward Strategy project with regards to updating salary period, telemedicine facility for mass position, and summary presentation of the 2021 Employee Engagement Survey result including the follow up actions;
4. Mid-year performance report for 2022, decision on the 2022 Transformation Award scheme, and presentation on target fulfillment of Aksara Program for Q3 2021–Q2 2022.
5. Decisions on implementation time for end-of-year performance review for 2022 and Review of 2023 salary and 2022 bonus, payment for Long Term Compensation program for target Q4 2021–Q3 2022, payment of 2022 Transformation Award, and vendor selection to organize 2022 Employee Engagement Award;
6. Result report of performance review at the end of 2022, agreement on the salary review scheme for 2023 and bonus for 2022, and decision to add participants for the Long Term Compensation Program for the target period Q4 2022–Q3 2024;
7. Decision on insurance vendor selection for Employee's Health, Life and Total Permanent Disability for 2023.

## Human Capital Committee Meeting

Name	Position	Number of Meetings (Realized/Planned Meeting)	Attendance Percentage (Realized/Planned Meeting)
Hadi Wibowo	Committee Chairperson and also as Committee Member	6/4	100%
Fachmy Achmad	Committee Member	6/4	100%
Gatot Adhi Prasetyo	Committee Member	6/4	100%
Dwiyono Bayu Winantio	Committee Member	6/4	100%
Ibnu Agung Mulyanto	Committee Secretary	6/4	100%

## Risk Management Committee

According to the latest Decree of the Board of Directors Number No. 005C/DIR/CSGC/X/2022 dated 12 October 2022 on the Composition of Risk Management Committee, the membership status of the Committee is ex officio consisting at least of the following:

	Committee Composition	Ex officio Membership
Member with Voting Right	Committee Chairperson	Director in charge of Compliance & Risk Management
	Secretary	Executive Officer in charge of Risk Management
	Committee Member	Director in charge of Funding & Fee Base Business
	Committee Member	Director in charge of Financing Business
	Committee Member	Director in charge of Finance & Operations
	Committee Member	Executive Officer in charge of Financial Planning & Control
	Committee Member	Executive Officer in charge of Human Capital
	Committee Member	Executive Officer in charge of Operations
	Committee Member	Executive Officer in charge of Information Technology
Member without Voting Right	Regular Invitee	Internal Audit Unit Head
	Regular Invitee	Executive Officer in charge of Business Risk
	Regular Invitee	Executive Officer in charge of Compliance

The establishment of Risk Management Committee has fulfilled the conditions and competency requirements in accordance with the CGC principles.

## Duties and Authority of Risk Management Committee

Duties and responsibilities of Risk Management Committee according to the latest Charter of Risk Management Committee No. 09/PedomanKerja/CSGC/XI/2022 dated 28 November 2022 are, as follows:

1. To prepare risk management policy and strategy including risk limit, and its updates, revision and refinement, both individually and in consolidation with Subsidiary;
2. To evaluate the conformity to risk management policy individually and in consolidation in its implementation
3. To evaluate and provide recommendation on transactions or activities requiring the Board of Directors approval;
4. To evaluate and provide recommendation on transactions or activities which deviate from normal procedures.

## Risk Management Committee Report

In 2022, Risk Management Committee conducted 10 (ten) meetings attended both in-person and online and issued no circular resolution.

All the meetings complied with the Risk Management Committee Charter.

The Risk Management Committee discussed and gave recommendations to the Board of Directors regarding risk exposures faced by the Bank in 2022, including monitoring on Bank Key Financial Ratio against the industry, Risk Appetite & Risk Tolerance, Bank financing portfolio, and other matters. There was also discussion on improvement for the Bank's performance and business activities.

The Committee's recommendations were conveyed to the related unit and followed with continuous monitoring for the follow-up actions for the said recommendations.

BTPN Syariah implemented consolidation risk management towards BTPN as Parent Entity and BTPN Syariah Ventura as a subsidiary of BTPN Syariah.

The implementation of consolidated risk management by BTPN Syariah towards BTPN and BTPN Syariah Ventura was conducted through monitoring process on the consolidated risk exposure as part of the alignment reporting, including consolidated Risk Profile, RBBR, ICAAP reporting, as required by OJK.

## Risk Management Committee Meeting

Name	Position	Number of Meetings (Realized/Planned Meeting)	Attendance Percentage (Realized/Planned Meeting)
Arief Ismail	Committee Chairperson	10/10	100%
Gatot Adhi Prasetyo	Committee Member	8/10	80%
Dwiyono Bayu Winantio	Committee Member	10/10	100%
Fachmy Achmad	Committee Member	10/10	100%
Hendrianto	Committee Member	6/10	60%
Ibnu Agung Mulyanto	Committee Member	9/10	90%
Muhammad Affendie	Committee Member	10/10	100%
Robertus J. Hadisurya	Committee Member	8/10	80%
Dharma Putera	Committee Secretary	10/10	100%

## Business Committee

According to the latest Decree of the Board of Directors No. 005D/DIR/CSGC/X/2022 dated 12 October on the Composition of Business Committee, the membership status of the Committee is ex officio consisting of at least the following:

	Committee Composition	Ex officio Membership
Member with Voting Right	Committee Chairperson	Director in charge of Financing Business
	Secretary	Executive Officer in charge of Business Planning & Support in Financing Business
	Committee Member	Director in charge of Finance & Operations
	Committee Member	Director in charge of Funding & Fee Based Business
	Committee Member	Executive Officer in charge of Operations
	Committee Member	Executive Officer in charge of Human Capital
	Committee Member	Executive Officer in charge of Information Technology

	Committee Composition	Ex officio Membership
Member without Voting Right	Regular Invitee	Executive Officer in charge of Distribution in Financing Business
	Regular Invitee	Executive Officer in charge of Finance
	Regular Invitee	Executive Officer in charge of Risk Management
	Regular Invitee	Executive Officer in charge of Business Development
	Regular Invitee	Executive Officer in charge of Financing Business Risk

Under certain circumstances, member of the Committee can invite Executive Officer and other Officer, whenever required.

The establishment of the Business Committee has fulfilled the conditions and competency requirements in accordance with the CGC principles.

### Duties and Authority of Business Committee

Duties and authority of Business Committee according to the latest Charter of Business Committee No. 010/Pedoman Kerja/CSGC/XI/2022 dated 28 November 2022 are, as follows:

1. To monitor on regular basis the development and strategy of Third-Party Funds and Financing Business TUR;
2. To monitor on regular basis the Business Financial Performance of Financing Business TUR, Business Process, Business Risk and Human Capital;
3. To review new product or new initiative proposal in TUR Business prior to its presentation to the Board of Directors to secure approval;
4. To develop, review, and establish strategy, policy and guidelines of Financing Business TUR;
5. To study the general development and projection of the overall economy to establish policy direction.

### Business Committee Report

The Business Committee conducted 10 (ten) meetings with combined on-site and online attendance, and issued no circular resolution.

All the meetings of Business Committee complied with the Business Committee Work Guidelines and Charter.

In 2022, Business Committee discussed and provided recommendations to the Board of Directors on financing performance, financing Quality, key initiatives, human capital, and non-TUR financing. With the impacts of pandemic still affecting customer businesses, The Business Committee continued monitoring portfolio restructuring. The discussion in the Committee Meeting also included Mitra Tepat on a periodic basis.

### Business Committee Meeting

Name	Position	Number of Meetings (Realized/Planned Meeting)	Attendance Percentage (Realized/Planned Meeting)
Dwiyono Bayu Winantio	Committee Chairperson	10/10	100%
Fachmy Achmad	Committee Member	9/10	90%
Gatot Adhi Prasetyo	Committee Member	10/10	100%
Ibnu Agung Mulyanto	Committee Member	9/10	90%
Robertus J. Hadisurya	Committee Member	9/10	90%
Dewi Nuzulianti	Committee Secretary	10/10	100%

## Financing Policy Committee

According to the latest Decree of the Board of Directors Number 010/DIR/CSGC/IV/2021 dated 21 April 2021 on the Composition of Financing Policy Committee, the membership status of the Committee is ex officio consisting of at least the following:

	Committee Composition	Ex officio Membership
Member with Voting Right	Committee Chairperson	President Director
	Secretary	Executive Officer in charge of Risk Management
	Committee Member	Director in charge of Compliance and Risk Management
	Committee Member	Director in charge of Funding & Fee Based Business
	Committee Member	Director in charge of Financing Business
	Committee Member	Head of Internal Audit Unit

The establishment of Financing Policy Committee has fulfilled the conditions and competency requirements in accordance with the CGC principles.

## Duties and Authority of Financing Policy Committee

In accordance to Self-Certification In accordance with self certification of Financing Policy Committee Charter, on 28 November 2022, the duties and authority of Financing Policy Committee based on the Work Guidelines and Charter for Financing Policy Committee No. 014/PedomanKerja/CSGC/VII/2021 dated 30 July 2021 was deemed to still comply with the internal process that was conducted, including:

### Duties of Financing Policy Committee

1. Provide input to the Board of Directors in developing the Bank Financing Policy, especially in relation to the application of prudent principle in financing;
2. Supervise consistent implementation of the Bank Financing Policy and formulate solution should there be any obstacles in its implementation. The Committee will also review the Bank Financing Policy periodically to provide suggestions to the Board of Directors on any amendment or improvement to the Policy whenever deemed necessary;
3. Monitor and evaluate:
  - a. Development and quality of the overall financing portfolio;
  - b. Conformity of Financing Approval Authority implementation;
  - c. Compliance of financing approval process and the quality of financing for certain party or certain big debtor of the Bank;
  - d. Conformity of legal financing limit implementation;
  - e. Compliance to prevailing laws and regulations in the financing process;
  - f. Resolution of problematic financing according to provisions in the Bank Financing Policy;
  - g. The Bank's efforts to allocate adequate amount of provision for financing write off; and
  - h. Implementation of Sharia Principles in financing process.

### Responsibilities of Financing Policy Committee

1. Submit written report periodically to the Board of Directors copy furnished to the Board of Commissioners concerning:
  - a. Monitoring of the implementation of the Bank Financing Policy; and
  - b. The result of the above monitoring and evaluation;

2. Provide advice for improvement to the Board of Directors copy furnished to the Board of Commissioners concerning the matters mentioned in the report point (1);
3. Any deviation in the implementation of the Bank Financing Policy related to the fulfillment of Sharia principles must be informed to the Sharia Supervisory Board.

### Financing Policy Committee Report

In 2022, the Financing Policy Committee conducted 1 (one) meeting online and issued no circular resolution.

All the meetings complied with the Charter of Financing Policy Committee.

The Financing Policy Committee Meeting discussed and provided recommendations to the Board of Directors in 2022 on matters pertaining to Financing Portfolio of inclusive Segment, Financing Portfolio of Segment other than inclusive, Evaluation of Financing Provisions and the recommendations.

In general, the financing for the inclusive segments grew well with good quality, reflecting the Bank's commitment in serving customer needs. In 2022, the Bank issued several provisions, in response to business needs and in alignment with the government and Financial Services Authority policies to assist customers impacted by COVID-19, including financing relaxation, disbursement of new financing, and monitoring of financing activities.

With regard to non-Inclusive Financing, the Bank focused on evaluating existing financing provisions to ensure the adequacy of internal control in order to implement prudential principles. The minutes of meeting were documented properly according to the Charter of Financing Policy Committee.

### Financing Policy Committee Meeting

Name	Position	Number of Meetings (Realized/Planned Meeting)	Attendance Percentage (Realized/Planned Meeting)
Hadi Wibowo	Committee Chairperson	1/1	100%
Arief Ismail	Committee Member	1/1	100%
Gatot Adhi Prasetyo	Committee Member	1/1	100%
Dwiyono Bayu Winantio	Committee Member	1/1	100%
Gatot Prasetyo	Committee Member	1/1	100%
Dharma putera	Committee Secretary	1/1	100%

### Number of Circular Resolution by The Board of Directors' Committee in 2022

ALCO	Information Technology Steering Committee	Human Capital Committee	Risk Management Committee	Business Committee	Financing Policy Committee
No Circular Resolution	No Circular Resolution	1 (one)	No Circular Resolution	No Circular Resolution	No Circular Resolution

## corporate social responsibility

BTPN Syariah is committed to implementing social responsibility activities in a transparent manner and in accordance with the prevailing laws and regulations. The Bank is also fully responsible for the impacts of these activities on society and the environment.

To uphold the principle of "Do Good, Do Well", BTPN Syariah continuously strives to implement Corporate Social Responsibility to sustain the virtuous cycle by giving back all the benefits that the Bank has received to all stakeholders. The aim is to create a harmonious and mutually beneficial Islamic financial ecosystem, as well as bringing sustainable benefits – from an economic, social, and environmental standpoint. All activities in Corporate Social Responsibility are focused on

fulfilling the rights of stakeholders which is carried out by the Bank within the compliance corridor and in a responsible manner, in accordance with sharia principles.

The implementation of social responsibility activities in BTPN Syariah is still adapting to the conditions of the COVID-19 pandemic through online and face-to-face mechanisms throughout 2022.



## social responsibility governance

In addition to good management performance and operational activities, the Bank also requires support and fulfillment of the aspirations and interests of all stakeholders to obtain sustainable business achievement and success. Therefore, the Bank always maintains harmonious relations with all stakeholders, and is committed to implementing good governance policies in the

social responsibility implementation in order to achieve the Bank's mission and vision as well as sustainable development goals.

The Bank's vision and mission are more detailed in the Company Profile chapter in this 2022 Annual Report.

BTPN Syariah is committed to implementing social responsibility activities in a transparent manner and in accordance with the prevailing laws and regulations. The Bank is also fully responsible for the impacts of these activities on society and the environment. BTPN Syariah always takes into consideration the aspirations and interests of all stakeholders in formulating social responsibility activities, while still referring to laws and regulations as well as applicable norms and ethics.

## Implementation of Mission, Vision, and Corporate Values

The implementation of the Mission, Vision, and Corporate Values becomes a priority in formulating strategies and concrete actions for BTPN Syariah. This aims to achieve the Vision as a common goal and dream from every step of the organization's movement with the Mission being the foundation of an organization's existence. To achieve the Vision, it is necessary to have corporate values as a shaper of organizational culture.

The Bank's Vision and Mission first received approval from the Board of Directors in 2014 and are reviewed annually as outlined in the Business Plan and Corporate Plan to ensure their relevance to the latest developments of the Bank.

In formulating social responsibility activities that are in line with the Mission and Vision and the implementation of sustainable finance, the Bank actively developed the 2022 Sustainable Finance Action Plan and various corporate strategies in the Bank's Business Plan which are guided by, among others:

1. POJK Number 51/POJK.03/2017 in order to fulfill the implementation of sustainable financial for Financial Services Institutions, Issuers and Public Companies;
2. Presidential Regulation Number 59 of 2017 concerning Implementation of Achieving Sustainable Development Goals;
3. Presidential Regulation concerning the Indonesian National Strategy for Financial Literacy and the National Strategy for Financial Inclusion through Presidential Decree 114 of 2020;

BTPN Syariah has made adjustments to the Sustainable Development Goals as a top priority in carrying out corporate social responsibility in 2022, namely:

1. Provision of access to finance to support and have a direct impact on the following Sustainable Development Goals:



2. Ease of access to knowledge provided by the Bank to support and have a direct impact on the following Sustainable Development Goals:



3. Access to supply of daily necessities that can increase the achievement and have a direct impact on the following Sustainable Development Goals:



4. Market access that contributes to supporting the achievement of and has a direct impact on the following Sustainable Development Goals:



## Social Responsibility Management Organization at the Bank

Corporate Social Responsibility Activities and Programs at the Bank are managed by the Daya Division which is supervised by the Funding &

Fee Based Business Director. The Daya Division manages various training and empowerment activities that are fully integrated with the Bank's efforts to strengthen financial literacy and inclusion in line with the Bank's vision of "To be the best Sharia Commercial Bank for financial inclusion, making a difference in the lives of millions of Indonesian " and its aspirations to create a digital ecosystem that runs in the corridor sustainability and in accordance with Sharia principles.

The Daya Division also encourages the stakeholders involvement in the Bank's social responsibility programs through a volunteer program called Sahabat Daya. In collaboration with several universities, the Bank also has a Sahabat Daya University (SDU) program designed to involve selected universities and students in volunteer activities, especially the entrepreneurship assistance for inclusive customers. Before the assistance activities begin, students are monitored regularly so that they are ready to assist customers.

### **Important Stakeholders that are Affected or Have an Influence on the Business Activities of the Bank**

BTPN Syariah believes that alignment and fostering good and transparent relationships with all stakeholders is necessary to ensure long-term business continuity. Departing from this belief, the Bank carefully identifies the stakeholder groups that are affected or have a significant influence on the activities and sustainability of the Bank's business.

These stakeholders are: Shareholders and Investors, Funding Customers, Financing Customers and/or Communities, Employees, Business Partners/Suppliers, Government/Regulators, DSN-MUI, and Community Leaders/Local Officials.

The identification of important topics and their impacts are more detailed in the 2022 BTPN Syariah Sustainability Report.

## **social responsibility towards fair operations**

BTPN Syariah is consistently committed to implementing the principles of good corporate governance in all operational activities of the Bank which is manifested through the implementation of policies related to fair operating practices, including: Code of Ethics, Whistleblowing, complaint mechanism, complaint procedure, Internal Control Policy, Policy Anti-Fraud, Anti-Corruption Policy, and Procedures regarding gratuities and prohibition of receiving gifts. This implementation aims to create a culture and business activities that are healthy, balanced, transparent, and avoid conflicts of interest.

### **Implementation of the Code of Ethics for Fair Operational Activities**

To uphold the principle of fairness in operational activities, BTPN Syariah has guidelines related to the Code of Ethics as the embodiment of the principles of good corporate governance, which at the same time shapes the behavior of the employees so that they comply with the ethical standards and norms prevailing in society.

Code of ethics guidelines are applied at all levels of the organization. All members of the Board of Commissioners, Sharia Supervisory Board, Board of Directors, independent parties from committees at the level of the Board of Commissioners and Employees comply with this guideline without exception. The guidelines also regulate the relationship between all levels of BTPN Syariah and customers, partners or business partners, regulators, shareholders and subsidiaries.

BTPN Syariah is committed to upholding the code of ethics by periodically disseminating a culture of compliance that upholds attitudes, actions, and commitments.

The implementation of the Code of Ethics in the Bank is more detailed in the Code of Ethics section in this 2022 Annual Report and this 2022 BTPN Syariah Sustainability Report.

## Procedures and Mechanisms for Complaints or Conflict of Fair Operations Violations

Procedures and mechanisms for complaints or conflicts of fair operation violations are carried out through a whistleblowing system. BTPN Syariah has a whistleblowing system called JAGA (Execute, Watch & Observe, Investigate, Submit Reports) which is a means of reporting on indications of irregularities/violations/fraud committed by the Bank's internal parties. Each report will be followed up by the Anti Fraud Management work unit by managing the investigation process in accordance with prevailing regulations.

The Whistleblowing System at the Bank is more detailed in the Whistleblowing section in this 2022 Annual Report.

BTPN Syariah has media for complaints of violations through the Bank's call center 1-500-300 and Toll Free telephone number 0-800-1500-300, hotline +6221-300 26 200 ext. 83553 or 86470, email [jaga@btpnsyariah.com](mailto:jaga@btpnsyariah.com), and QR-Code link.

## social responsibility towards human rights

BTPN Syariah always ensures the fulfillment of the rights of all stakeholders, including the fulfillment of human rights (HAM). The scope of social responsibility towards human rights includes preventing discriminatory acts, setting work time, permission to leave work due to the emergency conditions, and the opportunity to pray, as stated in the Bank's Internal Policy for employees and the Bank's responsibility for protecting customer data.

Referring to the provisions in the banking industry, the human rights social responsibility in the Bank's activities is also carried out through the implementation of the principles of customer protection and the principle of prudence in data and information, including the confidentiality of customer data. In carrying out the mandate, BTPN Syariah has and implements a Customer Protection Policy as well as a Customer Data and Information Security Policy. This policy has been implemented strictly and without tolerance to

protect customer rights, while maintaining the expectations and trust of other stakeholders. BTPN Syariah also has a Corporate Information Security (CIS) Division as a special work unit that is responsible for data, information, and system security at the Bank.

From the funding customer perspective, another social responsibility towards human rights is that BTPN Syariah always prioritizes customer experience and enforces fair operations for all funding customers, including through the provision of customer service as well as internet banking and mobile banking services that provide convenience in transactions to fulfill funding customer banking needs. From the financing customer perspective, apart from protecting and fulfilling human rights through protection of data confidentiality, BTPN Syariah also provides insurance for partners of financing customers and reward programs for inspiring customers, one of which is the Umrah program.

In terms of employees, BTPN Syariah has provided equal rights and opportunities to work regardless of differences in ethnicity, religion, race, gender, or class, including in the employee recruitment process, while taking into account the needs and qualifications required by the Bank. In addition, as a form of social responsibility towards employees, the Bank has also implemented reward & punishment.

Good implementation and protection of human rights can foster employee and customer satisfaction and loyalty, thereby directly or indirectly impacting on improving the overall performance of the Bank.

In identifying and formulating social responsibility programs related to the protection of human rights for all stakeholders, BTPN Syariah regularly conducts internal discussions. The Bank through the Human Capital and Compliance Division evaluates the review results of the prevailing laws and regulations related to human rights issues. In 2022, there were no human rights violations committed by BTPN Syariah.

## Relevant Issues and Risks related to Human Rights

As a sharia banking industry company, BTPN Syariah is not exposed to significant human rights issues that are directly related to the Bank's activities. However, the human rights violation will have a negative impact on the image of the Bank, shareholders and other stakeholders. The risks of human rights violations that are potentially faced by the Bank are law enforcement (criminal and civil) as well as industrial relations. In addition, other risks potentially faced by the Bank are the risks of material and non-material losses related to the reputation of the Bank. During 2022, there were no significant human rights issues directly related to BTPN Syariah.

BTPN Syariah always obeys and complies with all prevailing laws and regulations, including those related to human rights issues. BTPN Syariah continues to provide banking services in a trustful, fair, transparent, and professional manner to protect the rights and meet the expectations of stakeholders, including ensuring the continuity of the Bank's business.

## Procedures and Mechanisms for Human Rights Complaints or Conflicts

Procedures and mechanisms for human rights complaints and conflicts can be carried out through the whistleblowing system owned by BTPN Syariah, JAGA. All the submitted complaints will be immediately followed up by taking into account the priority scale and urgency of each complaint.

BTPN Syariah is committed to always implementing the good corporate governance principles in all of its business activities and operations. This implementation will have an impact on the creation of a culture of compliance at all levels of the organization that can prevent and mitigate potential risks of human rights violations.

The Whistleblowing System at the Bank is more detailed in the Whistleblowing section in this 2022 Annual Report.

## Relevant Management and Stakeholders Involvement

The implementation of social responsibility programs in BTPN Syariah is based on the core values of social responsibility related to human rights in accordance with the expectations and needs of stakeholders, including the benefits for the Bank.

Management's involvement to protect human rights is carried out in the making decisions and reviewing their realization process. This aims to ensure that the policies and realization are aligned with the targets that have been set. In the process, the Bank also involves stakeholders to increase the credibility and ensure the fulfillment of the needs of all stakeholders.

Furthermore, the Board of Directors reviews and approves the policies in the employment and customer protection sectors, as well as assesses the effectiveness of the whistleblowing system through reports from the Anti-Fraud Management work unit. This is a manifestation of the Board of Directors' commitment in preventing human rights violations.

## Activities that Support Human Rights

As a BTPN Syariah's social responsibility towards upholding human rights, the Bank has carried out various actions that involve the stakeholders such as employees, customers, and the community. Through this effort, the Bank and stakeholders can jointly reduce human rights impacts that may occur to create sustainable mutual benefits.

### Efforts to reduce the human right impacts on Employees

- **Working time**

As a company that obeys and complies with the prevailing laws and regulations, BTPN Syariah sets the working hours as stated in the Company Regulations Chapter IV – Working Hours article 12, article 13, and market 15 which have been disseminated to all employees. For employees who work overtime, BTPN Syariah provides compensation for overtime hours in accordance with prevailing labor regulations.

The working hours are settled to ensure that the Bank does not practice forced labor as the employees have normal working hours and have enough rest time. Since its establishment until now, there have been no reports of cases of forced labor within the BTPN Syariah work environment.

In order to comply with the Government's recommendations regarding health protocols in responding to the COVID-19 pandemic, BTPN Syariah has made adjustments to employees' working hours. This aims to ensure that the Bank protects the healthy rights of all its employees.

- **Equality in the recruitment process**

The Human Capital Policy in BTPN Syariah contains rules that ensure that the recruitment and selection process is carried out in an objective and accountable manner, as well as by taking into account the suitability between the competencies of prospective employees and the applied positions and the needs of the Bank. This rule can ensure the implementation of equal practices in the recruitment process at the Bank.

- **New Employee Recruitment and Minimal Worker Age Policy**

As a commitment to creating a safe and comfortable work environment, BTPN Syariah implements a new employee recruitment policy with a minimum age of 18 years old applicants or the equivalent of high school graduates, and ensures that there are no child workers in the BTPN Syariah work environment.

- **Leave Permit**

To support employee productivity and rights, BTPN Syariah implements annual leave rights by taking into account the years of service and rank as stipulated in the Human Capital Policy. BTPN Syariah also provides special leave in addition to annual leave, such as maternity leave, religious leave, grief leave, emergency leave, and others.

- **Lactation Room Facilities**

BTPN Syariah provides lactation rooms to protect the rights of female employees and their children to receive exclusive breastfeeding. With this lactation room,

female employees who return to work after maternity leave can remain providing exclusive breastfeeding for their children. The provision of lactation rooms is also an effort by BTPN Syariah to support Government Regulation Number 33 of 2012 concerning exclusive breastfeeding.

## **Efforts to reduce the impact of human rights on Customers**

- **Branch Office**

BTPN Syariah provides equal treatment and services to all funding customers regardless of ethnic background, religion, race, social status, gender, or other physical conditions in order to respect customers' rights.

BTPN Syariah also facilitates branch offices with wheelchair access, as well as service assistance for funding customers who require special needs

- **Contact Channel and Website**

BTPN Syariah has developed a Contact Channel facility for funding and financing customers to obtain the right to information regarding the products and services offered, which is also a means of conveying customer requests or complaints. The Contact Channel service can be accessed with the phone number 1-500-300 and the Toll Free telephone number 0-800-1500-300. BTPN Syariah also has a website [www.btpnsyariah.com](http://www.btpnsyariah.com) and email [corsec@btpnsyariah.com](mailto:corsec@btpnsyariah.com), [corporatecommunication@btpnsyariah.com](mailto:corporatecommunication@btpnsyariah.com), and [investorrelations@btpnsyariah.com](mailto:investorrelations@btpnsyariah.com) as well as media accounts: Instagram: @btpnsyariah and @sayabankirpemberdaya, Facebook: [btpnsyariah.id](https://www.facebook.com/btpnsyariah.id), Youtube : BTPN Syariah and LinkedIn: BTPN Syariah as a means for customers to communicate and interact with the Bank.

- **Whistleblowing System**

BTPN Syariah has a whistleblowing system called JAGA which is one of the reporting channels that can be used when employees, funding and financing customers and/or other stakeholders see, know, or find any violation of the code of ethics, violation of the principles of corporate governance good, fraud, deception, or fraud.

The Whistleblowing System at the Bank is more detailed in the Whistleblowing section in this 2022 Annual Report.

## corporate social responsibility for the environment

BTPN Syariah continuously strives to realize and make positive contributions and synergies both to the environment and society. This effort is a manifestation of the Bank's concern about improving the quality of life on Earth. The Bank has adopted various approaches, including using natural resources in a responsible manner and adopting business practices that provide protection to its customers.

### Responsible Use of Natural Resources

#### Eco-Friendly Head Office

BTPN promotes eco-friendly concepts for its Head Office and Sharia Branch Offices in carrying out its daily operational activities in order to continuously reduce the environmental impacts in the banking industry. The Bank is exposed to the effects of energy sources such as electricity, water and air, as well as elements of supporting activities such as plastic and paper that are the sources of negative impacts on the environment.

#### Management of Energy Sources from Electricity, Water, Air

BTPN Syariah officially operated in the Non-Operational Head Office in accordance with the Approval Letter received from the Financial Services Authority Number S-36/PB.13/2017 dated 14 February 2017.

The Bank Head Office features an eco-friendly building concept where some of its materials and designs are derived from nature. The Head Office's approach in managing energy resources from electricity is to limit the use of electricity, by selecting energy-saving light bulbs equipped

with motion sensors that regulate lighting needs. The building management only needs to place light bulbs at several points to illuminate a group of people at once and the light will turn off automatically when the sensor no longer detects movements.

Another eco-friendly concept applied to the office space to manage electricity energy is the pervasive use of glass for office windows allowing sunlight to illuminate the workspace, and thus reduce the use of electric lights during the day.

The office space in BTPN Syariah is equipped with air conditioners with restricted operating time for employees' comfort.

The Head Office in Menara BTPN Building has an employee canteen with a self-service concept, where food waste is disposed of in an organized and orderly manner. This facility for employees is also equipped with an energy-saving food warmer. The employee canteen provides cutleries to reduce the use of plastics, and therefore lower plastic wastes. The Bank also provides drinking water for employees through water purifiers, which have passed the tests by the Indonesian Ministry of Health. The use of water purifiers naturally reduces the consumption of bottled water and decreases plastic wastes from plastic water bottles.

All work spaces in BTPN Syariah are smoke-free rooms to keep the air in the office areas clean. In synergy with the Parent Bank, BTPN Syariah provides commuter transports around Head Office areas for employees to reduce the use of vehicles and lower fuel consumption.

The eco-friendly concept is also applied to Sharia Branch Offices and other Functional Offices.

The application of an eco-friendly office concept in BTPN Syariah not only reduces carbon gas emissions from the use of electricity, water and air, but also reduces office operational costs in the long run.

## Paper Management

In line with the Key Strategic Initiative related to Operational Excellence through digitization and automation processes in various lines of operations, BTPN Syariah has managed and succeeded in reducing the use of paper in operational activities and replaced it with document storage in softcopy and electronic filing (Cfilib/Corporate Filing and Library).

Management has mostly implemented the paperless Corporate Meetings, including fulfilling commitments to shareholders where all documents related to the holding of the 2022 Annual GMS such as Annual Reports, Sustainability Reports, Meeting Rules, Additional Information, and Information Disclosure documents are submitted in softcopy and available on the Bank's website, thereby there are no more printed materials for the meetings.

BTPN Syariah manages paper use by optimizing the use of electronic communication (email). Paper management is also done through the Bank's initiatives to improve services in the field by providing platforms in information technology, including electronic financial access to customers and the use of tablets for employees to process banking transactions and replace the excessive use of paper.

## Plastic Material Management

BTPN Syariah has actively initiated plastic management. BTPN Syariah has consistently applied the mandatory use of a tumbler by every employee in work areas and meeting rooms since 2019 and no longer provides packaging bottles. The mandatory use of tumblers is one of the initiatives to curb the use of plastic-based drinking bottles.

Complementing the sustainable initiatives, BTPN Syariah has also supported a campaign to reduce plastic waste where the Bank provided reusable eco-friendly drink bottles (tumblers) to Shareholders who attended the 2021 Annual GMS and this initiative was continued by providing eco-friendly cutlery souvenirs at the GMS Annual 2022.

## Environment Management in Extending Financing

In accordance with Sharia principles, BTPN Syariah is very selective in extending financing to inclusive customers by not providing financing facilities to customers whose businesses damage the environment and do not comply with sharia principles.

## corporate social responsibility employment, occupational health, and safety practices

BTPN Syariah carries out the employment practices by fulfilling employee rights and is committed to maintaining Occupational Health and Safety (K3) aspects.

## Relevant Labor and OSH Issues and Risks

As a business entity, BTPN Syariah is exposed to employment and OSH risks. The employment and OSH issues and risks that are relevant to the Bank's operational activities include gender equality in employment opportunities, equality of education and training programs, remuneration, employee welfare, promotion, and occupational health and safety. The Bank has anticipated these issues and risks through the implementation of various related policies to reduce the negative impacts that may arise.

BTPN Syariah is also exposed to the risks related to employment from the operational activities, including productivity and employee engagement which has a direct and indirect impact on the sustainability of the Bank's business. As a form of mitigation, the Bank reviews and updates regulations related to employment to ensure that the Bank's policies regarding employment remain up-to-date. In addition to the review of external regulations, the Bank also conducts periodic reviews of Human Capital policies to ensure that the implemented policies meet the expectations of employees and other stakeholders.

### Efforts to Reduce Risks related to Occupational Health and Safety (K3)

BTPN Syariah has consistently prioritized employee safety and security in order to prevent them from accident or illness in the work areas, thereby creating a safe and conducive work environment.

The Safety and Security Unit under the coordination of the Corporate Services Division regularly conveys information regarding the latest security conditions within the work environment, training, and disaster emergency response simulations including floods, earthquakes, tsunamis, volcanic eruptions, landslides, and storms/typhoons as well as fire drill training to anticipate a fire incident. Work safety socialization programs are also disseminated regularly via email to all employees regarding the important tips for maintaining safety at work, and other health tips to avoid illness.

BTPN Syariah has also formed a Business Continuity Management (BCM) Team, which is led directly by members of the Board of Directors and consists of members from various relevant Divisions from Head Office to regional areas. The BCM unit will provide fast responses and take the necessary actions in the event of a natural disaster as well as in preventing and handling the impact of the COVID-19 pandemic.

In 2022, the COVID-19 pandemic in Indonesia had begun to decline and can be controlled well. This can be seen from the government's policy through the President of the Republic of Indonesia to officially stop the Implementation of Restricting Community Activities (PPKM) at the end of 2022. However, BTPN Syariah continues to consistently support the COVID-19 vaccination program by encouraging the COVID-19 booster vaccination program for all employees.

BTPN Syariah ensures the fulfillment of employees' rights to receive health insurance and health facilities. BTPN Syariah has registered all employees as members of BPJS Kesehatan (the Healthcare and Social Security Agency), providing health insurance and other health facilities for employees.

### Work Accident Rate

BTPN Syariah provides insurance in accordance with the prevailing company regulations as well as other insurance for employees who pass away or suffer permanent disability due to accidents during working hours.

To prevent work accidents of employees during field activities, BTPN Syariah consistently conducts safety riding training in collaboration with Astra Honda Motor.

## Implementation of Employment and OSH Sector Programs

### Creating a Positive Workplace

#### Providing Employment Opportunities and Gender Equality

BTPN Syariah has continuously provided employment opportunities that encourage gender equality through continued focus on empowering women, who are the front-liners, #bankirpemberdaya that demonstrate resilience in serving customers, most of whom are female customers

BTPN Syariah promotes equality for employees and prospective employees and provides equal employment opportunities, regardless of ethnicity, race, age, ethnic background, religion and gender.

Gender equality in BTPN Syariah was reflected in the composition of leadership in BTPN Syariah, including the composition of the Board of Directors, Board of Commissioners, Sharia Supervisory Board and Executive Officers, as follows:

Composition	Total	Female	Male
Board of Directors	5	0	5
Board of Commissioners	4	2	2
Sharia Supervisory Board	2	0	2
Board of Management	5	1	4
Senior Employees (Including Executive Officers)	177	62	115
Supervisor	1,700	1,353	347
Staff	10,888	10,692	196

Education	2022		2021	
	Female	Male	Female	Male
Postgraduate	35	47	28	42
Bachelor	5,207	482	5,130	456
Diploma	964	81	962	80
High School Equivalent	5,904	61	5,460	60

Status	2022		2021	
	Female	Male	Female	Male
Permanent	3,304	592	3,689	582
Non-Permanent	8,806	79	7,891	56

Age	Total in 2022	Female	Male
< 25 years	5,441	5,411	30
25 - 29	4,599	4,504	95
30 - 34	1,756	1,613	143
35 - 39	582	412	170
40 - 44	216	90	126
45 - 49	102	37	65
50 - 54	62	33	29
55 - 59	19	9	10
> 59 years	4	1	3

## People Development and Infrastructure Strengthening

Identification of organizational talent was carried out in a more structured manner in 2022 to ensure that BTPN Syariah continuously retained competent Leadership Talents in the long term. People development programs were conducted in various ways through in-class training, combined with mentoring, assignments and rotations with the aim of providing more exposures, increasing competencies and resilience to meet various challenges.

Automation in business and operational processes continues to be developed to make the work processes more efficient and effective, important information is updated more quickly and accurately. Thus, the decision-making process can be carried out more quickly to increase employee productivity. Infrastructure development for online learning is also developed regularly so that many employees in the

field receive the training needed for their career development as well as for the fulfillment of mandatory training programs.

### Increasing Information Disclosure through Social Media

As a form of implementing the Public Company Governance Guidelines on the Principles of Improving the Implementation of Information Disclosure, BTPN Syariah has utilized the use of information technology more broadly, effectively and efficiently, with greater benefits.

To complement its website as a medium for information disclosure, the Bank has utilized social media Facebook and Instagram to feature the profiles of its inspirational employees and customers, and Youtube to share information on corporate activities and socialization. To describe the company's corporate profile comprehensively, BTPN Syariah has used LinkedIn as a more formal network media.

Under the supervision of the Corporate and Marketing Communication Division, BTPN Syariah regularly provides information updates on social media to employees. Bank employees are urged to remain careful and polite when communicating their aspirations, both during personal and corporate activities that are uploaded to social media.

With regard to increasing internal security on the use of social media, BTPN Syariah has carried out regular corporate socialization programs to maintain security on social media, including to prevent crimes of phishing emails. Various tips on using Public Spots are continuously distributed to employees to create awareness and protection of communication channels in order to prevent employees from various crimes committed by irresponsible parties through social media. The tips and appeals issued include tips to refrain from downloading any files in public spaces, be cautious of any pop-up advertisements that frequently appear when using a public hotspot and not to click on the advertisement if uncertain of its validity, anticipate fake accounts using the name BTPN Syariah by not providing information on social media, report fake accounts using the name BTPN Syariah, the danger of malware, tips against phishing.

In addition to increasing information disclosure through social media, the Corporate and Marketing Communication Division has conducted socialization programs and issued appeals through email blasts addressed to all employees to stress the importance of maintaining health and creating a positive and healthy work environment as appropriate and beneficial measures. Various appealing illustrations are presented to disseminate information with subjects such as Coping with the Long COVID Effects, 6M Health Program for #TepatCegahCOVID, Financial Resolution, Be Cautious of the Spread of the Omicron COVID-19 Virus, Strengthen the Body's Immunity with COVID-19 Booster Vaccination, Grow Properly and Beneficially with Three Ways to Be Confident, Ka Ira – The Right Place to Confide #bankirpemberdaya, The Right Way to Invest for Beginners, Beware of Fraudulent Investments, 10 Basics of Risk Control, Fraud Campaigns, Illegal Loans, Understanding Dual Control Functions, Risk Awareness, Financial Literacy, Social Media Ethics according to the BTPN Syariah Code of Ethics, Smart Tips for Online Shopping, Maintain Integrity by Obeying the Rules of Giving and Receiving Gifts, Upgrading Health Benefits.

Other programs include #bankirpemberdaya Class, Family Gathering, Podcasts with the Board of Directors and Management with highly appealing themes related to working, digital transactions, risks in the product development process and the importance of escalation culture, long effects of COVID-19, discipline to save by subject matter experts.

BTPN Syariah upholds employees' freedom to use social media provided it does not generate any risks to proprietary information, confidentiality and the Bank's reputation.

To minimize risks to the Bank and its employees, BTPN Syariah has developed internal guidelines to provide parameters and clarity to employees about behaviors on social media that are in accordance with social ethics.

## Education and Training

In line with the Bank's business plan, BTPN Syariah continuously conducts training and development programs through internal and external training as well as assignments to explore insights and unlock more employees' potentials.

The Human Capital Division provides policies, procedures and work processes to support training to employees so that training can be conducted properly and achieve its goals, in accordance with the needs of BTPN Syariah and in compliance with the prevailing regulations.

Collective training programs have been carried out using e-learning, gamification, and bite-size modules as an approach to facilitate employees to understand learning material.

BTPN Syariah developed a more structured training and certification curriculum in 2022 which was intended for teams in the field, namely Community Officers (CO) who serve customers directly. This curriculum is expected to increase competencies in line with CO's career advancement as well as prepare them as highly skilled field leaders, who grow appropriately and full of benefits.

The online employee training programs, which have begun to be combined with offline training in line with the improvement in the pandemic conditions, is implemented by maintaining the quality of the training and its effectiveness. The Bank equips training Facilitators with special training on how to conduct both offline and online teaching.

The employee development program for leadership level in BTPN Syariah has been conducted through training that focuses on discovering personal strengths and how to develop them to become effective leaders. Through providing a master's degree scholarship program in collaboration with business schools of leading universities in Indonesia, the Bank strives to develop organizational talents at middle level enabling them to develop a growth mindset and thrive in meeting future organizational challenges. An in-depth assessment program is carried out to develop bench strength of future leaders.

Collaboration programs with universities have also been developed. BTPN Syariah participated in the Merdeka Campus program in 2022, by providing an internship program for final year students. Mentors were available for students who joined this program, so that the students obtained a high quality of education. Participants who successfully completed the internship program had the opportunity to become pipelines of prospective employees to work in BTPN Syariah.

BTPN Syariah conducted 834 training sessions, which were facilitated by Human Capital Division and attended by 83,862 participants with a total of 8,090 training hours that was equivalent to 337 days throughout 2022.

## Employee Remuneration and Benefit Management

The Bank provides recognition and remuneration to employees based on merit while taking into account the market practices in the industry, internal equity and company capabilities. The initiatives to provide special recognition programs in 2021 were continued in 2022 in order to appreciate the resilience of employees who maintained high performance despite the challenging situations as a result of the pandemic. Incentive programs for frontline MMS employees were continued to show appreciation for revenue contributors and intended to increase staff engagement as well as reduce MMS employee turnover.

With regard to the employee health programs that were socialized in 2021, they were continued regularly in 2022 through educational sessions related to the prevention and handling of COVID-19 for employees, in collaboration with commercial health insurance providers. These measures were important to ensure that employees always understand efforts to maintain health and discipline in applying health protocols. In addition, health articles were regularly disseminated to all employees.

BTPN Syariah also provided online doctor consultation services and daily health monitoring by nurses for employees who were positive for COVID-19. The Business Continuity Management actively helped employees affected by COVID-19,

BTPN Syariah participated in the government program to provide booster vaccines for BTPN Syariah employees. Almost all employees of BTPN Syariah have received booster vaccines in 2022.

## Employee Grievance and Work Health and Safety Procedures

BTPN Syariah takes actions on any employee grievance related to work conditions. The employees' immediate superior shall take followup actions on the grievance, and if the grievance is not resolved by the employee's immediate superior and if necessary, the case can be escalated to a higher level.

The Industrial Relations Unit in the Human Capital Division is in charge of following up on the grievance handling related to employment issues in accordance with the prevailing procedures in BTPN Syariah.

There was no Labor Union in BTPN Syariah as of 31 December 2022.

## Work and Social Balance

In carrying out its corporate social responsibility to create a healthy, dynamic and positive work environment for its employees, BTPN Syariah is committed to ensuring a balance between work and social life. The Bank provides resources for employees in the fields of sports, health, and other collective activities of a religious nature.

### Sport and Health

BTPN Syariah provides resources to foster a culture of healthy living for its employees across divisions by facilitating employees' hobbies in sports through PRISMA Club. Building synergy across units is expected to not only foster a healthy positive culture in the workplace, but also encourage creativity and achievements in sports.

In view of the conditions of the pandemic, sports activities involving large numbers of people were still suspended in 2022 because preventing the spread of COVID-19 remained an important priority.

In addition to maintaining employee's physical health, BTPN Syariah provides consultation services for employees, namely the Employee

Assistance Program. Through counselling provided by experts in Adult and Child Clinical Psychologists, Industrial and Organizational Psychologists, Psychologists in Education, Financial Consultants, and other fields, employees receive help in a practical, positive and result oriented manner. These are expected to increase employees' productivity and maximize their potential since there are no distractions caused by personal or family issues.

BTPN Syariah provides three important insurances for employees, namely Health Insurance, Telemedicine, BPJS Kesehatan (the Healthcare and Social Security Agency), and BPJS Ketenagakerjaan (the Workers Social Security Agency). Each insurance is equipped with its own card and e-ID to make it easier for employees to obtain services and enjoy the facilities. These various programs aim at meeting the needs of employees for first aid from first-level health facilities, insurance for employees requiring medical treatments or experiencing accidents in the insurance provider's hospitals in accordance with the prevailing regulations, and old-age insurance program facilities when employees no longer work.

### Religious Social Activities

Under the coordination of the PRISMA Club, BTPN Syariah provides resources to balance employees' needs by conducting monthly sessions on Islamic spiritual enlightenment, one of which is Tausiyah Online (sharing religious knowledge with Ustadz). Activities to deepen spiritual faith has become one of the measures to prepare future leaders with strong characters in accordance with sharia principles with the theme Growing to be the Right and Useful Person, Welcoming Ramadhan with a Positive Mindset, Opening the Mindset to Actively Doing the Sunnah Prayer, Emulating the Prophet's Character and Behavior, Maintaining Trust in Work, and Self-Muhasabah.

BTPN Syariah provides a Musholla (prayer room) with locker and ablution facilities in its Head Office for employees who wish to do prayers.

Every corporate activity in BTPN Syariah always starts with a prayer, that has become a culture that continues to prevail.

During 2022, religious social activities continued to be carried out online through Information Technology-based medium using Microsoft Teams video conference

### Employee Engagements

To accelerate information disseminations to employees, BTPN Syariah disseminates and packages information about BTPN Syariah and national banking to employees in a concise, brief and informative manner through e-newsletters and webinars. The newsletters provide health tips, awareness campaigns on information security, fraud prevention, and other issues. Webinars have also been conducted several times with topics around COVID-19 from the point of view of physical and psychological health and financial education or financial management.

Another approach to initiate employee engagement in BTPN Syariah is by holding an interactive dialogue of Dialog Banker Pemdaya attended by Senior Employees, to provide updates on company progress and quarterly financial reports. Many other dialogues between the Management and employees were carried out in 2022, both online and through direct visits to the regions or the "Tepat Sewindu BTPN Syariah" activity involving employees from various regions to attend in Jakarta.

Employee Engagements in BTPN Syariah is further strengthened through "media berbagi" (sharing media) involving BTPN Syariah Peduli Banjir (Cares for Floods) and Peduli Gempa (Cares for Earthquakes). Employees were trained mentally to continuously share and contribute a portion of their income through "media berbagi". BTPN Syariah also undertook relief efforts to distribute basic necessities such as used clothes, blankets, medicines and food. In addition, as a form of concern for employees affected by the earthquake in Cianjur, BTPN Syariah also provided Psychological First Aid (PFA) services. BTPN Syariah works together with a Psychological Consultant to provide psychological assistance to employees who are survivors of the Cianjur earthquake to strengthen their adaptability and reduce trauma.

### Customer Empowerment

Since its establishment, BTPN Syariah has been committed to providing measurable and sustainable empowerment for customers in particular and the community in general as its social responsibility and concern. The Empowerment Program is one of the reinforcing factors in developing a digital ecosystem through the web-enabled digital platform, Bestee Tepat, which provides broad and optimal access to knowledge, thereby more customers get intensive business assistance.

Empowerment through Bestee Tepat is expected to be able to improve customers' knowledge and business. Through this program, BTPN Syariah collaborates with various external parties such as universities and other related parties with the aim of strengthening the program implementation and continuous improvement in the future.

On the other hand, BTPN Syariah provides online training (webinar) through the Tepat Peduli Pendidikan Program to customer's children as a concrete concern to provide learning opportunities for customer families in line with the Bank's mission which is to create opportunities for growth and a more meaningful life.

Another BTPN Syariah's social responsibility that is in line with the SDGs (Sustainable Development Goals) is the reforestation of 1,000 hectares of Kahoi forests and 1,009 kahoi in a 3 hectares area in East Kalimantan. The aim of the reforestation was to restore the function of forests that had previously experienced fires and were degraded.

### Use of Company Facilities

BTPN Syariah dedicates a common room called Beranda (Verandah) in its Head Office for employees to do light activities while taking a rest. The room has a modern design with a bright color scheme, equipped with facilities for games such as foosball, and a music studio as well as a karaoke room that is available after office hours. A flat-screen TV with speakers and other electronics equipment are available for watching programs together.

BTPN Syariah's office also provides a canteen and pantry for employees. Its Head Office area is equipped with a lactation room with a refrigerator specifically for breastfeeding mothers.

### New Way of Working (NWW)

BTPN Syariah has implemented a New Way of Working (NWW) system for its employees. Under the new way of working, small teams (squads) are formed. This approach will improve collaboration because the squads consist of talents from various relevant divisions who complement each other to deliver products faster and in line with the needs of users or customers. In the last 4 (four) years, the number of Squads has grown from only 2 Squads in 2018 to 27 Squads in 2022.

The spirit of how the NWW works continues to be adopted and implemented, not only in the digital product development areas, but also in other units in order to further develop collaboration and implement process improvements faster.

More intensive training and sharing sessions related to NWW were carried out in 2022, by forming small groups to study and hone certain technical skills (known as Community of Practices/CoP). Sharing sessions are given both by internal speakers and by Agile practitioners from outside the company.

### Anti-Corruption and Anti-Money Laundering Policy

BTPN Syariah applies a zero tolerance for any form of bribery (including to and/or from customers, partners, government officials, employees) and corruption. Any violation of these matters will be processed as a civil or criminal case in accordance with the prevailing regulations. All #bankirpemberdaya have filled in an Integrity Pact to fulfill the Financial Services Authority Regulation Number 39/POJK.03/2019 concerning Implementation of Anti-Fraud Strategy for Commercial Banks. Provisions on this policy are stipulated in the Code of Ethics of BTPN Syariah.

BTPN Syariah is fully committed to implementing regulations related to Anti-Money Laundering and Counter-Terrorism Financing (APU PPT) including the implementation of Know Your Customer

(KYC) principle. BTPN Syariah and its employees have to act diligently to prevent its products and services from being misused for money laundering and terrorist financing and detect suspicious transactions in accordance with the prevailing regulations.

With regard to prevention of criminal offense of bribery and corruption, employees are prohibited from giving and/or receiving gifts including entertainment to or from customers, partners or government officials that have the potential to influence business decisions, among others:

- a. Employees are prohibited from giving funds or accepting any form of gifts from other parties as a form of remuneration for interpersonal services related to their work or positions;
- b. If the acceptance or giving of gifts from or to other parties is impossible to avoid, employees shall submit a written declaration to their superiors;
- c. Gifts or remuneration in the form of cash in any amount is prohibited.

Implementation and prevention of corruption, which were carried out by the Bank in 2022, included:

1. AML & CTF Regulations
  - a. The Bank has adjusted the AML & CTF provisions in accordance with the latest regulations from the regulator;
  - b. The Bank has evaluated the implementation of the AML & CTF programs by undergoing reviews of AML & CFT risks on new products or services as well as those already offered by the Bank.
2. Reporting to Financial Transaction Reports and Analysis Center (PPATK)
 

The Bank has submitted reports related to AML & CTF which include Cash Financial Transaction Reports, Suspicious Financial Transaction Reports, Integrated Service User Information System Reports (SIPESAT), and Suspected Terrorism Funding Information System Reports (SIPENDAR).
3. Assessment of Customer Risk Profile with Risk Based Approach (RBA)

The Bank has implemented a Risk Based Approach (RBA) through the Sectoral Risk Assessment (SRA) and National Risk Assessment (NRA) methods from Financial

Services Authority (OJK) and PPATK, so that the Bank can identify customers according to risk categories which consist of low, medium and high.

#### 4. AML & CTF Assessment

In ensuring proper implementation of AML & CTF that is in accordance with the prevailing regulations, an AML & CTF offsite assessments were conducted in selected branch offices during 2021. The assessment mechanism is carried out by conducting sampling examinations on customer documents and interviewing officers in the branch offices.

#### 5. Training and Socialization

To improve the human capital quality, the Bank conducts AML & CTF training and socializes AML & CTF. AML & CTF training is provided to new employees, and refresher training is also provided on a regular basis using e-learning or online communication media. AML & CTF is disseminated to officers at branch offices in order to obtain the latest provisions and information related to AML & CTF.

## corporate social responsibility to consumers/customers

BTPN Syariah and #bankirpemberdaya are committed to upholding the mandate to provide the best service to customers in accordance with the good governance and sharia principles. Since being a Business Unit in BTPN, the Bank and #bankirpemberdaya have always maintained their reputation by continuing to improve service quality and customer satisfaction. BTPN Syariah believes that customer satisfaction is one of the keys to improve the performance and sustainability of the Bank's business.

In order to ensure the implementation of responsibilities to customers, BTPN Syariah has internal policies related to the consumer protection and confidentiality of customer data. As a business entity that obeys and complies with prevailing laws and regulations, the policies must refer to the prevailing regulations in Indonesia, namely:

- POJK Number 1/POJK.07/2018 concerning Consumer Complaint Services in the Financial Services Sector;
- POJK Number 18/POJK.07/2020 concerning Implementation of Consumer and Community Services in the Financial Services Sector by OJK;
- PBI Number 7/6/PBI/2005 concerning Transparency of Information on Bank Products and Use of Customer Personal Data;
- PBI Number 22/20/PBI/2020 concerning Bank Indonesia Consumer Protection; And
- Regulation of Members of the Board of Governors (PADG) Number 23/17/PADG/2021 concerning Procedures for Consumer Protection at Bank Indonesia.

## Mechanism for Managing Customer Complaints

Consumer protection practices in BTPN Syariah refer to POJK No. 6/POJK.07/2022 where the coordinator of the Consumer and Community Protection Function in BTPN Syariah is concurrently with the Consumer Complaint Handling Unit (UPPK) and is assisted by a Person in Charge (PIC) appointed by each relevant work unit in BTPN Syariah in carrying out their duties.

The Customer Complaint Settlement Unit (UPPK) is a unit within the Operations function in the Directorate in charge of Operations and Finance. The unit was established by BTPN Syariah to handle and resolve complaints submitted by customers. This unit has been equipped with policies and procedures on handling, resolving, and reporting consumer complaints.

BTPN Syariah has established a mechanism for managing customer complaints. Complaints are submitted through contact channels in Branch Offices, Operational Functional Offices (KFO) throughout Indonesia, BTPN Syariah Website, and BTPN Syariah's Call Center at telephone number 1-500-300 and Toll-Free telephone number 0-800-1500-300.

Every complaint submitted by customers is processed free of charge at all stages of handling customer complaints.

- Complaints are submitted directly through contact channels, registered and resolved by officers and officials in the contact channel.
- Complaints that come through contact channels and require further investigation are registered by Person in Charge (PIC) of the contact channel and submitted to Customer Complaint Settlement Unit (UPPK). UPPK then takes action to resolve the customer complaints in accordance with the prevailing policies and procedures of BTPN Syariah.
- UPPK conducts monitoring to ensure that all customer complaints have been resolved, whether received through the contact channels' PIC or the OJK traceable application in APPK (Consumer Protection Portal Application).
- UPPK submits consolidated customer complaint reports to the Regulator regularly in accordance with the prevailing regulations.

### Number of Customer Complaints

- BTPN Syariah received 12,625 incoming contacts, consisting of 53.5% requests, 42.2% inquiries, and 4.3% complaints in 2022.
- Statistics for Settlement of Customer Complaints in 2022 are as follows:

No	Products and Services	Resolved		In Process		Number of Complaints
		Total	Percentage	Total	Percentage	
1	BTPN Wow! iB	198	100.00%	-	0.00%	198
2	Mobile Banking	157	100.00%	-	0.00%	157
3	PMD	106	93.81%	7	6.19%	113
4	Tabungan	28	100.00%	-	0.00%	28
5	ATM	28	100.00%	-	0.00%	28
6	Deposito	14	100.00%	-	0.00%	14
7	Internet Banking	4	100.00%	-	0.00%	4
<b>Total</b>		<b>535</b>		<b>7</b>		<b>542</b>

- All customer complaints were resolved in less than 20 working days (within 5 working days on average)
- Incoming contacts: January – December 2022

BTPN Syariah keeps on improving the customer complaint management in a comprehensive manner by continuously refining the infrastructure and process of resolving customer complaints as part of BTPN Syariah's commitment to improve customer satisfaction.

Disclosures of BTPN Syariah's Environmental Social Responsibility and Good Corporate Governance are made in a more comprehensive manner in the 2022 Sustainability Report, separate from this Annual Report.

### Impact and Achievement of Social Responsibility Activities on Customers

A significant impact of social responsibility activities on customers is the high level of satisfaction with the Bank's services and products. In line with the Bank's mission and vision to become a sharia commercial bank for financial inclusion that grows and make a difference in the lives of Indonesian, the significant impact and achievement of this activity is to increase the customers' standard and quality of life in the segments served.

Details of the impact and achievements of social responsibility activities on customers include:

- **Confidentiality of Customer Data**

In order to maintain the confidentiality of customer data, BTPN Syariah has improved the IT quality for data security and ensured that customer data can only be accessed by authorized employees accompanied by strict authorization steps. Until the end of 2022, there have been no complaints regarding customer data leaks.

Apart from customers, BTPN Syariah is also committed to protecting the data security of business partners, including vendors. Data and information from vendors and third parties who work with the Bank are stored in a database that can only be accessed by parties who have authority and interest in the data. Until the end of 2022, there have been no complaints regarding vendors and other third parties data leaks.

- **Financial Literacy Program**

The Financial Literacy Program is a mandatory program from Regulators that aims to increase public knowledge of the importance of financial management. In line with the Bank's business model and vision, BTPN Syariah carries out financial literacy for underprivileged communities, whom the Bank's business activities focus on.

The Financial Literacy Program at the Bank is detailed in the DAYA section in this 2022 Annual Report.

### corporate social responsibility in the social and community development sector

As a Sharia Business Unit in BTPN, the Bank has been committed to focusing its business activities on developing an inclusive communities. BTPN Syariah through the DAYA Division together with #bankirpemberdaya conducted training and mentoring activities in the field of knowledge, education, and business skills as an effort to support the Bank in strengthening literacy and inclusion in society.

Daya has classified its activities into 2 (two) categories, namely Daya Program Regular (Daya Regular Program) and Daya Program Komunitas (Daya Community Program) since 2019. The move of integrating activities into categories aims at improving each programs' functionality and aligning each program with its focus yet remaining directed and measurable. Through various training and empowerment activities within Daya, the Bank intends to create opportunities for growth and improve the quality of lives of underprivileged customers, so that they can experience for themselves how the Bank has made a difference and how all of their good intentions can be realized faster.

- **Daya Regular Program**

Empowerment activities during Center Routine Meetings (PRS) includes sharing sessions by discussing tips on general topics related to entrepreneurship, health and environments packaged in brief modules that are relevant to the customers' conditions.

- **Daya Community Program**

The focus of implementing Daya Community Program is to meet the needs for increasing the skills and capacity of the customers' community through more structured, specific, and effective materials such as training, workshops and research conducted in collaboration with partners and Sahabat Daya (volunteers).

Daya is developing the Tepat Peduli Program which was launched in 2019. Tepat Peduli was a community care program of BTPN Syariah through various empowerment activities, especially to support the Sustainable Development Goals (SDGs). The implementation of Tepat Peduli Program included the simultaneous nation-wide infrastructure development in 1,000 points of the Bank's operational locations throughout Indonesia, programs to help victims of natural disasters, Tepat Peduli Program for Vaccines. These activities were carried out in collaboration with selected partners and tailored to the needs of the local community such as religious, sanitation, health, environment and other facilities.

The social and community development activities at the Bank are detailed in the DAYA sector in this 2022 Annual Report.