



GENERAL MEETING OF SHAREHOLDERS

The General Meeting of Shareholders (GMS) is the highest body in the Governance of the Company that functions as a forum for shareholders to make decisions. Decisions taken at the GMS are based on the interests of the Bank and are implemented fairly and transparently.

LEGAL BASIS

The GMS is the Company's body, which has authority not granted to the Board of Directors or the Board of Commissioners within the limits specified in Law No. 40 of 2007 concerning Limited Liability Companies and/or Articles of Association. Based on the Company's Articles of Association the GMS consists of the Annual GMS and Extraordinary GMS (EGMS), which can be held at anytime based on the needs.

POLICY RELATIONS WITH SHAREHOLDERS

In Article 5 of FSA Regulation Number 35/POJK.04/2014 concerning the Corporate Secretary of Issuers or Public Companies, one of the functions of the Corporate Secretary is as a liaison between Issuers and Shareholders, FSA and other stakeholders. By end of 2018, communication with shareholders was managed through the Corporate Secretary with reference to the Company's internal policies that regulate the relationship between the Company and shareholders. The policy includes the management of external and internal communication strategies openly.

RIGHTS, PRIVILEGES AND RESPONSIBILITIES OF SHAREHOLDERS AT THE GMS

The Company has 2 (two) types of shares, which are Series A Dwiwarna Shares and Series B Shares, with a nominal value of Rp500 (five hundred Rupiah) per share. Series A Dwiwarna Shareholders are controlling shareholders and have privileges with the following rights and authorities:

1. The right of consent at the GMS are the following:
 - Approval of amendments to the Articles of Association;
 - Approval of changes in Capital;
 - Approval of the Appointment and Dismissal of members of the Board of Directors and Board of Commissioners;
 - Approval related to mergers, consolidation, expropriation, separation and dissolution;
 - Approval of remuneration of members of the Board of Directors and Board of Commissioners;
 - Approval of the transfer of assets based on the Articles of Association, which is required to be approved by the GMS;
 - Approval regarding the participation and reduction in the percentage of capital participation in other companies, which based on the Articles of Association must be approved by the GMS;
 - Approval of the use of profit;
 - Approval of investment and long-term financing that is not operational in nature based on the Articles of Association, which requires the approval of the GMS;
2. Right to propose candidates as members of the Board of Directors and prospective members of the Board of Commissioners;
3. The right to propose GMS agendas;
4. The right to request and access Company data and documents.

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Apart from the Series A Dwiwarna Share privileges, insofar as it is not determined otherwise by the Articles of Association of the Company, the Series A Dwiwarna Share Holders and Series B Shareholders have the same rights, among others, including the following:

1. The right to attend, express opinions, and vote in a GMS based on one share, provides the holder the right to cast one vote;
2. The right to obtain information regarding the Company in a timely, correct and orderly manner, except for confidential matters;
3. The right to receive a portion of the Company's profits intended for the Shareholders in the form of dividends and other profit sharing, proportional to the number of shares held;
4. The right to obtain a full explanation and accurate information regarding the procedures that must be fulfilled with regard to the implementation of the GMS;
5. In the event that there is more than one type and classification of shares in the Company, each shareholder has the right to cast votes in accordance with the type, classification and number of shares in possession, and each shareholder has the right to be treated equally based on the type and classification of shares owned;
6. The right to transfer, release rights or make a debt guarantee on all or a large portion of the Company's assets more than 50% (fifty percent) of the total value of the Company's net assets in one transaction or several transactions that are independent or related to each other, the Board of Directors must obtain the approval of the GMS.

The GMS has the authority to:

1. To appoint and dismiss members of the Board of Commissioners and Board of Directors based on policies/guidelines established by shareholders;
2. Providing ratification/decisions required to safeguard the Company's business interests in the long and short term in accordance with the laws and regulations and/or Articles of Association;
3. To approve Annual Reports including the ratification of financial statements and supervisory duties of the Board of Commissioners in accordance with laws and regulations and/or Articles of Association;

4. Establish targets and assess the performance of the Board of Directors and the Board of Commissioners;
5. Determine the remuneration of the Board of Commissioners and Directors;
6. Determine External Auditors;
7. Approving or rejecting the Company's Long-Term Plan and Corporate Budget Work Plan;
8. Make decisions through a process that is transparent and fair and accountable;
9. Implement Good Corporate Governance in accordance with the authority and responsibility granted.

The duties and responsibilities of Shareholders include:

1. Comply with the provisions of the Articles of Association and all laws and regulations;
2. Not be involved in any of the Bank's supervision and management performed by the Board of Commissioners and the Board of Directors;
3. Not utilizing the Company for personal, family, Company or business group interests with intentions and manners that contradict prevailing laws and best practices in the banking industry;
4. Evaluate the performance of the Board of Commissioners and Board of Directors through a GMS mechanism.

IMPLEMENTATION OF THE 2018 GMS

The implementation of the Company's GMS refers to the Limited Liability Company Law, Financial Services Authority Regulation (POJK) Number 32/POJK.04/2014 concerning the Plan and Implementation of a Public Company GMS and the amendments through POJK Number 10/POJK.04/2017 concerning changes to POJK Number 32/POJK.04/2014. In accordance with Article 21 of the Company's Articles of Association, the GMS consists of (1) Annual GMS which must be held at the latest 6 (six) months after the year ends and (2) Extraordinary GMS that can be held at any time based on the needs and interests of the Company. Throughout 2018, the Company conducted 1 (one) Annual GMS for the 2017 Financial Year on March 23, 2018.