

Material Information or Facts are important and relevant information or facts on any event, occurrence, or any fact that may affect the Securities price on the Stock Exchange and/or the decisions of investors, prospective investors, or any other Parties having interests in the information or facts. The Company as a Listed Company is required to submit a report on the Material Information or Facts to the Financial Services Authority and make a public disclosure of the Material Information or Facts.

Information Transparency is necessary for the Company to ensure good communication with its stakeholders. Below is the Company's information transparency policy.

Determination of the Transparency Level

Information required to be disclosed to the public

The types of information that must be provided to the public are as follows:

- Corporate Information:
 - The Company's Performance
This information is concerned with the Company's financial performance, such as the Quarterly and Annual Condensed Financial Statements (*Laporan Publikasi Triwulanan dan Tahunan*), and other Statements.
 - Corporate Actions
This information is concerned with Corporate actions such as the holding of GMS, the other GMS (Extraordinary GMS), and other corporate actions.
- Business information
 - Products and Services
Information on Products and Services, such as the launch of new products/services, program campaigns, advertisements, etc.
 - Distribution
Information on the Company's branch offices, such as the official launch of a new branch and branch activities.
 - Customer Relationship
Information on the effort to maintain a good relationship with customers, for example, responses to customers' complaints in the mass media.
 - Technology
Information on the Company's technology development through activities that would support the Company's overall performance.
 - Image
Information on the effort to improve the Company's image through activities that involve broad communication.
- Information on the Company's Employees/Personnel
Information on the Company's employee matters that can be provided to the

public.

- Corporate Governance

Information on the Company's effort to comply with the prevailing laws and regulations in managing the Company and awareness of the corporate social responsibility to the Stakeholders.

Expected Outcomes

It is expected that with the Company's transparency, the stakeholders will be well informed of the Company's latest developments, allowing them to make decisions efficiently and effectively based on the information given to them and according to the interests/expectations of each Stakeholder on the information.

Information Quality

To provide good quality information in a timely manner, with regard for accuracy, clarity, and objectivity, the Company shall conduct the following:

- Internal
 - Try to understand and always improve knowledge of the applicable provisions by establishing a "checklist"/manual as a means of conducting control and monitoring.
- External
 - Provide accurate information to analysts, investors, and rating agencies in order for the Company to obtain an objective assessment of the quality of the information given.
 - Cooperate with other relevant parties to keep the information updated.

Mechanism and Facilities for Disclosing Information

To ensure that the information can be promptly received by the relevant stakeholders, the Company can use the following facilities:

- Letter
- Telephone
- E-Mail
- Website
- Press Release
- Analyst gathering
- Public Expose
- Direct interview
- Announcement at the Indonesia Stock Exchange

**Information
Preparation
Process**

Below are the communication and accountability measures in relation to the dissemination and disclosure of information:

- Communication Request/Suggestion/Measure
 - Programmed Communication Measure
It is a communication measure that has been programmed at the beginning of a certain period and the information is regularly provided to the stakeholders.
 - Incidental Communication Measure
It is a communication measure taken to respond, clarify or answer any information/news regarding the Company published or made public by the media as well as any inquiries from the Capital Market Authorities.

**Information
Preparation
Process,
continuation**

- Parties in Charge
 - Preparation
The Corporate Secretariat Division is responsible for coordinating with the relevant work unit and managing the information to be provided to external parties, especially the Capital Market Authorities (The Indonesia Stock Exchange, the Financial Services Authority, etc.) as well as coordinating with the relevant work unit and managing the information provided to the mass media and the general public.
 - Review
All information to be issued by the Corporate Secretariat Division to external parties must obtain prior approval from the relevant Division and the Board of Directors (if necessary).
- Disclosure/Dissemination
 - The information disclosure/dissemination takes 2 (two) forms, namely:
 - Printed Document
 - Electronic Document
 - Dissemination channel
 - Through the Company's website
 - Through mechanisms other than the Company's website (provided directly to the relevant parties, such as the Indonesia Stock Exchange, the Financial Services Authority, or other parties) or through the print media.

Transparency in the Company's Condition

Introduction

As a public limited company engaged in the banking sector, the Company is required to disclose its financial and non-financial conditions to the stakeholders. The Company must prepare and present certain reports or statements according to the procedure, types, and scope as stipulated in regulations of the Financial Services Authority on transparency and publication of bank reports or statements.

Annual Report

The Company's Annual Report must be filed with Bank Indonesia, the Financial Services Authority, the Indonesia Stock Exchange, and other institutions stipulated by the prevailing regulations.

The Annual Report must be submitted to the Financial Services Authority within no later than 4 (four) months after the end of the financial year in the form of:

- Hard copy, at least 2 (two) copies, 1 (one) of them being the original; and
- Soft copy (electronic copy).

The Annual Report in original form means the Annual Report that is signed by all members of the Board of Directors and members of the Board of Commissioners who serve in the relevant financial year. The Annual Report in the form of an electronic copy must be submitted through the electronic reporting system of the Financial Services Authority.

The Annual Report must be available to the shareholders on the date of the notice of the Annual GMS. If the Annual Report is available within 4 (four) months after the end of the financial year, the Annual Report must be submitted to the Financial Services Authority on the same date as the date it is made available to the shareholders.

The Annual Report must be posted on the website of the Listed Company or Public Company on the same date as the date it is submitted to the Financial Services Authority.

The Annual Report shall contain at least the following:

- Highlights of the material financial data;
- Information about the shares (if any);
- The Board of Directors' Report;
- The Board of Commissioners' Report;
- The Company Profile;
- Analysis and Discussion of the Management;

- The Company's Corporate Governance;
- The social and environmental responsibilities of the Listed Company or Public Company;
- Annual audited financial statements; and
- Statement Letter from members of the Board of Directors and members of the Board of Commissioners on their responsibility concerning the Annual Report.

The Annual Report must be made in Indonesian language and a foreign language (at least the English language).

Procedure for Preparing the Annual Report

The following procedure for preparing the Annual report shall conform with Regulations of the Financial Services Authority and other relevant provisions, as described below:

Annual Report

- Company's Profile;
 - Annual Financial Statements
 - Annual Consolidated Report
 - Implementation Report on the Opening, Transfer, and or termination of the Sharia Services of the Commercial Bank
- Periodic Condensed Financial Statements (*Laporan Publikasi*)
 - Monthly Statements
 - Quarterly Statements
 - Annual Statements

Monthly, Quarterly, and Annual Condensed Financial Statements

The Company shall prepare and submit Monthly, Quarterly and Annual Condensed Financial Statements in accordance with the relevant provisions. Below are the Condensed Financial Statements that must be submitted:

- Monthly and Quarterly Statements shall be submitted through the Financial Services Authority reporting system or the Commercial Bank Head Office Reporting System (*Laporan Kantor Pusat Bank Umum, LKPBU*) according to the procedure, format, and period as provided for in the regulations on the reporting systems of the Financial Services Authority or LKPBU.

The Company must maintain the publications of the Monthly Statements on its website at least for the last 2 (two) financial years.
- Quarterly and Annual Statements shall be published in at least 1 (one) Indonesian language daily newspaper with nationwide circulation and on the Company's website.

The publication of the Quarterly and Annual Statements in the newspaper must be signed by at least the President Director and 1 (one) member of the Board of Directors of the Bank.

The Company must maintain the existence of its Quarterly and Annual Statements on its website at least for the last 5 (five) Financial Years.

The Bank must expressly set out the name of the Public Accounting Firm that has audited the Annual Financial Statements including the name of the Public Accountant acting as the partner in charge as well as the opinion given in the Quarterly Statements for the position as at the end of December.

- The Financial Statements that are not audited by a Public Accountant must be submitted no later than 1 (one) month after the date of the relevant Financial Statements.

Such Financial Statements must be disclosed to the public on the following provisions:

- The Company shall publish the Statement of Financial Position (Balance Sheet), Profit and Loss Statement and Statement on Other Comprehensive Revenues, Statement of Changes in Equity, Cash Flow Statement, Notes to the Financial Statements including information on any commitment and contingency, and other reports as may be required by the Financial Services Authority/Bank Indonesia in at least 1 (one) Indonesian language daily newspaper with nationwide circulation.
- The form and substance of the Statement of Financial Position (Balance Sheet), Profit and Loss Statement and Other Comprehensive Revenues, Statement of Changes in Equity, Cash Flow Statement, Notes to the Financial Statements including information on any commitment and contingency, and other reports as may be required by the Financial Services Authority/Bank Indonesia must conform with the format as specified by the Financial Services Authority/Bank Indonesia.

Such publication must be done within the period as prescribed by the rules requiring the filing of Financial Statements to the Financial Services Authority, the Indonesia Stock Exchange, and/or Bank Indonesia. The proof of such publication must be submitted to the Financial Services Authority no later than 2 (two) business days of the publication date.

Monthly Condensed Financial Statements

The Company shall prepare and submit the Monthly Condensed Financial Statements (*Laporan Keuangan Publikasi Bulanan*) according to the LKPBU format by referring to the regulations of Bank Indonesia/the Financial Services Authority. Such statements will be used by Bank Indonesia/the Financial Services Authority to publish the Monthly Condensed Financial Statements on the website of Bank Indonesia/the Financial Services Authority.

**Annual
Financial
Statements**

The Company shall prepare and submit the Annual Financial Statements in accordance with the applicable rules and provisions.

The Annual Financial Statements must be accompanied by an Accountant's Report with a generally accepted opinion and filed with the Financial Services Authority, Bank Indonesia, and the Indonesia Stock Exchange no later than the last day of the 3rd (third) month after the end of the financial year.

The Annual Financial Statements must be disclosed to the public on the following conditions:

1. The Company shall publish the Balance Sheet, Profit and Loss Statement, and other Reports as may be required by Bank Indonesia/the Financial Services Authority in at least 2 (two) Indonesian language newspapers, one of them being a newspaper with nationwide circulation and the other being a local newspaper at the Company's place of domicile.
2. The form and substance of the Balance Sheet, Profit and Loss Statement, and other Reports to be disclosed to the public shall conform with the format specified by Bank Indonesia/ the Financial Services Authority.
3. Such publication must be done within the period as prescribed by the rules requiring the filing of Financial Statements to the Financial Services Authority, the Indonesia Stock Exchange, and/or Bank Indonesia. The proof of such publication must be submitted to the Financial Services Authority no later than 2 (two) business days of the publication date. The Company must provide the Financial Services Authority with a copy or clipping of the newspaper section showing the Annual Financial Statements and the soft copy of the Financial Statements no later than 2 (two) business days of the date of publication in the newspaper.

**Part of the
Annual Report**

The Annual Financial Statements shall form part of the Annual Report for the purpose of the Annual GMS.

**Consolidated
Financial
Statements**

The Company must prepare Consolidated Financial Statements in accordance with the applicable Statement of Financial Accounting Standards if the Company is part of a corporate group and/or has Subsidiaries.

The Consolidated Financial Statements must be incorporated in the Annual, Semi-annual, and Quarterly Financial Statements.

Sustainability Report

The Company must prepare a Sustainability Report and file the same with the Financial Services Authority every year no later than the deadline for filing the annual report. The types of disclosures and procedures for filing the Sustainability Report shall be in accordance with the regulations on the implementation of sustainable finance.

Transparency in Non-Financial Conditions

Non-financial conditions include, among others, the management, ownership, business development of the Company and its corporate group, the Management Strategies and Policies, and the Management Reports.

Transparency in Product Information and Use of Customer Personal Data

Transparency in the Company's Products is an effort to improve good governance in the banking industry and to provide customers with a clear understanding of the benefits, risks, and costs inherent to the Company's products, whereas transparency in the use of Customer Personal Data is necessary to protect the customer's personal rights when dealing with the Company.

That said, transparency in the Company's products and use of customers' personal data is necessary to maintain the Company's credibility as well as protecting the rights of customers as users of the banking services in the way as mandated by the Law on Consumer Protection.

The Company must apply transparency in its products and the use of the customer data in compliance with the requirements and procedure as laid down in the rules and provisions governing transparency in banking products and use of customer personal data as well as regulations of the Financial Services Authority governing customer protection in the financial services sector.

The Company must:

- implement transparency in the Company's Products and the use of Customer Personal Data.
- establish a policy and have a written procedure concerning:
 - information transparency in the Company's Products; and
 - transparency in the use of Customer Personal Data,

which must be implemented in all of the Company's offices by referring to the provisions and procedure as laid down in the regulations governing information transparency in banking products and use of customer personal data as well as regulations of the Financial Services Authority governing customer protection in the financial services sector. The Company's Board of Directors is

responsible for the implementation of such information transparency policy and procedure.

Affiliated-Party Transactions and Transactions with a Conflict of Interest

Affiliated-Party Transactions and Transactions with a Conflict of Interest

To provide legal certainty and protection to the shareholders, especially independent shareholders in relation to any transactions conducted by the Company as a public limited company with its affiliates or any transactions involving conflicts of interest, the Company must comply with regulations of the Financial Services Authority, Bank Indonesia, the Company's Articles of Association, the Company's policies and other regulations relating to the handling of Affiliated-Party Transactions and Transactions with a Conflict of Interest.

Affiliated-Party Transactions According to the Capital Market Regulation

Definition

Affiliated-Party Transaction means an activity and/or a transaction conducted by the Company or a Controlled Company with an Affiliate of the Company or an Affiliate of a member of the Board of Directors, a member of the Board of Commissioners, a principal shareholder, or a Controlling Shareholder, including any activity and/or transaction conducted by the Company or a Controlled Company in the interest of the Company's Affiliate or the Affiliate of a member of the Board of Directors, a member of the Board of Commissioners, the Company's principal shareholders or Controlling shareholders.

Categories of Affiliated-Party Transactions

Below are the categories of Affiliated-Party Transactions:

- A transaction that is required to be disclosed to the public and whose proof of publication as well as the supporting documents thereof must be submitted to the Financial Services Authority no later than the close of the 2nd business day after the date of the Affiliated-Party transaction.
- A transaction that is not required to be disclosed to the public but must be reported to the Financial Services Authority, i.e.:
 - a transaction conducted by the Company to comply with the laws and regulations or a court decision.
 - a transaction with a value not exceeding 0.5% of the Company's paid-up capital and not exceeding Rp 5 billion.
 - a transaction between:
 - the Company and a Controlled Company, at least 99% (ninety-nine percent) of whose stock is derived from the paid-up capital of the Controlled Company;
 - the Controlled Companies, at least 99% (ninety-nine percent) of whose stock is owned by the Company; or
 - a Controlled Company and a company, at least 99% (ninety-nine percent) of whose paid-up capital is owned by the Controlled Company;
 - a loan directly received from a bank, venture capital company, financing company, or infrastructure financing company, whether at home or overseas;
 - a transaction of providing a guarantee to a bank, venture capital company, financing company, or infrastructure financing company, whether at home or overseas for a loan received directly by the Company or a Controlled Company;
 - a transaction of increasing or decreasing capital participation for the purpose of maintaining the percentage of ownership after the capital participation is done for at least 1 (one) year; and/or
 - a transaction conducted between the Company and a Controlled Company in the form of a sharia financial services institution for the purpose of developing a sharia financial services institution;
 - a transaction conducted by the Company under certain conditions as determined by Financial Services Authority.

**Categories of
Affiliated-Party
Transactions,
continuation**

- Transactions that are not subject to the information disclosure obligation to the public and the Financial Services Authorities are as follows:
 - A transaction relating to remuneration including salaries, pension contributions, and/or special benefits provided to members of the board of commissioners, members of the board of directors, and principal shareholders if the principal shareholders also serve as employees, if the total amount of the remuneration is disclosed in the periodic financial statements;
 - The use of any facilities provided by the Company to members of the board of commissioners, members of the board of directors, and/or principal shareholders if the principal shareholders also serve as employees, provided that the facilities are directly related to their responsibilities to the Company and are in accordance with the Company's policies, and have been approved by the GMS;
 - A transaction between the Company and any of its employees, members of the board of directors, or members of the board of commissioners as well as any of the employees, members of the board of directors, or members of the board of commissioners of a Controlled Company on the same terms, provided that it has been approved by the GMS;
 - A transaction that constitutes a business activity conducted to generate income on a routine, repetitive, and/or continuous basis.
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**Media for
Publication**

Affiliated-Party Transactions and/or Transactions with a Conflict of Interest can be published or disclosed through the following media:

- The Company's Website, and/or
 - The website of the Stock Exchange
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Transactions with a Conflict of Interest According to the Capital Markets Regulations

Definition

Conflict of Interest means a conflict between the economic interests of the Company and those of a member of the board of directors, a member of the board of commissioners, or a principal shareholder that potentially causes a loss to the Company.

Transaction with a Conflict of Interest means a transaction conducted by the Company or a Controlled Company with any party, whether an Affiliate or a non-Affiliate, with a Conflict of Interest.

Procedure

If the Company conducts a Transaction with a Conflict of Interest, the Company must:

- Engage the services of an appraiser to determine the fair value of the object of such Transaction with a Conflict of Interest and/or the fairness of the transaction;
- Disclose any information on the Transaction with a Conflict of Interest to the public;
- File a report and the relevant supporting documents to the Financial Services Authority in connection with the information disclosure obligation; and
- Obtain prior approval from independent shareholders in the GMS (“Independent GMS”).

Disclosure and Implementation

The Company must disclose the results of the implementation of any Affiliated-Party Transaction and/or Transaction with a Conflict of Interest that has been approved by independent shareholders in the annual report.

In the event the Affiliated-Party Transaction and/or the Transaction with a Conflict of Interest that has been approved by the GMS is not conducted within 12 (twelve) months from the date of the GMS approval, the Public Limited Company must:

- disclose it in the annual report; and
- explain in the immediately subsequent GMS why such Affiliated-Party Transaction and/or Transaction with a Conflict of Interest was not conducted.

More detailed provisions regarding Affiliated-Party Transactions and/or Transactions with a Conflict of Interest can be found in the Company's internal policies and the Financial Services Authority Regulations concerning Affiliated-Party Transactions and/or Transactions with a Conflict of Interest.

The provisions on the reporting of affiliated-party transactions and transactions with a conflict of interest by a Subsidiary to the Company and to the Financial Services Authority can be found in the internal policies of the relevant Subsidiary.

Exceptions to Transactions with a Conflict of Interest

Details on the exceptions to transactions with a Conflict of Interest can be found in the Regulation of the Financial Services Authority on Affiliated-Party Transactions and Transactions with a Conflict of Interest.

Internal Policy on Conflicts of Interest for the Company's Personnel

Definition of Internal Conflict of Interest

In addition to the foregoing, in order to effectively implement the Principles of Good Corporate Governance, the Company has established an internal policy on transactions with a conflict of interest for the Company's Personnel.

The internal policy defines conflict of interest as a condition in which the Company's Personnel have certain interests not related to their job in performing their duties and responsibilities. Such interests may take the forms of personal or family or other parties' interests, potentially resulting in the inability of the Company's Personnel to make decisions and policies objectively according to the authority vested in them by the Company.

Annual Disclosure Obligation

In connection with the above, all of the Company's Personnel must understand, support, and comply with all provisions on the conflict of interest with full responsibility, and therefore all members of the Board of Commissioners, the Board of Directors including Officers above Echelon-5 (S5) are required to make an Annual Disclosure in which they must reveal all conditions or situations potentially leading to conflicts of interest. The Annual Disclosure constitutes "self-assessment", and therefore the truth of the disclosure shall be the responsibility of each of the Company's Personnel. However, the Company reserves the right to verify the truth of the disclosure and impose sanctions on the Company's Personnel found to have made false or incorrect disclosure.

Conflicts of Interest

Definition

In the event of a Conflict of Interest, the relevant member of the Board of Commissioners, member of the Board of Directors, and Executive Officer with the conflicting interests are not permitted to take any action that may cause the Bank to suffer a loss or a decrease in profit and shall disclose such Conflict of Interest in any decision they make.

Decision Making on Transactions with a Conflict of Interest

Based on the foregoing, according to the Law on Limited Liability Companies, Regulation of the Financial Services Authority, and the Company's Articles of Association, if there occurs an Affiliated-Party Transaction or a transaction with a conflict of interest, the relevant member of the Board of Commissioners, member of the Board of Directors and/or Executive Officer having the conflicting interests are prohibited from making any decision and/or taking any action and/or getting involved in a transaction that may cause the Company to suffer a loss or a decrease in profit and shall disclose such conflict of interest in any decision they make.

The conflict of interest must be disclosed in the minutes of meeting, which shall at least set forth the name of the party having the conflict of interest, the main issue leading to the conflict of interest, and the considerations in making the relevant decision.

Provision of Funds to Related Parties and Large Exposures

Provision of Funds to Related Parties

To prevent a failure in the Company's business as a result of a concentrated provision of funds and to enhance the independence of the Company's management from potential intervention by Related Parties, the Company must implement the prudence principle in the provision of funds, among others, by applying portfolio diversification in the provision of funds.

Definition of Related Party

Related Party means an individual or a company/entity having a relationship of control with the Company, whether direct or indirect, through ownership, management, and/or financial relationships.

Prudence Banking Principle

The Company must implement the Prudence Principle and Risk Management in the Provision of Funds, especially in the Provision of Funds to Related Parties, Large Exposures, and/or Provision of Funds to any other parties having interests in the Company.

Legal Grounds

The legal grounds for the provision of funds to Related Parties and Large Exposures are the Regulation of Bank Indonesia/ the Financial Services Authority on the Legal Lending Limit for Commercial Banks.

Policy Guidelines for Large Exposures

Below are the Policy Guidelines for Large Exposures (*Penyediaan Dana Besar*)

- The Company must have a policy and written procedure on the Provision of Funds to Related Parties and Large Exposures.
- The policy and written procedure as mentioned above shall include at least the following:
 - the standards and criteria for the selection and assessment of the creditworthiness of a Debtor and a Debtor's group company;
 - the standards and criteria for determining the limit on the Provision of Funds;
 - the management information system for the Provision of Funds;
 - the system of monitoring the Provision of Funds; and
 - the establishment of control measures to overcome concentrated Provision of Funds.

Policy Guidelines for Large Exposures, continuation

- The policy and written procedure for the Provision of Funds as described above must be periodically reviewed, at least 1 (one) time in a year.
- The policy and written procedure for the Provision of Funds as described above form an integral part of the credit risk policy, procedure, and determination as governed by the Regulation of Bank Indonesia/ the Financial Services Authority on the Implementation of Risk Management for Commercial Banks.

Report on Violation of the Legal Lending Limit (LLL) and Credit Extension Exceeding the LLL

In the event the legal lending limit (LLL) is violated or exceeded, the Company must report such occurrence according to the following provisions:

- The Company must report to Bank Indonesia/ the Financial Services Authority on a monthly basis any violation of the LLL, credit extension beyond the LLL, or the Provision of Funds to Related Parties.
- The report must be signed by a competent official, a member of the Board of Directors, and a member of the Board of Commissioners.
- The Company must prepare and submit an action plan to settle the issue of violation of the LLL and/or credit extension beyond the LLL.
- The Company must submit a report on the implementation of the action plan for the settlement of the violation of the LLL or the credit extension beyond the LLL, as the case may be.

Material Transactions and Change of Main Business Activities

Material Transactions

Material Transaction means any transaction with a value of 20% (twenty percent) or more of the Company's equity, conducted in one transaction or in a series of transactions for a specific purpose or activity, including the following transactions:

- Participation in certain business entities, projects, and/or business activities;
- Purchase, sale, transfer, use, exchange of assets or business segments;
- Procurement, termination, and/or use of services;
- Lease of assets;
- Lend-borrow and assignment of funds;
- Creation of security interests over the assets of the Company and/or a Controlled Company for another party's debts; and/or
- Providing a corporate guarantee.

Provisions concerning Material Transactions

Below are the provisions concerning material transactions:

- A Material Transaction with a value of 20% (twenty percent) up to 50% (fifty percent) of the Company's equity does not require the approval of the General Meeting of Shareholders (GMS), but such Material Transaction must be disclosed to the public according to the Regulation of the Financial Services Authority on Material Transactions and Change of Main Business Activities and/or other relevant regulations in force.
- A Material Transaction conducted by the Company with a value of more than 50% of the Company's equity must obtain prior approval from the GMS according to the procedure and requirements as laid down in the Regulation of the Financial Services Authority on Material Transactions and Change of Main Business Activities and/or other relevant regulations in force.

Exceptions to Material Transactions

A Material Transaction does not require the approval of the GMS and valuation by an appraiser if:

- the Company conducts a Material Transaction with a Controlled Company, at least 99% of whose paid-up capital is owned by the Company, or the Material Transaction is conducted between the Controlled Companies, at least 99% of whose stock or equity is owned by the Company;
- the Company provides a corporate guarantee to another Party for a transaction by a Controlled Company, at least 99% of whose stock is owned by the Company;
- the Company receives a loan directly from a bank, a venture capital company, a financing company, or an infrastructure financing company, whether at home or overseas;

Exceptions to Material Transactions, continuation

- the Company provides collateral to a bank, a venture capital company, a financing company, or an infrastructure financing company, whether at home or overseas, for a loan directly received by the Company or a Controlled Company;
- the Company increases or reduces its capital participation to maintain its shareholding percentage if such participation has existed for at least one year;
- the Material Transaction is conducted by the Company under a court order or decree;
- the Material Transaction is conducted through an auction process in which the Company is a bidder;
- the Material Transaction is conducted by a public company or a listed company other than a bank with negative net working capital and negative equity;
- the Material Transaction is conducted by the company with a Controlled

Mandatory Disclosure of Material Transactions

Company in the form of a sharia financial services institution in the context of developing a sharia financial services institution;

- the Material Transaction is conducted by the Company for the purpose of complying with the obligations imposed by the laws and regulations in force.

The Company conducting a Material Transaction with the exceptions as described above shall implement information disclosure as laid down in the Regulation of the Financial Services Authority on disclosure of material information or facts by listed companies or public companies.

Change of Business Activities

Business Activities means the business activities as specified in the Company's Articles of Association as currently conducted by the Company. If the Company intends to change its Main Business Activities, the Company must obtain the prior approval of the GMS, unless provided otherwise by law/the policy issued by a competent regulatory body. The agenda for the GMS must contain an item on the feasibility study of the change of the Company's Main Business Activities to be discussed in the meeting.

Provisions concerning Material Transactions and Change of Business Activities

If the change of Main Business Activities is made by a Controlled Company whose financial statements are consolidated with those of the Company, and the Controlled Company is a Listed Company making a public offering of equity securities or a public company, then only the relevant Controlled Company is required to implement the procedure under the Regulation of the Financial Services Authority.

If the change of Main Business Activities is made by a Controlled Company whose financial statements are consolidated with those of the Company, and the Controlled Company is not a Listed Company making a public offering of equity securities nor a public company, the Company is required to implement the procedure under the Regulation of the Financial Services Authority, provided that the Controlled Company's revenue contributes 20% or more to the Company's revenue according to:

- the Company's annual consolidated financial statements, if the Controlled Company's financial statements have been consolidated; or
- the Company's pro forma financial information reviewed by an Accountant, if the Controlled Company's financial statements are consolidated into the Company's annual financial statements.

Further provisions on Material Transactions and Change of Main Business Activities can be found in the Regulation of the Financial Services Authority.

Transparency in Material Information or Facts

Reporting	As a Listed Company, the Company must file a report on Transparency in Material Information or Facts with the Financial Services Authority and disclose the Material Information or Facts to the public, as soon as possible no later than the 2nd (second) business day after the Material Information or Facts come into existence.
Media for Reporting	<p>Disclosure of the Material Information or Facts shall be made at least through the following media:</p> <ul style="list-style-type: none">• the Company's website, in both Indonesian language and a foreign language, provided that the foreign language to be used is at least English language; and• the website of the Financial Services Authority and the website of the Stock Exchange or 1 (one) Indonesian language daily newspaper with nationwide circulation.
Contents of Report	<p>The report and publication concerning the Material Information or Facts shall contain at least the following:</p> <ul style="list-style-type: none">• date of occurrence;• type of the Material Information or Facts;• description of the Material Information or Facts; and• Impact of the occurrence of the Material Information or Facts.
Types of Material Information	<p>The Material Information or Facts that need to be reported to the Financial Services Authority and announced to the public shall include the following:</p> <ul style="list-style-type: none">• Merger, split (demerger), consolidation, or formation of a joint venture;• Proposal for purchasing another company's Securities;• Sale or purchase of the company's shares in significant amount;• Share split or share consolidation (reverse stock split);• Distribution of interim dividends;• Delisting and relisting of shares on the Stock Exchange;• Extraordinary dividend income;• Obtaining or losing material contracts;• New inventions or new products providing added value to the Company;• Sale of additional Securities to the public or through direct placement in material amounts;• Change of control, whether direct or indirect, of the Company;

	<ul style="list-style-type: none"> • Change in the composition of the Company’s Board of Directors and/or Board of Commissioners;
Types of Material Information continuation	<ul style="list-style-type: none"> • Buyback or payment of Debt Securities and/or <i>sukuk</i> (sharia bonds); • Sale or purchase of material assets; • Labor disputes that may have adverse effect on the Company’s operations; • Lawsuits filed against the Company, and/or any member of the Company’s Board of Directors and Board of Commissioners that may have material adverse effect on the Company; • Replacement of the current Public Accountant appointed to audit the Company’s books; • Replacement of a Trustee; • Replacement of the Securities Administration Bureau; • Change of the Company’s financial year; • Change of the presentation currency in the financial statements; • The Company being under special supervision of the competent regulatory agency, which may adversely affect the Company’s business continuity; • the Company’s business activities being restricted by the competent regulatory agency; • Material change in or non-achievement of a published financial projection; • Events that may lead to a material increase in the Company’s liabilities or financial obligations or a material decrease in the Company’s income; • Debt restructuring; • Termination or closure of part or all of the business segments; • Material effect of force majeure events on the Company; and/or • Other Material Information or Facts;

Share Ownership or Change in Share Ownership

Reporting by the Board of Directors and the Board of Commissioners	All members of the Company’s Board of Directors or Board of Commissioners are required to report on their ownership and any change in their ownership of the Company’s shares to the Financial Services Authority.
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Reporting by Shareholders with 5% ownership	The reporting obligation also applies to any Party owning, whether directly or indirectly, at least 5% (five percent) of the Company’s paid-up share capital, or changing its ownership in an amount equal to at least 0.5% (zero point five percent) of the Company’s paid-up share capital in either 1 (one) or several
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transactions.

**Reporting
Period and
Report
Contents**

The reporting period shall conform with the provisions of the Regulation of the Financial Services Authority on the Report on Share Ownership or Change in Share Ownership in Public Limited Companies.

- The report referred to above shall contain at least the following:
 - name, residence, and nationality;
 - name of the Company's shares;
 - number of shares and percentage of shareholding before and after the transaction;
 - number of shares purchased or sold;
 - purchase or sale price per share;
 - transaction date;
 - purpose of the transaction;
 - share ownership status (direct or indirect); and
 - In respect of indirect share ownership, it is necessary to disclose the shareholder that is recorded on the Company's register of shareholders in the interests of the beneficial owner.
- The form and substance of the report shall follow the format of the Report on Ownership or Change in Ownership of the Company's Shares as specified in the regulation of the Financial Services Authority.
- The report on share ownership or change in share ownership made by a member of the Board of Directors or a member of the Board of Commissioners or a Shareholder owning at least 5% of the Company's paid-up share capital must be submitted through the Company's Corporate Secretary, accompanied by a copy of a Power of Attorney.