



**THE EXPLANATION OF  
THE ANNUAL GENERAL MEETING OF SHAREHOLDERS  
PT BANK DANAMON INDONESIA TBK**

**Agenda 1**

- i. Approval of the Company's annual report for financial year ended on 31 December 2019;**
- ii. Approval/validation of the Company's consolidated financial statement for the financial year ended on 31 December 2019; and**
- iii. Approval/validation of the supervisory report of the Company's Board of Commissioners for the financial year ended on 31 December 2019.**

Observing Article 18 and Article 20 of the Company's Articles of Association in conjunction with Article 66, Article 67, Article 68, and Article 69 of the Law No.40 of 2007 on the Limited Liability Company ("Company Law"): to propose to the AGMS to (i) approve the annual report for financial year ended on 31 December 2019; (ii) approve/validate the consolidated financial statements for financial year ended on 31 December 2019 which was audited by the Public Accountants Firm of Tanudiredja, Wibisana, Rintis & Rekan (a member firm of global network of PwC) as described in the Independent Auditor's Report of 27 Januari 2020, Number 00020/2.1025/AU.1/07/0222-3/1/I/2020, with an unmodified opinion opinion; (iii) approve/validate the supervisory report of the Board of Commissioners of the Company for the financial year ended on 31 December 2019; and (iv) acquit and discharge (volledig acquit en decharge) the Board of Directors of the Company and the Board of Commissioners of the Company for their management and supervision in the financial year ended on 31 December 2019, provided that the management and supervision actions are reflected in the Company's annual report for the financial year ended on 31 December 2019.



## **Agenda 2**

**Determination on the appropriation of the Company's profit for the financial year ended on 31 December 2019.**

Observing Article 20 paragraph 2 (b) and Article 25 of the Company's Articles of Association in conjunction with Article 70 and Article 71 of the Company Law: to propose to the AGMS to approve the determination on the appropriation of the Company's net profit for the financial year ended on 31 December 2019 to be allocated as reserve fund, distributed as dividend, and the remaining amount of the net profit which is not determined shall be posted as retained earnings.

The Company profit acquired in financial year ended at 31 December 2019 was IDR4.073.453 million.

On this agenda, the Company will seek for the AGMS' approval for the appropriation of the Company's net profit for the financial year ended at 31 December 2019, namely: 1% will be set aside as reserve fund, 35% of net profit will be distributed as regular dividend, 10% of net profit will be distributed as special dividend related to proceed from PT Asuransi Adira Dinamika Tbk divestment, and the remaining the net profits to be booked as retained earnings.

## **Agenda 3**

**Appointment of the Public Accountant and Public Accounting Firm for financial year 2020.**

Observing Article 20 paragraph 2 (c) of the Company's Articles of Association in conjunction with Article 68 of the Company Law: to propose to the AGMS to appoint Lucy Luciana Suhenda, SE. Ak. CPA as Public Accountant and Tanudiredja, Wibisana, Rintis & Rekan (a member firm of PwC global network) as the Public Accounting Firm, which is registered in the Indonesia Financial Services Authority to audit the Company's consolidated financial statement for financial year 2020.



#### **Agenda 4**

- i. Determination of the remuneration or honorarium, bonus/tantieme, and other allowance of the Company's Board of Commissioners members and Sharia Supervisory Board members; and**
- ii. Determination of the remuneration and allowance, bonus/tantieme, and/or other benefits of the Company's Board of Directors members.**

Observing Article 11 paragraph 6, Article 14 paragraph 8, and Article 20 paragraph 2 (e) of the Company's Articles of Association in conjunction with Article 96 and Article 113 of the Company Law: to propose to the AGMS to approve and determine the remuneration or honorarium, bonus/tantieme, and/or other allowance for the members of the Board of Commissioners and Sharia Supervisory Board of the Company; and to approve the delegation of authority to the Board of Commissioners of the Company in determining the portion of remuneration or honorarium, bonus/tantieme, any other benefits for the members of the Board of Directors of the Company.

#### **Agenda 5**

**Appointment of the members of Board of Directors, Board of Commissioners and Sharia Supervisory Board of the Company in relation to the expiration of their office term.**

In accordance (i) Article 3 and Article 23 POJK Number 33/POJK.04/2014 regarding Board of Directors and Board of Commissioners of the Company or Public Company and (ii) Article 11 paragraph 2 and Article 14 paragraph 2 Articles of Association arrange that the member of Board of Directors/Board of Commissioner are appointed and dismissed by the General Meeting of Shareholders. The appointment is effective from the date specified in the General Meeting of Shareholders in which they are appointed and ends at the closing of the 3rd AGMS after the date of their appointment.

In accordance Article 45 paragraph 2 Bank Indonesia Regulation Number 11/33/PBI/2009 regarding Implementation of Good Corporate Governance for Commercial Banks of Sharia



and Islamic Sharia Business Unit (“PBI GCG Sharia”), the maximum office term of members of the Sharia Supervisory Board is the same as the office term of the members of the Board of Directors or the Board of Commissioner.

Furthermore by referring to the Article 6 paragraph 1 POJK Number 55 year 2016, Article 27 paragraph 1 POJK Number 55 year 2016, and Article 45 paragraph 1 PBI GCG Sharia, the proposed appointment and/or replacement of members of the Board of Directors or Board of Commissioners or the Sharia Supervisory Board to the AGMS is conducted by taking into account the recommendation from Remuneration Committee and Nomination Committee.

The office term of the incumbent Board of Directors, Board of Commissioners and Sharia Supervisory Board expire at the AGMS year 2020.

In this regard, the Company will propose to the AGMS to approve the reappointment of all members of the Board of Directors, the Board of Commissioners and the Sharia Supervisory Board whose office term expire at the AGMS year 2020, for the period until the closing of the Company’s AGMS to be held in 2023.

**Agenda 6**

**Information concerning the Shares Ownership Program Plan for Employee and Management of the Company;**

The Company will convey to the Meeting regarding the Share Ownership Program Plan for Company's Employees and Management. This program is a purchase of the Company's shares by Employees and Management using funds provided by the Company.

**Agenda 7**

**Realization Report regarding the Use of Proceeds from the Bond Public Offering.**

Observing Article 6 paragraph (1) of the Financial Services Authority Regulation No. 30/POJK.04/2015 (“POJK 30”) concerning the Report on Realization of Use of Proceeds from



Public Offering, the Company will submit to the Meeting on Report on the Realization of Use of Proceeds of the Public Offering of Bank Danamon Shelf Registration I Phase I year 2019.

In this regard, in order to comply with POJK 30 regulations, the Company will convey to the Meeting that funds obtained from Public Offering of Bank Danamon Shelf Registration I Phase I year 2019 amounting to Rp1,990,434 million (after deducting public offering costs) entirely has been used for lending and increasing the Company's liquidity in accordance with plan as disclosed in the prospectus.

This report has also been submitted to the Financial Services Authority (OJK) through letter No.B.253.Corp.Sec. on 3 December 2019.