

**WORKING GUIDELINES AND RULES FOR
BOARD OF DIRECTORS**

PT Bank Tabungan Pensiunan Nasional Syariah Tbk

Document No.	05/PedomanKerja/CSL/IV/2019
Document Level	Working Guidelines
Owning Work Unit	Corporate Secretary & Legal Division

This material is CONFIDENTIAL and shall only be used by PT Bank Tabungan Pensiunan Nasional Syariah Tbk. Duplicating and publishing thereof in any form whatsoever, either electronically or mechanical including copying or retaining in any other form is prohibited, distributing this material to any other parties without written approval from PT Bank Tabungan Pensiunan Nasional Syariah Tbk is also prohibited.

Examined
Initial:

Page **1** of **18**

THIS DOCUMENT IS NOT GUARANTEED TO BE ACCURATE WHERE IT IS PRINTED OR COPIED UNLESS IT IS STAMPED
"COPY"

WORKING GUIDELINES AND RULES ("GUIDELINES")

THE BOARD OF DIRECTORS ("DIRECTORS")

PT Bank Tabungan Pensiunan Nasional Syariah Tbk

This document regulates the Working Guidelines of the Board of Directors (The BOD) of PT Bank Tabungan Pensiunan Nasional Syariah Tbk ("Bank").

The function, duty and responsibility of the BOD shall be regulated in Law No. 40 of 2007 concerning Limited Liability Company ("Company Law"), Regulation of Financial Services Authority No. 33/POJK.04/2014 concerning the BOD and the Board of Commissioners (The BOC) of Listed or Public Company and other Prevailing laws and regulations.

1. Organization

- 1.1. The number of the BOD members shall be no less than 3 (three) persons;
- 1.2. All Members of the BOD must be domiciled in Indonesia;
- 1.3. The BOD is chaired by the President Director;
- 1.4. Member of the BOD should completed the following requirements during their assignment and appointment:
 - a. Have a good attitude, moral and integrity.
 - b. Capable to perform legal acts.
 - c. Within 5 years prior or during the appointment and serving as the BOD:
 - 1) has never been declared bankrupt;
 - 2) has never been a member of the BOD and/or members of the BOD who were convicted to a bankrupt company.

This material is CONFIDENTIAL and shall only be used by PT Bank Tabungan Pensiunan Nasional Syariah Tbk. Duplicating and publishing thereof in any form whatsoever, either electronically or mechanical including copying or retaining in any other form is prohibited, distributing this material to any other parties without written approval from PT Bank Tabungan Pensiunan Nasional Syariah Tbk is also prohibited.	Examined Initial:
	Page 2 of 18
THIS DOCUMENT IS NOT GUARANTEED TO BE ACCURATE WHERE IT IS PRINTED OR COPIED UNLESS IT IS STAMPED "COPY"	

- 3) has never convicted of committing a criminal act that is detrimental to the country's financial and/or to the financial sector, and
 - 4) has never become a member of the BOD and/or the Board of Commissioners in a company that:
 - a) Not conducted an annual General Meeting of Shareholders (GMS);
 - b) The General Meeting of Shareholder, did not grant release and discharge (acquitted the charge) on the company financial and/or Annual Report on any particular fiscal year;
 - c) do not comply with the obligation of submitting Annual Report and/or financial report to the OJK.
- 1.5. Have a commitment to comply with all provisions promulgated under the laws and regulations.
 - 1.6. Have the knowledge and/or skills require in Listed or Public Company.
 - 1.7. The completion of the above requirement should be stated in statement letter and to be kept in the Bank.
 - 1.8. All Members of the BOD shall have the ability in the field of Banking in General and in Particular have at least one of the capabilities in the field of Sharia Banking and Finance, Economics, Human Resources, Law, Technology, Accounting or Audit:
 - a. A member of the BOD shall be appointed and assigned as a Compliance Director in charge of ensuring compliance with Sharia Principles, the provisions of the OJK and Bank Indonesia (BI) and other laws and regulations concerning Compliance Director;
 - b. The Compliance Director shall perform a compliance function independent of operational working unit;

- c. The implementation of compliance function shall be supported by a personnel who has at least knowledge and/or understanding of Sharia banking operation.
- 1.9. All members of the BOD shall have the ability to perform strategic management in the framework of developing a healthy and strong Sharia Banking;
- 1.10. All members of the BOD shall have knowledge, understanding and ability in the implementation of risk management;
- 1.11. The Bank is obliged to conduct the GMS for the replacement of the BOD member of the BOD whom has not completed in accordance with the prevailing regulations.
- 1.12. Any proposal for replacement and/or appointment of the members of the BOD to the GMS by the BOC must observe the recommendation of the nomination and remuneration committee;
- 1.13. The majority of the BOD shall have at least 4 (four) years as an Executive Officer in Banking which is 1 (one) year as Executive Officer in Sharia Commercial Bank/Sharia Business Unit and its changes;
- 1.14. All member of the BOD must pass fit and proper test pursuant to OJK regulation concerning fit and proper test;
- 1.15. the Members of the BOD are prohibited from holding another position as BOC, BOD or Executive Officer in Bank, company and/or other institutions:
- a. The BOD who is responsible to carry out supervision on investment in a subsidiary company of Sharia Commercial Bank, performing the functional duty to become a member of the BOC in a non Bank subsidiary company controlled by a Sharia Commercial Bank; and/or
- b. The BOD holds positions in 2 (two) non-profit institutions.

- 1.16. Members of the BOD both individually or jointly are prohibited from owning shares of more than 25% (twenty five percent) from the paid up capital of the Bank and/or another company;
- 1.17. The majority members of the BOD are prohibited from having a family relationship up to second grade with their co-members of the BOD and/or members of the BOC;
- 1.18. Members of the BOD are prohibited to give power of attorney to other parties for assigning duties and functions as the BOD.

2. Independence

- 2.1. The BOD shall be Independent as defined and referred to in the GCG Policy;
- 2.2. The President Director shall be derived from an independent Party to Controlling Shareholder (PSP);
- 2.3. The Independent Criteria in accordance with the regulation of BI concerning GCG Implementation for Sharia Commercial Bank is a Party who does not have:
- a. Financial, management, share ownership and/or family relationship with the controlling shareholders, with other members of the BOC and/or members of the BOD;
 - b. Financial relationship and/or share ownership of Sharia Commercial Bank.
- 2.4. The Bank is obliged to no less than have 1 (one) Independent Director appointed through GMS in accordance with Indonesia Stock Exchange Rule No. I-A Kep 00001 /BEI/01-2014 concerning Amendment to Rule Number I-A concerning Listing of Share (Stock) and Equity typed securities stock issued by the Listed Company.
- 2.5. An Independent Director as defined to in point 2.4 is required as follows:
- a. Prohibited from having affiliated relationship with Controlling Shareholder at least 6 (six) months prior to the appointment as an Independent Director;

- b. Prohibited from having affiliated relationship with other Commissioners or Directors;
- c. Prohibited from holding concurrent position in another Company;
- d. Prohibited to be an Insider in the Institution or Capital Market Supporting professionals services which is provide its service to the Bank for at least 6 (six) months prior to the appointment as an Independent Director.

3. Board of Directors Duties and Responsibilities

- 3.1. The members of BOD are responsible for performing the Bank management function;
- 3.2. The members of the BOD must manage the Bank in accordance with authority and responsibility as stipulated in the Articles of Association and prevailing laws and regulations;
- 3.3. The members of the BOD must implement the principles of GGC in every activity of Bank's business at all organization level or hierarchy;
- 3.4. The members of the BOD must follow up findings and recommendations from Bank's Internal Audit Unit ("SKAI"), the Sharia Supervisory Board ("DPS"), External Auditor, OJK and/or other authority supervision result;
- 3.5 In order to comply with the principle of GCG Policy, the members of the BOD shall form at least the following:
 - a. Internal Audit Working Unit;
 - b. Risk Management Working Unit;
 - c. Risk Management Committee;
 - d. Compliance Working Unit.
- 3.6 The members of the BOD must conduct Annual GMS and other GMS as stipulated in regulations or Articles of Association;

This material is CONFIDENTIAL and shall only be used by PT Bank Tabungan Pensiunan Nasional Syariah Tbk. Duplicating and publishing thereof in any form whatsoever, either electronically or mechanical including copying or retaining in any other form is prohibited, distributing this material to any other parties without written approval from PT Bank Tabungan Pensiunan Nasional Syariah Tbk is also prohibited.	Examined Initial:
	Page 6 of 18
THIS DOCUMENT IS NOT GUARANTEED TO BE ACCURATE WHERE IT IS PRINTED OR COPIED UNLESS IT IS STAMPED "COPY"	

- 3.7. The members of the BOD must be responsible for the implementation of its duties to Shareholders through GMS;
- 3.8. The BOD must disclose the Bank's strategic policy on employee related matters to the employees;
- 3.9. The members of the BOD are prohibited from having an individual advisor and/or professional service as a consultant unless if the following requirements are met:
- a. project with special characteristic;
 - b. Based on a clear contract at least work scope, responsibilities, work period and fee involved;
 - c. The consultant shall be an independent party having a qualification to work on a project with a special characteristic as referred above.
- 3.10. The members of the BOD must provide accurate, relevant and timely data and information to the BOC;
- 3.11. The member of the BOD is able to establish committee in order to support the effectiveness of their duties and responsibilities;
- In the event of establishing committee, the member of the BOD must conduct evaluation on the committee performance in every book year end;
- 3.12. In the undertaking of internal audit function, the Board of Directors is the responsible to:
- a. Develop the internal control framework to identify, measure, monitor and control all the risks in the Bank;
 - b. Ensure that Internal Audit Unit has all the information about the on going development, project initiatives, products and operational changes including all the identified and anticipated risks;
 - c. Ensure that the right corrective actions for improvement are implemented.

4. Role of the President Director

Without prejudice to the rights of the member of BOD as stipulated in the Articles of Association and other applicable regulation, President Director is authorized to do the followings:

- 4.1. Coordinating the activities of the BOD and to ensure the effectiveness of the job assignment amongst the members of the BOD;
- 4.2. Set the meeting schedule and determine the priorities and responsibility agenda of the BOD;
- 4.3. Determine meeting invitation;
- 4.4. Ensuring the adequacy and availability of information prior to decision making;
- 4.5. In the event of deadlock, President Directors resolves the decision.

5. Compliance Director

- 5.1. Bank is obliged to have a Director who oversees the Compliance Function;
- 5.2. Compliance Director is obliged to meet requirement of independency;
- 5.3. President Director and/or Deputy President Director are prohibited from holding concurrent position as a Director who oversees the Compliance Function;
- 5.4. Compliance Director is prohibited from overseeing the following functions:
 - a. Business and operation;
 - b. Risk Management who performs decision-making on Bank business activities;
 - c. Treasury;
 - d. Finance and accounts;
 - e. Logistics and goods/services procurement;
 - f. Information and Technology;

g. Internal Audit.

- 5.5. The appointment, dismissal and/or the resignation of a Director who oversees the Compliance Function refers to the provisions regarding the appointment, dismissal and/or the resignation of a member of the BOD referred to prevailing regulation of OJK regarding Sharia Commercial Banks;
- 5.6. In the event of Compliance Director is not able to perform its job duty for more than 7 (seven) consecutive working days, the execution of task and duty concerning compliance must be replaced temporarily by other Directors until the Compliance Director is able to perform its duty again;
- 5.7. In the event of Compliance Director is unable to perform its duty permanently, resigned or expired term of office, the Bank shall appoint the replacement of Compliance Director no later than 6 (six) months upon the Director in charge of the Compliance function does not presence permanently, resigns or his/her term of office expires;
- 5.8. In the transition process of the Compliance Director, Bank appoint one of other Directors to perform Compliance Function duty temporarily;
- 5.9. The temporary Compliance Director should meet the prevailing condition as stated in point (5.4);
- 5.10. In the event of another Director as referred to in point (5.9) is not present, the position of the Director in charge of the Compliance function may be temporarily concurred by other Directors in charge of functions as referred in point (5.4);
- 5.11. The temporary replacement of the Compliance Director should be reported to OJK.

6. Meeting

- 6.1. The Member of the BOD is obliged to conduct a BOD meeting at least 1 time in every month;
- 6.2. The meeting of the BOD shall be attended or represent by majority of all the BOD;
- 6.3. The BOD is obliged to conduct the BOD – BOC meeting periodically at least 1 (one) time in every 4 (four) month;
- 6.4. The BOD must establish agenda of meeting in the next year prior to book year end;
- 6.5. In the meeting which is been scheduled as referred to in point 6.4, the meeting material shall be disseminated to the participants within 5 (five) working days prior the meeting is conducted;
- 6.6. For non-regular scheduled meeting, the meeting documents must be disseminated to meeting participants at least prior to the meeting;
- 6.7. Every policy and strategic decision must be made in the BOD Meeting by considering to the prevailing regulation;
- 6.8. The BOD meeting will be chaired by the President Director, or in the absence of President Director by other member of the BOD appointed in the Meeting and no need to be proven to third parties;
- 6.9. The adoption of resolution in the BOD meeting shall be made on amicable deliberation;
- 6.10. In the case of amicable deliberation cannot be reached, the adoption of resolution shall be done by majority vote casting;
- 6.11. All resolutions of the BOD shall be binding upon Members;
- 6.12. Dissenting opinions occurring in the meetings of the BOD must be clearly contained in the minutes of meetings accompanied by the reasons for such dissenting opinions.
- 6.13. The resolutions of meetings of the BOD must be written clearly in minutes of meetings and documented properly:

This material is CONFIDENTIAL and shall only be used by PT Bank Tabungan Pensiunan Nasional Syariah Tbk. Duplicating and publishing thereof in any form whatsoever, either electronically or mechanical including copying or retaining in any other form is prohibited, distributing this material to any other parties without written approval from PT Bank Tabungan Pensiunan Nasional Syariah Tbk is also prohibited.	Examined Initial:
	Page 10 of 18
THIS DOCUMENT IS NOT GUARANTEED TO BE ACCURATE WHERE IT IS PRINTED OR COPIED UNLESS IT IS STAMPED "COPY"	

- a. Minutes of Meeting will be recorded by Corporate Secretary or appointed party in the Meeting, and shall be distributed amongst attended BOD members within 2 (two) working days after the meeting is held. The BOD shall be within a period of no later than 2 (two) working days upon receiving the Minutes of Meeting shall provide feedback. After the above period, the Minutes of Meeting is considered approved;
- b. The BOD minutes of the Meeting will be issued by Corporate Secretary or appointed party in the meeting and will be signed by all members of the BOD who attended the meeting;
- c. The resolution of the meeting as referred to in point 6.3 shall be written in the Minutes of Meeting, signed by Members of the BOD and Members of the BOC who attended the meeting and disseminated to all Members of the BOD and the BOC;
- d. In the event where there are members of the BOD and/or Members of the BOC who do not sign the resolution of the Meeting as referred to in point 6.13 paragraphs (2) and (3), the members concerned shall disclose the reasons in writing in a separate letter attached to the Minutes of Meeting.

6.14. Minutes of Meeting will be kept by the Bank Corporate Secretary and distributed to each member of the BOD based on the request of the members of the BOD;

6.15. Meeting invitation must be disseminated via electronic mail, posted letter or memo of delegation from the BOD to Corporate Secretary to deliver the meeting calendar to the BOD for the meeting schedule of the current year with the meeting schedule and agenda approved by the BOD;

6.16. The BOD Meeting is deemed quorum and authorized for binding adoption of decision if attended by more than ½ (half) of the Members or on behalf of the BOD;

- 6.17. A Director can be represented on her/his behalf by other co-members of the BOD based on the power of attorney letter. A member of the BOD may only represent 1 (one) other member of the BOD;
- 6.18. The BOD meeting can be held via telephone conference, video conference or any similar communication device system to enable all the BOD members attendance of the meeting, and hearing each other and participating one or another and can be represented as the presence of the BOD members in the meeting, the adoption of decisions must be written down and signed by the chairman of the meeting and one of the attended member of BOD who has been appointed formerly.
- 6.19. The decision made in the above conference communication is valid and has the same legal authority with the decision made on BOD meeting;
- 6.20. In the event of the teleconference or adoption of any similar communication device failed due to the system, the decisions made prior to the failed system will not be affected or members attended the meeting will not be considered casting vote due to failed system;
- 6.21. Minutes of the Meeting using this telephone conference or any similar communication device system must be written down and distributed amongst the attended BOD members for their approval and signature;
- 6.22. The members of the BOD are able to adopt the decision without conducting the BOD meeting, by informing all members of the BOD in writing and all members of the BOD approve the proposal submitted in writing by signing the Circular Resolution. The decision made has the same legal authority with the decision made in the BOD meeting.
- 6.23. Members of the BOD are not able to adopt any conflict of interest decision, unless it stated otherwise in the BOD meeting;

6.24. The Coordination Meeting of the BOD with the Sharia Supervisory Board shall be held periodically at least 3 (three) times a year. The BOD and/or the Sharia Supervisory Board may determine the minimum amount of meeting more than this provision as required and agreed.

7. Conflict of Interest

- 7.1. In the event of conflict of interest occurred, the member of BOD is prohibited to take action nor disadvantage the Company which may inflict losses or reduce the profit of the Company and the disclosure above-stated conflict of interest is an obligatory;
- 7.2. The conflict of interest disclosure should be stated in the minutes of meeting covering at least the conflict of interest party name, the issue of conflict of interest and underlying consideration of resolution of such as decision.

8. Transparency/Disclosure

The members of the BOD shall disclose the following in the GCG report:

- a. Any share ownership of the Bank;
- b. Any share ownership of 5% (five percent) or more, in other relevant bank or in the other banks and companies domiciled within and outside Indonesia;
- c. Financial and family relationships with the other members of the BOC, members of the BOD and/or Bank's controlling shareholders;
- d. Their remuneration and facilities received from the Bank.

9. Term of office

- 9.1. Members of the BOD are appointed for a 3 (three) years period, and can be re-appointed;

This material is CONFIDENTIAL and shall only be used by PT Bank Tabungan Pensiunan Nasional Syariah Tbk. Duplicating and publishing thereof in any form whatsoever, either electronically or mechanical including copying or retaining in any other form is prohibited, distributing this material to any other parties without written approval from PT Bank Tabungan Pensiunan Nasional Syariah Tbk is also prohibited.	Examined Initial:
	Page 13 of 18
THIS DOCUMENT IS NOT GUARANTEED TO BE ACCURATE WHERE IT IS PRINTED OR COPIED UNLESS IT IS STAMPED "COPY"	

- 9.2. In the event of being required or there is a condition that requires a member of the BOD to be appointed more than 2 (two) terms of office, then the Nomination and Remuneration Committee shall convey the reasons and considerations for such decision to the BOC to be submitted in GMS;
- 9.3. In the event of the BOD resignation, member of the BOD is obliged to submit the resignation to the Bank;
- 9.4 The official position of the BOD shall automatically be terminated, if such member of the BOD:
- a. Resigns;
 - b. Deceased; or
 - c. Dismissed by virtue of a resolution of GMS; or
 - d. No longer meets the requirements of the prevailing regulations.
- 9.5. A member of the BOD shall be entitled to resign from his/her position by notifying his/her such resignation to the Bank.
- 9.6. The Bank is obliged to convene the GMS to decide on the BOD resignation submission at least 90 (ninety) days upon the receipt of it.
- 9.7. A member of the BOD should submit the resignation as the member of the BOD to the Bank if he/she is involved in a financial crime as referred in the prevailing regulations.
- 9.8. A member of the BOD who has submitted a written notice concerning his/her resignation is prohibited to make any decision which legally bind and affect Bank's financial condition.
- 9.9. A member of BOD is not authorized to represent the Bank if :
- a. there are lawsuit in the courts between the Bank and the respective BOD; and
 - b. the respective BOD has conflict of interest with the Bank.

- 9.10. Should there are circumstances referred to in points (9.8), the entitled representation of Bank i.e.:
- a. Other BOD members who are have no conflict of interest with the Bank;
 - b. The BOC in regards to all members of the BOD have conflict of interest with the Bank; or
 - c. Other parties appointed by GMS in the event of all members of the BOD or the BOC have a conflict of interest with the Bank.

10. Report to the Parent Company

- 10.1. The BOD shall submit the Bank Progress Report, including but not limited to Financial Performance, Good Corporate Governance Implementation and the Internal Control System and Risk Management Implementation to the Parent Bank and Shareholders;
- 10.2. The BOD shall submit the report as mentioned in point 10.1 above periodically at least once in 3 (three) month, by way of the BOD meeting of the Parent Bank, or other media;
- when required, periodic reviews or reporting submission shall be conducted from time to time, upon the request of the BOD of the Parent Bank or upon the request of other Shareholders, upon the requirement of BTPN Syariah.

11. Stakeholders Relation

- 11.1. The President Director represents the BOD in relation with the stakeholders;
- 11.2. Other Directors are able to represent the BOD in relation with the stakeholders, to the extent as part of the responsibilities of the Directors, and acknowledged by the President Director;

This material is CONFIDENTIAL and shall only be used by PT Bank Tabungan Pensiunan Nasional Syariah Tbk. Duplicating and publishing thereof in any form whatsoever, either electronically or mechanical including copying or retaining in any other form is prohibited, distributing this material to any other parties without written approval from PT Bank Tabungan Pensiunan Nasional Syariah Tbk is also prohibited.	Examined Initial:
	Page 15 of 18
THIS DOCUMENT IS NOT GUARANTEED TO BE ACCURATE WHERE IT IS PRINTED OR COPIED UNLESS IT IS STAMPED "COPY"	

11.3. In related with media relations, the member of the BOD may only represent the BOD and/or the Bank, upon obtaining approval from the President Director or party/unit appointed by the President Director;

11.4. Members of the BOD are not able to respond the charges, reprimands and/or complaints received as a member of the BOD of Bank-related issues as individually and independently, and shall immediately forward such correspondence to the Corporate Secretary.

12. Work Ethics

12.1. The member of the BOD are prohibited from using the Bank for their own interest, the interests of their families and/or other parties to the potential detriment of or with a view to reducing the bank's benefits;

12.2. The Members of the BOD are prohibited from taking and/or receiving personal benefits from the bank other than remuneration and other facilities determined by the GMS;

12.3. Each member of the BOD shall in Compliance with Code of Conduct, Values and Code of Ethics that applies in the Bank;

12.4. Each member of the BOD is obliged to obey the law and regulation, the Articles of Association, GCG Manual and other prevailing policy.

13. Working Hour

Working hour is time when member of the BOD attend in work place to perform its management functions.

This material is CONFIDENTIAL and shall only be used by PT Bank Tabungan Pensiunan Nasional Syariah Tbk. Duplicating and publishing thereof in any form whatsoever, either electronically or mechanical including copying or retaining in any other form is prohibited, distributing this material to any other parties without written approval from PT Bank Tabungan Pensiunan Nasional Syariah Tbk is also prohibited.	Examined Initial:
	Page 16 of 18
THIS DOCUMENT IS NOT GUARANTEED TO BE ACCURATE WHERE IT IS PRINTED OR COPIED UNLESS IT IS STAMPED "COPY"	

14. Training

In order to enhance the competence and support the performance of the duties and responsibilities the members of the BOD participate in Induction Program particularly for a new member of BOD and Refreshment Program consisting of:

- a. Regular Update, i.e. updating new laws and regulations;
- b. Macro Update, i.e. macro economy update or other relevant issues;
- c. Development, i.e. various training programs for members of the BOD;
- d. Other Refreshment Programs which obliged by prevailing laws and regulations.

15. Miscellaneous

15.1. The BOD are required to conduct at least once a year and propose any amendments if necessary;

14.2. The BOD are required to conduct self-assessment to assess the performance of the BOD, at least once a year.

This working guidelines shall become effective since the date of its promulgation.

Jakarta, April 1, 2019

PT Bank Tabungan Pensiunan Nasional Syariah Tbk
The Board of Directors

Approved by,

Signed

Ratih Rachmawaty

President Director/Independent Director

Signed

Mulia Salim

Vice Director

Signed

M. Gator Adhi Prasetyo

Director

Signed

Taras Wibawa Siregar

Director

Signed

Arief Ismail

Director