

## Charter for the Board of Commissioners

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### Composition of and eligibility criteria for membership of the Board of Commissioners

#### Composition

- The total membership of the Board of Commissioners shall be at least 3 (three) persons and at most equal to the total membership of the Board of Directors.
  - The Board of Commissioners shall be led by a President Commissioner.
  - At least 1 (one) member of the Board of Commissioners must be domiciled in Indonesia.
  - The Board of Commissioners shall consist of Commissioners and Independent Commissioners, and the number of Independent Commissioners must be at least 50% (fifty percent) of the total membership of the Board of Commissioners.
  - The majority of the members of the Board of Commissioners must not have ties of kinship up to the second degree with other fellow members of the Board of Commissioners and/or the members of the Board of Directors.
  - The membership of the Board of Commissioners must take into account diversity in terms of expertise/experience, age/gender, and educational background.
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### Eligibility criteria/requirements for membership of the Board of Commissioners

Below are the criteria/requirements for membership of the Board of Commissioners both at the time of their appointment and during their service:

1. Having good character, morals, and integrity;
  2. Having the legal capacity to perform a legal act;
  3. Within 5 (five) years prior to the appointment and during their term office:
    - Never having been convicted of a criminal offense that is detrimental to the state finances and/or that is related to the financial sector;
    - Never having been a member of the Board of Directors and/or a member of the Board of Commissioners that during their term of office:
      - 1) once failed to hold the annual GMS;
      - 2) once had their accountability as a member of the Board of Directors and/or the Board of Commissioners rejected by the GMS or once failed to submit their accountability report as a member of the Board of Directors and/or a member of the Board of Commissioners to the GMS; and
      - 3) once caused a company that has obtained a license, approval, or registration from the Financial Services Authority to neglect the obligation to file an annual report and/or financial statements with the Financial Services Authority.
  4. Committed to complying with the prevailing laws and regulations;
  5. Having the knowledge and/or expertise in the relevant field as required by the Company;
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## Charter for the Board of Commissioners, Continuation

**Eligibility  
criteria/requirements  
for  
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continuation**

6. Meeting the criteria of integrity, competence, and financial reputation as referred to in the Regulation of the Financial Services, namely:
  - The criterion of integrity, which includes the following:
    - 1) Legally competent to perform a legal act; the expression 'legally competent to perform a legal act' has the meaning as assigned to it in the Indonesian Civil Code;
    - 2) Having good character and morals, at least demonstrated by their compliance with the prevailing law, including not having been convicted of a criminal offense within a certain period prior to being nominated. The expression "criminal offense" as mentioned above shall refer to the following:
      - i. a criminal offense in the financial sector, in respect of which the convicted person has fully served the sentence within the last 20 (twenty) years prior to being nominated;
      - ii. any criminal offense as listed in the Indonesian Criminal Code (KUHP) and/or a similar Criminal Code in other jurisdictions, subject to imprisonment of 1 (one) year or more, which has been fully served by the convicted person within the last 10 (ten) years prior to being nominated; and/or
      - iii. any other criminal offense subject to imprisonment of 1 (one) year or more, such as corruption, money laundering, narcotics/psychotropics, smuggling, customs or excise violation, human trafficking, illicit firearms trafficking, terrorism, currency counterfeiting, taxation, forestry, environment, maritime, and fishery crimes, which has been fully served by the convicted person within the last 20 (twenty) years prior to being nominated;
    - 3) Committed to complying with the prevailing laws and regulations and supporting the policies of the Financial Services Authority;
    - 4) Committed to the development of a healthy Bank;
    - 5) Not included as a person prohibited from becoming a Main Party, among others not being on the List of Failed Candidates (*Daftar Tidak Lulus*, DTL) of a Fit and Proper Test). According to the relevant regulation on Fit and Proper Tests, the expression 'Main Party' includes a Controlling Shareholder, a member of the Board of Directors and a member of the Board of Commissioners;
    - 6) Committed to avoiding and/or repeating any act and/or action that may cause such person to be prohibited from becoming a Main Party.

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## Charter for the Board of Commissioners, Continuation

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### Eligibility criteria/requirements for membership of the Board of Commissioners, continuation

- The criterion of competence, which includes the following:
    - 1) having good knowledge in the banking sector relevant to their position. The expression 'knowledge in the banking sector' includes, among others, knowledge about relevant regulations and Bank operations including a good understanding of risk management;
    - 2) having experience and expertise in the banking sector and/or the financial sector, among others, experience in operations, marketing, accounting, audit, funding, credit, money markets, capital markets, law or otherwise experience in the supervision of Financial Services Institutions;
  - The criterion of financial reputation, which includes the following:
    - 1) not having any bad credit and/or bad financing; and
    - 2) never having been declared bankrupt or never having been a shareholder, a non-shareholder Controlling Party of an Insurance Company, a member of the Board of Directors or a member of the Board of Commissioners found responsible for a company's bankruptcy, within the last 5 (five) years prior to being nominated.
7. Having passed the Fit and Proper Test according to the requirements set by the Financial Services Authority on Fit and Proper Tests.
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### Independent Commissioners

An Independent Commissioner is a member of the Board of Commissioners that does not have financial, management, share ownership and/or family relationships with any other member of the Board of Commissioners, any member of the Board of Directors and/or any Controlling Shareholder or relationship with the Company, which may adversely affect his/her ability to act independently.

Independent Commissioners are necessary to promote a more objective work climate and environment that places fairness and equality among various interests including those of minority shareholders and other stakeholders.

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## Charter for the Board of Commissioners, Continuation

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### Criteria for Independent Commissioners

In addition to the eligibility criteria for membership of the Board of Commissioners as described above, an Independent Commissioner must fulfill the criteria/requirements as laid down by the applicable laws and regulations, among others:

1. An Independent Commissioner must fulfill the following criteria:
  - Not working with the authorities and responsibilities to plan, direct, control, or supervise the Company's activities within the last 6 (six) months, except for the reappointment as an Independent Commissioner of the Company for the next term;
  - Not holding any shares, whether directly or indirectly, in the Company;
  - Not affiliated with the Company, any member of the Board of Commissioners, any member of the Board of Directors or the Main Shareholder of the Company; and
  - Not having any business that is related, whether directly or indirectly, to the Company's business activities.
2. Any former member of the Board of Directors or Executive officer of the Company or any person with a certain relationship with the Company that may adversely affect his/her ability to act independently must go through a cooling-off period of at least 1 (one) year before serving as an Independent Commissioner of the Company. This requirement shall not apply to any former member of the Board of Directors or Executive officer of the Company that is only charged with the oversight function.
3. Any non-Independent Commissioner that will shift to an Independent Commissioner after meeting the applicable requirements shall be subject to a cooling-off period of at least 6 (six) months. The shift of status from a non-Independent Commissioner to an Independent Commissioner as described above is subject to approval from the Financial Services Authority.
4. An Independent Commissioner that has served for 2 (two) consecutive terms of office may be reappointed for the next term office as an Independent Commissioner if:
  - The Board of Commissioners' meeting determines that such Independent Commissioner can continue to act independently; and
  - Such Independent Commissioner declares his/her independence in the GMS.
 The declaration of independence of the Independent Commissioner shall be presented in the Good Corporate Governance Implementation Report.

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### Term of office of the Board of Commissioners

The term of office of the members of the Board of Commissioners shall be subject to the following provisions:

1. The term of office of the members of the Board of Commissioners shall commence on the date stipulated by the GMS appointing such members of the Board of Commissioners and shall terminate at the close of the 5th (fifth) Annual GMS following the GMS appointing such members of the Board of Commissioners. If at the time of their appointment by the GMS, the prospective members of the Board of Commissioners have not passed the Fit and Proper Test, the term of office of the prospective members of the Board of Commissioners shall be effective as of the date determined by the GMS provided that such members of the Board of Commissioners have passed the Fit and Proper Test.
2. Any member of the Board of Commissioners whose term of office has expired may be reappointed.
3. The GMS is entitled to remove any member of the Board of Commissioners at any time before the expiry of his/her term of office.
4. Any member of the Board of Commissioners is entitled to resign from his/her office with due observance of the provisions of the Company's Articles of Association. If a member of the Board of Commissioners wishes to resign, such member of the Board of Commissioners must tender his/her resignation to the Company at least 60 (sixty) days prior to the effective resignation date.
5. If any member of the Board of Commissioners resigns, resulting in the membership of the Board of Commissioners becoming less than the minimum membership of the Board of Commissioners, then such resignation shall be effective only after the General Meeting of Shareholders has given its approval in accordance with the prevailing laws and regulations and after a new member of the Board of Commissioners has been appointed to fulfill the required minimum membership of the Board of Commissioners.
6. The term of office of a member of the Board of Commissioners shall automatically terminate if he/she:
  - is declared bankrupt or placed in receivership under a Court order
  - resigns in accordance with the provisions of the Company's Articles of Association and the prevailing laws and regulations.
  - is deceased;
  - is dismissed under the resolution of the GMS;
  - ceases to comply with the prevailing laws and regulations.

Further procedures for the appointment, replacement, dismissal, change, or resignation of the members of the Company's Board of Commissioners are set out in the Company's Articles of Association.

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## Charter for the Board of Commissioners, Continuation

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### Appointment of the Board of Commissioners

The members of the Board of Commissioners shall be appointed by the GMS. Any proposal submitted to the GMS for the appointment and/or replacement of a member of the Board of Commissioners must take into account the recommendation from the Remuneration and Nomination Committee.

If any member of the remuneration and nomination committee has a conflict of interest with the proposal in respect of which the recommendation shall be given, then such conflict of interest must be disclosed in the proposal.

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### Dual Capacity of a Member of the Board of Commissioners

Below are the provisions for the dual capacity of a member of the Board of Commissioners.

1. No member of the Board of Commissioners may have the dual capacity by concurrently serving as a member of the Board of Directors, a member of the Board of Commissioners or an Executive Officer:
    - in a financial institution or a financial company, whether a bank or a non-bank;
    - in more than 1 (one) non-financial institution or non-financial company, whether at home or overseas.
  2. The prohibition of dual capacity as described in paragraph 1 shall not apply to:
    - any member of the Board of Commissioners who concurrently serves as a member of the Board of Directors, a member of the Board of Commissioners or an Executive Officer in charge of the oversight function in 1 (one) non-bank subsidiary controlled by the Bank;
    - any Non-Independent Commissioner charged with the functional duties of the shareholders of a company in the Company's Group; and/or
    - any member of the Board of Commissioners that holds office in a nonprofit organization or institution.
  3. The functional and official duties as mentioned in paragraph 2 above may be carried out by the relevant member of the Board of Commissioners provided that he/she does not neglect his/her duties and responsibilities as a member of the Board of Commissioners.
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## Charter for the Board of Commissioners, Continuation

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### Obligations, Duties, Responsibilities and Authorities of the Board of Commissioners

The duties, responsibilities, and authorities of the Board of Commissioners include, among others, the following:

1. The Board of Commissioners must carry out its duties, responsibilities, and authorities independently. The expression “independently” means that the Board of Commissioners must carry out its duties objectively without any pressure from and without being affected by the interests of any party;
2. The Board of Commissioners must direct, monitor, and evaluate the implementation of the Company’s strategic policies and supervise the Board of Directors’ implementation of its implementation duties and responsibilities and provide advice to the Board of Directors in accordance with the Company’s aims and objectives and Articles of Association;
3. Any member of the Board of Commissioners must carry out his/her duties in good faith and with full responsibility and due care in the best interests of the Company with due observance of the prevailing laws and regulations;
4. The Board of Commissioners must ensure the implementation of Good Corporate Governance in all business activities of the Company at all levels of the organization;
5. Under certain circumstances, the Board of Commissioners shall hold an Annual GMS and any other GMS according to its authority as stipulated by the prevailing laws and regulations and the Company’s Articles of Association;
6. The Board of Commissioners shall ensure that the Board of Directors has followed up the Audit findings and recommendations from the Internal Audit Division, the External Auditor, the supervisory outcomes issued by the Financial Services Authority, Bank Indonesia and/or other authorities;
7. The Board of Commissioners shall establish at least the following committees:
  - a. Audit Committee
  - b. Risk Oversight Committee
  - c. Remuneration and Nomination Committee
  - d. Integrated Corporate Governance Committee
8. The Board of Commissioners must ensure that the committees it has established will perform their duties effectively and must assess the performance of such committees, which have been established to assist the Board of Commissioners in carrying out its duties and responsibilities, at the end of each financial year;
9. Any member of the Board of Commissioners, whether collectively or individually, at any time during the Company’s business hours shall be entitled to enter the buildings and yards or other premises used or controlled by the Company, audit all of the Company’s books and records, documents and other evidence, check and verify the Company’s cash and other things and obtain information of all actions taken by the Board of Directors;
10. The Board of Commissioners may request the Board of Directors, any member of the Board of Directors, and or the Management to provide clarifications of all matters regarding the Company as may be deemed necessary by the Board of Commissioners to carry out its duties;

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## Charter for the Board of Commissioners, Continuation

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### Obligations, Duties, Responsibilities and Authorities of the Board of Commissioners continuation

11. The Board of Commissioners shall be entitled to propose the replacement and/or appointment of a member of the Board of Directors to the GMS with due regard for the recommendations from the Remuneration and Nomination Committee;
12. The Board of Commissioners may at any time decide to suspend one or more members of the Board of Directors if the relevant members of the Board of Directors act in contravention of the Company's Articles of Association, harm the Company's interests, default on their obligations and/or violate the prevailing laws and regulations. The procedure for such suspension shall be in accordance with the Company's Articles of Association and the prevailing laws and regulations;
13. Any Merger or Consolidation and/or Integration plan containing a summary of an independent appraiser's report must be approved by the Board of Commissioners.
14. The Board of Commissioners shall hold the Board of Commissioners' Meeting and prepare the minutes thereof in accordance with this policy and the prevailing laws and regulations.
15. The Board of Commissioners shall prepare and provide a report to the GMS or the Financial Services Authority or any other parties in accordance with this policy and the prevailing laws and regulations.
16. The Board of Commissioners must oversee the implementation of the Remuneration Policy and periodically evaluate such Remuneration policy.
17. Each member of the Board of Commissioners must report to the Financial Services Authority his/her ownership and any change in his/her ownership of the Company's shares, whether directly or indirectly owned.
18. Regarding the Internal Control System, the Board of Commissioners shall be responsible for:
  - a. supervising the implementation of the internal control in general including supervising the Board of Directors' policy on such internal control.
  - b. reviewing the effectiveness of the internal control system based on the information obtained from the Internal Audit Division (IAD).
19. The Board of Commissioners must report to the Financial Services Authority no later than 7 (seven) business days of being aware of:
  - a. any violation of the prevailing laws and regulations in the financial and banking sectors; and/or
  - b. any condition or potential condition that may jeopardize the Company's business continuity.

The matters that must be reported are the findings as referred to in point a that have not been or were not reported by the Company and/or by the Director of Compliance to Bank Indonesia and the Financial Services Authority.
20. To supervise the implementation of the Integrated Corporate Governance, the Board of Commissioners shall do at least the following:
  - o supervising the implementation of the good corporate governance in each Financial Services Institution in the Financial Conglomerate to ensure compliance with the Integrated Corporate Governance Manual;

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## Charter for the Board of Commissioners, Continuation

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### Obligations, Duties, Responsibilities and Authorities of the Board of Commissioners continuation

- supervising the implementation of the duties and responsibilities of the Board of Directors of the Main Entity, and providing directions and advice to the Board of Directors of the Main Entity in relation to the implementation of the Integrated Corporate Governance Manual; and
  - evaluating and improving the Integrated Corporate Governance Manual.
21. Any member of the Board of Commissioners that personally or in any way has either direct or indirect interests in a transaction, contract or proposed contract to which the Company is a party must declare the nature of his/her interests in the Board of Commissioners' Meeting and is not entitled to cast votes on matters related to such transaction or contract, unless stipulated otherwise by the Board of Commissioners' Meeting.
22. The Board of Commissioners in carrying out its obligations, duties, responsibilities and authorities shall adhere to the Company's Articles of Association, the Charter and Terms of Reference for the Company's Board of Commissioners, and the prevailing laws and regulations.
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### Main Duties of the President Commissioner

The President Commissioner shall have the same duties and responsibilities as the other members of the Board of Commissioners, plus the following duties and responsibilities:

- Convening the Board of Commissioners' meeting.
  - Presiding over the Board of Commissioners' meeting.
  - Presiding over the General Meeting of Shareholders.
  - Coordinating the implementation of the duties and responsibilities of the Board of Commissioners.
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### The Board of Commissioners' Approval and Actions

The Board of Commissioners' Approval

The Board of Commissioners' approval given to the Board of Directors to allow the Board of Directors to take certain actions shall be given in the form of a Decision Letter of the Board of Commissioners or in any other form as determined by the Board of Commissioners.

The Board of Commissioners' Actions

The Board of Commissioners constitutes a collective body, and no member of the Board of Commissioners may act severally; instead, they must act collectively under a decision of the Board of Commissioners.

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### Restrictions

All members of the Board of Commissioners are prohibited from the following:

1. Being involved in the decision-making process regarding the Company's operational activities, except for the provision of funds to related parties as stipulated in the Regulation of the Financial Services Authority and other applicable regulations on the Legal Lending Limit (LLL) for Commercial Banks and other matters as specified in the Company's Articles of Association or the prevailing laws and regulations. Any involvement of the Board of Commissioners in making decisions on the Company's operational activities as mentioned above constitutes part of the Board of Commissioners' supervisory duties and therefore shall not relieve the Board of Directors of its responsibility for the management of the Company.
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## Charter for the Board of Commissioners, Continuation

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### Restrictions, continuation

2. Taking advantage of the Company for their own personal benefit, or for the benefit of their family, and/or other parties in a way that may harm or jeopardize the interests of the Company;
  3. Enjoying and/or gaining personal benefits from the Company other than the remuneration and other facilities as stipulated by the GMS;
  4. Taking benefit from any knowledge or information to which the market/public has no privileged access; in other words, the Board of Commissioners is prohibited from committing insider trading and abusive self-dealing;
  5. Taking any actions that may cause losses to the Company or decrease the Company's profit in the event of any conflict of interest and in such event they must disclose it in the decision.
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### Transparency by the Board of Commissioners

To implement the Transparency Principle, a member of the Board of Commissioners must:

- Disclose:
    - his/her share ownership both in the Company and in other companies including any shareholding of 5% (five percent) or more of the paid-up capital, including information on the type and number of shares, whether in the Company or in other banks, in non-bank financial institutions or in other companies, whether at home or overseas, in the Good Corporate Governance Implementation Report as stipulated in the Regulation of the Financial Services Authority;
    - the share ownership of his/her family members (spouse and children) both in the Company or in other companies, whether at home or overseas;
    - any financial relationship and/or family relationship with any other member of the Board of Commissioners, any member of the Board of Directors and/or any controlling shareholder of the Company; in the Good Corporate Governance Implementation Report as stipulated in the Regulation of the Financial Services Authority;
  - Report to the Company his/her ownership and any change in his/her ownership of the Company's shares no later than 3 (three) business days after acquiring or changing his/her ownership of the Company's shares.
  - Report to the Company the ownership or any change in the ownership of the shares held by such member of the Board of Commissioners or his/her family members (spouse and children) in other companies, whether at home or overseas, on a periodic basis or after acquiring or changing his/her ownership of the Company's shares.
  - Report to the Financial Services Authority and the Indonesia Stock Exchange his/her ownership and any change in the ownership of the Company's shares no later than:
    - 10 (ten) days of the date of the transaction date if such member of the Board of Commissioners files the report on his/her own; or
    - 5 (five) days of the transaction date if the report is filed by another party on his/her behalf.
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## Charter for the Board of Commissioners, Continuation

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### Transparency by the Board of Commissioners, continuation

Such report must at least contain the following:

- a. Name, residence, and nationality;
  - b. Name of shares of the Public Limited Company;
  - c. Total number of shares and percentage of shareholding before and after the transaction;
  - d. Total number of shares purchased or sold;
  - e. Purchase and sale price per share;
  - f. Transaction date;
  - g. Purpose of transaction.
  - h. Status of share ownership (direct or indirect); and
  - i. If the shares are indirectly owned, the information about the shareholder recorded on the Company's register of shareholders must be disclosed in favor of the beneficial owner.
6. Disclose any remuneration and other facilities received by such member of the Board of Commissioners in the Good Corporate Governance Implementation Report with due observance of the Regulation of the Financial Services Authority on the implementation of Good Corporate Governance in the payment of Remuneration for Commercial Banks.
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### Orientation for the Board of Commissioners

The orientation program for new members of the Board of Commissioners aims to provide the relevant members of the Board of Commissioners with certain information and understanding of the Company within a short period of time to ensure that they will be able to perform their duties well.

The orientation program shall be organized by the Corporate Secretary and assisted by several Head Office Work Units (*Unit Kerja Kantor Pusat, UKKP*) /relevant Divisions and/or Work Units, as described in PAKAR – Orientation for New Members of the Company's Board of Directors & Board of Commissioners.

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### Training for the Board of Commissioners

The training program for the Board of Commissioners is necessary to allow the Board of Commissioners to keep up with the latest developments in banking, finance, economy, and other matters so that it will be prepared for anticipating problems as well as maintaining and promoting the Company's continuity and growth. The members of the Board of Commissioners must participate in the training program at least 1 (one) time in a year to support them in carrying out their duties and responsibilities, and they may participate in training programs or seminars held either at home or overseas.

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### Work Ethics and Working Hours of the Board of Commissioners

#### Work Ethics for the Board of Commissioners

- Performing its duties and responsibilities independently;
- Complying with the Company's Code of Ethics;
- Not delegating its oversight function to the Board of Directors.

#### Working Hours of the Board of Commissioners

The Board of Commissioners must provide ample time to perform its duties and responsibilities optimally.

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## Charter for the Board of Commissioners, Continuation

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### Board of Commissioners' Meeting

Below is the general policy on the Board of Commissioners' Meeting:

#### 1. Meeting Mechanism

The Board of Commissioners' Meeting may be held:

- a. physically at the Company's place of domicile or at other places as may be determined by the Board of Commissioners; or
- b. electronically through teleconferencing, videoconferencing or other similar electronic media that allow all participants of the Board of Commissioners' meeting to see and listen to one another directly and participate in the Board of Commissioners' meeting.

#### 2. Meeting Frequency

- a. The Board of Commissioners' meeting shall be held regularly at least 1 (one) time in 2 (two) months or at least 6 (six) times in 1 (one) year.
- b. The Board of Commissioners shall hold a joint meeting with the Board of Directors on a regular basis at least 1 (one) time in 4 (four) months.
- c. Every member of the Board of Commissioners must attend at least 75% (seventy-five percent) of the meetings in 1 (one) year.
- d. The Board of Commissioners' meeting as referred to above must be attended physically by all members of the Board of Commissioners at least 2 (two) times in a year.

#### 3. Notice of Meeting

- a. The Board of Commissioners' meeting shall be convened by the President Commissioner or 1 (one) member of the Board of Commissioners having the power of attorney from the President Commissioner or 2 (two) members of the Board of Commissioners.
- b. No notice of meeting shall be necessary for a Board of Commissioners' meeting that has been previously scheduled according to the provisions of letter a item 4 of this article or otherwise according to the resolution of the previous Board of Commissioners' meeting.
- c. For a Board of Commissioners' meeting that is held outside the schedule as described in the provisions of letter a item 4 of this article, a notice of meeting must be provided no later than 1 (one) day prior to the date of the Board of Commissioners' meeting, or within a shorter period in the event of an emergency.
- d. If all members of the Board of Commissioners are present or represented, such prior notice of meeting shall not be required, and the Board of Commissioners' meeting may be held at any place or by any mechanism and may adopt valid and binding resolutions.
- e. The notice of the Board of Commissioners' meeting must contain the agenda, date, time, mechanism and venue of the Meeting and must be accompanied by the materials for the meeting.
- f. The Notice of the Board of Commissioners' Meeting must be in writing and delivered to each member of the Board of Commissioners by registered mail or by courier service or by email or by any other means deemed effective by the Board of Commissioners.

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## Charter for the Board of Commissioners, Continuation

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**Board of  
Commissioners’  
Meeting,  
continuation**

4. Meeting Schedule and Materials
  - a. The Board of Commissioners shall set the schedule for the Board of Commissioners’ meeting or the Board of Commissioners’ meeting by inviting the Board of Directors for the following year before the end of the financial year and upload it to the Company’s website;
  - b. For a scheduled meeting, the materials for the meeting shall be provided to the participants no later than 5 (five) business days before the meeting date (D-5).
  - c. For a meeting that is held outside the scheduled time, the materials for the meeting shall be provided to the participants no later than the start of the meeting.
5. Attendance Quorum

The Board of Commissioners’ meeting shall be valid and entitled to adopt binding resolutions if at least  $\frac{2}{3}$  (two thirds) of all the incumbent members of the Board of Commissioners are present or represented in the meeting
6. Meeting Resolutions
  - a. The Board of Commissioners’ meeting shall adopt resolutions by prioritizing deliberation for a consensus.
  - b. In the Board of Commissioners’ meeting, each member of the Board of Directors is entitled to cast 1 (one) vote and 1 (one) additional vote for another member of the Board of Commissioners he/she legally represents in the meeting.
  - c. If such consensus cannot be reached, the resolutions shall be adopted by voting on the affirmative votes of more than  $\frac{1}{2}$  (one half) of the total valid votes cast in the relevant meeting.
  - d. The Board of Commissioners may also adopt valid resolutions without holding the Board of Commissioners’ Meeting, provided that all members of the Board of Commissioners have been notified in writing and give their approval for the proposals and sign such approval. Any resolutions adopted in such manner shall have the same force and effect as those validly adopted in the Board of Commissioners’ Meeting.
  - e. All resolutions adopted by the Board of Commissioners shall be binding on and shall become the responsibility of all members of the Board of Commissioners.
7. A member of the Board of Commissioners can only be represented in the Board of Commissioners’ Meeting by another member of the Board of Commissioners under a Special Power of Attorney made for the purpose of the meeting.

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## Charter for the Board of Commissioners, Continuation

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### Board of Commissioners' Meeting, continuation

8. Minutes of Board of Commissioners' Meeting
    - a. The outcomes of the Board of Commissioners' meeting must be recorded in the Minutes of Meeting, which shall be signed by all members of the Board of Commissioners present.
    - b. The outcomes of the joint meeting between the Board of Commissioners and the Board of Directors must be recorded in the minutes of meeting, which shall be signed by all members of the Board of Commissioners and all members of the Board of Directors present and circulated to all members of the Board of Commissioners and all members of the Board of Directors.
    - c. The Minutes of Meeting must be properly documented according to the applicable laws and regulations.
    - d. Any dissenting opinion, as well as the reasons therefor, shall be expressly set out in the minutes of the Board of Commissioners' meeting.
    - e. The Minutes of Meeting must contain information on the attendance of each member of the Board of Commissioners, i.e., whether they attend the meeting physically or by using a teleconference technology/any other electronic equipment.
    - f. If the meeting is conducted using a teleconference technology, the meeting must be recorded, and the minutes thereof shall also be made and signed by all of the meeting participants.
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### Accountability and Liability

#### Accountability

- The Board of Commissioners shall provide a report as prescribed in the section on Obligations, Duties, Responsibilities and Authorities of the Board of Commissioners in this Policy.
- The Board of Commissioners shall provide a report on its supervisory duties during the last financial year to the GMS.

#### Liability

- All members of the Board of Commissioners shall be jointly and severally liable for any losses incurred by the Company due to the fault or negligence of any member of the Board of Commissioners in performing his/her duties.
  - The members of the Board of Commissioners shall not be liable for any losses incurred by the Company if they can convincingly prove that:
    - such losses are not caused by their fault or negligence;
    - they have performed their supervisory duties in good faith, with full responsibility and due care in the best interests of the Company and with observance of the aims and objectives of the Company;
    - they have no conflict of interest, whether direct or indirect, in the supervisory actions that resulted in the losses; and
    - they have taken the necessary measures to prevent the losses or to prevent the losses from continuing.
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## Charter for the Board of Commissioners, Continuation

<b>Remuneration</b>	<p>Below are the provisions concerning the remuneration for the Board of Commissioners.</p> <ol style="list-style-type: none"> <li>1. <b>Primary Policy on Remuneration</b>  The primary policy on the remuneration for members of the Board of Commissioners shall be as follows: <ul style="list-style-type: none"> <li>○ Remuneration for members of the Board of Commissioners constitutes the compensation given by the Company in consideration of the obligations, duties, and responsibilities they have discharged in the interests of the Company during a particular period.</li> <li>○ The remuneration package shall be formulated in a compensation system proposed by the Remuneration and Nomination Committee to the Board of Commissioners, which shall further submit it to the GMS for approval.</li> </ul> The members of the Board of Commissioners must disclose the remuneration and other facilities they receive in the good corporate governance implementation report and/or the annual report as stipulated by the applicable laws and regulations.</li> <li>2. The remuneration for the members of the Board of Commissioners shall be determined by the GMS, and the GMS may delegate such authority to the Company's majority shareholder to determine the types and/or amounts of honorarium, benefits and/or facilities to be paid to the members of the Board of Commissioners with due regard for the recommendation from the Remuneration and Nomination Committee.</li> </ol>
<b>Credit Facilities for the Board of Commissioners</b>	<p>Below are the provisions concerning the extension of credit facilities to the Board of Commissioners.</p> <ol style="list-style-type: none"> <li>1. Any member of the Board of Commissioners is entitled to obtain a credit facility from the Company.</li> <li>2. Any credit facility for the members of the Board of Commissioners must be provided on an arm's length basis and must be analyzed according to the credit provisions and procedures generally applicable at the Company.</li> <li>3. Further provisions concerning the extension of credit facilities to the Board of Commissioners are set forth in the Company's Credit Policy.</li> </ol>
<b>Self-Assessment by the Board of Commissioners</b>	<p>Below are the provisions concerning self-assessment by the Board of Commissioners.</p> <ul style="list-style-type: none"> <li>• The Board of Commissioners must conduct a peer or individual self-assessment at least 1 (one) time in 1 (one) year.</li> <li>• The yardstick/ criteria for assessment to be used in the peer or individual self-assessment by the Board of Commissioners shall be as follows: <ul style="list-style-type: none"> <li>○ Supervision and provision of advice to the Board of Directors concerning: <ul style="list-style-type: none"> <li>• Key strategies and plans of the Company.</li> <li>• Integrity of the Company's financial statements.</li> <li>• Internal control system and risk management.</li> <li>• Good corporate governance.</li> </ul> </li> <li>○ Approval of decisions of the Board of Directors in accordance with the Company's Articles of Association/the prevailing laws and regulations.</li> </ul> </li> <li>• The results of the Board of Commissioners' peer or individual self-assessment shall be evaluated by the Board of Commissioners through a meeting based on the recommendation from the Remuneration and Nomination Committee.</li> <li>• A summary of the self-assessment results shall be disclosed in the Company's Annual Report.</li> </ul>

