ICBC

Moving Forward
to Secure the Future

2019

Laporan Tahunan | Laporan Keberlanjutan
Annual Report | Sustainability Report

Moving Forward
to Secure the Future

Tahun 2019 menjadi tahun yang penuh tantangan bagi PT Bank ICBC Indonesia. Perekonomian global yang tidak stabil pada 2019 cukup berdampak terhadap industri perbankan nasional. Namun demikian, Bank senantiasa berkomitmen melakukan pengembangan atas inovasi produk dan layanan yang berorientasi kepada nasabah, sejalan dengan visi Bank untuk menjadi bank lokal terkemuka dengan layanan, kinerja, dan kontribusi terbaik.

Oleh karena itu, untuk menghadapi masa depan industri perbankan yang semakin kompetitif, pada 2019 Bank cenderung mengarahkan fokus kepada pengembangan sistem teknologi informasi yang mutakhir yang dapat memudahkan nasabah sekaligus meningkatkan keamanan transaksi. Strategi ini juga didukung oleh peningkatan dan pengembangan kapabilitas SDM serta penyempurnaan aspek tata kelola perusahaan yang baik, di antaranya meliputi aspek kepatuhan dan manajemen risiko, yang diyakini dapat menciptakan ekosistem bisnis yang sehat dan berkualitas.

Dengan senantiasa beradaptasi menghadapi perubahan dan kondisi ekonomi yang kerap penuh tantangan, pada 2019 Bank berhasil mencatatkan pencapaian laba sebelum pajak penghasilan sebesar Rp116,15 miliar. Berbekal pencapaian pada 2019 dan pengalaman panjang Bank dalam industri perbankan, Bank akan senantiasa bergerak maju dan menunjukkan kinerja positif pada masa mendatang.

2019 was a challenging year for PT Bank ICBC Indonesia. The unstable global economy in 2019 delivered quite an impact on the national banking industry. However, The Bank has always been committed to developing customer-oriented innovative products and services, which are in line with The Bank's vision to be a leading local bank with the best service, performance and contribution.

In facing the increasingly competitive future of the the banking industry, in 2019, The Bank tended to focus on developing the latest information technology systems that could facilitate customers while increasing the transaction security. This strategy was also supported by enhancing and developing HR capabilities as well as improving the aspects of good corporate governance, including aspects of compliance and risk management, which were believed to create a healthy and qualified business ecosystem.

By constantly adapting to changes and challenging economic conditions, in 2019 The Bank managed to book an income before income tax of Rp116.15 billion. Armed with achievements in 2019 and its extensive experience in the banking industry, The Bank will always moving forward and presenting positive performance in the future.

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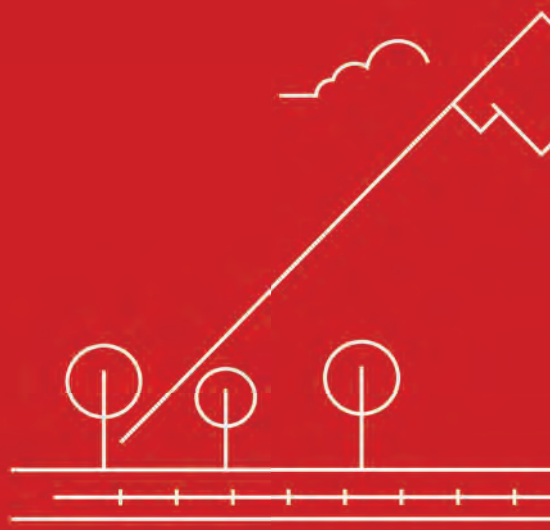


01

RINGKASAN KINERJA
KEUANGAN 2019
Financial Performance Highlights 2019

Rp6,02 **triliun** | *trillion*

Ekuitas
Equity

Ekuitas Bank meningkat sebesar Rp106,60 miliar atau tumbuh 1,80% menjadi Rp6,02 triliun, dari tahun sebelumnya sebesar Rp5,92 triliun.
The Bank's equity increased by Rp106.60 billion or grew 1.80% to Rp6.02 trillion from the previous year figure of Rp5.92 trillion.

Rp35,28 **triliun** | *trillion*

Kredit
Loans

Kredit Bank menurun 3,46% di tahun 2019 menjadi Rp35,28 triliun dari Rp36,54 triliun pada tahun 2018.
The Bank's loans decreased by 3.46% in 2019 to Rp35.28 trillion from Rp36.54 trillion in 2018.

Rp1,87 **triliun** | *trillion*

Pinjaman Subordinasi
Subordinated Loans

Pinjaman subordinasi Bank meningkat 53,33% di tahun 2019 menjadi Rp1,87 triliun dari sebelumnya Rp1,22 triliun pada tahun 2018.
The Bank's subordinated loans increased by 53.33% in 2019 to Rp1.87 trillion from Rp1.22 trillion in 2018.

Rp53,10 triliun | *trillion*

Aset
Assets

Total aset Bank pada tahun 2019 mencapai Rp53,10 triliun atau 3,12% menurun dari tahun sebelumnya sebesar Rp54,82 triliun.
The Bank's total assets reached Rp53.10 trillion in 2019 or 3.12% decreased from the previous year of Rp54.82 trillion.

Rp106,60 miliar | *billion*

Laba Komprehensif
Comprehensive Income

Bank membukukan laba komprehensif sebesar Rp106,60 miliar di tahun 2019.
The Bank booked comprehensive income of Rp106.60 billion in 2019.

Rp27,06 triliun | *trillion*

Dana Pihak Ketiga
Third Party Funds

Giro, tabungan, dan deposito mengalami penurunan berturut-turut sebesar 29,44%, 5,03%, dan 5,91% dibandingkan tahun 2018, dengan total dana pihak ketiga pada tahun 2019 sebesar Rp27,06 triliun.
Current accounts, saving accounts, and time deposits decreased consecutively by 29.44%, 5.03%, and 5.91% compared to 2018 result, with the total third party funds amounting to Rp27.06 trillion in 2019.

IKHTISAR **KEUANGAN**
Financial Highlights

dalam Rp juta | *in Rp million*

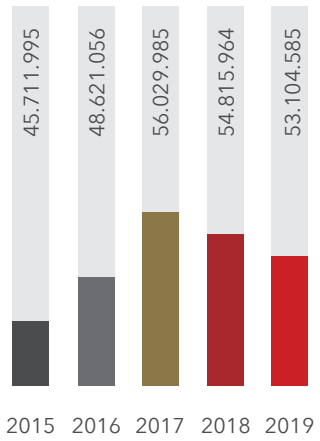
Uraian	2019	2018	2017	2016	2015	*Description*
LAPORAN POSISI KEUANGAN						*STATEMENT OF FINANCIAL POSITION*
ASET						*ASSETS*
Kas	79.587	63.490	88.399	85.086	117.849	*Cash*
Giro pada Bank Indonesia	3.144.733	3.848.283	3.888.038	3.231.563	3.437.641	*Current accounts with Bank Indonesia*
Giro pada bank-bank lain	3.622.465	3.456.397	3.314.446	2.294.992	2.661.773	*Current accounts with other banks*
Penempatan pada Bank Indonesia dan bank-bank lain	2.400.863	5.410.777	5.135.049	1.850.355	3.306.914	*Placements with Bank Indonesia and other banks*
Aset derivatif	46.513	267.422	5.980	10.963	24.289	*Derivative assets*
Tagihan akseptasi	200.815	595.160	1.519.878	1.170.532	1.566.045	*Acceptance receivables*
Efek-efek yang dibeli dengan janji dijual kembali	3.513.004	-	-	-	-	*Securities purchased under agreements to resell*
Efek-efek untuk tujuan investasi	3.714.365	3.791.167	6.248.877	6.286.166	4.058.933	*Investment securities*
Kredit yang diberikan	35.276.096	36.542.280	35.068.608	33.031.655	29.841.876	*Loans receivables*
Aset tetap	264.650	246.968	280.695	321.486	371.887	*Fixed assets*
Aset pajak tangguhan	590.605	287.435	182.684	-	-	*Deferred tax assets*
Aset lain-lain	250.889	306.585	297.331	338.258	324.788	*Other assets*
Jumlah Aset	53.104.585	54.815.964	56.029.985	48.621.056	45.711.995	*Total Assets*
LIABILITAS DAN EKUITAS						*LIABILITIES AND EQUITIES*
LIABILITAS						*LIABILITIES*
Liabilitas segera	2.564	2.355	6.544	2.000	7.788	*Liabilities immediately payable*
Simpanan nasabah	27.061.513	30.588.043	33.044.505	24.748.652	21.881.353	*Deposits from customers*
Simpanan dari bank-bank lain	3.731.791	2.227.491	4.235.045	4.205.683	5.911.484	*Deposits from other banks*
Liabilitas derivatif	15	538	2.865	5.494	5.070	*Derivative liabilities*
Efek-efek yang dijual dengan janji dibeli kembali	2.298.580	-	88.979	263.690	486.564	*Securities sold under agreements to repurchase*
Liabilitas akseptasi	200.815	595.160	1.519.878	1.170.532	1.566.045	*Acceptance payables*
Utang pajak penghasilan	271.546	3.972	174.068	251.325	9.349	*Income tax payables*
Pinjaman yang diterima	11.222.532	13.780.073	2.858.866	5.013.287	3.207.000	*Borrowings*
Efek-efek yang diterbitkan	-	-	6.783.641	6.969.670	7.124.322	*Securities issued*
Liabilitas pajak tangguhan	-	-	-	17.237	119.942	*Deffered tax liabilities*
Liabilitas lain-lain dan beban yang masih harus dibayar	417.777	479.320	380.259	402.022	386.880	*Other liabilities and accrued expenses*
Pinjaman subordinasi	1.874.138	1.222.300	1.153.238	1.145.163	1.171.725	*Subordinated loans*
Jumlah Liabilitas	47.081.271	48.899.252	50.247.888	44.194.755	41.877.522	*Total Liabilities*

dalam Rp juta | in *Rp million*

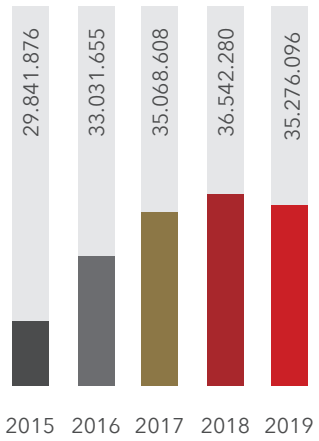
Uraian	2019	2018	2017	2016	2015	*Description*
EKUITAS						*EQUITY*
Modal saham	3.706.150	3.706.150	3.706.150	2.692.250	2.692.250	*Share capital*
Dana setoran modal	-	-	-	15.500	15.500	*Advance for future shares subscription*
Cadangan nilai wajar – bersih	12.988	(16.121)	1.993	(18.474)	(63.005)	*Fair value reserve – net*
Saldo laba	2.304.176	2.226.683	2.073.954	1.737.025	1.189.728	*Retained earnings*
Jumlah Ekuitas	6.023.314	5.916.712	5.782.097	4.426.301	3.834.473	*Total Equity*
Jumlah Liabilitas dan Ekuitas	53.104.585	54.815.964	56.029.985	48.621.056	45.711.995	*Total Liabilities and Equity*
LAPORAN LABA RUGI KOMPREHENSIF						*COMPREHENSIVE INCOME (LOSS)*
PENDAPATAN DAN BEBAN OPERASIONAL						*OPERATING INCOME AND EXPENSES*
Pendapatan bunga	3.039.968	3.178.646	3.017.384	2.653.680	2.367.189	*Interest income*
Beban bunga	(2.141.153)	(2.073.643)	(1.722.565)	(1.439.805)	(1.356.574)	*Interest expense*
Pendapatan bunga bersih	898.815	1.105.003	1.294.819	1.213.875	1.010.615	*Net interest income*
Pendapatan operasional lainnya	435.555	418.292	453.081	442.849	312.756	*Other operating income*
Beban kerugian penurunan nilai aset keuangan - bersih	(724.888)	(841.992)	(783.417)	(380.147)	(250.439)	*Impairment losses on financial assets - net*
Beban operasional	(493.335)	(476.315)	(535.957)	(537.233)	(538.304)	*Operating expenses*
Laba Sebelum Pajak Penghasilan	116.147	204.988	428.526	739.344	534.628	*Income Before Income Tax*
Beban pajak penghasilan	(36.784)	(57.232)	(117.210)	(192.433)	(145.876)	*Income tax expense*
Laba Bersih	79.363	147.756	311.316	546.911	388.752	*Net Income*
PENDAPATAN KOMPREHENSIF LAINNYA						*OTHER COMPREHENSIVE INCOME*
Penghasilan Komprehensif Lain Setelah Pajak Penghasilan	27.239	(13.141)	18.422	44.917	(39.473)	*Other Comprehensive Income, Net of Income Tax*
Jumlah Laba Komprehensif	106.602	134.615	329.738	591.828	349.279	*Total Comprehensive Income*

dalam Rp juta | *in Rp million*

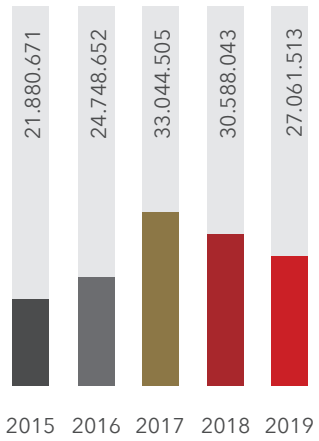
JUMLAH ASET
Total Assets



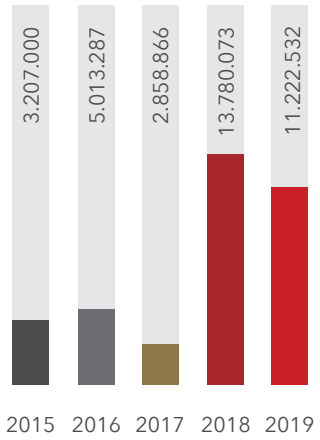
KREDIT YANG DIBERIKAN
Loans Receivables



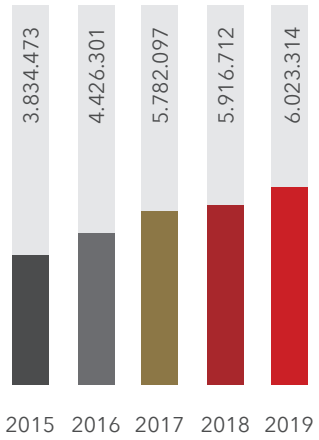
DANA PIHAK KETIGA
Third Party Funds



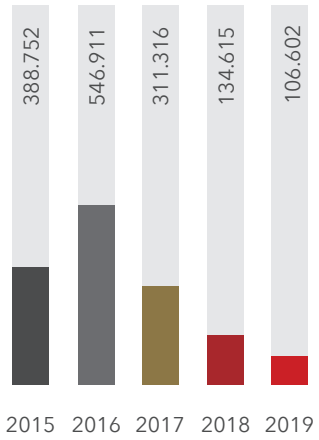
PINJAMAN YANG DITERIMA
Borrowings



JUMLAH EKUITAS
Total Equity



LABA BERSIH
Net Income



RASIO KEUANGAN UTAMA
Key Financial Ratio

dalam persentase | *in percentage*

Uraian	2019	2018	2017	2016	2015	*Description*
PERMODALAN						*CAPITAL*
Rasio Kecukupan Pemenuhan Modal Minimum	21,6	16,4	17,7	15,9	14,4	*Capital Adequacy Ratio*
AKTIVA TETAP TERHADAP MODAL						*FIXED ASSETS TO EQUITY*
Rasio Kredit Bermasalah - Bruto	3,1	3,6	2,9	3,1	5,2	*Non-Performing Loan (NPL) – Gross*
Rasio Kredit Bermasalah - Bersih	1,8	2,5	2,1	2,1	4,2	*Non-Performing Loan (NPL) – Net*
Aset Produktif Bermasalah Terhadap Total Aset Produktif	2,3	2,8	2,0	2,4	3,9	*Classified Earning Asset to Total Earning Assets*
RENTABILITAS						*PROFITABILITY*
Rasio Kredit terhadap Dana Pihak Ketiga	130,1	119,3	105,9	135,2	137,9	*Loan to Deposit Ratio (LDR)*
Tingkat Pengembalian atas Aset	0,2	0,3	0,8	1,6	1,2	*Return on Asset (ROA)*
Tingkat Pengembalian atas Ekuitas	1,5	2,2	6,2	16,1	12,4	*Return on Equity (ROE)*
Marjin Bunga Bersih	2,0	2,4	3,0	3,2	2,9	*Net Interest Margin (NIM)*
Biaya Operasional terhadap Pendapatan Operasional (BOPO)	92,8	96,8	89,4	81,0	83,1	*Operating Expense to Operating Income (BOPO)*
KEPATUHAN						*COMPLIANCE*
Giro Wajib Minimum – Rp	6,1	6,7	6,9	6,8	7,9	*Statutory Reserves – IDR*
Giro Wajib Minimum – Valas	8,1	8,9	8,7	8,4	9,0	*Statutory Reserves – Forex*
Posisi Devisa Netto	2,1	1,1	0,6	0,5	2,9	*Net Open Position*

IKHTISAR BISNIS DAN OPERASIONAL
Business and Operational Highlights

Komponen	2019	2018	2017	2016	2015	*Component*
Jumlah Kantor Cabang	19	19	20	21	22	*Number of Branch Office*
Jumlah ATM	29	30	30	31	31	*Number of ATM*
Jumlah Nasabah	40.127	37.472	34.047	31.109	27.421	*Number of Customer*
Jumlah Karyawan	585	595	649	701	763	*Number of Employee*
Tingkat Kesehatan Bank	2	2	2	2	2	*Bank Soundness Level*
Hasil *Self-Assessment* GCG	2	2	2	2	2	*GCG Self-Assessment Result*

IKHTISAR **SAHAM**
Stock Highlights

Bank bukan merupakan perusahaan terbuka, sehingga sampai dengan dipublikasikannya Laporan Tahunan 2019 ini, Bank tidak menerbitkan saham kepada publik.

The Bank is not a public listed entity, thereby as of the publication of this 2019 Annual Report, The Bank has not issued any shares for public ownership.

IKHTISAR **OBLIGASI**
Bonds Highlights

Bank bukan merupakan perusahaan terbuka, sehingga sampai dengan dipublikasikannya Laporan Tahunan 2019 ini, Bank tidak menerbitkan obligasi kepada publik.

The Bank is not a public listed entity, thereby as of the publication of this 2019 Annual Report, The Bank has not issued any bonds for public ownership.

PROYEK **PEMBIAYAAN 2019**

2019 Financing Projects

Pembiayaan Sindikasi kepada PT Sarananeka Indah Pancar

Syndicated Financing for PT Sarananeka Indah Pancar

Bank turut serta dalam pembiayaan sindikasi kepada PT Sarananeka Indah Pancar, yang merupakan anak perusahaan dari PT Ciputra Development, Tbk untuk pembangunan *office space*, *condominium*, dan *serviced apartment* Ciputra World 2 Jakarta (CW2J). CW2J terletak di area seluas 3,2 Ha yaitu di Jalan Prof. Dr. Satrio Kav. 11, Jakarta Selatan.

Pengembangan CW2J terdiri dari 2 (dua) tahap atau fase. Fase pertama meliputi pembangunan (i) menara kantor, (ii) menara kondominium The Orchard, dan (iii) menara *serviced apartment* dan kondominium The Residence. Sedangkan fase kedua masih dalam tahap desain dan pengembangan, dimana direncanakan akan dibangun hotel bintang lima yaitu Hotel W.

The Bank participated in syndicated financing to PT Sarananeka Indah Pancar, which is a subsidiary of PT Ciputra Development, Tbk for the construction of office spaces, condominium units, and serviced apartments of Ciputra World 2 Jakarta (CW2J). CW2J is set on a 3.2 Ha site and located in Jalan Prof. Dr. Satrio Lot 11, South Jakarta.

The development of CW2J comprises 2 (two) phases. The first phase includes the construction of (i) office tower, (ii) The Orchard condominium tower, and (iii) The Residence serviced apartment and condominium tower. Meanwhile the second phase is still in the stage of design and development that will house the five star hotel named W Hotel.

Pembiayaan Bilateral kepada PT Royal Pacific Nusantara

Bilateral Financing for PT Royal Pacific Nusantara

Bank membiayai PT Royal Pacific Nusantara yang digunakan untuk pembiayaan pembangunan Renaissance Bali Nusa Dua Hotel and Villa di bawah *brand* Marriott Vacation Club International.

The Bank financed PT Royal Pacific Nusantara for the construction of the Renaissance Bali Nusa Dua Hotel and Villa under the Marriott Vacation Club International brand.

Proyek High Speed Railway (HSR) Jakarta-Bandung

Jakarta-Bandung High Speed Railway (HSR) Project

China telah dipilih oleh Pemerintah Indonesia, mengalahkan Jepang, untuk membangun jalur kereta cepat pertama di Indonesia. Pemilik proyek adalah PT Kereta Cepat Indonesia China (PT KCIC) dan konsorsium utamanya adalah Konsorsium Kontraktor Kereta Api Berkecepatan Tinggi (HSRCC) yang terdiri atas 7 anggota. Total panjang proyek adalah sekitar 150 km, termasuk empat stasiun di Halim, Karawang, Walini, Tegalalur, dan bengkel pemeliharaan terpadu depot EMU di Tegalalur yang menghubungkan ibu kota Jakarta ke pusat tekstil di Bandung, Jawa Barat.

Bank ICBC Indonesia bersama dengan ICBC Cabang Tokyo menyediakan Pendanaan Piutang Usaha Sindikasi (Fasilitas *Revolving*) sejumlah USD50 juta, dengan porsi ICBC Indonesia adalah 49% dari total fasilitas atau USD24,5 juta dengan jangka waktu pinjaman 36 bulan.

China have been selected by the Indonesian Government over Japan to build the country's first fast-train rail link. The project owner is PT Kereta Cepat Indonesia China (PT KCIC) and the main consortium is High Speed Railway Contractor Consortium (HSRCC) which consist of 7 members. Total length of the project is about 150 km, including four stations at Halim, Karawang, Walini, Tegalalur, and EMU depot integrated maintenance workshop at Tegalalur connecting the capital city of Jakarta to the textile hub of Bandung, West Java.

Bank ICBC Indonesia together with ICBC Tokyo Branch provided Syndicated Account Receivable Financing (Revolving Facility) with total amount of USD50 million of which ICBC Indonesia portion is 49% of total facility or USD24.5 million with 36 months of loan maturity.

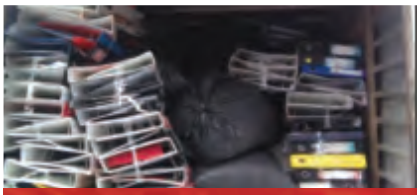
PENGHARGAAN
Awards

Bank mendapatkan penghargaan sebagai "Excellent Stakeholder Bank Indonesia" pada kategori "Bank Pelapor Sistem Pembayaran Tercompliance" dalam Pertemuan Tahunan Ekonomi Daerah 2019 yang diselenggarakan oleh Bank Indonesia Balikpapan pada 5 Desember 2019.

The Bank was awarded as the "Excellent Stakeholder of Bank Indonesia" in "The Most Compliant Reporting Bank Payment System" category at the 2019 Regional Economic Annual Meeting held by Bank Indonesia Balikpapan on December 5, 2019.

PERISTIWA **PENTING 2019**

2019 Event Highlights



30 Januari | *January 30*

Bank mendonasikan sampah kertas untuk depot daur ulang Yayasan Lingkungan Tzu Chi Indonesia. Selama 2019, Bank telah memproduksi 1.725 kg sampah kertas.

The Bank donated paper waste to Tzu Chi Indonesia Foundation Environmental preservation depot. During 2019, The Bank has produced a total of 1,725 kg paper waste.

01 Februari | *February 01*

BOD dan semua pimpinan Bank berkumpul dalam seminar "Strategic Workshop" di Hotel Mulia Senayan, Jakarta Pusat.

Board of Directors and leaders of The Bank gathered at the "Strategic Workshop" seminar held at Mulia Senayan Hotel, Central Jakarta.

01 Februari | *February 01*

Bank menyelenggarakan acara "Gala Dinner & Award Night – Commitment to Excellence" di Hotel Mulia Senayan, Jakarta Pusat sebagai bentuk apresiasi Bank terhadap kontribusi karyawan selama 1 tahun terakhir.

The Bank held a "Gala Dinner & Award Night – Commitment to Excellence" located at Mulai Hotel Senayan, Central Jakarta as a form of The Bank's appreciation to employee contributions for the past 1 year.

06 Februari | *February 06*

Dalam rangka merayakan Tahun Baru Imlek 2019, Bank mengadakan acara makan siang bersama dengan para karyawan yang dimeriahkan dengan pertunjukkan barongsai.

The Bank celebrated Chinese New Year 2019 by organizing a lunch event with all of its employees with the lion dance performance as the opening ceremony.

05 Maret | *March 05*

Sebagai usaha untuk berkontribusi kepada masyarakat, Bank bekerja sama dengan Palang Merah Indonesia (PMI) mengadakan program donor darah pertama di tahun 2019.

As a way of giving back to the community, The Bank in collaboration with Indonesian Red Cross (PMI) held its first blood donation program in 2019.

05 Maret | *March 05*

Sebagai wujud usaha Bank kepada Program Tanggung Jawab Sosial Perusahaan (CSR), Bank menyelenggarakan seminar mengenai kesehatan untuk karyawan Bank dengan tema "Easy Way to be Healthier in the Office".

As part of Corporate Social Responsibility (CSR), The Bank organized a health talk for its employees with the topic of "Easy Way to be Healthier in the Office".

29 Maret | *March 29*

Bank menandatangani perjanjian perusahaan dengan Disdukcapil.

The Bank signed a corporation agreement with Disdukcapil.

21 Mei | *May 21*

Bank menggelar acara buka puasa bersama dengan seluruh karyawan yang bertema "Indahnya Kebersamaan".

The Bank held a breakfasting event with all of its employees with the theme "Indahnya Kebersamaan".

12 Juni | *June12*

Bank kembali mengadakan kegiatan donor darah untuk kedua kalinya, bekerja sama dengan Palang Merah Indonesia (PMI).

The Bank reorganized a blood donation activity for the second time, in collaboration with Indonesian Red Cross (PMI).

12 Juli | *July 12*

Bank merayakan Hari Finansial Berkelanjutan dan Hari Anak Nasional dengan mengundang anak-anak karyawan untuk berpartisipasi dalam kegiatan seperti mengenal lebih dalam terkait Bank dan membuat prakarya dari kardus bekas.

The Bank celebrated Sustainable Finance Day and Children National Day by inviting employees' children to participate in activities such as getting to know more about The Bank and making handcraft from recycle box.

03 Agustus | *August 03*

ICBC Cabang Bandung menggelar program CSR di Komunitas Tanpa Batas dengan memberikan donasi berupa alat tulis, kertas, dan makanan ringan untuk anak-anak.

ICBC Bandung Branch held a CSR program in Tanpa Batas Community by giving donations such as stationery, paper, and snacks for children.

09 Agustus | *August 09*

ICBC Cabang Batam menggelar program CSR di Rumah Yatim Attaqwa dengan memberikan sembako, seperti beras, mi instan, minyak goreng, dan detergen.

ICBC Batam Branch held a CSR program at Attaqwa Orphanage by giving donations such as rice, instant noodle, cooking oil, and detergent soap.

21 Agustus | *August 21*

Dalam rangka merayakan Hari Kemerdekaan Indonesia, Bank menggelar kompetisi menghias Nasi Tumpeng.

To celebrate Indonesian Independence Day, The Bank held a Tumpeng Rice decoration competition.

27 Agustus | *August 27*

Bank sukses menggelar seminar RMB Internasionalisasi bersama dengan APINDO. Dalam acara tersebut, Bank mengundang Bank Indonesia, perusahaan eksportir dan importir teratas, dan bank lainnya di Indonesia untuk mempromosikan pemanfaatan RMB di pasar Indonesia.

Dalam foto terlihat Presiden Direktur (Bpk. Zhang Jinxing) dan Direktur (Bpk. Thomas Arifin) Bank bersama dengan Direktur Eksekutif Bank Indonesia, Deputi Sekretaris Jenderal APINDO, Komite Indonesia dan Afrika dari KADIN, dan perwakilan Komite Perbankan APINDO.

The Bank together with APINDO, successfully held the RMB Internationalization Seminar where The Bank invited Bank Indonesia, top exporter and importer companies, and other banks in Indonesia in order to promote RMB utilization in Indonesian market.

The photo shows President Director (Mr. Zhang Jinxing) and Director (Mr. Thomas Arifin) of The Bank together with Executive Director of Bank Indonesia, Deputy General Secretary of APINDO, Committee of Indonesia and Africa of KADIN, and Banking Committee representatives of APINDO.

29 Agustus | *August 29*

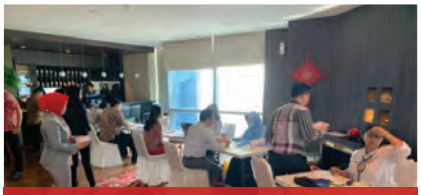
ICBC Cabang Surabaya mengadakan program CSR di Anugrah Werdha dengan mendonasikan beras dan makanan ringan kepada manula, khususnya perempuan dari keluarga kurang mampu di Panti Jompo Anugrah Werdha.

ICBC Surabaya Branch held a CSR program at Anugrah Werdha by providing donations of rice and snacks to the elderly, especially women from poor families at Anugrah Werdha Nursing Home.

29 Agustus | *August 29*

ICBC Cabang Surabaya mengadakan program CSR di Alang Alang Studio dengan memberikan makanan ringan kepada 100 anak jalanan serta anak-anak putus sekolah dari keluarga miskin.

ICBC Surabaya Branch held a CSR program at Alang Alang Studio by providing snacks to 100 street children, as well as drop-out children from poor families.



16 September | *September 16*

Bank bekerja sama dengan Palang Merah Indonesia (PMI) mengadakan kegiatan donor darah untuk ketiga kalinya di tahun 2019.

The Bank in collaboration with Indonesian Red Cross (PMI) held a blood donation program for the third time in 2019

25 September | *September 25*

Bank mengadakan *health talk* yang membahas gaya hidup sehat dan pemberian apresiasi untuk karyawan tanpa klaim.

The Bank held a health talk day that discussed healthy lifestyle & appreciation award for employees with no claim.

09 Oktober | *October 09*

ICBC Cabang Medan menggelar program CSR di Rumah Yatim Gratia dengan memberikan donasi dalam bentuk ranjang susun dengan dua tambalan busa untuk anak yatim.

ICBC Medan Branch held a CSR program at Gratia Children Orphanage by giving donations in form of bunk bed with two foam patches for the orphanage.

31 Oktober | *October 31*

Bank menyelenggarakan acara lintas budaya bertema "Spectacular 2019" yang berlangsung selama 3 (tiga) hari, di The City Tower Lantai 33. Presiden Direktur, Bpk. Zhang Jinxing, memberikan kata sambutan di Coaching Clinic yang dihadiri oleh motivator, Bpk. Agus Chandra untuk kemudian berbagi motivasi kepada semua karyawan Bank.

The Bank held a cross-cultural event namely "Spectacular 2019" for 3 (three) days, located at The City Tower, 33rd Floor. President Director, Mr. Zhang Jinxing gave opening speech on the Coaching Clinic, which was attended by motivator, Mr. Agus Chandra, who will share some motivation to all The Bank employees.

31 Oktober | *October 31*

Dalam acara yang sama, digelar juga seminar hidup sehat oleh Dr. Diana Suganda. Melalui acara ini, karyawan menjadi lebih sadar pentingnya menjaga keseimbangan hidup sehat.

In the same event, The Bank also held a health life seminar by Dr. Diana Suganda. Through this event, employees become more aware the importance of maintaining their healthy life balance.

02 November | *November 02*

Direktur dan Dewan Komisaris Bank ikut serta dalam memeriahkan acara "Spectacular 2019" yang berlokasi di GOR Soemantri Brodjonegoro, Kuningan, Jakarta.

Dalam foto dari kiri ke kanan: Bpk. Jeff S.V. Eman, Bpk. Zhang Jinxing, Bpk. Yunno Kusumo, Ibu Fransisca Nelwan Mok, Bpk. Sandy Tjipta Muliana, dan Bpk. Waldy Gutama terlihat siap dalam mengikuti eksibisi tenis meja.

Board of Directors and Board of Commissiones of The Bank took part in enlivening the "Spectacular 2019" event, located in GOR Soemantri Brodjonegoro, Kuningan, Jakarta.

In the photo from left to right: Mr. Jeff S.V. Eman, Mr. Zhang Jinxing, Mr. Yunno Kusumo, Mrs. Fransisca Nelwan Mok, Mr. Sandy Tjipta Muliana, and Mr. Waldy Gutama are ready to participate in the table tennis exhibition.

02 November | *November 02*

Pada acara "Spectacular 2019", Bank membangun kebersamaan melalui kegiatan lintas budaya dengan mengangkat kebudayaan dari Indonesia dan China. Melalui kegiatan ini, para karyawan dihibur untuk meningkatkan kerja sama yang baik serta membangun solidaritas dan motivasi di lingkungan kerja.

At the "Spectacular 2019", The Bank built togetherness through cross-cultural activities, by raising the culture of Indonesia and China. Through this activity, the employees are entertained to improve good cooperation, as well as build solidarity and arouse motivation in the workplace.

26 November | *November 26*

ICBC Cabang Balikpapan menggelar program CSR dengan memberikan donasi untuk Panti Asuhan Tabita yang masih dalam proses pembangunan.

ICBC Balikpapan Branch held a CSR program by giving donations to Tabita Putri Orphanage that is still in the process of establishment.

05 Desember | *December 05*

ICBC Cabang Balikpapan menerima penghargaan dari Bank Indonesia sebagai "Excellent Stakeholder Bank Indonesia" dalam kategori "Bank Pelapor Sistem Pembayaran Tercompliance" di acara Pertemuan Tahunan Ekonomi Daerah yang digelar oleh Kantor Perwakilan Balikpapan Bank Indonesia.

ICBC Balikpapan Branch received award from Bank Indonesia, as "the Excellent Stakeholder of Bank Indonesia" in the category of "The Most Compliant Reporting Bank Payment System" in the Regional Economic Annual Meeting held by Bank Indonesia Balikpapan Representative Office.

06 Desember | *December 06*

ICBC Cabang Makassar menggelar program CSR dengan memberikan donasi untuk Panti Asuhan Pangamaseang.

ICBC Makassar Branch held a CSR program by giving donations to Pangamaseang Orphanage.

09 Desember | *December 09*

Bank bekerja sama dengan Palang Merah Indonesia (PMI) menggelar kegiatan donor darah untuk keempat kalinya dengan total 68 kantong darah yang didapat pada akhir acara.

The Bank in collaboration with Indonesian Red Cross (PMI) held a blood donation event for the fourth time with a total of 68 blood bags obtained at the end of activity.

09 Desember | *December 09*

Bank menggelar seminar mengenai kesehatan untuk karyawan, yang bertema "Mari Kenali, Cegah dan Kendalikan HIV-AIDS".

The Bank held a health talk day for its employees, with the theme "Mari Kenali, Cegah dan Kendalikan HIV-AIDS".

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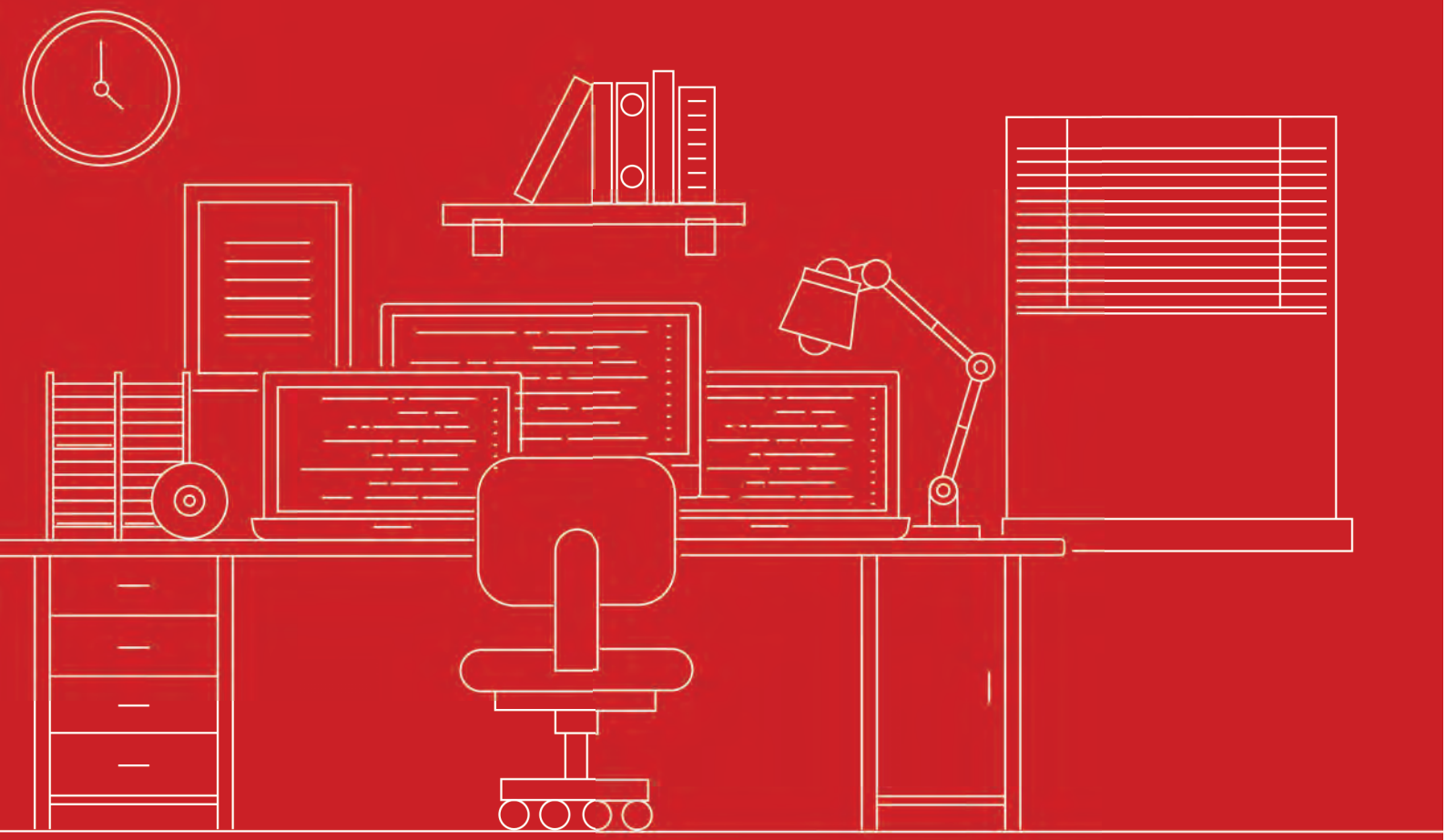
Statements of Accountability of 2019 Annual Report by the Board of Commissioners and Board of Directors

02



PENGEMBANGAN NASABAH, PENGEMBANGAN BISNIS DAN PRODUK DASAR YANG KUAT, SERTA PELAKSANAAN MANAJEMEN DASAR YANG *SOLID* DIYAKINI AKAN MEMBAWA BANK MERAIH PERTUMBUHAN YANG LEBIH TINGGI PADA TAHUN-TAHUN SELANJUTNYA.

CUSTOMER DEVELOPMENT, STRONG BUSINESS AND PRODUCTS DEVELOPMENT, AND THE IMPLEMENTATION OF SYSTEMATIC BASIC MANAGEMENT ARE BELIEVED TO BRING THE BANK TO ACHIEVE HIGHER GROWTH IN THE FOLLOWING YEARS.

Wang Kun
Presiden Komisaris
President Commissioner

LAPORAN **DEWAN KOMISARIS**
BOARD OF COMMISSIONERS' REPORT

Para Pemegang Saham dan Pemangku Kepentingan yang terhormat,

Dalam Laporan Dewan Komisaris ini, perkenankan kami, mewakili Dewan Komisaris, menyampaikan Laporan Pengawasan terhadap pengelolaan PT Bank ICBC Indonesia untuk tahun buku 2019. Laporan ini merupakan wujud komitmen kami dalam mengungkapkan transparansi dan akuntabilitas, sebagaimana tercantum dalam Anggaran Dasar perusahaan, Peraturan Otoritas Jasa Keuangan, serta Undang-Undang No. 40 Tahun 2007.

Tinjauan Ekonomi

Perang dagang antara Amerika Serikat dan Tiongkok pada 2019 telah membawa dampak yang signifikan terhadap pertumbuhan ekonomi global. IMF memprediksi ekonomi dunia tumbuh tipis 3,3% pada 2019, lebih rendah dibandingkan pertumbuhan pada 2018 yang mencapai 3,6%. Sementara itu, World Bank memprediksi pertumbuhan global terendah sejak krisis ekonomi pada 2008, yaitu sebesar 2,4%. Hal ini disebabkan oleh pelemahan perdagangan dan investasi global. Pelemahan ini pun berdampak terhadap ekonomi dan keuangan di pasar negara berkembang.

Untuk memperkuat stabilitas perekonomian nasional di tengah perlambatan ekonomi global, Bank Indonesia mengambil langkah strategis dengan mempertahankan BI *7-day Reverse Repo Rate* (BI7DRR) sebesar 6% pada triwulan I 2019, yang ditutup pada posisi 5% di akhir 2019. Suku bunga *Deposit Facility* dipertahankan sebesar 4,25%, begitu juga suku bunga *Lending Facility* yang dipertahankan sebesar 5,75% pada akhir 2019. Hasilnya, sebagaimana dilaporkan Bank Indonesia, meski ikut melemah pada 2019, perekonomian Indonesia masih berdaya tahan berkat peningkatan konsumsi rumah tangga dan pertumbuhan investasi yang stabil.

Dear Shareholders and Stakeholders,

In this Board of Commissioners' Report, allow us to represent the Board of Commissioners to submit a Supervisory Report on the management of PT Bank ICBC Indonesia for the fiscal year 2019. This report is a form of our commitment in expressing transparency and accountability, as stated in The Bank's Articles of Association, Financial Services Authority Regulations, and Law No. 40 of 2007.

Economic Overview

The trade war between United States and China in 2019 has had a significant impact on global economic growth. The IMF predicted that the world economy will grow by 3.3% in 2019, lower than the growth in 2018 of 3.6%. Meanwhile, the World Bank predicted the lowest global growth since the economic crisis in 2008, which accounted at 2.4%. This condition happened due to the weakening global trade and investment. This weakening also has an impact on the economy and finance in emerging markets.

To strengthen the stability of national economy amid the global economic slowdown, Bank Indonesia took a strategic step by maintaining BI's 7-day Reverse Repo Rate (BI7DRR) at 6% in the first quarter of 2019, which closed at 5% at the end of 2019. The Deposit Facility rate was maintained at 4.25%, as well as the Lending Facility rate which was maintained at 5.75% at the end of 2019. As reported by Bank Indonesia, although the growth slowed down in 2019, the Indonesian economy is still resilient, due to the increased household consumption and stable investment growth.

Pertumbuhan ekonomi Indonesia menurun ke angka 5,02% secara *year on year* (yoy) dibandingkan pertumbuhan tahun 2018 yang mencapai 5,17%. Hal ini berdampak terhadap kinerja Bank yang berhasil mencatatkan kinerja positif pada 2019 dengan laba bersih sebesar Rp79,36 miliar atau menurun dibandingkan dengan tahun sebelumnya. Hal ini terutama disebabkan turunnya pendapatan bunga bersih dibandingkan tahun sebelumnya. Bank juga melakukan penyesuaian terkait dengan portofolio kredit berdasarkan prospek bisnis dari masing-masing sektor ekonomi yang secara langsung mendukung perekonomian Indonesia. Pada triwulan keempat 2019, sektor industri pengolahan merupakan sektor ekonomi utama yang pencapaiannya melebihi target sebesar 4,42%.

Secara keseluruhan, selama 2019 Bank mencatatkan kinerja yang cukup baik. Menghadapi kondisi ekonomi global yang cenderung tidak pasti, Dewan Komisaris tetap optimistis Bank dapat terus mencetak pertumbuhan yang signifikan dengan meningkatkan beberapa aspek penting, seperti mengutamakan efisiensi, tata kelola perusahaan yang baik, dan konsisten dalam menjaga stabilitas kualitas aset dan berkelanjutan.

Penilaian atas Kinerja Direksi

Secara keseluruhan, kinerja Direksi pada tahun 2019 dalam menjalankan strategi Bank yang telah ditetapkan dinilai sangat baik dan juga telah sesuai dengan ketentuan yang berlaku. Direksi berhasil menerapkan strategi yang efektif dalam mencapai target pada 2019.

Namun demikian, untuk tetap menjaga pertumbuhan positif Bank pada tahun-tahun berikutnya sekaligus meningkatkan kinerja Direksi, Dewan Komisaris menilai ada tiga aspek pengembangan yang perlu dipertahankan.

Pertama, terkait manajemen risiko dan kinerja, Bank telah melakukan pengukuran secara berkelanjutan terhadap delapan jenis risiko yang meliputi risiko kredit, risiko pasar, risiko likuiditas, risiko operasional, risiko kepatuhan, risiko strategis, risiko reputasi, dan risiko hukum. Dalam hal profil risiko berdasarkan *self-assessment*, Bank pada kuartal IV ini masih berada dalam peringkat "*low to moderate*". Dengan demikian, Dewan Komisaris menilai bahwa hasil pelaksanaan manajemen risiko telah dilakukan dengan baik oleh Direksi dan segenap manajemen. Pencapaian ini patut dipertahankan pada tahun-tahun selanjutnya.

Kedua, Bank menekankan kepada tiga fundamental inti, yaitu pengembangan nasabah, pengembangan bisnis dan produk dasar yang kuat, serta pelaksanaan manajemen dasar yang solid untuk membawa Bank meraih pertumbuhan yang lebih tinggi pada tahun-tahun selanjutnya. Dewan Komisaris mendukung langkah Direksi dalam meningkatkan pertumbuhan kredit UKM yang membawa Bank mampu mengoptimalkan pasar potensial di sektor ini, dengan penyaluran kredit UMKM pada akhir kuartal 2019 mencapai Rp202,06 miliar. Langkah akomodatif ini pun membuat rasio LDR per 31 Desember 2019 berada di posisi 130,07%, 6,37% di atas proyeksi yang ditetapkan sebesar 123,70%.

Ketiga, Direksi juga perlu terus meningkatkan tiga kapabilitas utama, yaitu kapabilitas manajemen risiko, kapabilitas pengembangan SDM, dan kapabilitas penciptaan nilai. Dewan Komisaris mengapresiasi langkah Direksi dalam memberikan pelatihan dan pengembangan untuk karyawan dari departemen penting, antara lain Departemen *Credit Management, Legal, Risk Management, Compliance, Corporate Banking, Consumer Banking*, dan karyawan dari kantor cabang. Pelatihan yang

Indonesia's economic growth declined to 5.02% year on year (yoy) compared to 2018 growth which reached 5.17%. This had a significant impact on The Bank's performance, that managed to record a positive performance in 2019 with a net profit of Rp79.36 billion or lower than the previous year achievement. This was mainly due to the decline in net interest income as compared to the previous year. The Bank also made adjustment related to loan portfolios based on business prospects of each economic sector that directly supports the Indonesian economy. In the fourth quarter of 2019, manufacturing industry sector was the main economic sector with its achievement exceeded the target of 4.42%.

Overall, during 2019 The Bank recorded a pretty good performance. Facing uncertain global economic conditions, the Board of Commissioners remained optimistic that The Bank could continue to score significant growth by enhancing several important aspects, such as prioritizing efficiency, good corporate governance, and consistent in maintaining asset quality and sustainable stability.

Assessment of the Board of Directors' Performance

Overall, the Board of Directors' performance in 2019 in carrying out The Bank's established strategies was very good and in accordance with applicable regulations. Board of Directors succeeded in implementing an effective strategy to achieve the targets in 2019.

However, to maintain The Bank's growth in the following years while at the same time improving the performance of the Board of Directors, Board of Commissioners considers three aspects of development that need to be maintained.

First, related to risk management and performance, The Bank has taken continuous measurements on the eight types of risk which include credit risk, market risk, liquidity risk, operational risk, compliance risk, strategic risk, reputation risk, and legal risk. In terms of risk profile based on self-assessment, The Bank in the fourth quarter still ranked "low to moderate". Therefore, Board of Commissioners considers that the results of risk management implementation have been carried out well by the Board of Directors and all management. This achievement should be maintained in the following years.

Second, The Bank emphasizes three core fundamentals, namely customer development, strong business and products development, and the implementation of systematic basic management to bring The Bank to achieve higher growth in the following years. Board of Commissioners supports the Board of Directors' steps in enhancing growth of SME loans which has enabled The Bank in optimizing potential market in this sector, with MSME lending in the final quarter of 2019 reached Rp202.06 billion. This accommodative step also made the LDR ratio as of December 31, 2019 at 130.07%, 6.37% above the projected set of 123.70%.

Third, Board of Directors also needs to continuously improve three main capabilities, namely risk management capability, HR development capability, and value creation capability. Board of Commissioners appreciates the steps taken by the Board of Directors in providing training and development for employees from key departments, including the Departments of Credit Management, Legal, Risk Management, Compliance, Corporate Banking, Consumer Banking, and branch employees. Training

bekerja sama dengan ICBC Limited selaku perusahaan induk ini diharapkan dapat menciptakan keunggulan SDM tanpa melupakan nilai-nilai yang menjadi pedoman Bank.

Berdasarkan penilaian atas ketiga aspek tersebut, Dewan Komisaris melihat bahwa kinerja Direksi secara keseluruhan pada 2019 sangat baik. Direksi telah berupaya mengelola Bank untuk mencapai target-target yang telah ditetapkan. Adapun peningkatan lebih lanjut yang perlu dilakukan adalah terkait strategi dan langkah-langkah yang sudah dijalankan pada tahun 2019 sampai dengan tahun mendatang.

Pengawasan terhadap Implementasi Strategi Bank
Dewan Komisaris memberikan perhatian besar pada pengawasan penerapan strategi yang disusun oleh Direksi. Hal ini sejalan dengan peran Dewan Komisaris untuk memastikan bahwa pelaksanaan strategi Perseroan berada di jalur yang tepat seraya mematuhi peraturan yang berlaku.

Selama tahun 2019 Dewan Komisaris memastikan bahwa pengawasan terhadap strategi yang disusun dan dilaksanakan Direksi berjalan dengan baik.

Frekuensi dan Cara Pemberian Nasihat kepada Anggota Direksi
Frekuensi pemberian nasihat dari Dewan Komisaris cukup sering dan optimal. Metode pemberian nasihat dari Dewan Komisaris kepada anggota Direksi dilakukan dengan beberapa cara, di antaranya melalui rapat gabungan yang digelar sebanyak 6 (enam) kali sepanjang 2019. Selain itu, Dewan Komisaris juga memanfaatkan media komunikasi lainnya, seperti laporan pengawasan Dewan Komisaris, rapat komite di bawah Dewan Komisaris, dan audit Internal *exit meeting* dalam memberikan nasihat dan masukan kepada anggota Direksi.

Pandangan atas Prospek Usaha yang Disusun oleh Direksi
Dewan Komisaris menilai industri perbankan di Indonesia pada 2020 tetap akan bertumbuh walaupun penuh tantangan, mengingat pertumbuhan ekonomi global masih dilingkupi ketakpastian. Akan tetapi, bisnis Bank diproyeksikan akan tetap tumbuh positif menghadapi tantangan perekonomian nasional dan global. Untuk senantiasa bertumbuh dan menghadapi perubahan, Bank akan terus berkomitmen meningkatkan aspek tata kelola perusahaan, aspek kepatuhan dan manajemen risiko, serta mengedepankan kualitas aset sebagai prioritas Bank pada 2020.

Bisnis *Global Market* mendapatkan sorotan pada 2019 melihat pengaruhnya yang signifikan terhadap kinerja Bank. Dewan Komisaris menilai *Global Market* dapat menjadi solusi penyelesaian bisnis untuk keuangan skala besar. Menanggapi hal ini, ICBC Limited akan terus mendukung bisnis ini.

Selain itu, melihat geliat aliran dana kas dalam bisnis pertukaran mata uang asing (valas), Bank tetap harus waspada terhadap risiko pencucian uang dan risiko kepatuhan karena *money changer* merupakan bisnis tunai dan terdapat tekanan kepatuhan yang harus ditangani secara hati-hati.

Dalam mengusung digitalisasi dalam transaksi yang dapat memudahkan nasabah lama maupun baru, saat ini Bank juga tengah mengembangkan teknologi terbaru yang memungkinkan nasabah baru membuat rekening tanpa perlu datang ke kantor cabang. Sistem ini diharapkan dapat memungkinkan nasabah membuka rekening baru melalui ponsel pintar mereka dengan menggunakan jaringan internet, dengan tetap mengikuti peraturan yang ditetapkan OJK terkait perbankan internet.

in collaboration with ICBC Limited as the holding company is expected to be able to create human resources excellence without forgetting the values that guide The Bank.

Based on the assessment of those three aspects, Board of Commissioners views that the Board of Directors' overall performance in 2019 was very good. The Board of Directors has endeavored to manage The Bank to achieve the targets set. Further enhancements that need to be done are related to strategies and corrective measures that have been carried out in 2019 until the coming year.

Supervision of Business Strategy Implementation
Board of Commissioners pays great attention in supervising the implementation of strategies prepared by Board of Directors. This is in line with the role of Board of Commissioners to ensure that the implementation of Company's strategies is on the right track while complying with applicable regulations.

Throughout 2019, Board of Commissioners ensured that the supervision of strategies developed and implemented by Board of Directors went well.

Advisory Frequency and Method to the Board of Directors
The frequency of advices given by Board of Commissioners was quite frequent and optimal. The advisory method from the Board of Commissioners to members of Board of Directors was carried out in several ways, including through joint meetings held 6 (six) times throughout 2019. In addition, Board of Commissioners also utilizes other communication medias, such as BOC supervisory report, committee meeting under BOC, and internal audit exit meeting in providing advice and input to members of Board of Directors.

Views on Business Prospects Prepared by Board of Directors
Board of Commissioners assesses that the banking industry in Indonesia will continue to grow in 2020 despite challenges, considering that global economic growth is still surrounded by uncertainty. However, The Bank's business is projected to continue to grow positively in the midst of national and global economic challenges. To continue to grow and adapt to changes, The Bank will continue to be committed to improving the aspects of corporate governance, aspects of compliance and risk management, and prioritizing asset quality as The Bank's priorities in 2020.

The Global Market business became a spotlight in 2019, seeing its significant impact on The Bank's performance. Board of Commissioners considers that Global Market can be a business settlement solution for large scale finances. In response to this, ICBC Limited will continue to support this business.

In addition, seeing the movement of cash flow in foreign currency exchange (forex) business, The Bank must remain vigilant of the risks of money laundering and compliance because money changers are cash businesses and there are compliance pressures that must be handled with care.

In carrying out digitalization in transactions that can facilitate the existing and new customers, The Bank is currently developing latest technology that allows new customers to create accounts without the need to come to the branch office. This system is expected to enable customers to open new accounts through their smart phones using the internet, while still following OJK regulations related to internet banking.

Penerapan Tata Kelola Perusahaan yang Baik

Dewan Komisaris senantiasa berkomitmen meningkatkan kualitas penerapan tata kelola perusahaan yang baik dengan mengikuti peraturan perundang-undangan, kebijakan, serta pedoman operasional Bank. Untuk memastikan pengelolaan yang dapat menjamin pertumbuhan usaha berkelanjutan, Dewan Komisaris terus mengedepankan aspek kepatuhan dan manajemen risiko. Keduanya merupakan aspek penting dalam memperkuat posisi Bank untuk menjadi salah satu bank terkemuka di Indonesia maupun dunia.

Pada 2019, Dewan Komisaris telah menyusun, menetapkan, mengevaluasi, serta memperbarui strategi kebijakan manajemen risiko, secara komprehensif. Dalam melaksanakan manajemen risiko, Bank berhasil meraih penilaian "*low to moderate*" yang mengindikasikan bahwa manajemen berhasil menghadapi kendala-kendala risiko dengan mitigasi yang tepat.

Dalam menjalankan fungsi kepatuhan, secara keseluruhan Dewan Komisaris menilai bahwa Bank telah menjalankan fungsi kepatuhan secara efektif melalui kinerja Departemen Kepatuhan dan Departemen Anti Pencucian Uang/Pencegahan Pendanaan Terorisme (APU/PPT) yang bekerja secara kompeten. Bank juga menetapkan Kebijakan Kepatuhan dan Prosedur Sistem Anti Pencucian Uang dan Pencegahan Pendanaan Terorisme yang mencakup proses identifikasi, pengukuran, pemantauan, pengendalian dan pelaporan risiko kepatuhan.

Pada 2019, Bank juga telah membentuk Komite Kepatuhan dan APU/PPT yang diketuai oleh Direktur Kepatuhan yang beranggotakan Direktur yang membawahi operasional, Kepala Departemen Satuan Kerja Audit Internal, Kepala Departemen yang memimpin Satuan Kerja Manajemen Risiko (SKMR), Kepala Departemen APU/PPT, dan Kepala Departemen Kepatuhan, serta sekretaris komite. Pembentukan komite ini diharapkan akan menciptakan penerapan tata kelola perusahaan yang lebih efektif dan efisien pada masa mendatang.

Penerapan *Whistleblowing System*

Bank telah memiliki sistem *whistleblowing* yang merupakan sarana komunikasi bagi semua pihak untuk melaporkan hal-hal yang berhubungan dengan *fraud*, pelanggaran, dan lain-lain. *Speak Up* merupakan media/alat bagi pegawai Bank untuk mengungkapkan permasalahan tersebut. Sepanjang 2019, Bank menemukan adanya laporan yang masuk melalui mekanisme *whistleblowing* sebanyak 3 (tiga) kali. Dalam hal ini, 1 (satu) dari 3 (tiga) laporan yang diterima telah dibuktikan merupakan pelanggaran dan Bank telah menindaklanjuti laporan tersebut dengan memberikan sanksi yang sesuai dengan ketentuan yang berlaku di Bank.

Pandangan atas Kinerja Komite di Bawah Dewan Komisaris

Dewan Komisaris menilai kinerja komite-komite yang bekerja di bawah Dewan Komisaris sepanjang tahun 2019 berjalan dengan baik dan telah sesuai dengan ketentuan yang berlaku. Untuk tahun-tahun mendatang, Dewan Komisaris berharap komite-komite tersebut senantiasa memenuhi aturan yang berlaku di dalam Bank maupun regulasi lainnya dan mengedepankan tata kelola perusahaan yang baik demi pencapaian kinerja yang lebih baik.

Implementation of Good Corporate Governance

Board of Commissioners is always committed to improving the quality of good corporate governance implementation by following the laws, policies and operational guidelines of The Bank. To ensure management that can guarantee sustainable business growth, Board of Commissioners continues to prioritize aspects of compliance and risk management. Both are important aspects in strengthening The Bank's position to become one of the leading banks in Indonesia and the world.

In 2019, Board of Commissioners has compiled, established, evaluated, and updated risk management policy strategy comprehensively. In carrying out risk management, The Bank has succeeded in achieving a "low to moderate" rating which indicates that management has successfully faced risk constraints with appropriate mitigation.

In carrying out the compliance function, overall the Board of Commissioners considers that The Bank has carried out the compliance function effectively through the performance of Compliance Department and the Anti Money Laundering/ Countering Financing of Terrorism (AML/CFT) Department that work competently. The Bank has also established a Compliance Policy and Anti-Money Laundering System and Prevention of Terrorism Funding Procedure that include the process of identifying, measuring, monitoring, controlling and reporting compliance risk.

In 2019, The Bank has also formed a Compliance and AML/ CFT Committee which is chaired by the Compliance Director consisting of Directors who oversee operations, Head of Internal Audit Work Unit Department, Head of the Department that leads the Risk Management Work Unit (SKMR), Head of AML/ CFT Department, and Head of Compliance Department, as well as committee secretary. The establishment of this committee is expected to create a more effective and efficient application of corporate governance in the future.

Implementation of Whistleblowing System

The Bank has a whistleblowing system as a means of communication for all parties to report matters related to fraud, violation, and others. Speak Up is a media/tool for The Bank employees to express these problems. Throughout 2019, The Bank received reports submitted through the whistleblowing mechanism 3 (three) times. In this case, 1 (one) of the 3 (three) reports received has been proven to be a violation and The Bank has followed up the report by giving sanction that is in accordance with the prevailing provisions in The Bank.

Insight on Committee Under Board of Commissioners Performance

Board of Commissioners considers the performance of committees working under Board of Commissioners throughout 2019 to went well and in accordance with applicable regulations. For upcoming years, Board of Commissioners hopes that these committees will always fulfill the applicable rules in The Bank and other regulations as well as promote the good corporate governance in order to achieve better performance.

Perubahan Susunan Dewan Komisaris

Pada 2019, tidak ada perubahan komposisi Dewan Komisaris Bank. Posisi Dewan Komisaris Bank masih diisi oleh Bpk. Wang Kun sebagai Presiden Komisaris, Bpk. Hendra Widjojo sebagai Komisaris Independen, dan Bpk. Yunno Kusumo sebagai Komisaris Independen.

Apresiasi dan Penutup

Dalam kesempatan ini, kami mewakili Dewan Komisaris ingin mengucapkan terima kasih kepada para Pemegang Saham atas amanat yang telah diberikan kepada Bank selama 2019. Kepada para Pemangku Kepentingan, kami juga berterima kasih atas kerja sama yang telah terjalin selama ini hingga Bank dapat meraih pencapaian yang selama ini ditargetkan. Kami meyakini kinerja Direksi yang positif telah membawa Bank mampu menghadapi berbagai tantangan yang menjadi kendala pada 2019. Kami juga menyadari kontribusi segenap karyawan Bank ICBC Indonesia yang tak berhenti memajukan Bank sehingga dapat menjadi salah satu bank terbesar di Indonesia.

Kami yakin Bank akan senantiasa bertumbuh dan berkembang ke arah yang positif. Berbagai tantangan yang dihadapi pada 2019 akan membawa Bank berdiri semakin kokoh dan menyumbang nilai positif bagi perekonomian Indonesia.

Changes in the Board of Commissioners Composition

In 2019, there was no change in the composition of The Bank's Board of Commissioners. The position of The Bank's Board of Commissioners is still filled by Mr. Wang Kun as President Commissioner, Mr. Hendra Widjojo as Independent Commissioner, and Mr. Yunno Kusumo as Independent Commissioner.

Appreciation and Closing

On this occasion, on behalf of the Board of Commissioners we would like to thank all Shareholders for the mandate given to The Bank during 2019. To the Stakeholders, we are also grateful for the cooperation that has existed so far so that The Bank can achieve its targets. We believe that positive performance of the Board of Directors has led The Bank to be able to face various challenges that became the obstacles in 2019. We also recognize the contribution of all Bank ICBC Indonesia's employees who have not stopped advancing The Bank so that it can become one of the largest banks in Indonesia.

We are sure that The Bank will always grow and develop in a positive direction. Various challenges faced in 2019 will bring The Bank to stand stronger and contribute a positive value for the Indonesian economy.

Atas Nama Dewan Komisaris
On Behalf of the Board of Commissioners

Wang Kun
Presiden Komisaris
President Commissioner

Hendra Widjojo
Komisaris Independen
Independent Commissioner

Wang Kun
Presiden Komisaris
President Commissioner

Yunno Kusumo
Komisaris Independen
Independent Commissioner

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DALAM RANGKA MENDUKUNG EKOSISTEM DIGITAL YANG DIRANCANG PEMERINTAH, BANK BERFOKUS PADA PENGEMBANGAN SISTEM TEKNOLOGI INFORMASI YANG MUTAKHIR DAN *CUSTOMER-BASED* SAMBIL TETAP MEMPRIORITASKAN PERTUMBUHAN KREDIT DENGAN LEBIH SELEKTIF.

IN ORDER TO SUPPORT DIGITAL ECOSYSTEM DESIGNED BY THE GOVERNMENT, THE BANK FOCUSES ON DEVELOPING CUTTING-EDGE AND CUSTOMER-BASED INFORMATION TECHNOLOGY SYSTEMS, WHILE STILL PRIORITIZING LOAN GROWTH MORE SELECTIVELY.

Zhang Jinxing
Presiden Direktur
President Director

LAPORAN **DIREKSI**
BOARD OF DIRECTORS' REPORT

Para Pemegang Saham dan Pemangku Kepentingan yang terhormat,

Izinkan kami mewakili jajaran Direksi PT Bank ICBC Indonesia menyampaikan Laporan Manajemen dalam Laporan Tahunan 2019 ini.

Setelah lebih dari satu dekade bergelut di industri perbankan, Bank kini telah menemukan pijakan yang kokoh untuk melangkah mantap di tengah perekonomian global yang tidak stabil dan perekonomian Indonesia yang sedikit melambat selama 2019. Sebagaimana diketahui, gejolak perekonomian global telah membawa dampak terhadap perekonomian nasional yang pertumbuhannya melambat menjadi 5,02% pada 2019. Namun, berkat kebijakan moneter yang diterapkan Bank Indonesia serta didukung oleh terjaganya konsumsi rumah tangga masyarakat berpendapatan menengah yang tetap kuat di berbagai wilayah, stabilitas harga tetap terjaga dan menghasilkan inflasi yang tetap terkendali dan stabil pada level rendah selama 2019.

Dalam industri perbankan, Bank Indonesia juga melaporkan stabilitas sistem keuangan yang tetap terjaga, tercermin dari rasio kecukupan modal (CAR) perbankan yang tinggi pada September 2019, mencapai 23,19%, dan rasio kredit bermasalah (NPL) bersih yang tetap rendah di angka 1,18%. Selain itu, statistik Perbankan Indonesia yang dirilis oleh Otoritas Jasa Keuangan juga menunjukkan total aset bank umum yang meningkat pada 2019 sebesar 6,29%, dari Rp7.913.491 miliar pada 2018 menjadi Rp8.410.906 miliar. Penyaluran dana bank umum juga turut meningkat 7,99% menjadi Rp8.280.812 miliar pada 2019.

Dear Shareholders and Stakeholders,

Allow us to represent the Board of Directors of PT Bank ICBC Indonesia to submit Management Report in this 2019 Annual Report.

After more than a decade of struggling in the banking industry, The Bank has now found a strong fundamental to move steadily in the middle of unstable global economy and Indonesian economy which slowed slightly during 2019. Global economic turmoil has had an impact on national economy whose growth slowed to 5.02% in 2019. However, thanks to monetary policy adopted by Bank Indonesia as well as supported by the consumption of middle-income households that remains strong in various regions, price stability was successfully maintained, resulting in inflation that remained controlled and stable at a low level during 2019.

In the banking industry, Bank Indonesia also reported that financial system stability was maintained, reflected in the banking capital adequacy ratio (CAR) which was high in September 2019, reaching to 23.19%, and the ratio of net non-performing loans (NPL) which remained low at 1.18%. Furthermore, Indonesian Banking Statistics released by the Financial Services Authority showed total commercial bank assets increased in 2019 by 6.29%, from Rp7,913,491 billion in 2018 to Rp8,410,906 billion. The distribution of commercial bank funds also increased 7.99% to Rp8,280,812 billion in 2019.

Di sisi lain, terjadi sedikit penurunan *Return on Asset* (ROA) bank umum konvensional dari 2,55% pada 2018 menjadi 2,47% pada 2019. Pertumbuhan kredit pun melambat dari 8,59% (yoy) pada Agustus 2019 menjadi 7,89% (yoy) pada September 2019. Akan tetapi, kelancaran sistem pembayaran tetap terjaga, khususnya untuk transaksi uang elektronik yang terus meningkat hingga mencapai 268% (yoy) pada 2019. Ekosistem digital perbankan nasional diprediksi dapat mendorong pertumbuhan ekonomi secara aktif seiring dengan kebutuhan masyarakat akan sistem non-tunai (*cashless*).

On the other hand, there was a slight decline in conventional banks' Return on Assets (ROA) from 2.55% in 2018 to 2.47% in 2019. Loan growth also slowed from 8.59% (yoy) in August 2019 to 7.89% (yoy) in September 2019. However, the smooth operation of payment system was maintained, especially for electronic money transactions which continued to increase to reach 268% (yoy) in 2019. The digital ecosystem of national banking is predicted to be able to actively encourage economic growth in line with the public's need for a cashless system.

Pada hal inilah Bank menjalankan strategi bisnisnya dalam hal pengembangan inovasi produk dan layanan, yaitu dengan berfokus mengembangkan sistem Teknologi Informasi yang mutakhir dan *customer-based* untuk mendukung ekosistem digital yang dirancang pemerintah. Sejalan dengan strategi pertumbuhan bisnis pada tahun sebelumnya, tahun ini pun Bank tetap memprioritaskan pertumbuhan kredit dengan lebih selektif sekaligus menjaga hubungan dengan nasabah-nasabah untuk memperluas basis nasabah dengan profil risiko rendah, seperti BUMN dan perusahaan *blue-chip*. Bank mengupayakan pencapaian target penyaluran kredit, terutama dalam mata uang Rupiah dan *Renminbi* (RMB), serta pada sektor-sektor yang secara langsung mendukung perekonomian Indonesia.

The Bank carried out its business strategy in developing product and service innovations, focusing on developing cutting-edge and customer-based Information Technology systems to support digital ecosystem designed by the government. In line with business growth strategy of the previous year, this year The Bank continued to prioritize lending growth more selectively while maintaining relationships with customers to expand the customer base with a low risk profile, such as SOEs and blue-chip companies. The Bank strives to achieve the target of lending, especially in Rupiah and Renminbi (RMB), as well as in sectors that directly support the Indonesian economy.

Dalam mendukung pertumbuhan ekonomi nasional, Bank turut serta dalam berbagai proyek pengembangan nasional melalui pembiayaan sindikasi jangka panjang. Bank juga berkontribusi dalam menjaga aliran masuk modal asing yang tercatat terus meningkat pada Oktober 2019. Terkait hal ini, Bank menjadi Sub Agen Penjual Obligasi Pemerintah 016 di Pasar Perdana pada Oktober 2019.

In supporting the national economic growth, The Bank has participated in various national development projects through long-term syndicated financing. The Bank also contributed in maintaining inflows of foreign capital that were recorded to continue to increase in October 2019. In relation to this, The Bank became a Sub Selling Agent of Government Bond 016 in the Primary Market in October 2019.

Sebagai salah satu wujud pencapaian positif pada 2019, Bank meraih penghargaan dalam *event* pertemuan tahunan ekonomi daerah di Balikpapan sebagai *Excellent Stakeholder* Bank Indonesia dalam kategori "Bank Pelapor Sistem Pembayaran Tercompliance".

As a form of positive achievement in 2019, The Bank received an award at the regional economic annual meeting in Balikpapan as the Excellent Stakeholder of Bank Indonesia in "The Most Compliant Reporting Bank Payment System" category.

Sebagai Bank BUKU III, Bank optimistis akan terus bergerak perlahan menjadi lebih baik dengan didukung oleh Pemegang Saham. Dengan berkolaborasi aktif dan mempererat kerja sama dengan KADIN, Perbanas, serta berbagai institusi keuangan non-bank lainnya, Bank akan senantiasa melakukan pengembangan dan promosi peluang bisnis sambil tetap menyesuaikan kondisi pasar dan merespon peluang bisnis dengan cepat. Dengan demikian, Bank percaya tetap dapat bertumbuh dalam menghadapi tantangan yang ada.

As a BUKU III Bank, The Bank is optimistic that it will continue to move slowly for the better with the Shareholders support. By actively collaborating and strengthening cooperation with KADIN, Perbanas, and various other non-bank financial institutions, The Bank will continue to develop and promote business opportunities while continuing to adjust market conditions and quickly respond to business opportunities. Thus, The Bank believes it can continue to grow in facing the existing challenges.

Strategi dan Kebijakan Strategis

Sepanjang tahun 2019, kondisi ekonomi makro yang terjadi di Indonesia maupun di tingkat global, di antaranya adalah perang dagang Amerika Serikat dan Tiongkok yang kemudian berimbas kepada ekonomi domestik, mengakibatkan kredit macet terhadap Bank. Menghadapi hal ini, Bank menjalankan kebijakan strategis hapus buku serta melakukan *collection* yang dapat meminimalkan kerugian Bank secara umum.

Strategy and Strategic Policy

During 2019, macroeconomic conditions that occurred in Indonesia and at global level, including the trade wars between United States and China which then impacted the domestic economy, and resulted in bad loan to The Bank. In respond to this issue, The Bank carried out a strategic policy such as write off and conduct collections that could minimize The Bank's losses in general.

Perbandingan Antara Hasil dan Target

Meskipun perekonomian Indonesia pada 2019 melambat secara umum, Bank masih dapat membukukan laba bersih sebesar Rp79,36 miliar pada akhir 2019. Hal ini merupakan hasil dari performa pendapatan bunga bersih dan pendapatan operasional lainnya yang masih positif pada tahun 2019.

Results and Targets Comparison

Even though the Indonesian economy slowed down in 2019, The Bank was still able to book a net profit of Rp79.36 billion at the end of 2019. This was the result of positive performance of net interest income and other operating income during 2019.

Rasio LDR per 31 Desember 2019 berada di posisi 130,07%, 6,37% di atas proyeksi yang ditetapkan sebesar 123,70%. Posisi permodalan Bank pun berada pada *level* yang sehat dengan

LDR ratio as of December 31, 2019 was in the position of 130.07%, 6.37% above the projection set at 123.70%. The Bank's capital was also at a sound level with a capital adequacy ratio

rasio kecukupan modal (CAR) sebesar 21,64%, yang dipicu oleh pencapaian jumlah modal sebesar Rp7,40 triliun.

Meski demikian, per 31 Desember 2019, jumlah aset Bank tercatat sebesar Rp53,11 triliun, 1,03% di bawah proyeksi Rp53,66 triliun. Penurunan total aset ini disebabkan oleh menurunnya permintaan pinjaman, pelunasan pinjaman lebih awal serta menurunnya dana pihak ketiga yang didorong oleh persaingan suku bunga yang sangat ketat di industri perbankan. Penurunan investasi surat berharga sebesar 34,67% di bawah proyeksi juga turut andil dalam pertumbuhan total aset yang tidak mencapai target.

Pada periode yang sama, jumlah liabilitas berada di level 1,18% di bawah proyeksi Rp47,64 triliun. Penurunan liabilitas ini terutama disebabkan oleh pencapaian dana pihak ketiga (DPK) 6,97% di bawah proyeksi sebesar Rp29,09 triliun dan tidak terealisasinya penerbitan surat berharga sepanjang kuartal keempat 2019. Dari sisi pendapatan, Bank membukukan pendapatan bunga bersih sebesar Rp898,82 miliar atau 6,55% di bawah target.

Sejalan dengan Rencana Bisnis Bank 2019, Bank berencana melakukan penyesuaian terkait portofolio kredit berdasarkan prospek bisnis dari masing-masing sektor ekonomi yang secara langsung mendukung perekonomian Indonesia. Pada 2019, sektor perantara keuangan merupakan sektor ekonomi utama yang pencapaiannya melebihi target sebesar 5,71% dan mendominasi komposisi dari portofolio kredit Bank sebesar 20,27%. Untuk sektor industri pengolahan yang merupakan kontributor kredit terbesar kedua (17,61%), pencapaian kreditnya sebesar 4,36% di atas target. Secara umum, penurunan pencapaian kredit pada beberapa sektor industri disebabkan adanya beberapa faktor, antara lain: terdapat penghapusan buku, adanya pelunasan kredit, serta kurangnya fasilitas kredit yang tercapai sebagai akibat dari persaingan suku bunga yang sangat ketat di industri perbankan sepanjang 2019.

Bank juga secara konsisten berupaya menumbuhkan penyaluran kredit ke sektor Usaha Mikro, Kecil dan Menengah (UMKM) dan memperbaiki proses kredit melalui pemilihan nasabah dengan profil risiko rendah guna menjaga kualitas portofolio kredit UMKM kepada nasabah yang sudah ada maupun nasabah-nasabah baru. Sepanjang triwulan keempat 2019, pencapaian kredit UMKM Bank mencapai Rp202,06 miliar. Per 31 Desember 2019, rasio total kredit untuk usaha kecil dan usaha menengah terhadap total kredit UMKM masing-masingnya sebesar 0,92% dan 99,08%.

Dari sisi operasional, Bank juga mengalami beberapa perubahan cemerlang, seperti terealisasinya proyek *on-shoring* sesuai dengan ketentuan regulator serta implementasi sistem inti dan sistem pendukung lainnya yang lebih baik yang sangat mendukung kinerja operasional Bank pada 2019. Bank juga telah menjalankan proses pengembangan produk baru pada 2019 yang peluncurannya akan dilakukan pada 2020 mendatang.

Prospek Usaha Bank

Direksi menilai prospek Bisnis Bank pada 2020 akan penuh tantangan. Namun demikian, mengingat pengalaman panjang Bank dalam industri perbankan, hal ini menjadi nilai lebih/unggul yang dapat membawa Bank bertahan menghadapi berbagai tantangan mendatang dan terus menunjukkan kinerja yang positif di tengah situasi perekonomian yang tidak stabil.

(CAR) of 21.64%, which was triggered by the achievement of total capital of Rp7.40 trillion.

However, as of December 31, 2019, The Bank's total assets was recorded at Rp53.11 trillion, 1.03% below the projection of Rp53.66 trillion. The decrease in total assets was caused by the decrease in loan demand, early repayment of loans, and the decline in third party funds which was driven by intense interest rate competition in the banking industry. The lack of investment securities by 34.67% under the projection also contributed to the growth of total assets that did not reach the target.

In the same period, total liabilities is at the level 1.18% below the projection of Rp47.64 trillion. The decrease in liabilities was mainly due to the achievement of third-party funds (TPF) by 6.97% under the projection of Rp29.09 trillion and unrealized issuance of securities during the fourth quarter of 2019. From the revenue side, The Bank recorded a net interest income of Rp898.82 billion or 6.55% below the target.

In line with The Bank's Business Plan 2019, The Bank plans to adjust its loan portfolios based on the business prospects of each economic sector that directly supports the Indonesian economy. In 2019, the financial intermediaries sector was the main economic sector with its credit achievement over the target by 5.71% and dominated The Bank's total loan portfolios by 20.27%. As of manufacturing sector which was the second largest lending contributor (17.61%), its credit achievement was 4.36% above the target. In general, the decline of credit achievement in several industrial sectors was caused by several factors, including write off, loan repayment, and the lack of loan facility being utilized as a result of intense interest rate competition in the banking industry throughout 2019.

The Bank also consistently seeks to increase lending to the Micro, Small and Medium Enterprises (MSME) sector and improves the lending process through the selection of customers with low risk profiles in order to maintain the quality of MSME loan portfolios, both for existing customers and new customers. Throughout the fourth quarter of 2019, The Bank's MSME loans reached Rp202.06 billion. As of December 31, 2019, the ratio of total loans for small and medium enterprises to total MSME loans was respectively 0.92% and 99.08%.

From an operational standpoint, The Bank also experienced several brilliant changes, such as the realization of on-shoring project in accordance with regulatory provisions and the implementation of better core system as well as other support systems that strongly support The Bank's operational performance in 2019. The Bank has also run new product development process in 2019 which will be launched in 2020.

The Bank's Business Prospects

Board of Directors assesses the business prospects of The Bank in 2020 will be full of challenges. However, given The Bank's long experience in the banking industry, this has become a superior value that can bring The Bank to withstand future challenges and continue to show positive performance amid the unstable economic situation.

Bank akan terus berkontribusi dalam *project finance*, serta sindikasi dalam mendukung program pembangunan infrastruktur pemerintah dan juga perusahaan BUMN lainnya. Di lain pihak, Bank juga melayani ritel dan berencana meningkatkan kontribusi perbankan ritel terhadap performa finansial Bank secara keseluruhan dengan meningkatkan kemampuan *channel* penjualan dan integrasi sistem serta transaksi perbankan melalui peluncuran produk, seperti *Personal Internet Banking, Mobile Banking, Debit Card*, dan *Contactless Credit Card* sehingga Bank dapat bersaing dan memberikan kenyamanan dan kecepatan pelayanan perbankan kepada nasabah.

The Bank will continue to contribute to project finance, as well as syndication in supporting the government infrastructure development programs and other SOE companies. On the other hand, The Bank also serves retail and plans to increase the retail banking contribution to The Bank's overall financial performance by optimizing the sales channels and system integration as well as banking transactions through the launch of products, such as Personal Internet Banking, Mobile Banking, Debit Cards, and Contactless Credit Cards so that The Bank can compete, provide convenience, and increase its banking services to customers.

Terakhir, Bank akan tetap menjaga kualitas layanan nasabah, didukung dengan produk yang sudah ada maupun produk baru. Bank juga akan meningkatkan jaringan kantor cabang dan akses atas terminal ATM ICBC yang tersebar di Indonesia untuk memudahkan transaksi nasabah.

Finally, The Bank will maintain the quality of customer service, supported by existing and new products. The Bank will also increase its branch network and access to ICBC ATM terminals spread throughout Indonesia to facilitate customer transactions.

Tata Kelola Perusahaan

Penerapan tata kelola perusahaan yang baik menjadi aspek penting dalam menciptakan ekosistem bisnis yang sehat dan berkualitas agar mampu membangun fondasi dan bekal yang kokoh untuk mencapai visi dan misi. Bank pun senantiasa mengupayakan tata kelola perusahaan yang baik untuk membangun akuntabilitas tinggi di hadapan para pemangku kepentingan dengan berpedoman kepada peraturan perundang-undangan serta nilai dan etika yang berlaku di industri perbankan.

Good Corporate Governance

The implementation of good corporate governance is an important aspect in creating a healthy and quality business ecosystem in order to build solid foundations and provisions to achieve The Bank's vision and mission. The Bank continues to strive for good corporate governance to build high accountability in front of stakeholders by referring to the laws and regulations as well as values and ethics that apply in the banking industry.

Pada 2019, Bank menyempurnakan penerapan tata kelola perusahaan dengan memperbaiki *Governance Process* melalui peningkatan *four-eyes principles* dan penerapan mekanisme *reward and punishment*. Bank juga melakukan inisiasi penyelarasan komite-komite di bawah Direksi serta melakukan penyelarasan kebijakan dan prosedur internal sesuai dengan praktik perbankan internasional.

In 2019, The Bank has refined the implementation of corporate governance by improving the Governance Process through enhancing the four-eyes principles and implementing a reward and punishment mechanism. The Bank also initiated the alignment of committees under the Board of Directors, as well as conducting internal policies and procedures alignment in accordance with international banking practices.

Sesuai Surat Edaran Otoritas Jasa Keuangan No. 13/SEOJK.03/2017 tentang Pelaksanaan Tata Kelola Perusahaan Bagi Bank Umum, Bank melaksanakan *self-assessment* terhadap pelaksanaan GCG sesuai dengan periode penilaian *Risk-Based Bank Rating* (RBBR) yang dilakukan per semester. Dalam hal ini, Bank telah menyampaikan *self-assessment* GCG untuk mengukur kedalaman implementasi praktik GCG sekaligus mendapatkan umpan balik bagi perbaikan pada masa mendatang dengan hasil akhir penilaian 2 (dua) yang terkategori "Baik".

In accordance with the Financial Services Authority Circular No. 13/SEOJK.03/2017 concerning the Implementation of Corporate Governance for Commercial Banks, The Bank carries out a self-assessment of the implementation of GCG in accordance with the Risk-Based Bank Rating (RBBR) assessment period which is conducted per semester. In this case, The Bank has submitted a GCG self-assessment to measure the depth of GCG practices implementation while at the same time getting feedback for improvements in the future with final assessment result of 2 (two) categorized as "Good".

Kinerja dan Kualitas SDM pada 2019

Selama 2019, kinerja dan kualitas SDM Bank terus menunjukkan peningkatan. Bank telah mengalokasikan dana investasi sebesar Rp16,59 miliar atau setara dengan Rp28,45 juta per karyawan, yang dialokasikan ke dalam 338 kelas pelatihan teknis, pelatihan *soft skill*, maupun pelatihan wajib dari regulator. Pemanfaatan dana ini terbilang maksimal mengingat persentase pencapaian karyawan yang mengikuti pelatihan mencapai 98,28%.

HR Performance and Quality in 2019

During 2019, the performance and quality of The Bank's human resources continue to show improvement. The Bank has allocated an investment fund of Rp16.59 billion or equivalent to Rp28.45 million per employee, which is allocated into 338 classes of technical training, soft skills training, and mandatory training from the regulator. Utilization of these funds is considered optimal given the percentage of employee achievement in attending the training reached 98.28%.

Pelatihan dan pendidikan yang dilaksanakan sepanjang 2019 antara lain adalah program *CARAL*, pendidikan sertifikasi manajemen risiko, dan sertifikasi *treasury dealer*. Selain itu, Bank juga menggelar pelatihan Aksi Keuangan Berkelanjutan sebagai bentuk dukungan Bank, sesuai dengan POJK 51 Tahun 2017.

Training and education carried out throughout 2019 include the CARAL program, risk management certification, and treasury dealer certification. In addition, The Bank also held a Sustainable Financial Action training as a form of The Bank support, in accordance with POJK 51 of 2017.

Tanggung Jawab Sosial Perusahaan

Bank telah mengadakan kegiatan program tanggung jawab sosial perusahaan (CSR) dengan baik pada 2019. Bank memberikan sumbangan kertas bekas untuk daur ulang kepada yayasan yang bekerja sama dengan Bank pada Januari dan Desember 2019. Bank juga beberapa kali menggelar kegiatan sosial di panti asuhan dan panti jompo, menyumbang sembako hingga perlengkapan sekolah yang dibutuhkan, melalui cabang-cabang yang ada di Indonesia. Selain itu, Bank juga menginisiasi kegiatan donor darah sebanyak 4 (empat) kali selama setahun pada 2019, bekerja sama dengan Palang Merah Indonesia.

Corporate Social Responsibility

The Bank has effectively conducted a corporate social responsibility (CSR) program in 2019. The Bank donated recycled papers to foundations that are in cooperation with The Bank in January and December 2019. The Bank also held social activities several times in orphanages and nursing homes, contributing food supplies and stationary supplies, through the branches in Indonesia. In addition, The Bank initiated blood donor activities 4 (four) times during the year in 2019, in collaboration with the Indonesian Red Cross.

Perubahan Komposisi Direksi

Pada 2019, terdapat perubahan komposisi Direksi yang terjadi. Namun perubahan ini tidaklah menimbulkan dampak yang signifikan terhadap kinerja Bank. Bank menerima pengunduran diri Ibu Xin Haiyan dari posisi Direktur Marketing pada tanggal 24 Agustus 2019. Fungi dan tanggung jawab yang diemban sebelumnya, untuk sementara diserahkan ke beberapa Direktur lainnya sampai dengan kehadiran Direktur pengganti untuk mengisi kekosongan tersebut. Dengan demikian komposisi Direksi Bank saat ini diisi oleh Bpk. Zhang Jinxing sebagai Presiden Direktur, serta Bpk. Yu Guangzhu, Bpk. Jeff S.V. Eman, Bpk. Thomas Arifin, Bpk. Sandy T. Muliana, dan Ibu Fransisca Nelwan Mok sebagai Direktur.

Changes in Board of Directors Composition

In 2019, there was a change in the composition of the Board of Directors. However, this change did not have a significant impact on The Bank's performance. The Bank accepted Ms. Xin Haiyan's resignation from the position of Marketing Director on August 24, 2019. Her previous functions and responsibilities were temporarily transferred to other Directors until the presence of a substitute Director to fill in the position. Thus, the composition of The Bank's Board of Directors is currently filled by Mr. Zhang Jinxing as President Director, as well as Mr. Yu Guangzhu, Mr Jeff S.V. Eman, Mr. Thomas Arifin, Mr. Sandy T. Muliana, and Mrs. Fransisca Nelwan Mok as Director.

Apresiasi dan Penutup

Sepanjang 2019, Bank telah meraih berbagai pencapaian yang tidak akan terjadi tanpa dukungan dari para Pemegang Saham dan Pemangku Kepentingan, serta kerja keras dan komitmen seluruh karyawan Bank ICBC Indonesia. Karena itu, kami mewakili jajaran Direksi Bank ICBC Indonesia mengucapkan terima kasih kepada semua pihak yang telah berkontribusi membawa Bank terus bertumbuh, bahkan di tengah ketidakpastian perekonomian global dan kinerja perekonomian nasional yang menurun. Kami juga ingin menyampaikan terima kasih kepada para regulator, nasabah, dan mitra kerja yang telah mendukung Bank menjalankan fungsinya dengan baik dalam 12 tahun terakhir.

Kami berharap pertumbuhan ini tidak akan berhenti tahun ini. Berbagai pencapaian yang diraih pada 2019 akan membawa Bank menemukan pijakan yang kokoh agar mampu bertahan menghadapi berbagai tantangan pada masa mendatang. Bank juga akan terus berkontribusi membawa perekonomian Indonesia ke arah yang lebih baik melalui berbagai produk dan jasa berkualitas yang dikembangkan Bank.

Appreciation and Closing

Throughout 2019, The Bank has obtained various achievements that would not have happened without the support of the Shareholders and Stakeholders, as well as the hard work and commitment of all employees of Bank ICBC Indonesia. Therefore, we represent the Board of Directors of Bank ICBC Indonesia would like to thank all those who have contributed to bring The Bank to grow, even during the global economic uncertainty and the declining national economic performance. We also want to thank the regulators, customers and partners who have supported The Bank in carrying out its functions properly in the past 12 years.

We hope this growth will not stop this year. Achievements attained in 2019 will bring The Bank in finding a strong fundamental to survive in facing various challenges in the future. The Bank will also continue to contribute to bring the Indonesian economy to a better direction through various quality products and services developed by The Bank.

Atas Nama Direksi
On Behalf of the Board of Directors

Zhang Jinxing
Presiden Direktur
President Director

Thomas Arifin
Direksi
Director

Jeff S.V. Eman
Direksi
Director

Sandy Tjipta Muliana
Direksi
Director

Fransisca Nelwan Mok
Direksi
Director

Zhang Jinxing
Presiden Direktur
President Director

Yu Guangzhu
Direksi
Director

PENYATAAN TANGGUNG JAWAB **ATAS LAPORAN TAHUNAN 2019 OLEH DEWAN KOMISARIS DAN DIREKSI**

Statements of Accountability of 2019 Annual Report by the Board of Commissioners and Board of Directors

Kami yang bertanda tangan di bawah ini menyatakan bahwa semua informasi dalam Laporan Tahunan PT Bank ICBC Indonesia tahun 2019 telah dimuat secara lengkap dan bertanggung jawab penuh atas kebenaran isi Laporan Tahunan Bank.

Demikian pernyataan ini dibuat dengan sebenarnya.

Jakarta, 29 Juni 2020

We, the signatories, hereby stated that all information contained in the 2019 Annual Report of PT Bank ICBC Indonesia has been comprehensively presented and that we are fully accountable for the accuracy of the contents of The Bank's Annual Report.

This statement is made truthfully.

DEWAN KOMISARIS
BOARD OF COMMISSIONERS

Wang Kun
Presiden Komisaris
President Commissioner

Hendra Widjojo
Komisaris Independen
Independent Commissioner

Yunno Kusumo
Komisaris Independen
Independent Commissioner

DIREKSI
BOARD OF DIRECTORS

Zhang Jinxing
Presiden Direktur
President Director

Yu Guangzhu
Direktur
Director

Jeff S.V. Eman
Direktur
Director

Thomas Anin
Direktur
Director

Sandy Tjipta Muliana
Direktur
Director

Fransisca Nelwan Mok
Direktur
Director

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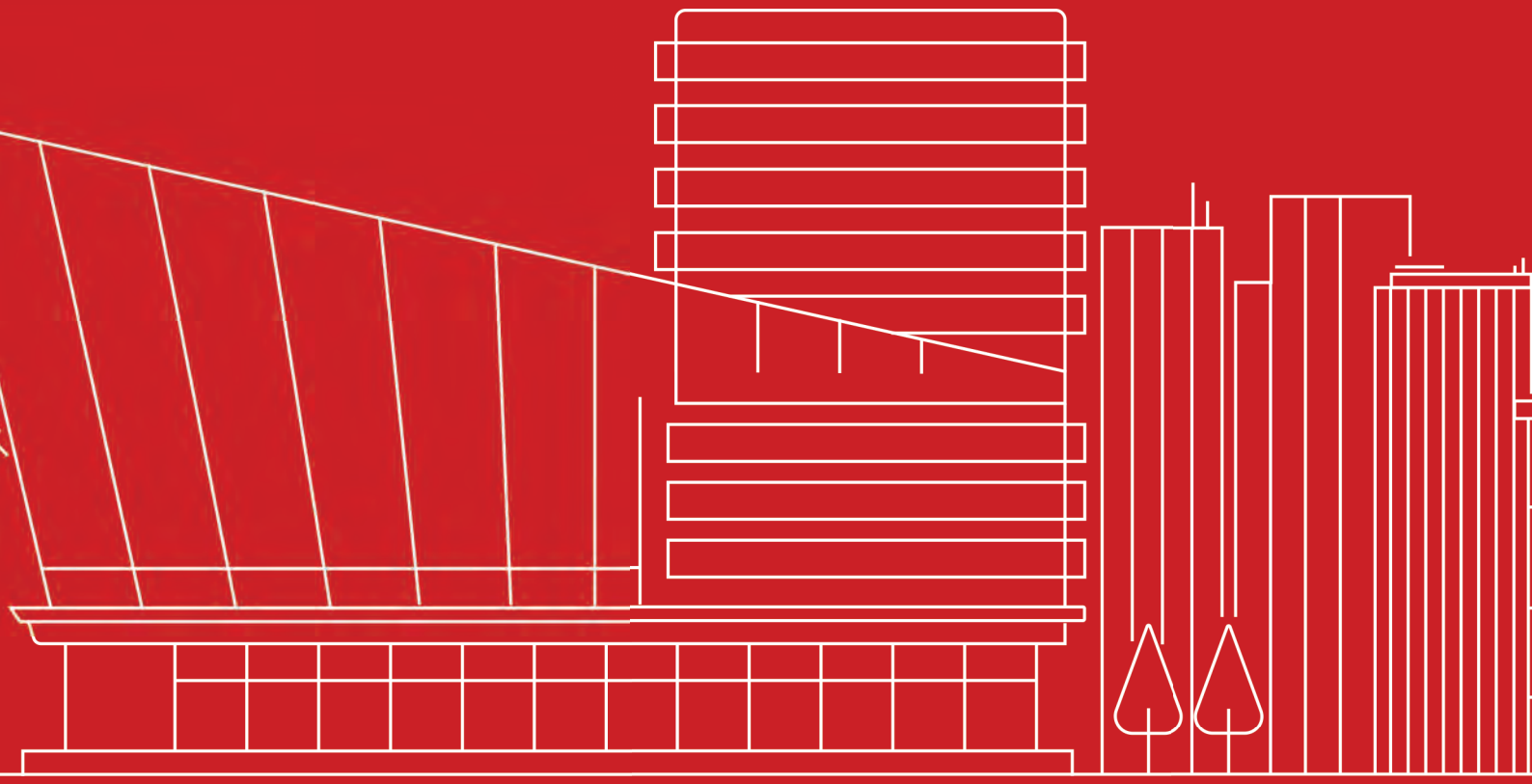


IDENTITAS **PERUSAHAAN**
Corporate Identity

Nama Perusahaan *Company Name*	**PT Bank ICBC Indonesia**
Tanggal Berdiri *Date Established*	PT Bankit - 15 Mei 1970 PT Bank ICBC Indonesia - 6 Juni 2007
Tanggal Beroperasi *Start of Operations*	PT Bank ICBC Indonesia - 28 September 2007
Dasar Hukum Pendirian *Legal Basis*	• PT Bankit – Deed No.17 dd. 15-05-1970, TBN No.480/1974, BN No.73 dd. 10-9-1974 • PT Bank ICBC Indonesia – Deed No.01 dd. 06-06-2007. MOL Approval No.W7-06959HT.01.04-TH.2007 dd 22-06-2007
Bidang Usaha *Field of Business*	Perbankan *Banking*
Domisili *Domicile*	DKI Jakarta, Indonesia
Kepemilikan Saham *Shareholding*	ICBC Limited 98,61% PT Intidana Wijaya 1,39%
Status Perusahaan *Company Status*	Perusahaan *Non-Listed* *Bank (Limited Liability Company) Non-Listed*
Modal Dasar *Base Capital*	Rp6.000.000.000.000
Modal Ditempatkan dan Disetor Penuh *Capital Issued and Fully Paid*	Rp3.706.150.000.000
NPWP *Tax Identification Number (NPWP)*	01.108.047.0-073.000
TDP *Registration Certificate (TDP)*	09.05.1.64.64137
SIUP *Business Permit (SIUP)*	Keputusan Gubernur Bank Indonesia No. 9/48/KEP.GBI/2007 tanggal 26 September 2007 *Bank Indonesia Gubernatorial Decree No. 9/48/KEP.GBI/2007 dated September 26, 2007*
Jumlah Karyawan *Number of Employees*	585 karyawan (per 31 Desember 2019) *585 employees (per December 31, 2019)*
Jaringan Cabang *Branch Networks*	15 Kantor Cabang | *Branch Offices* 3 Kantor Cabang Pembantu | *Sub-Branch Offices* 1 Kantor Kas | *Cash Office*
Alamat dan Kontak Kantor Pusat *Head Office Address and Contact*	ICBC Tower Lantai 32 Jl. M.H. Thamrin No. 81 Jakarta Pusat 10310 DKI Jakarta, Indonesia
Telepon *Telephone*	+62 21 2355 6000
Faksimili *Fax.*	+62 21 3199 6016
Call Center	1-500-198 (i Call ICBC)
Surel *Email*	customer_care@ina.icbc.com.cn
Situs Web *Website*	**www.icbc.co.id**

ICBC

RIWAYAT SINGKAT **PERUSAHAAN**
Company Brief History

Beroperasi lebih dari 1 (satu) dekade, Bank ICBC Indonesia senantiasa berfokus kepada kebutuhan nasabah. Karena itu, pada akhir tahun 2019, Bank ICBC Indonesia telah memiliki 15 (lima belas) jaringan kantor cabang, 3 (tiga) jaringan kantor cabang pembantu, dan 1 (satu) kantor kas yang tersebar di 7 (tujuh) provinsi di Indonesia, yaitu DKI Jakarta, Jawa Barat, Jawa Timur, Sumatera Utara, Kepulauan Riau, Kalimantan Timur, dan Sulawesi Selatan dengan jumlah karyawan mencapai 585 orang.

After 1 (one) decade of operations, Bank ICBC Indonesia continues to focusing on customer needs. Therefore, at the end of 2019, Bank ICBC Indonesia had 15 (fifteen) branch offices, 3 (three) sub-branch offices, and 1 (one) cash office spread over 7 (seven) provinces in Indonesia, namely DKI Jakarta, West Java, East Java, North Sumatra, Riau Island, East Kalimantan, and South Sulawesi with 585 employees.

Perubahan Nama dan Status Badan Hukum
Bank didirikan pertama kali dengan nama PT Bankit pada tahun 1970 yang kemudian berubah nama menjadi Bank Halim Indonesia pada tahun 1989. Melalui proses akuisisi yang dilakukan oleh ICBC Limited, pada 6 Juni 2007 Bank berubah nama menjadi PT Bank ICBC Indonesia.

Sekilas Bank ICBC Indonesia
PT Bank ICBC Indonesia, selanjutnya disebut "Bank" atau "Bank ICBC Indonesia", merupakan hasil akuisisi Bank Halim Indonesia oleh Industrial and Commercial Bank of China Limited (ICBC Limited) pada tanggal 28 September 2007. Bank kemudian berganti nama menjadi PT Bank ICBC Indonesia. ICBC Limited disebut sebagai "Bank Terbaik di Tiongkok" oleh majalah *The Banker* dari Inggris selama 3 (tiga) tahun berturut-turut (2014–2016). ICBC Limited juga merupakan "Bank Devisa Terbaik" versi majalah *Global Finance* dari Amerika Serikat 2016. ICBC Limited menguasai 98,61% saham Bank ICBC Indonesia sedangkan sisanya sebesar 1,39% dimiliki oleh PT Intidana Wijaya.

Name and Legal Entity Status Change
The Bank was first established under the name of PT Bankit in 1970 which then changed its name to Bank Halim Indonesia in 1989. Through the acquisition process by ICBC Limited, on June 6, 2007, The Bank changed its name to PT Bank ICBC Indonesia.

Bank ICBC Indonesia at a Glance
PT Bank ICBC Indonesia, hereinafter referred to as "The Bank" or "Bank ICBC Indonesia", is the result of the acquisition of Bank Halim Indonesia by the Industrial and Commercial Bank of China Limited (ICBC Limited) on September 28, 2007. The Bank later renamed as PT Bank ICBC Indonesia. ICBC Limited was named as the "Best Bank in China" by The Banker magazine from the UK for 3 (three) consecutive years (2014–2016). ICBC Limited was also named as the "Best Foreign Exchange Bank" according to the Global Finance magazine from the US in 2016. ICBC Limited controls 98.61% of The Bank's shares, while the remaining 1.39% is owned by PT Intidana Wijaya.

Proses akuisisi Bank Halim Indonesia oleh ICBC Limited merupakan langkah awal yang baik untuk membangun kiprah keberhasilan Bank ICBC Indonesia selanjutnya. Relokasi kantor pusat dari Surabaya ke Jakarta pada Desember 2007 menjadi langkah pertama Bank ICBC Indonesia dalam menanggapi peningkatan permintaan terhadap produk dan layanan paska akuisisi.

Memanfaatkan posisi geografis yang strategis di Indonesia dan jaringan yang memadai, dukungan sistem perbankan dari ICBC Limited, serta kepercayaan tinggi dari pemegang saham, Bank ICBC Indonesia mampu memberikan layanan terbaik serta menawarkan produk perbankan yang terpercaya, efisien, dan efektif bagi nasabah korporasi maupun individual. Pada akhir tahun 2019, Bank ICBC Indonesia telah memiliki 15 (lima belas) jaringan kantor cabang, 3 (tiga) jaringan kantor cabang pembantu, dan 1 (satu) kantor kas yang tersebar di 7 (tujuh) provinsi di Indonesia, yaitu DKI Jakarta, Jawa Barat, Jawa Timur, Sumatera Utara, Kepulauan Riau, Kalimantan Timur, dan Sulawesi Selatan dengan jumlah karyawan mencapai 585 orang.

The acquisition of Bank Halim Indonesia by ICBC Limited is a good starting point to build the foundation for The Bank's next successes. Relocation of its headquarter from Surabaya to Jakarta in December 2007 was the first step The Bank took in responding to the increasing demand for products and services after the acquisition.

Utilizing a strategic geographical position in Indonesia and an adequate networking, the banking system support from ICBC Limited, and high trust from shareholders, The Bank can provide the best services and offer reliable, efficient and effective banking products to corporate and individual customers. At the end of 2019, The Bank had 15 (fifteen) branch offices, 3 (three) sub-branch offices, and 1 (one) cash office spread over 7 (seven) provinces in Indonesia, namely DKI Jakarta, West Java, East Java, North Sumatra, Riau Island, East Kalimantan, and South Sulawesi with 585 employees.

Jaringan ATM PT Bank ICBC indonesia
PT Bank ICBC Indonesia ATM Card Network

29
ATM Bank ICBC di Indonesia
Bank ICBC ATMs in Indonesia

100.000
ATM ICBC Limited di Tiongkok
ICBC Limited ATMs in China

130.000
ATM dalam jaringan ATM Bersama dan LINK
ATMs in ATM Bersama and LINK network

Untuk senantiasa mempermudah akses nasabah ke rekening tabungan, Bank ICBC Indonesia mengintegrasikan jaringan ATM-nya dengan jaringan ATM ICBC Limited dan ATM Bersama. Dengan demikian, nasabah Bank ICBC Indonesia dapat menggunakan kartu ATM ICBC Indonesia tidak hanya di 29 terminal ATM ICBC di Indonesia, namun juga di lebih dari 100.000 ATM ICBC Limited di Tiongkok dan lebih dari 130.000 ATM dari bank-bank lain yang tergabung ke dalam jaringan ATM Bersama dan LINK di seluruh Indonesia.

Setelah beroperasi lebih dari 1 (satu) dekade, Bank ICBC Indonesia senantiasa mengembangkan produk dan jasa dengan berfokus kepada kebutuhan nasabah. Hal ini secara berkesinambungan membawa peningkatan pesat pada neraca maupun rentabilitas, terutama karena dukungan sumber daya dari perusahaan induk ICBC Limited yang berwawasan global, serta teknologi yang mumpuni. Bank pun siap mencapai prestasi yang lebih tinggi.

Guna memaksimalkan pencapaian misinya untuk menjadi jembatan ekonomi, keuangan, dan budaya antara Indonesia-Tiongkok, Bank ICBC Indonesia menawarkan berbagai produk dan layanan terbaik kepada nasabah Korporasi dan Komersial, Ritel, serta Usaha Kecil dan Menengah (UKM). Bank juga senantiasa mengembangkan strategi dan bertransformasi agar menjadi institusi finansial terkemuka dengan layanan, kinerja, dan kontribusi terbaik sehingga dapat berkontribusi dalam perkembangan perekonomian Indonesia. Pemilihan segmen nasabah BUMN dan perusahaan *blue-chip*, perubahan struktur pendapatan Bank yang menitikberatkan pada pertumbuhan kontribusi pendapatan komisi, perubahan struktur pendanaan Bank yang berfokus pada pertumbuhan Dana Pihak Ketiga terutama giro dan tabungan, mempercepat pertumbuhan bisnis konsumen, penguatan pengawasan internal, dan pemanfaatan teknologi dari ICBC Limited akan membawa Bank bertransformasi menjadi institusi finansial terkemuka di Indonesia.

To facilitate customers for accessing savings accounts, The Bank integrates its ATM network with ATM ICBC Limited and ATM Bersama networks. Thus, The Bank customers can use ICBC Indonesia ATM cards not only in 29 terminals of ICBC ATMs in Indonesia, but also in more than 100,000 ICBC Limited ATMs terminals in Mainlaind China and 130,000 ATM terminals of other banks incorporated into the ATM Bersama and LINK network throughout Indonesia.

After 1 (one) decade of operations, The Bank continues to develop products and services by focusing on customer needs. This has brought a rapid increase in the balance sheet and profitability on an ongoing basis, mainly because of the support of resources from the holding company ICBC Limited with a global perspective and qualified technology. Hence, The Bank is ready to achieve higher performance.

In order to maximize the achievement of its mission to become an economic, financial, and cultural bridge between Indonesia and China, The Bank offers a variety of best products and services to customers from Corporate and Commercial, Retail, as well as Small and Medium Enterprises (SMEs). The Bank constantly develops strategies and transforms into a leading financial institution with the best service, performance, and contribution so that it can contribute to the economic development of Indonesia. The selection of SOE customers and blue-chip companies, changes in The Bank's revenue structure which emphasized on the growth of commission income contribution, changes in The Bank's funding structure that focused on the growth of Third Party Funds, especially current accounts and savings, accelerates the growth of consumer businesses, strengthens internal monitoring, and technology utilization from ICBC Limited will bring The Bank into a leading financial institution in Indonesia.

KEGIATAN USAHA BERDASARKAN **ANGGARAN DASAR**

Business Activities Based on the Articles of Association

Sesuai dengan Pasal 3 Anggaran Dasar Perusahaan yang telah diperbarui dengan Akta No. 81 tanggal 8 Oktober 2019, kegiatan usaha Bank adalah menyelenggarakan kegiatan usaha Bank Umum Swasta Devisa dan kegiatan penunjang lainnya sesuai dengan peraturan perundang-undangan yang berlaku. Untuk mencapai maksud dan tujuan tersebut, Bank melaksanakan kegiatan usaha dengan penjabaran sebagai berikut:

a. Menghimpun dana dari masyarakat dalam bentuk giro, deposito berjangka, sertifikat deposito, tabungan, atau bentuk lainnya yang dipersamakan dengan itu.

b. Memberikan kredit/pinjaman, baik jangka panjang, jangka menengah, maupun jangka pendek atau pinjaman dalam bentuk lainnya yang lazim diberikan dalam usaha perbankan.

c. Menerbitkan surat pengakuan utang.

d. Membeli, menjual, atau menjamin atas risiko sendiri maupun untuk kepentingan dan atas perintah nasabahnya:
   - Surat wesel, termasuk wesel yang diterima oleh Bank yang jatuh temponya tidak lebih lama dari masa berlaku perdagangan surat-surat wesel pada umumnya;
   - Surat pengakuan hutang dan surat dagang lainnya yang jatuh temponya tidak lebih lama dari masa berlaku perdagangan surat-surat tersebut pada umumnya;
   - Surat Perbendaharaan Negara dan Surat Jaminan Pemerintah;
   - Sertifikat Bank Indonesia (SBI) atau yang dipersamakan dengan itu;
   - Obligasi;
   - Surat dagang dan/atau surat promes berjangka waktu;
   - Instrumen surat berharga lain yang berjangka waktu sesuai dengan peraturan perundang-undangan yang berlaku.

e. Memindahkan uang, baik untuk kepentingan individu maupun untuk kepentingan nasabah.

f. Menempatkan dana pada, meminjam dana dari, atau meminjamkan dana kepada bank lain, baik dengan menggunakan surat, sarana telekomunikasi, maupun dengan wesel unjuk, cek atau sarana lainnya.

g. Menerima pembayaran dari tagihan atas surat berharga dan melakukan perhitungan dengan atau antara pihak ketiga.

In accordance with Article 3 of the Company's Articles of Association which has been updated to Deed No. 81 dated October 8, 2019, The Bank's business activities are to operate as a Private Foreign Exchange Commercial Bank and conduct other supporting activities in accordance with applicable laws and regulations. To achieve such aims and objectives, The Bank has conducted the following business activities:

a. Collecting funds from the community in the form of current accounts, time deposits, certificates of deposit, savings, or other similar forms.

b. Providing credit/loans, whether long-term, medium-term, or short-term or loans in other forms that are commonly provided in the banking business.

c. Issuing debt-recognition letters.

d. Purchase, sell, or guarantee at its own risk or in the interest and on the orders of customers:
   - *Notes payable, including money orders received by The Bank with maturities not later than the trading period of the draft papers in general;*
   - *Debt and other trade papers whose maturity is not longer than the trading period of the letters in general;*
   - *Letters of State Treasury and Government Guarantee Letters;*
   - *Certificates of Bank Indonesia (SBI) or equivalent;*
   - *Bonds;*
   - *Trade papers and/or term promissory notes;*
   - *Other securities instruments with a maturity in accordance with the applicable laws and regulations.*

e. Wire fund, whether for the benefit of the individual or for the benefit of customers.

f. Place funds on, borrowing funds from, or lending funds to other banks, whether by mail, telecommunications means, or money orders, checks, or other means.

g. Receive payments on claims on securities and performing calculations with or between third parties.

h. Menyediakan tempat untuk menyimpan barang dan surat berharga.

i. Melakukan kegiatan penitipan untuk kepentingan pihak lain berdasarkan suatu kontrak.

j. Melakukan penempatan dana dari nasabah kepada nasabah lainnya dalam bentuk surat berharga yang tidak tercatat di bursa efek.

k. Melakukan kegiatan anjak piutang, usaha kartu kredit, dan kegiatan Wali Amanat sepanjang sesuai dengan peraturan perundang-undangan yang berlaku.

l. Membeli agunan baik seluruhnya maupun sebagian melalui suatu pelelangan dalam hal debitur tidak memenuhi kewajibannya kepada perseroan dengan ketentuan bahwa agunan yang dibeli tersebut harus dijual kembali secepatnya.

m. Melakukan kegiatan lain yang lazim dilakukan oleh Bank sepanjang tidak bertentangan dengan undang-undang di bidang perbankan dan peraturan perundang-undangan yang berlaku.

n. Melakukan kegiatan usaha perbankan dalam valuta asing dan/atau melakukan transaksi perbankan dengan pihak luar negeri dengan memenuhi ketentuan yang ditetapkan oleh Bank Indonesia dan/atau ditetapkan oleh yang berwenang.

o. Melakukan kegiatan penyertaan modal pada bank atau perusahaan lain di bidang keuangan, seperti sewa guna usaha, modal ventura, perusahaan efek, asuransi, serta lembaga kliring penyelesaian dan penyimpanan, dengan memenuhi ketentuan yang ditetapkan oleh yang berwenang.

p. Melakukan kegiatan penyertaan modal sementara untuk mengatasi akibat kegagalan kredit dengan syarat penyertaan modal tersebut harus ditarik kembali secepatnya.

q. Bertindak sebagai pendiri dan/atau pengurus Dana Pensiun sesuai dengan ketentuan dalam peraturan perundang-undangan di bidang Dana Pensiun yang berlaku.

h. Provide a space to store valuable items and securities.

i. Conduct custodial activities for the benefit of other parties based on a contract.

j. Place funds from customers to other customers in the form of securities non-listed on the stock exchange.

k. Conduct factoring, credit card business, and trustee activities as long as in accordance with applicable laws and regulations.

l. Purchase the collateral either wholly or partly through an auction in the event that the debtor does not fulfill its obligations to the company provided under the condition that the collateral purchased must be disbursed immediately.

m. Conduct other activities that are commonly carried out by The Bank as long as its implementation does not conflict with the banking laws and applicable regulations.

n. Conduct banking activities in foreign currencies and/or conduct banking transactions with foreign parties by fulfilling the provisions stipulated by Bank Indonesia and/or determined by the authorities.

o. Conduct equity participation in banks or other companies in the financial sector, such as leasing, venture capital, securities companies, insurance, and settlement clearing and storage institutions, by fulfilling the provisions stipulated by the authorities.

p. Conduct temporary equity participation activities to overcome the effects of credit failure under the condition that the equity participation must be withdrawn immediately.

q. Acting as the founder and/or administrator of the Pension Fund in accordance with the provisions in the legislation of applicable Pension Fund.

PRODUK & **JASA**
Products & Services

Produk Simpanan

Giro
Produk ini didesain untuk menunjang kelancaran usaha nasabah dalam melakukan transaksi bisnisnya.

Smart Savings
Produk tabungan Rupiah yang memberikan suku bunga kompetitif dengan berbagai keuntungan, mulai dari bebas biaya administrasi bulanan, bebas biaya RTGS dan LLG, serta berbagai kemudahan lainnya.

***Savings* 88**
Produk tabungan dengan 2 (dua) mata uang yang dapat dipilih oleh nasabah (IDR & CNY) yang memberikan 8 (delapan) keuntungan terbaik.

RMB *Savings*
Produk tabungan dalam mata uang RMB yang memberikan kemudahan, fleksibilitas serta keuntungan bagi nasabah.

USD *Savings*
Untuk memberikan solusi atas kebutuhan transaksi nasabah dalam bentuk valuta asing, Bank menyediakan rekening tabungan dalam mata uang Dolar Amerika Serikat (USD).

All-in-One Savings
Produk tabungan yang mempunyai pilihan 10 (sepuluh) jenis mata uang dalam 1 (satu) nomor rekening. Memberikan kemudahan, kenyamanan, dan keuntungan dalam melakukan transaksi valuta asing.

Deposit Products

Current Accounts
This product is designed to provide convenience for customers in performing their business transaction.

Smart Savings
Rupiah savings product that provides competitive interest rates with various benefits ranging from free monthly administration fees, free RTGS and LLG fees and various other facilities.

Savings 88
Savings product with 2 (two) currencies that can be chosen by the customers (IDR & CNY) that provides 8 (eight) best benefits.

RMB Savings
Savings product in Renmimbi (RMB) that provides convenience, flexibility and benefits for the customers.

USD Savings
To provide solution for the customers upon foreign exchange transaction needs, The Bank offers a savings account in US Dollar denomination.

All-In-One Savings
Savings product that has a choice of 10 (ten) types of currencies in 1 (one) account number. Providing convenience, comfort and benefits in conducting foreign exchange transactions.

Junior Savings
Produk tabungan yang ditujukan untuk anak-anak di bawah umur 18 tahun.

Deposito Berjangka IDR
Produk deposito ini menawarkan jangka waktu penempatan yang fleksibel dan dapat digunakan sebagai agunan kredit.

Deposito Berjangka USD
Produk ini didesain untuk memenuhi keinginan nasabah yang ingin menyimpan dananya dalam bentuk simpanan deposito berjangka dalam mata uang USD.

Deposito Berjangka RMB
Bank menyediakan bentuk simpanan deposito berjangka RMB demi memenuhi kebutuhan nasabah yang ingin menyimpan dananya dalam bentuk valuta asing.

Produk Pinjaman
Bank memiliki berbagai jenis produk pinjaman yang sesuai dengan kebutuhan nasabah dalam kepemilikan tempat tinggal dan tempat usaha atau pun perkembangan bisnis nasabah. Dalam penyalurannya, Bank dapat memberikan pelayanan pinjaman antara lain berupa:

Kredit Modal Kerja
Pinjaman Modal Kerja adalah pinjaman jangka pendek untuk memenuhi kebutuhan operasional usaha debitur. Modal kerja terdiri dari 2 (dua) macam:
- Pinjaman Rekening Koran (PRK), yaitu fasilitas pinjaman untuk memenuhi kebutuhan operasional harian usaha debitur. PRK diberikan dalam bentuk cerukan pada rekening koran dan penarikan dapat dilakukan setiap saat dengan menggunakan bilyet giro/cek bank.
- Pinjaman Tetap *on Demand* (PTD), adalah pinjaman modal kerja berulang di mana debitur dapat melakukan penarikan dana dengan jumlah dan jangka waktu tertentu dengan *promissory note* di mana baki debet (*outstanding*) yang telah dilunasi dapat ditarik kembali saat transaksi berikutnya.

Pinjaman Investasi
Pinjaman Investasi adalah pinjaman untuk membiayai kegiatan investasi usaha debitur. Pinjaman ini juga dikenal dengan nama fasilitas Pinjaman Tetap Investasi (PTI), yaitu pinjaman investasi kepada debitur yang ditujukan untuk :
- Membangun, memperluas, membangun kembali, mengembangkan, atau membeli aset tetap.
- Membiayai ekspansi usaha atau akuisisi.

Pembiayaan Proyek
Pembiayaan Proyek adalah pinjaman Bank jangka panjang untuk membiayai pembangunan proyek dan sumber pembayaran berasal dari arus kas proyek tersebut setelah selesai.

Pembiayaan Bersama
Pembiayaan Bersama adalah pinjaman yang diberikan oleh lebih dari satu bank kepada debitur dan/atau proyek yang sama. Pembiayaan Bersama ini terdiri dari 2 (dua) macam:
- Pinjaman Sindikasi, adalah Pembiayaan Bersama yang dilakukan oleh lebih dari 1 (satu) bank atau lembaga keuangan untuk debitur atau proyek yang sama dan mempunyai skema pinjaman dan Perjanjian Kredit yang sama. Pinjaman Sindikasi mempunyai Agen Fasilitas dan Agen Jaminan yang telah ditunjuk.

Junior Savings
Savings product intended for children under 18 years old.

Rupiah Time Deposits
This product not only offers flexible time placement but also can be used as a loan collateral.

USD Time Deposits
This product is designed to meet the needs of customers who seek to deposit their funds in USD.

RMB Time Deposits
The Bank offers time deposit in RMB denomination to fulfill the needs of its customers to deposit their funds in a foreign currency.

Loan Products
The Bank has a variety of loan products to suit the needs of customers, for the purpose of home or business ownership as well as business development. In channeling the funds, The Bank provides the following services:

Working Capital Loan
Working Capital Loan is a short-term loan for fulfilling the business operational needs of debtors, consisting of 2 (two) types, namely:
- *Overdraft (PRK) is a loan used to fulfill the daily operational needs of a debtor's business. PRK is given as an overdraft in the debtor's current account and withdrawal may be done at any point of time by means of The Bank's transfer form/ cheque.*
- *Fixed Loan on Demand (PTD) is a revolving loan which allows a debtor to withdraw funds in a certain amount and tenure with a promissory note in which the paid off outstanding balance can be re-drawn at the next transaction.*

Investment Loan
Investment Loan is credit facility, which intended to finance the investment activity of a debtor's business. This type of credit, also known as a Fixed Installment Loan (PTI), is an investment loan for the debtor that is intended to:
- *Build, expand, rebuild, develop or purchase the fixed assets.*
- *Finance business expansion or acquisition.*

Project Financing
Project Financing is a long-term loan dedicated to finance a construction project, and the source of repayment is derived from the project cash flow upon its completion.

Joint Financing
Joint financing is a loan provided to a debtor or a project by more than one bank. Joint financing consists of 2 (two) types:

- *Syndicated Loan is a Joint Financing by more than 1 (one) bank or financial institution for the same debtor or project, which have an identical loan scheme and the same Loan Agreement. Each Syndicated Loan engages its appointed Facility Agent and Security Agent.*

- *Club Deal*, adalah pembiayaan bersama yang dilakukan lebih dari 1 (satu) bank atau lembaga keuangan di mana setiap peserta mempunyai skema pinjaman yang boleh berbeda dengan peserta yang lain dan mempunyai Perjanjian Kredit terpisah untuk masing-masing peserta, tetapi mempunyai Perjanjian Pengikatan Jaminan yang sama, serta diperkuat dengan suatu Perjanjian Keagenan dan Perjanjian Pembagian Jaminan.

Kredit Usaha Kecil dan Menengah
Fasilitas kredit dengan skema kredit yang khusus dirancang untuk mendukung pertumbuhan usaha kecil dan menengah. Termasuk ke dalam kredit ini adalah pembiayaan perdagangan, garansi bank, dan produk pembiayaan lainnya.

Kredit Pemilikan Rumah
Fasilitas kredit bagi nasabah Bank untuk melakukan pembelian rumah atau *residential* lainnya dengan sistem angsuran dalam jangka waktu sampai 30 tahun atau sampai usia 65 tahun.

Pembiayaan Perdagangan Internasional
Pembiayaan Perdagangan Internasional merupakan salah satu layanan unggulan Bank. Berkat jaringan ICBC Limited yang didukung oleh 1.800 bank korespondensi di 147 negara dan 361 institusi luar negeri, Bank dapat memberikan kemudahan dalam melakukan pembiayaan perdagangan internasional, di antaranya adalah dengan jasa pengiriman uang, *letter of credit*, pembiayaan fasilitas kredit, dan *collection*.

Kartu Kredit
Bank menyediakan serangkaian produk kartu kredit yang mampu membantu pemegang kartunya untuk dapat lebih menikmati hidupnya. Setiap kartu kredit menyajikan berbagai keuntungan dan keistimewaan saat bersantap, berbelanja dan bepergian. Melalui kerja samanya dengan UnionPay sebagai asosiasi kartu terbesar di Tiongkok dan VISA yang merupakan sistem pembayaran elektronik terbesar di dunia, pemegang kartu bisa memperoleh keuntungan saat bertransaksi di mitra usaha di mana pun di dunia.

Selain itu, pemegang kartu dapat menikmati serangkaian manfaat, seperti gratis akses ke *lounge* bandara di kota-kota besar di Indonesia dan Tiongkok; *point reward* yang dapat ditukarkan hadiah yang variatif; gratis biaya administrasi untuk pembayaran tagihan kartu kredit ICBC melalui ATM BCA, KlikBCA & ATM ICBC di Indonesia; penawaran khusus di mitra-mitra usaha terpilih dan juga layanan personal untuk keperluan medis, perjalanan, dan gaya hidup dari Concierge Services UnionPay.

Jasa
Transfer IDR
Transfer IDR adalah layanan pengiriman dan penerimaan uang antar bank dalam mata uang IDR melalui sistem BIRTGS dan BI-SKN untuk bank-bank di dalam negeri.

Transfer Valuta Asing
Layanan Transfer Valuta Asing merupakan pengiriman uang antar bank dalam 9 (sembilan) mata uang asing dari dalam dan ke luar negeri atau pun sebaliknya.

Prefix Remittance
Layanan *Prefix Remittance* memungkinkan pengiriman uang dalam USD dan diterima dalam RMB di ICBC Limited atau ke bank mana pun di Tiongkok dengan nilai yang ditetapkan saat pengiriman di Indonesia. *Prefix Remittance* adalah jenis *remittance* yang dirancang khusus untuk warga *beneficiary* di Tiongkok yang bertujuan menghindari risiko volatilitas nilai tukar mata uang USD dan RMB.

- *Club Deal is a Joint Financing by more than 1 (one) bank or financial institution where every participant may have different loan scheme and separated Loan Agreement from the others, yet has the same Collateral Binding Agreement, and strengthened with Partnership Agreement and Security Sharing Agreement.*

Small and Medium Business Loan
Small and Medium Business Loan facility is a loan with a special scheme designed to support the growth of small and medium businesses. This type of loan includes trade financing, bank guarantees, and other financial products.

Housing Loan
This loan facility is dedicated for The Bank's customers to purchase a home or other type of residence with installment up to 30 years tenure or until age of 65 years old.

International Trade Financing
International Trade Financing is one of The Bank's competitive advantages. Thanks to ICBC Limited network of 1,800 correspondence banks in 147 countries and 361 institutions overseas. Hence, The Bank can provide convenient facility to international trade financing through its remittance service, letter of credits, credit facility financing and collection.

Credit Card
The Bank provides a range of credit card products that provide convenience to its cardholders in getting more out of their life. Each credit card includes an array of benefits and privileges when dining, shopping and traveling. Through its collaboration with UnionPay, the leading bankcard association in China, and VISA, the world's largest retail electronic payments, the cardholders can take advantage of the utmost convenience of transaction experience at any merchants around the world.

Moreover, the cardholders are able to enjoy an array of benefits, such as: free access to airport lounges in big cities around Indonesia and Mainland China; reward points redeemable for variative gift; free administration fee for ICBC credit card billing payment via BCA ATMs, KlikBCA & ICBC ATMs in Indonesia; as well as special offers from the selected business partners and personalized medical services, travel, and lifestyle services of UnionPay Concierge Services.

Services
Rupiah Remittance
Rupiah Remittance is an interbank remittance services for both incoming and outgoing in IDR through the BI-RTGS and BI-SKN systems for local banks.

Foreign Exchange Remittance
Foreign Exchange Remittance service is an interbank remittance available in 9 (nine) foreign currencies from Indonesia to overseas and vice versa.

Prefix Remittance
Prefix Remittance service allows remittance in USD and can be converted into Renminbi at ICBC Limited or any bank in China with a value preset in Indonesia. Prefix Remittance is a specific product designed for Chinese beneficiary with the purpose of avoiding the volatility risk of the USD and RMB exchange rates.

RMB *Cross Border*
Didukung oleh jaringan ICBC Limited dan koordinasi yang baik dengan seluruh jaringan ICBC di seluruh dunia, Bank mampu menyediakan jasa transfer RMB dengan jaringan luas dan layanan yang cepat.

Cross Border RMB Settlement
Supported by the ICBC Limited network and good coordination with ICBC branches worldwide, The Bank is able to provide innovative RMB settlement with a wide network and fast service.

Jual Beli Bank *Notes/Draft*
Layanan jual-beli mata uang asing yang mudah, efisien dan cepat, serta dapat juga dilakukan dengan menggunakan rekening bank.

Sale and Purchase of Bank Notes/Draft
This sale and purchase of foreign currencies' service is simple, efficient, fast and can be done easily by using bank account.

Safe Deposit Box
Jasa penyewaan kotak penyimpanan untuk barang berharga yang dirancang secara khusus dan aman.

Safe Deposit Box
This service is offered to provide a secure storage unit, which is specially devised and secure for valuable items.

Penerbitan Garansi Bank
Suatu layanan yang memberikan jaminan kepada pihak penerima jaminan apabila pihak yang dijamin tidak dapat memenuhi kewajiban atau cedera janji.

Bank Guarantee Issuance
A service that provides warranty to the recipient in case the guaranteed party fails to meet his/her obligations or if there is a breach of contract.

Bancassurance
Aktivitas kerja sama antara Bank dengan perusahaan asuransi dalam rangka memasarkan produk asuransi melalui bank.

Bancassurance
Cooperation between The Bank and insurance companies in order to sell the insurance products through The Bank.

Kartu ATM
Perluasan jaringan ATM ICBC memungkinkan nasabah untuk menikmati akses ke rekening tabungan ICBC melalui lebih dari 230.000 jaringan ATM yang meliputi: 29 terminal ATM ICBC di Indonesia, lebih dari 100.000 terminal ATM ICBC Limited di Tiongkok; dan 130.000 terminal ATM dari bank-bank yang tergabung ke dalam jaringan ATM Bersama dan LINK di seluruh Indonesia.

ATM Card
ICBC ATM network expansion enables customers to enjoy access to their savings account through more than 230,000 ATMs that include: 29 terminals of ICBC ATM in Indonesia, more than 100,000 ICBC Limited ATM terminals in Mainland China; and 130,000 ATM terminals of other banks within ATM Bersama & LINK network throughout Indonesia.

Layanan Nasabah Prioritas
Layanan khusus untuk nasabah Bank yang mempunyai saldo di atas nilai tertentu. Bank memberikan berbagai fasilitas tambahan yang tidak didapat oleh nasabah reguler, seperti *lounge* khusus, *personal relationship manager*, *meeting room*, dan berbagai fasilitas serta kemudahan lainnya.

Priority Customer Service
This exclusive service is designed for The Bank's customers who maintain their account balances above certain amount. The Bank provides additional facilities that are not given to regular customers, such as: exclusive lounge, personal relationship manager, meeting room and other convenient facilities.

Sub Agen Penjual Sukuk
Aktivitas kerja sama antara Bank dan agen penjual dalam rangka memasarkan Obligasi Ritel Pemerintah Indonesia berdasarkan prinsip syariah di pasar primer. Sukuk adalah surat berharga negara yang diterbitkan berdasarkan prinsip syariah, bertujuan untuk menghasilkan pendapatan yang stabil dengan risiko seminimal mungkin dan dikombinasikan dengan imbal hasil yang kompetitif dalam mata uang IDR.

Sukuk Sub Selling Agent
Cooperation between The Bank and selling agent in order to sell Indonesian Government Retail Bond based on sharia principles in the primary market. Sukuk is government securities issued based on sharia principles, which aims to generate a stable return with minimum risk while equipped with a competitive return in IDR currency.

Sub Agen Penjual ORI
Aktivitas kerja sama antara Bank dan agen penjual dalam rangka memasarkan Obligasi Ritel Pemerintah Indonesia (ORI) di pasar primer. Obligasi yang diterbitkan oleh Pemerintah Republik Indonesia yang dijual kepada individu atau perorangan Warga Negara Indonesia melalui agen penjual di pasar primer.

ORI Sub Selling Agent
Cooperation between The Bank and selling agent in order to sell Indonesian Government Retail Bond (ORI) in the primary market. Bonds issued by the Government of Republic of Indonesia, are sold to individuals or Indonesian citizens through brokers in the primary market.

Payroll
Bank menawarkan layanan *payroll* terpadu yang dapat mengurangi biaya, meningkatkan efisiensi waktu, menghilangkan pemakaian kertas, dan meningkatkan keamanan.

Payroll
The Bank offers integrated payroll services that can minimize cost, improve time efficiency, eliminate paperwork, and improve security.

Corporate Internet Banking
Corporate Internet Banking adalah layanan *online* untuk nasabah Korporasi guna memberikan kemudahan untuk melakukan transaksi secara *online*.

Corporate Internet Banking
Corporate Internet Banking is an online service that provides convenience for Corporate customers to conduct online transactions.

Valuta Asing (Valas)
Bank dapat melayani transaksi valas dengan valuta *Today*, *Tomorrow, Spot, Forward,* dan *Swap*.
- *Today*, penyelesaian transaksi dilakukan pada hari yang sama;
- *Tomorrow*, penyelesaian transaksi dilakukan pada 1 (satu) hari kerja setelah tanggal transaksi;
- *Spot*, penyelesaian transaksi dilakukan pada 2 (dua) hari kerja setelah tanggal transaksi;
- *Forward*, penyelesaian transaksi dilakukan di atas 2 (dua) hari kerja dari tanggal transaksi;
- *Swap*, transaksi valas pada tanggal valuta tertentu sekaligus dengan perjanjian untuk menjual atau membeli kembali pada tanggal valuta berbeda di masa yang akan datang dengan harga yang telah ditentukan pada tanggal transaksi.

Fixed Income
Kegiatan jual beli surat berharga yang diterbitkan oleh pemerintah maupun korporasi dari dalam maupun luar negeri, untuk mata uang IDR maupun valas, dengan tenor jangka pendek, menengah, maupun panjang, yang dilakukan untuk keperluan investasi dan cadangan likuiditas Bank.

Pasar Uang
Kegiatan yang berhubungan dengan kegiatan penempatan dana atau peminjaman dana antar-bank atau pendanaan berjangka pendek sampai dengan 1 (satu) tahun dalam mata uang IDR dan valuta asing yang dilakukan dalam rangka pengelolaan kebutuhan likuiditas bank.

Repo/Reverse Repo
Kontrak jual atau beli surat berharga dengan janji dibeli atau dijual kembali dengan jangka waktu yang telah ditetapkan di awal.

Obligasi Ritel
Aktivitas perdagangan Obligasi Ritel yang dijual di pasar sekunder. Obligasi Ritel tersebut dijual kepada nasabah perorangan di pasar sekunder.

FI *Lending* dan *Borrowing*
Layanan pemberian *lending* dan *borrowing* kepada Bank dan lembaga keuangan (non-bank) dengan jangka waktu diatas 1 (satu) tahun pada pasar *onshore* dan *offshore*.

Foreign Currency (Forex)
Bank offers forex transactions with the currency of Today, Tomorrow, Spot, Forward and Swap.
- *Today, transaction is completed on the same day;*
- *Tomorrow, transaction is completed 1 (one) business day after the date of transaction;*
- *Spot, transaction is completed in 2 (two) business days after the date of transaction;*
- *Forward, transaction is completed after 2 (two) business days from the date of transaction;*
- *Swap, forex transaction on a particular currency date with an agreement to resell or repurchase at different future currency dates, at a price specified on the date of transaction.*

Fixed Income
Activity related to sale and purchase of securities, issued by the government and corporations from onshore and offshore, for IDR and foreign currency, with short, medium, and long-term tenors, which are conducted for investment purposes and The Bank liquidity reserves.

Money Market
Activity related to fund placement or interbank lending or short-term financing of up to 1 (one) year in IDR and foreign currency, conducted in the framework of managing The Bank liquidity requirements.

Repo/Reverse Repo
A contract of sale or purchase of securities with a promise of repurcharce or reselling at a pre-defined time.

Retail Bond
Trading activity for Retail Bond sold in the secondary market. Retail Bond is sold to individual customers in the secondary market.

FI Lending and Borrowing
A lending and borrowing activity for The Bank and financial institution (non-bank) with a tenor above 1 (one) year both in onshore and offshore market.

JEJAK **LANGKAH**
Milestones

1970 - 2000

1970
Pendirian PT Bankit di Surabaya.
Establishment of PT Bankit Surabaya.

1974
Perubahan nama menjadi Bank Pasar Sumber Dana.
Change of name to Bank Pasar Sumber Dana.

1989
Perubahan nama menjadi Bank Halim Indonesia.
Change of name to Bank Halim Indonesia.

1995
Bank Halim Indonesia memperoleh status Bank Devisa.
Bank Halim Indonesia obtained status as Foreign Exchange Bank.

2001 - 2010

2007
ICBC Limited menyelesaikan prosedur hukum pemindahan hak kepemilikan saham Bank Halim Indonesia pada bulan September dan mengubah nama menjadi PT Bank ICBC Indonesia.
ICBC Limited completed the legal procedures of shareholding rights transfer of Bank Halim Indonesia in September and changed its name to PT Bank ICBC Indonesia.

2008
Pada bulan Desember dilakukan pemindahan kantor pusat Bank dari Surabaya ke Jakarta.
In December, The Bank head office was relocated from Surabaya to Jakarta.

2009
Implementasi sistem FOVA ke sistem operasional Bank sehingga terintegrasi penuh dengan sistem perusahaan induk.
The Bank's FOVA system was being put into the operation, which signified The Bank and its parent company's system has officially been fully integrated.

2010
Kartu kredit ICBC diluncurkan pada bulan April dengan dilengkapi *chip* EMV-*compliant* dan PIN enam digit.
ICBC credit card was launched in April. The card is equiped with EMV-compliant chips and six-digits PIN.

2011 - 2020

2011

- **Peresmian Kantor Kas Pasar Atom yang terletak di Pasar Atom Mall, Lantai 2, Jl. Stasiun Kota No. 22, Surabaya.**
- **Peresmian Kantor Cabang Pembantu Mangga Dua di Jalan Ruko Tekstil (Rutex) Mangga Dua, Blok C-6 Kav. 1, Jakarta.**

- *Inauguration of Pasar Atom Cash Ofice located at Pasar Atom Mall, 2nd Floor, Jl. Stasiun Kota No. 22, Surabaya.*
- *Inauguration of Mangga Dua Sub-Branch at Ruko Textile (Rutex) Mangga Dua, Block C-6 Kav. 1, Jakarta.*

2012

- **Bank ICBC Indonesia dan HSBC Indonesia melakukan transaksi penyesuaian RMB pertama senilai RMB1 juta. Dengan dukungan Bank Indonesia dan ICBC Limited, transaksi investasi obligasi mencapai RMB200 juta.**
- **Pembukaan Kantor Cabang Basuki Rahmat di Surabaya.**
- **Pembukaan Kantor Cabang Batam sebagai komitmen Bank untuk memperluas jaringan cabang di salah satu pulau dengan perdagangan tersibuk di Indonesia.**
- **Pembukaan Kantor Cabang Pembantu City of Tomorrow di Surabaya sebagai relokasi dari Kantor Cabang Pembantu di Sidoarjo.**

- *The Bank and HSBC Indonesia conducted the first RMB adjustment transaction amounted to RMB1 million. With the support from Bank Indonesia and ICBC Limited, the bond investment transactions reached RMB200 million.*
- *Grand Opening of Basuki Rahmat Branch in Surabaya.*
- *Grand Opening of Batam Branch as part of The Bank's commitment to expand its network in one of the busiest commercial islands.*
- *Grand Opening of CITO Sub-Branch in Surabaya as a relocation of former sub-branch office in Sidoarjo.*

2013

- **Acara penandatanganan antara Bank ICBC Indonesia dan Puro Pakualaman & Yayasan Batik Indonesia dalam rangka peluncuran Perbankan UKM.**
- **Bank mengadakan *soft launching* layanan ATM ICBC di The City Tower.**
- **Bank meresmikan pembukaan kantor cabang baru di Green Central City, Jl. Gajah Mada No. 188, Jakarta.**
- **Pembukaan kantor cabang ke-21 di Balikpapan untuk menembus pasar di Kalimantan.**

- *The Bank held a signing ceremony between The Bank and Puro Pakualaman & Indonesian Batik Foundation to commemorate the launch of SME Banking.*
- *The Bank held a soft-launching of its ATM service at The City Tower.*
- *The Bank inaugurated the opening of a new branch office at Green Central City, Jl. Gajah Mada No. 188, Jakarta.*
- *Grand opening of the 21st branch in Balikpapan, aimed to penetrate the market in Kalimantan.*

2014

- **Bank meluncurkan Kartu Kredit Platinum UnionPay.**
- ***Soft-launching* Kantor Cabang Makassar sebagai cabang ke-22. Makassar dianggap sebagai gerbang investasi dan perdagangan di bagian timur Indonesia.**
- **Bank dan PT Bank Panin Tbk menandatangani perjanjian kredit melalui *club deal* dengan PT Lombok Energy Dynamics untuk membiayai pembangunan generator listrik dengan kapasitas 2x25 MW di Lombok Timur, Nusa Tenggara Barat.**

- *The Bank launched UnionPay Platinum Credit Card.*
- *Soft-launching of Makassar Branch Office as the 22nd branch. Makassar is considered as a gate of investment and trade in the eastern part of Indonesia.*
- *The Bank and PT Bank Panin Tbk signed a loan agreement through a club deal with PT Lombok Energy Dynamics to finance the construction of electric generator with 2x25 MW capacity in East Lombok, West Nusa Tenggara.*

2015

- **MoU antara ICBC Limited dan Kementerian Badan Usaha Milik Negara untuk pembiayaan senilai USD20 miliar.**
- **Bank berkolaborasi dengan ICBC Limited dan ICBC Group untuk menandatangani perjanjian kerja sama atas bisnis RMB dengan EximBank serta perjanjian kerja sama pembiayaan lintas batas RMB dengan beberapa institusi terkemuka dari Indonesia dan Tiongkok.**
- ***Call center* nasional Bank mulai beroperasi 24 jam dan 7 hari untuk melayani pelanggan dalam tiga bahasa: Bahasa Indonesia, Inggris, dan Mandarin.**
- **Bank memperluas jaringan kartu ATM, memungkinkan pemegang kartu memperoleh kemudahan dan kenyamanan akses di lebih dari 177.000 ATM di jaringan ATM Bersama dan ICBC Limited di Tiongkok.**
- **Bank ICBC Indonesia dan Bank BTN menandatangani MoU senilai Rp10 triliun untuk mendukung proyek pembangunan sejuta rumah yang diprakarsai Pemerintah Indonesia.**
- **Disaksikan oleh Duta Besar Tiongkok untuk Indonesia, H.E Xie Feng, ICBC Asia, EximBank, dan Bank ICBC Indonesia menandatangani perjanjian kredit modal kerja senilai USD500 juta untuk mempromosikan perdagangan impor dan ekspor serta infrastruktur Indonesia.**

- *The Bank signed the MoU between ICBC Limited and The Ministry of State-Owned Enterprises in Indonesia amounted to USD20 billion.*
- *The Bank collaborated with ICBC Limited and ICBC Group to sign the RMB business cooperation agreement with EximBank and cross-border RMB financing cooperation agreement with several leading institutions from Indonesia and China.*
- *The Bank's nationwide call center started operating 24 hours and 7 days to serve the customers in three languages: Bahasa Indonesia, English, and Mandarin.*
- *The Bank expanded its ATM card network. This service enables the cardholders to have easy and convenient access to ATM across Indonesia and Mainland China through over 177,000 ATM Bersama and ICBC Limited ATM networks.*
- *The Bank and Bank BTN signed MoU worth Rp10 trillion to support the Indonesian Government's one million public housing project.*
- *Witnessed by Chinese Ambassador to Indonesia, H.E Xie Feng, ICBC Asia, EximBank, and The Bank successfully signed working capital loan agreement in the amount of USD500 million to promote Indonesia's import and export trades and infrastructures.*

2016

Bank ICBC Indonesia dan tiga BUMN Indonesia, yakni PT Semen Indonesia (Persero) Tbk, PT Antam Indonesia (Persero) Tbk, dan PT Garuda Indonesia (Persero) Tbk menandatangani MoU senilai USD4 miliar.

The Bank and three Indonesia's SOEs namely PT Semen Indonesia (Persero) Tbk, PT Antam Indonesia (Persero) Tbk, and PT Garuda Indonesia (Persero) Tbk signed MoU worth USD4 billion.

2017

- **Bank ICBC Indonesia ikut serta dalam pembiayaan Palapa Ring senilai Rp1 triliun untuk pembangunan jaringan komunikasi bawah laut.**
- **Bank ICBC Indonesia ikut serta dalam pembiayaan proyek Kereta Cepat Indonesia-China senilai USD4,5 miliar.**

- *The Bank participates in Palapa Ring financing worth Rp1 trillion for the construction of underwater communications network.*
- *The Bank participates in the financing of the Indonesia-China High Speed Railway project valued at USD4.5 billion.*

2018

- **Bank ICBC Indonesia dan ICBC Asia selaku *Senior Mandated Lead Arranger* menyalurkan kredit sindikasi kepada PLN sebesar USD150 juta untuk membiayai *general capital expenditure* di 2018.**
- **Bank mendukung program pembangunan infrastruktur pemerintah senilai Rp400 miliar untuk pembangunan jalan tol Balikpapan-Samarinda.**
- **Bank berpartisipasi dalam pembiayaan Proyek Taliabu Iron Ore yang berlokasi di Pulau Taliabu, Maluku Utara sebesar USD80 juta.**

- *The Bank and ICBC Asia as the Senior Mandated Lead Arranger rendered a syndicated financing to PLN amounted to USD150 million for the financing of general capital expenditures in 2018.*
- *The Bank fosters the government infrastructure program valued at Rp400 billion for the Balikpapan-Samarinda toll road construction.*
- *The Bank participates in the financing of Taliabu Iron Ore Project located in Taliabu Island, North Maluku amounted to USD80 million.*

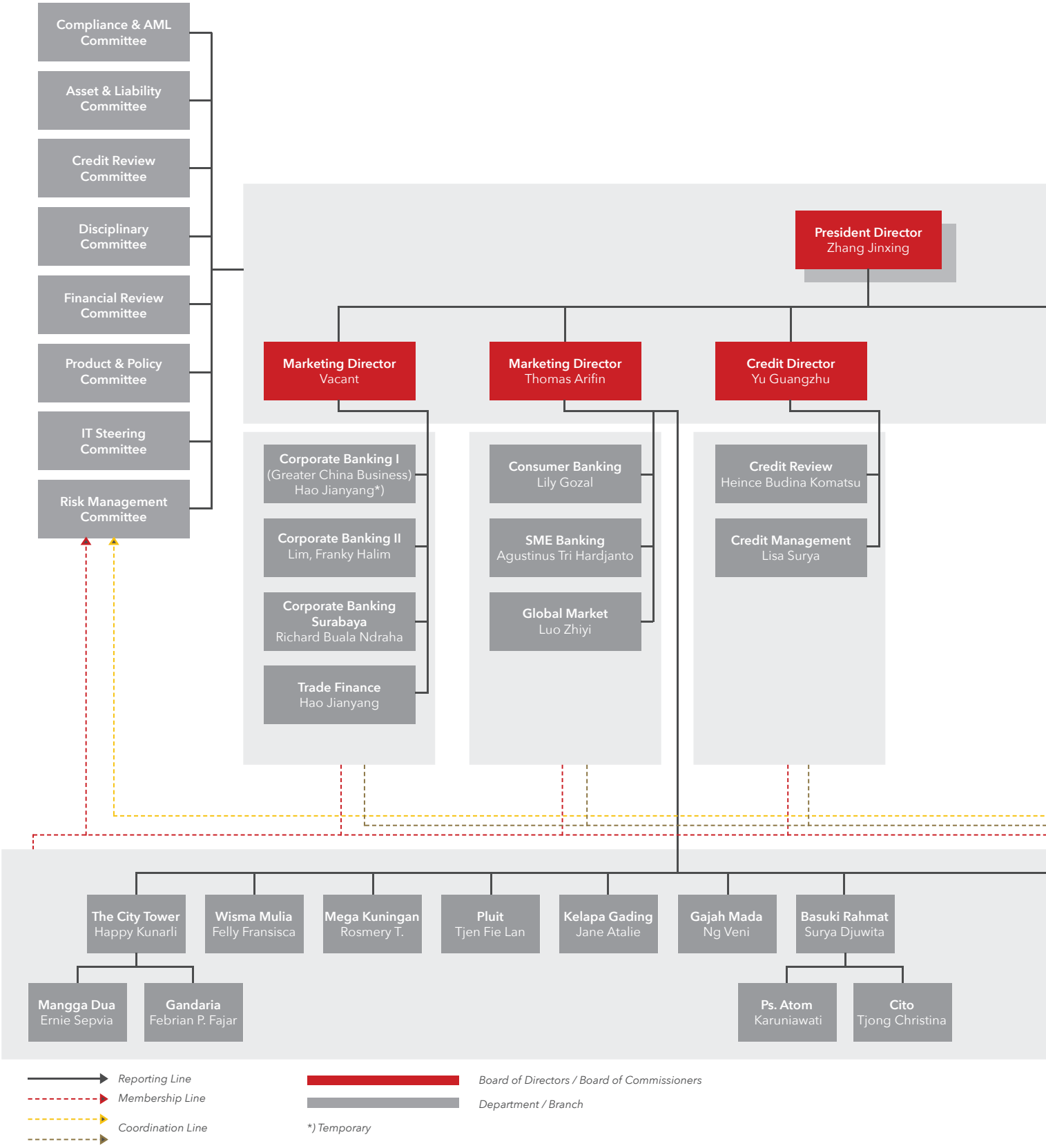
2019

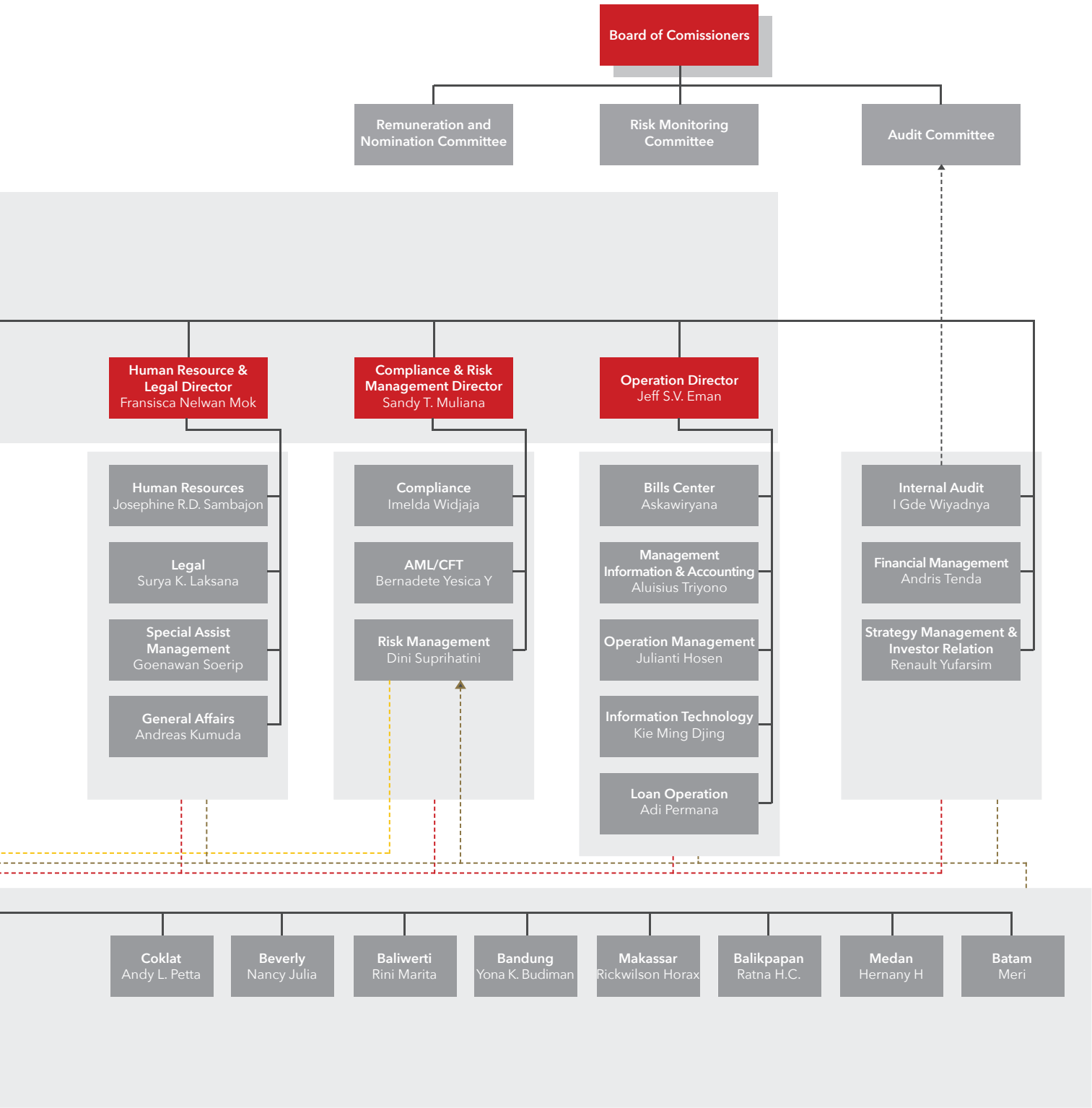
- **Bank ICBC Indonesia dan ICBC Tokyo menyediakan *syndicated account receivable* (*revolving facility*) untuk Proyek *High Speed Railway* (HSR) Jakarta-Bandung dengan total pendanaan USD50 juta, dengan bagian ICBC Indonesia sebesar USD24,5 juta yang jatuh tempo dalam 36 bulan.**
- **Bank menyalurkan pembiayaan senilai USD47,89 juta untuk pembangunan Renaissance Bali Nusa Dua Hotel and Villa di bawah Marriott Vacation Club International.**

- *The Bank and ICBC Tokyo provided Syndicated Account Receivable (Revolving Facility) for Jakarta-Bandung High Speed Railway (HSR) Project with total amount of USD50 million of which The Bank portion is USD24.5 million with 36 months of loan maturity.*
- *The Bank distributed financing worth USD47.89 million for the construction of Renaissance Bali Nusa Dua Hotel and Villa under the Marriott Vacation Club International brand.*

STRUKTUR **ORGANISASI**

Organizational Structure




Board of Comissioners
Remuneration and Nomination Committee
Risk Monitoring Committee
Audit Committee
Human Resource & Legal Director
Fransisca Nelwan Mok
Compliance & Risk Management Director
Sandy T. Muliana
Operation Director
Jeff S.V. Eman
Human Resources
Josephine R.D. Sambajon
Legal
Surya K. Laksana
Special Assist Management
Goenawan Soerip
General Affairs
Andreas Kumuda
Compliance
Imelda Widjaja
AML/CFT
Bernadete Yesica Y
Risk Management
Dini Suprihatini
Bills Center
Askawiryana
Management Information & Accounting
Aluisius Triyono
Operation Management
Julianti Hosen
Information Technology
Kie Ming Djing
Loan Operation
Adi Permana
Internal Audit
I Gde Wiyadnya
Financial Management
Andris Tenda
Strategy Management & Investor Relation
Renault Yufarsim
Coklat
Andy L. Petta
Beverly
Nancy Julia
Baliwerti
Rini Marita
Bandung
Yona K. Budiman
Makassar
Rickwilson Horax
Balikpapan
Ratna H.C.
Medan
Hernany H
Batam
Meri

VISI, MISI **& BUDAYA PERUSAHAAN**

Vision, Mission & Corporate Culture

Visi Vision

Menjadi bank "Pilihan Utama" dan "Memberikan Keunggulan" untuk perdagangan dan interaksi ekonomi antara Indonesia dan Tiongkok.
To be "The First Choice of" and "Delivering Excellence" bank for trading and economic transactions between Indonesia and China.

Misi Mission

- **Bank Terintegrasi**
  Fokus pada kompetensi inti melalui peningkatan integrasi dan kolaborasi di antara ICBC Limited Group untuk memperkenalkan keunggulan operasional institusi di luar negeri.
- **Bank Lokal**
  Menjadi bank lokal utama dan berpengaruh dengan memberikan nilai terbaik bagi pemegang saham, nasabah, karyawan, serta masyarakat.
- **Bank Internasional**
  Berpartisipasi dalam kompetisi global dan berbagi peluang global untuk mendukung pembangunan ekonomi Indonesia dan Tiongkok.
- **Bank Profesional**
  Menjalankan praktik-praktik bisnis yang solid, strategis dan inovatif untuk mengembangkan masa depan yang lebih baik bagi Bank ICBC Indonesia.

- ***Integrated Bank***
  Focusing on the core competencies through increased integration and collaboration between ICBC Limited Group to introduce the operational excellence of institution abroad.
- ***Local Bank***
  To be a leading and influential local bank through providing the best value to shareholders, customers, employees and public.
- ***International Bank***
  Participate in global competition and share global opportunities to support economic development in Indonesia and China.
- ***Professional Bank***
  Conducting solid, strategic and innovative business practices to develop a better future for Bank ICBC Indonesia.

Moto Motto

Masa Depan Anda adalah Masa Depan Kami, dan Masa Depan Kami adalah Masa Depan Anda.
Your Future is Our Future, and Our Future is Your future.

Tata Nilai Values

INTEGRITAS | *INTEGRITY*
Bertindak sesuai dengan norma dan etika serta bertanggung jawab terhadap tindakan yang dilakukan.
Act according to norms and ethics, and be responsible for actions taken.

PEDULI SOSIAL | *HUMANITY*
Membangun budaya peduli dan empati, serta menghargai sesama.
Build a culture of care and empathy, and respect for others.

KEHATI-HATIAN | *PRUDENCE*
Menerapkan prinsip kehati-hatian dalam menjalankan usaha.
Implementing the prudential principles in progressing the business.

INOVASI | *INNOVATION*
Terdepan dalam menciptakan produk dan layanan, dengan berfokus pada pengembangan teknologi.
Leading forward in creating products and services by focusing on the development of technology.

KEUNGGULAN | *EXCELLENCE*
Memberikan hasil terbaik agar terciptanya keunggulan dalam segala aspek.
Providing the best results for excellence in all aspects.

PROFIL **DEWAN KOMISARIS**
Board of Commissioners' Profile

Wang Kun
Presiden Komisaris
President Commissioner

Sejak 13 Desember, 2017 Warga Negara Tiongkok Usia 42 tahun Jiangsu, 14-04-1977 Tiongkok	*Since December 13, 2017* *Chinese Citizen* *42 years old* *Jiangsu, 14-04-1977* *China*
Jabatan dan Dasar Penunjukan Bapak Wang Kun diangkat sebagai Presiden Komisaris sejak Desember 2017. Keputusan ini berdasarkan Akta Pernyataan Keputusan Pemegang Saham Perseroan Terbatas PT Bank ICBC Indonesia No.108 pada tanggal 13 Desember 2017.	***Position and Appointment*** *Mr. Wang Kun was appointed as President Commissioner since December 2017. This decision is based on the Deeds of Decision of the Limited Liability Company Shareholders of PT Bank ICBC Indonesia No.108 on December 13, 2017.*
Pendidikan Beliau memiliki gelar Sarjana Seni dari Teacher's College, Yangzhou University, mengambil jurusan Pendidikan Bahasa Inggris dan lulus pada 1999. Beliau kemudian melanjutkan pendidikan untuk meraih gelar *Master of Art* dengan mengambil jurusan Sastra Inggris di Beijing Foreign Studies University dan lulus pada 2002.	***Education*** *He has a Bachelor of Arts from Teacher's College, Yangzhou University, majored in English Language Education and graduated in 1999. He then continued his education to earn the title of Master of Art by taking the same major at Beijing Foreign Studies University and graduating in 2002.*
Pelatihan Sepanjang kariernya beliau telah mengikuti berbagai seminar, lokakarya, atau pun pelatihan yang diselenggarakan baik oleh ICBC Limited maupun oleh universitas atau institusi ternama, seperti *Advance Credit Management*, *Senior Branch Management*, serta kursus singkat *Financial Business Administration* yang diselenggarakan oleh China South West Finance and Economic University, Shanghai, Tiongkok. Pada 2018, beliau menghadiri seminar "***Macro Economy and Risk Management***" dan seminar "***Corporate Governance Forum***" di Beijing, Tiongkok. Di tahun 2019 ini, beliau mengikuti pelatihan ***Cross Border Credit Risk Management*** yang diselenggarakan oleh ICBC Limited.	***Training*** *Throughout his career he has participated in various seminars, workshops, or training held both by ICBC Limited and by well-known university or institution, such as Advance Credit Management, Senior Branch Management, and short Financial Business Administration courses organized by China South West Finance and Economic University, Shanghai, China.* *In 2018, he attended "Macro Economy and Risk Management" seminar and "Corporate Governance Forum" seminar in Beijing, China. In 2019, he attended the Cross Border Credit Risk Management training organized by ICBC Limited.*

Perjalanan Karier Beliau berkarier di ICBC Limited sejak 2002. Selama berkarier di ICBC Limited, beliau telah menduduki jabatan-jabatan penting dalam bidang hubungan perbankan internasional, korespondensi bisnis, perencanaan bisnis, strategi bisnis perbankan, dan hubungan investor. Beliau juga pernah memimpin kantor cabang ICBC di Nanchong, yang selama masa jabatan beliau di sana, berkembang sangat pesat, baik dari sisi bisnis, kepatuhan, maupun pengelolaan risiko. Prestasi dan kegemilangan karier beliau dilanjutkan di Bank ICBC Indonesia sebagai Presiden Komisaris.	***Career*** *He began his career at ICBC Limited since 2002. During his career at ICBC Limited he has held important positions in the fields of international banking relations, business correspondence, business planning, banking business strategy, and investor relations. He also headed the ICBC Branch Office in Nanchong, which during his tenure there, this branch office grew very rapidly both in terms of business, compliance and risk management. His career achievements and glory continued at Bank ICBC Indonesia as President Commissioner.*
Pernyataan Independensi Untuk memenuhi prinsip tata kelola perusahaan yang baik, Bapak Wang Kun telah menandatangani pernyataan independensi yang menyatakan bahwa beliau akan bertindak independen dalam melaksanakan fungsi Dewan Komisaris sebagai Presiden Komisaris.	***Independency Statement*** *To fulfill the principles of good corporate governance, Mr. Wang Kun has signed an independency statement stating that he will act independently in carrying out the functions of the Board of Commissioners as President Commissioner.*
Rangkap Jabatan Bapak Wang Kun saat ini juga menjabat sebagai *Deputy Head International Department* di ICBC Limited dan *Non-Executive Director* di ICBC Argentina.	***Concurrent Position*** *Mr. Wang Kun currently also serves as Deputy Head of International Department at ICBC Limited and Non-Executive Director at ICBC Argentina.*
Hubungan Afiliasi Bapak Wang Kun tidak memiliki hubungan afiliasi dengan anggota Dewan Komisaris lain, anggota Direksi, maupun pemegang saham utama/pengendali.	***Affiliation*** *Mr. Wang Kun has no affiliation with other members of the Board of Commissioners, members of the Board of Directors, or major/ controlling shareholders.*

Hendra Widjojo
Komisaris Independen
Independent Commissioner

Sejak 19 September 2007 Warga Negara Indonesia Usia 56 tahun Teluk Betung, 09-04-1963 Indonesia	*Since September 19, 2007* *Indonesian Citizen* *56 years old* *Teluk Betung, 09-04-1963* *Indonesia*
Jabatan dan Dasar Penunjukan Bapak Hendra Widjojo diangkat menjadi Komisaris Independen sejak September 2007 berdasarkan Akta Pernyataan Keputusan Rapat Umum Luar Biasa Para Pemegang Saham PT Bank ICBC Indonesia (dahulu bernama PT Bank Halim Indonesia) No. 24 pada tanggal 19 September 2007.	***Position and Appointment*** *Mr. Hendra Widjojo was appointed as Independent Commissioner since September 2007 based on the Deeds of Decision of Extraordinary General Meeting of Shareholders of PT Bank ICBC Indonesia (formerly named PT Bank Halim Indonesia) No. 24 on September 19, 2007.*
Pendidikan Beliau merupakan Sarjana Ekonomi lulusan dari Universitas Merdeka, Surabaya pada tahun 2001.	***Education*** *He is a Bachelor of Economics graduated from Merdeka University, Surabaya, in 2001.*
Pelatihan Beliau telah berpartisipasi dalam sejumlah pelatihan profesional sepanjang kariernya. Pada tahun 2019, beliau mengikuti seminar "*Anti Money Laundering/Countering the Financing of Terrorism Practice and Latest Trend*" yang diselenggarakan oleh Pusat Pelaporan dan Analisis Transaksi Keuangan (PPATK). Beliau juga mengikuti seminar tentang "Peran Direktur Kepatuhan Dalam Menyikapi Tantangan Perekonomian Digital dan Kesiapan Perbankan Menghadapi *Mutual Evaluation Review*" yang diselenggarakan oleh Forum Komunikasi Direktur Kepatuhan Perbankan (FKDKP), dan pelatihan *Branch Transformation* yang diselenggarakan oleh Bank ICBC Indonesia.	***Training*** *He has participated in a number of professional trainings throughout his career. In 2019, he attended the "Anti Money Laundering/Countering the Financing of Terrorism Practice and Latest Trend" seminar organized by the Financial Transaction Reports and Analysis Center (PPATK). He also attended a seminar about "The Role of Compliance Director in Addressing Digital Economic Challenges and Banking Readiness in Facing Mutual Evaluation Review" organized by the Banking Compliance Director Communication Forum (FKDKP), and Branch Transformation training organized by Bank ICBC Indonesia.*
Perjalanan Karier Selama 35 tahun berkarier, beliau menduduki berbagai posisi, mencakup Direktur PT Ogasaka (1981–1983) dan Kepala Divisi Keuangan di PT Multi Commodore Leasing (1982–1983). Dalam 5 tahun berikutnya, beliau menjabat sebagai Direktur Utama di Bank Pasar Sumber Dana. Dari tahun 1989 sampai dengan 1998, beliau ditunjuk sebagai Presiden Direktur PT Bank Halim Indonesia, kemudian menjabat sebagai Komisaris (1998–2005), lalu akhirnya menduduki posisi Presiden Komisaris hingga Bank diakuisisi oleh ICBC Limited pada 2007 dan berganti nama menjadi PT Bank ICBC Indonesia. Sejak saat itu, beliau menjabat sebagai Komisaris Independen.	***Career*** *During his 35 years career, he held various positions, including the Director of PT Ogasaka (1981–1983) and Head of the Finance Division at PT Multi Commodore Leasing (1982–1983). In the next 5 years, he served as the Managing Director at the Bank Pasar Sumber Dana. From 1989 to 1998, he was appointed as President Director of PT Bank Halim Indonesia, then served as Commissioner (1998–2005), and finally held the position of President Commissioner until The Bank was acquired by ICBC Limited in 2007 and renamed PT Bank ICBC Indonesia. Since then, he served as an Independent Commissioner.*

Pernyataan Independensi Untuk memenuhi prinsip tata kelola perusahaan yang baik, Bapak Hendra Widjojo telah menandatangani pernyataan independensi yang menyatakan bahwa beliau akan bertindak independen dalam melaksanakan tugasnya sebagai Komisaris Independen.	***Independency Statement*** *To fulfill the principles of good corporate governance, Mr. Hendra Widjojo has signed an independency statement stating that he will act independently in carrying out his duties as an Independent Commissioner.*
Rangkap Jabatan Bapak Hendra Widjojo tidak memiliki jabatan di perusahaan/institusi lain yang memiliki hubungan afiliasi maupun non-afiliasi dengan Bank.	***Concurrent Position*** *Mr. Hendra Widjojo does not have a position in another company/institution that has an affiliated and non-affiliated relationships with The Bank.*
Hubungan Afiliasi Bapak Hendra Widjojo tidak memiliki hubungan afiliasi dengan anggota Dewan Komisaris lain, anggota Direksi, maupun pemegang saham utama/pengendali.	***Affiliation*** *Mr. Hendra Widjojo has no affiliation with other members of the Board of Commissioners, members of the Board of Directors, or major/controlling shareholders.*

Yunno Kusumo
Komisaris Independen
Independent Commissioner

Sejak 29 Agustus 2018 Warga Negara Indonesia Usia 63 tahun Yogyakarta, 03-11-1956 Indonesia	*Since August 29, 2018* *Indonesian Citizen* *63 years old* *Yogyakarta, 03-11-1956* *Indonesia*
Jabatan dan Dasar Penunjukan Bapak Yunno Kusumo diangkat menjadi Komisaris Independen sejak 29 Agustus 2018 berdasarkan Akta Pernyataan Keputusan Pemegang Saham Perseroan Terbatas PT Bank ICBC Indonesia No. 137 pada tanggal 29 Agustus 2018.	***Position and Appointment*** *Mr. Yunno Kusumo was appointed as Independent Commissioner since August 29, 2018 based on the Deeds of Decision of the Limited Liability Company Shareholders of PT Bank ICBC Indonesia No. 137 on August 29, 2018.*
Pendidikan Beliau lulus dari Universitas Airlangga, Surabaya, pada 1982 dengan gelar Sarjana Ekonomi dari jurusan Akuntansi dan meraih gelar *Master of Art* dari University of Kansas, Amerika Serikat, pada tahun 1990.	***Education*** *He graduated from Airlangga University, Surabaya in 1982 with a Bachelor of Economics majoring in Accounting; and won a Master of Art from the University of Kansas, USA in 1990.*
Pelatihan Beliau telah berpartisipasi dalam berbagai pelatihan, seminar, maupun lokakarya dan telah meraih berbagai sertifikasi profesional sepanjang karier beliau, baik di Bank Indonesia maupun di Otoritas Jasa Keuangan. Sepanjang 2019, beliau mengikuti seminar "*Anti Money Laundering/Countering the Financing of Terrorism Practice and Latest Trend*" yang diselenggarakan oleh Pusat Pelaporan dan Analisis Transaksi Keuangan (PPATK), seminar "Peran Direktur Kepatuhan Dalam Menyikapi Tantangan Perekonomian Digital dan Kesiapan Perbankan Menghadapi *Mutual Evaluation Review*" yang diselenggarakan oleh Forum Komunikasi Direktur Kepatuhan Perbankan (FKDKP), serta pelatihan *Branch Transformation* dan *Cross Culture Program*: *The Silk Road Rising* yang diselenggarakan oleh Bank ICBC Indonesia.	***Training*** *He has participated in various trainings, seminars and workshops, and has achived various professional certifications throughout his career at both Bank Indonesia and the Financial Services Authority. Throughout 2019, he attended "Anti Money Laundering/ Countering the Financing of Terrorism Practice and Latest Trend" seminar organized by the Financial Transaction Reports and Analysis Center (PPATK), "The Role of Compliance Director in Addressing Digital Economic Challenges and Banking Readiness in Facing Mutual Evaluation Review" seminar held by the Banking Compliance Director Communication Forum (FKDKP), Branch Transformation training and Cross Culture Program: The Silk Road Rising organized by Bank ICBC Indonesia.*

Perjalanan Karier

Beliau memiliki pengalaman yang sangat luas di bidang industri jasa keuangan, terutama terkait dengan pengawasan industri jasa keuangan dan perbankan. Beliau mengawali kariernya di Bank Indonesia pada 1983. Selama berkarier di Bank Indonesia, beliau telah banyak menduduki jabatan-jabatan strategis, di antaranya Kepala Seksi Biro Penelitian dan Pengembangan Perbankan, Analisis Senior Hukum dan Sekretariat, Peneliti Eksekutif Direktorat Penelitian dan Pengembangan Perbankan, Peneliti Eksekutif Departemen Sumber Daya Manusia, Direktur Pemeriksaan Bank I, serta Direktur Eksekutif-Kepala Departemen Investigasi dan Mediasi Perbankan.

Pada 2013, beliau melanjutkan kariernya di Otoritas Jasa Keuangan. Sampai dengan akhir masa baktinya di Otoritas Jasa Keuangan, beliau menduduki berbagai jabatan strategis, seperti Direktur Eksekutif-Kepala Departemen Investigasi dan Perlindungan Konsumen; Direktur Eksekutif-Kepala Regional III Jawa Timur, Bali, NTB, dan NTT; dan Direktur Eksekutif-*Advisor* Departemen Pengendalian Kualitas Pengawasan. Pada tahun 2018, beliau bergabung dengan Bank ICBC Indonesia sebagai Komisaris Independen.

Career

He has extensive experience in the financial services industry, especially related to the supervision of the financial services and banking industry. He began his career at Bank Indonesia in 1983. During his career at Bank Indonesia he had held many strategic positions including the Head of the Banking Research and Development Bureau, Senior Legal Analysis and Secretariat, Executive Researcher at the Directorate of Banking Research and Development, Executive Researcher, Department of Human Resources, Director of Bank I Examination, and Executive Director-Head of the Banking Investigation and Mediation Department.

In 2013 he continued his career at the Financial Services Authority. Until the end of his tenure at the Financial Services Authority, he held various strategic positions such as Executive Director-Head of the Investigation and Consumer Protection Department; Executive Director Regional Head III East Java, Bali, NTB, and NTT; and Executive Director-Advisor of the Supervision Quality Control Department. In 2018, he joined Bank ICBC Indonesia as an Independent Commissioner.

Pernyataan Independensi

Untuk memenuhi prinsip tata kelola perusahaan yang baik, Bapak Yunno Kusumo telah menandatangani pernyataan independensi yang menyatakan bahwa beliau akan bertindak independen dalam melaksanakan tugasnya sebagai Komisaris Independen.

Independency Statement

To fulfill the principles of good corporate governance, Mr. Yunno Kusumo has signed an independency statement stating that he will act independently in carrying out his duties as an Independent Commissioner.

Rangkap Jabatan

Bapak Yunno Kusumo tidak memiliki jabatan di perusahaan/institusi lain yang memiliki hubungan afiliasi maupun non-afiliasi dengan Bank.

Concurrent Position

Mr. Yunno Kusumo does not have a position in another company/institution that has an affiliated and non-affiliated relationships with The Bank.

Hubungan Afiliasi

Bapak Yunno Kusumo tidak memiliki hubungan afiliasi dengan anggota Dewan Komisaris lain, anggota Direksi, maupun pemegang saham utama/pengendali.

Affiliation

Mr. Yunno Kusumo has no affiliation with other members of the Board of Commissioners, members of the Board of Directors, or major/controlling shareholders.

PROFIL **DIREKSI**
Board of Directors' Profile

Zhang Jinxing
Presiden Direktur
President Director

Sejak 20 April 2018 Warga Negara Tiongkok Usia 53 tahun Hubei, 16-07-1966 Indonesia	*Since April 20, 2018* *Chinese Citizen* *53 years old* *Hubei, 16-07-1966* *Indonesia*
Jabatan dan Dasar Penunjukan Bapak Zhang Jinxing diangkat menjadi Presiden Direktur berdasarkan Akta Pernyataan Keputusan Pemegang Saham Perseroan Terbatas PT Bank ICBC Indonesia No. 108 pada tanggal 13 Desember 2017 dan efektif menjabat sejak tanggal 20 April 2018 berdasarkan Surat Izin Mempekerjakan Tenaga Kerja Asing No. KEP.D31306/MEN/B/IMTA/2018 yang diterbitkan oleh Kementerian Ketenagakerjaan Republik Indonesia pada tanggal 19 April 2018.	***Position and Appointment*** *Mr. Zhang Jinxing was appointed as President Director based on the Deeds of Decision of the Limited Liability Company Shareholders of PT Bank ICBC Indonesia No. 108 on December 13, 2017 and effectively served on April 20, 2018 based on the License to Employ Foreign Workers No. KEP.D31306/MEN/B/IMTA/2018 issued by the Ministry of Manpower of the Republic of Indonesia on April 19, 2018.*
Pendidikan Beliau meraih gelar Sarjana Sains di bidang Matematika Terapan dari Wuhan University pada 1988 dan meraih gelar *Master of Economics* di bidang *Western Economics* pada 1999 dari Huazhong University of Science and Technology.	***Education*** *He earned a Bachelor of Science in Applied Mathematics from Wuhan University in 1988, and earned a Master of Economics degree in Western Economics in 1999 from Huazhong University of Science and Technology.*
Pelatihan Sepanjang kariernya, beliau telah berpartisipasi dalam berbagai pelatihan profesional dari universitas dan lembaga pendidikan ternama, seperti *Senior Executives Training Program* dari Oxford University, *Big Data Finance Training* Course dari Lausanne Collegiate School, dan *Corporate Finance: Merger and Restructuring Training Course* dari Yale University. Sebelum menjabat sebagai Presiden Direktur, beliau sudah memperoleh Sertifikasi Manajemen Risiko Tingkat 5 dari Lembaga Sertifikasi Profesi Perbankan pada tahun 2017. Selama 2019, beliau telah mengikuti seminar "*Facing Softening Global Economy: The Need to Strengthen Bank Resolution Preparedness*" yang diselenggarakan di Bali oleh Lembaga Penjamin Simpanan pada tanggal 20–21 Agustus 2019, seminar "*Anti Money Laundering/ Countering the Financing of Terrorism Practice and Latest Trend*" yang diselenggarakan oleh Pusat Pelaporan dan Analisis Transaksi Keuangan (PPATK), serta *Strategic Workshop* dan *Cross Culture* Program: *The Silk Road Rising* yang diselenggarakan oleh Bank ICBC Indonesia. Di samping itu, beliau juga berpartisipasi dalam program *Refreshment* Sertifikasi Manajemen Risiko.	***Training*** *Throughout his career, he has participated in various professional trainings from universities and renowned educational institutions, such as the Senior Executives Training Program from Oxford University, Big Data Finance Training Course from the Lausanne Collegiate School, and Corporate Finance: Merger and Restructuring Training Course from Yale University. Before appointed as President Director, he had obtained Level 5 Risk Management Certification from the Banking Professional Certification Institute in 2017. During 2019, he participated in the "Facing Softening Global Economy: The Need to Strengthen Bank Resolution Preparedness" seminar in Bali held by the Indonesian Deposit Insurance Corporation on August 20–21, 2019, "Anti Money Laundering/Countering the Financing of Terrorism Practice and Latest Trend" seminar organized by Financial Transaction Reports and Analysis Center (PPATK), Strategic Workshop and Cross Culture Program: The Silk Road Rising organized by Bank ICBC Indonesia. In addition, he also participated in the Risk Management Certification Refreshment program.*

Perjalanan Karier

Beliau mengawali kariernya di ICBC Xiangfan pada Divisi *International Banking* pada tahun 1988, dan setelah itu karier beliau terus menanjak dengan menduduki berbagai posisi penting seperti Kepala Kantor ICBC Wuhan Jiangbei, dan Kepala Cabang Wuhan Zhongnan dengan beragam tanggung jawab seperti pengelolaan dana pihak ketiga, analisa kebutuhan pendanaan, dan juga pengembangan bisnis valuta asing. Pada 2002 beliau memulai perjalanan karier internasionalnya di ICBC Frankfurt selama tiga tahun sebagai Wakil *General Manager* dengan tanggung jawab untuk mengelola pengembangan bisnis ICBC Frankfurt baik dalam pemberian pinjaman korporasi maupun pengelolaan pendanaan korporasi, dan memperkuat hubungan bisnis dengan bank-bank lain di Frankfurt. Pada tahun 2005 beliau kembali ke Tiongkok untuk menduduki berbagai posisi penting di ICBC Hubei Branch seperti Wakil *General Manager Banking Business*, *General Corporate Banking*, Pejabat Eksekutif, dan merangkap sebagai Ketua *Financial Review Committee* dan *Centralized Purchase Review Committee*, Wakil Ketua Komite *Credit Review*, dan Wakil Ketua Komite Manajemen Risiko.

Selama berkarier di ICBC Hubei Branch beliau berhasil meraih berbagai penghargaan diantaranya *Best Service Banking Award* selama dua tahun berturut-turut yaitu tahun 2013 dan 2014, *Best Department of Hubei Branch* di tahun 2015, *Investment Banking Outstanding Contribution Award* di tahun 2016, dan penghargaan bergengsi lainnya yang berhasil dicapai sepanjang karier beliau. Pada April 2018, beliau ditugaskan di Bank ICBC Indonesia sebagai Presiden Direktur.

Career

He began his career at ICBC Xiangfan in the International Banking Division in 1988, and after that his career continued to develop by occupying various important positions such as the Head of the ICBC Wuhan Jiangbei Office, and Wuhan Zhongnan Branch Manager with various responsibilities such as third party fund management, analysis of funding needs, and also the development of the foreign exchange business. In 2002, he began his international career on the ICBC Frankfurt for three years as a Deputy General Manager with responsibility for managing the development of ICBC Frankfurt business both in providing corporate loans and managing corporate funding, and strengthening business relationships with other banks in Frankfurt. In 2005 he returned to China to occupy various important positions at ICBC Hubei Branch such as Deputy General Manager of Banking Business, General Corporate Banking, Executive Officer, and concurrently as Chairman of the Financial Review Committee and Centralized Purchase Review Committee, Deputy Chair of Credit Review Committee, and Deputy Chair of Risk Management Committee.

During his career at ICBC Hubei Branch he won various awards including the Best Service Banking Award for two consecutive years namely 2013 and 2014, Best Department of Hubei Branch in 2015, Investment Banking Outstanding Contribution Award in 2016, and other prestigious awards, which was achieved, throughout his career. In April 2018, he was assigned to Bank ICBC Indonesia as President Director.

Pernyataan Independensi

Untuk mengimplementasikan tata kelola perusahaan yang baik sesuai dengan peraturan dan perundang-undangan yang berlaku, Bapak Zhang Jinxing telah menandatangani surat pernyataan independensi yang menyatakan bahwa beliau telah memenuhi kriteria untuk bertindak independen dalam melaksanakan fungsi operasional Direksi sebagai Presiden Direktur.

Independency Statement

To fulfill the implemention of good corporate governance in accordance with applicable laws and regulations, Mr. Zhang Jinxing has signed an independency statement stating that he has fulfilled the criteria to act independently in performing the operational functions of the Board of Directors as President Director.

Rangkap Jabatan

Bapak Zhang Jinxing tidak menduduki jabatan di perusahaan/institusi lain yang memiliki hubungan afiliasi maupun non-afiliasi dengan Bank.

Concurrent Position

Mr. Zhang Jinxing does not hold position in another company/institution that has an affiliated and non-affiliated relationships with The Bank.

Hubungan Afiliasi

Bapak Zhang Jinxing tidak memiliki hubungan afiliasi dengan anggota Direksi lain, anggota Dewan Komisaris, maupun pemegang saham utama/pengendali.

Affiliation

Mr. Zhang Jinxing has no affiliation with other members of the Board of Directors, members of the Board of Commissioners, or major/controlling shareholders.

Yu Guangzhu
Direktur
Director

Sejak 13 Mei 2014 Warga Negara Tiongkok Usia 53 tahun Fujian, 03-01-1966 Indonesia	*Since May 13, 2014* *Chinese Citizen* *53 years old* *Fujian, 03-01-1966* *Indonesia*
Jabatan dan Dasar Penunjukan Bapak Yu Guangzhu diangkat menjadi Direktur sejak Mei 2014 berdasarkan Akta Pernyataan Keputusan Pemegang Saham Perseroan Terbatas PT Bank ICBC Indonesia No. 118 pada tanggal 13 Mei 2014.	***Position and Appointment*** *Mr. Yu Guangzhu was appointed as Director since May 2014 based on the Deeds of Decision of the Limited Liability Company Shareholders of PT Bank ICBC Indonesia No. 118 on May 13, 2014.*
Pendidikan Beliau meraih gelar Sarjana di bidang *Geochemistry* dari University of Science and Technology of China di tahun 1988. Beliau melanjutkan pendidikan Pasca Sarjana di Universitas Xiamen, Tiongkok, dan meraih gelar MBA pada 2004.	***Education*** *He earned a Bachelor's degree in Geochemistry from the University of Science and Technology of China in 1988. He continued his Postgraduate education at Xiamen University, China, and earned his MBA in 2004.*
Pelatihan Beliau telah berpartisipasi dalam sejumlah pelatihan profesional sepanjang kariernya. Sepanjang 2018, beliau telah mengikuti seminar *"Service Value at Work"* dan seminar *"Anti Money Laundering/Countering the Financing of Terrorism Practice and Latest Trend"* yang diselenggarakan oleh Pusat Pelaporan dan Analisis Transaksi Keuangan (PPATK). Pada 2019, beliau berpartisipasi dalam *Strategic Workshop* yang diadakan oleh Bank ICBC Indonesia dan program *Refreshment* Sertifikasi Manajemen Risiko.	***Training*** *He has participated in a number of professional trainings throughout his career. Throughout 2018, he participated in the "Service Value at Work" seminar and the "Anti Money Laundering/ Countering the Financing of Terrorism Practice and Latest Trend" seminar organized by the Financial Transaction Reports and Analysis Center (PPATK). In 2019, he participated in the Strategic Workshop held by Bank ICBC Indonesia and the Risk Management Certification Refreshment program.*
Perjalanan Karier Beliau memulai kariernya di kampung halamannya pada 1988 dengan ICBC Xiamen tempat beliau dipercayakan berbagai tanggung jawab terkait kredit seperti *Corporate Credit Marketing*, *Credit Review*, dan *Credit Management*. Beliau juga pernah menjabat sebagai Wakil Ketua Komite Kredit dan sampai dengan Januari 2010, beliau adalah GM Manajemen Kredit dan SME. Penugasannya ke luar negeri dimulai pada awal 2010 di ICBC Singapura sebagai Kepala Departemen Kredit yang bertanggung jawab atas *Credit Review*, *Credit Administration* dan *Credit Operations*. Sebelum beliau ditugaskan ke Bank ICBC Indonesia, beliau menjabat sebagai Direktur Kredit yang membawahi Departemen *Credit Review* dan Departemen *Credit Management*.	***Career*** *He began his career in his hometown in 1988 with ICBC Xiamen where he was entrusted with various credit related responsibilities such as Corporate Credit Marketing, Credit Review, and Credit Management. He also served as Deputy Chair of the Credit Committee and until January 2010, he was a GM Credit Management and SME. His assignment abroad began in early 2010 at ICBC Singapore as the Head of Credit Department responsible for Credit Review, Credit Administration and Credit Operations. Before he was assigned to Bank ICBC Indonesia, he served as Credit Director in charge of the Credit Review Department and Credit Management Department.*

Pernyataan Independensi Untuk mengimplementasikan tata kelola perusahaan yang baik sesuai dengan peraturan dan perundang-undangan yang berlaku, Bapak Yu Guangzhu telah menandatangani surat pernyataan independensi yang menyatakan bahwa beliau telah memenuhi kriteria untuk bertindak independen dalam melaksanakan fungsi operasional Direksi sebagai Direktur.	***Independency Statement*** *To fulfill the implemention of good corporate governance in accordance with applicable laws and regulations, Mr. Yu Guangzhu has signed an independency statement stating that he has fulfilled the criteria to act independently in performing the operational functions of the Board of Directors as Director.*
Rangkap Jabatan Bapak Yu Guangzhu tidak menduduki jabatan di perusahaan/institusi lain yang memiliki hubungan afiliasi maupun non-afiliasi dengan Bank.	***Concurrent Position*** *Mr. Yu Guangzhu does not hold position in another company/institution that has an affiliated and non-affiliated relationships with The Bank.*
Hubungan Afiliasi Bapak Yu Guangzhu tidak memiliki hubungan afiliasi dengan anggota Direksi lain, anggota Dewan Komisaris, maupun pemegang saham utama/pengendali.	***Affiliation*** *Mr. Yu Guangzhu has no affiliation with other members of the Board of Directors, members of the Board of Commissioners, or major/controlling shareholders.*

Jeff S.V. Eman
Direktur
Director

Sejak 30 Juni 2015 Warga Negara Indonesia Usia 62 tahun Jakarta, 08-10-1957 Indonesia	*Since June 30, 2015* *Indonesian Citizen* *62 years old* *Jakarta, 08-10-1957* *Indonesia*
Jabatan dan Dasar Penunjukan Bapak Jeff S.V. Eman diangkat menjadi Direktur sejak Juni 2015 berdasarkan Akta Pernyataan Keputusan Pemegang Saham Perseroan Terbatas PT Bank ICBC Indonesia No. 417 pada tanggal 30 Juni 2015.	***Position and Appointment*** *Mr. Jeff S.V. Eman was appointed as Director since June 2015 based on the Deeds of Decision of the Limited Liability Company Shareholders of PT Bank ICBC Indonesia No. 417 on June 30, 2015.*
Pendidikan Beliau meraih gelar Sarjana di bidang Ekonomi dari Universitas Advent Indonesia pada 1981.	***Education*** *He earned a Bachelor's degree in Economics from Advent Indonesia University in 1981.*
Pelatihan Beliau telah berpartisipasi dalam berbagai pelatihan, seminar maupun lokakarya selama 2019 di antaranya seminar "*Anti Money Laundering/Countering the Financing of Terrorism Practice and Latest Trend*" yang diselenggarakan oleh Pusat Pelaporan dan Analisis Transaksi Keuangan (PPATK), *HR Audit* yang diselenggarakan oleh APINDO, *Strategic Workshop* dan *Cross Culture Program*: *The Silk Road Rising* yang diselenggarakan oleh Bank ICBC Indonesia.	***Training*** *He has participated in various trainings, seminars and workshops during 2019, including the "Anti Money Laundering/Countering the Financing of Terrorism Practice and Latest Trend" seminar organized by the Financial Transaction Reports and Analysis Center (PPATK), HR Audit organized by APINDO, Strategic Workshop and Cross Culture Program: The Silk Road Rising organized by Bank ICBC Indonesia.*
Perjalanan Karier Beliau adalah seorang bankir yang telah memiliki pengalaman selama lebih dari 30 tahun. Beliau memulai karier perbankannya di PT Bank Halim Indonesia pada 1990 dan selama 17 tahun beliau dipercayakan dalam peningkatan tanggung jawab di berbagai bidang termasuk Kepala Cabang, Koordinator Cabang dan Direktur yang membawahi *Marketing*, *Operations*, dan terakhir sebagai Presiden Direktur. Beliau terlibat dalam proses akuisisi, negosiasi dan proses transfer bisnis Bank Halim Indonesia menjadi PT Bank ICBC Indonesia dan kemudian bertanggung jawab sejak 2007 di bagian *Compliance*, *Global Market*, *Credit* dan *Operations*. Saat ini beliau menjabat sebagai Direktur Teknologi Informasi dan Operasi yang membawahi Departemen *Information Technology*, *Operation Management*, *Bills Center*, *Management Information* and *Accounting*, dan *Loan Operation*. Beliau juga pernah menjabat sebagai Komisaris Bank untuk periode 2012 sampai 2015. Beliau adalah eksekutif di *Foreign Committee* dari Perhimpunan Bank Nasional (Perbanas). Atas dedikasi dan kinerjanya beliau menerima penghargaan *Award for Management Achievement* dalam acara ICBC *Honorary Global Employee* di Beijing.	***Career*** *He is a banker who has more than 30 years of experience. He began his banking career at PT Bank Halim Indonesia in 1990 and for 17 years he was entrusted with increasing responsibilities in various fields including the Branch Manager, Branch Coordinator and Director in charge of Marketing, Operations, and finally as President Director. He was involved in the acquisition process, negotiation and business transfer process of Bank Halim Indonesia to become PT Bank ICBC Indonesia and was then responsible since 2007 in Compliance, Global Market, Credit and Operations. He currently serves as Director of Information Technology and Operations, which oversee the Departments of Information Technology, Operation Management, Bills Center, Management Information and Accounting, and Loan Operation. He also served as Commissioner of The Bank for the period of 2012 to 2015. He is an executive at the Foreign Committee of the National Bank Association (Perbanas). For his dedication and performance, he received the Award for Management Achievement at the ICBC Honorary Global Employee event in Beijing.*

Pernyataan Independensi Untuk mengimplementasikan tata kelola perusahaan yang baik sesuai dengan peraturan dan perundang-undangan yang berlaku, Bapak Jeff S.V. Eman telah menandatangani surat pernyataan independensi yang menyatakan bahwa beliau telah memenuhi kriteria untuk bertindak independen dalam melaksanakan fungsi operasional Direksi sebagai Direktur.	***Independency Statement*** *To fulfill the implemention of good corporate governance in accordance with applicable laws and regulations, Mr. Jeff S.V. Eman has signed an independency statement stating that he has fulfilled the criteria to act independently in performing the operational functions of the Board of Directors as Director.*
Rangkap Jabatan Bapak Jeff S.V. Eman tidak menduduki jabatan di perusahaan/institusi lain yang memiliki hubungan afiliasi maupun non-afiliasi dengan Bank.	***Concurrent Position*** *Mr. Jeff S.V. Eman does not hold position in another company/institution that has an affiliated and non-affiliated relationships with The Bank.*
Hubungan Afiliasi Bapak Jeff S.V. Eman tidak memiliki hubungan afiliasi dengan anggota Direksi lain, anggota Dewan Komisaris, maupun pemegang saham utama/pengendali.	***Affiliation*** *Mr. Jeff S.V. Eman has no affiliation with other members of the Board of Directors, members of the Board of Commissioners, or major/controlling shareholders.*

Thomas Arifin
Direktur
Director

Sejak 22 Februari 2016 Warga Negara Indonesia Usia 58 tahun TG Enim, 16-01-1961 Indonesia	*Since February 22, 2016* *Indonesian Citizen* *58 years old* *TG Enim, 16-01-1961* *Indonesia*
Jabatan dan Dasar Penunjukan Bapak Thomas Arifin bergabung dengan Bank ICBC Indonesia pada Februari 2016 dan diangkat berdasarkan Akta Pernyataan Keputusan Pemegang Saham Perseroan Terbatas PT Bank ICBC Indonesia No. 135 pada tanggal 22 Februari 2016.	***Position and Appointment*** *Mr. Thomas Arifin joined Bank ICBC Indonesia since February 2016 and was appointed based on the Deeds of Decision of the Limited Liability Company Shareholders of PT Bank ICBC Indonesia No. 135 on February 22, 2016.*
Pendidikan Beliau meraih gelar Sarjana dalam bidang Matematika dari Institut Teknologi Bandung (1985), Akuntansi dari Universitas Katolik Parahyangan (1986), dan Ekonomi dari Universitas Indonesia (1990). Mendapatkan beasiswa dari Masyarakat Eropa dan Negara ASEAN, dan beliau menyelesaikan MBA dari European University di Toulouse pada tahun 1993. Beliau adalah *Certified Risk Professional* (*Bank Administration Institute*, Chicago, 2003) dan *Chartered Financial Analyst Level 2* (CFA Institute, 2004).	***Education*** *He earned a Bachelor's degree in Mathematics from the Bandung Institute of Technology (1985), Accounting from Parahyangan Catholic University (1986), and Economics from the University of Indonesia (1990). Got a scholarship from the European Community and ASEAN Countries, and he completed his MBA from European University in Toulouse in 1993. He is a Certified Risk Professional (Bank Administration Institute, Chicago, 2003) and Chartered Financial Analyst Level 2 (CFA Institute, 2004).*
Pelatihan Selama 2019 beliau telah berpartisipasi dalam berbagai pelatihan, seminar maupun lokakarya diantaranya seminar "*Anti Money Laundering/Countering the Financing of Terrorism Practice and Latest Trend*" yang diselenggarakan oleh Pusat Pelaporan dan Analisis Transaksi Keuangan (PPATK), *Strategic Workshop* dan *Cross Culture Program*: *The Silk Road Rising* yang diselenggarakan oleh Bank ICBC Indonesia.	***Training*** *During 2019, he participated in various trainings, seminars, and workshops, including the "Anti Money Laundering/Countering the Financing of Terrorism Practice and Latest Trend" seminar organized by the Financial Transaction Reports and Analysis Center (PPATK), Strategic Workshop and Cross Culture Program: The Silk Road Rising organized by Bank ICBC Indonesia.*

Perjalanan Karier

Beliau memulai kariernya di PT Bank Bali Tbk. Karier beliau berkembang sejak tahun 1987 sampai beliau melanjutkan studi Pasca Sarjana pada 1993. Selanjutnya, beliau ditugaskan di Los Angeles sebagai *Vice President* Pertama sekaligus *General Manager* Kantor Cabang Luar Negeri Bank Bali (1997–2002) dan terlibat dalam integrasi Bank Bali dan 4 (empat) bank lainnya menjadi PT Bank Permata Tbk yang kemudian beliau bergabung sebagai *General Manager* dari Grup Manajemen Risiko sampai Mei 2006.

Selama 5 tahun berikutnya, beliau melanjutkan kariernya di PT Bank Mandiri (Persero) Tbk sebagai Direktur yang membawahi *Treasury & International Banking* dan *Special Asset Management* di mana selama kariernya di Bank Mandiri beliau diganjar berbagai penghargaan yang diberikan oleh Asian Banker (2011), Kementrian Keuangan (2010), Asia Money (2010, 2006), dan Finance Asia (2007). Setelah Bank Mandiri, beliau melanjutkan kariernya sebagai Direktur Manajemen Risiko dan *Chief Risk Officer* untuk PT Bank OCBC NISP Tbk (2011-2014) dan sebagai dosen di Universitas Katolik Parahyangan (2014-2015). Saat ini beliau menjabat sebagai Direktur Marketing yang membawahi Departemen *Consumer Banking*, *SME Banking*, *Global Markets and Financial Institution*, dan Jaringan Kantor Cabang.

Career

He began his career at PT Bank Bali Tbk. His career increasingly developed since 1987 until he continued his Postgraduate studies in 1993. Subsequently, he was assigned in Los Angeles as the First Vice President and General Manager of the Bank Bali Overseas Branch Office (1997-2002) and was involved in the integration of Bank Bali and 4 (four) other banks into PT Bank Permata Tbk, which later he joined as General Manager of the Risk Management Group until May 2006.

During the next 5 years, he continued his career at PT Bank Mandiri (Persero) Tbk as the Director oversees Treasury & Financial Institution and Special Asset Management, where during his career at Bank Mandiri he was rewarded with various awards given by Asian Banker (2011), Ministry of Finance (2010), Asia Money (2010, 2006), and Finance Asia (2007). After Bank Mandiri, he continued his career as Director of Risk Management and Chief Risk Officer for PT Bank OCBC NISP Tbk (2011-2014) and as a lecturer at Parahyangan Catholic University (2014–2015). He currently serves as Marketing Director in charge for the Departments of Consumer Banking, SME Banking, Global Markets and Financial Institution, and Branch Networks.

Pernyataan Independensi

Untuk mengimplementasikan tata kelola perusahaan yang baik sesuai dengan peraturan dan perundang-undangan yang berlaku, Bapak Thomas Arifin telah menandatangani surat pernyataan independensi yang menyatakan bahwa beliau telah memenuhi kriteria untuk bertindak independen dalam melaksanakan fungsi operasional Direksi sebagai Direktur.

Independency Statement

To fulfill the implemention of good corporate governance in accordance with applicable laws and regulations, Mr. Thomas Arifin has signed an independency statement stating that he has fulfilled the criteria to act independently in performing the operational functions of the Board of Directors as Director.

Rangkap Jabatan

Bapak Thomas Arifin tidak menduduki jabatan di perusahaan/institusi lain yang memiliki hubungan afiliasi maupun non-afiliasi dengan Bank.

Concurrent Position

Mr. Thomas Arifin does not hold position in another company/institution that has an affiliated and non-affiliated relationships with The Bank.

Hubungan Afiliasi

Bapak Thomas Arifin tidak memiliki hubungan afiliasi dengan anggota Direksi lain, anggota Dewan Komisaris, maupun pemegang saham utama/pengendali.

Affiliation

Mr. Thomas Arifin has no affiliation with other members of the Board of Directors, members of the Board of Commissioners, or major/controlling shareholders.

Sandy Tjipta Muliana
Direktur
Director

Sejak 24 November 2009 Warga Negara Indonesia Usia 55 tahun Jakarta, 13-11-1964 Indonesia	*Since November 24, 2009* *Indonesian Citizen* *55 years old* *Jakarta, 13-11-1964* *Indonesia*
Jabatan dan Dasar Penunjukan Bapak Sandy Tjipta Muliana diangkat menjadi Direktur sejak November 2009 berdasarkan Akta Pernyataan Keputusan Pemegang Saham PT Bank ICBC Indonesia No. 35 pada tanggal 24 November 2009.	***Position and Appointment*** *Mr. Sandy Tjipta Muliana was appointed as Director since November 2009 based on the Deeds of Decision of the Limited Liability Company Shareholders of PT Bank ICBC Indonesia No. 35 on November 24, 2009.*
Pendidikan Beliau lulus dari Universitas Katolik Atma Jaya Jakarta pada tahun 1988 dengan gelar Sarjana Ekonomi jurusan Manajemen.	***Education*** *He graduated from Atma Jaya Catholic University Jakarta in 1988 with a Bachelor of Economics majoring in Management.*
Pelatihan Pada tahun 2019, beliau telah berpartisipasi dalam berbagai pelatihan dan seminar diantaranya ICBC *Global Compliance Officer Training* yang diselenggarakan oleh Universite de Lausanne bekerja sama dengan ICBC Limited, di Lausanne - Switzerland, seminar "Pemahaman atas Implementasi PSAK 71 & 73 yang akan Diterapkan pada Tahun 2020 dan Diskusi Mengenai Penyusunan POJK 51" dan seminar "Peran Direktur Kepatuhan dalam Menyikapi Tantangan Perekonomian Digital dan Kesiapan Perbankan Menghadapi *Mutual Evaluation Review*" yang diselenggarakan oleh Forum Komunikasi Direktur Kepatuhan Perbankan, seminar "*Anti Money Laundering/ Countering the Financing of Terrorism Practice and Latest Trend*" yang diselenggarakan oleh Pusat Pelaporan dan Analisis Transaksi Keuangan (PPATK), pelatihan *Developing Policies and Procedures for Banks* yang diselenggarakan oleh Allman Consultant, serta *Strategic Workshop* dan *Cross Culture Program: The Silk Road Rising*.	***Training*** *In 2019, he has participated in various trainings and seminars including ICBC Global Compliance Officer Training organized by Universite de Lausanne in collaboration with ICBC Limited that took place in Lausanne - Switzerland, "Understanding of the Implementation of PSAK 71 & 73 Which will be Implemented in 2020 and Discussions on the Compliance of POJK 51" seminar and " The Role of Compliance Director in Addressing Digital Economic Challenges and Banking Readiness in Facing Mutual Evaluation Review" seminar organized by Banking Compliance Director Communication Forum, "Anti Money Laundering/ Countering the Financing of Terrorism Practice and Latest Trend" seminar organized by the Financial Transaction Reports and Analysis Center (PPATK), Developing Policies and Procedures for Banks training held by Allman Consultant, Strategic Workshop and Cross Culture Program: The Silk Road Rising.*

Perjalanan Karier

Beliau memulai karier pada 1989 di PT Bank Arta Prima sebagai *Account Officer*, dan kemudian dipromosikan sebagai Manajer Cabang Pembantu, Manajer Cabang, Manajer *Corporate Banking*, dan pada tahun 1995 beliau dipercaya sebagai *Credit and Marketing General Manager* yang bertanggung jawab atas Departemen *Corporate Banking*, *Financial Institution & Syndication Banking*, *Consumer Banking*, dan *Credit Support and Review*. Karier beliau berlanjut di PT Bank Artamedia, sebagai *Business Development General Manager*, Kepala Audit Internal, dengan jabatan terakhir sebagai Direktur Kepatuhan. Di tahun 2002 beliau terlibat di dalam proses *merger* PT Bank Artamedia menjadi PT Bank Permata. Karier beliau dilanjutkan di PT Bank Permata dengan menduduki jabatan sebagai *Head of Corporate Compliance* kemudian sebagai Sekretaris Perusahaan. Selama periode tersebut, beliau menangani risiko kepatuhan, AML dan GCG, serta bertindak sebagai juru bicara Bank. Saat ini beliau menjabat sebagai Direktur Kepatuhan dan Manajemen Risiko yang membawahi Departemen Kepatuhan, Departemen *Anti Money Laundering/Countering the Financing of Terrorism* (*AML/CFT*), dan Departemen Manajemen Risiko.

Career

He began his career in 1989 at PT Bank Arta Prima as an Account Officer, and then was promoted as a Sub-Branch Manager, Branch Manager, Corporate Banking Manager, and in 1995 he was trusted as a Credit and Marketing General Manager in charge of the Departments of Corporate Banking, Financial Institution & Syndication Banking, Consumer Banking, and Credit Support and Review. His career continued at PT Bank Artamedia, as a Business Development General Manager, Head of Internal Audit, with his last position as Compliance Director. In 2002 he was involved in the merger of PT Bank Artamedia to become PT Bank Permata. His career carried on at PT Bank Permata by holding the position of Head of Corporate Compliance then as Corporate Secretary. During this period, he handled compliance risk, AML and GCG, and acted as a PT Bank spokesperson. He currently serves as the Director of Compliance and Risk Management in charge of the Departments of Compliance, Anti Money Laundering/Countering the Financing of Terrorism (AML/CFT), and Risk Management.

Pernyataan Independensi

Untuk mengimplementasikan tata kelola perusahaan yang baik sesuai dengan peraturan dan perundang-undangan yang berlaku, Bapak Sandy Tjipta Muliana telah menandatangani surat pernyataan independensi yang menyatakan bahwa beliau telah memenuhi kriteria untuk bertindak independen dalam melaksanakan fungsi operasional Direksi sebagai Direktur.

Independency Statement

To fulfill the implemention of good corporate governance in accordance with applicable laws and regulations, Mr. Sandy Tjipta Muliana has signed an independency statement stating that he has fulfilled the criteria to act independently in performing the operational functions of the Board of Directors as Director.

Rangkap Jabatan

Bapak Sandy Tjipta Muliana tidak menduduki jabatan di perusahaan/institusi lain yang memiliki hubungan afiliasi maupun non-afiliasi dengan Bank.

Concurrent Position

Mr. Sandy Tjipta Muliana does not hold position in another company/institution that has an affiliated and non-affiliated relationships with The Bank.

Hubungan Afiliasi

Bapak Sandy Tjipta Muliana tidak memiliki hubungan afiliasi dengan anggota Direksi lain, anggota Dewan Komisaris, maupun pemegang saham utama/pengendali.

Affiliation

Mr. Sandy Tjipta Muliana has no affiliation with other members of the Board of Directors, members of the Board of Commissioners, or major/controlling shareholders.

Fransisca Nelwan Mok
Direktur
Director

Sejak 13 April 2017 Warga Negara Indonesia Usia 63 tahun Kutoarjo, 13-07-1956 Indonesia	*Since April 13, 2017* *Indonesian Citizen* *63 years old* *Kutoarjo, 13-07-1956* *Indonesia*
Jabatan dan Dasar Penunjukan Ibu Fransisca Nelwan Mok diangkat menjadi Direktur sejak 13 April 2017 berdasarkan Akta Pernyataan Keputusan Pemegang Saham Perseroan Terbatas PT Bank ICBC Indonesia No. 71 pada tanggal 13 April 2017.	***Position and Appointment*** *Mrs. Fransisca Nelwan Mok was appointed as Director since April 13, 2017 based on the Deeds of Decision of the Limited Liability Company Shareholders of PT Bank ICBC Indonesia No. 71 on April 13, 2017.*
Pendidikan Beliau meraih gelar Pasca Sarjana dari Sekolah Tinggi Manajemen Labora, Jakarta pada 2002 dan gelar Sarjana di bidang Peternakan dari Universitas Padjajaran Bandung di tahun 1981.	***Education*** *She earned a Post-graduate degree from Labora College of Management, Jakarta in 2002 and a Bachelor's degree in Animal Husbandry from Padjajaran University Bandung in 1981.*
Pelatihan Pada tahun 2019 beliau telah mengikuti seminar "*Anti Money Laundering/Countering the Financing of Terrorism Practice and Latest Trend*" yang diselenggarakan oleh Pusat Pelaporan dan Analisis Transaksi Keuangan (PPATK), seminar sehari: "Keuangan Berkelanjutan Menyongsong Era Keuangan Masa Depan" yang diselenggarakan oleh Lembaga Pengembangan Perbankan Indonesia, serta *Strategic Workshop* dan *Cross Culture Program*: *The Silk Road Rising* yang diselenggarakan oleh Bank ICBC Indonesia.	***Training*** *In 2019, she attended the "Anti Money Laundering/Countering the Financing of Terrorism Practice and Latest Trend" seminar organized by the Financial Transaction Reports and Analysis Center (PPATK), one day seminar: "Sustainable Finance Towards the Future of the Financial Era" organized by the Indonesian Banking Development Institute, Strategic Workshop and Cross Culture Program: The Silk Road Rising held by Bank ICBC Indonesia.*
Perjalanan Karier Karier beliau di dunia perbankan diawali dari tahun 1983 di Bank Bumi Daya, dengan berbagai tanggung jawab yang pernah beliau jalani seperti di bidang administrasi dokumen perkreditan, pengelolaan kredit bermasalah, dan akuisisi kredit. Setelah Bank Bumi Daya merger menjadi Bank Mandiri, karier beliau semakin berkembang dengan menduduki berbagai posisi penting seperti Kepala Wilayah, *Group Head Jakarta Commercial Sales Group*, dan Direktur *Corporate Banking*. Selain itu beliau juga pernah menjabat sebagai Direktur Supervisi pada Dana Pensiun Lembaga Keuangan (DPLK) – Bank Mandiri, PT Asuransi Jiwa Inhealth Indonesia, Ketua Pengawas Dana Pensiun Bank Mandiri, dan Komisaris pada PT Mandiri Sekuritas. Saat ini beliau menjabat sebagai Direktur Sumber Daya Manusia dan Legal yang membawahi Departemen Sumber Daya Manusia, Legal, *Special Asset Management*, dan *General Affairs*.	***Career*** *Her career in the banking industry began in 1983 at Bank Bumi Daya, with various responsibilities she had lived in such as in the field of credit document administration, management of non performing loan, and acquisition of credit. After Bank Bumi Daya merged to become Bank Mandiri, her career continued to grow by occupying various important positions such as Region Head, Group Head of Jakarta Commercial Sales Group, and Director of Corporate Banking. In addition, she also served as Supervision Director for the Financial Institution Pension Fund (DPLK) – Bank Mandiri, PT Inhealth Indonesia Life Insurance, Chairman of Bank Mandiri Pension Fund Supervisor, and Commissioner at PT Mandiri Sekuritas. She currently serves as the Director of Human Resources and Legal who oversees the Departments of Human Resources, Legal, Special Asset Management, and General Affairs.*

Pernyataan Independensi Untuk mengimplementasikan tata kelola perusahaan yang baik sesuai dengan peraturan dan perundang-undangan yang berlaku, Ibu Fransisca Nelwan Mok telah menandatangani surat pernyataan independensi yang menyatakan bahwa beliau telah memenuhi kriteria untuk bertindak independen dalam melaksanakan fungsi operasional Direksi sebagai Direktur.	***Independency Statement*** *To fulfill the implementation of good corporate governance in accordance with applicable laws and regulations, Mrs. Fransisca Nelwan Mok has signed an independency statement stating that she has fulfilled the criteria to act independently in performing the operational functions of the Board of Directors as Director.*
Rangkap Jabatan Ibu Fransisca Nelwan Mok tidak menduduki jabatan di perusahaan/institusi lain yang memiliki hubungan afiliasi maupun non-afiliasi dengan Bank.	***Concurrent Position*** *Mrs. Fransisca Nelwan Mok does not hold position in another company/institution that has an affiliated and non-affiliated relationships with The Bank.*
Hubungan Afiliasi Ibu Fransisca Nelwan Mok tidak memiliki hubungan afiliasi dengan anggota Direksi lain, anggota Dewan Komisaris, maupun pemegang saham utama/pengendali.	***Affiliation*** *Mrs. Fransisca Nelwan Mok has no affiliation with other members of the Board of Directors, members of the Board of Commissioners, or major/controlling shareholders.*

KEPEMILIKAN SAHAM **DIREKSI DAN DEWAN KOMISARIS**

Share Ownership of Board of Directors and Board of Commissioners

Sampai dengan tanggal 31 Desember 2019, tidak ada anggota Dewan Komisaris dan Direksi yang memiliki saham Bank, baik secara langsung maupun tidak langsung.

As of December 31, 2019, there were no members of the Board of Commissioners and Board of Directors who owned The Bank's shares, either directly or indirectly.

PROFIL PEJABAT EKSEKUTIF **DAN PIMPINAN JARINGAN CABANG**

Executive Officer & Branch Manager Profile

Agustinus Tri Hardjanto
Kepala Departemen *SME Banking*
Head of SME Banking Department

WNI. 48 tahun. Lahir di Bandung, 12 Agustus 1971. Sarjana di bidang Ekonomi jurusan Manajemen dari Universitas Gadjah Mada, Yogyakarta (1994) dan meneruskan mengambil gelar Magister Manajemen dari Universitas Gadjah Mada, Yogyakarta (2005).

Indonesian citizen. 48 years old. Born in Bandung, August 12, 1971. Bachelor of Economics majoring in Management from Gadjah Mada University, Yogyakarta (1994) and continued to take Master's degree in Management from Gadjah Mada University, Yogyakarta (2005).

Bergabung pada 2 Mei 2014. Menjabat sebagai Kepala Departemen *SME Banking* sejak 20 April 2018. Diangkat berdasarkan Surat Keputusan Direksi No. 009/KPTS.DIR/ICBC.IND/2018. Sebelumnya pernah bekerja di Bank Danamon pada 1996–2014 dengan posisi terakhir sebagai *Senior Credit Risk Analyst*.

Joined in May 2, 2014. Appointed as the Head of SME Banking Department since April 20, 2018. Appointed based on Board of Directors Decree No. 009/KPTS.DIR/ICBC.IND/2018. Previously worked at Bank Danamon in 1996–2014 with his last position as Senior Credit Risk Analyst.

Aluisius Triyono
Kepala Departemen *MI & Accounting*
Head of MI & Accounting Department

WNI. 48 tahun. Lahir di Magelang, 10 Mei 1971. Sarjana di bidang Ekonomi dari Universitas Indonesia, Depok (2001) dan meneruskan mengambil gelar Magister Manajemen dari IPMI International Business School, Jakarta (2012).

Indonesian citizen. 48 years old. Born in Magelang, May 10, 1971. Bachelor of Economics from the University of Indonesia, Depok (2001) and continued to take Master's degree in Management from IPMI International Business School, Jakarta (2012).

Bergabung pada 26 September 2012. Menjabat sebagai Kepala Departemen *MI & Accounting* sejak 1 Juli 2018. Diangkat berdasarkan Surat Keputusan Direksi No. 016/KPTS.DIR/ICBC.IND/2018. Sebelumnya pernah bekerja di Bank Dagang Nasional Indonesia pada 1992–1997, di Bank Dai-Ichi Kangyo Indonesia pada 1997–2001, dan di Bank Mizuho pada 2001–2012 dengan posisi terakhir sebagai *Financial Control and Planning Department Head*.

Joined in September 26, 2012. Served as the Head of MI & Accounting Department since July 1, 2018. Appointed based on Board of Directors Decree No. 016/KPTS.DIR/ICBC.IND/2018. Previously worked at Bank Dagang Nasional Indonesia in 1992–1997, at Bank Dai-Ichi Kangyo Indonesia in 1997–2001, and at Bank Mizuho in 2001–2012 with his last position as Financial Control and Planning Department Head.

Andreas Nirmala Kumuda
Kepala Departemen *General Affairs*
Head of General Affairs Department

WNI. 38 tahun. Lahir di Karawang, 28 November 1981. Sarjana di bidang Ilmu Komputer jurusan Teknologi Informasi dari Universitas Bina Nusantara (2005).	*Indonesian citizen. 38 years old. Born in Karawang, November 28, 1981. Bachelor of Computer Science majoring in Information Technology from Bina Nusantara University (2005).*
Bergabung pada 13 Oktober 2008. Menjabat sebagai Kepala Departemen *General Affairs* sejak 1 Oktober 2019. Diangkat berdasarkan Surat Keputusan Direksi No. 024/KPTS.DIR/ICBC.IND/2019. Sebelumnya pernah bekerja di PT SOHO Industri Pharmasi Jakarta sebagai *Marketing Audit* pada 2007 dan di Si Chuan Mercenary Equipment Exp & Imp Co., Limited sebagai *Translator* pada 2008.	*Joined in October 13, 2008. Served as the Head of General Affairs Department since October 1, 2019. Appointed based on Board of Directors Decree No. 024/KPTS.DIR/ICBC.IND/2019. Previously worked at PT SOHO Industri Pharmasi Jakarta as a Marketing Audit in 2007 and at Si Chuan Mercenary Equipment Exp & Imp Co., Limited as a Translator in 2008.*

Andris Tenda
Kepala Departemen *Financial Management*
Head of Financial Management Department

WNI. 39 tahun. Lahir di Jakarta, 4 Juni 1980. Sarjana di bidang Ilmu Komputer jurusan Komputerisasi Akuntansi dari Universitas Bina Nusantara (2002).	*Indonesian citizen. 39 years old. Born in Jakarta, June 4, 1980. Bachelor of Computer Science majoring in Computerized Accounting from Bina Nusantara University (2002).*
Bergabung pada 6 Februari 2012. Menjabat sebagai Kepala Departemen *Financial Management* sejak 18 November 2016. Diangkat berdasarkan Surat Keputusan Direksi No. 015/KPTS.DIR/ICBC.IND/2018. Sebelumnya pernah bekerja di Hongkong Shanghai Banking Corporation sebagai *Accounting & Business Support Senior Supervisor* pada 2004–2007, di Standard Chartered Bank sebagai *Corporate Business Finance Assistant Manager* pada 2007–2008, di Royal Bank of Scotland sebagai *Retail & Commercial Business Finance Manager* pada 2008–2010, dan di CIMB Niaga sebagai *Head of Portfolio Solution & Channel Management* pada 2010–2012.	*Joined in February 6, 2012. Appointed as the Head of Financial Management Department since November 18, 2016. Appointed based on Board of Directors Decree No. 015/KPTS.DIR/ICBC.IND/2018. Previously worked at Hongkong Shanghai Banking Corporation as Accounting & Business Support Senior Supervisor in 2004–2007, at Standard Chartered Bank as Corporate Business Finance Assistant Manager in 2007–2008, at the Royal Bank of Scotland as Retail & Commercial Business Finance Manager in 2008–2010, and at CIMB Niaga as the Head of Portfolio Solution & Channel Management in 2010–2012.*

Andy Leonard Petta
Pimpinan Cabang Coklat – Surabaya
Coklat – Surabaya Branch Manager

WNI. 51 tahun. Lahir di Surabaya, 19 April 1968. Sarjana Hukum dari Universitas Merdeka, Malang (1999).	*Indonesian citizen. 51 years old. Born in Surabaya, April 19, 1968. Bachelor of Laws from Merdeka University, Malang (1999).*
Bergabung pada 15 September 2010. Menjabat sebagai Pimpinan Cabang Coklat – Surabaya sejak 31 Januari 2019. Diangkat berdasarkan Surat Keputusan Direksi No. 012/KPTS.DIR/ICBC.IND/2019. Sebelumnya pernah bekerja di PT Pelayaran Lokal Ratu Kidul Nusantara sebagai *General Affairs* pada 1988–1990, di Bank Halim Indonesia sebagai *Branch Manager* pada 1990–2007, di Bank ICBC Indonesia sebagai *Branch Manager* pada 2007–2010, dan di Bank Harda International sebagai *Branch Manager* pada 2010.	*Joined in September 15, 2010. Served as Branch Manager of Coklat – Surabaya since January 31, 2019. Appointed based on Board of Directors Decree No. 012/KPTS.DIR/ICBC.IND/2019. Previously worked at PT Pelayaran Lokal Ratu Kidul Nusantara as General Affairs in 1988–1990, at Bank Halim Indonesia as Branch Manager in 1990–2007, at Bank ICBC Indonesia as Branch Manager in 2007–2010, and at Bank Harda International as Branch Manager in 2010.*

Askawiryana
Assistant Head Departemen *Bills Center*
Assistant Head of Bills Center Department

WNI. 52 tahun. Lahir di Jakarta, 12 November 1967. Diploma III jurusan Akuntansi dari Sekolah Tinggi Ilmu Ekonomi Nasional, Jakarta (1991).	*Indonesian citizen. 52 years old. Born in Jakarta, November 12, 1967. Diploma III majoring in Accounting from the National College of Economics, Jakarta (1991).*
Bergabung pada 18 November 2013. Menjabat sebagai *Assistant Head* Departemen *Bills Center* sejak 1 November 2019. Diangkat berdasarkan Surat Keputusan Direksi No. 026/KPTS.DIR/ICBC.IND/2019. Sebelumnya pernah bekerja di Bank Danamon Indonesia sebagai *Supervisor in L/C Department* pada 1989–1991, di Bank Tamara sebagai *Bills Department Head* pada 1991–2000, di Bank Mayapada sebagai *Trade Finance Department Head* pada 2000–2003, dan di Bank OCBC NISP sebagai *Trade Operation Manager – Export* pada 2003–2013.	*Joined in November 18, 2013. Served as Assistant Head of the Bills Center Department since November 1, 2019. Appointed based on Board of Directors Decree No. 026/KPTS.DIR/ICBC.IND/2019. Previously worked at Bank Danamon Indonesia as Supervisor in L/C Department in 1989–1991, at Bank Tamara as Bills Department Head in 1991–2000, at Bank Mayapada as Trade Finance Department Head in 2000–2003, and at Bank OCBC NISP as Trade Operation Manager – Export in 2003–2013.*

Bernadete Yesica Yuwono
Assistant Head Departemen *Anti Money Laundering/Countering Financing of Terrorism*
Assistant Head of Anti Money Laundering/Countering Financing of Terrorism Department

WNI. 35 tahun. Lahir di Bandung, 25 Juni 1984. Sarjana di bidang Ekonomi jurusan Akuntansi dari Universitas Widyatama, Bandung (2005).	*Indonesian citizen. 35 years old. Born in Bandung, June 25, 1984. Bachelor of Economics majoring in Accounting from Widyatama University, Bandung (2005).*
Bergabung pada 6 Mei 2009. Menjabat sebagai *Assistant Head* Departemen *Anti Money Laundering/Countering Financing of Terrorism* sejak 12 Juli 2017. Diangkat berdasarkan Surat Keputusan Direksi No. 017/KPTS.DIR/ICBC.IND/2017. Sebelumnya pernah bekerja di Bank Nusantara Parahyangan sebagai *Risk Management & KYC Staff* pada 2007–2008 dan di Bank BNP Paribas Indonesia sebagai *Compliance Officer* pada 2008–2009.	*Joined in May 6, 2009. Served as Assistant Head of the Anti Money Laundering/Countering Financing of Terrorism Department since July 12, 2017. Appointed based on Board of Directors Decree No. 017/KPTS.DIR/ICBC.IND/2017. Previously worked at Bank Nusantara Parahyangan as Risk Management & KYC Staff in 2007–2008 and at Bank BNP Paribas Indonesia as Compliance Officer in 2008–2009.*

Dini Suprihatini
Kepala Departemen *Risk Management*
Head of Risk Management Department

WNI. 48 tahun. Lahir di Surabaya, 24 Juli 1971. Sarjana di bidang Pertanian jurusan Agribisnis dari Institut Pertanian Bogor (1995).	*Indonesian citizen. 48 years old. Born in Surabaya, July 24, 1971. Bachelor of Agriculture majoring in Agribusiness from the Bogor Institute of Agriculture (1995).*
Bergabung pada 3 Oktober 2011. Menjabat sebagai Kepala Departemen *Risk Management* sejak 17 Desember 2012. Diangkat berdasarkan Surat Keputusan Direksi No. 039/KPTS.DIR/ICBC.IND/2012. Sebelumnya pernah bekerja di Bank Nusa Nasional sebagai *Treasury Risk Management Department Head* pada 1995–1999, di Bank Ekspor Indonesia sebagai *ALCO Support and Treasury Dealer* pada 1999–2003, di Bank Danamon sebagai *Head of Market and Liquidity Risk* pada 2003–2010, dan di Bank BTPN sebagai *Advisor for ALM System Implementation* pada 2010–2011.	*Joined in October 3, 2011. Served as Head of the Risk Management Department since December 17, 2012. Appointed based on Board of Directors Decree No.039/KPTS.DIR/ICBC.IND/2012. Previously worked at Bank Nusa Nasional as Treasury Risk Management Department Head in 1995–1999, at Bank Export Indonesia as ALCO Support and Treasury Dealer in 1999–2003, at Bank Danamon as Head of Market and Liquidity Risk in 2003–2010, and at Bank BTPN as Advisor for ALM System Implementation in 2010–2011.*

Ernie Sepvia
Pimpinan Cabang Pembantu Mangga Dua
Mangga Dua Sub-Branch Manager

WNI. 39 tahun. Lahir di Jakarta, 20 September 1980. Sarjana di bidang Ekonomi dari Universitas Tarumanagara, Jakarta (2005).	*Indonesian citizen. 39 years old. Born in Jakarta, September 20, 1980. Bachelor of Economics from Tarumanagara University, Jakarta (2005).*
Bergabung pada 13 September 2012. Menjabat sebagai Pimpinan Cabang Pembantu Mangga Dua sejak 3 Juli 2017. Diangkat berdasarkan Surat Keputusan Direksi No. 013/KPTS.DIR/ICBC.IND/2017. Sebelumnya pernah bekerja di Lion Air sebagai Staf Audit pada 2005–2006, di Bank DBS sebagai *Relationship Manager* pada 2006–2010, dan di Bank Commonwealth sebagai *Relationship Manager* pada 2010–2012.	*Joined in September 13, 2012. Served as Mangga Dua Sub-Branch Manager since July 3, 2017. Appointed based on Board of Directors Decree No. 013/KPTS.DIR/ICBC.IND/2017. Previously worked at Lion Air as Audit Staff in 2005–2006, at Bank DBS as a Relationship Manager in 2006–2010, and at Commonwealth Bank as a Relationship Manager in 2010–2012.*

Febrian Putra Fajar Satrio
Pimpinan Cabang Pembantu Gandaria
Gandaria Sub-Branch Manager

WNI. 40 tahun. Lahir di 9 Februari 1979. Sarjana di bidang Ekonomi dari Universitas Trisakti, Jakarta (2001).	*Indonesian citizen. 40 years old. Born in Jakarta, February 9, 1979. Bachelor of Economics from Trisakti University, Jakarta (2001).*
Bergabung pada 3 Januari 2011. Menjabat sebagai Pimpinan Cabang Pembantu Gandaria sejak 31 Januari 2019. Diangkat berdasarkan Surat Keputusan Direksi No. 009/KPTS.DIR/ICBC.IND/2019. Sebelumnya pernah bekerja di Bank OCBC NISP sebagai *Cluster Manager* pada 2003–2010 dan di Bank Hana sebagai *Branch Manager* Pondok Indah pada 2010–2011.	*Joined in January 3, 2011. Served as Gandaria Sub-Branch Manager since January 31, 2019. Appointed based on Board of Directors Decree No. 009/KPTS.DIR/ICBC.IND/2019. Previously worked at Bank OCBC NISP as Cluster Manager in 2003–2010 and at Bank Hana as Pondok Indah Branch Manager in 2010–2011.*

Felly Fransisca Maria
Pimpinan Cabang Wisma Mulia
Wisma Mulia Branch Manager

WNI. 37 tahun. Lahir di Palembang, 18 Februari 1982. Sarjana di bidang Teknik jurusan Teknik Industri dari Universitas Bina Nusantara, Jakarta (2004).	*Indonesian citizen. 37 years old. Born in Palembang, February 18, 1982. Bachelor of Engineering majoring in Industrial Engineering from Bina Nusantara University, Jakarta (2004).*
Bergabung pada 7 Maret 2011. Menjabat sebagai Pimpinan Cabang Wisma Mulia sejak 31 Januari 2019. Diangkat berdasarkan Surat Keputusan Direksi No. 008/KPTS.DIR/ICBC.IND/2019. Sebelumnya pernah bekerja di Bank International Indonesia sebagai *Account Officer* pada 2004–2006 dan di CIMB Niaga sebagai *Business Banking Relationship Manager* pada 2006–2011.	*Joined in March 7, 2011. Served as Branch Manager of Wisma Mulia since January 31, 2019. Appointed based on Board of Directors Decree No. 008/KPTS.DIR/ICBC.IND/2019. Previously worked at Bank International Indonesia as an Account Officer in 2004–2006 and at CIMB Niaga as a Business Banking Relationship Manager in 2006–2011.*

Goenawan Surip
Kepala Departemen *Special Asset Management*
Head of Special Asset Management Department

WNI. 49 tahun. Lahir di Surabaya, 25 Februari 1970. Sarjana di bidang Ekonomi jurusan *Business Administration* dari Monash University, Australia (1993) dan meneruskan mengambil gelar *Master in Business Administration* dari Manila University, Filipina (1998).	*Indonesian citizen. 49 years old. Born in Surabaya, February 25, 1970. Bachelor of Economics majoring in Business Administration from Monash University, Australia (1993) and continued to take Master's degree in Business Administration from Manila University, Philippines (1998).*
Bergabung pada 19 Mei 2014. Menjabat sebagai Kepala Departemen *Special Asset Management* sejak 19 Juni 2017. Diangkat berdasarkan Surat Keputusan Direksi No. 022/KPTS.DIR/ICBC.IND/2018. Sebelumnya pernah bekerja di Bank UOB Indonesia sebagai *Regional Manager* pada 1993–2014.	*Joined in May 19, 2014. Served as Head of the Special Asset Management Department since June 19, 2017. Appointed based on Board of Directors Decree No. 022/KPTS.DIR/ICBC.IND/2018. Previously worked at Bank UOB Indonesia as a Regional Manager in 1993–2014.*

Hao Jianyang
Kepala Departemen *Trade Finance*
Head of Trade Finance Department

WNA. 36 tahun. Lahir di Tianjin, 21 Juli 1983. Sarjana di jurusan *Statistics* dari Tianjin University, Tiongkok (2006) dan meneruskan mengambil gelar *Master's degree in Statistics* dari Tianjin University, Tiongkok (2009).	*Foreigner. 36 years old. Born in Tianjin, July 21, 1983. Bachelor of Statistics from Tianjin University, China (2006) and went on to take Master's degree in Statistics from Tianjin University, China (2009).*
Bergabung pada 7 Oktober 2016. Menjabat sebagai Kepala Departemen *Trade Finance* sejak 7 Oktober 2017. Diangkat berdasarkan Surat Keputusan Direksi No. 108/KPTS.DIR/ICBC.IND/2016. Sebelumnya pernah bekerja di ICBC Tianjin Branch sebagai *Credit Approval Manager* pada 2009–2016.	*Joined in October 7, 2016. Served as Head of Trade Finance Department since October 7, 2017. Appointed based on Board of Directors Decree No. 108/KPTS.DIR/ICBC.IND/2016. Previously worked at ICBC Tianjin Branch as Credit Approval Manager in 2009–2016.*

Happy Kunarli
Pimpinan Cabang TCT
TCT Branch Manager

WNI. 51 tahun. Lahir di Nagaga, 2 Desember 1968. Sarjana di bidang Ekonomi dari Universitas Trisakti, Jakarta (1992).	*Indonesian citizen. 51 years old. Born in Nagaga, December 2, 1968. Bachelor of Economics from Trisakti University, Jakarta (1992).*
Bergabung pada 3 September 2009. Menjabat sebagai Pimpinan Cabang TCT sejak 31 Januari 2019. Diangkat berdasarkan Surat Keputusan Direksi No. 006/KPTS.DIR/ICBC.IND/2019. Sebelumnya pernah bekerja di Bank Modern sebagai Analis Kredit pada 1996–1997, di Bank Umum Servitia sebagai *Branch Manager* Pluit pada 1997–1999, di Bank Kesawan sebagai *Branch Manager* Pluit pada 2003–2005, dan di Bank OCBC NISP sebagai *Consumer Banking Manager* Cabang Wisma BNI & Cabang Menteng pada 2005–2009.	*Joined in September 3, 2009. Served as Branch Manager of TCT since January 31, 2019. Appointed based on Board of Directors Decree No. 006/KPTS.DIR/ICBC.IND/2019. Previously worked at Bank Modern as Credit Analyst in 1996–1997, at Servitia Commercial Bank as Branch Manager of Pluit in 1997–1999, at Bank Kesawan as Branch Manager of Pluit in 2003–2005, and at Bank OCBC NISP as Consumer Banking Manager at Wisma BNI Branch & Menteng Branch in 2005–2009.*

Heince Budina Komatsu
Kepala Departemen *Credit Review*
Head of Credit Review Department

WNI. 45 tahun. Lahir di Jakarta, 2 Mei 1974. Sarjana di bidang Ekonomi jurusan Manajemen dari Universitas Trisakti, Jakarta (1997) dan meneruskan mengambil gelar Magister Hukum dari Universitas Jayabaya (2015).	*Indonesian citizen. 45 years old. Born in Jakarta, May 2, 1974. Bachelor of Economics majoring in Management from Trisakti University, Jakarta (1997) and continued to take Master of Law from Jayabaya University (2015).*
Bergabung pada 9 Mei 2011. Menjabat sebagai Kepala Departemen *Credit Review* sejak 1 Juli 2018. Diangkat berdasarkan Surat Keputusan Direksi No. 017/KPTS.DIR/ICBC.IND/2018. Sebelumnya pernah bekerja di Aetna Life Indonesia sebagai *Life Insurance*, *Unit Manager* pada 1998–1999, di Bank Buana Indonesia pada 1999–2005 dengan jabatan terakhir sebagai *Corporate Credit Risk Management and Financial Institution Division*, dan di Bank Barclays Indonesia pada 2009–2011 dengan jabatan terakhir sebagai *Business Support and Recoveries Division*.	*Joined in May 9, 2011. Served as Head of the Credit Review Department since July 1, 2018. Appointed based on Board of Directors Decree No. 017/KPTS.DIR/ICBC.IND/2018. Previously worked at Aetna Life Indonesia as Life Insurance, Unit Manager in 1998–1999, at Bank Buana Indonesia in 1999–2005 with his last position as Corporate Credit Risk Management and Financial Institution Division, and at Bank Barclays Indonesia in 2009–2011 with his position most recently as the Business Support and Recoveries Division.*

Hernany Hartono
Pimpinan Cabang Medan
Medan Branch Manager

WNI. 44 tahun. Lahir di Medan, 19 Oktober 1975. Sarjana Ekonomi dari Universitas Methodist Indonesia, Medan (1998).	*Indonesian citizen. 44 years old. Born in Medan, October 19, 1975. Bachelor of Economics from Indonesian Methodist University, Medan (1998).*
Bergabung pada 3 Januari 2011. Menjabat sebagai Pimpinan Cabang Medan sejak 11 Januari 2016. Diangkat berdasarkan Surat Keputusan Direksi No. 086/KPTS.DIR/ICBC.IND/2015. Sebelumnya pernah bekerja di PT Supra Istanakanaka sebagai *Accounting Staff* pada 1993–1997, di PT Aceh Prima Plywood Industry sebagai *Assistant Manager Accounting* pada 1997–2002, di Citibank sebagai *Associate Business Development Manager* pada 2002–2005, di Bank Danamon sebagai *Business Manager* pada 2005–2007, di Bank Commonwealth sebagai *Regional Acquisition Manager* pada 2007–2009, dan di Bank UOB Indonesia sebagai *Regional Sales Manager* pada 2009–2010.	*Joined in January 3, 2011. Served as Branch Manager of Medan since January 11, 2016. Appointed based on Board of Directors Decree No. 086/KPTS.DIR/ICBC.IND/2015. Previously worked at PT Supra Istanakanaka as an Accounting Staff in 1993–1997, at PT Aceh Prima Plywood Industry as Assistant Manager Accounting in 1997–2002, at Citibank as Associate Business Development Manager in 2002–2005, at Bank Danamon as Business Manager in 2005–2007, at the Commonwealth Bank as Regional Acquisition Manager in 2007–2009, and at Bank UOB Indonesia as Regional Sales Manager in 2009–2010.*

I Gde Wiyadnya
Kepala Departemen *Internal Audit*
Head of Internal Audit Department

WNI. 47 tahun. Lahir di Surabaya, 25 November 1972. Sarjana di bidang Ekonomi jurusan Akuntansi dari Universitas Indonesia, Depok (1997) dan meneruskan mengambil gelar Magister Ilmu Manajemen dari Universitas Indonesia, Depok (2004).	*Indonesian citizen. 47 years old. Born in Surabaya, November 25, 1972. Bachelor of Economics majoring in Accounting from the University of Indonesia, Depok (1997) and went on to take Master's degree in Management from the University of Indonesia, Depok (2004).*
Bergabung pada 5 November 2018. Menjabat sebagai Kepala Departemen *Internal Audit* sejak 5 November 2018. Diangkat berdasarkan Surat Keputusan Direksi No. 026/KPTS. DIR/ICBC.IND/2018. Sebelumnya pernah bekerja di KAP Sarwoko & Sandjaja - Ernest & Young sebagai *Tax Consultant* pada 1997–1998, di PT Bank Mandiri (Persero) sebagai *Senior Manager*, *Accounting & Information System*, *Treasury Operations* pada 1998–2003, di Reuters Indonesia sebagai *Managing Consultant and Implementation & Support Manager*, *Trade & Risk Management* pada 2003–2006, di Standard Chartered Bank Indonesia sebagai *Assistant Vice President*, *Country Audit* pada 2006–2011, di Deloitte Indonesia sebagai *Senior Project Manager* pada 2011, di J.P. Morgan Chase Bank NA Indonesia sebagai *Vice President*, *Internal Audit* pada 2012–2013, dan di PT XL Axiata sebagai *Head of Audit and Risk Management* pada 2015–2018.	*Joined in November 5, 2018. Appointed as Head of the Internal Audit Department since November 5, 2018. Appointed based on Board of Directors Decree No. 026/KPTS.DIR/ICBC.IND/2018. Previously worked at Sarwoko & Sandjaja - Ernest & Young Public Accounting Firm as Tax Consultant in 1997–1998, at PT Bank Mandiri (Persero) as Senior Manager, Accounting & Information System, Treasury Operations in 1998–2003, at Reuters Indonesia as Managing Consultant and Implementation & Support Manager, Trade & Risk Management in 2003–2006, at Standard Chartered Bank Indonesia as Assistant Vice President, Country Audit in 2006–2011, at Deloitte Indonesia as Senior Project Manager in 2011, at JP Morgan Chase Bank NA Indonesia as Vice President, Internal Audit in 2012–2013, and at PT XL Axiata as Head of Audit and Risk Management in 2015–2018.*

Imelda Widjaja
Kepala Departemen Kepatuhan
Head of Compliance Department

WNI. 44 tahun. Lahir di Jakarta, 14 Oktober 1975. Sarjana di bidang Ekonomi jurusan Manajemen dari Universitas Trisakti, Jakarta (1999).	*Indonesian citizen. 44 years old. Born in Jakarta, October 14, 1975. Bachelor of Economics majoring in Management from Trisakti University, Jakarta (1999).*
Bergabung pada 2 Mei 2019. Menjabat sebagai Kepala Departemen Kepatuhan sejak 2 Mei 2019. Diangkat berdasarkan Surat Keputusan Direksi No. 017/KPTS.DIR/ICBC.IND/2019. Sebelumnya pernah bekerja di Bank UOB Indonesia dengan jabatan terakhir sebagai *Commercial Loan Officer* pada 2002–2004, di Bank Chinatrust Indonesia sebagai *KYC Officer* pada 2004–2005, di Bank Permata dengan jabatan terakhir sebagai *Compliance Manager for Transaction Banking*, *Commodity Corporate*, *Middle Market and Risk Management* pada 2005–2010, di Bank OCBC NISP dengan jabatan terakhir sebagai *Compliance Division Head* pada 2010–2014, di Rabobank International Indonesia sebagai *Head of Compliance* pada 2014–2015, dan di Bank OCBC NISP sebagai *Head* of *Compliance* pada 2015 –2019.	*Joined in May 2, 2019. Appointed as Head of the Compliance Department since May 2, 2019. Appointed based on Board of Directors Decree No. 017/KPTS.DIR/ICBC.IND/2019. Previously worked at Bank UOB Indonesia with her last position as Commercial Loan Officer in 2002–2004, at Bank Chinatrust Indonesia as KYC Officer in 2004–2005, at Bank Permata with her last position as Compliance Manager for Transaction Banking, Commodity Corporate, Middle Market and Risk Management in 2005–2010, at Bank OCBC NISP with her last position as Compliance Division Head in 2010–2014, at Rabobank International Indonesia as Head of Compliance in 2014–2015, and at Bank OCBC NISP as Head of Compliance in 2015–2019.*

Jane Atalie Bernadette Tjoeng
Pimpinan Cabang Kelapa Gading
Kelapa Gading Branch Manager

WNI. 45 tahun. Lahir di Jakarta, 13 November 1974. Sarjana Ekonomi dari Universitas Tarumanagara, Jakarta (1996).	*Indonesian citizen. 45 years old. Born in Jakarta, November 13, 1974. Bachelor of Economics from Tarumanagara University, Jakarta (1996).*
Bergabung pada 22 Mei 2014. Menjabat sebagai Pimpinan Cabang Kelapa Gading sejak 31 Januari 2019. Diangkat berdasarkan Surat Keputusan Direksi No. 010/KPTS.DIR/ICBC.IND/2019. Sebelumnya pernah bekerja di Bank Bali sebagai *Branch Manager* pada 1996–2002, di PT Indomak Kita Cipta Karya (Makita Power Tools) sebagai *Regional Sales Manager* pada 2002–2008, dan di Bank Commonwealth sebagai *Branch Manager* pada 2008–2014.	*Joined in May 22, 2014. Served as Branch Manager of Kelapa Gading since January 31, 2019. Appointed based on Board of Directors Decree No. 010/KPTS.DIR/ICBC.IND/2019. Previously worked at Bank Bali as Branch Manager in 1996–2002, at PT Indomak Kita Cipta Karya (Makita Power Tools) as Regional Sales Manager in 2002–2008, and at Commonwealth Bank as Branch Manager in 2008–2014.*

Josephine Regina Dameria Sambajon
Kepala Departemen Sumber Daya Manusia
Head of Human Resources Department

WNI. 48 tahun. Lahir di Jakarta, 14 September 1971. Sarjana di bidang Ekonomi jurusan Akuntansi dari Universitas Gadjah Mada, Yogyakarta (1996).	*Indonesian citizen. 48 years old. Born in Jakarta, September 14, 1971. Bachelor of Economics majoring in Accounting from Gadjah Mada University, Yogyakarta (1996).*
Bergabung pada 3 April 2017. Menjabat sebagai Kepala Departemen Sumber Daya Manusia sejak 3 April 2017. Diangkat berdasarkan Surat Keputusan Direksi No. 005/KPTS.DIR/ICBC.IND/2017. Sebelumnya pernah bekerja di PT Excelcomindo Pratama sebagai *Salary Admin Officer* pada 1995–1996, di Bank BIRA sebagai *Accounting Staff* pada 1997–1998, di ABN AMRO Bank sebagai *Human Resources Relationship Manager* pada 1998–2003, di Bank Danamon sebagai *HR Business Partner for SME*, *Commercial*, *Credit* pada 2003–2007, di Bank Permata sebagai *Head of Retail Banking HR* pada 2007–2010, dan di Bank Ekonomi Raharja sebagai *Head of HR Performance & Reward and HR Business Support* pada 2010–2016.	*Joined in April 3, 2017. Appointed as Head of Human Resources Department since April 3, 2017. Appointed based on Board of Directors Decree No. 005/KPTS.DIR/ICBC.IND/2017. Previously worked at PT Excelcomindo Pratama as Salary Admin Officer in 1995–1996, at Bank BIRA as an Accounting Staff in 1997–1998, at ABN AMRO Bank as Human Resources Relationship Manager in 1998–2003, at Bank Danamon as HR Business Partner for SME, Commercial, Credit in 2003–2007, at Bank Permata as Head of HR Retail Banking in 2007–2010, and at Bank Ekonomi Raharja as Head of HR Performance & Reward and HR Business Support in 2010–2016.*

Julianti Hosen
Kepala Departemen *Operation Management*
Head of Operation Management Department

WNI. 40 tahun. Lahir di Jakarta, 25 Januari 1979. Sarjana di bidang Ekonomi jurusan Manajemen dari Universitas Bina Nusantara, Jakarta (2018).	*Indonesian citizen. 40 years old. Born in Jakarta, January 25, 1979. Bachelor of Economics majoring in Management from Bina Nusantara University, Jakarta (2018).*
Bergabung pada 23 Februari 2009. Menjabat sebagai Kepala Departemen *Operation Management* sejak 2 Oktober 2019. Diangkat berdasarkan Surat Keputusan Direksi No. 025/KPTS. DIR/ICBC.IND/2019. Sebelumnya pernah bekerja di Sekolah Menengah Pertama Tarsisius sebagai Pengajar Akuntansi pada 2000–2001, di PT Batara Mega Krida Kencana sebagai *Finance Staff* pada 2001–2004, dan di Bank UOB Indonesia dengan jabatan terakhir *Settlement Supervisor* pada 2004–2007.	*Joined in February 23, 2009. Served as Head of Operation Management Department since October 2, 2019. Appointed based on Board of Directors Decree No. 025/KPTS.DIR/ICBC. IND/2019. Previously worked at Tarsisius Middle School as an Accounting Teacher in 2000–2001, at PT Batara Mega Krida Kencana as a Finance Staff in 2001–2004, and at Bank UOB Indonesia with her last position as Settlement Supervisor in 2004–2007.*

Karuniawati
Pimpinan Kantor Kas Pasar Atom
Pasar Atom Cash Office Manager

WNI. 52 tahun. Lahir di Surabaya, 25 Maret 1967. Sarjana Ekonomi dari Universitas Narotama Surabaya (1998).	*Indonesian citizen. 52 years old. Born in Surabaya, March 25, 1967. Bachelor of Economics from Narotama University Surabaya (1998).*
Bergabung pada 1 Oktober 2007. Menjabat sebagai Pimpinan Kantor Kas Pasar Atom sejak 19 Desember 2011. Diangkat berdasarkan Surat Keputusan Direksi No. 015/KPTS.DIR/ICBC. IND/2009 pada tanggal 3 Agustus 2009. Sebelumnya pernah bekerja di Bank Surya Indonesia sebagai Operasional pada 1988–1990, di Bank Danamon sebagai *Marketing* pada 1990–1991, dan di Bank Halim Indonesia sebagai *Marketing* pada 1991–2007.	*Joined in October 1, 2007. Served as Pasar Atom Cash Office Manager since December 19, 2011. Appointed based on Board of Directors Decree No. 015/KPTS.DIR/ICBC.IND/2009 on August 3, 2009. Previously worked at Bank Surya Indonesia as Operations in 1988–1990, at Bank Danamon as Marketing in 1990–1991, and at Bank Halim Indonesia as Marketing in 1991–2007.*

Kie Ming Djing/Hendra Saputra
Kepala Departemen Teknologi Informasi
Head of Information Technology Department

WNI. 52 tahun. Lahir di Surabaya, 21 Maret 1967. Sarjana *Business Computing* dari Chisholm Institute of Technology Melbourne, Australia (1992).	*Indonesian citizen. 52 years old. Born in Surabaya, March 21, 1967. Bachelor of Business Computing from Chisholm Institute of Technology Melbourne, Australia (1992).*
Bergabung pada 10 April 2017. Menjabat sebagai Kepala Departemen Teknologi Informasi sejak 10 April 2017. Diangkat berdasarkan Surat Keputusan Direksi No. 006/KPTS.DIR/ ICBC.IND/2017. Sebelumnya pernah bekerja di Hongkong Shanghai Banking Corporation sebagai *Manager*, *IT Projects* pada 1994–2005, di DBS Indonesia sebagai *Assistant Vice President*, *IT Infrastructure & Operations* pada 2005–2009, di Bank Commonwealth sebagai *Head of IT Infrastructure*, *Security*, *and Operations* pada 2009–2015, dan di Citibank sebagai *Head of Citi Technology and Infrastructure* pada 2015–2017.	*Joined in April 10, 2017. Appointed as Head of the Information Technology Department since April 10, 2017. Appointed based on Board of Directors Decree No. 006/KPTS.DIR/ICBC.IND/2017. Previously worked at Hongkong Shanghai Banking Corporation as Manager, IT Projects in 1994–2005, at DBS Indonesia as Assistant Vice President, IT Infrastructure & Operations in 2005–2009, at Commonwealth Bank as Head of IT Infrastructure, Security, and Operations in 2009 –2015, and at Citibank as Head of Citi Technology and Infrastructure in 2015–2017.*

Lily Gozal
Kepala Departemen *Consumer Banking*
Head of Consumer Banking Department

WNI. 54 tahun. Lahir di Ujung Pandang, 24 Oktober 1965. Sarjana Kedokteran Gigi dari Universitas Trisakti, Jakarta (1991) dan meneruskan mengambil gelar Magister Manajemen dari Sekolah Tinggi Manajemen PPM, Jakarta (1998).	*Indonesian citizen. 54 years old. Born in Ujung Pandang, October 24, 1965. Bachelor of Dentistry from Trisakti University, Jakarta (1991) and went on to take Master's degree in Management from PPM School of Management, Jakarta (1998).*
Bergabung pada 5 Januari 2009. Menjabat sebagai Kepala Departemen *Consumer Banking* sejak 1 Februari 2019. Diangkat berdasarkan Surat Keputusan Direksi No. 002/KPTS.DIR/ICBC. IND/2019. Sebelumnya pernah bekerja di Bank SBU sebagai *Deputy Head Office Manager* pada 1991–1998, di PT Jayanti Group sebagai *Finance Manager* pada 1998–1999, dan di Bank NISP sebagai *Head of Corpotate Banking* pada 1999–2009.	*Joined in January 5, 2009. Served as Head of the Consumer Banking Department since February 1, 2019. Appointed based on Board of Directors Decree No. 002/KPTS.DIR/ICBC.IND/2019. Previously worked at SBU Bank as Deputy Head Office Manager in 1991–1998, at PT Jayanti Group as Finance Manager in 1998–1999, and at Bank NISP as Head of Corpotate Banking in 1999–2009.*

Lim, Franky Halim
Kepala Departemen *Corporate Banking* II
Head of Corporate Banking II Department

WNI. 38 tahun. Lahir di Surabaya, 17 Juli 1981. Sarjana jurusan *Business Administration* dari Simon Fraser University, Canada (2003).	*Indonesian citizen. 38 years old. Born in Surabaya, July 17, 1981. Bachelor of Business Administration from Simon Fraser University, Canada (2003).*
Bergabung pada 16 Agustus 2010. Menjabat sebagai Kepala Departemen *Corporate Banking* II sejak 28 Januari 2019. Diangkat berdasarkan Surat Keputusan Direksi No. 003/KPTS.DIR/ICBC. IND/2019. Sebelumnya pernah bekerja di PT Bank OCBC Indonesia sebagai *Relationship Manager Corporate Banking* pada 2004–2006 dan di PT Bank DBS Indonesia sebagai *Team Leader Enterprise Banking* pada 2006– 2012.	*Joined in August 16, 2010. Served as Head of the Corporate Banking II Department since January 28, 2019. Appointed based on Board of Directors Decree No. 003/KPTS.DIR/ICBC.IND/2019. Previously worked at PT Bank OCBC Indonesia as a Relationship Manager of Corporate Banking in 2004–2006 and at PT Bank DBS Indonesia as a Team Leader in Enterprise Banking in 2006–2012.*

Lisa Surya
Kepala Departemen *Credit Management*
Head of Credit Management Department

WNI. 49 tahun. Lahir di Semarang, 10 Februari 1970. Sarjana jurusan Teknik Sipil dari Universitas Katolik Parahyangan, Bandung (1993) dan meneruskan mengambil gelar Magister Manajemen di jurusan Manajemen Keuangan dari Prasetiya Mulya School of Management, Jakarta (1995).	*Indonesian citizen. 49 years. Born in Semarang, February 10, 1970. Bachelor of Civil Engineering from Parahyangan Catholic University, Bandung (1993) and went on to take Master of Management majoring in Financial Management from Prasetiya Mulya School of Management, Jakarta (1995).*
Bergabung pada 3 Mei 2010. Menjabat sebagai Kepala Departemen *Credit Management* sejak 20 April 2018. Diangkat berdasarkan Surat Keputusan Direksi No. 008/KPTS.DIR/ICBC. IND/2018. Sebelumnya pernah bekerja di PT BDNI, Tbk sebagai *Corporate Banking Officer* pada 1995–1998, di Bank Bali sebagai *Manager*, *Special Asset Management Division* pada 1998–2000, di Bank Lippo sebagai *Account Manager Corporate Clients* pada 2000–2006, dan di Bank OCBC NISP sebagai *Head of Corporate Business* pada 2006–2010.	*Joined in May 3, 2010. Served as Head of the Credit Management Department since April 20, 2018. Appointed based on Board of Directors Decree No. 008/KPTS.DIR/ICBC.IND/2018. Previously worked at PT BDNI, Tbk as Corporate Banking Officer in 1995–1998, at Bank Bali as Manager, Special Asset Management Division in 1998–2000, at Bank Lippo as Account Manager for Corporate Clients in 2000–2006, and at Bank OCBC NISP as Head of Corporate Business in 2006–2010.*

Luo Zhiyi
Kepala Departemen *Global Market*
Head of Global Market Department

WNA. 39 tahun. Lahir di Beijing, 9 November 1980. Sarjana di bidang Ilmu Ekonomi dari Renmin University China (2003) dan meneruskan mengambil gelar *Master of Science in Economics* dari Durham University, Inggris (2006).	*Foreigner. 39 years old. Born in Beijing, November 9, 1980. Bachelor of Science in Economics from Renmin University China (2003) and went on to take Master of Science in Economics from Durham University, England (2006).*
Bergabung pada 15 November 2017. Menjabat sebagai Kepala Departemen *Global Market* sejak 11 Desember 2018. Diangkat berdasarkan Surat Keputusan Direksi No. 029/KPTS.DIR/ICBC.IND/2018. Sebelumnya pernah bekerja di ICBC Limited sebagai *Trader* pada 2007–2010, di ICBC New York sebagai *Senior Trader* pada 2010–2014, di ICBC Limited sebagai *Trading Manager* pada 2014–2016, dan di ICBC Indonesia sebagai *Global Market Consultant* pada 2016–2017.	*Joined in November 15, 2017. Served as Head of the Global Market Department since December 11, 2018. Appointed based on Board of Directors Decree No. 029/KPTS.DIR/ICBC.IND/2018. Previously worked at ICBC Limited as a Trader in 2007–2010, at ICBC New York as a Senior Trader in 2010–2014, at ICBC Limited as a Trading Manager in 2014–2016, and at ICBC Indonesia as a Global Market Consultant in 2016–2017.*

Meri
Pimpinan Cabang Batam
Batam Branch Manager

WNI. 49 tahun. Lahir di Tanjung Pinang, 6 April 1970. Mengenyam pendidikan di SMEA Negeri Batam dan lulus pada 1989.	*Indonesian citizen. 49 years old. Born in Tanjung Pinang, April 6, 1970. Studied at the Batam State High School and graduated in 1989.*
Bergabung pada 1 Maret 2012. Menjabat sebagai Pimpinan Cabang Batam sejak 1 Maret 2012. Diangkat berdasarkan Surat Keputusan Direksi No. 021/KPTS.DIR/ICBC.IND/2012. Sebelumnya pernah bekerja di Bank Lippo sebagai *Manager Operasional* pada 1989–1991, di Bank Bira sebagai *Branch Manager* pada 1997–2000, dan di Bank OCBC NISP sebagai *Branch Manager* pada 2000–2012.	*Joined in March 1, 2012. Served as Branch Manager of Batam since March 1, 2012. Appointed based on Board of Directors Decree No. 021/KPTS.DIR/ICBC.IND/2012. Previously worked at Lippo Bank as Operations Manager in 1989–1991, at Bank Bira as Branch Manager in 1997–2000, and at Bank OCBC NISP as Branch Manager in 2000–2012.*

Nancy Julia
Pimpinan Cabang Beverly – Surabaya
Beverly – Surabaya Branch Manager

WNI. 49 tahun. Lahir di Malang, 5 Oktober 1970. Sarjana di bidang Ekonomi jurusan Akuntansi dari Universitas Widya Mandala Surabaya (1993).	*Indonesian citizen. 49 years old. Born in Malang, October 5, 1970. Bachelor of Economics majoring in Accounting from Widya Mandala University, Surabaya (1993).*
Bergabung pada 23 September 2014. Menjabat sebagai Pimpinan Cabang Beverly – Surabaya sejak 31 Januari 2019. Diangkat berdasarkan Surat Keputusan Direksi No. 013/KPTS.DIR/ICBC.IND/2019. Sebelumnya pernah bekerja di Bank Danamon sebagai *Sub Branch Manager Commercial Banking* pada 1993–2001, di Bank Commowealth sebagai *Relationship Manager Privilege Banking* pada 2001–2004, di Bank ANZ sebagai *Senior Relationship Manager* pada 2004–2010, dan di Bank UOB Indonesia sebagai *Team Leader Commercial Wealth Management* pada 2010–2014.	*Joined in September 23, 2014. Served as Branch Manager of Beverly – Surabaya since January 31, 2019. Appointed based on Board of Directors Decree No. 013/KPTS.DIR/ICBC.IND/2019. Previously worked at Bank Danamon as Sub Branch Manager for Commercial Banking in 1993–2001, at Commowealth Bank as Relationship Manager Privilege Banking in 2001–2004, at ANZ Bank as Senior Relationship Manager in 2004–2010, and at Bank UOB Indonesia as Team Leader Commercial Wealth Management in 2010–2014.*

Ng Veni
Pimpinan Cabang Gajah Mada
Gajah Mada Branch Manager

WNI. 34 tahun. Lahir di Jakarta, 24 Desember 1984. Sarjana di bidang Ekonomi jurusan Akuntansi dari Sekolah Tinggi Ilmu Ekonomi dan Akuntansi Santa Ursula, Jakarta (2012).	*Indonesian citizen. 34 years old. Born in Jakarta, December 24, 1984. Bachelor of Economics majoring in Accounting from the College of Economics and Accounting Santa Ursula, Jakarta (2012).*
Bergabung pada 1 Agustus 2017. Menjabat sebagai Pimpinan Cabang Gajah Mada sejak 31 Januari 2019. Diangkat berdasarkan Surat Keputusan Direksi No. 011/KPTS.DIR/ICBC.IND/2019. Sebelumnya pernah bekerja di Bank Lippo, Tbk sebagai *Teller* pada 2003–2006 dan di Bank CIMB Niaga dengan jabatan terakhir sebagai *Business Manager* pada 2006–2017.	*Joined in August 1, 2017. Served as Branch Manager of Gajah Mada since January 31, 2019. Appointed based on Board of Directors Decree No. 011/KPTS.DIR/ICBC.IND/2019. Previously worked at Bank Lippo, Tbk as a Teller in 2003–2006 and at CIMB Niaga Bank with her last position as Business Manager in 2006–2017.*

Ratna Hartaty
Pimpinan Cabang Balikpapan
Balikpapan Branch Manager

WNI. 46 tahun. Lahir di Pontianak, 25 Mei 1973. Sarjana Teknik Kimia dari UPN Veteran Yogyakarta (1997).	*Indonesian citizen. 46 years old. Born in Pontianak, May 25, 1973. Bachelor of Chemical Engineering from UPN Veteran Yogyakarta (1997).*
Bergabung pada 18 Mei 2016. Menjabat sebagai Pimpinan Cabang Balikpapan sejak 18 Mei 2016. Diangkat berdasarkan Surat Keputusan Direksi No. 093/KPTS.DIR/ICBC.IND/2016. Sebelumnya pernah bekerja di PT Omedata Electronics sebagai *Quality Assurance Engineer* pada 1997–1999, di PT JIT Electronics Indonesia sebagai *Quality Assurance Engineer* pada 1999–2000, di ABN AMRO Bank sebagai *Relationship Manager Coordinator* pada 2000–2005, dan di Bank Commonwealth sebagai *Branch Manager* pada 2005–2016.	*Joined in May 18, 2016. Served as Branch Manager of Balikpapan since May 18, 2016. Appointed based on Board of Directors Decree No. 093/KPTS.DIR/ICBC.IND/2016. Previously worked at PT Omedata Electronics as a Quality Assurance Engineer in 1997–1999, at PT JIT Electronics Indonesia as a Quality Assurance Engineer in 1999–2000, at ABN AMRO Bank as Relationship Manager Coordinator in 2000–2005, and at Commonwealth Bank as Branch Manager in 2005–2016.*

Renault Yufarsim
Kepala Departemen *Strategy Management & Investor Relation*
Head of Strategy Management & Investor Relation Department

WNI. 36 tahun. Lahir di Medan, 8 Agustus 1983. Sarjana di bidang Ilmu Komputer jurusan Akuntansi dari Universitas Bina Nusantara, Jakarta (2005) dan meneruskan mengambil gelar Magister Manajemen dari Universitas Krida Wacana, Jakarta (2018).	*Indonesian citizen. 36 years old. Born in Medan, August 8, 1983. Bachelor of Computer Science majoring in Accounting from Bina Nusantara University, Jakarta (2005) and continued to take Master's degree in Management from the University of Krida Wacana, Jakarta (2018).*
Bergabung pada 14 November 2008. Menjabat sebagai Kepala Departemen *Strategy Management & Investor Relation* sejak 4 Desember 2019. Diangkat berdasarkan Surat Keputusan Direksi No. 028/KPTS.DIR/ICBC.IND/2019. Sebelumnya pernah bekerja di Bank Panin sebagai *Foreign Remittance Staff* pada 2005–2008 dan di PT Starindo Sugiarta sebagai *Marketing* pada 2008.	*Joined in November 14, 2008. Served as Head of the Strategy Management & Investor Relation Department since December 4, 2019. Appointed based on Board of Directors Decree No. 028/KPTS.DIR/ICBC.IND/2019. Previously worked at Bank Panin as a Foreign Remittance Staff in 2005–2008 and at PT Starindo Sugiarta as a Marketing in 2008.*

Richard Buala Ndraha
Wakil Kepala Departemen *Corporate Banking* Surabaya
Deputy Head of Surabaya Corporate Banking Department

WNI. 41 tahun. Lahir di Malang, 3 Desember 1977. Sarjana Teknik Sipil dari Universitas Brawijaya, Malang (2002).	*Indonesian citizen. 41 years old. Born in Malang, December 3, 1977. Bachelor of Civil Engineering from Brawijaya University, Malang (2002).*
Bergabung pada 15 Agustus 2013. Menjabat sebagai Wakil Kepala Departemen *Corporate Banking* Surabaya sejak 1 Oktober 2019. Diangkat berdasarkan Surat Keputusan Direksi No. 023/KPTS.DIR/ICBC.IND/2019. Sebelumnya pernah bekerja di Bank Central Asia dengan jabatan terakhir sebagai *Commercial Credit Officer* pada 2002–2008, di Maybank/Bank International Indonesia dengan jabatan terakhir sebagai *Business Development Manager of Emerging Business Center* pada 2008–2010, di Bank DBS Indonesia sebagai *Relationship Manager of Account Origination Team* pada 2011–2012, dan di Bank OCBC NISP sebagai *Commercial Business Manager* pada 2013.	*Joined in August 15, 2013. Appointed as Deputy Head of Surabaya Corporate Banking Department since October 1, 2019. Appointed based on Board of Directors Decree No. 023/KPTS.DIR/ICBC.IND/2019. Previously worked at Bank Central Asia with his last position as Commercial Credit Officer in 2002–2008, at Maybank/Bank International Indonesia with his last position as Business Development Manager of Emerging Business Center in 2008–2010, at Bank DBS Indonesia as Relationship Manager of Account Origination Team in 2011–2012, and at Bank OCBC NISP as Commercial Business Manager in 2013.*

Ricwilson Horax
Kepala Cabang Makassar
Makassar Branch Manager

WNI. 27 tahun. Lahir di Ujung Pandang, 27 Juli 1992. Sarjana di bidang Ekonomi jurusan Bisnis International dari Universitas Bina Nusantara, Jakarta (2014).	*Indonesian citizen. 27 years old. Born in Ujung Pandang, July 27, 1992. Bachelor of Economics majoring in International Business from Bina Nusantara University, Jakarta (2014).*
Bergabung pada 18 September 2019. Menjabat sebagai Kepala Cabang Makassar sejak 18 September 2019. Diangkat berdasarkan Surat Keputusan Direksi No. 022/KPTS.DIR/ICBC.IND/2019. Sebelumnya pernah mengikuti program ICBC *Business Academy* dari Bank ICBC Indonesia pada 2014–2015, bekerja di Bank ICBC Indonesia sebagai *Relationship Manager Corporate Banking* pada 2015–2017, dan di Bank KEB Hana sebagai *Relationship Manager Corporate Banking* pada 2017–2018.	*Joined in September 18, 2019. Served as Branch Manager of Makassar since September 18, 2019. Appointed based on Board of Directors Decree No. 022/KPTS.DIR/ICBC.IND/2019. Previously, he had joined the ICBC Business Academy program from Bank ICBC Indonesia in 2014–2015, worked at Bank ICBC Indonesia as a Relationship Manager for Corporate Banking in 2015–2017, and at Bank KEB Hana as a Relationship Manager for Corporate Banking in 2017–2018.*

Rini Marita
Pimpinan Cabang Baliwerti – Surabaya
Baliwerti – Surabaya Branch Manager

WNI. 51 tahun. Lahir di Surabaya, 22 Maret 1968. Sarjana di Bidang Bisnis dari Monash University, Australia (1992).	*Indonesian citizen. 51 years old. Born in Surabaya, March 22, 1968. Bachelor of Business from Monash University, Australia (1992).*
Bergabung pada 1 Oktober 2010. Menjabat sebagai Pimpinan Cabang Baliwerti – Surabaya sejak 31 Januari 2019. Diangkat berdasarkan Surat Keputusan Direksi No. 014/KPTS.DIR/ICBC.IND/2019. Sebelumnya pernah bekerja di Bank Dagang Nasional Indonesia sebagai *Regional Treasury Officer* pada 1993–1999, di Bank Arta Niaga Kencana Surabaya sebagai *Head* of *Treasury Department* pada 1999–2008, dan di Bank Commonwealth sebagai *Treasury Client Relationship Manager* pada 2008–2010.	*Joined in October 1, 2010. Served as Branch Manager of Baliwerti – Surabaya since January 31, 2019. Appointed based on Board of Directors Decree No. 014/KPTS.DIR/ICBC.IND/2019. Previously worked at Bank Dagang Nasional Indonesia as Regional Treasury Officer in 1993–1999, at Bank Arta Niaga Kencana Surabaya as Head of Treasury Department in 1999–2008, and at Commonwealth Bank as Treasury Client Relationship Manager in 2008–2010.*

Rosmery Thomas
Pimpinan Cabang Mega Kuningan
Mega Kuningan Branch Manager

WNI. 41 tahun. Lahir di Bagansiapi-api, 10 September 1978. Sarjana Ekonomi dari Perbanas Institute, Jakarta (2014).	*Indonesian citizen. 41 years old. Born in Bagansiapi-api, September 10, 1978. Bachelor of Economics from Perbanas Institute, Jakarta (2014).*
Bergabung pada 28 September 2009. Menjabat sebagai Pimpinan Cabang Mega Kuningan sejak 15 Mei 2017. Diangkat berdasarkan Surat Keputusan Direksi No. 007/KPTS.DIR/ICBC.IND/2017. Sebelumnya pernah bekerja di Evershine Quartz Trading Singapore sebagai *Office Clerk* pada 1997–1999, di Bank UOB Cabang Batam sebagai *IT Staff* pada 2000–2002, di PT Unity Service Center sebagai *Assistant Manager* pada 2002–2004, dan di Bank of China Limited sebagai *Customer Service* pada 2004–2009.	*Joined in September 28, 2009. Served as Branch Manager of Mega Kuningan since May 15, 2017. Appointed based on Board of Directors Decree No. 007/KPTS.DIR/ICBC.IND/2017. Previously worked at Evershine Quartz Trading Singapore as an Office Clerk in 1997–1999, at Bank UOB Batam Branch as an IT Staff in 2000–2002, at PT Unity Service Center as Assistant Manager in 2002–2004, and at Bank of China Limited as a Customer Service in 2004–2009.*

Surya Djuwita
Pimpinan Cabang Basuki Rahmat – Surabaya
Basuki Rahmat – Surabaya Branch Manager

WNI. 50 tahun. Lahir di Surabaya, 15 Juli 1969. *Bachelor of Science* dari Oregon State University, Amerika Serikat (1990).	*Indonesian citizen. 50 years old. Born in Surabaya, July 15, 1969. Bachelor of Science from Oregon State University, United States (1990).*
Bergabung pada 1 Februari 2012. Menjabat sebagai Pimpinan Cabang Basuki Rahmat – Surabaya sejak 1 Februari 2012. Diangkat berdasarkan Surat Keputusan Direksi No. 077/KPTS.DIR/ICBC.IND/2015. Sebelumnya pernah bekerja di Standard Chartered Bank sebagai *Internal Control Officer* pada 1991–1992, di Bank Credit Lyonnaise sebagai *Credit Administration Officer* pada 1992–1996, dan di Bank HSBC Indonesia sebagai *Branch Manager* pada 1996–2012.	*Joined in February 1, 2012. Served as Branch Manager of Basuki Rahmat – Surabaya since February 1, 2012. Appointed based on Board of Directors Decree No. 077/KPTS.DIR/ICBC.IND/2015. Previously worked at Standard Chartered Bank as Internal Control Officer in 1991–1992, at Credit Lyonnaise Bank as Credit Administration Officer in 1992–1996, and at Bank HSBC Indonesia as Branch Manager in 1996–2012.*

Surya Karya Laksana
Kepala Departemen *Legal*
Head of Legal Department

WNI. 48 tahun. Lahir di Subang, 6 April 1971. Sarjana Hukum dari Universitas Brawijaya, Malang (1995) dan meneruskan mengambil gelar Magister Manajemen dari Universitas Tarumanagara, Jakarta (2005).	*Indonesian citizen. 48 years old. Born in Subang, April 6, 1971. Bachelor of Laws from Brawijaya University, Malang (1995) and went on to take a Master's degree in Management from Tarumanagara University, Jakarta (2005).*
Bergabung pada 15 September 2017. Menjabat sebagai Kepala Departemen *Legal* sejak 15 September 2017. Diangkat berdasarkan Surat Keputusan Direksi No. 019/KPTS.DIR/ICBC.IND/2017. Sebelumnya pernah bekerja di Bank Ekspor Impor Indonesia sebagai *Legal Officer* pada 1996–1999, di Bank Mandiri sebagai *AVP Legal Corporate Banking Directorate* pada 1999–2010, di PT Selular Media Infotama sebagai *Head of Legal* pada 2010–2011, di Maybank Indonesia sebagai *Head of Legal* pada 2011–2012, di Bank CTBC Indonesia sebagai *Head of Legal* pada 2012–2014, dan di Bank HSBC Indonesia sebagai *Senior Legal Counsel Business Risk and Control Management and Global Function* pada 2014–2017.	*Joined in September 15, 2017. Appointed as Head of Legal Department since September 15, 2017. Appointed based on Board of Directors Decree No. 019/KPTS.DIR/ICBC.IND/2017. Previously worked at the Indonesian Export Import Bank as a Legal Officer in 1996–1999, at Bank Mandiri as AVP Legal Corporate Banking Directorate in 1999–2010, at PT Selular Media Infotama as Head of Legal in 2010–2011, at Maybank Indonesia as Head of Legal in 2011–2012, at Bank CTBC Indonesia as Head of Legal in 2012–2014, and at Bank HSBC Indonesia as Senior Legal Counsel Business Risk and Control Management and Global Function in 2014–2017.*

Tjen Fie Lan
Pimpinan Cabang Pluit
Pluit Branch Manager

WNI. 52 tahun. Lahir di Jakarta, 10 Agustus 1967. Sarjana *Business Administration* dari Washburn University, Amerika Serikat (1993) dan meneruskan mengambil gelar *Master of Business Administration* dari Washburn University, Amerika Serikat (1994).	*Indonesian citizen. 52 years old. Born in Jakarta, August 10, 1967. Bachelor of Business Administration from Washburn University, United States (1993) and went on to take Master of Business Administration from Washburn University, United States (1994).*
Bergabung pada 5 April 2010. Menjabat sebagai Pimpinan Cabang Pluit sejak 31 Januari 2019. Diangkat berdasarkan Surat Keputusan Direksi No. 007/KPTS.DIR/ICBC.IND/2019. Sebelumnya pernah bekerja di PT Amcol Citra Graha sebagai *Assistant Manager Finance & Accounting* pada 1994–1995, di Lippo Bank dengan jabatan terakhir sebagai *Branch Manager* Cabang Daan Mogot pada 1995–2006, dan di Bank CIMB Niaga dengan jabatan terakhir sebagai *Marketing Coordinator SME* pada 2006–2010.	*Joined in April 5, 2010. Served as Branch Manager of Pluit since January 31, 2019. Appointed based on Board of Directors Decree No. 007/KPTS.DIR/ICBC.IND/2019. Previously worked at PT Amcol Citra Graha as Assistant Manager of Finance & Accounting in 1994–1995, at Lippo Bank with her last position as Branch Manager of Daan Mogot Branch in 1995–2006, and at Bank CIMB Niaga with her last position as SME Marketing Coordinator in 2006–2010.*

Tjong Christina Hartono
Pimpinan Cabang Pembantu CITO – Surabaya
CITO – Surabaya Sub-Branch Manager

WNI. 49 tahun. Lahir di Surabaya, 6 Juni 1971. Sarjana Teknik Industri dari Universitas Surabaya (1996).	*Indonesian citizen. 49 years old. Born in Surabaya, June 6, 1971. Bachelor of Industrial Engineering from Surabaya University (1996).*
Bergabung pada 29 Juni 2015. Menjabat sebagai Pimpinan Cabang Pembantu CITO – Surabaya sejak 31 Januari 2019. Diangkat berdasarkan Surat Keputusan Direksi No. 015/KPTS.DIR/ICBC.IND/2019. Sebelumnya pernah bekerja di Bank International Indonesia sebagai *Branch Manager* pada 1996–2008, di Bank ANZ sebagai *Senior Relationship Manager* pada 2008–2010, dan di Bank Commonwealth sebagai *Branch Manager* pada 2010–2015.	*Joined in June 29, 2015. Served as CITO - Surabaya Sub-Branch Manager since January 31, 2019. Appointed based on Board of Directors Decree No. 015/KPTS.DIR/ICBC.IND/2019. Previously worked at Bank International Indonesia as Branch Manager in 1996–2008, at Bank ANZ as Senior Relationship Manager in 2008–2010, and at Commonwealth Bank as Branch Manager in 2010–2015.*

Yona Kristianto Budiman
Pimpinan Cabang Bandung
Bandung Branch Manager

WNI. 41 tahun. Lahir di Bandung, 22 Maret 1978. Sarjana di bidang Ekonomi jurusan Manajemen dari Universitas Katolik Parahyangan, Bandung (2001).	*Indonesian citizen. 41 years old. Born in Bandung, March 22, 1978. Bachelor of Economics majoring in Management from Parahyangan Catholic University, Bandung (2001).*
Bergabung pada 26 Oktober 2009. Menjabat sebagai Pimpinan Cabang Bandung sejak 1 Agustus 2018. Diangkat berdasarkan Surat Keputusan Direksi No. 020/KPTS.DIR/ICBC.IND/2018. Sebelumnya pernah bekerja di PT Bank Lippo sebagai *Account Officer*, *SME Business* pada 2001–2007 dan di PT Bank UOB sebagai *Senior Account Officer*, *Business Banking* pada 2007–2009.	*Joined in October 26, 2009. Served as Branch Manager of Bandung since August 1, 2018. Appointed based on Board of Directors Decree No. 020/KPTS.DIR/ICBC.IND/2018. Previously worked at PT Bank Lippo as Account Officer, SME Business in 2001–2007 and at PT Bank UOB as Senior Account Officer, Business Banking in 2007–2009.*

DEMOGRAFI **KARYAWAN**
Employee Demographics

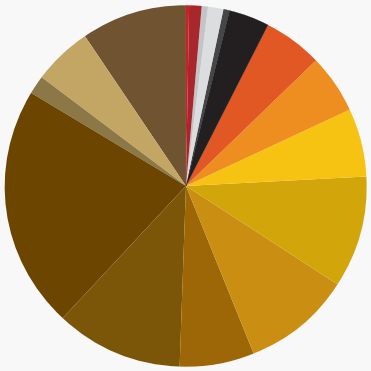
Per 31 Desember 2019, Bank mencatat total 585 karyawan (tidak termasuk *outsourcing*), mengalami penurunan 1,71% dibandingkan 595 karyawan per 31 Desember 2018.

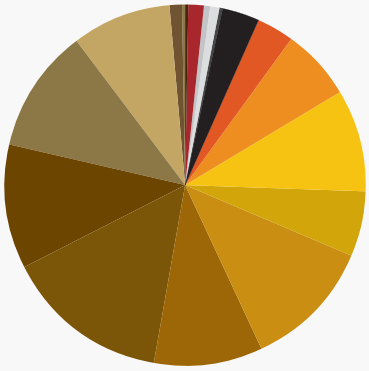
Berikut beberapa indikator demografi karyawan Bank dalam perbandingan dua tahun terakhir:

As of December 31, 2019, The Bank recorded a total of 585 employees (excluding outsourcing), a decrease of 1.71% compared to 595 employees as of December 31, 2018.

Here are some demographic indicators of The Bank's employees in the last two years comparison:

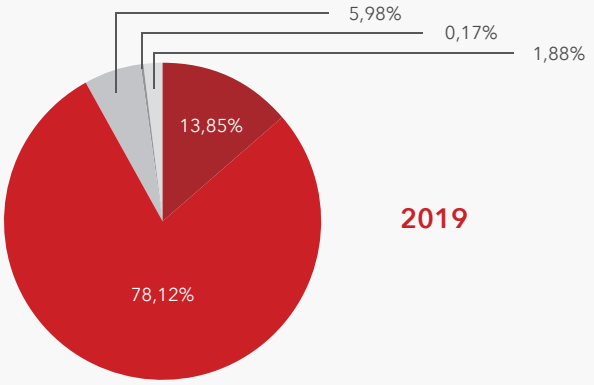
Jumlah Karyawan Berdasarkan Grade/Level Organisasi (Orang) | *Employee by Grade/Organization Level (Person)*

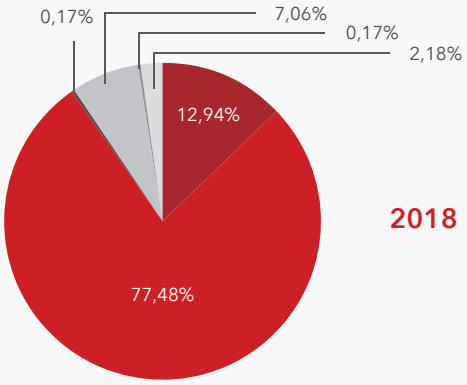




2019		2018
0.51%	Komisaris | *Commissioners*	0.50%
1.03%	Direktur | *Directors*	1.18%
0.68%	Anggota Komite | *Committee Members*	0.67%
1.20%	Tenaga Kerja Asing | *Expatriates*	0.84%
0.51%	*Senior Executive Vice President*	0.34%
3.76%	*Executive Vice President*	3.19%
5.30%	*Senior Vice President*	3.36%
5.30%	*Vice President*	6.55%
5.98%	*Assistant Vice President*	9.08%
9.91%	*Senior Manager*	5.88%
9.91%	*Manager*	11.60%
6.67%	*Assistant Manager*	9.75%
11.28%	*Senior Officer*	14.79%
21.71%	*Officer*	11.09%
1.71%	*Senior Clerk*	10.92%
5.13%	*Intermediate Clerk*	8.91%
9.40%	*Clerk*	1.18%
-	*Non Clerk*	0.17%

Jumlah Karyawan Berdasarkan Tingkat Pendidikan (Orang) | *Employee by Education Level (Person)*

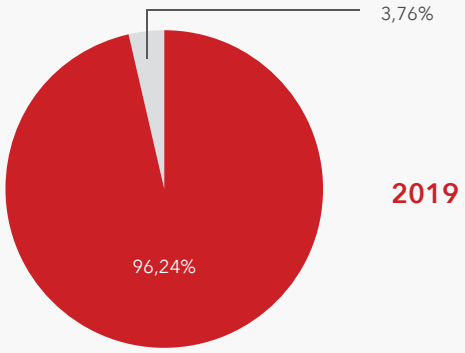


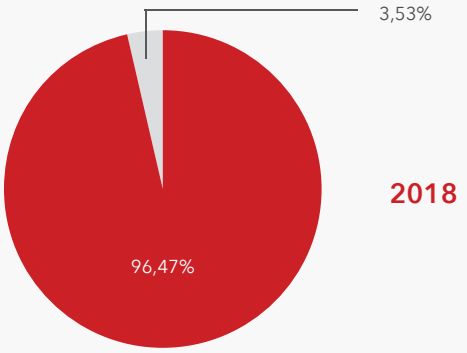


- S2 | *Master's Degree*
- S1 | *Bachelor's Degree*
- D4 | *Diploma 4*
- D3 | *Diploma 3*
- D1 | *DIploma 1*
- SMA dan Sederajat | *High School and Equivalent*

* Tingkat Pendidikan D4 tahun 2019: 0,00%
D4 Level of Education in 2019: 0.00%

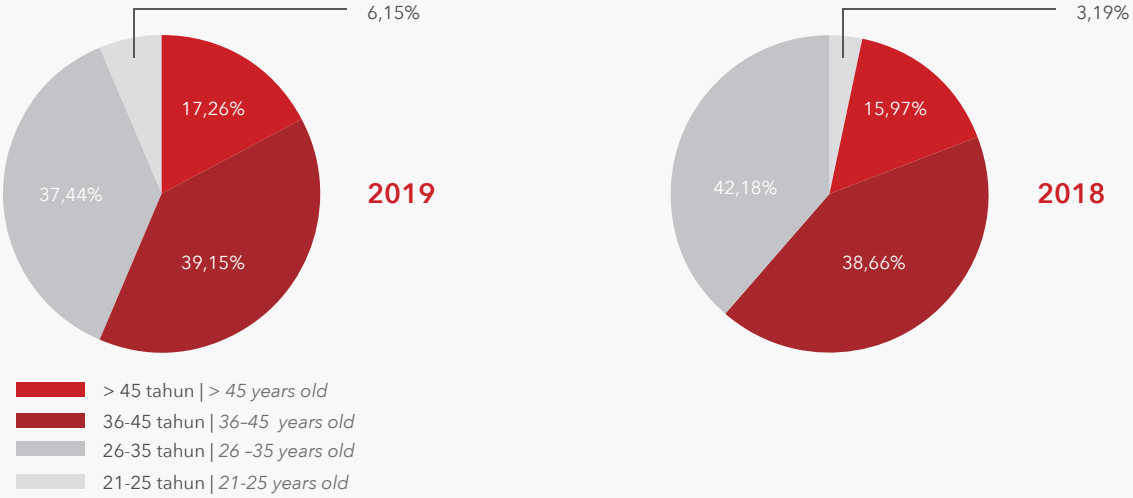
Jumlah Karyawan Berdasarkan Status Kepegawaian (Orang) | *Employee by Employment Status (Person)*



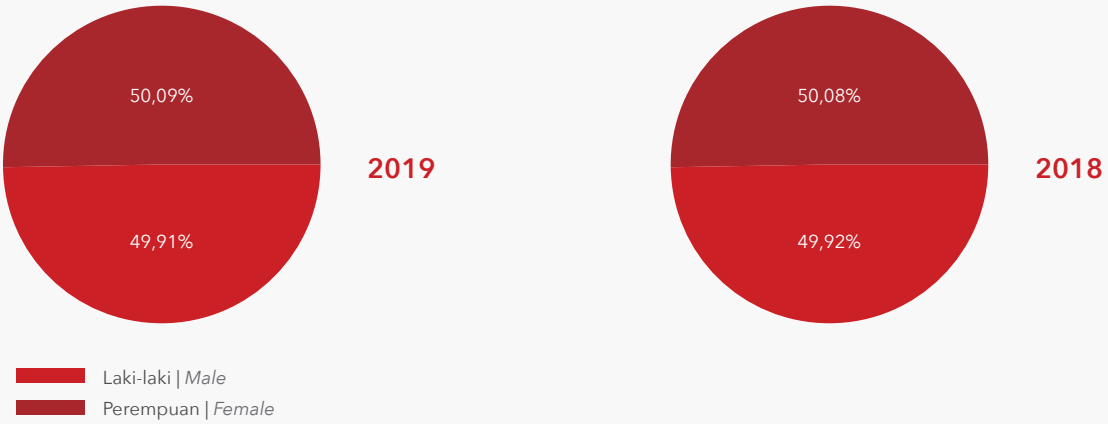


- Karyawan Tetap | *Permanent Emplooyee*
- Karyawan Kontrak | *Non-Permanent Employee*

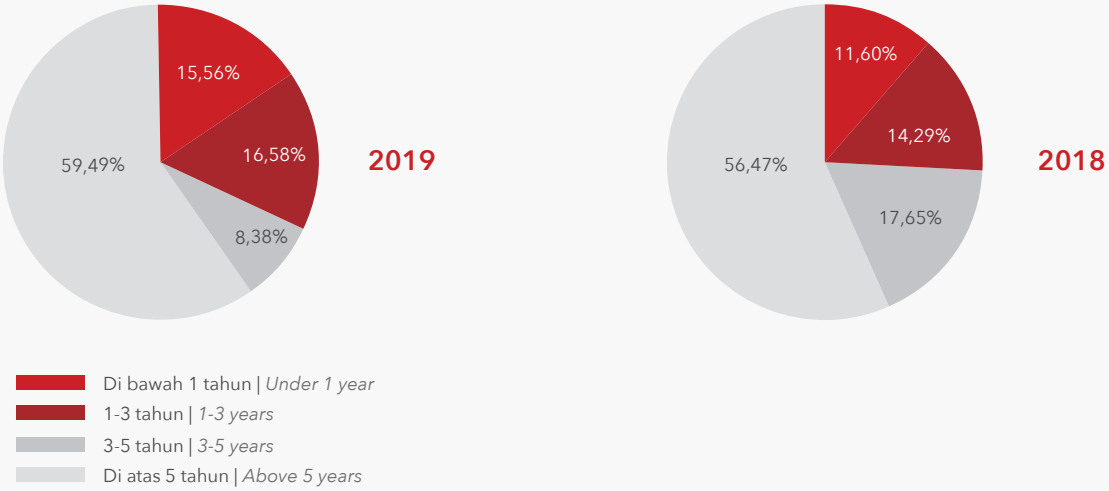
Jumlah Karyawan Berdasarkan Rentang Usia (Orang) | *Employee by Age (Person)*



Jumlah Karyawan Berdasarkan Gender/Jenis Kelamin (Orang) | *Employee by Gender (Person)*



Jumlah Karyawan Berdasarkan Masa Kerja (Orang) | *Employee by Tenure (Person)*



Pengembangan Kompetensi Karyawan

Pada 2019, Departemen Sumber Daya Manusia telah membuat *platform* pelatihan, seperti *training need analysis*, *team improvement*, proyek *on-shoring*, pelatihan *mandatory*, pelatihan luar negeri, *branch transformation*, CARAL, sosialisasi kebijakan dan prosedur, NEOP, dan program pertukaran budaya. Diharapkan dengan adanya *platform* pelatihan ini, penggunaan dana pelatihan dapat dialokasikan secara optimal sesuai dengan kebutuhan karyawan sebagai bagian dari peningkatan kompetensi dan keahliannya dan juga sesuai dengan kebutuhan Bank untuk mendukung pencapaian target dan/atau prioritas yang telah ditetapkan Bank termasuk untuk memastikan pelaksanaan kepatuhan dan pemahaman terhadap risiko.

Selama 2019, Bank telah mengalokasikan dana investasi sebesar Rp16,59 miliar atau setara dengan Rp28,45 juta per karyawan, yang dialokasikan ke dalam 338 kelas pelatihan baik pelatihan teknis, pelatihan *soft skill*, maupun pelatihan wajib dari regulator, dengan persentase karyawan yang mengikuti pelatihan telah mencapai 98,28%.

Untuk mendukung pengembangan potensi karyawan bertalenta melalui kesempatan sebagai pembicara maupun pengajar dalam program-program pelatihan yang sesuai dengan bidang keahlian mereka, seperti pada program *sharing session*, program pelatihan CARAL, dan sebagainya, maka Bank telah membuat kebijakan pelatihan yaitu pemberian penghargaan bagi para karyawan yang telah memberikan kontribusi sebagai pengajar, dikarenakan mereka telah membantu karyawan lain untuk mendapatkan pengetahuan baru dan bagi karyawan bertalenta tersebut dapat terus mengembangkan pengetahuan dan keahliannya dengan cara berbagi pengetahuan dan pengalaman.

Untuk program alih pengetahuan juga terus dilakukan oleh tenaga kerja asing dari ICBC Limited sebagai pemegang saham utama Bank. Diharapkan dengan adanya program alih pengetahuan ini tenaga kerja lokal akan mendapatkan pengetahuan baru yang dapat meningkatkan kompetensi mereka dalam bidang kerja yang saat ini mereka jalani.

Terkait dengan pemenuhan sertifikasi wajib sesuai dengan regulasi yang berlaku, sampai dengan akhir tahun 2019 persentase pemenuhan sertifikasi manajemen risiko telah mencapai 89,44%, serta pemenuhan sertifikasi *treasury dealer* telah mencapai 100%. Di samping sertifikasi wajib pada tahun 2019, Bank bekerja sama dengan Lembaga Pengembangan Perbankan Indonesia untuk menyelenggarakan program pelatihan Aksi Keuangan Berkelanjutan.

Employee Competence Development

In 2019, the Human Resources Department has created training platforms, such as training need analysis, team improvement, on-shoring project, mandatory training, overseas training, branch transformation, CARAL, policy and procedure socialization, NEOP, and cultural exchange programs. It is expected that with these training platforms, the use of training funds can be allocated optimally according to the needs of employees as part of improving their competence and expertise and also in accordance with the needs of The Bank to support the achievement of targets and/or priorities set by The Bank, including to ensure the implementation of compliance and understanding of risk.

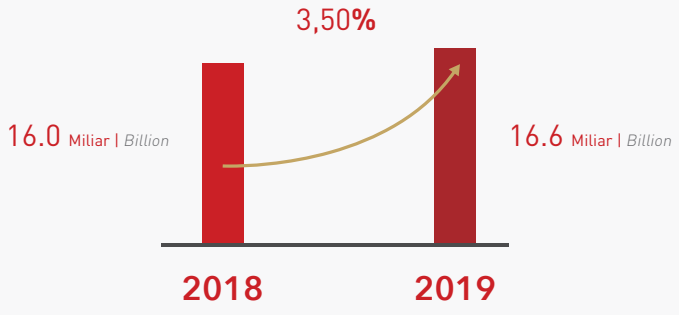
During 2019, The Bank has allocated an investment fund of Rp16.59 billion or equivalent to Rp28.45 million per employee, which is allocated into 338 training classes in terms of technical trainings, soft skills trainings, and compulsory trainings from the regulators, with the percentage of employees who attended the training reached 98.28%.

To support the development of talented employees through opportunities to be speakers and instructors in the training programs that are appropriate to their areas of expertise, such as sharing sessions, CARAL training program, and so on, The Bank has established a training policy that is by giving awards to employees who have contributed as instructors; as a reward for helping other employees to gain new knowledge and for these talented employees to continue to develop their knowledge and expertise by sharing knowledge and experience.

Knowledge transfer program also continues to be carried out by foreign workers from ICBC Limited as The Bank's main shareholder. It is expected that through this knowledge transfer program, the local workers will gain new knowledge that can improve their competence in their field of work.

Related to the fulfillment of mandatory certification in accordance with applicable regulations, up to the end of 2019 the fulfillment of risk management certification has reached 89.44%, and the fulfillment of treasury dealer certification has reached 100%. Other than mandatory certification in 2019, The Bank also worked with the Indonesian Banking Development Institute to organize a Sustainable Financial Action training program.

Biaya Pengembangan Kompetensi I *Competency Development Cost*



KOMPOSISI **PEMEGANG SAHAM**
Shareholders Composition

Modal Saham per 31 Desember 2019 | *Capital Shares as of December 31, 2019*

Pemegang Saham *Shareholders*	Jumlah Saham (lembar) *Number of Shares (sheets)*	Modal Ditempatkan dan Disetor Penuh (RP-juta) *Issued and Fully Paid Capital (RP-millions)*	Persentase Kepemilikan *Ownership Percentage (%)*
Nilai Nominal Saham = Rp50.000.000/lembar saham *Nominal Value of Stock = Rp50,000,000/share*			
Kepemilikan saham 5% atau lebih | *Share ownership of 5% or more*			
Industrial and Commercial Bank of China Limited	73.091	3.654.550	98,61
Kepemilikan saham dibawah 5% | *Share ownership below 5%*			
PT Intidana Wijaya	1.032	51.600	1,39
TOTAL	74.123	3.706.150	100,00

Transparansi Kepemilikan Saham oleh Dewan Komisaris | *Transparency of Share Ownership by the Board of Commissioners*

Kepemilikan Saham | *Stock Ownership*	
Wang Kun Presiden Komisaris | *President Commissioner*	0
Hendra Widjojo Komisaris Independen | *Independent Commissioner*	0
H. Yunno Kusumo Komisaris Independen | *Independent Commissioner*	0

Transparansi Kepemilikan Saham oleh Direksi & Karyawan | *Transparency of Share Ownership by the Board of Directors and Employees*

Kepemilikan Saham | *Shares Ownership*	
Direksi | *Board of Directors*	
Zhang Jinxing Presiden Direktur | *President Director*	0
Yu Guangzhu Direktur | *Director*	0
Jeff S.V. Eman Direktur | *Director*	0
Thomas Arifin Direktur | *Director*	0
Sandy Tjipta Muliana Direktur | *Director*	0
Fransisca Nelwan Mok Direktur | *Director*	0
Karyawan I *Employees*	
Karyawan Bank ICBC Indonesia | *Bank ICBC Indonesia Employees*	0

Status Pemegang Saham | *Status of Shareholders*

Pemegang Saham | *Shareholders*	Status
Industrial and Commercial Bank of China Limited	Badan Usaha Asing | *Foreign Business Entity*
PT Intidana Wijaya	Badan Usaha Dalam Negeri/Perseroan Terbatas | *Entity/Limited Liability Company*

Informasi Tentang Pemegang Saham Mayoritas
Industrial and Commercial Bank of China Limited merupakan pemegang saham mayoritas Bank dengan kepemilikan sebesar 98,61%. Sementara itu, PT Intidana Wijaya yang sebelumnya merupakan pemegang saham mayoritas PT Bank Halim Indonesia sebelum diakuisisi oleh ICBC Limited, mempunyai kepemilikan sebesar 1,39%.

Information on Majority Shareholders
The Industrial and Commercial Bank of China Limited is a majority shareholder of The Bank with an ownership of 98.61%. Meanwhile, PT Intidana Wijaya which was previously the majority shareholder of PT Bank Halim Indonesia before taken over by ICBC Limited has an ownership of 1.39%.

INFORMASI TENTANG ENTITAS ANAK DAN ENTITAS ASOSIASI***/JOINT VENTURE (JV)/ SPECIAL PURPOSE VEHICLE (SPV)***

Information on the Subsidiary Entities and Associated/ Joint Venture (JV)/Special Purpose Vehicle (SPV) Entities

Sampai dengan dipublikasikannya Laporan Tahunan 2019 ini, Bank tidak memiliki entitas anak maupun entitas asosiasi.

By the publication of this 2019 Annual Report, The Bank does not have any subsidiaries nor associates.

STRUKTUR **PERUSAHAAN**

Corporate Structure

KRONOLOGIS **PENERBITAN SAHAM**
Stock Listing Chronology

Bank bukan merupakan perusahaan terbuka, sehingga sampai dengan dipublikasikannya Laporan Tahunan 2019 ini, Bank tidak menerbitkan saham kepada publik.

The Bank is not a public listed entity, thereby as of the publication of this 2019 Annual Report, The Bank has not issued any shares for public ownership.

KRONOLOGIS **PENERBITAN EFEK LAINNYA**
Listing of Other Securities Chronology

SURAT BERHARGA YANG DITERBITKAN DAN TELAH JATUH TEMPO

Medium-Term Note (MTN)
Bank menerbitkan *Medium-Term Note (MTN)* yang didistribusikan secara elektronik pada 22 Mei 2014 dengan perincian sebagai berikut:

ISSUED SECURITIES AND HAD BEEN MATURED

Medium-Term Note (MTN)
The Bank issued a Medium-Term Note (MTN) distributed electronically on May 22, 2014 with details as follows:

dalam Rp juta | *in Rp million*

Keterangan *Details*	*Nominal*	Kode *Code*	Kupon *Coupon*	Jangka Waktu *Period*	Frekuensi Pembayaran Bunga *Frequency of Interest Payment*	Pembayaran Bunga Pertama *First Interest Payment*	Jatuh Tempo *Due Date*
Seri | *Series* A	265.000	ICBC01AXMF	9,70% per tahun *annually*	370 hari kalender *calendar days*	Triwulan *Quarterly*	22 Agustus 2014 *August 22, 2014*	2 Juni 2015 *June 2, 2015*
Seri | *Series* B	235.000	ICBC01BXMF	10,60 per tahun *annnually*	36 bulan *months*	Triwulan *Quarterly*	22 Agustus 2014 *August 22, 2014*	22 Mei 2017 *May 22, 2017*

LEMBAGA **DAN PROFESI PENUNJANG**

Supporting Institutions and Professions

Nama dan Alamat *Name and Address*		Jenis dan Bentuk Jasa *Type and Form of Service*	Periode Penugasan *Assignment Period*
Lembaga Penunjang | *Supporting Institutions*			
Kantor Akuntan Publik *Public Accounting Firm*	Siddharta Widjaja & Rekan (KPMG) Wisma GKBI Lantai 33 Jl. Jend. Sudirman No. 28 Jakarta 10210	Audit Umum atas Laporan Keuangan Tahun Buku 2019. KAP juga memberikan jasa Pra-transisi implementasi PSAK baru (PSAK 71, 72, dan 73) lainnya *General Audit of Financial Statements for Fiscal Year 2019. The Public Accounting Firm also provides Pre-transition of new financial accounting standards implementation (PSAK 71, 72, dan 73) services.*	2019
Profesi Penunjang | *Supporting Profession*			
Akuntan *Accountant*	Handrow Cahyadi, CPA	Audit Umum atas Laporan Keuangan Tahun Buku 2019 *General Audit of Financial Statements for Fiscal Year 2019*	2019
Notaris *Notary*	Christina Dwi Utami, SH, MHum, MKn Jl. K.H. Zainul Arifin No. 2, Kompleks Ketapang Indah, Blok B-2 No. 3 Jakarta 11140	Membantu dalam pembuatan PKPS *Assist in the making of Circular Resolution of Shareholders*	2019

Daftar Kantor Akuntan Publik 7 (Tujuh) Tahun Terakhir (2013-2019)
List of Public Accounting Firms for the Last 7 (Seven) Years (2013-2019)

Tahun Buku *Fiscal Year*	Kantor Akuntan Publik *Public Accounting Firm*	Akuntan *Accountant*	Jasa yang Diberikan *Services*	Jasa Lainnya *Other Services*	Biaya *Fees*
2019	Siddharta Widjaja & Rekan (KPMG)	Handrow Cahyadi, CPA	Audit Eksternal *External Audit*	Pra-transisi implementasi PSAK baru (PSAK 71, 72, dan 73) *Pre-transition of new financial accounting standards implementation (PSAK 71, 72, and 73)*	Rp2.160.000.000 (termasuk pajak) *Rp2,160,000,000 (tax inclusive)*
2018	Siddharta Widjaja & Rekan (KPMG)	Kusumaningsih Angkawijaya	Audit Eksternal *External Audit*	-	Rp1.260.000.000 (termasuk pajak) *Rp1,260,000,000 (tax inclusive)*
2017	Siddharta Widjaja & Rekan (KPMG)	Susanto Tjie	Audit Eksternal *External Audit*	-	Rp1.149.120.000 (termasuk pajak) *Rp1,149,120,000 (tax inclusive)*
2016	Siddharta Widjaja & Rekan (KPMG)	Susanto Tjie	Audit Eksternal *External Audit*	-	Rp1.149.120.000 (termasuk pajak) *Rp1,149,120,000 (tax inclusive)*
2015	Siddharta Widjaja & Rekan (KPMG)	Susanto Tjie	Audit Eksternal *External Audit*	-	Rp925.000.000 (tidak termasuk pajak) *Rp925,000,000 (tax exclusive)*
2014	Siddharta Widjaja & Rekan (KPMG)	Kusumaningsih Angkawijaya	Audit Eksternal *External Audit*	-	USD55.000 (tidak termasuk pajak) *USD55,000 (tax exclusive)*
2013	Siddharta Widjaja & Rekan (KPMG)	Susanto Tjie	Audit Eksternal *External Audit*	-	USD49.500 *(tidak termasuk pajak)* *USD49,500 (tax exclusive)*

INFORMASI PADA **SITUS WEB PERUSAHAAN**

Information on the Company's Website

Dalam hal kepatuhan kepada POJK No. 8/POJK.04/2015 tentang Situs Web Emiten atau Perusahaan Publik, Bank memiliki situs resmi dengan alamat www.icbc.co.id yang telah dilengkapi dengan berbagai informasi seputar produk layanan perbankan maupun informasi korporasi.

Bank senantiasa berupaya menyempurnakan situs web ini secara berkala agar menjadi semakin informatif dan mudah untuk diakses. Selama 2019, Bank telah melengkapi situs web meliputi di antaranya:

- "Homepage" yang menampilkan berbagai informasi, seperti Suku Bunga Dasar Kredit, Kurs Mata Uang, *Corporate Internet Banking log-in portal* dan Pengumuman.
- Halaman "Tentang Kami" menampilkan informasi tentang sejarah singkat Bank, Visi dan Misi, Profil Manajemen, Tata Kelola Perusahaan, dan Informasi Lainnya.
- Halaman "Produk dan Layanan" menampilkan informasi produk *Corporate & Commercial Banking* dan *Consumer Banking* serta layanan jasa.
- Halaman "Karir" menampilkan informasi rekrutmen.
- Halaman "Layanan Nasabah" menampilkan informasi tentang jaringan kontak Bank.
- Tautan kepada situs ICBC regional maupun ICBC Limited di Tiongkok.

In compliance with POJK No. 8/POJK.04/2015 concerning The Websites of Issuers or Public Companies, The Bank has in place the official website www.icbc.co.id where it displayed information regarding The Bank's products and services as well as corporate information.

The Bank continuously improving its corporate website for a more informative and easy accessibility. During 2019, The Bank has completed its website, among others include the following:

- *"Homepage" featuring information on Prime Lending Rate, Currency Rates, Corporate Internet Banking log-in portal and Announcements.*
- *"About Us" page featuring information on The Bank's brief history, Vision and Mission, Management Profile, Good Corporate Governance, and Other Information.*
- *"Products and Services" page featuring information on The Bank's Corporate & Commercial Banking as well as Consumer Banking products and services.*
- *"Career Development" page provides information on recruitment.*
- *"Customer Service" page provides information on The Bank's contact channel.*
- *Links to ICBC regional and ICBC Limited websites in China.*

PENDIDIKAN DAN PELATIHAN **DEWAN KOMISARIS, DIREKSI, KOMITE-KOMITE, SEKRETARIS PERUSAHAAN, DAN UNIT AUDIT INTERNAL**

Education & Training of the Board of Commissioners, Board of Directors, Committees, Corporate Secretary, and Internal Audit Unit

Pendidikan & Pelatihan Dewan Komisaris | *Workshops & Trainings of the Board of Commissioners*

Nama dan Jabatan *Name and Position*	Topik Seminar/Lokakarya/ Pelatihan *Seminar/Workshop/Training Topic*	Tempat/Tanggal *Place/Date*	Penyelenggara *Organizer*
Wang Kun Presiden Komisaris *President Commissioner*	*Cross Border Credit Risk Management*	Beijing, 28-29 Maret 2019	ICBC Limited
Hendra Widjojo Komisaris Independen *Independent Commissioner*	Peran Direktur Kepatuhan Dalam Menyikapi Tantangan Perekonomian Digital dan Kesiapan Perbankan Menghadapi *Mutual Evaluation Review*	Jakarta, 27 Juni 2019	Forum Komunikasi Direktur Kepatuhan Perbankan
	Branch Transformation	Surabaya, 2 Juli 2019	ICBC Indonesia
	AML/CFT Practice and Latest Trend	Jakarta, 9 September 2019	Pusat Pelaporan dan Analisis Transaksi Keuangan dan ICBC Indonesia
H. Yunno Kusumo Komisaris Independen *Independent Commissioner*	Peran Direktur Kepatuhan Dalam Menyikapi Tantangan Perekonomian Digital dan Kesiapan Perbankan Menghadapi *Mutual Evaluation Review*	Jakarta, 27 Juni 2019	Forum Komunikasi Direktur Kepatuhan Perbankan
	Branch Transformation	Surabaya, 2 Juli 2019	ICBC Indonesia
	AML/CFT Practice and Latest Trend	Jakarta, 9 September 2019	Pusat Pelaporan dan Analisis Transaksi Keuangan dan ICBC Indonesia
	Cross Culture Program: The Silk Road Rising	Jakarta, 1 November 2019	ICBC Indonesia

Pendidikan & Pelatihan Direksi | *Workshops & Trainings of the Board of Directors*

Nama dan Jabatan *Name and Position*	Topik Seminar/Lokakarya/ Pelatihan *Seminar/Workshop/Training Topic*	Tempat/Tanggal *Place/Date*	Penyelenggara *Organizer*
Zhang Jinxing Presiden Direktur *President Director*	*Strategic Workshop*	Jakarta, 1 Februari 2019	ICBC Indonesia
	Facing Softening Global Economy: The Need to Strengthen Bank Resolution Preparedness	Bali, 20–21 Agustus 2019	Lembaga Penjamin Simpanan
	Risk Management Certification Refreshment	Jakarta, 7 September 2019	Lembaga Sertifikasi Profesi Perbankan
	AML/CFT Practice and Latest Trend	Jakarta, 9 September 2019	Pusat Pelaporan dan Analisis Transaksi Keuangan dan ICBC Indonesia
	Cross Culture Program: The Silk Road Rising	Jakarta, 1 November 2019	ICBC Indonesia
Yu Guangzhu Direktur *Director*	*Strategic Workshop*	Jakarta, 1 Februari 2019	ICBC Indonesia
	Risk Management Certification Refreshment	Jakarta, 23 November 2019	Lembaga Sertifikasi Profesi Perbankan
Jeff S.V. Eman Direktur *Director*	*Strategic Workshop*	Jakarta, 1 Februari 2019	ICBC Indonesia
	HR Audit	Jakarta, 28 Mei 2019	APINDO
	AML/CFT Practice and Latest Trend	Jakarta, 9 September 2019	Pusat Pelaporan dan Analisis Transaksi Keuangan dan ICBC Indonesia
	Cross Culture Program: The Silk Road Rising	Jakarta, 1 November 2019	ICBC Indonesia
Thomas Arifin Direktur *Director*	*Strategic Workshop*	Jakarta, 1 Februari 2019	ICBC Indonesia
	AML/CFT Practice and Latest Trend	Jakarta, 9 September 2019	Pusat Pelaporan dan Analisis Transaksi Keuangan dan ICBC Indonesia
	Cross Culture Program: The Silk Road Rising	Jakarta, 1 November 2019	ICBC Indonesia
Sandy Tjipta Muliana Direktur *Director*	*Strategic Workshop*	Jakarta, 1 Februari 2019	ICBC Indonesia
	Peran Direktur Kepatuhan Dalam Menyikapi Tantangan Perekonomian Digital dan Kesiapan Perbankan Menghadapi *Mutual Evaluation Review*	Jakarta, 27 Juni 2019	Forum Komunikasi Direktur Kepatuhan Perbankan
	ICBC Global Compliance Officer Training	Lausanne, 19–23 Agustus 2019	ICBC Limited
	AML/CFT Practice and Latest Trend	Jakarta, 9 September 2019	Pusat Pelaporan dan Analisis Transaksi Keuangan dan ICBC Indonesia
	Pemahaman atas Implementasi PSAK 71 & 73 yang akan Diterapkan pada Tahun 2020 dan Diskusi Mengenai Penyusunan POJK 51	Jakarta, 26 September 2019	Forum Komunikasi Direktur Kepatuhan Perbankan

Nama dan Jabatan *Name and Position*	Topik Seminar/Lokakarya/ Pelatihan *Seminar/Workshop/Training Topic*	Tempat/Tanggal *Place/Date*	Penyelenggara *Organizer*
	Cross Culture Program: The Silk Road Rising	Jakarta, 1 November 2019	ICBC Indonesia
	Developing Policies and Procedure for Banks	Jakarta, 4 November 2019	Allman Consultant
Fransisca Nelwan Mok Direktur *Director*	*Strategic Workshop*	Jakarta, 1 Februari 2019	ICBC Indonesia
	Seminar Sehari: Keuangan Berkelanjutan Menyongsong Era Keuangan Masa Depan	Jakarta, 2 April 2019	Lembaga Pengembangan Perbankan Indonesia
	AML/CFT Practice and Latest Trend	Jakarta, 9 September 2019	Pusat Pelaporan dan Analisis Transaksi Keuangan dan ICBC Indonesia
	Cross Culture Program: The Silk Road Rising	Jakarta, 1 November 2019	ICBC Indonesia

Pendidikan & Pelatihan Anggota Komite-komite | *Workshops & Training of Members of Committees*

Nama dan Jabatan *Name and Position*	Topik Seminar/Lokakarya/ Pelatihan *Seminar/Workshop/Training Topic*	Tempat/Tanggal *Place/Date*	Penyelenggara *Organizer*
Komite Audit | *Audit Committee*			
Richard S. Dompas	*Cross Culture Program: The Silk Road Rising*	Jakarta, 1 November 2019	ICBC Indonesia
Waldy Gutama	*AML/CFT Practice and Latest Trend*	Jakarta, 9 September 2019	Pusat Pelaporan dan Analisis Transaksi Keuangan dan ICBC Indonesia
	Cross Culture Program: The Silk Road Rising	Jakarta, 1 November 2019	ICBC Indonesia
H. Yunno Kusumo	Peran Direktur Kepatuhan Dalam Menyikapi Tantangan Perekonomian Digital dan Kesiapan Perbankan Menghadapi *Mutual Evaluation Review*	Jakarta, 27 Juni 2019	Forum Komunikasi Direktur Kepatuhan Perbankan
	Branch Transformation	Surabaya, 2 Juli 2019	ICBC Indonesia
	AML/CFT Practice and Latest Trend	Jakarta, 9 September 2019	Pusat Pelaporan dan Analisis Transaksi Keuangan dan ICBC Indonesia
	Cross Culture Program: The Silk Road Rising	Jakarta, 1 November 2019	ICBC Indonesia
Komite Remunerasi dan Nominasi | *Nomination and Remuneration Committee*			
Hendra Widjojo	Peran Direktur Kepatuhan Dalam Menyikapi Tantangan Perekonomian Digital dan Kesiapan Perbankan Menghadapi *Mutual Evaluation Review*	Jakarta, 27 Juni 2019	Forum Komunikasi Direktur Kepatuhan Perbankan
	Branch Transformation	Surabaya, 2 Juli 2019	ICBC Indonesia
	AML/CFT Practice and Latest Trend	Jakarta, 9 September 2019	Pusat Pelaporan dan Analisis Transaksi Keuangan dan ICBC Indonesia

Nama dan Jabatan *Name and Position*	Topik Seminar/Lokakarya/ Pelatihan *Seminar/Workshop/Training Topic*	Tempat/Tanggal *Place/Date*	Penyelenggara *Organizer*
H. Yunno Kusumo	Peran Direktur Kepatuhan Dalam Menyikapi Tantangan Perekonomian Digital dan Kesiapan Perbankan Menghadapi *Mutual Evaluation Review*	Jakarta, 27 Juni 2019	Forum Komunikasi Direktur Kepatuhan Perbankan
	Branch Transformation	Surabaya, 2 Juli 2019	ICBC Indonesia
	AML/CFT Practice and Latest Trend	Jakarta, 9 September 2019	Pusat Pelaporan dan Analisis Transaksi Keuangan dan ICBC Indonesia
	Cross Culture Program: The Silk Road Rising	Jakarta, 1 November 2019	ICBC Indonesia
Josephine Regina Dameria Sambajon	*Strategic Workshop*	Jakarta, 1 Februari 2019	ICBC Indonesia
	Seminar Sehari: Keuangan Berkelanjutan Menyongsong Era Keuangan Masa Depan	Jakarta, 2 April 2019	Lembaga Pengembangan Perbankan Indonesia
	Understanding Fraud and Financial Crime in Banking	Jakarta, 10 April 2019	Perbanas
	Pelatihan dan Sertifikasi Kompetensi HI Klaster Pembuatan Perjanjian Kerja	Jakarta, 23-25 April 2019	Yayasan Tenaga Kerja Indonesia
	HR Audit	Jakarta, 28 Mei 2019	APINDO
	Implikasi & Konsekuensi Hukum dari Surat Kuasa dan Kewenangan Berdasarkan Hukum	Jakarta, 27 Agustus 2019	ICBC Indonesia
	Human Capital Analytics Training	Jakarta, 7 September 2019	House of Analytics (Red White Consulting)
	AML/CFT Practice and Latest Trend	Jakarta, 9 September 2019	Pusat Pelaporan dan Analisis Transaksi Keuangan dan ICBC Indonesia
	Cross Culture Program: The Silk Road Rising	Jakarta, 1 November 2019	ICBC Indonesia
	Developing Policies and Procedure for Banks	Jakarta, 4 November 2019	Allman Consultant
Komite Pemantau Risiko | *Risk Monitoring Committee*			
Hendra Widjojo	Peran Direktur Kepatuhan Dalam Menyikapi Tantangan Perekonomian Digital dan Kesiapan Perbankan Menghadapi *Mutual Evaluation Review*	Jakarta, 27 Juni 2019	Forum Komunikasi Direktur Kepatuhan Perbankan
	Branch Transformation	Surabaya, 2 Juli 2019	ICBC Indonesia
	AML/CFT Practice and Latest Trend	Jakarta, 9 September 2019	Pusat Pelaporan dan Analisis Transaksi Keuangan dan ICBC Indonesia

Nama dan Jabatan *Name and Position*	Topik Seminar/Lokakarya/ Pelatihan *Seminar/Workshop/Training Topic*	Tempat/Tanggal *Place/Date*	Penyelenggara *Organizer*
Ignace Widiatmoko	*Certification in Audit Committee Practices (CACP)*	Jakarta, 9-11 April 2019	Ikatan Komite Audit Indonesia
	AML/CFT Practice and Latest Trend	Jakarta, 9 September 2019	Pusat Pelaporan dan Analisis Transaksi Keuangan dan ICBC Indonesia
	Cross Culture Program: The Silk Road Rising	Jakarta, 1 November 2019	ICBC Indonesia
Aki Hanityo Parwoto	*AML/CFT Practice and Latest Trend*	Jakarta, 9 September 2019	Pusat Pelaporan dan Analisis Transaksi Keuangan dan ICBC Indonesia
	Cross Culture Program: The Silk Road Rising	Jakarta, 1 November 2019	ICBC Indonesia

Pendidikan & Pelatihan Sekretaris Perusahaan | *Education & Training of Corporate Secretary*

Nama dan Jabatan *Name and Position*	Topik Seminar/Lokakarya/ Pelatihan *Seminar/Workshop/Training Topic*	Tempat/Tanggal *Place/Date*	Penyelenggara *Organizer*
Renault Yufarsim Kepala Departemen *Strategy Management and Investor Relation* *Head of Strategy Management and Investor Relation Department*	*Strategic Workshop*	Jakarta, 1 Februari 2019	ICBC Indonesia
	Understanding Fraud and Financial Crime in Banking	Jakarta, 10 April 2019	Perbanas
	Mengelola Risiko Kredit agar Portfolio Kredit Menjadi Sehat	Jakarta, 9 Mei 2019	Lembaga Sertifikasi Profesi Perbankan
	Sustainable Finance	Jakarta, 20 Juni 2019	Lembaga Pengembangan Perbankan Indonesia
	Security Management Training & Drilling	Jakarta, 27 Juli 2019	ICBC Indonesia
	Managing Operational Risk & Compliance In Digital Era	Jakarta, 24 Agustus 2019	DMN Consulting
	Encountering Digital Era of Banking Operation	Bali, 28-30 Agustus 2019	Bank Indonesia
	Cross Culture Program: The Silk Road Rising	Jakarta, 1 November 2019	ICBC Indonesia

Pendidikan & Pelatihan Satuan Kerja Internal Audit | *Education & Training of Internal Audit Department*

Nama dan Jabatan *Name and Position*	Topik Seminar/Lokakarya/ Pelatihan *Seminar/Workshop/Training Topic*	Tempat/Tanggal *Place/Date*	Penyelenggara *Organizer*
I Gde Wiyadnya Kepala Satuan Kerja Audit Internal *Head of Internal Audit Department*	*Strategic Workshop*	Jakarta, 1 Februari 2019	ICBC Indonesia
	Internal Audit Workshop	Jakarta, 8–9 Februari 2019	ICBC Indonesia
	HR Audit	Jakarta, 28 Mei 2019	APINDO
	New Employee Orientation Program	Jakarta, 15 Agustus 2019	ICBC Indonesia
	Internal Audit Certification Level 2	Jakarta, 26 Agustus 2019	MPS
	Sustainable Finance	Jakarta, 12 September 2019	Lembaga Pengembangan Perbankan Indonesia
	Cross Culture Program: The Silk Road Rising	Jakarta, 1 November 2019	ICBC Indonesia
	Developing Policies and Procedures for Banks	Jakarta, 4 November 2019	Allman Consultant
	Compliance, AML, Risk, Audit and Legal Workshop	Jakarta, 25 November 2019	ICBC Indonesia

AREA OPERASIONAL **& JARINGAN KANTOR**

Operational Area & Office Networks

Head Office
ICBC Tower 32nd Floor, Jalan M.H. Thamrin
No. 81,Central Jakarta 10310
T. (+62 21) 2355 6000
F. (+62 21) 3199 6016

The City Tower (TCT) Branch
ICBC Tower Ground Floor,
Jalan M.H. Thamrin
No. 81, Central Jakarta 10310
T. (+62 21) 2355 6068
F. (+62 21) 3199 6017

Gajah Mada Branch
Green Central City 1st Floor,
Jalan Gajah Mada No. 188,
West Jakarta 11120
T. (+62 21) 2937 9279
F. (+62 21) 2937 9276

Pluit Branch
Clover Tower, Jalan Pluit Selatan
Raya No. 8A-9,
North Jakarta 14450
T. (+62 21) 6629 792/2266 9260
F. (+62 21) 6629 793

Wisma Mulia Branch
Gedung Wisma Mulia
Ground Floor. 08,
Jalan Gatot Subroto No. 42,
South Jakarta 12170
T. (+62 21) 5297 1223
F. (+62 21) 5297 1231

Kelapa Gading Branch
Kelapa Gading Square
Blok A No. 1-3,
Jalan Boulevard Barat Raya,
North Jakarta 14240
T. (+62 21) 4531 851
F. (+62 21) 4520 980

Mega Kuningan Branch
The East Tower,
Jalan Lingkar Mega Kuningan
Kav. E3.2 No. 1,
South Jakarta 12950
T. (+62 21) 5793 8671
F. (+62 21) 5793 8672

Gandaria Sub Branch
Gandaria 8 Office Tower,
Ground Floor Unit B,
Jalan Sultan Iskandar Muda,
South Jakarta 12240
T. (+62 21) 2903 6608
F. (+62 21) 2903 6609

Mangga Dua Sub Branch
Komplek Ruko Mangga Dua
Mall No. 10,
Jalan Mangga Dua Raya,
Central Jakarta 10730
T. (+62 21) 601 7068
F. (+62 21) 601 7069

Bandung Branch
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Bandung 40116
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F. (+62 22) 423 2590

Batam Branch
Kompleks Nagoya Gateway,
Jalan Raden Patah Blok E No.
5-7, Batam 29444
T. (+62 778) 429 447/428 275
F. (+62 778) 427 395

Medan Branch
Jalan Jendral Sudirman
No. 39-39A, Medan 20152
T. (+62 61) 452 1922
F. (+62 61) 452 1911

Balikpapan Branch
Grha Bintang Ground Floor,
Jalan Jenderal Sudirman
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East Kalimantan
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Makassar Branch
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Makassar 90125
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Basuki Rahmat Branch
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F. (+62 31) 3520 707

Baliwerti Branch
Jalan Baliwerti No. 1,
Surabaya 60174
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Beverly Branch
Komplek Ruko Taman Beverly,
Jalan H.R. Mohammad
No. 49-55, Surabaya 60189
T. (+62 31) 7344 054
F. (+62 31) 7344 731

CITO Mall Sub Branch
Mall CITO (City of Tomorrow)
Ground Floor Unit GE 21-22,
Jalan Ahmad Yani No. 288,
Surabaya 60234
T. (+62 31) 5825 1301-06
F. (+62 31) 5825 1309

Pasar Atom Cash Office
Pasar Atom Mall 2nd Floor
BA 62-67, Jalan Stasiun Kota
No. 22, Surabaya 60161
T. (+62 31) 353 5680
F. (+62 31) 353 5690

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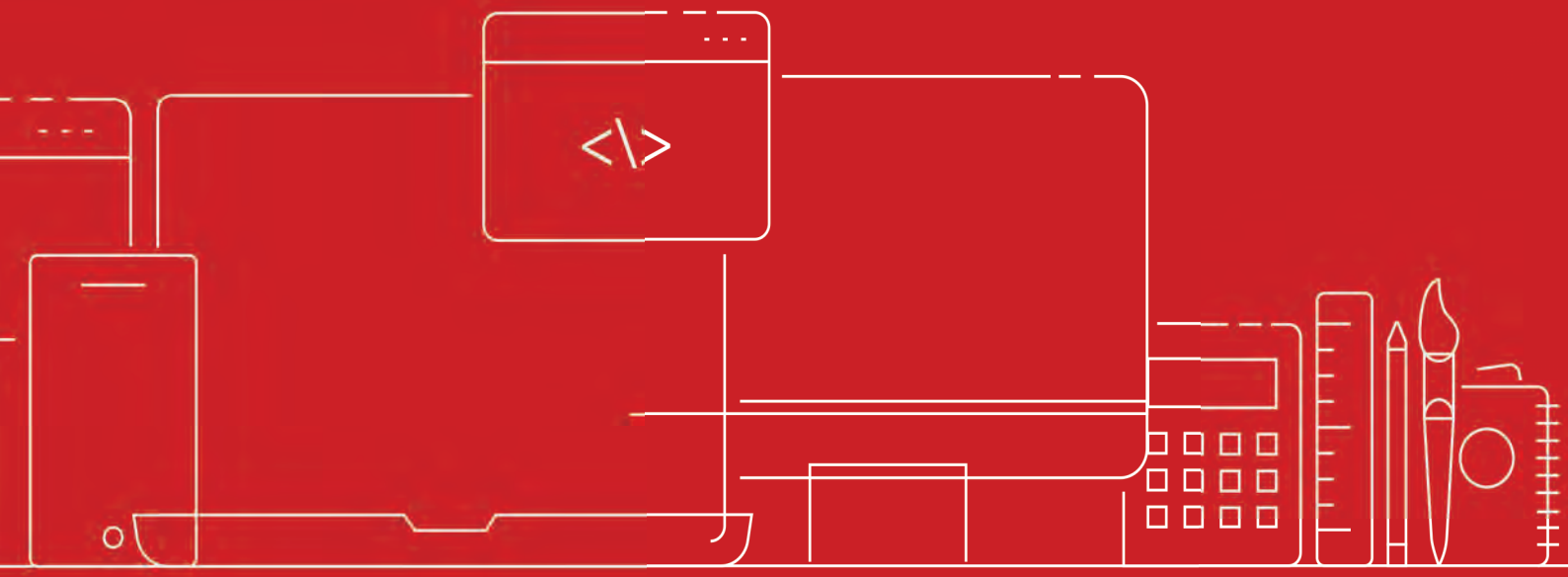


ANALISIS DAN **PEMBAHASAN MANAJEMEN**

Management Discussion and Analysis

Perekonomian Global

Pada 2019, ketegangan perang dagang antara Amerika Serikat dan Tiongkok telah mengakibatkan pelemahan pertumbuhan ekonomi. Ketidakstabilan situasi yang terus berlanjut ini berdampak terhadap penurunan tingkat pertumbuhan ekonomi global ke level 2,4% pada 2019, dilaporkan Bank Dunia dalam *Global Economic Prospect*. Pertumbuhan ini merupakan yang paling lambat sejak krisis keuangan global pada 2008 dan terjadi akibat melemahnya aktivitas perdagangan dan investasi.

Sementara itu, dalam *World Economic Outlook*, IMF memprediksi pertumbuhan global pada 2019 melambat sekitar 2,9% dan akan meningkat pada 2020 menjadi 3,3%. Revisi ke bawah terutama mencerminkan kejutan negatif terhadap aktivitas ekonomi di beberapa ekonomi pasar yang sedang tumbuh, terutama India, yang menyebabkan penilaian ulang prospek pertumbuhan selama dua tahun ke

Global Economy

In 2019, the tension of trade war between the United States and China has resulted in the weakening of economic growth. This continued instability of the situation has resulted in a decline in the global economic growth rate to 2.4% in 2019, reported by World Bank in the Global Economic Prospect. This growth was the slowest since the global financial crisis in 2008 and occurred due to the weakening trade and investment activities.

Meanwhile, in the World Economic Outlook, the IMF predicted that global growth in 2019 was slowing down by around 2.9% and will increase to 3.3% in 2020. The downward revision primarily reflects negative surprises to economic activity in a few emerging market economies, notably India, which led to a reassessment of growth prospects over the next two years. In a few cases, this reassessment also reflects the impact of

depan. Dalam beberapa kasus, penilaian ulang ini juga mencerminkan dampak dari meningkatnya keresahan sosial. Sentimen positif pasar setelah Amerika Serikat dan Tiongkok akhirnya mencapai kesepakatan pertama negosiasi tarif perdagangan serta berkurangnya kekhawatiran pasar internasional atas Brexit. Namun, ketegangan geopolitik antara Amerika Serikat dan Iran telah memperburuk risiko kerugian pasar, memperburuk hubungan dagang dan gesekan antara Amerika Serikat dan mitra dagangnya.

increasing social unrest. Positive market sentiment after the United States and China finally reached their first agreement on negotiating trade tariffs and easing concerns on international market for Brexit. However, geopolitical tensions between the United States and Iran have worsened the risk of market losses, worsened the trade relations and frictions between the United States and its trading partners.

Sebagai langkah untuk meredam gejolak ini, Bank Sentral pun mengambil kebijakan penurunan suku bunga, yang diikuti oleh bank sentral setiap negara. Pasar pun merespons positif langkah ini dengan peningkatan ekuitas di negara maju dan penguatan aliran portofolio ke pasar negara berkembang. Obligasi yang naik dari level terendah pada September 2019 menjadi tanda risiko investasi yang mulai membaik.

As a step to reduce this turmoil, the Central Bank adopted a policy of lowering interest rates, followed by the central bank of each country. The market also responded positively to this step by increasing equity in developed countries and strengthening portfolio flows to emerging markets. Bonds that rose from the lowest level in September 2019 are a sign of better improvement in investment risk.

Sementara itu, pergerakan mata uang sampai Januari 2020 telah menunjukkan sentimen positif dengan Dolar Amerika dan Yen Jepang melemah sekitar 2%, sedangkan Renminbi Tiongkok menguat sekitar 1,5%. Berbanding terbalik dengan nilai mata uangnya, pertumbuhan ekonomi di Tiongkok justru melambat melebihi perkiraan pada 2019 ke level 6,1% akibat permintaan domestik yang menurun dan ketegangan perdagangan yang meningkat. Penurunan impor, terutama untuk barang setengah jadi, menjadi cerminan perlambatan permintaan domestik dan berdampak terhadap perlambatan aktivitas dagang Tiongkok. Kebijakan moneter yang lebih akomodatif diberlakukan dan pengetatan regulasi untuk mengurangi pinjaman non-bank juga terus dilanjutkan.

Meanwhile, the currency movements until January 2020 have shown positive sentiment with US Dollar and Japanese Yen weakened around 2%, while the Chinese Renminbi strengthened around 1.5%. In contrast, the economic growth in China slowed down more than expected in 2019 to a level of 6.1% due to declining domestic demand and rising trade tensions. The decline in imports, especially for intermediate goods, reflects the slowdown in domestic demand and has an impact on slowing Chinese trade activities. More accommodative monetary policies were enacted and regulatory tightening to reduce non-bank loans were also continued.

Di negara berkembang di Asia, IMF memperkirakan pertumbuhan ekonomi mencapai 5,6% pada 2019 dan akan meningkat tipis menjadi 5,8% pada 2020. Proyeksi ini dilihat dengan memantau stimulus kebijakan moneter dan fiskal yang diambil Bank Sentral serta melemahnya harga minyak mentah dunia.

In developing countries in Asia, the IMF expected economic growth to reach 5.6% in 2019 and will increase slightly to 5.8% in 2020. This projection was seen by monitoring monetary and fiscal policy stimulus taken by the Central Bank and weakening world crude oil prices.

Perekonomian Indonesia

Di Indonesia, aliran modal masuk yang berkelanjutan, nilai tukar yang stabil, dan inflasi yang terjaga di 2,72% (terendah sejak 1999) telah memberikan ruang bagi Bank Indonesia untuk memberikan kebijakan efektif dalam mencegah pengaruh negatif gejolak perekonomian global terhadap ekonomi Indonesia. Penetapan BI *7-day Reverse Repo Rate* (BI7DRR) sebesar 5%, suku bunga *Deposit Facility* yang dipertahankan sebesar 4,25%, serta suku bunga *Lending Facility* yang dipertahankan sebesar 5,75% pada akhir 2019 membuat perekonomian Indonesia masih menunjukkan perkembangan positif, meski sedikit melemah pada 2019. Peningkatan konsumsi

Indonesian Economy

In Indonesia, sustainable capital inflows, stable exchange rate, and low inflation level at 2.72% (lowest since 1999) have provided space for Bank Indonesia to issue effective policies in preventing the negative effects of global economic turmoil on the Indonesian economy. The establishment of BI 7-day Reverse Repo Rate (BI7DRR) of 5%, a maintained Deposit Facility interest rate of 4.25%, and a maintained Lending Facility rate of 5.75% at the end of 2019 made Indonesian economy to show a positive growth, although slightly weakened in 2019. Increased household consumption that remains strong in various regions and stable investment

rumah tangga yang tetap kuat di berbagai wilayah dan pertumbuhan investasi yang stabil, khususnya terkait proyek strategis nasional, diungkapkan oleh Bank Indonesia sebagai faktor yang menopang pertumbuhan ekonomi nasional pada 2019.

growth, particularly related to national strategic projects, was revealed by Bank Indonesia as a factor that supports national economic growth in 2019.

Pertumbuhan ekonomi Indonesia pada 2019 menurun ke angka 5,02% secara *year on year* (*yoy*) dibandingkan pertumbuhan tahun 2018. Namun demikian, pertumbuhan konsumsi rumah tangga terjaga cukup baik di level 5,04% (*yoy*) pada 2019, didorong oleh keyakinan konsumen yang tetap baik, serta pendapatan kelompok masyarakat kelas bawah yang tetap terjaga. Konsumen memandang positif kondisi ekonomi pada 2019, baik dari aspek ketersediaan lapangan kerja dan kondisi penghasilan, maupun dari kemampuan membeli barang tahan lama (*durable goods*).

Indonesia's economic growth in 2019 decreased to 5.02% year on year (yoy) compared to its growth in 2018. However, the growth of household consumption was maintained well at level 5.04% (yoy) in 2019, driven by good consumer confidence and well maintained low-class income-earning. Consumers see the positive economic condition in 2019, both from the point of view of jobs availability and income-earning condition and also from purchasing power of durable goods.

Dari segi investasi, Bank Indonesia melaporkan investasi bangunan tetap tumbuh tinggi di level 5,37% (*yoy*) pada 2019 dan berkontribusi dalam menopang permintaan domestik, didorong oleh pembangunan infrastruktur dan proyek strategis nasional pemerintah yang terus berlanjut, serta kinerja konstruksi swasta yang meningkat. Namun, kinerja investasi non-bangunan masih melemah dipengaruhi oleh kinerja ekspor yang menurun akibat pertumbuhan ekonomi dunia yang melambat dan harga komoditas dunia yang menurun. Hal ini juga sejalan dengan perkembangan impor barang modal serta penjualan alat berat yang mengalami penurunan. Secara keseluruhan, pertumbuhan investasi pada 2019 pun tercatat melemah menjadi 4,45% (*yoy*), dari angka 6,64% (*yoy*) pada tahun sebelumnya.

In terms of investment, Bank Indonesia reported that construction investment kept growing high at a level of 5.37% (yoy) in 2019 and contributed to sustaining domestic demand, driven by ongoing government development of infrastructure and national strategic projects, as well as construction growth from private sectors. However, non-construction investment performance remained weak due to the decreasing of export performance which aligned with the slowing growth of world economics and the declining price of world comodities. This matter was also in line with the decreasing of import growth performance in capital goods and low sales in heavy equipment. Overall, investment growth in 2019 was also recorded to weaken to 4.45% (yoy), from 6.64% (yoy) in the previous year.

Optimisme tehadap pemulihan ekonomi yang sempat menguat di akhir 2019 menopang kinerja Neraca Pembayaran Indonesia (NPI) tetap baik sehingga menopang ketahanan sektor eksternal. NPI secara keseluruhan 2019 mencatat surplus USD4,7 miliar, setelah pada tahun sebelumnya mengalami defisit USD7,1 miliar. Berdasarkan laporan Bank Indonesia, kinerja NPI 2019 yang membaik juga ditopang oleh kinerja NPI pada triwulan keempat 2019 yang lebih baik dari triwulan sebelumnya, termasuk didorong oleh meningkatnya aliran masuk modal asing

Optimism to economic recovery which strengthened at the end of 2019, sustained the good performance of Indonesia balance of payments (NPI) thus supporting the endurance for external sectors. The whole NPI in 2019, recorded a profit of USD4.7 billion, after experiencing a deficit of USD7.1 billion in previous year. Based on Bank Indonesia report, better NPI in 2019 was also supported by the performance of NPI in the fourth quarter 2019, which was better than the previous quarter, and driven by increased on foreign capital inflows.

Tinjauan Industri Perbankan

Industri perbankan nasional juga tetap stabil pada 2019 dengan rasio kecukupan modal (CAR) perbankan yang tinggi pada Desember 2019 mencapai 23,40% walaupun rasio kredit bermasalah (NPL) sedikit memburuk dibandingkan tahun sebelumnya di angka 2,53%, sebagaimana dilaporkan oleh Bank Indonesia. Dalam laporan "Statistik Perbankan Indonesia" yang dirilis oleh Otoritas Jasa Keuangan, total aset bank umum tercatat meningkat sebesar 8,21%, dari Rp7.913.491 miliar pada 2018 menjadi Rp8.562.974 miliar pada 2019. Selain itu, penyaluran dana bank umum juga turut meningkat 7,99% menjadi Rp8.280.812 miliar pada 2019.

Banking Industry Overview

The national banking industry also remained stable in 2019 with a high capital adequacy ratio (CAR) in December 2019 reached 23.40% although non-performing loan (NPL) ratio was slightly worsen compared to previous year, recorded at 2.53%, as reported by Bank Indonesia. In the "Indonesian Banking Statistics" report released by the Financial Services Authority, total assets of commercial banks recorded an increase of 8.21%, from Rp7,913,491 billion in 2018 to Rp8,562,974 billion in 2019. In addition, the distribution of funds by commercial banks also increased by 7.99% to Rp8,280,812 billion in 2019.

Sebaliknya, pertumbuhan penyaluran kredit perbankan pada triwulan keempat 2019 justru melambat menjadi 6,08% (*yoy*), jauh di bawah pertumbuhan pada tahun sebelumnya yang mencapai 12,05% (*yoy*). Hal ini dipengaruhi oleh permintaan kredit korporasi dan kredit konsumsi yang melemah dan menyebabkan perlambatan pertumbuhan kredit konsumsi dibandingkan tahun sebelumnya. Terlebih lagi kredit konsumsi dalam mata uang valas yang pertumbuhannya negatif sebesar 2,11% dibandingkan tahun sebelumnya.

On the other hand, the growth in bank lending in the fourth quarter of 2019 slowed down to 6.08% (yoy), far below the growth in the previous year which reached 12.05% (yoy). This was impacted by weak demand from both corporate loan and consumption loan, resulting slowing loan growth compared to previous year performance. Even more, foreign currency loan generated negative growth by 2.11% compared to previous year performance.

Bank Indonesia juga mencatat peningkatan penghimpunan Dana Pihak Ketiga (DPK) pada triwulan keempat 2019 yang tumbuh tipis sebesar 6,54% (*yoy*) dibandingkan tahun sebelumnya yang tercatat sebesar 6,45% (*yoy*). Pertumbuhan giro yang meningkat 11,47% (*yoy*) dari tahun sebelumnya yang hanya 6,61% (*yoy*) menjadi kontributor utama peningkatan DPK. Sedikit penurunan dibandingkan tahun 2018 pada pertumbuhan tabungan dan deposito masing-masing di level 6,57% dan 3,91% (*yoy*).

Bank Indonesia also recorded an increase in Third Party Funds (TPF) in the fourth quarter of 2019 which slightly grew by 6.54% (yoy) as compared to the previous year recorded at 6.45% (yoy). The growth of current accounts by 11.47% (yoy) compared to previous year which was only recorded at 6.61% (yoy) become the major contributor to the increase in TPF. Meanwhile, a slight decline in the growth of savings accounts and time deposits respectively at the level 6.57% and 3.91% (yoy) compared to 2018.

TINJAUAN OPERASIONAL PER **SEGMEN USAHA**

Operational Review Per Business Segment

Melewati satu dekade bersaing dalam industri perbankan Indonesia yang kompetitif, Bank ICBC Indonesia kini semakin mantap mengembangkan jaringan bisnis dan nasabah dengan memanfaatkan teknologi dari ICBC Limited dan melalui pengembangan produk inovatif yang sejalan dengan kebutuhan nasabah. Pada 2019, Bank telah memiliki 19 jaringan kantor cabang dan 29 terminal ATM ICBC yang tersebar di Indonesia. Bank juga menunjukkan pencapaian yang sangat baik dalam bisnis *Global Market* sehingga mampu memaksimalkan pertumbuhan aset dan bisnis Bank pada 2019.

Through a decade of competing in the competitive Indonesian banking industry, Bank ICBC Indonesia is now more determined to develop business networks and customers by utilizing technology from ICBC Limited and through the development of innovative products that are in line with customer needs. In 2019, The Bank has 19 branch office networks and 29 ICBC ATM terminals spread throughout Indonesia. The Bank also showed very good achievements in the Global Market business so as to be able to maximize the growth of The Bank's assets and businesses in 2019.

PERBANKAN **KORPORASI**
Corporate Banking

Sejalan dengan fokus usaha Bank, segmen bisnis Perbankan Korporasi banyak terlibat dalam proyek-proyek pertambangan dan infrastruktur seperti jalan tol, jalan kereta api, serta proyek lainnya. Peran segmen Perbankan Korporasi untuk proyek-proyek tersebut antara lain melalui beberapa pembiayaan sindikasi maupun bilateral dengan bank-bank di Indonesia maupun bank dan lembaga keuangan di luar negeri.

Segmen usaha Perbankan Korporasi terbagi menjadi 3 (tiga) grup:

- Perbankan Korporasi I fokus pada pemberian layanan keuangan kepada perusahaan-perusahaan Tiongkok yang unggul, atau perusahaan-perusahaan Indonesia yang unggul yang memiliki keterkaitan bisnis dengan Tiongkok;
- Perbankan Korporasi II fokus pada pemberian layanan keuangan perusahaan-perusahaan korporasi lokal, perusahaan multinasional, konglomerasi, BUMN, dan perusahaan-perusahaan *blue-chip;* dan
- Perbankan Korporasi Surabaya fokus melayani perusahaan-perusahaan korporasi lokal, perusahaan multinasional, konglomerasi, BUMN, dan perusahaan-perusahaan *blue-chip* yang beroperasi di bagian timur Indonesia.

Secara keseluruhan, Perbankan Korporasi menyumbang sekitar 80% terhadap total kredit Bank di tahun 2019, yaitu mencapai Rp28,8 triliun, atau sedikit menurun 4,3% dibandingkan tahun 2018 yang sebesar Rp31,4 triliun. Dari sisi pendanaan, Perbankan Korporasi menyumbang sekitar 61,9% terhadap total DPK Bank di tahun 2019.

Transaksi-transaksi dan/atau proyek pembiayaan penting di Perbankan Korporasi yang dilaksanakan selama tahun 2019 antara lain:

1. Pembiayaan Sindikasi kepada China Railway Group Limited
   Proyek ini merupakan fasilitas pembiayaan sindikasi sebesar USD50 juta yang dipimpin oleh ICBC Tokyo *Branch* (*Lead Arranger*) dan ICBC Indonesia (*Participant*). ICBC Indonesia memiliki porsi pembiayaan sebesar USD24,5 juta (49%) dan ICBC Tokyo *Branch* sebesar USD25,5 juta (51%) dengan jangka waktu pinjaman selama 3 (tiga) tahun. Pemilik Proyek Kereta Api Cepat Jakarta-Bandung adalah PT Kereta Cepat Indonesia China (KCIC) yang dikelola oleh suatu badan konsorsium, yaitu *High Speed Railway Contractor Consortium* (HSRCC) di mana konsorsium ini terdiri dari 7 (tujuh) anggota. Adapun tujuan pembiayaan ini adalah untuk pembiayaan piutang tagihan untuk proyek HSRCC.

In line with The Bank's business focus, Corporate Banking business segment mostly involves in mining and infrastructure projects such as toll road, railway tracks, and other projects. The Corporate Banking roles for these projects include syndicated and bilateral financing with other banks in Indonesia as well as any banks and financial institutions abroad.

The Corporate Banking segment is divided into 3 (three) groups:

- *Corporate Banking I focuses on providing financial services to prime Chinese companies operating in Indonesia, or prime Indonesian companies which have business relations with China;*
- *Corporate Banking II focuses on providing financial services to local corporations, multinational companies, conglomerates, SOEs, and blue-chip companies; and*
- *Corporate Banking Surabaya focuses on serving local corporations, multinational companies, conglomerates, SOEs, and blue-chip companies operating in Eastern Indonesia.*

Overall, Corporate Banking contributed approximately 80% of The Bank's total lending in 2019, reaching Rp28.8 trillion, or slightly decreased by 4.3% compared to 2018 which amounted to Rp31.4 trillion. In terms of funding, Corporate Banking contributed around 61.9% of The Bank's total TPF in 2019.

Important transactions and/or financing projects carried out by Corporate Banking in 2019 include:

1. *Syndicated Financing to China Railway Group Limited*
   This project is a syndicated financing facility of USD50 million, led by ICBC Tokyo Branch (Lead Arranger) and ICBC Indonesia (Participant). ICBC Indonesia has a financing portion of USD24.5 million (49%) and ICBC Tokyo Branch of USD25.5 million (51%) with 3 (three) years of lending term. The owner of Jakarta-Bandung High Speed Railway Project is PT Kereta Cepat Indonesia China (KCIC) which is managed by a consortium, namely the High Speed Railway Contractor Consortium (HSRCC) that consists of 7 (seven) members. The purpose of this financing is to finance the receivables for the HSRCC project.

2. Pembiayaan Bilateral kepada PT Sulawesi Mining Investment
   Pemberian kredit bilateral bersifat modal kerja senilai USD25 juta diberikan kepada PT Sulawesi Mining Investment, anak perusahaan dari Tsing Shan Group yang telah berinvestasi dalam pembangunan smelter nikel di Pulau Morowali. Pemberian kredit modal kerja ini digunakan untuk pembelian bahan baku pembuatan *stainless steel* yang mana penjualan telah mendunia.

3. Pembiayaan Sindikasi Jalan Tol Semanan – Sunter – Pulogebang
   Bank turut berpartisipasi dalam pembiayaan sindikasi kepada PT JTD Jaya Pratama sebesar Rp400 miliar dari total pembiayaan sindikasi sebesar Rp14,5 triliun yang dipergunakan untuk pembangunan jalan tol ruas Semanan – Sunter – Pulogebang. Pembangunan jalan tol sepanjang 31,16 km tersebut akan dibagi menjadi 3 (tiga) seksi, yaitu:
   - Seksi A (Ruas Kelapa Gading – Pulo Gebang)
   - Seksi B (Ruas Semanan - Grogol)
   - Seksi C (Ruas Grogol – Kelapa Gading)

4. Pembiayaan Bilateral kepada PT Sarana Multigriya Finansial (Persero)
   Bank memberikan pembiayaan kepada PT Sarana Multigriya Finansial (Persero) sebesar Rp200 miliar yang ditujukan untuk membiayai modal kerja usaha perusahaan BUMN yang fokus pada pembiayaan kepemilikan rumah tersebut.

5. Pembiayaan Sindikasi kepada PT Sarananeka Indah Pancar
   Bank turut serta dalam pembiayaan sindikasi kepada PT Sarananeka Indah Pancar, yang merupakan anak

2. *Bilateral Financing to PT Sulawesi Mining Investment*

   The bilateral loan in the form of working capital worth USD25 million was given to PT Sulawesi Mining Investment, a subsidiary of Tsing Shan Group which has invested in the construction of a nickel smelter in Morowali Island. The provision of working capital loan is used to purchase raw materials for making stainless steel which has worldwide sales.

3. *Syndicated Financing of Semanan – Sunter – Pulogebang Toll Road*
   The Bank participated in syndicated financing to PT JTD Jaya Pratama for Rp400 billion from a total syndicated financing of Rp14.5 trillion, used for the construction of Semanan – Sunter – Pulogebang toll road. The construction of the 31.16 km toll road will be divided into 3 (three) sections, namely:
   - *Section A (Kelapa Gading – Pulo Gebang Section)*
   - *Section B (Semanan – Grogol Section)*
   - *Section C (Grogol – Kelapa Gading Section)*

4. *Bilateral Financing to PT Sarana Multigriya Finansial (Persero)*
   The Bank provided financing to PT Sarana Multigriya Finansial (Persero) for Rp200 billion, which was intended to fund the working capital of SOEs business focusing on the house ownership financing.

5. *Syndicated Financing to PT Sarananeka Indah Pancar*
   The Bank participated in syndicated financing to PT Sarananeka Indah Pancar, which is a subsidiary of PT

perusahaan dari PT Ciputra Development, Tbk untuk pembangunan *office space*, *condominium*, dan *serviced apartment* Ciputra World 2 Jakarta (CW2J) yang berlokasi di Jakarta Selatan.

Pengembangan CW2J terdiri dari 2 (dua) tahap atau fase. Fase pertama meliputi pembangunan (i) menara kantor, (ii) menara kondominium The Orchard, dan (iii) menara *serviced apartment* dan kondominium The Residence. Sedangkan fase kedua masih dalam tahap desain dan pengembangan, dimana direncanakan akan dibangun hotel bintang lima yaitu Hotel W.

6. Pembiayaan Sindikasi Jalan Tol Ruas Pekanbaru – Dumai
   Bank turut berpartisipasi aktif dalam pembiayaan sindikasi kepada PT Hutama Karya sebesar Rp600 miliar dari total pembiayaan sindikasi sebesar Rp4,5 triliun. Pinjaman tersebut akan digunakan oleh PT Hutama Karya untuk membangun ruas tol Pekanbaru – Dumai di provinsi Riau.

7. Pembiayaan Bilateral kepada PT Royal Pacific Nusantara
   Bank membiayai PT Royal Pacific Nusantara sebesar USD47,89 juta, yang digunakan untuk pembiayaan pembangunan Renaissance Bali Nusa Dua Hotel and Villa di bawah *brand* Marriott Vacation Club International.

Langkah strategis Bank di segmen Perbankan Korporasi dalam jangka pendek dan menengah adalah sebagai berikut:

- Mempromosikan dan meningkatkan bisnis RMB sehingga menjadikan Bank sebagai bank utama dalam RMB kliring.
- Memanfaatkan keunggulan dan jaringan ICBC Group dan bank sindikasi terkemuka, untuk memimpin sindikasi dan mencapai kinerja yang lebih baik.
- Memperluas jaringan dan hubungan dengan badan pemerintah, seperti Kementerian BUMN, Kementerian Koordinator Bidang Kelautan, Departemen Perindustrian, dan lainnya.
- Terlibat aktif dengan asosiasi industri yang ditargetkan, seperti Kamar Dagang China, KADIN, Perbanas, dan lain-lain, untuk terus memperbarui kondisi pasar dan respons cepat terhadap peluang bisnis.
- Berkolaborasi dengan penasihat keuangan terkemuka (PWC, KPMG, EY, dan lain-lain) dan perusahaan asuransi (Sinosure, ASKRINDO, IIGF, dan lain-lain) untuk memperbesar basis pelanggan.
- Melanjutkan inovasi produk dan layanan, termasuk FX lanjutan dan layanan *cash management*, serta sindikasi terutama fokus pada proyek infrastruktur.

Ciputra Development, Tbk for the construction of office spaces, condominium units, and serviced apartments of Ciputra World 2 Jakarta (CW2J), located in South Jakarta.

The development of CW2J comprises 2 (two) phases. The first phase includes the construction of (i) office tower, (ii) The Orchard condominium tower, and (iii) The Residence serviced apartment and condominium tower. Meanwhile the second phase is still in the stage of design and development that will house the five-star hotel named W Hotel.

6. *Syndicated Financing of Pekanbaru - Dumai Toll Road*
   The Bank actively participated in syndicated financing to PT Hutama Karya for Rp600 billion from a total syndicated financing of Rp4.5 trillion. The loan will be used by PT Hutama Karya to build the Pekanbaru - Dumai toll road in Riau province.

7. *Bilateral Financing to PT Royal Pacific Nusantara*
   The Bank financed PT Royal Pacific Nusantara in the amount of USD47.89 million for the construction of the Renaissance Bali Nusa Dua Hotel and Villa under the Marriott Vacation Club International brand.

The Bank's strategic steps in Corporate Banking segment in the short and medium-term are as follows:

- *Promote and enhance the RMB business to make The Bank as the main bank in RMB clearing.*
- *Utilize the advantages and networks of ICBC Group as well as leading syndicated banks, to lead syndication and to achieve better performance.*
- *Expand the networks and relationships with government agencies, such as the Ministry of SOEs, Coordinating Ministry for Maritime Affairs, Ministry of Industry, and others.*
- *Actively involved with targeted industry associations, such as the Chinese Chamber of Commerce, KADIN, Perbanas, etc., to continuously update market conditions and quickly respond to business opportunities.*
- *Collaborate with leading financial advisors (PWC, KPMG, EY, etc.) and insurance companies (Sinosure, ASKRINDO, IIGF, etc.) to enlarge the customer base.*
- *Continue products and services innovation, including advanced FX and cash management services, as well as syndication mainly focusing on infrastructure projects.*

PERBANKAN USAHA **KECIL DAN MENENGAH**
Small Medium Enterprises Banking

Perbankan Usaha Kecil Menengah (UKM) merupakan salah satu sektor yang potensial dengan potensi pasar terus bertumbuh. Untuk mengiringinya, Bank juga senantiasa mengoptimalkan penyaluran kredit terhadap sektor ini dengan tetap memperbaiki kualitas portofolio kredit UKM, serta menyesuaikan dengan *risk appetite* Bank. Bank telah menetapkan *target market* yang jelas, mencakup pengalaman bisnis nasabah, soliditas kondisi keuangan, dan didukung dengan ketersediaan jaminan dalam bentuk aktiva tetap (properti) yang memiliki *marketability* serta rasio LTV sangat baik.

Tahun ini, Bank akan tetap berfokus mengembangkan potensi pasar di area cabang Bank berada, dengan prioritas pembiayaan sampai dengan Rp6 miliar per nasabah.

Selain itu, untuk mempercepat pertumbuhan portofolio kredit UKM, Bank juga akan mengembangkan program pembiayaan *supply chain financing*.

Dengan menyinergikan nasabah-nasabah yang sudah ada di Perbankan Korporasi dan para pelaku usaha di skala UKM yang memiliki hubungan bisnis dengan nasabah-nasabah korporasi Bank, baik sebagai pemasok, distributor, maupun kontraktor, Bank akan menganalisis potensi kebutuhan dana untuk usahanya melalui program di atas.

Model pembiayaan ini akan memungkinkan Bank mendapatkan nasabah potensial dengan rekam jejak, reputasi, dan pengalaman bisnis yang lebih jelas berdasarkan informasi yang didapatkan dari nasabah Perbankan Korporasi yang sudah ada. Selain itu, model pembiayaan ini juga memudahkan verifikasi sumber pembayaran kembali atas fasilitas kredit yang diberikan yang merupakan pembayaran dari nasabah Perbankan Korporasi tersebut.

Hingga akhir tahun 2019, pencapaian kredit UKM Bank sebesar Rp246,96 miliar. Per Desember 2019, rasio total kredit untuk usaha kecil dan usaha menengah terhadap total kredit UKM masing-masingnya sebesar 0,77% dan 99,23%, sedangkan rasio total kredit UKM terhadap total kredit sebesar 0,66%.

Dalam menjalankan segmen Perbankan UKM ini, Bank menyiapkan langkah strategis jangka pendek dan menengah sebagai berikut:

- Melakukan *cross-selling* dengan segmen bisnis lainnya untuk produk-produk yang dimiliki oleh Perbankan UKM melalui *product bundling* dan *supply chain financing*.
- Mengadakan pertemuan bisnis antara sesama pelanggan dan mitra potensial dari Tiongkok untuk mengembangkan potensi bisnis nasabah.

Small and Medium Enterprises (SME) Banking is one of the potential sectors with the market potential to continue to grow. The Bank continues to optimize lending in this sector while continuing to improve the quality of SME loan portfolio, as well as adapting to The Bank's risk appetite. The Bank has set a clear target market, including customer business experience, the solidity of financial conditions, and is supported by the availability of collateral in the form of fixed assets (property) that have very good marketability and LTV ratio.

This year, The Bank will continue to focus on developing market potential in The Bank's branch area, with funding priorities of up to Rp6 billion per customer.

In addition, to accelerate the growth of SME loan portfolio, The Bank will also develop the supply chain financing program.

By synergizing existing customers in Corporate Banking and business actors at SME scale who have business relations with The Bank's corporate customers, both as suppliers, distributors, and contractors, The Bank will analyze the potential funding needs for its business through program above.

This financing model will enable The Bank to get potential customers with a clearer track record, reputation and business experience based on the information obtained from existing Corporate Banking customers. In addition, this financing model facilitates the verification of sources of repayment for credit facilities provided as payments from the Corporate Banking customers.

By the end of 2019, the achievement of SME loans amounted to Rp246.96 billion. As of December 2019, the ratio of total loans for small and medium businesses to total SME loans was 0.77% and 99.23% respectively, while the ratio of total SME loans to total loans was 0.66%.

In carrying out this SME Banking segment, The Bank prepares the following short and medium-term strategic steps:

- *Conduct cross-selling with other business segment for products owned by SME Banking through product bundling and supply chain financing.*
- *Hold business meetings between fellow customers and potential partners from China to develop customers' business potential.*

GLOBAL MARKETS & **FINANCIAL INSTITUTION**

Global Markets & Financial Institution

Global Markets & Financial Institution menunjukkan pencapaian yang sangat baik di tahun 2019, baik dari sisi *fee-based income* maupun pendapatan bunga bersih. Selain itu, *Global Markets & Financial Institution* juga memainkan peranan penting dalam mengelola aset dan kewajiban Bank guna mengoptimalkan keuntungan di buku Bank. *Global Markets & Financial Institution* juga harus memastikan tersedianya pendanaan yang efisien untuk mendukung pertumbuhan aset dan bisnis Bank.

Produk yang ditawarkan segmen usaha *Global Markets & Financial Institution* meliputi layanan valuta asing seperti TOD, TOM, *Spot*, *Forward*, dan FX *Swap*; produk surat berharga seperti obligasi pemerintah, obligasi korporasi, *Medium-Term Notes* (MTN), Sertifikat Bank Indonesia (SBI), Sertifikat Deposito Bank Indonesia (SDBI), dan Surat Perbendaharaan Negara (SPN); produk pasar uang antar bank (IDR, USD, dan RMB), *Negotiable Certificate of Deposit* (NCD), instrumen Bank Indonesia, transaksi *Repo/Reverse Repo*, penempatan dan peminjaman dana pada segmen *finance institution*, dll.

Berikut ini adalah program kerja utama *Global Markets & Financial Institution* yang berhasil diselesaikan di tahun 2019:

- Mengelola likuiditas Bank secara efisien, mengelola investasi Bank secara optimal, dan mengelola pelayanan transaksi valuta asing secara maksimal.
- Membukukan kredit bilateral dengan Bank Tabungan Negara.
- Memperpanjang pinjaman bilateral dengan Bank Mandiri.
- Memperpanjang pinjaman bilateral dengan Bank BCA.
- Memperpanjang pinjaman bilateral beragunan dengan Bank UOB Indonesia.
- Memperpanjang pinjaman bilateral beragunan dengan Bank Standard Chartered.
- Melakukan transaksi *repo* dengan Bank UOB Indonesia.
- Melakukan transaksi *repo* dengan Bank Maybank Indonesia.
- Melakukan transaksi *repo* dengan Bank BNP Paribas Indonesia.
- Mendapatkan pinjaman subordinasi dari ICBC Limited sebesar USD75 juta untuk memperkuat modal Bank Tier 2.
- Membukukan laba sebelum pajak sebesar Rp289,8 miliar.
- Implementasi *onshore* atas sistem *Treasury – Financial Market Business Management* (FMBM).

Selain itu, dalam upaya mempromosikan bisnis RMB, *Global Markets & Financial Institution* telah melakukan beberapa langkah sebagai berikut:

- Menyelenggarakan seminar "RMB Internationalization (Prospek dan Tantangan di Pasar Indonesia)" bekerja sama dengan Asosiasi Pengusaha Indonesia (APINDO).
- Membantu dan mendampingi Bank Indonesia dalam penunjukan ICBC Limited sebagai agen perdagangan FX RMB di Tiongkok.
- Membantu Bank Indonesia dalam upaya untuk menggunakan akun Nostro pada ICBC Limited.
- Secara aktif membantu dan mendampingi Bank Indonesia dan PBOC dalam proses implementasi *Local Currency Settlement* (LCS) - RMB.
- Secara aktif membantu dan mendampingi Departemen Keuangan Indonesia dalam upaya penerbitan sekuritas RMB dan pinjaman bilateral RMB.

The Global Markets & Financial Institution showed very good achievements in 2019, both in terms of fee-based income and net interest income. In addition, Global Markets & Financial Institution plays an important role in managing The Bank's assets and liabilities in order to optimize profits in the banking book. Global Markets & Financial Institutions must also ensure the availability of efficient funding to support the growth of The Bank's assets and businesses.

Products offered by Global Markets & Financial Institution business segment include foreign exchange services such as TOD, TOM, Spot, Forward, and FX Swap; securities products such as government bonds, corporate bonds, Medium-Term Notes (MTN), Bank Indonesia Certificates (SBI), Bank Indonesia Deposit Certificates (SDBI), and State Treasury Notes (SPN); interbank money market products (IDR, USD, and RMB), Negotiable Certificate of Deposit (NCD), Bank Indonesia instruments, Repo/ Reverse Repo transactions, lending and borrowing in finance institution segment, etc.

The following are the main work programs of the Global Markets & Financial Institution which were successfully completed in 2019:

- *Managed The Bank's liquidity efficiently, managed The Bank's investment optimally, and managed forex transaction services maximally.*
- *Booked bilateral loans with Bank Tabungan Negara.*
- *Extending bilateral borrowing with Bank Mandiri.*
- *Extending bilateral borrowing with Bank BCA.*
- *Extending collateralized borrowing with Bank UOB Indonesia.*
- *Extending collateralized borrowing with Standard Chartered Bank.*
- *Conducted repo transactions with Bank UOB Indonesia.*
- *Conducted repo transactions with Bank Maybank Indonesia.*
- *Conducted repo transactions with Bank BNP Paribas Indonesia.*
- *Obtained subordinated loan from ICBC Limited of USD75 million to strengthen The Bank capital Tier 2.*
- *Booked profit before tax of Rp289.8 billion.*
- *Onshore implementation of Treasury system – the Financial Market Business Management (FMBM).*

In addition, to promote the RMB business, Global Markets & Financial Institutions have carried out strategies as follows:

- *Held "RMB Internationalization (Prospects and Challenges in the Indonesian Market)" seminar in collaboration with the Indonesian Entrepreneur Association (APINDO).*
- *Assisted and accompanied Bank Indonesia in the appointment of ICBC Limited as RMB FX trading agent in China.*
- *Assisted Bank Indonesia in using Nostro account in ICBC Limited.*
- *Actively assisted and accompanied Bank Indonesia and PBOC in the process of implementing RMB Local Currency Settlement (LCS).*
- *Actively assisted and accompanied Indonesian Ministry of Finance in the issuance of RMB securities and RMB bilateral loans.*

- Secara aktif mendekati bank lain untuk meningkatkan pemanfaatan RMB melalui transaksi *trade financing*.

Langkah strategis Bank di segmen *Global Markets & Financial Institution* dalam jangka pendek dan menengah adalah sebagai berikut:

- Berkolaborasi dengan lembaga keuangan lokal terkemuka dalam bisnis *lending* dan *borrowing* khususnya terkait dukungan proyek-proyek infrastruktur dan transaksi ekspor.
- Aktif untuk mempromosikan bisnis RMB, seperti dalam bentuk penerbitan surat berharga, investasi pada surat berharga, RMB *direct settlement*, *trade finance*, dll.
- Meningkatkan layanan transaksi *forex* bagi nasabah dan jasa *remittance* terutama dalam mata uang RMB.

- *Actively approached other banks to increase the use of RMB in trade financing transactions.*

The Bank's strategic steps in Global Markets & Financial Institution segment in short and medium-term are as follows:

- *Collaborate with well-known local financial institutions for lending and borrowing business, especially to support infrastructure project and export transaction.*
- *Promote RMB business actively, such as in the form of issuance of securities, investment in securities, RMB direct settlement, trade finance, etc.*
- *Enhance forex transaction services to customers and remittance services especially in RMB currency.*

TRADE **FINANCE**

Trade Finance

Departemen *Bills Centre* berkontribusi dalam memberikan pelayanan guna memenuhi kebutuhan nasabah dalam transaksi *trade finance*. Bekerja sama dengan Departemen Perbankan Korporasi dan Departemen Perbankan Komersial, pada 2019 Departemen *Bills Centre* memberikan layanan transaksi *trade finance* kepada 63 (enam puluh tiga) nasabah (ekspor, impor, dan bank garansi) dan menghasilkan *volume trade finance* sebesar USD750 juta dengan kontribusi pendapatan sebesar Rp46 miliar. Kontribusi terbesar untuk transaksi *trade* di Bank adalah melalui sektor yang berhubungan dengan transportasi udara, sumber daya alam, dan konstruksi pembangunan.

Departemen *Bills Centre* juga bekerja sama dengan departemen terkait lainnya dan semua cabang guna memberikan pelayanan terbaik agar dapat mempertahankan dan meningkatkan hubungan nasabah dengan Bank.

The Bills Center Department contributes to providing services for customer needs in trade finance transactions. In collaboration with the Corporate Banking Department and Commercial Banking Department, in 2019 the Bills Center Department provided trade finance services to 63 (sixty three) clients (export, import, and bank guarantee) and generated trade finance volume of USD750 million with revenue contribution of Rp46 billion. The biggest contribution to trade transactions at The Bank is through sectors related to air transportation, natural resources, and construction.

The Bills Center Department also works closely with other related departments and all branches in providing the best services in order to maintain and improve customer relationship with The Bank.

PERBANKAN **KONSUMER**
Consumer Banking

Departemen Perbankan Konsumer mengelola serta mengembangkan produk dan layanan, seperti pendanaan, asuransi, investasi, serta kredit perorangan, seperti Kredit Pemilikan Rumah (KPR) ke segmen konsumer. Produk dan layanan dari Perbankan Konsumer antara lain adalah rekening giro, tabungan, dan deposito dalam mata uang Rupiah, USD, dan RMB, *bancassurance*, rekening *multicurrency* (10 mata uang), dan tabungan berhadiah. Perbankan Konsumer juga menjadi sub agen penjual SUKUK dan ORI dan obligasi di pasar sekunder.

Selain itu, pada 2019 telah diluncurkan produk, program, dan layanan tambahan, di antaranya *Savings USD and All in One Revitalization, Time Deposit RMB Promo*, *Student Remittance Promo, Payroll Promo*, dan Obligasi Republik Indonesia Seri 016.

Pada akhir tahun 2019, portofolio simpanan individu menurun sebesar 5% dibandingkan dengan portofolio tahun 2018. Jumlah nasabah baru mengalami peningkatan sebesar 7%. Sementara itu, Perbankan Konsumer berhasil membukukan pendapatan komisi mencapai Rp12,5 miliar atau naik 10% dari tahun 2018 yang sebesar Rp11,4 miliar.

Bank berencana meningkatkan kontribusi Perbankan Konsumer terhadap performa finansial Bank secara menyeluruh. Oleh karena itu, guna mencapai tujuan tersebut, Bank memiliki objektif utama, di antaranya sebagai berikut:

- Untuk jangka pendek, Bank akan fokus meningkatkan portofolio dan jumlah nasabah sesuai dengan segmen dan karakteristik Bank, khususnya untuk nasabah individu yang meliputi *private banking, priority banking*, kelompok nasabah Tiongkok-Indonesia, kelompok pemasaran nasabah Ritel-Korporasi, kelompok komunitas, dan debitur KPR yang berkualitas, dengan penawaran produk-produk tabungan, deposito, kartu kredit, dan KPR yang telah disesuaikan dengan kebutuhan nasabah.
- Melakukan program *branch transformation* ke seluruh cabang Bank untuk meningkatkan layanan kepada nasabah serta meningkatkan pengetahuan produk, kemampuan penjualan, *collection*, manajemen perencanaan, dan pengelolaan cabang bagi karyawan Bank.
- Meningkatkan kemampuan *channel* penjualan dan integrasi sistem serta transaksi perbankan melalui peluncuran *Personal Internet Banking*, *Mobile Banking*, *Debit Card*, serta *Contactless Credit Card* sehingga dapat bersaing dan memberikan kenyamanan dan kecepatan pelayanan perbankan kepada nasabah.
- Menjalin kerja sama strategis dengan lembaga keuangan lainnya untuk menjadi agen penjual dalam upaya meningkatkan bisnis *wealth management* dan memberikan pilihan yang lebih beragam kepada nasabah.
- Bekerja sama dengan *developer* terpilih (*primary market*) untuk meningkatkan penjualan KPR dan memperluas pangsa pasar Bank.

Consumer Banking Department manages and develops products and services, such as funding, insurance, investment, and individual loans, such as housing loans (KPR) for the consumer segment. Products and services from Consumer Banking include current accounts, savings accounts, and time deposits denominated in Rupiah, USD, and RMB, bancassurance, multicurrency accounts (10 currencies), and savings prizes. Consumer Banking is also a sub selling agent of SUKUK and ORI and bonds in the secondary market.

Additional products, programs and services that have been launched in 2019 include Savings USD and All in One Revitalization, Time Deposit RMB Promo, Student Remittance Promo, Payroll Promo, and Republic of Indonesia Bonds 016.

At the end of 2019, the individual deposits portfolio decreased by 5% compared to the portfolio in 2018. The number of new customers increased by 7%. Meanwhile, Consumer Banking managed to book commission income for Rp12.5 billion, increased by 10% from 2018 which was Rp11.4 billion.

The Bank aims to improve Consumer Banking contribution to The Bank's overall financial performances. To achieve such objectives, The Bank has set several main objectives as follows:

- *In the short term, The Bank will focus on increasing its portfolios and number of customers according to the segments and characteristics of The Bank, particularly for individual customers namely private banking, priority banking, group of China-Indonesia customers, marketing group of Retail-Corporate customers, communities, and mortgages customers, through the offering of products such as savings, deposits, credit cards, and mortgages that have been adjusted to the needs of customers.*
- *Carry out a branch transformation program to all branches to improve customer services as well as to enhance product knowledge, sales, collection, planning management, and branch management for The Bank employees.*
- *Improve sales channels and system integration as well as banking transactions through the launch of Personal Internet Banking, Mobile Banking, Debit Cards, and Contactless Credit Cards so that The Bank is able to compete and provide convenience and speedy banking services to customers.*
- *Create strategic cooperation with other financial institutions to become sales agents in improving business wealth management and providing more diverse options to customers.*
- *Collaborate with selected developers (primary market) to increase mortgage sales and expand The Bank's market shares.*

KARTU **ATM**
ATM Cards

Nasabah Bank dapat menikmati kenyamanan dalam mengakses rekening tabungan Bank di lebih dari 230.000 terminal ATM:

- 29 terminal ATM Bank di Indonesia untuk penarikan tunai, transfer antar bank, cek saldo, pindah buku, dan pembayaran tagihan kartu kredit ICBC.
- Lebih dari 130.000 terminal ATM Bersama dan LINK di Indonesia untuk penarikan tunai, cek saldo, dan transfer uang.
- Lebih dari 100.000 terminal ATM ICBC Limited di Tiongkok untuk penarikan tunai dan cek saldo.

The Bank customers can enjoy the convenience in accessing their savings accounts in more than 230,000 ATM terminals:

- *29 ATM terminals in Indonesia for cash withdrawals, interbank transfer, balance checking, transfer, and ICBC credit card payment.*
- *More than 130,000 ATM terminals from banks connected by ATM Bersama and LINK network in Indonesia for cash withdrawal, balance checking, and money transfer.*
- *More than 100,000 ICBC Limited ATM terminals in China for cash withdrawal and balance checking.*

KARTU **KREDIT**
Credit Cards

Perkembangan *financial technology* (*fintech*) memberikan pilihan kepada nasabah untuk melakukan transaksi pembayaran non-tunai. Hal ini memberikan perubahan atas cara transaksi nasabah dan berdampak kepada nilai transaksi kartu kredit.

Pada Desember 2019, nilai transaksi kartu kredit di Indonesia naik 8% menjadi Rp332 triliun, dibanding tahun sebelumnya yang mencapai Rp305 triliun dan jumlah transaksi kartu kredit di Indonesia meningkat 3% dibanding tahun sebelumnya menjadi 340 juta transaksi.

Sementara itu, jumlah kartu kredit sedikit meningkat 1% per akhir tahun 2019. Dari sebelumnya sebanyak 17,27 juta kartu pada tahun 2018 menjadi 17,48 juta kartu. Angka tersebut memperlihatkan perkembangan industri kartu kredit yang stagnan dibanding perkembangan tahun sebelumnya.

Bank terus melakukan berbagai upaya untuk bertumbuh melalui penjualan kartu baru yang tepat sasaran, dan peluncuran berbagai inisiatif guna menggiatkan pemakaian kartu. Kartu kredit ICBC yang beredar hingga akhir tahun 2019 mencapai lebih dari 16.000 kartu dengan *volume* transaksi kartu kredit mencapai Rp146 miliar.

Nasabah menjadi lebih selektif dalam memilih jenis kartu kredit yang dapat memberikan *benefit*, kenyamanan, dan keamanan terbaik. Oleh karena itu, Bank tetap berusaha untuk memahami sepenuhnya tren dan pola perilaku belanja konsumen, khususnya kebutuhan gaya hidup mereka. Bank memastikan kartu kredit ICBC menawarkan nilai nyata serta manfaat yang berbeda dengan cara meningkatkan serangkaian keuntungan dari produk yang ditawarkan. Beberapa inisiatif yang diluncurkan selama 2019 di antaranya:

The development of financial technology (fintech), offers customers the option to make non-cash payment transactions. This provides a change to the way customers conduct transactions and has an impact on the value of credit card transactions.

In December 2019, the value of credit card transactions in Indonesia increased 8% to Rp332 trillion, compared to the previous year which reached Rp305 trillion, while the numbers of credit card transactions in Indonesia increased by 3% compared to the previous year to 340 million transactions.

Meanwhile, the number of credit cards slightly increased by 1% by the end of 2019. From the previous 17.27 million cards in 2018 to 17.48 million cards. This figure shows the stagnant development of credit card industry compared to the development in the previous year.

The Bank continues to make various efforts to grow through the sale of new cards that are on the right target and through the launch of various initiatives to encourage the use of credit cards. The ICBC credit cards outstanding at the end of 2019 reached more than 16,000 cards with credit card transaction volume reached Rp146 billion by the end of 2019.

Customers have become more selective in choosing the type of credit cards that can offer the best benefit, comfort, and security. Therefore, The Bank continues to strive to fully understand the trends and patterns of consumer spending behavior, specifically their lifestyle needs. The Bank ensures that ICBC credit card offers real value and different benefits by increasing the range of benefits from the products offered. Some of the initiatives launched during 2019 include:

- Dalam upaya memberikan layanan terbaik dan personal kepada pemegang kartu kredit platinum, Bank ICBC Indonesia bekerja sama dengan UnionPay International dan Aspire Lifestyle untuk menyediakan layanan premium dalam cakupan medis, perjalanan, dan gaya hidup dengan cakupan internasional.
- Bank berpartisipasi dalam International Champions Cup (ICC) UnionPay International di Singapura selama dua tahun berturut-turut dengan memberikan promo transaksi belanja tertinggi untuk memenangkan tiket ICC, tiket pulang pergi pesawat, dan akomodasi bintang 5.
- Untuk mendorong pembelanjaan kartu kredit di luar negeri, Bank bekerja sama dengan UnionPay International untuk menggelar promosi uang kembali ketika pemegang kartu bepergian ke luar negeri.
- Untuk meningkatkan pengalaman perjalanan pemegang kartu kredit ICBC, Bank telah memanfaatkan layanan *Global VIP Lounge* ICBC Limited yang memungkinkan akses mudah ke bandara Dragon Pass dan *lounge* di seluruh dunia.
- Bank sepanjang tahun terus bekerja sama dengan lebih dari 90 (sembilan puluh) *merchant* di kota-kota besar di Indonesia, memanfaatkan tawaran dan hak istimewa yang diberikan untuk mendorong penggunaan kartu kredit ICBC Indonesia.

Di masa mendatang, strategi Bank akan bermuara kepada upaya yang berkesinambungan untuk meningkatkan nilai yang ditawarkan, menyediakan produk dan layanan terdepan yang bernilai untuk segmen yang dipilih, membina hubungan yang lebih erat dengan pemegang kartu, serta berinvestasi dalam sistem guna meningkatkan kemampuan di lini belakang.

- *To provide the best and personal services to platinum credit cardholders, Bank ICBC Indonesia works closely with UnionPay International and Aspire Lifestyle in providing premium services in the scope of medical, travel and lifestyle with international coverage.*
- *The Bank participated in the International Champions Cup (ICC) UnionPay International in Singapore for two years in a row by offering the promotion in the form of highest shopping transactions to win ICC tickets, round-trip flights, and 5-star accommodations.*
- *To encourage credit card spending abroad, The Bank collaborates with UnionPay International to hold a cashback promotion when cardholders travel abroad.*
- *To enhance the travel experience of ICBC credit cardholders, The Bank has utilized the Global VIP Lounge service of ICBC Limited, which allows easy access to Dragon Pass airport and lounges throughout the world.*
- *Throughout the year, The Bank continues to work with more than 90 (ninety) merchants in major cities in Indonesia, utilizing the offers and privileges given to encourage the use of ICBC Indonesia credit cards.*

In the future, The Bank's strategy will revolve around continuous efforts to increase the value offered, provide leading-edge products and services that are of value to selected segments, foster closer relationship with cardholders, and to invest on systems to improve the capabilities at the back office.

TRANSACTION **BANKING**

Transaction Banking

Transaction Banking bertujuan untuk melakukan kegiatan perbankan, antara lain *remittance*, *Real Time Gross Settlement* (RTGS), Sistem Kliring Nasional (SKN), serta kegiatan lainnya. Layanan yang diberikan oleh Bank adalah sebagai berikut:

- Layanan Transaksi *Remittance*
  Bank saat ini melayani *remittance* untuk 9 (sembilan) mata uang asing. Pelayanan *remittance* pada tahun 2019 mengalami kenaikan total transaksi untuk mata uang CNY sebesar 61,84% dibandingkan tahun 2018. Khusus dalam mata uang CNY, terdapat produk yang bernama RMB *Trade Settlement*. Keuntungan produk ini adalah menjamin penerima untuk dapat menerima dana dalam hari yang sama dengan biaya yang sangat kompetitif. Transaksi *remittance* di Bank ICBC Indonesia masih didenominasi dengan mata uang USD yang tahun ini mengalami sedikit penurunan total transaksi dibandingkan tahun 2018, yaitu sebesar 11,9%. Secara keseluruhan, total transaksi *remittance* mengalami penurunan sebesar 4,26% dibandingkan tahun 2018.

Transaction Banking aims to conduct banking activities, including remittances, Real Time Gross Settlement (RTGS), National Clearing System (SKN), and other activities. The services provided by The Bank are as follows:

- *Remittance Transaction Services*
  The Bank currently serves remittances for 9 (nine) foreign currencies. In 2019, The Bank experienced an increase in its remittance transaction services for CNY currency by 61.84% compared to 2018. Specifically, in the currency of CNY, there was a product called the RMB Trade Settlement. The advantage of this product is that it guarantees the recipient to receive funds on the same day at a very competitive cost. Remittance transactions at Bank ICBC Indonesia are still denominated in USD, which experiencing a slight decrease in total transactions this year as compared to 2018 by 11.9%. Overall, total remittance transactions decreased by 4.26% compared to 2018.

Pengiriman uang dalam Rupiah dapat dilakukan melalui RTGS dan SKN. Transaksi RTGS selama 2019 mencapai 35.071 transaksi. Sementara itu, transaksi SKN selama 2019 tercatat sebanyak 79.477 transaksi.

- *Prefix Remittance*
  Prefix Remittance adalah produk yang dirancang khusus untuk warga negara Tiongkok yang bertujuan untuk membatasi adanya risiko pertukaran antara mata uang USD dan RMB. Produk ini memungkinkan nasabah mengirimkan dana dalam mata uang USD, namun penerima dana akan menerima RMB dalam jumlah yang tepat sesuai dengan jumlah yang diharapkan oleh pengirim. Nominal yang diterima oleh penerima untuk *prefix remittance* tidak berpengaruh terhadap volatilitas harian pada pertukaran kurs antara USD dan RMB. Produk ini ditujukan untuk nasabah perorangan yang merupakan penduduk Tiongkok. Pemerintah Tiongkok memberikan batasan limit transaksi sebesar USD50.000 per tahun untuk mengontrol penerimaan dana penduduknya dari luar negeri. Nasabah yang menggunakan produk ini adalah perusahaan Tiongkok yang mempunyai cabang usaha di Indonesia untuk pembayaran gaji karyawannya yang merupakan warga negara Tiongkok dan penduduk Indonesia yang melakukan transaksi dengan penduduk Tiongkok. Transaksi *prefix remittance* mengalami kenaikan sekitar 52,12% pada 2019 dibandingkan dengan tahun 2018, yaitu sebesar 11.272 total transaksi. Sementara itu, nilai transaksi *prefix remittance* mengalami kenaikan sebesar 28,85% dibandingkan tahun sebelumnya dengan ekuivalen USD22.340.513.

- *Remittance Client Banks & Non-Bank Financial Institutions*
  Sejak 2009, Bank sudah bertindak sebagai bank perantara untuk *remittance* ke Tiongkok. Bank berkolaborasi dengan sebagian besar bank di Indonesia, baik *top tier* maupun bank berskala kecil menengah yang mempunyai potensial bisnis dengan Tiongkok. Kolaborasi yang baik terlihat dari pertumbuhan transaksi dari tahun ke tahun. Total transaksi mengalami kenaikan sebesar 73,91%, yaitu mencapai 44.374 transaksi, dibandingkan tahun 2018 dengan total 25.516 transaksi. Transaksi mata uang CNY berkontribusi sebesar 92,18% dari total keseluruhan transaksi, yaitu mencapai 40.904 transaksi.

Guna mendorong pertumbuhan kinerja Bank, *Transaction Banking* akan terus berfokus kepada peningkatan produk dan layanan serta program yang sesuai dengan kebutuhan nasabah. Bank juga akan senantiasa memberikan solusi *product bundling* melalui sinergi dengan produk perbankan lainnya.

Remittances in Rupiah can be made via RTGS and SKN. RTGS transactions in 2019 reached 35,071 transactions. Meanwhile, SKN transactions in 2019 were recorded at 79,477 transactions.

- *Prefix Remittance*
  Prefix Remittance is a product specifically designed for Chinese citizens that aims to limit the exchange risk between USD and RMB currencies. This product allows customers to transfer funding in USD, yet the beneficiary will receive the right amount in RMB that is in the same value expected by the remitter. The nominal received by the beneficiary for prefix remittance does not affect the daily volatility of exchange rate between USD and RMB. This product is intended for individual customers who are residents of China. The Chinese government imposes transaction limits of USD50,000 per year to control the receipt of funds from overseas. Customers who use this product are Chinese companies that have branches in Indonesia to pay the salaries of their Chinese citizens employees and Indonesian residents who conduct transactions with Chinese residents. Prefix remittance transactions increased around 52.12% in 2019 compared to 2018, with total number of transactions was 11,272 transactions. Meanwhile, the value of prefix remittance transactions increased by 28.85% compared to the previous year with an equivalent of USD22,340,513.

- *Remittance Client Banks & Non-Bank Financial Institutions*
  Since 2009, The Bank has acted as an intermediary bank for remittances to China. The Bank collaborates with most of Indonesia's top tier banks as well as small and medium sized banks that have potential business with China. Good collaboration can be seen by the growth of transactions from year to year. Total transactions increased by 73.91%, reaching 44,374 transactions, compared to 2018 with a total of 25,516 transactions. CNY currency transactions contributed 92.18% of the total transactions, amounting 40,904 transactions.

To encourage the growth in The Bank's performance, Transaction Banking will continue to focus on improving its products and services and programs that are customized based on the needs of customers. The Bank will also constantly provide product bundling solutions through synergy with other banking products.

TINJAUAN OPERASIONAL **PENDUKUNG**
Operational Support Review

Manajemen Operasional
Ruang lingkup manajemen operasional mencakup aspek manajemen organisasi dan proses operasional yang melibatkan akuntansi bisnis di berbagai bisnis yang ditangani oleh cabang dan *settlement center*. Melalui peningkatan berkelanjutan prosedur akuntansi bisnis dan prosedur operasional, Departemen Manajemen Operasional mendukung peningkatan kualitas dan efisiensi operasional bisnis Bank serta memperkuat kendali risiko operasional bisnis. Fungsi Manajemen Operasional di Bank adalah aktivitas manajemen yang memonitor rekening internal dan melakukan perencanaan, desain, kontrol, dan pengawasan terhadap operasional bisnis Bank.

Saat ini Departemen Manajemen Operasional mengawasi 3 (tiga) bagian, yaitu *branch support*, *settlement center*, dan *business improvement*.

Produk dan Aktivitas Departement Manajemen Operasional
Kinerja Departemen Manajemen Operasional dalam aktivitasnya selama 2019 antara lain:

- Keikutsertaan menjadi koordinator cabang dalam proyek migrasi sistem utama Bank dengan melakukan beberapa aktivitas sebagai berikut:
  - Membuat Skrip Pengujian Pengguna.
  - Keberhasilan melakukan UAT & PAT termasuk mempersiapkan UAT *signed off*.
  - Sukses dalam pelatihan:
    i. Mengikutsertakan karyawan gabungan baik cabang, *branch support*, *settlement center*, maupun *business improvement* dalam pelatihan sistem ke ICBC Limited.
    ii. Memberikan pelatihan untuk karyawan cabang yang terpilih menjadi koordinator sistem di cabang.
    iii. Memberikan pelatihan kepada semua karyawan di cabang secara menyeluruh.
    iv. Memberikan pelatihan pengenalan sistem ke karyawan di Departemen *Risk Management* dan *Marketing* di KPNO.
    v. Memberikan pelatihan terhadap pembaharuan sistem proses setelah sistem berjalan selama kurang lebih 2 (dua) bulan.
- Keikutsertaan dalam proyek sistem lainnya (GMO, MPN Gen 3, *Withholding Tax*, RTGS, SKN, ETP, SSSS, SCMS) yang terhubung dengan sistem utama Bank dengan:
  - Membuat Skrip Pengujian Pengguna.
  - Keberhasilan melakukan UAT & PAT termasuk menyiapkan UAT *signed off*.
- Memberikan sosialisasi kebijakan dan prosedur untuk karyawan di cabang secara berkesinambungan.
- Melakukan rapat koordinasi secara berkala dengan para Kepala Operasional (MO) di cabang.
- Melakukan tinjauan secara berkala atas seluruh kebijakan dan prosedur operasional di cabang termasuk Departemen Manajemen Operasional itu sendiri.
- Melakukan analisa dan mengajukan perbaikan sistem yang ditujukan ke Departemen Teknologi Informasi.
- Melakukan BCP untuk *testing* sistem utama Bank, *testing* industrial sistem OJK - OBOX.
- Keikutsertaan dalam implementasi GMO *Offshore* pada April 2019 dan GMO *Onshore* pada Oktober 2019 di mana GMO *Onshore* sudah terkoneksi dengan sistem utama Bank.

Operations Management
The scope of operations management covers aspects of organizational management and operational processes involving business accounting in various businesses that are handled by branches and settlement centers. Through continuous improvement of business accounting procedures and operational procedures, the Operations Management Department supports the improvement in the quality and efficiency of The Bank business operations and strengthens business operational risk control. The Operations Management function at The Bank is the management activity that monitors internal account and carries out planning, design, control and supervision of The Bank's business operations.

Currently the Operations Management Department oversees 3 (three) sections, namely the branch support, settlement center, and business improvement.

Products and Activities of Operations Management Department
The following are Operations Management Department activities during 2019:

- *Participate as branch coordinator in the core banking system migration project by performing the following activities:*
  - *Creating the User Testing Scripts.*
  - *Succeed in implementing the UAT & PAT including preparing UAT signed off.*
  - *Succeed in training:*
    i. Involving joint employees, both from branch, branch support, settlement center, and business improvement in system training to ICBC Limited.
    ii. Provide training for selected branch employees to become the system coordinator at the branch.
    iii. Provide comprehensive training to all employees in the branch.
    iv. Provide system introduction training to employees in the Risk Management and Marketing Departments at the head office.
    v. Provide training on process system updates after the system has been running for approximately 2 (two) months.
- *Participate in other system projects (GMO, MPN Gen 3, Withholding Tax, RTGS, SKN, ETP, SSSS, SCMS) connected to the core banking system by:*
  - *Creating the User Testing Scripts.*
  - *Succeed in implementing the UAT & PAT including preparing UAT signed off.*
- *Provide continuous socialization of policies and procedures for employees in the branch.*
- *Conduct periodic coordination meetings with the Manager Operations at the branch.*
- *Conduct periodic reviews of all operational policies and procedures at the branch as well as the Operations Management Department itself.*
- *Analyze and propose system improvements addressed to Information Technology Department.*
- *Conduct BCP for testing the core banking system, industrial testing of the OJK - OBOX system.*
- *Participate in the implementation of GMO Offshore in April 2019 and GMO Onshore in October 2019 while GMO Onshore has been connected to the core banking system.*

- Keikutsertaan dalam proyek DHE-SDA yang dikoordinasikan oleh Bank Indonesia dengan menyiapkan produk baru di dalam sistem utama Bank.
- Keikutsertaan menyiapkan parameter dalam produk *Advance Facility* dan berkoordinasi dengan Departemen *Bills Center, Loan Operation*, dan *MI & Accounting*.
- Melakukan perubahan atas proses pembukaan rekening nasabah dengan meningkatkan *Service Level Agreements* (SLAs).
- Melakukan perubahan atas proses SKN pada produk *Corporate Internet Banking* dengan menggunakan sistem *upload*.
- Keikutsertaan dalam proyek ATM Link bersama dengan *Consumer Banking Department*.

Departemen Manajemen Operasional juga mengeluarkan kebijakan dan prosedur baru maupun pembaharuan kebijakan dan prosedur, antara lain:

- Kebijakan Tingkatan Wewenang ver. 1.4, Januari 2019;
- Kebijakan dan Prosedur ATM ver. 1.2, Januari 2019;
- Prosedur Penyelesaian Pembukuan Transaksi Kartu Kredit PT Bank ICBC Indonesia ver. 2.0, Januari 2019;
- Kebijakan dan Prosedur Transfer Dana Rupiah Dengan Sistem BI–RTGS Generasi II ver. 1.2, Februari 2019;
- Kebijakan dan Prosedur Pengerjaan Pencetakan dan Pengiriman Rekening Koran Giro dan Tabungan ver. 1.1, Maret 2019;
- Kebijakan Mengenai *Post Supervision Center* ver. 1.2, Mei 2019;
- Kebijakan dan Prosedur *Settlement* dan Rekonsiliasi ATM ver. 2.0, Mei 2019;
- Prosedur Manajemen Alih Daya Departemen Manajemen Operasional ver. 1.0, Mei 2019;
- Prosedur Pembayaran Mata Uang Asing ver. 1.1, Mei 2019;
- Kebijakan dan Prosedur Pencetakan, Pengiriman, Penyimpanan dan Pemusnahan Kartu ATM, Kartu Kredit dan PIN PT Bank ICBC Indonesia ver. 1.2, Mei 2019;
- Prosedur *Upload* Massal ver. 1.0, Mei 2019;
- Kebijakan dan Prosedur untuk BI SSSS (*Scripless Securities Settlement System*) ver. 1.0, Juni 2019;
- Kebijakan Dokumen Manajemen ver. 1.0, Juni 2019;
- Prosedur Pemantauan Rekening Tunda ver. 1.0, Juli 2019;
- Kebijakan dan Prosedur Pencetakan, Pengiriman, Penyimpanan dan Pemusnahan Lembar Tagihan ver. 1.2, Agustus 2019;
- Kebijakan dan Prosedur Penanganan Sanggahan Transaksi Kartu Kredit dan Kartu Debit PT Bank ICBC Indonesia ver. 1.2, Oktober 2019;
- Prosedur Unggah *Prefix Remittance* ke China ver. 1.2, Oktober 2019;
- Kebijakan dan Prosedur untuk Operasional SKNBI ver. 1.1, November 2019;
- Kebijakan Penyelesaian Pembukuan Transaksi Kartu Kredit PT Bank ICBC Indonesia ver. 2.0, Desember 2019;
- Pedoman Aplikasi Bukti Potong Pajak, Januari 2019;
- Panduan Sistem *Global Market Operation*, April 2019;
- Panduan Penggunaan Aplikasi *Monitoring* di *Post Supervision*, Mei 2019;
- Panduan Sistem Verifikasi Tanda Tangan, Oktober 2019;
- Panduan Pengelolaan Kas dan Kotak Uang, Oktober 2019;

- *Participate in the DHE-SDA project coordinated by Bank Indonesia by preparing new products in the core banking system.*
- *Participate in preparing parameters for Advance Facility product in coordination with the Bills Center, Loan Operation, and MI & Accounting Departments.*
- *Conduct changes to the process of opening customer accounts by increasing Service Level Agreements (SLAs).*
- *Conduct changes to the SKN process on Corporate Internet Banking product through upload system.*
- *Participate in the ATM Link project together with the Consumer Banking Department.*

The Operations Management Department also issued new policies and procedures as well as updated policies and procedures, including:

- *Authority Level Policy ver. 1.4, January 2019;*
- *ATM Policy and Procedure ver. 1.2, January 2019;*
- *Procedure on Settlement for Bookkeeping of Credit Cards Transactions of PT Bank ICBC Indonesia ver. 2.0, January 2019;*
- *Rupiah Funds Transfer Policy and Procedure with Generation II BI-RTGS System ver. 1.2, February 2019;*
- *Policy and Procedure for Printing and Delivery of Current Account and Savings Account ver. 1.1, March 2019;*
- *Policy regarding Post Supervision Center ver. 1.2, May 2019;*
- *Policy and Procedure regarding ATM Settlement and Reconciliation ver. 2.0, May 2019;*
- *Procedure for Outsourcing Management of Operations Management Department ver. 1.0, May 2019;*
- *Procedure for Foreign Currency Payment ver. 1.1, May 2019;*
- *Policy and Procedure for Printing, Shipping, Storage and Destruction of ATM Cards, Credit Cards and PINs of PT Bank ICBC Indonesia ver. 1.2, May 2019;*
- *Bulk Upload Procedure ver. 1.0, May 2019;*
- *Policy and Procedure for BI SSSS (Scripless Securities Settlement System) ver. 1.0, June 2019;*
- *Document Management Policy ver. 1.0, June 2019;*
- *Delay Account Monitoring Procedure ver. 1.0, July 2019;*
- *Policy and Procedure for Bills Sheet Printing, Shipping, Storage and Destruction ver. 1.2, August 2019;*
- *Policy and Procedure for Handling Credit Card and Debit Card Transaction Disclaimers at PT Bank ICBC Indonesia ver. 1.2, October 2019;*
- *Procedure for uploading Prefix Remittance to China ver. 1.2, October 2019;*
- *Policy and Procedure for SKNBI Operations ver. 1.1, November 2019;*
- *Policy on Settlement for Bookeeping of Credit Card Transactions of PT Bank ICBC Indonesia ver. 2.0, December 2019;*
- *Guideline for Tax Deduction Application, January 2019;*
- *Guideline for Global Market Operation System, April 2019;*
- *Guideline for Using the Monitoring Application at Post Supervision, May 2019;*
- *Signature Verification System Guideline, October 2019;*
- *Cash and Money Box Management Guideline, October 2019;*

- Panduan Pengelolaan *Voucher*, Oktober 2019;
- Pedoman *Safe Deposit Box*, Oktober 2019;
- Panduan Pelayanan Khusus, Oktober 2019;
- Panduan Pengelolaan Pemeriksaan, Oktober 2019;
- Panduan Informasi Nasabah, November 2019;
- Panduan Kliring *Intercity*, Desember 2019;
- Panduan *Remittance* (*ExSys*, *Insys*, dan *Prefix*), Desember 2019; dan
- Panduan Aplikasi Pengiriman Uang (RTGS dan SKN), Desember 2019.

Realisasi Program Kerja

Realisasi program kerja Departemen Manajemen Operasional, termasuk berkoordinasi melakukan peningkatan proses dan pengembangan selama 2019, antara lain:

- Implementasi aplikasi bukti pemotongan pajak untuk nasabah;
- Implementasi ATM Link;
- Proses otomasi *settlement* untuk *credit card* Visa mata uang USD;
- Implementasi sistem *Global Market Operation*;
- Implementasi aplikasi untuk pemantauan *post supervision*, termasuk di dalamnya pemantauan akun internal;
- Implementasi MPN Gen 3;
- Implementasi FOVA *Platform System*;
- Keikutsertaan dalam RKT (rencana keberlangsungan tugas) BI RTGS, BI SSSS, dan SKNBI;
- Keikutsertaan dalam *testing live backup server* dan JKD (jaringan komunikasi data) BI RTGS, BI SSSS, dan SKNBI;
- Keikutsertaan dalam implementasi sistem OBOX;
- Keikutsertaan dalam registrasi *finger scan* di *settlement center*;

Guna memperlancar proses implementasi sistem baik di cabang, *settlement center*, atau pun departemen lain, Departemen Manajemen Operasional melakukan program pelatihan internal dalam bentuk sosialisasi melalui kelas tersendiri, *on job training* di cabang itu sendiri, menunjuk PIC *Supervisor* untuk melakukan sosialisasi di cabangnya sendiri, konferensi melalui telepon, serta mengadakan rapat koordinasi dan forum diskusi.

Bentuk program pelatihan untuk meningkatkan keahlian teknis karyawan di cabang dan departemen lainnya, antara lain:

- Keikutsertaan sistem utama Bank di ICBC Limited sebanyak 3 (tiga) *batches* (Januari 2019, Maret 2019, dan Juni 2019);
- Sosialisasi dengan topik yang berbeda (20 sosialisasi);
- Pelatihan sistem utama Bank (25 *batches*);
- Pelatihan *on job training* untuk sistem utama Bank (15 sesi);
- Pelatihan *Global Market Operation* (1 sesi); dan
- Menghadiri beberapa pelatihan dan sosialisasi dari Bank Indonesia (*User Meeting* BI-RTGS, BI-SSSS, dan SKNBI), *User Meeting* KPDHN (Kantor Pusat Daftar Hitam Nasional).

Analisis Target dan Realisasi

Departemen Manajemen Operasional telah mencapai indikator kinerja utama untuk tahun 2019, antara lain seperti:

- Migrasi sistem utama Bank menjadi FOVA *Platform System* dan juga pelaksanaan program pelatihan sistem baru untuk semua karyawan cabang secara menyeluruh.
- Inisiatif membuat/mengajukan atau penambahan/perubahan kebijakan dan prosedur.
- *Business improvement* dengan peningkatan proses dan pengembangan berbagai sistem yang telah disebutkan di atas.

- *Voucher Management Guideline, October 2019;*
- *Safe Deposit Box Guideline, October 2019;*
- *Special Services Guideline, October 2019;*
- *Inspection Management Guideline, October 2019;*
- *Customer Information Guideline, November 2019;*
- *Intercity Clearing Guideline, December 2019;*
- *Guideline for Remittances (ExSys, InSys and Prefix), December 2019; and*
- *Guideline for Money Transfer Applications (RTGS and SKN), December 2019.*

Work Programs Realization

The realization of Operations Management Department work programs, including coordination to improve the process and development throughout 2019, are as follows:

- *Implementation of tax deduction application for customers;*
- *ATM Link implementation;*
- *Settlement automation process for Visa credit card in USD;*
- *Implementation of the Global Market Operation system;*
- *Implementation of application for monitoring post supervision, including monitoring internal accounts;*
- *Implementation of MPN Gen 3;*
- *Implementation of the FOVA Platform System;*
- *Participation in the BI RTGS, BI SSSS, and SKNBI RKT (continuation of duty plan);*
- *Participation in testing live backup server and JKD (data communication network) BI RTGS, BI SSSS, and SKNBI;*
- *Participation in the implementation of OBOX system;*
- *Participation in finger scan registration at the settlement center;*

In order to accelerate the process of system implementation both in branches, settlement centers, and other departments, the Operations Management Department conducts internal training programs through dissemination of in-class, on job training at the branch itself, appoints a PIC Supervisor to conduct socialization in his/her own branch, conferences through telephone, conducts coordination meetings, and organizes forum discussions.

The form of training programs that improve the technical expertise of employees in branches and other departments, include:

- *The participation of the core banking system at ICBC Limited was in 3 (three) batches (January 2019, March 2019, and June 2019);*
- *Socialization with different topics (20 socialization);*
- *Core banking system training (25 batches);*
- *On job training for core banking system (15 sessions);*
- *Global Market Operation training (1 session); and*
- *Attend several trainings and socializations from Bank Indonesia (BI-RTGS, BI-SSSS, and SKNBI User Meeting), KPDHN (National Blacklist Head Office) User Meeting.*

Targets and Realization Analysis

The Operations Management Department has achieved key performance indicators for 2019, such as:

- *Core banking system migration to FOVA Platform System and the implementation of new system training program for all branch employees.*
- *Initiative on the development/proposal or addition/change of policies and procedures.*
- *Business improvement by enhancing the processes and development of various systems mentioned above.*

Saat ini, kualitas sumber daya manusia yang dimiliki cukup baik dan terus diasah dari segi teknis dan non-teknis. Bank memiliki tim yang bekerja secara profesional, dapat bekerja secara mandiri maupun dalam tim. Selain itu, dengan adanya *Job Description* dan *Key Performance Indicators* yang jelas dan terukur dapat menjamin kualitas kerja yang bagus dari para karyawan. Koordinasi dan komunikasi yang baik antar bagian di Departemen Manajemen Operasional juga sangat mendukung kesuksesan untuk setiap proyek atau tugas yang dikerjakan.

Serangkaian produk-produk baru yang diluncurkan oleh fungsi bisnis juga melibatkan Departemen Manajemen Operasional dalam pengembangan kebijakan atau prosedur maupun perbaikan sistem utama Bank. Hal ini semakin menunjukkan kontribusi dan peran dari Departemen Manajemen Operasional dalam mendukung pertumbuhan usaha Bank.

Kecepatan perubahan peraturan yang dibuat oleh Bank Indonesia atau badan pemerintah lainnya, menjadi tantangan tersendiri dalam hal penyesuaian kebijakan internal Bank.

Electronic Banking (E-Banking)

Saat ini, produk *e-banking* yang sudah dimiliki oleh Bank adalah *Corporate Internet Banking* yang melayani transaksi perbankan pada segmen nasabah korporasi. *Corporate Internet Banking* memiliki fitur sebagai berikut:

- Melakukan pengecekan saldo rekening.
- Melakukan transaksi pindah buku untuk rekening atas nasabah yang sama di Bank (IDR - IDR, USD - USD, RMB - RMB).
- Melakukan pindah buku untuk rekening yang berbeda di Bank (IDR - IDR).
- Melakukan *transfer* antar rekening melalui BI-*Real Time Gross Settlement* (BI-RTGS) dan BI-Sistem Kliring Nasional (BI-SKN).
- Melakukan pembayaran pajak.
- Mencetak rekening koran.

Ke depannya, Bank terus berusaha menambahkan fitur baru seperti transaksi valas, dan mengembangkan produk-produk *e-banking* lainnya seperti *Mobile Banking* dan *Personal Internet* Banking (PIB).

Special Asset Management

Fungsi *Special Asset Management*

Untuk mendukung rencana Bank dalam mengelola aset dengan baik, Departemen *Special Asset Management* (SAM) berfungsi sebagai berikut:

a. Menangani kredit bermasalah (NPL) yang masuk klasifikasi kolektibilitas 3 (kurang lancar), 4 (diragukan), dan 5 (macet).
b. Menentukan strategi penanganan NPL melalui penyelamatan kredit atau penyelesaian kredit guna mendapatkan *recovery* Bank secara optimal.
c. Upaya penyelamatan kredit dengan melakukan restrukturisasi dilakukan untuk debitur NPL yang kualifikasinya memenuhi syarat ketentuan Bank dan Peraturan Bank Indonesia (PBI)/Peraturan Otoritas Jasa Keuangan (POJK) yang berlaku.
d. Debitur NPL yang tidak memenuhi syarat restrukturisasi, dilakukan upaya penyelesaian kredit baik melalui litigasi maupun non-litigasi.
e. Melakukan kerja sama dengan pihak ketiga, antara lain *lawyer*, broker/agen properti, KPKNL, notaris/PPAT dan pihak terkait lainnya dalam rangka mendukung pelaksanaan strategi penanganan NPL guna kepentingan Bank di dalam rangka *collection*.
f. Menjaga rasio NPL agar tidak melebihi rasio NPL yang telah ditentukan (baik target Bank maupun ketentuan regulator).

Currently, the department's human resources have sufficient quality that continuously enhanced both in technicality and non-technicality. The Bank has a professionally working group that can work independently and as a team. Moreover, clear and measured Job Description and Key Performance Indicators may ensure good working quality of employees. Good coordination and communication inter sections under the Operations Management Department also support the successful delivery of every assigned project or task.

Series of new products launched by business functions also involve the Operations Management Department, in terms of policy and procedure development as well as the core banking system improvement. This further shows the contribution and role of the Operations Management Department in supporting The Bank's business growth.

The prompt changes of regulations by Bank Indonesia or other government agencies rendered a distinct challenge in the adjustment of The Bank's internal policies.

Electronic Banking (E-Banking)

At present, the e-banking product owned by The Bank is Corporate Internet Banking that serves banking transactions in the corporate customer segment. Corporate Internet Banking has the following features:

- *Account balance inquiry.*
- *Book transfer for accounts of the same customer in The Bank (IDR - IDR, USD - USD, RMB - RMB).*
- *Book transfer for different accounts in The Bank (IDR - IDR).*
- *Inter-account transfer through BI-Real Time Gross Settlement (BI-RTGS) and BI-National Clearing System (BI-SKN).*
- *E-tax payment.*
- *Print account statement.*

Going forward, The Bank continues to strive in adding new features such as foreign exchange transactions and in developing other e-banking products such as Mobile Banking and Personal Internet Banking (PIB).

Special Asset Management

Special Asset Management Function

To support The Bank's plan in managing assets properly, the functions of Special Asset Management (SAM) Department are as follows:

a. Deal with non-performing loans (NPLs) that fall into collectability class 3 (substandard), 4 (doubtful), and 5 (bad).
b. Determine the strategy for handling NPLs through credit rescue or credit settlement in order to obtain optimal Bank recovery.
c. Efforts to save loans through restructuring are carried out for NPL debtors whose qualifications meet The Bank requirements and Bank Indonesia Regulations (PBI)/ Financial Services Authority Regulations (POJK) in force.
d. NPL debtors who do not meet the restructuring requirements are attempted to resolve loans through litigation and non-litigation efforts.
e. Cooperate with third parties, including lawyers, property brokers/agents, KPKNL, notaries/PPAT and other related parties in order to support the implementation of NPL handling strategies for the benefit of The Bank in the framework of collection.
f. Maintain the NPL ratio so as to not exceed the predetermined NPL ratio (both The Bank targets and regulatory provisions).

Ke depannya, fungsi SAM akan terus ditingkatkan dengan mencari terobosan baru, antara lain dengan cara melakukan diskusi berkala/sesi tukar pendapat dengan kreditur lain, mengikuti seminar/pelatihan, serta berbagi pengetahuan antar anggota tim sehingga mempunyai wawasan dan pengetahuan serta alternatif baru sebagai berikut:

a. Melakukan upaya non-litigasi dalam penyelesaian kredit debitur NPL melalui upaya preventif, *early warning*, dan negosiasi;
b. Melakukan upaya litigasi melalui pengadilan yang berwenang terhadap debitur NPL yang sudah tidak dapat diselesaikan secara non-litigasi; dan
c. Meningkatkan langkah-langkah penanganan kredit bermasalah yang lebih terarah, baik melalui penyelamatan kredit dengan cara restrukturisasi, lelang, atau penyelesaian kredit yang semua pelaksanaannya tetap mengacu pada ketentuan internal dan eksternal.

Kinerja SAM pada tahun 2019 berhasil menjaga rasio NPL di kisaran 3,14% (posisi 31 Desember 2019) dan berhasil menagih kembali sebesar Rp248,6 miliar serta melakukan hapus buku (*write off*) sebesar Rp621 miliar.

Credit Management (CMD)

CMD ditugaskan untuk melakukan pemantauan kredit, pemantauan sistem kredit, dan kewajiban penjaminan kredit. Pertumbuhan kredit yang berkelanjutan dan sehat harus didukung oleh pemantauan kredit yang komprehensif, sistem yang kuat, dan jaminan kredit. Oleh karena itu, CMD memberikan informasi dan analisis kepada manajemen dan semua unit terkait, seperti *marketing*, *credit review*, *accounting*, *financial management*, manajemen risiko, *special asset management*, dan lainnya, dengan secara berkala melakukan sistem informasi pemantauan kredit.

Pada 2019, dari perspektif pemantauan kredit, CMD memberikan kontribusi dalam perbaikan dan pemantauan proses kredit dengan melakukan penerapan konsep *Maker-Checker* dalam proses transaksi kredit yang akan meningkatkan pemantauan kredit yang lebih cermat.

Selain itu, CMD juga melakukan perbaikan menyeluruh dalam penerapan pemantauan sistem persetujuan kredit secara ketat, pemantauan kalkulasi pencadangan terhadap pinjaman yang lebih komprehensif, pemantauan jaminan kredit dan penilaian ulang jaminan secara periodik, perbaikan menyeluruh pada proses penyimpanan *file* kredit guna mendukung pemantauan kredit yang lebih hati-hati. Semua ini dilakukan dengan dua tujuan, yaitu untuk memperkuat perolehan dan pemeliharaan akuisisi aset dan menerapkan prinsip kehati-hatian pada saat yang bersamaan, termasuk pengaturan batas kredit, persetujuan fasilitas, dokumentasi kredit *soft copy*, dan lain-lain. Selain itu, dari sudut pandang kualitas kredit, CMD memberikan kontribusi dalam pemantauan terus-menerus untuk portofolio pinjaman Bank untuk memastikan kualitas aset yang tinggi sejalan dengan *risk appetite* dan prioritas pertumbuhan Bank.

Credit Review (CRD)

Peran dan tanggung jawab CRD adalah memastikan proses aplikasi kredit yang tepat untuk mendukung kebijakan kredit Bank dan menjaga prosedur analisa kredit di seluruh segmen termasuk *Corporate* dan *Commercial*, SME, dan *Retail*. Hal ini bertujuan untuk membantu menjaga risiko kinerja yang akan dilakukan oleh unit bisnis pada tingkat yang sejalan dengan kebijakan dan prosedur Bank.

Moving forward, SAM functions will continue to be improved by seeking new breakthroughs, including conducting periodic discussions/brainstorming sessions with other creditors, attending seminars/trainings, and sharing knowledge among team members so that they have insight and knowledge and new alternatives as follows:

a. Carry out non-litigation efforts in settling NPL debtor loans through preventive measures, early warning, and negotiations;
b. Carry out litigation efforts through the authorized court against NPL debtors who can no longer be resolved on a non-litigation basis; and
c. Improve more directed measures for handling non-performing loans, either through credit rescue by means of restructuring, auctions, or settlement of credit, all of which implementation still refers to the internal and external provisions.

SAM's performance in 2019 succeeded in maintaining the NPL ratio in the range of 3.14% (as of December 31, 2019) and managed to collect Rp248.6 billion and write off for Rp621 billion.

Credit Management (CMD)

CMD is assigned to perform credit monitoring, credit system monitoring, and credit guarantee obligations. Sustainable and healthy credit growth must be supported by comprehensive credit monitoring, robust system, and credit assurance. Therefore, CMD provides information and analysis to management as well as to all related units, such as marketing, credit review, accounting, financial management, risk management, special asset management, and others, by periodically conducting credit monitoring information system.

In 2019, from the perspective of credit monitoring, CMD contributes in the improvement of credit process and supervision by employing a Maker-Checker concept, applicable towards the credit transaction process which significantly promotes a rigorous credit monitoring process.

In addition, CMD also made comprehensive improvements in the implementation of a tightly controlled credit approval monitoring system, a more comprehensive monitoring of reserve calculation for loans, the implementation of credit guarantees supervision and its periodic assessments, overall improvements in the credit file safe keeping process to support prudent credit monitoring. All of these efforts are done with two objectives in mind; first is to strengthen the acquisition and maintenance of asset procurement coupled with an application of a credit precautionary principle, to include setting credit limits, credit facility approvals, soft copy credit documentation, and others. Meanwhile, from a credit quality standpoint, CMD contributes to ongoing monitoring of The Bank's loan portfolio to ensure high asset quality in line with The Bank's risk appetite and growth priorities.

Credit Review (CRD)

The role and responsibility of CRD is to ensure a suitable credit application process to support The Bank's credit policy and maintain credit analysis procedures across the Corporate and Commercial, SME and Retail segments. The purpose is to help maintaining the risks of business unit performance at a level consistent with The Bank's policies and procedures.

Selain melakukan kajian proposal, CRD turut mengelola limit kredit dari kelompok kredit tunggal atau portofolio bersama serta turut aktif dalam pemantauan portofolio kredit dan pengembangan kebijakan perkreditan, sesuai dengan ketentuan perkreditan yang berlaku dengan memperhatikan prinsip kehati-hatian dan manajemen risiko untuk mendukung kelancaran pencapaian target bisnis secara keseluruhan.

Didukung oleh sumber daya manusia yang telah berpengalaman di bidang perkreditan dan dibekali pengetahuan manajemen risiko yang memadai, CRD telah melakukan analisis kredit secara menyeluruh dan baik guna mendapatkan debitur yang berkualitas sehingga dapat mendukung pertumbuhan portofolio kredit.

***Loan Operation Department* (LOD)**

Loan Operation Department (LOD) dibentuk untuk menggantikan *Credit Support and Administration Department* (CSA). Fungsi LOD hampir sebagian besar sama dengan fungsi CSA. LOD adalah unit pendukung bisnis dalam hal penyaluran kredit yang bertanggung jawab dari segi *legal operations*, *credit administration*, dan beberapa fungsi pelaporan kepada regulator (SLIK, BMPK dan laporan kredit lainnya). Di samping itu, LOD juga berperan sebagai *service agency* yang meliputi agen fasilitas, agen jaminan, dan agen Bank pada pinjaman sindikasi/*club deal* dan/atau bilateral.

Selama tahun 2019 hingga saat ini, Bank melalui LOD melanjutkan transaksi dengan mekanisme *risk participation* yang sudah dimulai sejak tahun 2015 dengan ICBC Group terutama dengan ICBC Limited Hong Kong *Branch Overseas Asset Center*. Transaksi ini ditujukan untuk mendukung proyek-proyek besar di wilayah Republik Indonesia. Sampai dengan akhir Desember 2019, portofolio Bank yang dibukukan dengan metode *risk participation* dengan ICBC Limited Hong Kong *Branch Overseas Asset Center* mencapai USD114,6 juta dengan jumlah 4 (empat) debitur.

Saat ini, LOD sebagai agen memonitor sebagai berikut:
- Agen Fasilitas: 9 (sembilan) debitur
- Agen Jaminan: 8 (delapan) debitur
- Agen Bank: 7 (tujuh) debitur

Besides reviewing proposals, CRD also manages credit limit of a single credit group or joint portfolio, and actively participates in credit portfolio monitoring and the development of credit policy, in accordance with applicable credit provisions by adhering to prudential principles and risk management to support the achievement of overall business targets.

Supported by experienced human resources in the field of credit and equipped with risk management knowledge, CRD has been conducting a thorough and proper credit analysis to obtain qualified debtors to support the growth of loan portfolio.

Loan Operation Department (LOD)

Loan Operation Department (LOD) was established to replace Credit Support and Administration Department (CSA), where the main functions are similar with CSA. LOD is a business support unit in terms of lending with responsibilities in legal operations, credit administration, and other reporting functions to regulators (SLIK, LLL, and other reporting of lending). In addition, LOD acts as a service agency that includes facility agent, security agent and The Bank agent on syndicated loan/club deal and/or bilateral loan.

Throughout 2019, The Bank through LOD continued its transaction with risk participation mechanism started in 2015 with ICBC Group, mainly with ICBC Limited Hong Kong Branch Overseas Asset Center. The transaction was intended to support major projects in Republic of Indonesia. Until the end of December 2019, The Bank portfolios recorded by risk participation mechanism with ICBC Limited Hong Kong Branch Overseas Asset Center reached USD114.6 million with a total of 4 (four) debtors.

At present, LOD as an agent monitors the following:
- *Facility Agent: 9 (nine) debtors*
- *Security Agent: 8 (eight) debtors*
- *The Bank Agent: 7 (seven) debtors*

TINJAUAN **KEUANGAN**
Financial Review

Standar Penyajian Informasi dan Kesesuaian Terhadap PSAK

Analisa dan pembahasan kinerja keuangan pada Laporan Tahunan ini mengacu pada laporan keuangan yang berakhir pada 31 Desember 2019 dan 31 Desember 2018, yang telah diaudit oleh Kantor Akuntan Publik Siddharta Widjaja & Rekan (KPMG). Penyajian dan pengungkapan laporan keuangan Bank disusun dan disajikan sesuai Pernyataan Standar Akuntansi Keuangan (PSAK) yang berlaku di Indonesia.

Pengungkapan yang dicantumkan dalam laporan keuangan sudah lengkap dan akurat dan Bank tidak menghilangkan informasi atau fakta material pada laporan keuangan.

Standard of Presentation of Information and Conformity with PSAK

Analysis and discussion of financial performance in this Annual Report refers to the financial statements ended on December 31, 2019 and December 31, 2018, both of which have been audited by Public Accounting Firm Siddharta Widjaja & Partners (KPMG). The presentation and disclosure of The Bank's financial statements were prepared and presented in ways that were in conformity with applicable Financial Accounting Standards (PSAK) in Indonesia.

The disclosure stated in the financial statements is already complete and accurate, and The Bank did not omit any information or material fact in the financial statements.

Laporan Posisi Keuangan

Perkembangan total aset, liabilitas dan ekuitas Bank tahun 2019 dan perbandingannya dengan tahun 2018, adalah sebagai berikut:

Statements of Financial Position

The development of total assets, liabilities and equity of The Bank in 2019 and its comparison with 2018, is as follows:

dalam Rp miliar | *in Rp billion*

Komponen	2019	2018	Δ YOY (%)	Porsi | *Portion* (%) 2019	Porsi | *Portion* (%) 2018	*Component*
Aset	53.105	54.816	-3,12	100,00	100,00	*Assets*
Liabilitas	47.081	48.899	-3,72	88,66	89,21	*Liabilities*
Ekuitas	6.023	5.917	1,80	11,34	10,79	*Equity*

Untuk memperkokoh daya tahan kinerja keuangan dari berbagai tekanan dan tantangan yang harus dihadapi selama tahun 2019, Bank berupaya meningkatkan permodalannya menjadi lebih kuat. Ekuitas Bank menunjukkan peningkatan sebesar Rp106,60 miliar atau tumbuh 1,80% menjadi Rp6,02 triliun, dari tahun sebelumnya sebesar Rp5,92 triliun. Sementara itu, total aset dan liabilitas Bank pada tahun 2019 mengalami sedikit koreksi dibanding tahun sebelumnya dengan masing-masing sebesar Rp53,11 triliun dan Rp47,08 triliun.

To strengthen the resilience of financial performance from various pressures and dynamics in 2019, The Bank strived to strengthen its capital. The equity of The Bank showed an increase of Rp106.60 billion or 1.80% to Rp6.02 trillion, from previous year figure of Rp 5.92 trillion. Meanwhile, total assets and liabilities of The Bank in 2019 slightly decreased compared to the previous year, which respectively recorded at Rp53.11 trillion and Rp47.08 trillion.

Aset | *Assets*

dalam Rp miliar | *in Rp billion*

Komponen	2019	2018	Δ YOY (%)	Porsi | *Portion* (%) 2019	Porsi | *Portion* (%) 2018	*Component*
Kas	80	63	25,35	0,15	0,12	*Cash*
Giro pada Bank Indonesia	3.145	3.848	-18,28	5,92	7,02	*Current accounts with Bank Indonesia*
Giro pada bank-bank lain	3.622	3.456	4,80	6,82	6,31	*Current accounts with other banks*
Penempatan pada Bank Indonesia dan bank-bank lain	2.401	5.411	-55,63	4,52	9,87	*Placements with Bank Indonesia and other banks*

Komponen	2019	2018	Δ YOY	Porsi | *Portion* (%)		*Component*
			(%)	2019	2018	
Aset derivatif	47	267	-82,61	0,09	0,49	*Derrivative assets*
Tagihan akseptasi	201	595	-66,26	0,38	1,09	*Acceptance receivables*
Efek-efek yang dibeli dengan janji dijual kembali	3.513	-	-	6,62	-	*Securities purchased under agreements to resell*
Efek-efek untuk tujuan investasi	3.714	3.791	-2,03	6,99	6,92	*Investment securities*
Kredit yang diberikan	35.276	36.542	-3,46	66,43	66,66	*Loans receivable*
Aset tetap	265	247	7,16	0,50	0,45	*Fixed assets*
Aset pajak tangguhan	591	287	105,47	1,11	0,52	*Deffered tax assets*
Aset lain-lain	251	307	-18,17	0,47	0,56	*Other assets*
Jumlah Aset	**53.105**	**54.816**	**-3,12**	**100,00**	**100,00**	***Total Assets***

Aset
Realisasi total aset Bank mengalami koreksi pada tahun 2019 menjadi Rp53,11 triliun. Penurunan total aset ini dipengaruhi oleh menurunnya penempatan pada Bank Indonesia dan bank-bank lain yang menjadi Rp2,40 triliun pada tahun 2019 dari sebelumnya sebesar Rp5,41 triliun pada tahun 2018, serta menurunnya kredit yang diberikan dari sebelumnya Rp36,54 triliun menjadi Rp35,28 trilliun.

Assets
In 2019, The Bank's total assets decreased to Rp53.11 trillion. The decrease of total assets was influenced by the downfall of placements with Bank Indonesia and other banks to Rp2.40 trillion in 2019, from previously Rp5.41 trillion, and the decrease of loans receivable from Rp36.54 trillion to Rp35.28 trillion.

Kas, Giro dan Penempatan pada Bank Indonesia
Posisi kas, giro dan penempatan pada Bank Indonesia di akhir tahun 2019 terjumlah Rp3,60 triliun, atau menurun 50,44% dibandingkan tahun sebelumnya. Pada pos tersebut, saldo kas mencapai Rp79,59 miliar sedangkan giro dan penempatan pada Bank Indonesia mencapai Rp3,52 triliun. Posisi kas Bank senantiasa dijaga pada level yang memadai untuk memenuhi kebutuhan transaksi uang tunai nasabah.

Cash, Current Accounts and Placements with Bank Indonesia
At the end of 2019, the position of cash, current accounts and placements with Bank Indonesia was recorded at Rp3.60 trillion or decreased by 50.44% from the previous year. Cash balance reached Rp79.59 billion while current accounts and placements with Bank Indonesia reached Rp3.52 trillion. The Bank always maintains the adequacy of its cash balance in order to fulfill the customers' cash transactions.

Giro dan Penempatan pada Bank Lain
Hingga triwulan keempat 2019, giro dan penempatan pada bank lain terjumlah Rp5,65 triliun atau meningkat 2,38% dibanding periode sebelumnya yang sebesar Rp5,52 triliun. Bank mengalokasikan dana ke giro pada bank lain sebesar Rp3,62 triliun per tahun 2019, atau naik 4,80% dibandingkan tahun sebelumnya yang sebesar Rp3,46 triliun. Sedangkan penempatan pada bank lain mengalami penurunan dari Rp2,06 triliun pada tahun 2018 menjadi Rp2,03 triliun pada tahun 2019. Penurunan penempatan bank lain ini disebabkan Bank melakukan realokasi dana guna mengoptimalkan imbal hasil dengan risiko yang tetap terjaga.

Current Accounts and Placements with Other Banks
Up to the fourth quarter of 2019, current accounts and placement with other banks was recorded at Rp5.65 trillion or increased by 2.38% from the previous year figure of Rp5.52 trillion. The Bank allocated its fund to current accounts in other banks for Rp3.62 trillion in 2019, which rose by 4.80% as compared to 2018 figure of Rp3.46 trillion. Meanwhile, placements with other banks decreased from Rp2.06 trillion in 2018 to Rp2.03 trillion in 2019. The decrease of placements with other banks was due to fund relocation to optimize return while maintaining the risks.

Aset Derivatif

Akun aset derivatif Bank mengalami penurunan hingga 82,61% menjadi Rp46,51 miliar dari sebelumnya Rp267,42 miliar. Pada praktiknya, aset derivatif mengacu pada sistem manajemen risiko yang sesuai dengan ketentuan dan praktik terbaik. Seluruh transaksi derivatif yang dilakukan ditujukan untuk kepentingan Bank maupun nasabah.

Derivative Assets

The Bank's derivative assets dropped significantly by 82.61% to Rp46.51 billion, from previously Rp267.42 billion. In practice, derivative assets refers to the risk management system that coherent with the provisions and best practices, and all derivative transactions are intended for fulfilling the interest of The Bank and customers.

Kredit

Pada tahun 2019, kredit Bank menurun 3,46% menjadi Rp35,28 triliun dari sebelumnya sebesar Rp36,54 triliun pada tahun 2018. Penurunan kredit ini mengurangi porsi kredit terhadap total aset Bank dari sebelumnya 66,66% per tahun 2018 menjadi 66,43% pada tahun 2019.

Meskipun demikian, penurunan kredit pada tahun 2019 sejalan dengan kualitas kredit yang tetap terjaga dan berada di level yang masih aman. Bank senantiasa menerapkan prinsip kehati-hatian dalam penyaluran kredit, memantau kondisi bisnis dan ekonomi, serta faktor-faktor lainnya yang dapat mempengaruhi kualitas kredit dan kemampuan pembayaran hutang debitur. Adapun rasio kredit bermasalah atau NPL Bank berada pada level 3,14% pada tahun 2019, lebih baik dibanding tahun sebelumnya (3,57%).

Pencapaian kredit ini belum sepenuhnya optimal. Sebab, masih cukup banyak fasilitas kredit yang sudah disetujui tetapi belum sepenuhnya dimanfaatkan oleh nasabah (*undisbursed loan uncommited*), dan juga sedikitnya penambahan debitur baru. Komposisi pemberian kredit masih didominasi oleh kredit dalam bentuk valuta asing yang mencapai Rp22,27 triliun atau sekitar 61,84% dari total kredit.

Loans

In 2019, The Bank's loans declined by 3.46% to Rp35.28 trillion from Rp36.54 trillion in 2018. The decline of loans reduced the portion of loans to The Bank's total assets from 66.66% as at 2018 to 66.43% in 2019.

Nevertheless, the decline of loans in 2019 was in line with the maintained credit quality and remained at an attainable level. The Bank strives to implement prudential principles in its lending activities, monitors business and economic conditions, and other factors that may influence credit quality and solvency of debtors. As such, The Bank's non-performing loan or NPL ratio was at 3.14% in 2019, better than the previous year (3.57%).

This achievement of loans is not fully optimized, as The Bank still recorded a number of undisbursed loan uncommitted and small rise in the number of new debtors. The composition of lending is still dominated by foreign currency loans which reached Rp22.27 trillion or around 61.84% from the total loans.

Jenis Kredit | *Type of Loans*

dalam Rp miliar | *in Rp billion*

Komponen	2019	2018	Δ YOY (%)	Porsi | *Portion* (%) 2019	Porsi | *Portion* (%) 2018	*Component*
Kredit Modal Kerja	18.108	18.428	-1,74	50,29	49,52	*Working Capital Loans*
Kredit Investasi	17.534	18.301	-4,19	48,69	49,18	*Investment Loans*
Kredit Konsumsi	368	485	-24,12	1,02	1,30	*Consumer Loans*
Jumlah Kredit	**36.009**	**37.214**	**-3,24**	**100,00**	**100,00**	***Total Loans***

Berdasarkan jenisnya, kredit modal kerja dan kredit investasi masih merupakan kontributor terbesar terhadap total kredit Bank. Masing-masingnya berkontribusi sebesar 50,29% dan 48,69% pada akhir 2019. Sementara itu, kontribusi kredit konsumsi masih relatif belum besar yakni sebanyak 1,02% dari total kredit Bank pada tahun 2019.

Based on its type, working capital loans and investment loans remain the largest contributor to The Bank's total loans, which respectively at 50.29% and 48.69% at the end of 2019. Meanwhile, the contribution of consumer loans was still relatively low with the result of 1.02% from The Bank's total loans in 2019.

Kredit berdasarkan Sektor Ekonomi | *Loans by Economic Sector*

dalam Rp miliar | *in Rp billion*

Komponen	2019	2018	Δ YOY (%)	Porsi | *Portion* (%) 2019	Porsi | *Portion* (%) 2018	*Component*
Perantara Keuangan	7.300	6.032	21,02	20,27	16,21	*Financial Intermediaries*
Industri Pengolahan	6.342	7.472	-15,12	17,61	20,08	*Manufacturing*
Pertambangan	4.333	4.465	-2,97	12,03	12,00	*Mining*
Real Estate, Persewaan, dan Jasa Dunia Usaha	3.868	4.194	-7,79	10,74	11,27	*Real Estate, Leasing, and Business Services*
Konstruksi	3.275	3.241	1,05	9,09	8,71	*Construction*
Listrik, Gas, dan Air	3.221	2.834	13,69	8,95	7,61	*Electricity, Gas, and Water*
Perdagangan, Hotel, dan Restoran	2.799	4.109	-31,88	7,77	11,04	*Trading, Hotel, and Restaurant*
Pertanian, Perkebunan, dan Sarana Pertanian	2.365	2.334	1,35	6,57	6,27	*Agriculture, Farming, and Agriculture Facilities*
Pengangkutan, Pergudangan, dan Komunikasi	2.134	2.045	4,34	5,93	5,50	*Transportation, Warehousing, and Communication*
Jasa-jasa Sosial/ Masyarakat	5	3	36,57	0,01	0,01	*Social/Public Services*
Lain-lain	368	485	-24,12	1,02	1,30	*Others*
Jumlah	**36.009**	**37.214**	**-3,24**	**100,00**	**100,00**	***Total***

Berdasarkan sektor ekonomi, realisasi pemberian kredit terbesar berasal dari sektor perantara keuangan yang berkontribusi Rp7,30 triliun dengan pertumbuhan 21,02% dibandingkan tahun sebelumnya dan mendominasi komposisi dari portofolio kredit Bank sebesar 20,27%. Untuk sektor industri pengolahan yang merupakan kontributor kredit terbesar kedua, portofolio kreditnya sebesar 17,61% dari total kredit. Kemudian diikuti oleh sektor pertambangan dengan kontribusi 12,03% dari total kredit Bank.

Beberapa sektor industri yang realisasi kreditnya berada di bawah proyeksi disebabkan adanya beberapa faktor, antara lain: terdapat penghapusan buku, adanya pelunasan kredit dan kurangnya utilitas fasilitas kredit yang tercapai sampai triwulan akhir tahun 2019.

Based on economic sectors, the largest lending is derived from financial intermediaries sector with total contribution of Rp7.30 trillion and the growth of 21.02% from the previous year. Financial intermediaries sector also dominated The Bank's total loan portfolios by 20.27%. As of manufacturing sector which was the second largest lending contributor, it has loan portfolios of 17.61% from the total loans, followed by mining that contributed 12.03% to The Bank's total loans.

Industrial sectors which credit realization below the projection were caused by several factors, among others: write off, loan repayment and the lack of loan facility being utilized until the last quarter of 2019.

Kredit UMKM | *MSME Loans*

dalam Rp miliar | *in Rp billion*

Komponen	2019	2018	Δ YOY (%)	Porsi | *Portion* (%) 2019	Porsi | *Portion* (%) 2018	*Component*
Usaha Mikro	-	-	-	0,00	0,00	*Micro Enterprise*
Usaha Kecil	2	2	-1,16	0,92	0,77	*Small Enterprise*
Usaha Menengah	200	245	-18,31	99,08	99,23	*Medium Enterprise*
Jumlah	**202**	**247**	**-18,18**	**100,00**	**100,00**	***Total***

Pada akhir tahun 2019, total kredit yang diberikan pada sektor Usaha Mikro, Kecil dan Menengah (UMKM) mencapai Rp202,06 miliar. Usaha skala menengah masih mendominasi pemberian kredit UMKM dengan porsi terbesar yaitu 99,08% dari total kredit UMKM. Bank telah mengupayakan pengembangan sektor UMKM sesuai dengan kemampuan Bank.

At the end of 2019, total lending from Micro, Small and Medium Enterprises (MSME) reached Rp202.06 billion. Medium enterprise still dominates the MSME lending with the largest portion of 99.08% from the total MSME loans. The Bank strives to develop its MSME sector in accordance with The Bank's ability.

Liabilitas

Liabilitas Bank tercatat sebesar Rp47,08 triliun pada tahun 2019, menurun 3,72% atau Rp1,82 triliun dibandingkan tahun 2018 yang sebesar Rp48,90 triliun. Penurunan liabilitas ini terutama disebabkan Dana Pihak Ketiga (DPK) Bank tahun 2019 turun 11,53% dibandingkan tahun 2018. Selain itu, pinjaman yang diterima pada tahun 2019 juga terlihat menurun 18,56% dari posisi tahun sebelumnya.

Liabilities

In 2019, The Bank's liabilities was recorded at Rp47.08 trillion, a decrease of 3.72% or Rp1.82 trillion from Rp48.90 trillion in 2018. The decrease was mainly due to a decrease of The Bank's Third Party Funds (TPF) in 2019 by 11.53% as compared to 2018. In addition, total borrowings also decreased by 18.56% from the previous year position.

Liabilitas | *Liabilities*

dalam Rp miliar | *in Rp billion*

Komponen	2019	2018	Δ YOY (%)	Porsi | *Portion* (%) 2019	Porsi | *Portion* (%) 2018	*Component*
Liabilitas segera	3	2	8,87	0,01	0,00	*Liabilities immediately payable*
Simpanan nasabah	27.062	30.588	-11,53	57,48	62,55	*Deposits from customers*
- Giro	5.193	7.360	-29,44	11,03	15,05	*Current Accounts -*
- Tabungan	1.284	1.352	-5,03	2,73	2,76	*Saving Accounts -*
- Deposito	20.584	21.876	-5,91	43,72	44,74	*Time Deposits -*
Simpanan dari bank-bank lain	3.732	2.227	67,53	7,93	4,56	*Deposits from other banks*
Liabilitas derivatif	0	1	-97,21	0,00	0,00	*Derivative liabilities*
Efek-efek yang dijual dengan janji dibeli kembali	2.299	-	0,00	4,88	-	*Securities sold under agreements to repurchase*
Liabilitas akseptasi	201	595	-66,26	0,43	1,22	*Acceptance payables*
Utang pajak penghasilan	272	4	6736,51	0,58	0,01	*Income tax payables*

Komponen	2019	2018	Δ YOY	Porsi | *Portion* (%)		*Component*
			(%)	2019	2018	
Pinjaman yang diterima	11.223	13.780	-18,56	23,84	28,18	*Borrowings*
Efek-efek yang diterbitkan	-	-	-	-	-	*Securities issued*
Liabilitas lain-lain dan beban yang masih harus dibayar	418	479	-12,84	0,89	0,98	*Other liabilities and accrued expenses*
Pinjaman subordinasi	1.874	1.222	53,33	3,98	2,50	*Subordinated loans*
Jumlah Liabilitas	**47.081**	**48.899**	**-3,72**	**100,00**	**100,00**	***Total Liabilities***

Dana Pihak Ketiga

Dana Pihak Ketiga (DPK) Bank menurun menjadi Rp27,06 triliun pada tahun 2019 dibanding tahun 2018 yang masih sebesar Rp30,59 triliun. Adapun penurunan DPK Bank terutama disebabkan giro yang menurun sebesar 29,44% menjadi Rp5,19 triliun, dari tahun 2018 yang sebesar Rp7,36 triliun. Total giro dalam mata uang Rupiah dan valas pada akhir Desember 2019 masing-masing tercatat Rp1,42 triliun dan Rp3,77 triliun.

Di samping itu, deposito dan tabungan Bank juga menunjukkan penurunan berturut-turut sebesar 5,91% dan 5,03% dibandingkan tahun sebelumnya, atau secara nominal menjadi Rp20,58 triliun dan Rp1,28 triliun. Tidak diperpanjangnya deposito oleh beberapa nasabah juga menjadi pemicu menurunnya DPK Bank di tahun 2019.

Dengan demikian, porsi dana murah atau *Current Accounts and Saving Accounts* (CASA) Bank terhadap total DPK menurun dari sebelumnya 28,48% pada tahun 2018 menjadi 23,93% pada tahun 2019. Sedangkan kontribusi dana mahal Bank terhadap total DPK meningkat dari 71,52% menjadi 76,07%.

Simpanan dari Bank Lain, Liabilitas Akseptasi, dan Pinjaman yang Diterima

Pada tahun 2019, Bank meningkatkan simpanan dari bank lain hingga 67,53% dari Rp2,23 triliun pada tahun 2018 naik menjadi Rp3,73 triliun. Adanya tambahan liabilitas dari efek-efek yang dijual dengan janji dibeli kembali yang membukukan Rp2,30 triliun pada akhir 2019. Sebaliknya, akun pos pinjaman yang diterima Bank menunjukkan penurunan hingga 18,56% menjadi Rp11,22 triliun dari sebelumnya Rp13,78 triliun pada tahun 2018.

Ekuitas

Pada tahun 2019, total ekuitas Bank tumbuh 1,80% atau Rp106,60 miliar menjadi Rp6,02 triliun. Kenaikan ekuitas ini menjaga posisi permodalan Bank berada pada level yang sehat dengan rasio kecukupan modal (CAR) sebesar 21,64%. Komponen ekuitas Bank selengkapnya terlihat dalam tabel berikut:

Third Party Funds

The Bank's Third Party Funds (TPF) declined to Rp27.06 trillion in 2019 as compared to Rp30.59 trillion in 2018. The decline in The Bank's TFF was mainly due to a decrease in current accounts by 29.44% to Rp5.19 trillion, from previously Rp7.36 trillion. As of December 2019, total current accounts both in Rupiah and foreign currency respectively recorded at Rp1.42 trillion and Rp3.77 trillion.

In addition, The Bank's time deposits and saving accounts also showed a decrease respectively by 5.91% and 5.03% or nominally to Rp20.58 trillion and Rp1.28 trillion. The non-renewal of time deposits by some customers also triggered the decline in The Bank's TPF in 2019.

As such, The Bank's portion on low cost of funds or Current Accounts and Savings Accounts (CASA) to total TPF decreased from the previous level of 28.48% in 2018 to 23.93% in 2019. While, The Bank's high cost of funds to total TPF increased from 71.52% to 76.07%.

Deposits from Other Banks, Acceptance Payables, and Borrowings

In 2019, The Bank increased deposits from other banks by 67.53% from Rp2.23 trillion in 2018 to Rp3.73 trillion. The Bank also increased the securities sold under agreements to repurchase to Rp2.30 trillion by the end of 2019. On the contrary, The Bank's borrowings showed a decrease of 18.56% to Rp11.22 trillion from Rp13.78 trillion in 2018.

Equity

Total equity of The Bank grew 1.80% or by Rp106.60 billion to Rp6.02 trillion in 2019. The increase of equity secured The Bank's capital at a sound level with Capital Adequacy Ratio (CAR) of 21.64%. The comprehensive components of The Bank's equity are illustrated in the following table:

Ekuitas | *Equity*

dalam Rp miliar | *in Rp billion*

Komponen	2019	2018	Δ YOY (%)	Porsi | *Portion* (%) 2019	Porsi | *Portion* (%) 2018	*Component*
Modal saham	3.706	3.706	0,00	61,53	62,64	*Share capital*
Cadangan nilai wajar – bersih	13	(16)	-180,57	0,22	(0,27)	*Fair value reserve - net*
Saldo laba						*Retained earnings*
- Telah ditentukan penggunaannya	236	224	5,12	3,92	3,79	*Appropriated -*
- Belum ditentukan penggunaannya	2.068	2.002	3,30	34,34	33,84	*Unappropriated -*
Jumlah Ekuitas	**6.023**	**5.917**	**1,80**	**100,00**	**100,00**	***Total Equity***

Laporan Laba Rugi
Perolehan laba bersih Bank tercatat sebesar Rp79,36 miliar pada tahun 2019. Hasil ini terutama diperoleh dari penghematan pada beban operasional lainnya.

Statements of Profit or Loss
The Bank recorded net profit of Rp79.36 billion in 2019. This result was mainly derived from the decrease in other operating expenses.

Laporan Laba Rugi | *Statements of Profit or Loss*

dalam Rp miliar | *in Rp billion*

Komponen	2019	2018	Kenaikan/Penurunan *Increase/Decrease*	Δ YOY (%)	*Component*
Pendapatan bunga	3.040	3.179	(138,68)	-4,36	*Interest income*
Beban bunga	(2.141)	(2.074)	(67,51)	3,26	*Interest expense*
Pendapatan bunga – bersih	899	1.105	(206,19)	-18,66	*Net interest income*
Pendapatan operasional lainnya	436	418	17,26	4,13	*Other operating income*
Beban operasional lainnya	(1.218)	(1.318)	100,08	-7,59	*Other operating expenses*
Laba (rugi) sebelum pajak	116	205	(88,84)	-43,34	*Profit (loss) before income tax*
Beban pajak penghasilan	(37)	(57)	20,45	-35,73	*Income tax expense*
Laba (rugi) bersih	79	148	(68,39)	-46,29	*Profit (loss) after income tax - net*

Pendapatan Bunga

Pada tahun 2019, pendapatan bunga Bank mengalami koreksi 4,36% atau sebesar Rp138,68 miliar menjadi Rp3,04 triliun. Hal ini sejalan dengan pertumbuhan kredit Bank yang juga mengalami penurunan selama tahun 2019, yang berdampak langsung dengan penurunan pendapatan bunga dari kredit yang diberikan sebesar Rp176,16 miliar dari tahun sebelumnya atau turun 6,60%. Peningkatan yang signifikan pada pendapatan bunga dari efek-efek yang dibeli dengan janji dijual kembali sebesar 105,36% dibandingkan tahun sebelumnya, belum mampu mendongkrak pendapatan bunga secara keseluruhan, karena terdapat beberapa penurunan dari aset produktif selama tahun 2019.

Interest Income

In 2019, The Bank's interest income fell 4.36% or by Rp138.68 billion to Rp3.04 trillion. This was in line with The Bank's loans growth that fell during 2019 and which significantly impacted the decline of interest income from lending by Rp176.16 billion or 6.60% as compared to previous year. A significant increase in interest income from securities purchased under agreements to resell of 105.36% has not been able to boost the interest income as a whole, due to several decrease in earning assets during 2019.

Pendapatan Bunga | *Interest Income*

dalam Rp miliar | *in Rp billion*

Komponen	2019	2018	Δ YOY (%)	Porsi | *Portion* (%) 2019	Porsi | *Portion* (%) 2018	*Component*
Kredit yang diberikan	2.493	2.669	-6,60	82,00	83,97	*Loans*
Penempatan pada Bank Indonesia dan bank-bank lain	182	186	-2,09	5,98	5,84	*Placements with Bank Indonesia and other banks*
Efek-efek untuk tujuan investasi	173	219	-21,01	5,70	6,90	*Investment securities*
Efek-efek yang dibeli dengan janji dijual kembali	167	81	105,36	5,49	2,56	*Securities purchased under agreements to resell*
Giro pada Bank Indonesia dan bank-bank lain	25	23	7,68	0,83	0,74	*Current accounts with Bank Indonesia and other banks*
Jumlah	**3.040**	**3.179**	**-4,36**	**100,00**	**100,00**	***Total***

Beban Bunga

Beban bunga Bank naik 3,26% pada tahun 2019, atau menjadi Rp2,14 triliun dari Rp2,07 triliun pada tahun 2018. Beban Bunga yang lebih tinggi tersebut khususnya berasal dari peningkatan pinjaman subordinasi sampai akhir tahun 2019.

Interest Expense

The Bank's interest expense rose by 3.26% in 2019, or to Rp2.14 trillion from Rp2.07 trillion in 2018. The high interest expense was mainly derived from the increase of subordinated loans until the end of 2019.

Beban Bunga | *Interest Expense*

dalam Rp miliar | *in Rp billion*

Komponen	2019	2018	Δ YOY (%)	Porsi | *Portion* (%) 2019	Porsi | *Portion* (%) 2018	*Component*
Simpanan nasabah	1.418	1.480	-4,16	66,25	71,38	*Deposits from customers*
Pinjaman subordinasi dan pinjaman yang diterima	534	433	23,33	24,94	20,88	*Subordinated loans and borrowings*
Simpanan dari bank-bank lain	118	70	67,12	5,50	3,40	*Deposits from other banks*

Komponen	2019	2018	Δ YOY (%)	Porsi | *Portion* (%) 2019	Porsi | *Portion* (%) 2018	*Component*
Premi penjaminan dana pihak ketiga	61	69	-12,53	2,84	3,35	*Premium on third party funds guarantee*
Efek-efek yang diterbitkan	-	20	-100,00	-	0,97	*Securities issued*
Efek-efek yang dijual dengan janji dibeli kembali	10	1	1476,35	0,48	0,03	*Securities sold under agreements to repurchase*
Jumlah	**2.141**	**2.074**	**3,26**	**100,00**	**100,00**	***Total***

Pendapatan Bunga Bersih
Pada tahun 2019, pendapatan bunga bersih Bank mengalami penurunan sebesar 18,66% dari tahun sebelumya menjadi Rp898,82 miliar. Hal ini tak lepas dari masih besarnya porsi dana mahal dalam struktur DPK Bank, serta instrumen kewajiban yang cukup tinggi beban bunganya. Oleh karena itu, Bank akan terus berupaya mengelola *cost of funds* lebih proaktif kedepannya

Net Interest Income
In 2019, The Bank's net interest income decreased by 18.66% from the previous year to Rp898.82 billion. This was due to larger portion of high cost of funds in The Bank's TPF structure and other liabilities instruments with high interest expense. As such, going forward The Bank strives to manage its cost of funds more proactively.

Pendapatan Operasional Lainnya
Pendapatan operasional lainnya selama tahun 2019 mengalami peningkatan sebesar 4,13% dari Rp418,29 miliar pada akhir tahun 2018 menjadi Rp435,56 miliar pada akhir tahun 2019. Hal ini disebabkan khususnya pada akun pos lain-lain yang mengalami peningkatan signifikan mencapai lebih dari 500% dibandingkan pencapaian tahun sebelumnya.

Other Operating Income
Other operating income rose by 4.13% throughout 2019 from Rp418.29 billion at the end of 2018 to Rp435.56 billion at the end of 2019. This was particularly due to a significant increase of others component by more than 500% as compared to its achievement in the previous year.

Pendapatan Operasional Lainnya | *Other Operating Income*

dalam Rp miliar | *in Rp billion*

Komponen	2019	2018	Δ YOY (%)	Porsi | *Portion* (%) 2019	Porsi | *Portion* (%) 2018	*Component*
Provisi dan komisi lainnya	70	87	-19,68	15,98	20,71	*Other fees and commissions*
Keuntungan transaksi mata uang asing - bersih	233	308	-24,32	53,44	73,52	*Gains on foreign exchange transactions - net*
Keuntungan atas penjualan efek-efek untuk tujuan investasi - bersih	8	5	60,24	1,72	1,12	*Gains on sale of investment securities - net*
Lain-lain	126	19	546,53	28,86	4,65	*Others*
Jumlah	**436**	**418**	**4,13**	**100,00**	**100,00**	***Total***

Beban Operasional Lainnya
Pada tahun 2019, beban operasional selain bunga mengalami perbaikanan 7,59% dari sebelumnya sebesar Rp1,32 triliun menjadi Rp1,22 triliun. Penurunan ini disebabkan karena adanya perbaikan pada kerugian penurunan nilai aset keuangan sepanjang tahun 2019. Bank akan terus berupaya meningkatkan efisiensi operasional, baik itu melalui pemanfaatan teknologi maupun otomasi. Selain itu, proses operasional dan prosedur administrasi juga senantiasa akan dikaji untuk disempurnakan tanpa menghilangkan prinsip kehati-hatian dalam menjalankan usaha.

Other Operating Expenses
In 2019, other operating expenses declined by 7.59% from previously Rp1.32 trillion to Rp1.22 trillion. The decline was due to an improvement in the impairment losses on financial assets throughout 2019. The Bank will continue improving its operations efficiency, both through utilization of technology and automation. Moreover, operational processes and administration procedures will continuously be reviewed for refinement while maintaining the prudential principles in progressing the business.

Beban Operasional Lainnya | *Other Operating Expenses*

dalam Rp miliar | *in Rp billion*

Komponen	2019	2018	Δ YOY (%)	Porsi | *Portion* (%) 2019	Porsi | *Portion* (%) 2018	*Component*
Beban kerugian penurunan nilai aset keuangan - bersih	(725)	(842)	-13,91	59,50	63,87	*Impairment losses on financial assets - net*
Beban umum dan administrasi	(155)	(156)	-0,69	12,68	11,80	*General and administrative expenses*
Beban tenaga kerja	(309)	(289)	6,83	25,39	21,96	*Personal expenses*
Lain-lain	(30)	(31)	-5,37	2,43	2,37	*Others*
Jumlah	**(1.218)**	**(1.318)**	**-7,59**	**100,00**	**100,00**	***Total***

Laba Sebelum Pajak
Bank membukukan laba sebelum pajak penghasilan sebesar Rp116,15 miliar pada akhir tahun 2019. Hasil positif laba sebelum pajak penghasilan ini terutama ditopang dari masih positifnya hasil pendapatan bunga bersih dan pendapatan operasional lainnya pada tahun 2019.

Profit Before Tax Income
The Bank booked profit before tax income of Rp116.15 billion at the end of 2019. This positive result was mainly supported by the positive net interest income and other operating income during 2019.

Laba Bersih
Per 31 Desember 2019, Bank membukukan laba bersih sebesar Rp79,36 miliar. Hasil positif ini tak lepas dari upaya Bank melakukan pengendalian terhadap beban operasional yang lebih efektif dan efisien dibandingkan dengan tahun sebelumnya.

Net Income
As of December 31, 2019, The Bank recorded net income of Rp79.36 billion. This positive result was due to The Bank's efforts in controlling the operating expenses more effectively and efficiently as compared to the previous year.

Laporan Arus Kas
Laporan arus kas menyajikan perubahan dalam kas dan setara kas dari aktivitas operasi, investasi dan pendanaan. Laporan arus kas disusun dengan metode langsung. Untuk tujuan laporan arus kas, kas dan setara kas meliputi kas, giro pada Bank Indonesia, giro pada bank-bank lain, dan penempatan pada Bank Indonesia dan bank-bank lain yang jatuh tempo dalam waktu 3 (tiga) bulan sejak tanggal perolehan, sepanjang tidak digunakan sebagai jaminan atas pinjaman yang diterima serta tidak dibatasi penggunannya.

Statement of Cash Flows
The statement of cash flows presents the changes in cash and cash equivalents from operating, investing and financing activities. Statement of cash flows is prepared using a direct method. For the purpose of statement of cash flows, cash and cash equivalents which consist of cash, current accounts with Bank Indonesia, current accounts with other banks, and placements with Bank Indonesia and other banks, and that mature within 3 (three) months from the date of acquisition, as long as they are not being pledged as collateral for borrowings nor restricted.

Arus Kas dari Aktivitas Operasi

Bank membukukan arus kas sebelum perubahan dalam aset dan liabilitas operasi tahun 2019 sebesar negatif Rp228,69 miliar. Sedangkan arus kas bersih dari aktivitas operasi untuk tahun 2019 tercatat negatif Rp1,57 triliun atau 69,88% lebih baik dibandingkan posisi tahun sebelumnya yang sebesar negatif Rp5,22 triliun.

Arus Kas dari Aktivitas Investasi

Arus kas bersih yang digunakan untuk aktivitas investasi selama tahun 2019 adalah sebesar Rp59,38 miliar. Penurunan terutama berasal dari efek-efek tersedia untuk dijual dan dimiliki hingga jatuh tempo sebesar Rp114,50 miliar, 94,96% lebih rendah dibandingkan posisi tahun 2018 sebesar Rp2,27 triliun.

Arus Kas dari Aktivitas Pendanaan

Arus kas bersih yang digunakan untuk aktivitas pendanaan selama tahun 2019 sebesar negatif Rp1,46 triliun, yang berasal dari hasil pinjaman yang diterima sebesar Rp4,03 triliun, pembayaran untuk pinjaman yang diterima senilai Rp6,19 triliun, hasil dari pinjaman subordinasi sebanyak Rp1,06 triliun, serta pembayaran untuk pinjaman subordinasi sebesar Rp354,88 miliar.

Dari ketiga arus kas tersebut diatas, kas dan setara kas awal tahun mencapai Rp10,95 triliun pada 2019, naik dari Rp10,24 triliun pada 2018. Sedangkan, kas dan setara kas akhir tahun 2019 tercatat sebesar Rp7,92 triliun, 27,65% menurun dibandingkan pada posisi tahun 2018.

Cash Flows from Operating Activities

The Bank booked cash flows before changes in operating assets and liabilities in 2019 amounted to negative Rp228.69 billion. While net cash flows from operating activities in 2019 was recorded at negative Rp1.57 trillion or 69.88% better than the previous year's position of negative Rp5.22 trillion.

Cash Flows from Investing Activities

During 2019, net cash flows used for investing activities was amounted at Rp59.38 billion. The decline was mainly derived from available for sales and held to maturity securities amounted to Rp114.50 billion, 94.96% lower than the position of 2018 of Rp2.27 trillion.

Cash Flows from Financing Activities

Net cash flows used for financing activities throughout 2019 was amounted at Rp1.46 trillion, derived from proceeds from borrowings amounted to Rp4.03 trillion, payments for borrowings at Rp6.19 trillion, proceeds from subordinated loans at Rp1.06 trillion, and payments for subordinated loans at Rp354.88 billion.

Based on the above-mentioned cash flows, cash and cash equivalents at the beginning of the year reached Rp10.95 trillion in 2019, increased from Rp10.24 trillion in 2018. Meanwhile, cash and cash equivalents at the end of the year was recorded at Rp7.92 trillion, 27.65% lower than the position of 2018.

MANAJEMEN UTANG **DAN PIUTANG**

Solvency and Receivables Management

Rasio Keuangan Utama | *Key Financial Ratio*

dalam persentase | *in percentage*

Komponen	2019	2018	*Component*
Rasio Kecukupan Modal	21,64%	16,42%	*Capital Adequacy Ratio*
Rasio Kredit Bermasalah - Bruto	3,14%	3,57%	*Non-Performing Loan (NPL) - Gross*
Rasio Kredit Bermasalah - Bersih	1,77%	2,47%	*Non-Performing Loan (NPL) - Net*
Tingkat Pengembalian atas Aset	0,22%	0,28%	*Return on Asset (ROA)*
Tingkat Pengembalian atas Ekuitas	1,48%	2,19%	*Return on Equity (ROE)*
Marjin Bunga Bersih	2,00%	2,35%	*Net Interest Margin (NIM)*
Biaya Operasional terhadap Pendapatan Operasional (BOPO)	92,83%	96,77%	*Operating Expense to Operating Income (BOPO)*
Rasio Kredit terhadap Dana Pihak Ketiga	130,07%	119,33%	*Loans to Deposit Ratio (LDR)*
Rasio Dana Murah	23,93%	28,48%	*CASA to Third Party Funds*
Rasio Liabilitas terhadap Ekuitas	781,65%	826,46%	*Debt to Equity Ratio*
Rasio Liabilitas terhadap Aset	88,66%	89,21%	*Debt to Assets Ratio*

Rasio Kecukupan Modal (CAR)

Pada tahun 2019, Bank terus menjaga level posisi permodalannya yang tercermin dalam rasio kecukupan modal (CAR) yang tercatat sebesar 21,64%. Posisi rasio CAR tersebut berada di atas persyaratan minimum sesuai profil risiko yang ditetapkan oleh regulator. Total permodalan Bank yang terdiri dari modal inti serta modal pelengkap untuk mengantisipasi risiko kredit, risiko pasar, dan risiko operasional mencapai Rp7,40 triliun pada akhir 2019.

Capital Adequacy Ratio (CAR)

In 2019, The Bank continued to maintain the position level of its capital which was reflected in the Capital Adequacy Ratio (CAR) of 21.64%. This CAR position was above the minimum requirement of risk profile set by the regulators. The Bank's total capital comprising of core capital and supplementary capital to anticipate credit risk, market risk, and operational risk reached Rp7.40 trillion at the end of 2019.

Rasio Kredit Bermasalah (NPL)

Bank terus mengupayakan untuk memperbaiki dan menyelesaikan masalah kualitas kredit, disertai dengan upaya peningkatan Cadangan Kerugian Penurunan Nilai (CKPN) aset keuangan. Salah satunya mengalokasikan dana *impairment* sebesar Rp724,89 miliar dan adanya penghapusan buku sebesar Rp659,83 miliar. Upaya tersebut dapat terlihat pada pencapaian rasio NPL *gross* pada akhir Desember 2019 menjadi 3,14% atau lebih baik dari tahun sebelumnya yang berada pada 3,57%. Sedangkan rasio NPL net Bank di level 1,77% pada akhir tahun 2019.

Non-Performing Loan Ratio (NPL)

The Bank strives to improve and resolve credit quality issue, and efforts to increase the allowance for impairment losses on financial assets. One of the measures was to allocate impairment fund amounted to Rp724.89 billion and write-off amounted to Rp659.83 billion. These efforts resulted in the achievement of gross NPL at 3.14% at the end of December 2019 or improved from the previous year at 3.57%. While The Bank's net NPL ratio was at the level of 1.77% at the end of 2019.

Profitabilitas

Pada tahun 2019 rasio ROA mencapai 0,22%, atau menurun dibanding tahun 2018 yang mencapai 0,28%. Sedangkan rasio ROE tercatat sebesar 1,48%, lebih rendah dibandingkan tahun 2018 yang sebesar 2,19%. Pencatatan kedua rasio tersebut dipengaruhi oleh laba Bank yang pencapaiannya masih dibawah target, khususnya akibat dari pencapaian pendapatan bunga bersih yang tidak lebih baik dari tahun 2018.

Profitability

In 2019, ROA ratio reached 0.22% or decreased compared to 0.28% In 2018. While ROE ratio was recorded at 1.48%, lower than the position of 2018 at 2.19%. These ratios were influenced by the lower achievement of The Bank's profit against budget, especially due to the achievement of net interest income which is no better than 2018.

Rasio marjin bunga bersih (NIM) Bank turun menjadi 2,00% pada tahun 2019 dari 2,35% pada tahun 2018. Sementara itu, rasio Biaya Operasional terhadap Pendapatan Operasional (BOPO) tercatat sebesar 92,83% pada tahun 2019, membaik dibandingkan 96,77% pada tahun sebelumnya.

The Bank's Net Interest Margin (NIM) decreased to 2.00% in 2019 from 2.35% in 2018. Meanwhile, operating expense to operating income (BOPO) was at 92.83% in 2019, improved as compared to 96.77% in the previous year.

Rasio Kredit pada Dana Pihak Ketiga (LDR)

Rasio kredit pada dana pihak ketiga (LDR) pada akhir tahun 2019 berada di posisi 130,07%. Posisi LDR pada akhir Desember 2019 ini disebabkan oleh realisasi DPK dan realisasi pemberian kredit yang dibawah proyeksi.

Loan to Deposit Ratio (LDR)

At the end of 2019, LDR ratio was at 130.07%. This LDR position at the end of December 2019 was due to the realizations of TPF and lending that were below the projections.

STRUKTUR **MODAL**
Capital Structure

Bank mengelola struktur modal dan melakukan penyesuaian atas struktur modal tersebut terhadap perubahan kondisi ekonomi dan karakteristik risiko aktivitasnya. Untuk mempertahankan atau menyesuaikan struktur modal tersebut, Bank dapat melakukan penambahan setoran modal inti dari pemegang saham dan memperoleh pinjaman subordinasi. Modal inti dan modal pelengkap Bank masing-masingnya sebesar Rp5,42 triliun dan Rp1,98 triliun pada tahun 2019. Sedangkan Kewajiban Penyediaan Modal Minimum (KPMM) mencapai 21,64% pada tahun 2019. Ada pun struktur permodalan Bank adalah sebagai berikut:

The Bank manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, The Bank may inject additional core capital from the shareholders and obtain subordinated loan. In 2019, The Bank's core capital and supplementary capital were respectively at Rp5.42 trillion and Rp1.98 trillion. While the Capital Adequacy Ratio (CAR) reached 21.64% in 2019. The following is The Bank's capital structure:

Struktur Modal | *Capital Structure*

dalam Rp milliar | *in Rp billion*

Komponen	2019	2018	Δ YOY (%)	*Component*
Modal Inti	5.420	5.176	4,70	*Core Capital*
Modal Pelengkap	1.984	1.254	58,25	*Supplementary Capital*
Total Modal	7.404	6.430	15,14	*Total Capital*
ATMR Risiko Kredit	31.037	36.186	-14,23	*Risk-Weighted Assets Credit Risk*
ATMR Risiko Operasional	3.019	2.902	4,01	*Risk-Weighted Assets Operational Risk*
ATMR Risiko Pasar	155	72	115,33	*Risk-Weighted Assets Market Risk*
Total ATMR	34.211	39.161	-12,64	*Total Risk-Weighted Assets*
Rasio KPMM	21,64%	16,42%	5,22	*Capital Adequacy Ratio*

IKATAN MATERIAL UNTUK **INVESTASI BARANG MODAL**

Material Commitments for Goods Capital Investment

Pada 2019, tidak ada ikatan material terkait investasi barang dan modal yang dapat dilaporkan Bank dalam Laporan Tahunan ini.

In 2019, there were no material commitments related to investment in goods and capital that The Bank can report in this Annual Report.

Realisasi Investasi/Belanja Barang Modal

Selama tahun 2019, realisasi investasi atau belanja barang modal Perseroan terutama berasal dari inventaris kantor yang sebesar Rp8,83 miliar menjadi Rp174,41 miliar. Selain itu, realisasi investasi atau belanja barang modal juga berasal dari bangunan dan asset dalam penyelesaian.

Realization of Capital Expenditures

During 2019, realization of capital investments or expenditures of The Bank was mainly derived from office equipment amounted to Rp8.83 billion to Rp174.41 billion. Moreover, realization of capital investments or expenditures was also from vehicles and construction in progress.

dalam Rp milliar | *in Rp billion*

Komponen	2019				*Component*
	Saldo Awal *Beginning Balance*	Penambahan *Additions*	Pengurangan *Deductions*	Saldo Akhir *Ending Balance*	
Harga perolehan					*Acquisition cost*
Tanah	1.419	-	-	1.419	*Land*
Bangunan	290.814	176	(88)	290.902	*Buildings*
Inventaris kantor	169.489	8.834	(3.917)	174.406	*Office equipments*
Kendaraan	375	-	(42)	333	*Vehicles*
Prasarana	87.227	-	(1.739)	85.488	*Infrastructure*
Aset dalam penyelesaian	3.057	45.571	-	48.628	*Construction in progress*
	552.381	54.581	(5.786)	601.176	
Akumulasi penyusutan					*Accumulated depreciation*
Bangunan	(113.878)	(14.587)	39	(128.426)	*Buildings*
Inventaris kantor	(128.186)	(13.257)	3.520	(137.923)	*Office equipments*
Kendaraan	(354)	(10)	42	(322)	*Vehicles*
Prasarana	(62.995)	(8.341)	1.481	(69.855)	*Infrastructure*
	(305.413)	(36.195)	5.082	(336.526)	
Jumlah	**246.968**			**264.650**	***Total***

TARGET DAN **REALISASI 2019**

Target and Realization in 2019

dalam Rp miliar | *in Rp billion*

Komponen	Target 2019 *2019 Target*	Realisasi 2019 *2019 Realization*	*Component*
Aset	53.658	53.105	*Assets*
Kredit yang Diberikan	36.482	35.276	*Loans*
Dana Pihak Ketiga	29.089	27.062	*Third Party Funds*
Ekuitas	6.014	6.023	*Equity*
Laba Sebelum Pajak	175	116	*Profit Before Income Tax*
Rasio Utama (%)			Main Ratio (%)
Rasio Kewajiban Penyediaan Modal Minimum	19,58%	21,64%	*Capital Adequacy Ratio*
Rasio Modal Inti terhadap ATMR	14,42%	15,84%	*Tier 1 to RWA Ratio*
Rasio Modal Inti Utama terhadap ATMR	14,42%	15,84%	*Core Capital to RWA Ratio*
Tingkat Pengembalian atas Aset	0,33%	0,22%	*Return on Assets (ROA)*
Tingkat Pengembalian atas Ekuitas	2,44%	1,48%	*Return on Equity (ROE)*
Marjin Bunga Bersih	2,00%	2,00%	*Net Interest Margin (NIM)*
Biaya Operasional terhadap Pendapatan Operasional (BOPO)	93,80%	92,83%	*Operating Expense to Operating Income (BOPO)*
Rasio Kredit Bermasalah – Bruto	3,12%	3,14%	*Non-Performing Loan (NPL) – Gross*
Rasio Kredit Bermasalah – Bersih	1,95%	1,77%	*Non-Performing Loan (NPL) – Net*
Rasio Kredit terhadap Total Aset Produktif	86,36%	90,45%	*Loans to Earning Assets Ratio*
Rasio Total Kredit kepada UMKM terhadap Total Kredit	0,69%	0,57%	*MSME Loans to Total Loans*
Rasio Kredit terhadap Dana Pihak Ketiga	123,70%	130,07%	*Loans to Deposits Ratio (LDR)*

TARGET **2020**

Target in 2020

Pada tahun 2020, Bank menargetkan pembukuan peningkatan laba sebelum pajak sebesar 8% dari angka proyeksi tahun 2019, menjadi Rp189,50 miliar. Angka tersebut telah memperhitungkan Cadangan Kerugian Penurunan Nilai (CKPN) aset keuangan sebesar Rp802,12 miliar, sebagai bentuk usaha perbaikan NPL menjadi 2,62% di tahun 2020; dan peningkatan beban operasional (termasuk LPS) sebesar 14,1% yang sebagian besar dipicu oleh pengeluaran investasi teknologi serta sumber daya manusia. Pendapatan di tahun depan diproyeksikan naik 11,2% yang dipicu oleh peningkatan pendapatan bunga bersih sebesar Rp1,07 triliun serta peningkatan pendapatan non-bunga sebesar Rp1,29 triliun, seiring dengan kenaikan kredit.

In 2020, The Bank targets to book an increase in net profit before tax of 8% from the 2019 projected figure, to Rp189.50 billion. This figure has calculated the impairment of Rp802.12 billion, as an effort to improve NPL to 2.62% in 2020; and an increase in operating expenses (including LPS) by 14.1%, which is largely driven by investment in technology and human resources. Next year's revenue is projected to increase 11.2%, triggered by an increase in net interest income of Rp1.07 trillion and an increase in other operating income of Rp1.29 trillion, in line with the increase in provision of loans.

Kredit diproyeksikan meningkat 8% ke Rp38,91 triliun pada akhir 2020. Dari segi pendanaan, Bank akan mengandalkan pertumbuhan DPK sebesar 10% serta mengandalkan sumber dana lainnya yang berasal dari sumber pinjaman jangka menengah dan panjang. Indikator-indikator likuiditas seperti LDR (127,98%), LFR (127,98%), LCR (181,84%), dan NSFR (120,91%) diproyeksikan dapat terjaga di level yang baik hingga akhir tahun. Indikator rentabilitas seperti ROE (dari 2,37% di tahun 2019 menjadi 2,64% di 2020) dan ROA (bertahan di 0,34%) diproyeksikan akan membaik sejalan dengan NIM yang meningkat (dari 2% menjadi 2,1%) dan rasio BOPO yang lebih baik (91,36%).

Loans are projected to increase by 8% to Rp38.91 trillion by the end of 2020. In terms of funding, The Bank will rely on the growth of TPF by 10% and other funding sources coming from medium and long-term loan sources. Liquidity indicators such as LDR (127.98%), LFR (127.98%), LCR (181.84%), and NSFR (120.91%) are projected to be maintained at a good level until the end of the year. Profitability indicators such as ROE (from 2.37% in 2019 to 2.64% in 2020) and ROA (maintained at 0.34%) are projected to improve in line with increasing NIM (from 2% to 2.1%) and better BOPO ratio (91.36%).

Bank juga akan mempertajam strategi-strategi yang sudah dijalankan, antara lain memberikan kredit pada proyek-proyek Pemerintah Indonesia, BUMN Indonesia, dan perusahaan *blue-chip* yang memiliki risiko rendah; meningkatkan sumber pendanaan yang stabil; mengadopsi *platform* teknologi dari perusahaan induk; memperkuat *marketing* untuk bisnis Perbankan Konsumen dan *internal control;* merencanakan produk-produk baru yang berbasis teknologi serta strategi jaringan cabang dalam rangka memperkuat daya saing Bank.

The Bank will concentrate on strategies that have been implemented, including providing loans to Indonesian Government projects, Indonesian SOEs, and low-risk blue-chip companies; increasing stable funding sources; adopting the technology platform of the parent company; strengthening the marketing for Consumer Banking business and internal control; new technology-based products plan and branch network strategy in order to strengthen The Bank's competitiveness.

Dalam rangka mendukung pertumbuhan Bank di tahun 2020, sejumlah inisiatif telah disiapkan untuk membangun sumber daya manusia melalui pelatihan program-program retensi dan strategi rekrutmen yang efektif. Selain itu, sejumlah sistem aplikasi dan investasi teknologi telah dimasukkan ke dalam Rencana Bisnis Bank agar tidak hanya meningkatkan efisiensi operasional dan efektivitas pelayanan, namun juga untuk meningkatkan kapabilitas manajemen risiko dan kepatuhan terhadap peraturan yang berlaku.

In supporting the growth of The Bank in 2020, several initiatives have been prepared to develop human resources through continuous training programs and effective recruitment strategies. In addition, numbers of application systems and technology investments have been incorporated into The Bank's Business Plan to not only improve operational efficiency and service effectiveness, but also to improve the capability of risk management and compliance with prevailing regulations.

INFORMASI DAN FAKTA MATERIAL SETELAH **TANGGAL LAPORAN AKUNTAN**

Information and Subsequent Events after Audited Financial Statement Date

Kejadian luar biasa *Coronavirus* (COVID-19) sejak bulan Maret 2020 telah meningkatkan ketidakpastian atas lingkungan dimana Bank beroperasi dan telah mempengaruhi posisi keuangan dan hasil operasi Bank. Situasi COVID-19 ini telah mengganggu aktivitas usaha, pasar modal, dan ekonomi global termasuk Indonesia.

Bank terus memantau dampak perkembangan kejadian luar biasa tersebut terhadap aktivitas usaha Bank dan telah mengambil langkah-langkah antisipasi sejalan dengan perkembangan situasi. Sampai dengan tanggal penerbitan laporan keuangan ini, penilaian atas dampak COVID-19 terhadap posisi keuangan dan hasil operasi Bank masih berlangsung.

Pada tanggal 31 Maret 2020, Pemerintah Republik Indonesia menerbitkan Peraturan Pemerintah Pengganti Undang-Undang No. 1 Tahun 2020 mengenai kebijakan stabilisasi sistem keuangan pemerintah dalam menghadapi pandemi COVID-19. Perubahan terhadap tarif pajak penghasilan badan di Indonesia diberlakukan sebagai bagian dari paket stimulus ekonomi pemerintah. Sebagai dampaknya, tarif pajak penghasilan badan di Indonesia akan diturunkan dari 25% ke 22% untuk tahun pajak 2020 dan 2021, dan akan diturunkan lagi kemudian menjadi 20% untuk tahun pajak 2022 dan tahun-tahun berikutnya.

The Coronavirus outbreak (COVID-19) since March 2020 has brought additional uncertainties in The Bank's operating environment and has impacted the financial position and operations of The Bank. This COVID-19 situation has distracted the business activities, capital market, and global economy, including Indonesia.

The Bank has been closely monitoring the impact of the developments of this pandemic towards The Bank's businesses and has put in place contingency measures under review as situation evolves. As of the publication of these financial statements, the assessment of the impact of COVID-19 towards the financial positions and operations of The Bank is still ongoing.

On March 31, 2020, the Government of Republic Indonesia has issued Government Regulation Substitute Law No.1 of 2020 concerning the government's financial system stabilization in response to the COVID-19 pandemic. Changes to corporate income tax rate were enacted in Indonesia as part of the government's economic stimulus package. Consequently, corporate income tax rate in Indonesia will be reduced from 25% to 22% respectively for the fiscal year 2020 and 2021, and will be further reduced to 20% for the fiscal year 2022 onwards.

ASPEK **PEMASARAN**
Marketing Aspects

Untuk mencapai pertumbuhan bisnis pada tahun 2019, Bank terus mempertajam strategi-strategi pemasaran yang sudah dijalankan, antara lain memberikan kredit pada proyek-proyek Pemerintah Indonesia, BUMN Indonesia, dan perusahaan *blue-chip* yang memiliki risiko rendah; meningkatkan sumber pendanaan yang stabil; mengadopsi *platform* teknologi dari perusahaan induk; memperkuat bisnis Perbankan Konsumen dan *internal control*. Selain itu, sejumlah sistem aplikasi dan investasi teknologi juga dijalankan guna meningkatkan efisiensi operasional dan efektifitas pelayanan.

Untuk itu, Bank menetapkan langkah-langkah strategis pemasaran untuk semua unit usahanya, sebagai berikut:

- Mengimplementasikan kegiatan pemasaran yang terintegrasi untuk meningkatkan *brand awareness* dan melakukan *cross-selling* melalui kerja sama dengan departemen lain.
- Secara aktif menjalin hubungan dengan asosiasi-asosiasi industri melalui seminar atau pertemuan usaha, agar terinformasikan perkembangan terkini mengenai peluang *project financing* dan sebagainya.
- Memanfaatkan hubungan baik yang ada dengan bank koresponden untuk bekerja sama dalam pemberian pinjaman sindikasi ke target sektor industri Bank.
- Menjalin kerja sama strategis dengan lembaga keuangan lainnya untuk menjadi agen penjual dalam upaya meningkatkan bisnis *wealth management* dan memberikan pilihan yang lebih beragam kepada nasabah.
- Mengajukan pinjaman jangka panjang dari perusahaan induk untuk memperbaiki struktur pendanaan terutama untuk mendukung penyaluran kredit Bank terutama di sektor infrastruktur dan sektor lain yang membutuhkan tenor panjang.
- Mengembangkan saluran penjualan dan layanan semakin terintegrasi untuk menjadi model perbankan baru untuk pengiriman produk, layanan, dan pemasaran.
- Mengembangkan keahlian pemasaran yang efektif melalui pelatihan keterampilan *sales*, pengetahuan industri, dan sebagainya.

To achieve business growth in 2019, The Bank continues to concentrate on the marketing strategies that have been implemented, including providing loans to Indonesian Government projects, Indonesian SOEs, and low-risk blue-chip companies; increasing stable funding sources; adopting the technology platform of the parent company; strengthening the Consumer Banking business and internal control. In addition, numbers of application systems and technology investments have been implemented to improve operational efficiency and service effectiveness.

To that end, The Bank sets several marketing strategies for all business units, as follows:

- *Implement integrated marketing activities to increase brand awareness and conduct cross-selling through cooperation with other departments.*
- *Actively build relationships with industry associations through seminars or business meetings, so that the latest development on project financing opportunities are informed.*
- *Utilize existing relationships with correspondent banks to cooperate in providing syndicated financing to The Banks' industrial sector targets.*
- *Create strategic collaboration with other financial institutions to become the sales agent to improve the business wealth management and to provide more diverse options to customers.*
- *Apply for a long-term loan to the parent company to improve the funding structure, especially for supporting The Bank lending in the sectors of infrastructure and others that require a longer tenor.*
- *Develop more integrated sales and services channel to become a new banking model for products, services, and marketing delivery.*
- *Develop effective marketing skills through training in sales skill, industry knowledge, and others.*

DIVIDEN DAN **KEBIJAKAN DIVIDEN**

Dividend and Dividend Policy

Demi menunjang ekspansi bisnis Bank kedepannya, pemegang saham sepakat untuk tidak melakukan pembayaran dividen dan mengalokasikan laba bersih ke dalam laba ditahan untuk memperkuat permodalan Bank pada tahun buku yang berakhir 31 Desember 2019.

To enhance The Bank's future business expansion, the shareholders agreed to not exercise any dividend payout, and to allocate net income for retained earnings in order to strengthen The Bank's capital for fiscal year ended December 31, 2019.

PENGGUNAAN **DANA IPO**

IPO Proceeds Utilization

Informasi tentang penggunaan dana IPO tidak dapat disajikan dalam Laporan Tahunan ini karena Bank belum pernah mencatatkan sahamnya di Bursa Efek Indonesia atau bursa mana pun sampai dengan akhir tahun 2019.

Information regarding the IPO proceeds utilization cannot be presented in this Annual Report because The Bank has never listed its shares on the Indonesia Stock Exchange or any stock exchange until the end of 2019.

TRANSAKSI MATERIAL YANG MENGANDUNG BENTURAN **KEPENTINGAN DAN/ATAU TRANSAKSI DENGAN PIHAK AFILIASI**

Material Transactions Containing Conflict of Interests and/or Transactions with Affiliated Parties

Informasi Transaksi Material yang Mengandung Benturan Kepentingan

Selama tahun 2019, tidak ada informasi transaksi material yang mengandung benturan kepentingan.

Informasi Transaksi Material yang Mengandung Transaksi dengan Pihak Afiliasi

Dalam menyalurkan pinjaman kepada masyakarat, Bank selalu memperhatikan prinsip-prinsip kehati-hatian dengan tujuan untuk menjamin kepercayaan masyarakat. Dengan demikian, Bank membuat kebijakan dan ketentuan dalam bertransaksi dengan pihak-pihak terafiliasi dengan Bank. Transaksi dengan pihak terafiliasi pada tahun 2019 dan 2018 dijabarkan sebagai berikut:

Information on Material Transactions Containing Conflic of Interest

There were no material transactions containing conflict of interest during 2019.

Information on Material Transactions Containing Transactions with Affiliated Parties

In providing loans to customers, The Bank always pays attention to prudential principles to ensure the public trust. Therefore, The Bank set policies and terms of transactions with The Bank's affiliated parties. Transactions with the affiliated parties in 2019 and 2018 are shown as follows:

Transaksi dengan Pihak Terafiliasi | *Transactions with Affiliated Parties*

dalam Rp Milliar | *in Rp Billion*

	2019	2018
Industrial and Commercial Bank of China Limited, China	13,841	17,058
Bank of China Limited, China	325	223
Bank of Communication Co. Limited, China	19	89
China Everbright Bank	-	2
Export Import Bank of China	-	597
Industrial and Commercial Bank of China Limited, Frankfurt	2	2
Industrial and Commercial Bank of China Limited, Hong Kong	173	263
Industrial and Commercial Bank of China Limited, Japan	1	1
Industrial and Commercial Bank of China Limited, New York	1,399	1,525
Industrial and Commercial Bank of China Limited, Singapore	1,007	874
Industrial and Commercial Bank of China Limited, Sydney	7	726
China Construction Bank, China	116	350
China Construction Bank, Indonesia	1	-
PT Intidana Wijaya	2	1
Total	**16,893**	**21,711**

INFORMASI MATERIAL MENGENAI INVESTASI, EKSPANSI, DIVESTASI, **PENGGABUNGAN/ PELEBURAN USAHA, AKUISISI, RESTRUKTURISASI UTANG/MODAL**

Material Information Regarding Investment, Expansion, Divestment, Business Merger/Consolidation, Acquisition, Debt/Capital Restructuring

Bank menjalankan investasi dalam bentuk pembangunan Pusat Data (*Data Center*) yang mulai diinisiasi pada tahun 2018 dan telah rampung pada 2019, termasuk pembangungan Pusat Pemulihan Bencana (*Disaster Recovery Center*) yang lebih aman. Setelah membangun Pusat Data, Bank juga melepaskan ketergantungan sistem utama dari perusahaan induk sehingga Bank memiliki sistem *core banking* yang lebih mandiri. Untuk mendukung kebutuhan bisnis Bank serta memenuhi standar minimum dari ICBC Limited dan OJK, Bank membangun 2 (dua) Pusat Data baru yang lebih memadai dan modern. Penyelesaian konstruksinya dilakukan secara berkala dan selesai pada Oktober 2019 sesuai anggaran yang disetujui.

Pada bulan Desember 2019, Bank menerima penambahan modal dari perusahaan induk melalui mekanisme *sub-debt loan* sebesar USD75 juta, ekuivalen dengan 2% peningkatan rasio KPMM.

Sejalan dengan perkembangan kebutuhan nasabah untuk mendapatkan layanan yang lebih nyaman dan cepat, Bank juga mengembangkan jaringan pelayanannya melalui media elektronik. Rencana pengembangan yang dilakukan antara lain menyempurnakan kemampuan *Corporate Internet Banking* yang sudah ada, meluncurkan produk keuangan baru seperti *Cross Currency Sway*, *Interest Rate Swap*, *Mobile Banking*, dan *Personal Internet Banking* di tahun 2020.

The Bank carried out investment in the form of the development of Data Center, which was initiated in 2018 and has been completed in 2019, including the development of safer Disaster Recovery Center. After successfully building a Data Center, The Bank also relinquished the core system dependency of the parent company so that The Bank had more independent core banking system. To support The Bank's business needs and to the meet the minimum standards of ICBC Limited and OJK, The Bank build 2 (two) new Data Centers that are more adequate and modern. The construction was carried out periodically and was completed in October 2019 based on the approved budget.

In December 2019, The Bank received additional capital from the parent company through sub-debt loan mechanism amounting to USD75 million or equivalent to 2% increased on CAR.

In line with the customers' dynamic needs for more service convenience and efficiency, The Bank will develop its service networks through electronic media. The plan for implementation includes upgrading the existing Corporate Internet Banking system, launching new financial products such as Cross Currency Swap, Interest Rate Swap, Mobile Banking, and Personal Internet Banking in 2020.

PERUBAHAN **PERUNDANG-UNDANGAN**
Regulatory Changes

Peraturan perbankan yang diterbitkan oleh Otoritas Jasa Keuangan dan Bank Indonesia selama tahun 2019 yang memerlukan perhatian Bank adalah sebagai berikut:

1. PBI No. 21/8/PBI/2019 tentang Perubahan Ketiga atas Peraturan BI Nomor 17/9/PBI/2015 tentang Penyelenggaraan Transfer Dana dan Kliring Berjadwal oleh BI;
2. PBI No. 21/13/PBI/2019 tentang Rasio *Loan to Value* untuk Kredit Properti, Rasio *Financing to Value* untuk Pembiayaan Properti, dan Uang Muka untuk Kredit atau Pembiayaan Kendaraan Bermotor;
3. PADG No. 21/14/PADG/2019 tentang Perubahan Kedua atas Peraturan Anggota Dewan Gubernur No. 20/10/PADG/2018 tentang Giro Wajib Minimum dalam Rupiah dan Valuta Asing bagi Bank Umum Konvensional, Bank Umum Syariah, dan Unit Usaha Syariah;
4. PADG No. 21/11/PADG/2019 tentang Batas Nilai Nominal Maksimal Transaksi Melalui Sistem BI-*Real Time Gross Settlement* dan Sistem Kliring Nasional BI;
5. PADG No. 21/23/PADG/2019 tentang Laporan Bank Umum Terintegrasi;
6. PADG No. 21/25/PADG/2019 tentang Rasio *Loan to Value* untuk Kredit Properti, Rasio *Financing to Value* untuk Pembiayaan Properti, dan Uang Muka untuk Kredit atau Pembiayaan Kendaraan Bermotor;
7. PADG No. 21/24/PADG/2019 tentang Pelaksanaan Operasi Pasar Terbuka;
8. PADG No. 21/27/PADG/2019 tentang Giro Wajib Minimum dalam Rupiah dan Valuta Asing bagi Bank Umum Konvensional, Bank Umum Syariah, dan Unit Usaha Syariah;
9. SEOJK No. 9/SEOJK.03/2019 tentang Penilaian Kembali bagi Pihak Utama Bank;
10. POJK No. 23/POJK.01/2019 tentang Perubahan atas POJK No. 12/POJK.01/2017 tentang Penerapan Program APU/PPT;
11. POJK No. 31/POJK.03/2019 tentang Kewajiban Pemenuhan Rasio Pengungkit bagi Bank Umum;
12. POJK No. 38/POJK.03/2019 tentang Batas Maksimum Pemberian Kredit dan Penyediaan Dana Besar bagi Bank Umum;
13. POJK No. 39/POJK.03/2019 tentang Penerapan Strategi Anti Fraud bagi Bank Umum;
14. POJK No. 40/POJK.03/2019 tentang Penilaian Kualitas Aset Bank Umum;
15. POJK No. 37/POJK.03/2019 tentang Transparansi dan Publikasi Laporan Bank.

The banking regulations issued by the Financial Services Authority (OJK) and Bank Indonesia during 2019 that require The Bank's attention are as follows:

1. *PBI No. 21/8/PBI/2019 concerning the Third Amendment to BI Regulation Number 17/9/PBI/2015 concerning the Implementation of Scheduled Funds Transfer and Clearing by BI;*
2. *PBI No. 21/13/PBI/2019 concerning Loan to Value Ratio for Property Credit, Financing to Value Ratio for Property Financing, and Down Payment for Vehicle Credit or Financing;*
3. *PADG No. 21/14/PADG/2019 concerning the Second Amendment to the Board of Governors Regulation No. 20/10/PADG/2018 concerning Statutory Reserve in Rupiah and Foreign Currency for Conventional Commercial Bank, Sharia Commercial Bank, and Sharia Business Unit;*
4. *PADG No. 21/11/PADG/2019 concerning Maximum Nominal Value Limit of Transactions Through BI-Real Time Gross Settlement System and BI National Clearing System;*
5. *PADG No. 21/23/PADG/2019 concerning Integrated Commercial Bank Report;*
6. *PADG No. 21/25/PADG/2019 concerning Loan to Value Ratio for Property Credit, Financing to Value Ratio for Property Financing, and Down Payment for Vehicle Credit or Financing;*
7. *PADG No. 21/24/PADG/2019 concerning Open Market Operation;*
8. *PADG No. 21/27/PADG/2019 concerning Statutory Reserve in Rupiah and Foreign Currency for Conventional Commercial Banks, Sharia Commercial Banks, and Sharia Business Units;*
9. *SEOJK No. 9/SEOJK.03/2019 concerning Revaluation of the Main Party of The Bank;*
10. *POJK No. 23/POJK.01/2019 concerning Amendment to POJK No. 12/POJK.01/2017 regarding the Implementation of AML/CFT Program;*
11. *POJK No. 31/POJK.03/2019 concerning Leverage Ratio Obligation to Commercial Banks;*
12. *POJK No. 38/POJK.03/2019 concerning Legal Lending Limit and Large Exposure for Commercial Banks;*
13. *POJK No. 39/POJK.03/2019 concerning Anti Fraud Strategy for Commercial Banks;*
14. *POJK No. 40/POJK.03/2019 concerning Commercial Banks Asset Quality Assessment;*
15. *POJK No. 37/POJK.03/2019 concerning The Bank Report Transparency and Publication.*

PERUBAHAN PADA **KEBIJAKAN AKUNTANSI**
Accounting Policy Changes

Dampak Perubahan Tingkat Suku Bunga Terhadap Kinerja Bank
Tidak ada dampak signifikan perubahan tingkat suku bunga terhadap kinerja Bank. Dikarenakan perjanjian kredit dengan debitur/nasabah, Bank berhak mengubah besaran suku bunga sewaktu-waktu atas dasar pertimbangan Bank, kecuali untuk kredit-kredit tertentu yang sudah ditetapkan jangka waktu *repricing*.

Perubahan Kebijakan Akuntansi
Berikut ini adalah perubahan kebijakan akuntansi yang berlaku efektif tanggal 1 Januari 2019 dan relevan terhadap laporan keuangan Bank:

- ISAK No. 34 tentang "Ketidakpastian dalam Perlakuan Pajak Penghasilan".

Standar Akuntansi Baru
Beberapa standar akuntansi baru dan interpretasi telah diterbitkan, yang belum berlaku efektif untuk tahun yang berakhir 31 Desember 2019, dan belum diterapkan dalam penyusunan laporan keuangan ini. Diantaranya, Pernyataan Standar Akuntasi Keuangan (PSAK) berikut ini, yang akan berlaku efektif mulai tanggal 1 Januari 2020.

- PSAK 71 tentang "Instrument Keuangan", menggantikan hampir semua pedoman di PSAK 55 tentang "Instrumen Keuangan: Pengakuan dan Pengukuran".
- PSAK 72 tentang "Pendapatan dari Kontrak dengan Pelanggan", yang menetapkan kerangka yang komprehensif untuk menentukan besaran pendapatan dan saat pendapatan diakui.
- PSAK 73 tentang "Sewa", menggantikan PSAK 30 tentang "Sewa". PSAK ini meniadakan klasifikasi sewa yang terbagi menjadi sewa operasi maupun sewa pembiayaan untuk penyewa dan memperkenalkan model akutansi tunggal untuk penyewa

Impact of Interest Rate to The Bank's Performance

There was no significant impact of the change in interest rate to The Bank's performance. Due to the loan agreement with debtors/customers, The Bank has the right to change the interest rate at any time in the basis of The Bank's consideration, except for certain loans whose repricing has been set.

Changes in Accounting Policies
The following are the changes in accounting policies effective on January 1, 2019 and are relevant to The Bank's financial statements:

- *ISAK No. 34 concerning "Uncertainty over Income Tax Treatments".*

New Accounting Standards
Certain new accounting standards and interpretations have been issued, that are not yet effective for the year ended December 31, 2019, and have not been applied in preparing these financial statements. Among them, the following Financial Accounting Standards (PSAK) which are effective on January 1, 2020.

- *PSAK 71 concerning "Financial Instruments", replacing most of the existing guidance in PSAK 55 concerning "Financial Instruments: Recognition and Measurement".*
- *PSAK 72 concerning "Revenue from Contracts with Customers", which establishes a comprehensive framework for determining the amount of revenue and when revenue is recognized.*
- *PSAK 73 concerning "Leases", replacing PSAK 30 concerning "Leases" and which eliminates the lessee's classification of leases as either operating leases or finance leases and introduces a single lessee accounting model.*

PROSPEK **USAHA**
Business Prospect

Berdasarkan perkiraan dari Bank Dunia, pengaruh dari beberapa negara yang bergerak melewati masa krisis keuangan menyebabkan pertumbuhan ekonomi dunia yang masih lemah dan berkisar 2,7% pada tahun 2020. Tingkat pertumbuhan ekonomi di Amerika Serikat (AS) dan Tiongkok adalah sekitar 1,7% dan 6% pada tahun 2020. Adanya koreksi pertumbuhan ekonomi Tiongkok yang diproyeksikan menjadi moderat juga perlu mendapatkan perhatian khusus. Diproyeksikan pertumbuhan ekonomi Tiongkok sekitar 5,9% pada tahun 2020 menurun dari 6,1% pada tahun 2019. Secara umum, dengan adanya perang dagang AS dan Tiongkok, peta geopolitikal di kawasan Timur Tengah yang belum stabil dan menurunnya investasi asing perlu mendapatkan perhatian.

The World Bank predicts that the impacts from some countries moving past periods of financial strain may cause the global economic prospect remains weak and only inching up to 2.7% in 2020. The economic growth rate in the United States (US) and China is projected at 1.7% and 6% in 2020. The correction of China's economic growth which is projected to be moderate also needs special attention. The China's economic growth is projected at 5.9% in 2020, slightly slower than 6.1% in 2019. In general, much attentions are required for China-US trade war, unstable geopolitical map in the Middle East, and the decline in foreign investment.

Seiring dengan kondisi ekonomi global yang tidak pasti, pertumbuhan ekonomi Indonesia diproyeksikan 5,1% pada tahun 2019. Bank Dunia menanggapi bahwa perselisihan perdagangan yang berlanjut antara AS dan Tiongkok dapat membebani pertumbuhan regional dan harga komoditas, sehingga memberikan dampak buruk pada pertumbuhan ekonomi Indonesia dengan proyeksi pertumbuhan ada pada 5% di tahun 2020. Pada satu sisi, pemilihan umum Presiden dan Wakil Presiden pada tahun 2019 telah berjalan dengan lancar. Kabinet baru yang telah terpilih dan mulai bekerja diharapkan dapat membawa Indonesia lebih maju. Kemampuan pemerintah untuk selalu cepat tanggap dalam merespon stabilitas politik dan keamanan serta regulasi stimulus ekonomi yang mendukung investasi dan pertumbuhan ekonomi merupakan faktor yang penting untuk mendorong perekonomian nasional. Selain itu, peringkat negara yang lebih baik (*Investment Grade BBB*, *S&P*), *Global Competitive Index* (dari 45 ke 50), dan indeks kemudahan melakukan bisnis (naik 19 peringkat ke urutan 73) perlu mendapatkan perhatian khusus agar bisa memberikan dukungan untuk ekonomi yang lebih baik di tahun 2020.

Along with the uncertain global economic conditions, Indonesia economic growth is projected at 5.1% in 2019. The World Bank expects that further escalation of China-US trade tensions may burden the regional growth and commodity price, thus adversely affecting Indonesia economic growth with a projected growth of 5% in 2020. In one perspective, the election of President and Vice President in 2019 has run smoothly, and new cabinet has been selected with the hope of bringing Indonesia forward. The government's ability in responding to political stability and security, as well as regulation of economic stimulus that supports the investment and economic growth are such important factors to drive the national economy. Better country ratings (Investment Grade BBB, S&P), Global Competitive Index (from 45 to 50), and easy of doing business index (escalate 19 ranks to 73) require special attention so as to support better economy in 2020.

Pada tahun 2020, Bank menargetkan pembukuan peningkatan laba sebelum pajak sebesar 8% dari angka proyeksi tahun 2019, menjadi Rp189,50 miliar. Angka tersebut telah memperhitungkan Cadangan Kerugian Penurunan Nilai (CKPN) aset keuangan sebesar Rp802,12 miliar, sebagai bentuk usaha perbaikan NPL menjadi 2,62% di tahun 2020; dan peningkatan beban operasional (termasuk LPS) sebesar 14,1% yang sebagian besar dipicu oleh pengeluaran investasi teknologi serta sumber daya manusia. Pendapatan di tahun depan diproyeksikan naik 11,2% yang dipicu oleh peningkatan pendapatan bunga bersih sebesar Rp1,07 triliun serta peningkatan pendapatan non-bunga sebesar Rp1,29 triliun, seiring dengan kenaikan kredit. Kredit diproyeksikan meningkat 8% ke Rp38,91 triliun pada akhir 2020. Dari segi pendanaan, Bank akan mengandalkan pertumbuhan DPK sebesar 10% serta mengandalkan sumber dana lainnya yang berasal dari sumber pinjaman jangka menengah dan panjang. Indikator-indikator likuiditas seperti LDR (127,98%), LFR (127,98%), LCR (181,84%), dan NSFR (120,91%) diproyeksikan dapat terjaga di level yang baik hingga akhir tahun. Indikator rentabilitas seperti ROE (dari 2,37% di tahun 2019 menjadi 2,64% di 2020) dan ROA (bertahan di 0,34%) diproyeksikan akan membaik sejalan dengan NIM yang meningkat (dari 2% menjadi 2,1%) dan rasio BOPO yang lebih baik (91,36%).

In 2020, The Bank targets an increase in net profit before tax of 8% from the projected figure in 2019, to Rp189.50 billion. This figure has calculated the impairment of Rp802.12 billion, as an effort to improve NPL to 2.62% in 2020; and an increase in operating expenses (including LPS) by 14.1%, which is largely driven by investment in technology and human resources. In the same year, revenue is projected to rise 11.2%, triggered by an increase in net interest income of Rp1.07 trillion and an increase in other operating income of Rp1.29 trillion, in line with the increase in provision of loans. Loans are projected to increase by 8% to Rp38.91 trillion at the end of 2020. In terms of funding, The Bank will rely on the growth of TPF by 10% and other funding sources coming from medium and long-term loan sources. Liquidity indicators such as LDR (127.98%), LFR (127.98%), LCR (181.84%), and NSFR (120.91%) are projected to be maintained at a good level until the end of the year. Profitability indicators such as ROE (from 2.37% in 2019 to 2.64% in 2020) and ROA (maintained at 0.34%) are projected to improve in line with increasing NIM (from 2% to 2.1%) and better BOPO ratio (91.36%).

Bank akan mempertajam strategi-strategi yang sudah dijalankan, antara lain memberikan kredit pada proyek-proyek Pemerintah Indonesia, BUMN Indonesia, dan perusahaan *blue-chip* yang memiliki risiko rendah; meningkatkan sumber pendanaan yang stabil; mengadopsi *platform* teknologi dari perusahaan induk; memperkuat *marketing* untuk bisnis Perbankan Konsumen dan *internal control;* merencanakan produk-produk baru yang berbasis teknologi serta strategi jaringan cabang dalam rangka memperkuat daya saing Bank. Dalam rangka mendukung pertumbuhan Bank di tahun 2020, sejumlah inisiatif telah disiapkan untuk membangun sumber daya manusia melalui pelatihan program-program retensi dan strategi rekrutmen yang efektif. Selain itu, sejumlah sistem aplikasi dan investasi teknologi telah dimasukkan ke dalam Rencana Bisnis Bank agar tidak hanya meningkatkan efisiensi operasional dan efektifitas pelayanan, namun juga untuk meningkatkan kapabilitas manajemen risiko dan kepatuhan terhadap peraturan yang berlaku.

The Bank will concentrate on strategies that have been implemented, including providing loans to Indonesian Government projects, Indonesian SOEs, and low-risk blue-chip companies; increasing stable funding sources; adopting the technology platform of the parent company; strengthening the marketing for Consumer Banking business and internal control; new technology-based products plan and branch network strategy to strengthen The Bank's competitiveness. In supporting the growth of The Bank in 2020, several initiatives have been prepared to develop human resources through continuous training programs and effective recruitment strategies. In addition, numbers of application systems and technology investments have been incorporated into The Bank's Business Plan to not only improve operational efficiency and service effectiveness, but also to improve the capability of risk management and compliance with prevailing regulations.

PENGELOLAAN **SUMBER DAYA MANUSIA**
Human Resources Management

Strategi Manajemen Sumber Daya Manusia

Sumber Daya Manusia memegang salah satu peranan penting dalam proses pencapaian target bisnis. Oleh sebab itu, pentingnya strategi manajemen sumber daya manusia selaras dengan prioritas bisnis yang telah ditetapkan.

Strategi manajemen sumber daya manusia dapat terlaksana dengan baik melalui pelaksanaan proses pengelolaan sumber daya manusia yang disiplin, patuh terhadap kebijakan-kebijakan yang berlaku baik yang dikeluarkan oleh regulator maupun internal Bank itu sendiri, dan menjaga setiap risiko yang ada berikut mitigasi risiko tersebut.

Proses pengelolaan sumber daya manusia secara umum adalah dimulai dari pemetaan dan perencanaan kebutuhan sumber daya manusia, proses rekrutmen, sistem *on-boarding* dan hubungan industrial, pelatihan dan pengembangan, manajemen kinerja, manajemen *reward* dan *benefit*, sampai dengan pengakhiran hubungan kerja.

Adapun strategi manajemen sumber daya manusia yang telah dilaksanakan melalui proses pengelolaan sumber daya manusia yang disiplin dan sesuai, dengan tujuan untuk dapat mencapai peningkatan secara bertahap atas kualitas sumber daya manusia yang unggul seiring dengan pengembangan bisnis dan peningkatan hasil kinerja Bank, yaitu:

- Menciptakan budaya kerja untuk mendorong karyawan agar terus menjaga dan meningkatkan kinerja individu sehingga pada akhirnya dapat memberikan kontribusi kepada Bank secara berkesinambungan melalui proses pembuatan Target Sasaran Kerja (*Performance Objective Setting*) dengan Indikator Kinerja Utama (*Key Performance Indicators)* yang selaras dengan target Bank yang telah ditetapkan di Rencana Bisnis Bank.
- Menciptakan strategi dan sistem remunerasi yang sesuai dengan kondisi pasar perbankan, kemampuan Bank, kinerja Bank dan individu; memastikan kepatuhan atas peraturan, kebijakan dan prosedur yang berlaku di Indonesia; memastikan pelaksanaan strategi dan sistem remunerasi yang selaras dengan tujuan dan prioritas Bank, serta didukung budaya kerja dan pengembangan kesejahteraan karyawan melalui perbaikan mekanisme peninjauan gaji, promosi *grade* dan promosi posisi, pembuatan *job grading*, struktur dan skala upah yang selaras dengan kondisi internal Bank, kondisi pasar perbankan dan kepatuhan terhadap kebijakan dan prosedur yang berlaku di Indonesia.
- Meninjau struktur organisasi secara konsisten untuk memastikan efektivitas proses kerja karyawan dan efisiensi alur komunikasi dan pengambilan keputusan; memastikan ketersediaan sumber daya manusia yang berkualitas dan memadai sesuai dengan kebutuhan dan kemampuan Bank untuk mencapai tujuan bisnis secara berkelanjutan. Dalam hal ini, Bank selalu berupaya untuk melakukan pengembangan talenta-talenta yang tersedia dan dimiliki oleh internal Bank melalui proses rotasi dan promosi agar karyawan yang bertalenta tersebut dapat mengisi posisi-posisi yang masih kosong dan bisa memiliki pengalaman dan pengetahuan baru yang banyak melalui pekerjaannya, pelatihan dan tugas-tugas khusus yang diberikan kepadanya.

Human Resource Management Strategy

Human Resources plays an important role in the process of achieving business targets. Therefore, it is important that the human resource management strategy is aligned with established business priorities.

The human resource management strategy can be implemented well through the implementation of a disciplinary human resource management process, compliance with the applicable policies that are issued by regulators and internal Bank itself, and overseeing any existing risk along with its mitigation.

The process of human resource management in general starts from the mapping and planning of employment needs, recruitment process, on-boarding system and industrial relation, training and development, performance management, reward and benefit management, up to the termination of employment.

The following are the human resource management strategies that have been implemented through disciplinary and appropriate human resource management processes, with the aim of achieving gradual improvements in the quality of superior human resources in line with The Bank's business development and performance improvement, namely:

- *Create a performance culture that encourages employees to continue maintaining and improving their individual performance so that they can contribute to The Bank sustainably, through the process of creating a Performance Objective Setting with Key Performance Indicators that are aligned with The Bank's target set in The Bank's Business Plan.*
- *Create the remuneration strategies and systems that are appropriate to the banking market conditions, the ability of The Bank, the performance of The Bank and individuals; ensure the compliance with regulations, policies and procedures that apply in Indonesia; ensure the implementation of remuneration strategies and systems that are in line with the goals and priorities of The Bank, as well as supported by work culture and employee welfare development through improved salary review mechanism, grade promotion and position promotion, job grading, structure and salary scale that are in line with The Bank's internal conditions, banking market conditions and in compliance with policies and procedures in force in Indonesia.*
- *Review the organizational structure consistently to ensure the effectiveness of employee work processes and the efficiency of communication and decision-making flows; ensure the availability of qualified and adequate human resources that correspond to the needs and capabilities of The Bank to achieve sustainable business goals. In this case, The Bank always strives to develop talents available and owned by The Bank internally through a rotation and promotion process so that talented employees can fill any vacant position and gain a lot of new experience and knowledge through their works, special training, and tasks given to them.*

- Meningkatkan standar perekrutan dan sistem seleksi karyawan dalam rangka menjaga dan meningkatkan kualitas sumber daya manusia, baik secara kompetensi, keahlian dan kemampuan kepemimpinan sehingga karyawan dapat memberikan kontribusi yang optimal. Bank menyadari bahwa adanya perubahan di dunia kerja, perkembangan teknologi dan bisnis. Untuk itu melalui proses kerja sama dengan universitas-universitas baik di Indonesia maupun di luar negeri terutama di Tiongkok dan dalam bentuk kerja sama program magang, Bank bisa merekrut lulusan-lulusan terbaik yang memenuhi kualitas yang sesuai dengan standar yang dibutuhkan.
- Memetakan dan merencanakan manajemen pelatihan karyawan berdasarkan kebutuhan karyawan untuk dapat mencapai sasaran kerja, meningkatkan kompetensi dan kemampuan kepemimpinan, serta mendukung pencapaian target perkembangan bisnis. Untuk itu, Departemen Sumber Daya Manusia telah membuat beberapa *platform* pelatihan agar dana pelatihan yang dimiliki oleh Bank dapat digunakan secara optimal untuk kepentingan perkembangan kemampuan karyawan dan kebutuhan Bank dan juga memastikan kepatuhan terhadap pelatihan wajib dari regulator dapat terpenuhi.
- Pemanfaatan teknologi informasi dalam penyempurnaan pengelolaan administrasi dan dokumentasi karyawan. Selain bertujuan untuk meningkatkan efisiensi dalam proses pengelolaan data karyawan sehingga dapat tercipta pelayanan yang lebih baik kepada karyawan, kegiatan ini merupakan bentuk dukungan Bank terhadap aksi keuangan berkelanjutan.

Pengembangan Organisasi

Secara konsisten Bank akan berupaya untuk selalu melakukan peningkatan efektivitas organisasi melalui proses evaluasi dan penyesuaian struktur organisasi guna mendapatkan model bisnis yang paling sesuai dalam mendukung pencapaian rencana bisnis dan rencana strategis Bank, serta selaras dengan peraturan yang berlaku di mana telah dilakukan penambahan dan perubahan atas posisi Kepala Departemen, Wakil Kepala Departemen, Kepala Kantor Wilayah, dan posisi-posisi strategis lainnya di masing-masing departemen.

Melalui hal tersebut diharapkan proses bisnis dapat berjalan dengan lebih baik dan lancar dengan tetap memperhatikan prinsip kehati-hatian, dan produktivitas kerja karyawan dapat terus ditingkatkan. Dengan demikian diharapkan Bank akan mampu mempercepat dan memperbaiki proses tata kelola perusahaan yang baik, serta mampu menciptakan budaya kinerja yang tinggi.

Rekrutmen

Departemen Sumber Daya Manusia telah memiliki perencanaan jumlah kebutuhan tenaga kerja yang komprehensif, yaitu berupa pemetaan dan perhitungan alokasi kebutuhan tenaga kerja yang terencana sejalan dengan target bisnis yang ingin dicapai, kemampuan Bank, dan memastikan bahwa kompetensi dan keahlian yang dimiliki oleh tenaga kerja telah sesuai dengan tanggung jawab dan wewenang yang dibutuhkan oleh Bank. Selanjutnya, Departemen Sumber Daya Manusia menyadari bahwa Bank juga membutuhkan tenaga kerja yang memiliki kemampuan berbahasa asing khususnya Bahasa Mandarin untuk beberapa posisi di departemen tertentu. Guna memenuhi kebutuhan tersebut, maka Departemen Sumber

- *Improve the recruitment standards and employee selection systems in order to maintain and enhance the quality of human resources, both in terms of competence, expertise and leadership capabilities so that the employees can render optimum contributions. The Bank realizes that there is a change in the world of work, development of technology and business. Thus through the collaboration process with universities both in Indonesia and abroad, especially in China, and in the form of an internship program, The Bank can recruit the best graduates who meet the quality coherent with the required standards.*
- *Mapping and planning the employee training management based on employee needs to be able to achieve work goals, improve leadership competencies and capabilities, and to support the achievement of business development targets. To that end, the Human Resources Department has created several training platforms so that training funds owned by The Bank can be used optimally for the benefit of developing employees' abilities and for the needs of The Bank itself, and also ensuring the regulatory compliance training can be met.*
- *Utilize information technology in improving administrative management and employee documentation. Besides aiming to improve efficiency in the process of managing employee data so that better service can be created for employees, this activity is a form of The Bank support for sustainable financial action.*

Organizational Development

The Bank will consistently strive to improve the effectiveness of the organization through the process of evaluating and adjusting the organizational structure to get the most appropriate business model to support the achievement of The Bank's business plan and strategic plan, while conforming to the applicable regulations where additions and changes have been made to the position of the Heads of Departments, Deputy Heads of Departments, Heads of Regional Offices, and other strategic positions in each department.

Through this, it is expected to streamline the business processes while still adhering to prudential principle, and employee productivity can continue to be improved. On that account, The Bank will be able to accelerate and improve the process of good corporate governance and create a high performance work culture.

Recruitment

The Department of Human Resources has a comprehensive plan for the number of manpower needs, that is in the form of mapping and calculating the allocation of human resource needs appropriate to the achievement of business targets set, The Bank's ability, and ensuring that the recruits' competencies and expertises are in accordance with the responsibilities and authorities required by The Bank. Furthermore, the Department of Human Resources realizes that The Bank is also in dire need of workers who have foreign language skills, especially Chinese Language for several positions in certain departments. In order to meet these needs, the Human Resources Department has collaborated with several universities that have Chinese

Daya Manusia telah melakukan kerja sama dengan beberapa universitas yang memiliki jurusan Bahasa Mandarin sehingga Bank bisa mendapatkan "*talent pool*" dari lulusannya yang terbaik dan sesuai dengan standar yang telah ditetapkan oleh Bank. Selain itu, Bank juga mengadakan program magang bagi para mahasiswa-mahasiswa, dimana diharapkan mampu memberikan keuntungan bagi mahasiswa untuk mendapatkan pengalaman dan pengetahuan di Bank ICBC Indonesia; dan bagi Bank program ini menjadi salah satu cara untuk mendapatkan calon kandidat yang berkualitas dengan proses seleksi yang optimal.

Language major so that The Bank can get a "talent pool" from the best graduates and in accordance with the standards set by The Bank. In addition, The Bank also holds an internship program for college students, for which it is expected to benefit the students in gaining experience and knowledge at Bank ICBC Indonesia; and for The Bank itself, this program is a way to get qualified candidates through optimal selection process.

Kemudian, untuk mendukung strategi manajemen talenta dan manajemen karier karyawan, Bank telah melakukan penempatan karyawan-karyawan yang sudah ada sesuai dengan talenta dan jalur kariernya sehingga dapat meningkatkan motivasi dan loyalitas karyawan untuk terus memberikan kontribusi kepada Bank melalui proses rotasi dan promosi.

Meanwhile, to support the talent management strategy and employee career management, The Bank has appointed existing employees with consideration of their talents and career paths so as to increase employees' motivation and loyalty to continue to contribute to The Bank through the rotation and promotion process.

Sistem *On-Boarding* dan Hubungan Industrial

Pada saat karyawan baru bergabung maka Bank akan membantu karyawan dalam memahami tugas dan tanggung jawab atas pekerjaan barunya dan hasil kinerja apa yang diharapkan. Karyawan baru akan diundang untuk mengikuti program *New Employee Orientation Program* (NEOP), di mana di dalam program ini karyawan akan mendapatkan informasi terkait dengan hubungan industrial, kepatuhan terhadap peraturan dan kebijakan yang berlaku di Bank, serta budaya kerja dan tata nilai utama (*core values*) perusahaan.

On-Boarding Systems and Industrial Relations

When new employees joining on board, The Bank will assist employees in understanding the duties and responsibilities that come with their new work and the expected performance results. New employees will be invited to take part in the New Employee Orientation Program (NEOP), where employees will get information related to industrial relations, compliance to applicable regulations and policies that apply in The Bank, as well as the work culture and corporate core values.

Hubungan industrial atau hubungan kepegawaian selalu dilaksanakan sesuai dengan peraturan yang berlaku, yaitu Undang-Undang Nomor 13 Tahun 2003 tentang Ketenagakerjaan. Bank senantiasa berusaha untuk menciptakan lingkungan kerja yang kondusif dan hubungan kerja yang harmonis baik antara Bank dengan karyawan maupun antar sesama karyawan. Hubungan industrial dilaksanakan dengan asas saling mempercayai atas dasar pemahaman bahwa Bank dan karyawan menjalankan kewajiban, hak, dan tanggung jawab sebaik-baiknya dalam suasana yang saling menghargai.

Industrial relations or employment relations are always carried out in accordance with applicable regulations, namely Law No. 13 of 2003 concerning Employment. The Bank always strives to create a favorable working environment and harmonious working relations between The Bank and its employees and among fellow employees. Industrial relations are carried out with the principle of mutual trust based on the understanding that The Bank and employees adhere to their obligations, rights and responsibilities in the best possible manner with mutual respect.

Oleh karena itu, pengelolaan hubungan industrial yang sesuai dengan regulasi yang belaku di Indonesia, harus diusahakan oleh seluruh jajaran Bank ICBC Indonesia. Penanganan keluh kesah dan penyelesaian tindakan pendisiplinan selalu diusahakan untuk diselesaikan sebaik-baiknya dengan menaati peraturan yang berlaku baik Peraturan Perusahaan PT Bank ICBC Indonesia, UU No. 13 Tahun 2003 Tentang Ketenagakerjaan, dan UU No. 2 Tahun 2004 Tentang Penyelesaian Perselisihan Hubungan Industrial.

Therefore, the management of industrial relations in compliance with the regulatory in force in Indonesia, must be endeavored by all levels at Bank ICBC Indonesia. Complaints and disciplinary actions are always endeavored to be resolved as well as possible by conforming to the applicable regulations, both the Company Regulations of PT Bank ICBC Indonesia, Law No. 13 of 2003 concerning Employment, and Law No. 2 of 2004 concerning Settlement of Industrial Relations Disputes.

Dalam menjaga keharmonisan hubungan industrial, Bank juga selalu mendorong peran aktif karyawan dalam kegiatan-kegiatan yang bertujuan untuk meningkatkan *engagement* karyawan dan kerja sama antar sesama karyawan lintas unit dan departemen seperti *team improvement workshop program*, buka puasa bersama, bincang kesehatan (*health talk*), program pengenalan keuangan (*financial literacy),* program pengelolaan lingkungan bagi putra-putri karyawan, dan program *cross culture* yang tidak hanya diisi dengan seminar akan tetapi juga diisi dengan pertandingan persahabatan antar direktorat dalam berbagai cabang olahraga. Dengan program-program tersebut diharapkan mampu menjaga keharmonisan hubungan kerja dan menciptakan lingkungan kerja yang nyaman dan kondusif sehingga karyawan dapat memberikan kontribusi yang optimal bagi pencapaian bisnis Bank.

In maintaining harmonious industrial relations, The Bank also encourages the active role of employees in activities aimed at increasing employee engagement and cooperation among employees across units and departments, such as team improvement workshop programs, iftar (fast-breaking), health talks, financial literacy programs, environmental management programs for the employees' children, and cross culture programs that are not only filled with seminars but also filled with friendly matches between the directorates in various sports. These programs are expected to nurture a healthy working relationships and create a comfortable and conducive working environment so that employees can make optimum contributions to the achievement of The Bank's business.

Pelatihan dan Pengembangan

Tahun 2019, Departemen Sumber Daya Manusia telah membuat beberapa *platform* pelatihan, seperti *training need analysis*, *team improvement*, proyek *on-shoring*, pelatihan wajib sesuai regulasi, program pelatihan ke luar negeri, *branch transformation*, CARAL, sosialisasi kebijakan dan prosedur, NEOP, dan program pertukaran budaya. Diharapkan, dengan adanya *platform* pelatihan ini, penggunaan dana pelatihan dapat dialokasikan secara optimal sesuai dengan kebutuhan karyawan sebagai bagian dari peningkatan kompetensi dan keahliannya dan juga sesuai dengan kebutuhan Bank untuk mendukung pencapaian target dan/atau prioritas yang telah ditetapkan Bank termasuk untuk memastikan pelaksanaan kepatuhan dan pemahaman terhadap risiko.

Selama tahun 2019, Bank telah mengalokasikan dana investasi sebesar Rp16,59 miliar atau setara dengan Rp28,45 juta per karyawan, yang dialokasikan ke dalam 338 kelas pelatihan baik pelatihan teknis, pelatihan *soft skill*, maupun pelatihan wajib dari regulator, dengan persentase karyawan yang mengikuti pelatihan telah mencapai 98,28%.

Untuk mendukung pengembangan potensi karyawan bertalenta melalui kesempatan menjadi pembicara maupun pengajar dalam program-program pelatihan yang sesuai dengan bidang keahlian mereka, seperti pada program *sharing session*, program pelatihan CARAL, dan sebagainya, maka Bank telah membuat kebijakan pelatihan yang mengatur tentang tata cara dan persyaratan menjadi pengajar dalam program-program pelatihan serta pemberian penghargaan bagi para karyawan yang telah memberikan kontribusi sebagai pengajar. Kebijakan ini dibuat untuk memberikan standarisasi persyaratan pengajar program pelatihan dan pemberian imbalan sebagai bentuk penghargaan karena karyawan yang menjadi pengajar telah membantu karyawan lain untuk mendapatkan pengetahuan baru. Selain itu dengan program ini karyawan-karyawan yang memiliki talenta dapat terus mengembangkan pengetahuan dan keahliannya dengan cara berbagi pengetahuan dan pengalaman.

Bank ICBC Indonesia memiliki kesempatan yang luas untuk mendapatkan alih pengetahuan dari ICBC Limited sebagai pemegang saham utama. Program alih pengetahuan tidak hanya dilakukan oleh tenaga kerja asing yang dipekerjakan di Bank akan tetapi juga melalui penunjukan karyawan lokal untuk mengikuti pelatihan, lokakarya, *on job training*, maupun program pertukaran karyawan. Khusus untuk program alih pengetahuan yang dilakukan oleh tenaga kerja asing yang dipekerjakan oleh Bank dilakukan sesuai dengan peraturan yang berlaku. Dengan adanya program ini diharapkan tenaga kerja lokal akan mendapatkan pengetahuan dan pengalaman baru yang dapat meningkatkan kompetensi mereka dalam bidang kerja yang saat ini mereka jalani.

Terkait dengan pemenuhan sertifikasi wajib sesuai dengan regulasi yang berlaku, sampai dengan akhir tahun 2019 persentase pemenuhan sertifikasi manajemen risiko telah mencapai 89,44%, serta pemenuhan sertifikasi *treasury dealer* telah mencapai 100%. Di samping sertifikasi wajib pada tahun 2019 ini Bank juga bekerja sama dengan Lembaga Pengembangan Perbankan Indonesia (LPPI) untuk menyelenggarakan program pelatihan Aksi Keuangan Berkelanjutan sebagai bentuk dukungan Bank terhadap pelaksanaan aksi keuangan berkelanjutan sesuai dengan POJK 51 tahun 2017.

Training and Development

In 2019, the Human Resources Department has created several training platforms, such as training need analysis, team improvement, on-shoring project, regulatory compliance training, overseas training programs, branch transformation, CARAL, policy and procedure socialization, NEOP, and cultural exchange program. Hopefully, through these training platforms, the use of training funds can be allocated optimally according to the needs of employees as part of improving their competence and expertise, and also in accordance with the needs of The Bank to support the achievement of targets and/or priorities set by The Bank, including to ensure the compliance and understanding of risk.

During 2019, The Bank has allocated an investment fund of Rp16.59 billion or equivalent to Rp28.45 million per employee, which is allocated into 338 classes of technical training, soft skills training, and mandatory training from regulators, with the percentage of employees participate in training has reached 98.28%.

To support the development of the potential of talented employees by giving them a chance to be speakers and instructors in training programs that are appropriate to their areas of expertise, such as sharing sessions, CARAL training program, and so on, The Bank has made training policy governing the procedures and requirements to be instructors in training programs as well as awards given to employees who have contributed as instructors. This policy was made to standardize the requirements of instructors in training programs and to provide rewards as a form of appreciation because those instructors have helped other employees to gain new knowledge. In addition, through this program talented employees can continue to develop their knowledge and expertise by sharing knowledge and experience.

Bank ICBC Indonesia has ample opportunity to gain knowledge transfer from ICBC Limited as a majority shareholder. The knowledge transfer program is not only carried out by foreign workers employed at The Bank but also through the appointment of local employees to attend training, workshops, on job training, and employee exchange programs. Specifically, for the knowledge transfer conducted by foreign workers employed at The Bank, it is carried out in accordance with applicable regulations. Through this program, local employees are expected to gain new knowledge and experience that can improve their competence in their field of work.

Related to the fulfillment of mandatory certification in compliance with prevailing regulations, by the end of 2019 the fulfillment of risk management certification has reached 89.44%, and the fulfillment of treasury dealer certification has reached 100%. Other than mandatory certification in 2019, The Bank also worked with the Indonesian Banking Development Institute (LPPI) to organize a Sustainable Financial Action training program as a form of The Bank support for the implementation of sustainable financial actions in conformity with POJK 51 of 2017.

Program Pengembangan Kepemimpinan

Pada tahun 2019 ini, Bank lebih menitikberatkan kepada pelatihan yang bersifat teknis dengan tujuan agar karyawan memiliki fondasi pengetahuan dan kemampuan yang kuat dalam menjalankan tugas dan tanggung jawabnya sehingga dapat mencapai target kinerja yang diharapkan. Selain itu Bank juga melihat pentingnya faktor kepemimpinan dalam meningkatkan pencapaian kinerja. Untuk itu di tahun 2019 ini Bank telah mengadakan lokakarya terkait kepemimpinan, yaitu *strategic workshop* untuk seluruh Kepala Departemen dan Kepala Cabang. Selain itu khusus kantor cabang telah diadakan *branch strategic workshop* bagi seluruh Kepala Cabang.

Leadership Development Program

In 2019, The Bank focuses more on technical training with the aim that employees have a strong foundation of knowledge and ability to carry out their duties and responsibilities in achieving the expected performance targets. In addition, The Bank also sees the importance of leadership factors in improving performance achievement. In that case, The Bank has held leadership-related workshops, namely the strategic workshop for all Heads of Departments and Branches; also for the Branch Office The Bank specifically held branch strategic workshop for all Heads of Branches.

Manajemen Kinerja

Dengan berdasarkan pengalaman di tahun sebelumnya, maka tahun 2019 ini Departemen Sumber Daya Manusia bekerja sama dengan Departemen *Financial Management*, *Risk Management*, *Management Information and Accounting*, dan *Strategy Management and Investor Relation* telah melakukan perbaikan-perbaikan terhadap *Key Performance Indicators* (KPI) untuk departemen dan cabang. Melalui perbaikan ini, diharapkan KPI mampu mengukur secara lebih komprehensif pencapaian kinerja dari masing-masing departemen dan cabang dan selaras dengan pencapaian target dan prioritas Bank.

Selain itu, Departemen Sumber Daya Manusia juga telah membuat kebijakan manajemen kinerja dengan tujuan mendorong pelaksanaan manajemen kinerja agar dapat dilakukan secara disiplin.

Performance Management

Based on experience in the previous year, in 2019 the Human Resources Department in collaboration with the Departments of Financial Management, Risk Management, Management Information and Accounting, and Strategy Management and Investor Relation have made improvements to the Key Performance Indicators (KPI) for all departments and branches. Through this improvement, it is expected that KPI can measure more comprehensively the performance achievements of each department and branch while in line with the achievement of The Bank's targets and priorities.

In addition, the Human Resources Department has made a performance management policy with the aim of encouraging the implementation of performance management in a disciplined manner.

Manajemen *Reward* dan *Benefit*

Di dalam strategi remunerasi Bank harus mempertimbangkan hal-hal berikut ini, yaitu strategi dan prioritas Bank; kesetaraan antara hasil kinerja atau prestasi karyawan dengan imbal hasil yang diterima; memastikan bahwa kompensasi yang diberikan dapat memotivasi karyawan dalam mempertahankan dan meningkatkan kontribusi kepada Bank; mempertahankan dan menarik sumber daya manusia yang memiliki talenta; memastikan kepatuhan terhadap undang-undang, peraturan pemerintah, dan peraturan dari regulator perbankan terkait dengan pemberian remunerasi.

Tahun 2019, Bank melakukan perbaikan terhadap mekanisme peninjauan gaji, promosi *grade* dan promosi jabatan. Selain itu, Bank juga melakukan peninjauan atas *job grading*, struktur dan skala upah yang selaras dengan kondisi internal Bank, kondisi pasar perbankan dan kepatuhan terhadap kebijakan dan prosedur yang berlaku di Indonesia. Bank menyadari bahwa untuk mendukung strategi remunerasi agar sesuai untuk diimplementasikan, maka proses peninjauan, perbaikan dan peningkatan atas pelaksanaan *reward* dan *benefit* harus secara terus menerus dilakukan dengan memperhatikan kepatuhan terhadap peraturan yang berlaku di Indonesia dan risiko-risiko serta mitigasinya.

Reward and Benefit Management

In the remuneration strategy, The Bank must consider the following matters, namely the strategies and priorities of The Bank; fairness between the employee's performance or achievement with the given rewards; ensures the compensation given can motivate employees to maintain and increase their contributions to The Bank; maintains and attracts talented human resources; ensures compliance with laws, regulations of the government and the banking regulators regarding remuneration.

In 2019, The Bank made improvements to the salary review mechanism, grade promotion and position promotion. The Bank also reviewed job grading, structure and salary scale that are in line with The Bank's internal conditions, banking market conditions and in compliance with applicable policies and procedures in Indonesia. The Bank realizes that in order to support the remuneration strategy that can be properly implemented, the process of reviewing, improving and enhancing the implementation of rewards and benefits must be carried out continuously by paying attention to the compliance with regulations in force in Indonesia as well as its risks and mitigation.

Pengakhiran Hubungan Kerja

Dalam melaksanakan pengakhiran hubungan kerja, Bank selalu merujuk kepada peraturan yang berlaku dengan mengedepankan prinsip keadilan. Proses pengakhiran hubungan kerja dapat dilakukan atas inisiatif Bank dan/atau inisiatif karyawan dengan mempertimbangkan hak dan kewajiban karyawan dan Bank, serta dilakukan berdasarkan kesepakatan antara karyawan dan Bank, kecuali karyawan melanggar peraturan disipliner.

Termination of Employment

In termination of employment, The Bank always refers to the applicable regulations by putting forward the fairness principle. Termination of employment may be conducted on The Bank's initiative and/or the employee's initiative, by taking into account the rights and obligations of the employee and The Bank, and is made based on agreement between the employee and The Bank, with the exception of employee misconduct.

Program Pensiun
Bank memberikan manfaat dana pensiun bagi karyawan yang dikelola oleh pihak ketiga dalam bentuk Dana Pensiun Lembaga Keuangan (DPLK). Bank akan membayarkan iuran dana pensiun atas nama karyawan kepada pengelola DPLK yang besarnya diatur sesuai dengan kebijakan dana pensiun. Selain itu Bank juga telah mendaftarkan karyawan sebagai peserta Program Jaminan Pensiun kepada Badan Penyelenggara Jaminan Sosial (BPJS) Ketenagakerjaan sesuai dengan ketentuan perundang-undangan yang berlaku.

Pension Program
The Bank provides a pension fund to employees, which is managed by third parties in the form of Financial Institution Pension Funds (DPLK). The Bank will disburse the pension contributions on behalf of its employees to the DPLK manager which amount is set in the pension fund policy. In addition, The Bank has also registered its employees in the Pension Program of the Employment Social Security (BPJS) as regulated in the legislation.

Program Pelatihan | *Training Programs*

Kategori *Category*	Jumlah Topik *Number of Topics*	Jumlah Peserta *Number of Participants*
Mandatory	80	943
Technical Skills	203	3,296
Soft Skills	55	1,720
Jumlah | ***Total***	**338**	**5,959**

Sertifikasi Manajemen Risiko | *Risk Management Certification*

Uraian *Description*	Level 1	Level 2	Level 3	Level 4	Level 5
Target	172	200	125	34	6
Fulfilled	144	183	101	31	6
Not Fulfilled	28	17	24	3	-
Fulfillment	83,72%	91,50%	80,80%	91,18%	100%
Average Fulfillment			**89,44%**		

Sertifikasi *Treasury Dealer* | *Treasury Dealer Certification*

Uraian *Description*	Basic	Intermediate	Advance
Target	11	4	3
Fulfilled	11	4	3
Not Fulfilled	-	-	-
Fulfillment	100%	100%	100%
Average Fulfillment		**100%**	

Statistik Sumber Daya Manusia
Per 31 Desember 2019, jumlah karyawan Bank mencapai 585 orang (tidak termasuk *outsourcing*), mengalami penurunan sebesar 1,71% dibandingkan jumlah karyawan per 31 Desember 2018 sebanyak 595 orang.

Human Capital Statistics
As of December 31, 2019, the number of employees of The Bank reached 585 employees (excluding outsourcing), a decrease of 1.71% compared to the number of employees as of December 31, 2018 of 595 employees.

Data Jumlah Karyawan Tahun 2019 | *Number of Employee Data in 2019*

	31 Dec 2019	31 Dec 2018	Change	
Jumlah Karyawan	585	595	-10	*Employee Number*
Karyawan Mengundurkan Diri	109	128	-19	*Resigned Employee*

Berdasarkan Usia | *Based on Age*

Usia	2019	2018	*Age*
> 45 Tahun	101	95	*> 45 Years Old*
36–45 Tahun	229	230	*36–45 Years Old*
26–35 Tahun	219	251	*26–35 Years Old*
21–25 Tahun	36	19	*21–25 Years Old*
Jumlah	**585**	**595**	***Total***

Berdasarkan Jenis Kelamin | *Based on Gender*

Jenis Kelamin	2019	2018	*Gender*
Laki-Laki	292	297	*Male*
Perempuan	293	298	*Female*
Jumlah	**585**	**595**	***Total***

Berdasarkan Masa Kerja | *Based on Tenure*

Masa Kerja	2019	2018	*Tenure*
Di Bawah 1 Tahun	91	69	*Under 1 Year*
1–3 Tahun	97	85	*1–3 Years*
3–5 Tahun	49	105	*3–5 Years*
Di Atas 5 Tahun	348	336	*Above 5 Years*
Jumlah	**585**	**595**	***Total***

Berdasarkan Grade | *Based on Grade*

Grade/Level Organisasi	2019	2018	*Grade/Organization Level*
Komisaris	3	3	*Commissioners*
Direktur	6	7	*Directors*
Anggota Komite	4	4	*Committee Members*
Tenaga Kerja Asing	7	5	*Expatriates*
Senior Executive Vice President	3	2	*Senior Executive Vice President*
Executive Vice President	22	19	*Executive Vice President*

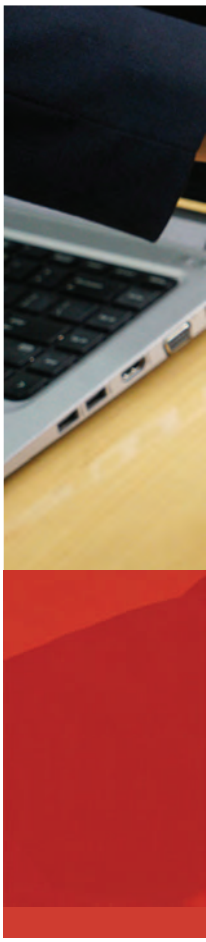
Grade/Level Organisasi	2019	2018	*Grade/Organization Level*
Senior Vice President	31	20	*Senior Vice President*
Vice President	31	39	*Vice President*
Assistant Vice President	35	54	*Assistant Vice President*
Senior Manager	58	35	*Senior Manager*
Manager	58	69	*Manager*
Assistant Manager	39	58	*Assistant Manager*
Senior Officer	66	88	*Senior Officer*
Officer	127	66	*Officer*
Senior Clerk	10	65	*Senior Clerk*
Intermediate Clerk	30	53	*Intermediate Clerk*
Clerk	55	7	*Clerk*
Non-Clerk	-	1	*Non-Clerk*
Lainnya	-	-	*Others*
Jumlah	**585**	**595**	***Total***

Berdasarkan Tingkat Pendidikan | *Based on Education Level*

Tingkat Pendidikan	2019	2018	*Education Level*
S2	81	77	*Master's Degree*
S1	457	461	*Bachelor's Degree*
D4	-	1	*Diploma 4*
D3	35	42	*Diploma 3*
D1	1	1	*Diploma 1*
SMA dan Sederajat	11	13	*High School and Equivalent*
Jumlah	**585**	**595**	***Total***

Berdasarkan Status Kepegawaian | *Based on Employment Status*

Status Kepegawaian	2019	2018	*Employment Status*
Karyawan Tetap	563	574	*Permanent Employee*
Karyawan Kontrak	22	21	*Non-Permanent Employee*
Jumlah	**585**	**595**	***Total***



Strategi 2020

Ke depannya, Bank mencanangkan strategi untuk meningkatkan kualitas sumber daya manusia yang unggul seiring dengan pengembangan bisnis dan peningkatan hasil kinerja Bank melalui langkah-langkah berikut:

- Menciptakan budaya kerja untuk mendorong karyawan agar terus menjaga dan meningkatkan kinerja individu untuk memberikan kontribusi kepada Bank secara berkesinambungan.
- Meninjau struktur organisasi secara konsisten untuk memastikan efektivitas proses kerja karyawan dan efisiensi alur komunikasi dan pengambilan keputusan; memastikan ketersediaan sumber daya manusia yang berkualitas dan memadai sesuai dengan kebutuhan dan kemampuan Bank untuk mencapai tujuan bisnis secara berkelanjutan.
- Meningkatkan standar perekrutan dan sistem seleksi karyawan dalam rangka menjaga dan meningkatkan kualitas sumber daya manusia, baik secara kompetensi, keahlian, dan kemampuan kepemimpinan sehingga karyawan dapat memberikan kontribusi yang optimal.
- Menciptakan strategi manajemen talenta dan karier karyawan berdasarkan penilaian kompetensi, hasil kinerja, dan kemampuan kepemimpinan yang dimiliki dan dihasilkan oleh karyawan secara konsisten.
- Memetakan dan merencanakan manajemen pelatihan karyawan berdasarkan kebutuhan karyawan untuk dapat mencapai sasaran kerja, meningkatkan kompetensi dan kemampuan kepemimpinan, serta mendukung pencapaian target perkembangan bisnis.
- Memanfaatkan kemampuan pemegang saham Bank melalui penempatan tenaga kerja asing yang memiliki keahlian khusus dengan persetujuan Otoritas Jasa Keuangan Indonesia. Sehingga, Bank dapat meningkatkan kompetensi dan keahlian karyawan lokal dan asing melalui alih pengetahuan. Langkah ini pada akhirnya meningkatkan kemampuan Bank untuk bersaing melalui keunggulan-keunggulan yang dimiliki baik dalam hal sistem, teknologi, maupun produk.

2020 Strategies

Going forward, The Bank has launched strategies to improve the quality of superior human resources in line with The Bank's business development and performance improvement through the following measures:

- *Create a performance culture that encourages employees to continue maintaining and improving their individual performance in order to contribute to The Bank sustainably.*
- *Review the organizational structure consistently to ensure the effectiveness of employee work processes and the efficiency of communication and decision-making flows; ensure the availability of quality and adequate human resources that correspond to the needs and capabilities of The Bank to achieve sustainable business goals.*
- *Improve the recruitment standards and employee selection systems in order to maintain and enhance the quality of human resources, both in terms of competence, expertise, and leadership capabilities so that the employees can render optimum contributions.*
- *Create the employee career and talent management strategies based on the assessment of competencies, performance results, and leadership abilities that are consistently attained and delivered by employees.*
- *Mapping and planning the employee training management based on employee needs to be able to achieve work goals, improve leadership competencies and capabilities, and to support the achievement of business development targets.*
- *Utilize the capabilities of The Bank's shareholders through the placement of expatriates with special expertise that has been approved by the Indonesian Financial Services Authority. Thus, The Bank can improve the competence and expertise of local and foreign employees through knowledge transfer. This step ultimately enhances The Bank's ability to compete through its advantages in terms of system, technology and product.*

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Information Technology Development

Pengembangan Teknologi Informasi 2019

Bank senantiasa mengembangkan kualitas layanan agar mampu mewujudkan misi menjadi bank lokal utama dan berpengaruh yang dapat memberikan nilai terbaik bagi pemegang saham, nasabah, karyawan, serta masyarakat. Unit Teknologi Informasi (TI) memiliki fungsi strategis yang dapat merefleksikan inisiatif bisnis Bank. Pada 2019, TI telah mengimplementasikan berbagai proyek utama, di antaranya adalah meningkatkan sistem perbankan dan manajemen risiko, menerapkan strategi dan aplikasi keamanan informasi, serta membuat aplikasi pelaporan eksternal yang sesuai dengan ketentuan regulator. Penerapan TI pada 2019 memungkinkan Bank dalam mengembangkan berbagai keunggulan kompetitifnya dengan infrastruktur TI yang kokoh dan aman.

Struktur Dasar Teknologi Informasi

Bank memiliki struktur dasar TI yang disusun untuk mencapai 3 (tiga) tujuan: keamanan dan kepatuhan kepada regulasi lokal, kualitas pelayanan untuk konsumen individual maupun perusahaan, dan efisiensi.

Berikut langkah-langkah Bank dalam mengedepankan tujuan tersebut:

1. Keamanan dan Kepatuhan
   - Mengembangkan keamanan digital dan kepatuhan terhadap regulasi dalam kegiatan operasional; dan
   - Mengembangkan mandat terhadap regulasi dan kepatuhan terhadap audit TI.
2. Kualitas/Kepuasan Pelanggan
   - Mengembangkan kesadaran dan akuntabilitas terkait kualitas pelayanan;
   - Mengembangkan komunikasi internal Bank yang baik serta meningkatkan komunikasi antara Bank dan pelanggan;

Information Technology Development in 2019

The Bank continues to develop service quality in order to achieve its mission to become a major and influential local bank that can provide the best values to shareholders, customers, employees, and public. The Information Technology (IT) unit has a strategic function that can reflect The Bank's business initiatives. In 2019, IT has implemented various major projects, including improve the banking system and risk management, implement the information security strategies and applications, and create external reporting applications in accordance with regulatory provisions. The application of IT in 2019 enables The Bank to develop various competitive advantages with a strong and secure IT infrastructure.

Information Technology Basic Structure

The Bank has in place the IT basic structure built with 3 (three) goals in mind: security and compliance to local regulatory, service quality (both for individual and corporate customers), and efficiency.

Following are the steps of The Bank to strive for the objectives:

1. *Security and Compliance*
   - *Enhance cyber-security and compliance with the regulatory in the operational activities; and*
   - *Improve regulatory mandate and IT audit compliance.*
2. *Customers' Quality/Satisfaction*
   - *Improve awareness and accountability of service quality;*
   - *Improve internal Bank communication and enhance communication between The Bank and customers;*

- Mengembangkan pelayanan yang baik dan kemitraan dengan konsumen; dan
- Mengembangkan dan mempertahankan tenaga kerja yang berkompetensi tinggi.

3. Efisiensi (penekanan biaya operasional)
   - Mengembangkan proses bisnis yang lebih efisien dan efektif;
   - Mengoptimalkan pemakaian teknologi; dan
   - Memaksimalkan kekuatan modal dan pengetahuan dari perusahaan induk.

Untuk keamanan nasabah yang optimal dan melancarkan alur sistem antara Bank dan ICBC Limited, sistem TI Bank memiliki sistem penanganan insiden yang baik dalam hal terjadinya bencana. Sistem ini juga mampu mencegah risiko dan gangguan terhadap sistem/aplikasi pada Bank.

Sistem TI Bank dikembangkan mengikuti sistem TI ICBC Limited yang telah terbukti unggul karena memiliki *advanced production service channel*, *advanced risk control system*, dan *advanced operation analyst model*.

Desain tersebut memungkinkan struktur TI Bank untuk memiliki:
- Kerangka komunikasi modern yang menjangkau pelanggan dengan informasi perbankan.
- Infrastruktur TI yang mampu mengakomodasi pertumbuhan persyaratan perbankan, yang mendukung kemajuan dan inovasi perbankan.
- Membangun, mengembangkan dan memelihara sistem dan aplikasi-aplikasi yang penting dan memungkinkan Bank untuk melakukan fungsi-fungsi utamanya.
- Pengguna sistem Bank mampu melakukan tugasnya dengan menggunakan perangkat seluler yang akan menambah efisiensi dan efektivitas kerja.
- Mengurangi upaya-upaya duplikasi yang pada akhirnya menambah kualitas pelayanan dan memberikan solusi yang bernilai tinggi.
- Pengguna sistem Bank mampu menjangkau pelayanan dan solusi digital terhadap permasalahan yang ada.
- Pembagian data antar departemen dan kantor pusat menjadi lebih mudah dan cepat.
- Biaya TI per pengguna berkurang melalui proses yang lebih efisien dan implementasi alokasi biaya TI dengan tata kelola yang terpusat.
- Sistem Bank *up-to-date* dengan perkembangan teknologi dan standar industri.
- Proyek-proyek TI sesuai dengan prioritas Bank dan ICBC Limited.

Roadmap Teknologi Informasi

Bank telah menyusun *roadmap* transformasi TI 2019–2021 untuk mengoptimalkan keamanan dan kepuasan pelanggan. Roadmap disusun berlandaskan 3 (tiga) strategi: memperkuat TI, pembangunan dasar teknologi yang kokoh, dan optimalisasi pemanfaatan teknologi yang berkelanjutan. Strategi tersebut disusun dalam rencana-rencana aksi dan kerangka waktu sebagai berikut:

- *Improve delivery of service and partnership with customers; and*
- *Develop and retain highly skilled employees.*

3. *Efficiency (reduction of operational cost)*
   - *Improve business process efficiency and effectiveness;*
   - *Optimize the use of technology; and*
   - *Maximise the capital strength and knowledge of the parent company.*

For maximum security of the customers and for the efficiency of IT flow between The Bank and ICBC Limited, The Bank's IT system can continue to operate in the event of a disaster. It is also able to prevent risk exposure and disruption to The Bank's systems/applications.

The Bank's IT system is developed using the IT system of ICBC Limited that is proven to be excellent, by having an advanced production service channel, advanced risk control system, and advanced operation analyst model.

Such models enable The Bank to have IT structure that is able to:
- *Modernize a communication platform that can better engage and provide customers with banking information.*
- *Develop IT infrastructure that is able to accommodate the growth of banking requirements, supporting banking advancement and innovation.*
- *Build, enhance and maintain systems and applications that are mission-critical and enable The Bank to perform its core functions.*
- *The Bank users are able to perform duties using a mobile device, which can improve working efficiency and effectiveness.*
- *Reduce duplication of efforts, leading to increased delivery of high value services and solutions.*
- *The Bank users will be able to obtain digital services and solutions to existing problems.*
- *Sharing data across departments and headquarters will be easier and accelerating the process.*
- *IT cost per user is decreased through more efficient processes and the implementation of IT cost allocation with centralized governance.*
- *The Bank's system is up to date with technological advancements and industry standards.*
- *IT projects are aligned with the priorities of The Bank and ICBC Limited.*

Information Technology Roadmap

The Bank has set an IT transformation roadmap 2019–2021 to strive the maximum security and satisfaction of customers. The roadmap lays on 3 (three) strategies: to strengthen IT, to build strong foundation of technology, and to optimize the use of sustainable technology. The strategies are implemented in a list of action plans with time scheduling as below:

ROADMAP

Teknologi Informasi
Information Technology Roadmap

01 **Pembaharuan Fasilitas Pusat Data (DC)/Pusat Pemulihan Bencana (DRC) Berdasarkan Proyek *Core Banking Onshore* (2019)**
Data Center (DC)/Disaster Recovery Center (DRC) Facility Upgrade Based on Core Banking Onshore Project (2019)

02 **Peningkatan Infrastruktur Keamanan TI (2019)**
IT Security Infrastructure Upgrade (2019)

03 **Peningkatan Performa *Wide Area Network* (WAN)/*Local Area Network* (LAN) (2019)**
Wide Area Network (WAN)/Local Area Network (LAN) Performance Improvement (2019)

04 **Proyek *Onshore Core Banking* (2019-2021)**
Core Banking Onshore Project (2019-2021)

05 **Peningkatan Fungsi *Core Banking* (2019)**
Core Banking Function Enhancement (2019)

06 **Pengembangan *E-channel* (2019-2020)**
E-channel Upgrade (2019-2020)

07 **Pengembangan Sistem Pendukung Bisnis (2019-2021)**
Development of Business Support System (2019-2021)

08 **Pengembangan untuk Mendukung Bisnis & Struktur Manajemen Risiko dan Tenaga Kerja (2019-2020)**
Business Support & Risk Management Structure and Manpower Enhancement (2019-2020)

09 **Kolaborasi antara Teknologi dan Tenaga Kerja TI yang Terampil (2019)**
Collaboration of Technology and IT-Savvy Workforce (2019)

10 **Struktur Organisasi TI yang *Agile* (2019)**
Agile IT Organization Structure (2019)

11 **Optimalisasi Kebijakan dan Prosedur TI (2019-2020)**
IT Policy and Procedure Optimization (2019-2020)

12 **Penguatan Manajemen Risiko TI dan Pendukung Bisnis (2019)**
Strengthening IT Risk Management and Business Support (2019)

13 **Penguatan Keamanan Kerangka TI (2019)**
Strengthening IT Framework Security (2019)

14 **Membangun Manajemen Kinerja TI (2019)**
Establish IT Performance Management (2019)

15 **Pengembangan Proses Otomatisasi Berdasarkan Kebutuhan Bisnis (2019)**
Development of Automation Processes Based on Business Needs (2019)

1. **Pembaharuan Fasilitas Pusat Data (DC)/Pusat Pemulihan Bencana (DRC) Berdasarkan Proyek *Core Banking Onshore* (2019)**
   Saat ini Bank sedang dalam proses perpindahan sistem DC untuk aplikasi-aplikasi *non-core banking* untuk mendukung aktivitas dan perkembangan kegiatan *core banking*.
2. **Peningkatan Infrastruktur Keamanan TI (2019)**
   Menggunakan infrastruktur teknologi yang terbaru bertujuan untuk menekan biaya operasional tahunan dan meningkatkan efisiensi tenaga kerja. Walaupun lebih mahal dari segi biaya instalasi awal, hal tersebut tetap esensial untuk menggantikan sistem analog yang lama dengan infrastruktur yang baru untuk keuntungan jangka panjang.
3. **Peningkatan Performa *Wide Area Network* (WAN)/*Local Area Network* (LAN) (2019)**
   Untuk mendukung peningkatan sistem DC/DRC.
4. **Proyek *Onshore Core Banking* (2019–2021)**
   Untuk mendukung transaksi-transaksi yang paling umum terjadi. Sistem dan produk meliputi sistem akuntansi, informasi pelanggan dan semua jenis akun seperti deposito, pinjaman dan tabungan atau akun internal.
5. **Peningkatan Fungsi *Core Banking* (2019)**
   Peningkatan infrastruktur untuk menopang bisnis Bank dan bermanfaat bagi semua pemangku kepentingan.
6. **Pengembangan *E-channel* (2019–2020)**
   Pengembangan saluran elektronik untuk menopang bisnis Bank dan bermanfaat bagi semua pemangku kepentingan.
7. **Pengembangan Sistem Pendukung Bisnis (2019-2021)**
   Sejalan dengan berkembangnya bisnis, maka perlu menerjemahkan dan memahami dimensi kebutuhan bisnis dan teknologi.
8. **Pengembangan untuk Mendukung Bisnis & Struktur Manajemen Risiko dan Tenaga Kerja (2019–2020)**
   Melalui peningkatan infrastruktur dan berdasarkan Peraturan OJK No. 38/POJK.03/2016 tentang Penerapan Manajemen Risiko dalam Penggunaan Teknologi Informasi oleh Bank Umum.
9. **Kolaborasi antara Teknologi dan Tenaga Kerja TI yang Terampil (2019)**
   Kolaborasi antara teknologi terkini dan tenaga kerja yang efisien dan efektif untuk menekan biaya operasional tahunan.
10. **Struktur Organisasi TI yang *Agile* (2019)**
    Dengan meniadakan pemisahan fungsi antara pengembang sistem dan operator sistem; Bank menambahkan posisi-posisi penting untuk mengelola keamanan TI, arsitektur TI, jaringan TI, pustakawan TI, PMO TI, dan dapat menggantikan hubungan yang hilang dengan ICBC Limited.
11. **Optimalisasi Kebijakan dan Prosedur TI (2019–2020)**
    Melalui penyederhanaan dan solusi kebijakan-kebijakan yang tumpang tindih dan memastikan bahwa kebijakan tersebut berhubungan dengan aspek-aspek penting dengan penjelasan yang sejelas mungkin demi pengawasan yang lebih mudah, jelas, dan dekat.

1. ***Data Center (DC)/Disaster Recovery Center (DRC) Facility Upgrade Based on Core Banking Onshore Project (2019)***
   The Bank is shifting its DC for non-core banking applications to support core banking activities and growth.
2. ***IT Security Infrastructure Upgrade (2019)***
   The use of latest technology infrastructure aims to reduce annual operational cost and improve workforce efficiency. The latest infrastructure, albeit more expensive in the installation phase, it is important to replace the old analog one for long term benefit and efficiency.
3. ***Wide Area Network (WAN)/ Local Area Network (LAN) Performance Improvement (2019)***
   To support DC/DRC upgrade.
4. ***Core Banking Onshore Project (2019–2021)***
   Core banking is used to support most common banking transactions. It includes accounting system, customer information and all account types, such as time deposits, loans and savings accounts or internal accounts.
5. ***Core Banking Function Enhancement (2019)***
   Infrastructure upgrade to support The Bank's business and to benefit all stakeholders.
6. ***E-channel Upgrade (2019–2020)***
   E-channel upgrade to support The Bank's business and to benefit all stakeholders.
7. ***Development of Business Support System (2019–2021)***
   In line with the business development, it is necessary to understand the dimensions of business and technological needs.
8. ***Business Support & Risk Management Structure and Manpower Enhancement (2019–2020)***
   Through infrastructure upgrade and based on OJK Regulation No. 38/POJK.03/2016 concerning the Implementation of Risk Management in the Use of Information Technology by Commercial Banks.
9. ***Collaboration of Technology and IT-Savvy Workforce (2019)***
   Collaborating latest technology advancement with efficient and effective workforce to reduce annual operational cost.
10. ***Agile IT Organization Structure (2019)***
    By removing the segregation of system development and operation; The Bank is adding crucial positions to manage IT security, IT architecture, IT network, IT librarian, IT PMO; and to fill the ICBC Limited missing connection.
11. ***IT Policy and Procedure Optimization (2019–2020)***
    By simplifying and solving the overlapping policies and making sure that those policies cover the important aspects and the details be elaborated clearly so implementation can be monitored easier, clearer and closer.

12. **Penguatan Manajemen Risiko TI dan Pendukung Bisnis (2019)**
    Dengan membentuk kerangka kerja untuk manajemen risiko TI yang sejalan dengan ICBC Limited serta melalui manajemen risiko operasional, pengembangan kemampuan dan pengetahuan staf TI mengenai manajemen risiko TI untuk mengurangi masalah keamanan dan kepatuhan.
13. **Penguatan Keamanan Kerangka TI (2019)**
    Sesuai Peraturan OJK No. 38/POJK.03/2016 tentang Penerapan Manajemen Risiko dalam Penggunaan Teknologi Informasi oleh Bank Umum.
14. **Pembangunan Manajemen Kinerja TI (2019)**
    Dengan menerapkan *balanced scorecard* kepada seluruh karyawan TI, penilaian secara objektif akan dilaksanakan secara adil.
15. **Pengembangan Proses Otomatisasi Berdasarkan Kebutuhan Bisnis (2019)**
    Pembangunan infrastruktur TI yang lebih efisien dan aman menjadi langkah praktis Departemen TI untuk menyiapkan Bank menghadapi kebutuhan bisnis dengan tetap mengikuti regulasi yang berlaku.

Pencapaian Teknologi Informasi 2019

Dalam meneruskan transformasi TI yang akan berjalan hingga 2022, Departemen TI telah menjalankan pembaruan infrastruktur untuk menciptakan sistem yang lebih efisien. Pembangunan Pusat Data (*Data Center)* yang mulai diinisiasi pada 2018 telah rampung pada 2019, termasuk pembangunan Pusat Pemulihan Bencana (*Disaster Recovery Center*) yang lebih aman. Setelah membangun Pusat Data, TI juga melepaskan ketergantungan sistem utama dari perusahaan induk sehingga Bank memiliki sistem *core banking* yang lebih mandiri.

Untuk mendukung kebutuhan bisnis Bank serta memenuhi standar minimum dari ICBC Limited dan OJK, Departemen TI membangun 2 (dua) Pusat Data baru yang lebih memadai dan modern. Penyelesaian konstruksinya dilakukan secara berkala dan selesai pada Oktober 2019 sesuai anggaran yang disetujui. Namun, pekerjaan TI tidak berhenti sampai di situ. Pemantauan stabilitas sistem *core banking* baru tersebut masih terus dilakukan selama satu tahun sampai Oktober 2020.

Selain itu, Departemen TI juga turut memperbarui semua perangkat keras lama yang sudah kadaluwarsa sebagai langkah untuk mengurangi biaya perawatan yang tidak diperlukan. Proses *cut-over* berlangsung cepat dan tanpa kendala sehingga tidak mengganggu proses bisnis Bank dan transaksi nasabah. Departemen TI juga menjalankan kewajiban untuk memenuhi ketentuan regulator dalam menciptakan sistem yang memenuhi aspek standar akuntansi dan keuangan yang berlaku dan diterima di seluruh dunia.

Untuk mendukung bisnis pasar global, Departemen TI telah menyelesaikan pengembangan sistem baru yang diadopsi dari ICBC Limited. Hal ini juga menjadi kewajiban Bank untuk memenuhi persyaratan yang ditetapkan oleh OJK setelah sistem *treasury* yang sebelumnya tidak lagi digunakan.

12. ***Strengthening IT Risk Management and Business Support (2019)***
    By establishing framework for IT risk management to align with ICBC Limited as well as through operational risk management, improving IT personnel skill and knowledge on management of IT risks to reduce security and compliance issues.
13. ***Strengthening IT Framework Security (2019)***
    To comply with OJK Regulation No. 38/POJK.03/2016 concerning the Impementation of Risk Management in the Use of Information Technology by Commercial Banks.
14. ***Establish IT Performance Management (2019)***
    By implementing balanced scorecard for all IT employees, objective assessment will be carried out fairly.
15. ***Development of Automation Processes Based on Business Needs (2019)***
    Development of more efficient and safer IT infrastructure will be a practical move for IT Department to prepare The Bank in facing business needs while still complying with applicable regulations.

Information Technology Achievement in 2019

In continuing the transformation of IT that will run until 2022, the IT Department has carried out an infrastructure update to create a more efficient system. The development of Data Center, which was initiated in 2018, has been completed in 2019, including the development of safer Disaster Recovery Center. After successfully building a Data Center, IT also relinquished the main system dependency of the parent company so that The Bank had more independent core banking system.

To support The Bank's business needs and to meet the minimum standards of ICBC Limited and OJK, the IT Department built 2 (two) new Data Centers that are more adequate and modern. The construction was carried out periodically and was completed in October 2019 according to the approved budget. However, IT work does not stop there. The monitoring of new core banking system stability will continue to be carried out for one year until October 2020.

In addition, the IT Department upgraded all of its old hardware that have expired as a way to reduce unnecessary maintenance costs. The cut-over process runs smoothly and without any disruption so that it does not interfere with The Bank's business processes and customer transactions. The IT Department also carried out the obligation to fulfill the regulatory requirements in creating systems that meet the accounting and financial standards applicable and acceptable throughout the world.

To support the global market business, the IT Department has completed the development of new system adopted from ICBC Limited. This was also part of The Bank's obligations to fulfill the requirements set by OJK after the previous treasury system was no longer utilized.

TI bekerja keras membangun sistem *e-channel* untuk memudahkan transaksi nasabah individu maupun perusahaan. Untuk nasabah individu, TI telah mengembangkan *Personal Internet Banking (PIB)* yang pengadaan *hardware* dan instalasi *software*-nya telah diselesaikan pada Desember 2019. Sistem ini akan dapat dinikmati nasabah pada tahun mendatang. Sementara itu, pengembangan *Corporate Internet Banking (CIB)* juga sudah dilakukan untuk meningkatkan keamanan pada 2019.

Lebih khusus, pada 2019 Departemen TI memiliki beberapa sasaran utama yang berhasil dicapai, yaitu sebagai berikut:

1. Melaksanakan proyek utama yang mendukung pengembangan Bank.
   a) Pembangunan Pusat Data (DC) & Pusat Pemulihan Bencana (DRC):
      - Penyelesaian pembangunan Pusat Data dan Pusat Pemulihan Bencana baru dilakukan pada Agustus 2019, baik di Jakarta maupun di Surabaya.
      - Pemindahan semua *server* dari Pusat Data dan Pusat Pemulihan Bencana lama ke Pusat Data dan Pusat Pemulihan Bencana baru berhasil dilakukan. Tugas yang masih berjalan adalah memindahkan tautan jaringan internasional dan Bank Sentral.
      - Saat melakukan pemindahan, TI juga menginisiasi tindakan berikut:
        i. Memperbarui perangkat keras lama (*server* dan peralatan jaringan) dengan perangkat keras baru.
        ii. Memindahkan semua aplikasi bersama dengan penggantian perangkat keras.
      - Mengganti semua PC pengguna akhir yang memiliki dampak langsung dengan proyek.
   b) Memimpin migrasi FOVA ke FOVA Platform System (FPS) sebagai manajer proyek untuk:
      - Memastikan pembuatan Skrip Pengujian Pengguna;
      - Penandatanganan UAT;
      - Menunjuk dan memilih peserta yang akan mengikuti pelatihan ke ICBC Limited;
      - Memimpin koordinasi untuk aplikasi di sekitarnya yang sudah ada di Indonesia, seperti sistem *treasury*, kredit, *corporate internet banking, anti-money laundering* (AML), *trade finance*, operasi, sistem pengalihan (BERSAMA, LINK, VISA, CUP), pembayaran (RTGS, SKN, ETP, SSSS), sistem pajak (MPN), sistem kartu (pernyataan tagihan, *e-statement*), serta sistem pelaporan (LBU, LHBU, LBBUK, LKPBU, SLIK, LLD).
   c) Penggunaan FPS langsung dari Indonesia
      Dengan dukungan dari tim ahli ICBC Limited, Bank berhasil mengoperasikan FPS secara langsung dari Indonesia.
   d) Sistem *Treasury*
      - Bagian dari tim kerja dan dengan dukungan dari pakar ICBC Limited dalam meyakinkan regulator bahwa ICBC Indonesia dapat menggunakan sistem *treasury* yang dikembangkan oleh ICBC Limited.
      - Implementasi sistem *treasury* sudah dijalankan di Pusat Data Indonesia pada bulan Oktober 2019. Sistem ini tidak berdiri sendiri dan harus berinteraksi dengan sistem *core banking* (FPS).

IT worked hard in building e-channel system to facilitate individual and corporate customer transactions. For individual customers, IT has developed Personal Internet Banking (PIB), where the procurement of hardware and software installation has been completed in December 2019. This system will be launched to customers in the upcoming year. Meanwhile, the development of Corporate Internet Banking (CIB) has also been carried out for security improvement in 2019.

More specifically, in 2019 the IT Department had several main objectives that were successfully achieved, namely as follows:

1. *Carry out major projects that support the development of The Bank.*
   a) Development of Data Center (DC) & Disaster Recovery Center (DRC):
      - *The completion of new DC & DRC development was in August 2019, both in Jakarta and Surabaya.*
      - *Successfully moved all servers from the previous DC & DRC to the new DC & DRC. The remaining tasks are migrating the international and Central Bank network links.*
      - *During the system migration, IT initiated following actions:*
        i. Upgrading old hardware (servers and network equipments) to new one.
        ii. Migrating all applications along with the replacement of hardware.
      - *Replacing all end-user PCs that have a direct impact to the project.*
   b) Leading the migration of FOVA to FOVA Platform System (FPS) as project manager to:
      - *Ensuring the creation of User Testing Scripts;*
      - *Signing of UAT;*
      - *Appoint and select participants who will take the training to ICBC Limited;*
      - *Coordinate surrounding applications that are already exist in Indonesia, such as treasury systems, credit, corporate internet banking, anti-money laundering (AML), trade finance, operations, switching systems (BERSAMA, LINK, VISA, CUP), payments (RTGS, SKN, ETP, SSSS), tax systems (MPN), card systems (billing statement, e-statement), and reporting systems (LBU, LHBU, LBBUK, LKPBU, SLIK, LLD).*
   c) Direct used of FPS in Indonesia
      With the support of ICBC Limited's expert team, The Bank has successfully operated the FPS from Indonesia.
   d) Treasury Systems
      - *Part of the work team and with the support of ICBC Limited experts in convincing regulators that ICBC Indonesia can utilize the treasury system developed by ICBC Limited.*
      - *The implementation of treasury system has been carried out at the Indonesia Data Center in October 2019. This system does not stand alone and must interact with core banking system (FPS).*

e) Sistem Persyaratan Regulator:
- Sistem standar akuntansi dan keuangan (PSAK 71 atau IFRS 9)
  Menghemat biaya dalam pembuatan program untuk menghitung penurunan nilai menggunakan program SAS. Pengembangan ini dilakukan oleh tim TI.
- Aplikasi Pelaporan *Online* OJK (APOLO)
  Aplikasi APOLO berhasil diluncurkan pada bulan September 2019. APOLO adalah aplikasi berbasis *web* yang berfungsi untuk memberikan layanan kepada Lembaga Layanan Keuangan dalam memenuhi kewajiban pengiriman pelaporan *online*. Laporan dikirimkan melalui aplikasi ini seperti laporan keuangan bulanan dan triwulan, suku bunga dasar kredit, aset tertimbang menurut risiko, dan laporan kebutuhan kecukupan modal minimum.
- Laporan Bank Umum Terpadu Bank Sentral (ANTASENA)
  Melakukan uji industri untuk aplikasi dan akan digunakan pada Januari 2020.
- Departemen Kependudukan dan Sistem Pencatatan Sipil (DUKCAPIL)
  Sistem ini digunakan di kantor cabang untuk keperluan APU dalam mengidentifikasi nasabah.
- Laporan Transaksi Sumber Daya Alam Bank Devisa
  Melakukan pelaporan aliran dana dari transaksi sumber daya alam. Itu dimulai dengan membuka rekening baru untuk mengidentifikasi transaksi dari transaksi sumber alam yang kemudian transaksi tersebut dilaporkan ke Bank Sentral secara bulanan.

2. Pengiriman Layanan dan Kemitraan (Proyek & Operasi TI)
   Untuk mengetahui kinerja kepuasan pelanggan TI pada 2019, TI telah melakukan survei dengan target meningkatkan kepuasan pelanggan sebesar 5% pada akhir tahun 2019. Secara keseluruhan terjadi kenaikan kepuasan pelanggan TI yang mencapai hampir 5% pada Desember 2019.

Solusi atas Permasalahan yang Dihadapi TI

Departemen TI juga menciptakan solusi yang efektif untuk menjawab berbagai tantangan dan risiko yang dihadapi pada 2019, yaitu sebagai berikut:

1. Penyelarasan standar bisnis sesuai dengan perusahaan induk dengan tetap mengikuti regulasi yang berlaku di Indonesia.
2. Masalah terbesar dalam pengembangan teknologi bukanlah teknologi, melainkan keterampilan yang terbatas karena perubahan sistem dari FOVA ke FPS. Tantangan TI bukanlah menemukan perangkat lunak yang tepat, melainkan mendapatkan talenta yang dapat memenuhi kebutuhan Bank. Oleh karena itu, pada 2019 Departemen TI telah melakukan penambahan SDM untuk *developer, data center operator,* dan *database admin* yang dipasangkan dengan tim dari perusahaan induk untuk membantu Bank melewati masa sulit dalam peralihan dan sosialisasi sistem *core banking* baru.

e) Regulatory Requirements Systems:
- *Accounting and financial standard systems (PSAK 71 or IFRS 9)*
  Cost savings in making programs to calculate the impairment using SAS program. This development was carried out by the IT team.
- *OJK Online Reporting Application (APOLO)*
  APOLO application system has been launched in September 2019. APOLO is a web-based application that serves to provide services to Financial Services Institutions in fulfilling the obligations of sending online reporting. Reports sent through this application such as monthly and quarterly financial statements, credit-based interest rates, risk weighted assets, and statements of minimum capital adequacy requirements.
- *Central Bank Integrated Commercial Bank Report (ANTASENA)*
  Conduct industry testing for application and will be utilized in January 2020.
- *Department of Population and Civil Registration System (DUKCAPIL)*
  This system is utilized by the branch offices for the needs of AML to identify The Bank's customers.
- *Central Bank Natural Resource Transactions Report*
  Reporting the flow of funds from natural resource transactions. It starts with the opening of new account to identify transactions from natural resource transactions, then capturing the transactions and reporting them to the Central Bank on a monthly basis.

2. Service Delivery and Partnerships (IT Projects & Operations)
To find out the performance of IT customer satisfaction in 2019, IT has conducted a survey with the target of increasing customer satisfaction by 5% at the end of 2019. Overall, there was an increase in IT customer satisfaction which reached nearly 5% in December 2019.

Solutions to the Problems Facing by IT

The IT Department also created effective solutions to address the challenges and risks faced in 2019, which are as follows:

1. *Aligning business standards in accordance with the parent company while still following the applicable regulations in Indonesia.*
2. *The biggest problem in technology development is not the technology, but the limited skills owned by IT personnel due to change of system from FOVA to FPS. IT challenge is not to find the right software, but to get talents that can meet the needs of The Bank. Therefore, in 2019 the IT Department has added its human resources for developers, data center operators, and database admins paired with a team from the parent company to help The Bank going through a difficult time in the transition and socialization of new core banking system.*

3. Pelatihan dan pengembangan internal untuk tim TI terkait *information security*, aplikasi, hingga *core banking system* yang dilakukan pada level karyawan.
4. Berbagi alat pemantauan produksi dengan perusahaan induk untuk mendapatkan manfaat dukungan produksi. Langkah ini akan meningkatkan produktivitas Bank dengan mendeteksi masalah mendasar sebelum efeknya memburuk.

Rencana Pengembangan Teknologi Informasi 2020

Departemen TI senantiasa mendukung tujuan bisnis Bank dengan menyediakan infrastruktur yang canggih dan mutakhir sehingga memungkinkan Bank untuk memberikan produk dan layanan terbaik. Pengembangan teknologi pada masa mendatang juga dilakukan agar kegiatan operasional dapat berjalan secara efektif dan aman, berpegang kepada visi untuk melakukan transformasi infrastruktur TI agar menjadi keunggulan dari Bank.

Dengan menganut prinsip-prinsip kepatuhan terhadap peraturan, kebijakan, dan prosedur pengawasan, memanfaatkan sumber daya secara maksimal dari ICBC Limited, mempertimbangkan dan memprioritaskan pengembangan jangka panjang, meningkatkan produktivitas dan efisiensi, serta memastikan keamanan operasi dan mitigasi risiko TI, Departemen TI berkomitmen untuk memberikan produk, layanan, dan solusi bisnis berkualitas. Departemen TI akan terus meningkatkan solusi teknologi untuk memberikan pengalaman tanpa batas dan sejalan dengan standar regulator serta standar ICBC Limited, seperti yang dipaparkan dalam rencana strategis pengembangan TI di bawah ini.

a. **Pusat Data Dan Pusat Pemulihan Bencana**
   Sesuai Peraturan Otoritas Jasa Keuangan No.38/POJK.03/2016 yang mewajibkan Bank menempatkan sistem elektronik pada Pusat Data dan Pusat Pemulihan Bencana di Indonesia, maka pada tahun 2019 Bank telah selesai membangun Pusat Data (DC) dan Pusat Pemulihan Bencana (DRC) serta melakukan peremajaan infrastruktur.

   Departemen TI juga melihat perlunya pengadaan perangkat lunak untuk FOVA *Platform System* (FPS) saat migrasi ke Indonesia. Rencana ini akan dijalankan pada 2020, termasuk pengadaan perangkat lunak untuk semua perangkat keras baru.

b. **FOVA *Platform System* (FPS)**
   Bank telah mengimplementasikan sistem *core banking* yang baru (FOVA *Platform System*) dengan menggunakan Java *programming*, setelah sebelumnya menggunakan *platform Mainframe*. Hal ini dilakukan agar sistem *core banking* dapat dengan mudah dipindahkan ke Indonesia pada 2020. Bank juga berencana melakukan migrasi sistem utama yang terdiri dari 10 (sepuluh) sistem elektronik yang berkaitan dengan Dana Pihak Ketiga (DPK), kredit, sistem pembayaran, kartu kredit, *Know Your Customer* (KYC), *general ledger*, dan *trade finance* yang saat ini masih berada di Republik Rakyat Tiongkok. Migrasi sistem ke Indonesia akan dilakukan sesuai dengan jadwal yang telah disampaikan kepada regulator, yaitu selambat-lambatnya Oktober 2020.

   Migrasi sistem utama (*core banking system*) dimulai dengan *testing* terhadap fungsi-fungsi FPS yang meliputi 6 (enam) modul, yaitu *Remittance*, *Loan*, *Saving*, *Card*, *Accounting*, dan CIF yang dilakukan secara simultan. Selanjutnya, dilakukan *testing* aplikasi *surrounding*, yaitu aplikasi-aplikasi yang terhubung dengan aplikasi FPS. Kemudian, dilakukan *testing* menyeluruh (*comprehensive testing*) pada Juni sampai akhir September 2019.

3. Internal training and development for IT teams related to information security, applications, and the core banking system which are conducted to employee level.
4. Share production monitoring tools with the parent company to benefit from production support. This step will increase The Bank's productivity by detecting underlying problems before their effects worsen.

Information Technology Development Plan in 2020

The IT Department always supports The Bank's business objectives by providing sophisticated infrastructure that enables The Bank to provide the best products and services. Technology development in the future is also carried out so that operational activities can run effectively and safely, adhering to the vision to transform the IT infrastructure to become an advantage of The Bank.

By adhering to the principles of compliance with regulations, policies, and supervisory procedures, making maximum use of resources from ICBC Limited, considering and prioritizing long-term development, increasing productivity and efficiency, and ensuring the safety of operations and IT risk mitigation, the IT Department is committed to provide quality business products, services and solutions. The IT Department will continue to improve its technology solutions to provide unlimited experience and in line with regulatory standards and ICBC Limited standards, as outlined in the IT development strategic plan below.

*a. **Data Center and Disaster Recovery Center***
   In accordance with Financial Services Authority Regulation No.38/POJK.03/2016 which requires The Bank to place electronic systems in Data Center and Disaster Recovery Center in Indonesia; hence in 2019 The Bank has completed building Data Center (DC) and Disaster Recovery Center (DRC), as well as upgrading its infrastructure.

   The IT Department also saw the need for procurement of software for FOVA Platform System (FPS) when migrating to Indonesia. This plan will be implemented in 2020, including the procurement of software for all new hardware.

*b. **FOVA Platform System (FPS)***
   The Bank has implemented new core banking system (FOVA Platform System) using Java programming, after previously using the Mainframe platform. This is done so that the core banking system can be easily moved to Indonesia in 2020. The Bank also plans to migrate the core banking system consisting of 10 (ten) electronic systems relating to Third Party Funds (TPF), credit, payment systems, credit cards, Know Your Customer (KYC), general ledger, and trade finance which are currently still in the People's Republic of China. System migration to Indonesia will be carried out according to the schedule that has been submitted to regulators, which is no later than October 2020.

   The core banking system migration begins with testing the FPS functions that include 6 (six) modules, namely Remittance, Loans, Savings, Cards, Accounting, and CIF, which are carried out simultaneously. Then, testing the surrounding applications that are connected to the FPS application. Finally, conducting comprehensive testing from June to the end of September 2019.

Pada 11–13 Oktober 2019, telah dilakukan implementasi FPS dan perubahan ini berdampak kepada sistem pendukung lainnya yang terhubung ke sistem tersebut, antara lain aplikasi kredit, ATM *switching* (ATM Bersama, ATM Link), *corporate internet banking*, MPN, RTGS, SKN, aplikasi *reporting*, sistem *treasury, trade finance*, operasi, VISA, CUP, SWIFT, dan aplikasi lokal lainnya.

Setelah proyek *onshoring*, mendatang FPS akan terus dikembangkan untuk memenuhi kebutuhan bisnis Bank.

On October 11-13, 2019, the FPS was implemented and this change affected other support systems connected to it, including credit applications, ATM switching (ATM Bersama, ATM Link), corporate internet banking, MPN, RTGS, SKN, reporting application, treasury system, trade finance, operations, VISA, CUP, SWIFT, and other local applications.

After the onshoring project, the FPS will continue to be developed to meet The Bank's business needs.

c. **Pengembangan *E-Banking***

Sejalan dengan perkembangan kebutuhan nasabah untuk mendapatkan layanan yang lebih nyaman dan cepat, Bank akan mengembangkan jaringan pelayanannya melalui media elektronik. Untuk menyempurnakan kemampuan *Corporate Internet Banking* (CIB) yang sudah ada, Bank berencana mengembangkan aplikasi CIB untuk transaksi menggunakan mata uang asing dan meluncurkan *Mobile Banking* dan *Personal Internet Banking* pada 2020.

Pada akhir tahun 2019, Bank telah menyelesaikan pengembangan *Debit Card* (GPN) untuk layanan pembayaran pembelanjaan (debit) di Indonesia dengan 1 (satu) kartu ATM/debit yang berlaku saat ini. Sejalan dengan rencana bisnis Bank, pada 2020 TI berencana mengembangkan *Debit Card* (UnionPay) untuk layanan pembelanjaan (debit) di Indonesia (domestik) dan juga di luar negeri melalui jaringan UnionPay.

c. ***E-Banking Development***

In line with the customers' dynamic needs for more service convenience and efficiency, The Bank will develop its service networks through electronic media. To improve existing Corporate Internet Banking (CIB) capabilities, The Bank plans to develop a CIB application for transactions using foreign currencies and to launch Mobile Banking and Personal Internet Banking in 2020.

At the end of 2019, The Bank has completed the development a Debit Card (NPG) for shopping (debit) services in Indonesia using 1 (one) current ATM/debit card. In line with The Bank's business plan, in 2020 IT plans to develop a Debit Card (UnionPay) for shopping (debit) services in Indonesia (domestic) and abroad through the UnionPay network.

d. **Pengembangan Sistem Pendukung Teknologi Informasi**

Bank telah mengimplementasikan sejumlah sistem pendukung produk dan layanan, yang meliputi *treasury system* secara *onshoring* dan sistem instrumen keuangan (IFRS 9) pada 2019. Pada 2020, Bank akan melakukan pengembangan sistem *treasury* untuk memenuhi kebutuhan produk *Interest Rate Swap*, *Cross Currency Swap*, dan kegiatan Penerbitan NCD. Dalam rangka mendukung pengembangan bisnis Bank, sistem anti pencucian uang dan sistem manajemen risiko akan diimplementasikan pada 2020.

Untuk memenuhi kebutuhan pelaporan ke Bank Indonesia maupun ke OJK, Bank akan mengembangkan aplikasi pelaporan eksternal. Aplikasi ini akan mengotomatisasi pelaporan ke sistem, seperti Antasena, Apolo, OBOX, dan sistem pelaporan lainnya. Bank juga berencana melakukan *onshoring corporate website* pada 2020. Bank akan terus mengembangkan aplikasi internal sesuai dengan *Business Requirement Document*. Selain itu, Bank juga akan melakukan *upgrade* versi *software* dari *email server* dan pengadaan jaringan telepon di kantor pusat.

d. ***Information Technology Support System Development***

The Bank has implemented several product and service support systems, including the treasury systems onshoring and the financial instrument system (IFRS 9) by 2019. In 2020, The Bank will develop treasury system to fulfill the needs of Interest Rate Swap, Cross Currency Swap, and the issuance of NCD activities. In order to support the development of The Bank's business, the anti-money laundering system and the risk management system will be implemented in 2020.

To fulfill the reporting needs to Bank Indonesia and OJK, The Bank will develop the external report application. This application will automate reporting to systems, such as Antasena, Apolo, OBOX, and other reporting systems. The Bank also plans to conduct corporate website onshoring in 2020. The Bank will continue to develop internal applications in accordance with the Business Requirement Document. In addition, The Bank will upgrade the software version of email server and procure telephone network at the head office.

e. **Perekrutan SDM**

Dengan adanya proyek *onshoring* sekaligus dengan bertambahnya jumlah aplikasi yang akan ditangani serta perlunya peningkatan sistem keamanan informasi membuat perekrutan SDM menjadi salah satu fokus utama Departemen TI pada 2020. Departemen TI akan menambah personil khususnya di area *database administrator*, *application support, network engineer, server engineer,* dan *information security*.

e. ***HR Recruitment***

With the onshoring project as well as the increasing number of applications to be handled as well as the need to improve the information security system, the recruitment of human resources has become one of the main focuses of IT Department in 2020. IT Department will add personnel especially in the scope of database administrator, application support, network engineer, server engineer, and information security.

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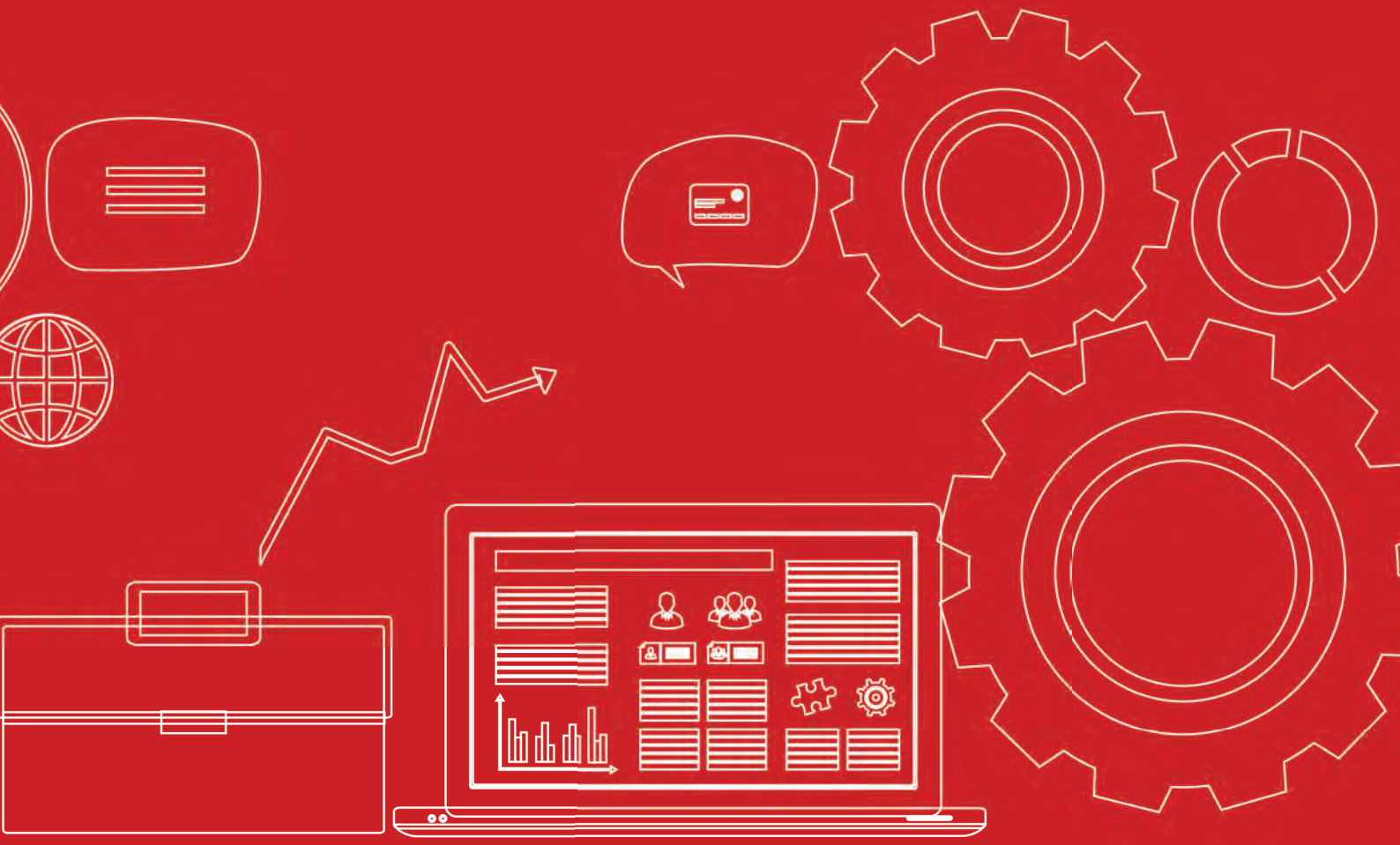


TATA KELOLA **PERUSAHAAN**

Corporate Governance

Pendahuluan

Bagi Bank ICBC Indonesia, penerapan tata kelola perusahaan yang baik (*Good Corporate Governance* – GCG) dalam era persaingan global saat ini, sudah menjadi kebutuhan yang mutlak dalam menjalankan segala kegiatan usaha Bank. Dengan adanya penerapan GCG maka Bank telah memiliki fondasi yang kokoh dan bekal yang cukup untuk mencapai visi dan misi Bank, serta mampu menjadi perusahaan yang tangguh dan terus berkembang.

Untuk itu, Bank senantiasa berupaya menyempurnakan penerapan praktik-praktik terbaik GCG pada seluruh tingkatan organisasi secara berkesinambungan. Bank menyadari bahwa GCG merupakan salah satu komponen utama dalam rangka meningkatkan kinerja Bank, melindungi kepentingan para pemangku kepentingan, dan meningkatkan kepatuhan terhadap peraturan perundang-undangan, serta nilai-nilai etika yang berlaku umum pada industri perbankan.

Foreword

For Bank ICBC Indonesia, the implementation of Good Corporate Governance (GCG) in today's global competitive era is a much-needed element in undertaking The Bank's business activities. The GCG implementation will enable The Bank to create solid foundation and adequate endeavor to achieve The Bank's vision and mission, as well as to become a sustainable strong corporation.

Therefore, The Bank strives to refine the sustainable implementation of its GCG best practices in all level of organizations. The Bank realizes that GCG becomes one of the main components in the improvement of The Bank's performance, to protect the stakeholders' interests, and enhance compliance with prevailing regulations and ethics values in the banking industry.

Dasar Penerapan Tata Kelola Perusahaan

Penerapan GCG Bank berdasarkan pada peraturan perundangan-undangan berikut:

1. Undang-Undang Republik Indonesia No. 10 Tahun 1998 tentang perubahan atas Undang-Undang No. 7 Tahun 1992 tentang Perbankan;
2. Undang-Undang Republik Indonesia No. 40 Tahun 2007 tentang Perseroan Terbatas;
3. Undang-Undang No. 25 Tahun 2007 tentang Penanaman Modal;
4. Undang-Undang Republik Indonesia No. 7 Tahun 1992 tentang Perbankan sebagaimana telah diubah dengan Undang-Undang Republik Indonesia No. 10 Tahun 1998;
5. Peraturan Otoritas Jasa Keuangan (POJK) No. 55/POJK.03/2016 tanggal 7 Desember 2016 tentang Penerapan Tata Kelola bagi Bank Umum;
6. Surat Edaran Otoritas Jasa Keuangan (SEOJK) No.13/SEOJK.03/2017 tanggal 17 Maret 2017 tentang Penerapan Tata Kelola bagi Bank Umum;
7. POJK No. 29/POJK.04/2016 tanggal 29 Juli 2016 tentang Laporan Tahunan Emiten atau Perusahaan Publik;
8. *Roadmap* Tata Kelola Perusahaan Indonesia Menuju Tata Kelola Emiten dan Perusahaan Publik yang Lebih Baik yang diterbitkan oleh OJK tanggal 4 Februari 2014;
9. POJK No. 21/POJK.04/2015 tanggal 16 November 2015 tentang Penerapan Pedoman Tata Kelola Perusahaan Terbuka;
10. SEOJK No. 32/SEOJK.04/2015 tanggal 17 November 2015 tentang Pedoman Tata Kelola Perusahaan Terbuka; dan
.
11. SEOJK No. 30/SEOJK.04/2016 tanggal 3 Agustus 2016 tentang Bentuk dan Isi Laporan Tahunan Emiten atau Perusahaan Publik.

Pendekatan Tata Kelola Perusahaan

Bank memahami bahwa industri perbankan memiliki peran penting dalam perekonomian nasional. Oleh karena itu, kualitas tata kelola yang tidak baik akan berdampak negatif bagi perekonomian nasional. Penyelenggaraan kegiatan perbankan yang baik disertai dasar penerapan GCG yang kuat akan berdampak positif terhadap kinerja Bank secara keseluruhan, yang pada akhirnya akan memperkuat posisi Bank, baik dalam persaingan industri perbankan lokal maupun global.

Corporate Governance Legal References

The Bank's GCG implementation refers to the following regulatory standards:

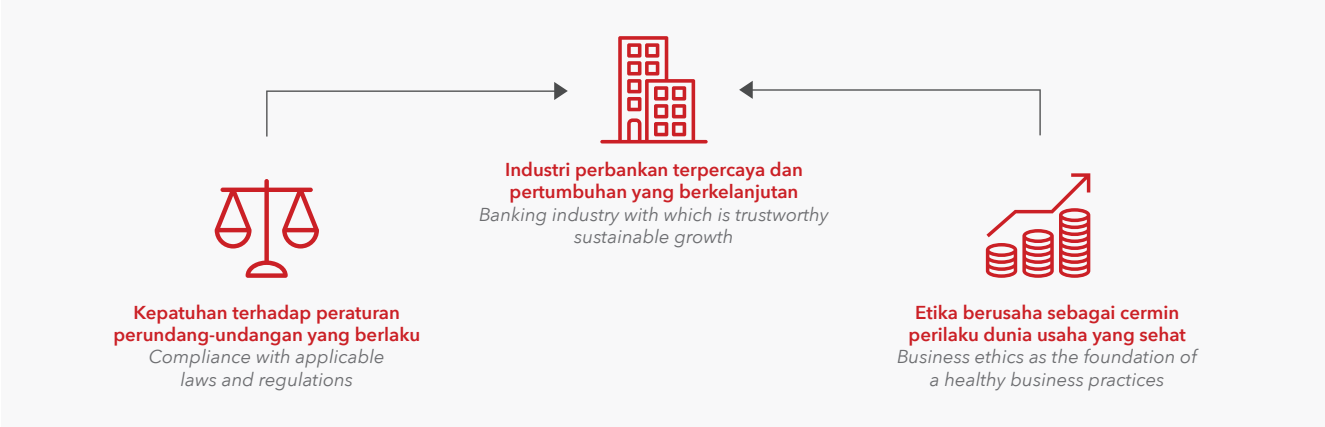
1. *Law of the Republic of Indonesia No. 10 of 1998 concerning the amendments to Law No. 7 of 1992 concerning the Banking;*
2. *Law of the Republic of Indonesia No. 40 of 2007 concerning the Limited Liability Companies;*
3. *Law No. 25 of 2007 concerning the Capital Investment;*
4. *Law of the Republic of Indonesia No. 7 of 1992 concerning the Banking as amended by the Law of the Republic of Indonesia No. 10 of 1998;*
5. *Regulation of the Financial Services Authority (POJK) No. 55/POJK.03/2016 dated December 7, 2016 concerning the Implementation of Governance for Commercial Banks;*
6. *Circular Letter of the Financial Services Authority (SEOJK) No. 13/SEOJK.03/2017 dated March 17, 2017 concerning the Implementation of Governance for Commercial Banks;*
7. *POJK No. 29/POJK.04/2016 dated July 29, 2016 concerning the Annual Report of Issuers or Public Companies;*
8. *Roadmap of Indonesian Corporate Governance Towards Better Governance of Issuers and Public Companies issued by OJK on February 4, 2014;*
9. *POJK No. 21/POJK.04/2015 dated November 16, 2015 concerning the Implementation of Corporate Governance Guidelines for Public Companies;*
10. *SEOJK No. 32/SEOJK.04/2015 dated November 17, 2015 concerning the Governance Guidelines for Public Companies; and*
11. *SEOJK No. 30/SEOJK.04/2016 dated August 3, 2016 concerning the Formulation and Content of the Annual Report of Issuers or Public Companies.*

Corporate Governance Approach

The Bank understands that banking industry holds a pivotal role in the national economy. Therefore, bad governance will render negative impact to our economy. Good banking implementation and strong GCG application will deliver positive performances for The Bank, which eventually will strengthen The Bank's position in the competition of local and global banking industry.

Penegasan yang kuat terhadap pentingnya hubungan yang harmonis antara entitas usaha dan pemangku kepentingan telah berlangsung secara berkesinambungan di Indonesia, yang didukung komitmen dari regulator dan para pemangku kepentingan lainnya. Hubungan harmonis ini diharapkan akan membentuk dunia usaha yang berkelanjutan, serta mampu berkontribusi dalam jangka panjang guna pengembangan sosial dan lingkungan di sekitarnya.

In Indonesia, the regulators together with other stakeholders render a strong affirmation of the importance of harmonious relationship between business entities and stakeholders. This harmonious relationship is expected to create a sustainable business culture, and able to contribute in the long term for the surrounding social and environmental development.



Prinsip-prinsip Tata Kelola Perusahaan

Penerapan prinsip-prinsip GCG di Bank dilandasi komitmen untuk menciptakan perusahaan yang transparan dan terpercaya melalui manajemen bisnis yang dapat dipertanggungjawabkan.

Dalam melaksanakan kinerjanya dan pada setiap pengambilan keputusan strategis, Bank terus memperhatikan dan menerapkan 5 (lima) prinsip GCG, yaitu Transparansi, Akuntabilitas, Pertanggungjawaban, Independensi, dan Kewajaran.

Penerapan prinsip-prinsip utama tersebut diyakini oleh Bank sebagai instrumen yang dapat diandalkan dalam mengatur segala aspek bisnis yang dijalankan oleh Bank melalui sistem internal yang melibatkan Dewan Komisaris, Direksi dan segenap karyawan Bank sehingga diharapkan dapat menciptakan keseimbangan dalam operasional usaha Bank secara menyeluruh.

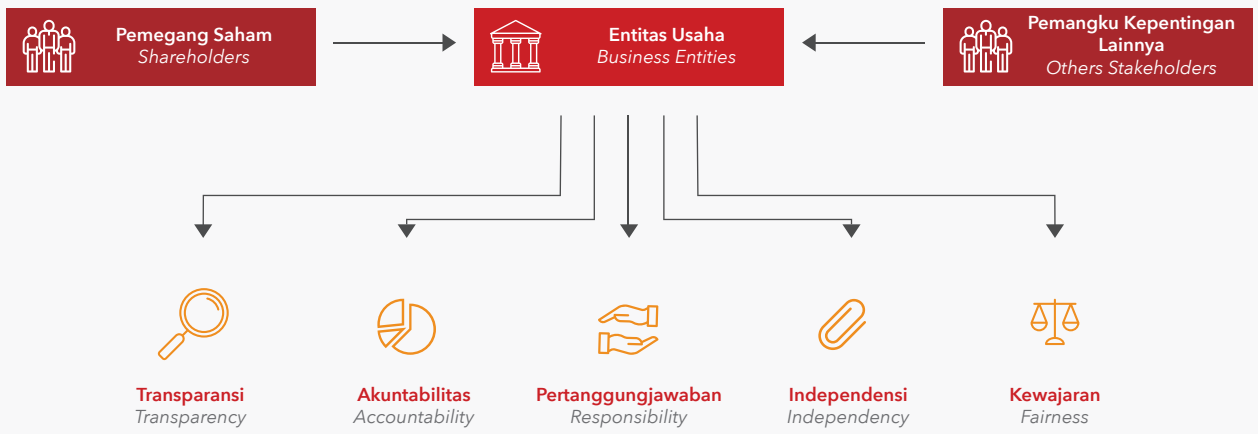
Corporate Governance Principles

GCG principles implementation in The Bank is constituted upon the commitment to create a transparent and reliable company through accountable business management.

In its business performance and every strategic decision-making, The Bank continually takes into account on the 5 (five) GCG principles namely Transparency, Accountability, Responsibility, Independency, and Fairness.

The implementation of those principles is believed as a reliable instrument in regulating The Bank's business aspects through internal system that involves the Board of Commissioners, Board of Directors and all employees; hence is expected to deliver comprehensive balance of The Bank's business operations.

Harmonisasi Entitas Usaha dengan Pemegang Saham dan Pemangku Kepentingan
Harmonious Relations of Business Entities with Shareholders and other Stakeholders



Transparansi *Transparency*	Akuntabilitas *Accountability*	Pertanggungjawaban *Responsibility*	Independensi *Independency*	Kewajaran *Fairness*
Keterbukaan dalam melaksanakan proses pengambilan keputusan dan dalam mengemukakan informasi material yang relevan mengenai Bank. Bank menerapkan prinsip transparansi dengan cara memberikan tanggapan secara efektif dan responsif dalam berkomunikasi sehingga seluruh pemangku kepentingan mampu memahami kinerja dan tindakan Bank.	Kejelasan fungsi, pelaksanaan, dan pertanggungjawaban organ sehingga pengelolaan Bank terlaksana secara efektif. Bank menerapkan prinsip akuntabilitas dengan mengoptimalkan kinerja dan peran setiap individu sehingga seluruh aksi dan kegiatan Bank berjalan dengan efektif dan efisien.	Tanggung jawab kepatuhan dalam pengelolaan Bank terhadap peraturan perundang-undangan yang berlaku dan prinsip korporasi yang sehat. Bank menerapkan prinsip pertanggungjawaban terhadap masyarakat dan lingkungan, mematuhi peraturan yang berlaku, serta menghindari segala transaksi yang dapat merugikan pihak lain.	Pengelolaan secara profesional dan mandiri tanpa benturan kepentingan dan pengaruh/ tekanan dari pihak mana pun yang tidak sesuai dengan peraturan perundang-undangan yang berlaku, prinsip korporasi, serta prinsip tata nilai perusahaan.	Keadilan dan kesetaraan dalam memenuhi hak pemangku kepentingan yang timbul berdasarkan perjanjian dan peraturan perundang-undangan yang berlaku secara adil, namun tetap memperhatikan kaidah dan peraturan Bank.
Transparency in carrying out the decision-making process and in disclosing material and relevant information regarding The Bank. The Bank applies the principle of transparency by providing effective and responsive means of communication for acquiring information regarding The Bank. Hence, all stakeholders understand The Bank's performances and actions.	*Clarity of functions and accountability within The Bank's organs, to carry out the management effectively. The Bank applies the principle of accountability by optimizing the performance and role of everyone. Thus, all actions and activities of The Bank perform effectively and efficiently.*	*Compliance in The Bank's management of applicable laws and regulations, as well as sound corporate principles. The Bank applies the principle of responsibility by behaving in a responsible manner towards the community and the environment, by complying with applicable regulations, and by avoiding all forms of harmful transactions from third parties or different parties beyond the agreed upon terms.*	*The Bank is managed in a professional and independent manner without conflict of interest and influence/ pressure from any party that is not in accordance with applicable laws and regulations, corporate principles, and principles of corporate values.*	*Impartial treatment and equality in fulfilling the right of stakeholders arising pursuant to the prevailing agreements and regulations fairly, while still taking into account to The Bank rules and regulations.*

Roadmap Tata Kelola Perusahaan

Dalam rangka meningkatkan kualitas penerapan GCG secara konsisten dan berkesinambungan, Bank telah memiliki *roadmap* GCG yang mencakup tahapan-tahapan yang telah dicapai dalam membangun nilai-nilai tata kelola berdasarkan ketentuan Penerapan Tata Kelola bagi Bank Umum. Dalam 3 (tiga) tahun terakhir Bank telah melaksanakan beberapa inisiatif dalam penyempurnaan pelaksanaan GCG sebagai berikut:

Corporate Governance Roadmap

To improve the quality of consistent and continuous GCG implementation, The Bank has established GCG roadmap, which includes the stages that have been achieved in building the values of governance based on the provisions of Governance Implementation for the Commercial Banks. In the last 3 (three) years The Bank has implemented several initiatives to improve the implementation of GCG, as follows:

2017	2018	2019
1. Meningkatkan fungsi kepatuhan dan manajemen risiko. 2. Pemenuhan struktur dan komposisi Dewan Komisaris, Direksi, dan Pejabat Eksekutif. 3. Pemenuhan dan penyesuaian kebijakan, sistem dan prosedur. 4. Mengoptimalkan peran dan fungsi komite dan satuan kerja dalam mendukung peningkatan kinerja Bank. 5. Menetapkan dan melaksanakan pelatihan GCG kepada seluruh karyawan.	1. Penerapan prinsip-prinsip GCG secara konsisten. 2. Perubahan susunan keanggotaan komite-komite di bawah Dewan Komisaris, yang disesuaikan dengan susunan Dewan Komisaris terbaru. 3. Pengkinian Pedoman dan Tata Tertib Kerja Dewan Komisaris. 4. Pengkinian Piagam dan Pedoman Kerja Komite. 5. Pengkinian Pedoman dan Tata Tertib Kerja Direksi. 6. Pembuatan dan pengkinian kebijakan, sistem dan prosedur operasional Bank yang disusun sesuai ketentuan undang-undang yang berlaku. 7. Melakukan evaluasi dan pemenuhan kewajiban sertifikasi manajemen risiko kepada pejabat Bank.	1. Meneruskan penerapan prinsip-prinsip GCG. 2. Memperbaiki *Governance Process* dengan peningkatan *four-eyes principles* melalui penerapan mekanisme *reward and punishment*. 3. Melakukan inisiasi penyelarasan komite-komite di bawah Direksi. 4. Melakukan penyelarasan kebijakan dan prosedur internal dengan praktik perbankan internasional.
1. Improving the compliance and risk management functions. *2. Fulfillment of the structure and composition of the Board of Commissioners, Board of Directors, and Executive Officers.* *3. Compliance and adjustment of policies, systems and procedures.* *4. Optimize the role and functions of the committees and its business units in supporting The Bank's performance.* *5. Establish and implement GCG training to all employees.*	*1. Consistent application of GCG principles.* *2. Changes in the composition of committees under the Board of Commissioners, which are adjusted with the new Board of Commissioners structure.* *3. Update of the Board of Commissioners Charter.* *4. Update of the Committee Charter.* *5. Update of the Board of Directors Charter.* *6. Formation and update of policies, operational systems and procedures of The Bank as prepared in accordance with applicable laws.* *7. Conduct evaluation and fulfillment of risk management certification obligations to The Bank's officials.*	*1. Continue the application of GCG principles.* *2. Enhance the Governance Process by improving four-eyes principles through the application of reward and punishment mechanism.* *3. Initiate the alignment of committees under the Board of Directors.* *4. Aligning internal policies and procedures with international banking practices.*

Implementasi Tata Kelola Perusahaan Tahun 2019

Bank terus meningkatkan pelaksanaan GCG dengan praktik terbaik berlandaskan pada prinsip-prinsip GCG dan kriteria pencapaian, serta standar implementasi GCG, yang dirumuskan berdasarkan peraturan terkait, masukan dari para pemangku kepentingan, hasil *assessment* dan *benchmarking*.

Pelaksanaan GCG menjadi salah satu perhatian utama Bank sebagai proses berkesinambungan yang terutama bertujuan untuk:

Corporate Governance Implementation in 2019

The Bank continues to improve its GCG implementation with the best practice based on GCG principles and achievements criteria, as well as GCG implementation standards, which are formulated based on relevant laws, stakeholders' feedback, assessment, and benchmarking results

The Bank places its main concern on GCG implementation, as a continuous process that aims to:

- Meningkatkan kinerja Bank;
- Melindungi kepentingan para pemangku kepentingan; dan
- Meningkatkan kepatuhan terhadap peraturan perundang-undangan serta nilai etika yang berlaku umum di industri perbankan.

Pada tahun 2019, Bank telah melaksanakan pelaporan penerapan GCG yang meliputi:

- Departemen Kepatuhan Bank telah menyampaikan laporan GCG semester I dan II tahun 2019 secara tepat waktu.
- Penyampaian kertas kerja *self-assessment* GCG untuk periode I dan II tahun 2019, dengan pencapaian peringkat 2 yang mengindikasikan "Baik" atas kategori penerapan GCG Bank.

Pelaksanaan *Self-Assessment* Tata Kelola Perusahaan

Sesuai Surat Edaran Otoritas Jasa Keuangan No. 13/SEOJK.03/2017 tentang Pelaksanaan Tata Kelola Perusahaan bagi Bank Umum, Bank melaksanakan *self-assessment* terhadap pelaksanaan GCG sesuai dengan periode penilaian *Risk-Based Bank Rating* (RBBR) yang dilakukan per semester.

Bank melaksanakan *self-assessment* GCG juga dengan tujuan mengukur kedalaman implementasi praktik GCG sekaligus mendapatkan umpan baik bagi perbaikannya di masa mendatang.

Untuk itu, Bank melaksanakan *self-assessment* terhadap 11 (sebelas) faktor penilaian pelaksanaan GCG secara berkala, yang meliputi:

1. Pelaksanaan tugas dan tanggung jawab Dewan Komisaris.
2. Pelaksanaan tugas dan tanggung jawab Direksi.
3. Kelengkapan dan pelaksanaan tugas komite.
4. Penanganan benturan kepentingan.
5. Penerapan fungsi kepatuhan.
6. Penerapan fungsi audit internal.
7. Penerapan fungsi audit eksternal.
8. Penerapan manajemen risiko termasuk sistem pengendalian internal.
9. Penyediaan dana kepada pihak terkait dan penyediaan dana besar.
10. Transparansi kondisi keuangan dan non-keuangan Bank, laporan pelaksanaan GCG dan pelaporan internal.
11. Rencana strategis Bank.

Penilaian faktor-faktor GCG tersebut di atas menjadi dasar penilaian kualitas manajemen Bank atas pelaksanaan prinsip-prinsip GCG, dengan memperhatikan materialitas permasalahan terhadap penerapan GCG secara *bank-wide*, sesuai skala, karakteristik dan kompleksitas usaha Bank.

Selanjutnya, penilaian dikelompokkan dalam sistem *governance* yang terdiri dari 3 (tiga) aspek *governance*, yaitu:

- *Governance Structure,*
- *Governance Process, dan*
- *Governance Outcome.*

Hasil & Tindak Lanjut *Self-Assessment* Tata Kelola Perusahaan

Bank telah melaksanakan *self-assessment* GCG untuk periode semester II tahun 2019 dengan hasil akhir peringkat 2 yang terkategori "Baik". Penilaian berdasarkan 11 (sebelas) indikator dapat dilihat sebagai berikut:

- *Improve The Bank's performance;*
- *Protect the interests of stakeholders; and*
- *Improve the compliance with the prevailing laws and banking ethics values.*

In 2019, The Bank has implemented GCG implementation reporting which includes:

- *The Bank's Compliance Department has submitted the first and second semesters of 2019 GCG reports in a timely manner.*
- *Submission of GCG self-assessment working papers for the first and second periods of 2019, with an achievement of rating 2 indicating "Good" for The Bank's GCG implementation category.*

Corporate Governance Self-Assessment Implementation

Pursuant to the Circular Letter of Financial Services Authority No. 13/SEOJK.03/2017 concerning the Implementation of Corporate Governance for Commercial Banks, The Bank carried out a self-assessment on GCG implementation in accordance with the Risk-Based Bank Rating (RBBR) evaluation period at every semester.

The Bank also conducted GCG self-assessment that aims to measure the depth of GCG practices at the same time to attain feedbacks for future improvements.

Therefore, The Bank's self-assessment is carried out periodically towards 11 (eleven) factors of GCG implementation, as follows:

1. *The Board of Commissioners' duties and responsibilities implementation.*
2. *The Board of Directors' duties and responsibilities implementation.*
3. *Comprehensiveness and duties implementation of the committee.*
4. *Conflict of interest handling.*
5. *Compliance function implementation.*
6. *Internal audit function implementation.*
7. *External audit function implementation.*
8. *Risk management implementation including internal control system.*
9. *Funding to related parties and large exposures.*
10. *The Bank's financial and non-financial condition transparency, GCG implementation report and internal reporting.*
11. *The Bank's strategic plan.*

The above GCG factors represent the assessment of The Bank's management quality on GCG principles implementation, with due observance to the materiality of issues on GCG application bank-wide, according to The Bank's business scales, characteristics and complexities.

Furthermore, the assessment is grouped under 3 (three) governance systems of the following aspects:

- *Governance Structure,*
- *Governance Process, and*
- *Governance Outcome.*

Corporate Governance Self-Assessment Results & Follow-up

The Bank has undertaken GCG self-assessment for the second semester of 2019 with the assessment result of rating 2 which categorized as "Good". The assessment was based on the following 11 (eleven) indicators:

	Faktor Peniliaian Pelaksanaan GCG *GCG Assessment Factors*	Skor *Score*
1	*Pelaksanaan tugas dan tanggung jawab Dewan Komisaris* *The Board of Commissioners' duties and responsibilities implementation*	1
2	Pelaksanaan tugas dan tanggung jawab Direksi *The Board of Directors' duties and responsibilities implementation*	2
3	Kelengkapan dan pelaksanaan tugas komite *Comprehensiveness and duties implementation of the committee*	1
4	Penanganan benturan kepentingan *Conflict of interest handling*	1
5	Penerapan fungsi kepatuhan *Compliance function implementation*	2
6	Penerapan fungsi audit internal *Internal audit function implementation*	2
7	Penerapan fungsi audit eksternal *External audit function implementation*	1
8	Penerapan manajemen risiko termasuk sistem pengendalian internal *Risk management implementation including internal control system*	2
9	Penyediaan dana kepada pihak terkait dan penyediaan dana besar *Funding to related parties and large exposures*	2
10	Transparansi kondisi keuangan dan non-keuangan Bank, laporan pelaksanaan GCG dan pelaporan internal *The Bank's financial and non-financial condition transparency, GCG implementation report and internal reporting*	2
11	Rencana strategis Bank *The Bank's strategic plan*	2
	Peringkat GCG | ***GCG Rating***	**2**

Rekomendasi dan Tindak Lanjut Bank
Berikut adalah rekomendasi dan tindak lanjut yang dilakukan oleh Bank.

The Bank's Recommendations and Follow-up Actions
The following are The Bank's recommendations and follow-up actions:

Aspek yang Perlu Mendapat Perhatian/ Rekomendasi *Aspects Required Attentions/Recommendations*	Telah atau Belum Ditindaklanjuti *Has Been or Yet to be Followed-up*	Bentuk Tindak Lanjut *Follow-up Actions*
Sanksi penalti atau denda yang diterapkan pada Maret 2019 tidak diatur secara ketat dalam Peraturan Perusahaan sehingga tidak sesuai dengan Peraturan Pemerintah No. 8 Tahun 1981 tentang Perlindungan Upah. *The penalty or fine policy that was implemented in March 2019 is not strictly regulated in Company Regulations, so it is not in accordance with Government Regulation No. 8 of 1981 concerning Wage Protection.*	o	Bank akan memperbarui Peraturan Perusahaan untuk mengakomodasi kebijakan penalti yang akan diselesaikan pada Maret 2020. *The Bank will update Company Regulations to accommodate the penalty policy which will be settled in March 2020.*

Aspek yang Perlu Mendapat Perhatian/ Rekomendasi *Aspects Required Attentions/Recommendations*	Telah atau Belum Ditindaklanjuti *Has Been or Yet to be Followed-up*	Bentuk Tindak Lanjut *Follow-up Actions*
Sistem informasi APU PPT (*Global Anti Money Laundering*/GAML) tidak informatif karena tidak memiliki *field* yang mencantumkan tanggal pembaruan terakhir dilakukan (*last update*). *AML CFT (Global Anti Money Laundering/GAML) information system is not informative because it does not have a field that includes the date of last update.*	○	Bank akan menambahkan *field* tanggal pengkinian selanjutnya pada sistem GAML dan akan diselesaikan Bank pada bulan Maret 2020. *The Bank will add the date of last update field to the GAML system and will be completed by The Bank in March 2020.*
Metodologi pengukuran risiko pasar Bank menggunakan pendekatan VaR tidak mencerminkan tingkat risiko pasar yang sebenarnya, sebagaimana tercermin dalam: a. Perhitungan VaR Bank saat ini tidak mencakup semua portofolionya, tetapi hanya untuk portofolio mata uang asing. b. Penentuan batas VaR pada portofolio mata uang asing tidak didasarkan pada studi yang memadai. *The Bank's market risk measurement methodology using the VaR approach does not reflect the actual level of market risk, as reflected in:* *a. The Bank's VaR calculation currently does not cover all of its portfolios, but only for foreign currency portfolios.* *b. Determination of VaR limit on foreign currency portfolios is not based on adequate studies.*	●	Bank telah melakukan kaji ulang atas penetapan limit atas transaksi *Global Market*. *The Bank has reviewed the limit setting on Global Market transactions.*
Kebijakan dan prosedur layanan Perbankan Prima belum diperbarui sesuai dengan ketentuan. *Prime Banking service policy and procedure has not been updated in accordance with the provisions.*	●	Bank telah memperbarui kebijakan dan prosedur terkait dengan layanan nasabah Prima. *The Bank has updated the policies and procedures related to Prime customer service.*
Proses restrukturisasi kredit bermasalah tidak dilakukan oleh unit kerja *Special Asset Management* (SAM) yang merupakan unit kerja khusus yang menangani kredit macet. *The process of restructuring non-performing loans is not carried out by the Special Asset Management (SAM) work unit which is a special work unit that handles non-performing loans.*	●	Bank telah melakukan *handover* dokumen kredit bermasalah dari unit bisnis ke SAM. *The Bank has handed over the non-performing loans documents from the business unit to SAM.*
Evaluasi tinjauan upah tidak dilakukan secara berkala dengan mempertimbangkan kemampuan dan produktivitas Bank serta mempertimbangkan penyesuaian harga kebutuhan hidup, kinerja dan pengembangan Bank. *Evaluation of wage reviews is not conducted periodically by considering the ability and productivity of The Bank, as well as considering the adjustments to the price of living necessities, work performance and development of The Bank.*	●	Bank telah melakukan evaluasi/tinjauan terhadap upah. Bank juga telah mengeluarkan internal memo terkait dengan penyesuaian upah karyawan di tahun 2019. *The Bank has conducted an evaluation/review of wages. The Bank has also issued an internal memo related to employee wages adjustments in 2019.*

● telah ditindaklanjuti | *has been followed-up*
○ belum ditindaklanjuti | *yet to be followed-up*

Penilaian Periode Tahun 2019

Pada tahun 2019, Bank melaksanakan *self-assessment* GCG untuk periode semester II tahun 2019 dengan hasil akhir penilaian 2 (dua) dengan kategori "Baik".

Dibandingkan hasil penilaian pada periode semester I sebelumnya, terdapat perbedaan hasil untuk semester II, yaitu pada pilar Komite Bank dan Rencana Strategis Bank.

Perbedaan hasil pada Komite Bank terjadi pada perbaikan peringkat yang sebelumnya berada pada peringkat 2 (dua) menjadi peringkat 1 (satu) pada periode semester II tahun 2019. Hal ini disebabkan oleh:

1. Semua komite telah menjalankan fungsinya sesuai dengan peraturan yang berlaku.
2. Risalah Rapat (MoM) sudah dibuat dalam format percakapan individu dan secara jelas mengungkapkan orang yang berbicara dalam rapat termasuk yang berbeda pendapat. Ini didukung oleh rekaman untuk seluruh percakapan dalam rapat.

Sementara itu, pada pilar Pihak Terkait dan Penyediaan Dana Besar terjadi perbaikan peringkat yang sebelumnya tercatat pada peringkat 2 (dua) menjadi peringkat 1 (satu) pada periode semester II tahun 2019. Hal ini terjadi karena:

1. Bank telah menyelesaikan kebijakan untuk mengatur pihak terkait dan penyediaan dana besar termasuk batas sesuai dengan prinsip kehati-hatian.
2. Prosedur untuk Batas Maksimum Pemberian Kredit (BMPK) telah dikeluarkan.

Berdasarkan hasil *self-assessment* terhadap 11 (sebelas) indikator penilaian *rating* GCG tahun 2019, dapat disimpulkan sebagai berikut:

Struktur Tata Kelola

Faktor-faktor positif aspek struktur tata kelola:

- Seluruh anggota Direksi memiliki integritas, kompetensi dan reputasi keuangan yang memadai.
- Seluruh Komisaris Independen tidak ada yang memiliki hubungan keuangan, kepengurusan, kepemilikan saham, dan hubungan keluarga dengan anggota Dewan Komisaris lainnya, Direksi, dan/atau pemegang saham pengendali atau hubungan dengan Bank, yang dapat mempengaruhi kemampuannya untuk bertindak independen.
- Dewan Komisaris dan Direksi memiliki sarana mekanisme komunikasi melalui BOC – BOD *communication meeting* yang dilaksanakan secara berkala. Pada pertemuan tersebut, dibahas hal-hal terkini yang berkaitan dengan perkembangan perusahaan maupun permasalahan yang dihadapi.
- Frekuensi komunikasi dan pemantauan oleh Dewan Komisaris mengenai kondisi Bank (tingkat koreksi terhadap audit OJK, manajemen risiko dan APU) telah meningkat.

- Bank telah melakukan perbaikan terhadap struktur tata kelola, terutama pada komposisi Direksi dan struktur organisasi.
- Bank telah memperbarui kebijakan dan prosedur terkait *risk appetite* dan mitigasi untuk penerimaan kredit.
- Bank telah melakukan transparansi kondisi keuangan kepada *stakeholders*, termasuk mengumumkan laporan keuangan secara triwulanan dan telah melaporkannya kepada OJK, Bank Indonesia, atau *stakeholders* sesuai dengan peraturan yang berlaku.
- Bank telah menerbitkan kebijakan dan prosedur terkait rencana strategis Bank.
- Integritas, kompetensi, komposisi, dan reputasi Dewan Komisaris telah sesuai dengan ketentuan OJK.

Assessment for the Period of 2019

In 2019, The Bank conducted GCG self-assessment for the period of second semester 2019 with final assessment result of 2 (two) categorized as "Good".

In comparison to the previous semester result, there were differences in the second semester results, specifically on The Bank's Committee and The Bank's Strategic Plan pillars.

The Bank's Committee recorded rating improvement which previously was on the rating 2 (two) to rating 1 (one) in the second semester 2019. This was caused by:

1. *All committees have carried out their functions in accordance with applicable regulations.*
2. *Minutes of Meeting (MoM) have been made in an individual conversation format and clearly express the people who spoke at the meeting, including dissenting opinions. This was supported by recording of the whole conversations in the meeting.*

Meanwhile, in the Related Parties and Large Exposures pillar, there was an improvement in the rating that was previously recorded at rating 2 (two) to rating 1 (one) in the second semester of 2019. This happened because:

1. *The Bank has finalized policies governing related parties and large exposures, including their limits in accordance with the prudential principles.*
2. *Procedure for Legal Lending Limit (LLL) has been issued.*

Based on the self-assessment results of 11 (eleven} indicators for GCG rating in 2019, it can be concluded as follows:

Governance Structure

Positive factors in the governance structure aspect:

- *All members of the Board of Directors have integrity, competency, and adequate financial reputation.*
- *All Independent Commissioners do not have financial relations, management, share ownership, and family relations with other members of the Board of Commissioners, Board of Directors, and/or controlling shareholders or any relations with The Bank, which may affect their ability to act independently.*
- *The Board of Commissioners and Board of Directors have communication mechanism through the BOC – BOD communication meeting which is conducted regularly. At the meeting, current matters related to the company development as well as issues were discussed.*
- *The frequency of communication and monitoring by the Board of Commissioners regarding The Bank conditions (OJK audit rectification rate, risk management, and AML concerns) has been improved.*
- *The Bank has made improvement to the governance structure, especially in the composition of the Board of Directors and organizational structure.*
- *The Bank has updated the policies and procedures related to risk appetite and mitigation for loan acceptance.*
- *The Bank has made financial conditions transparency to the stakeholders, including announcing the financial statements on a quarterly basis and has reported them to OJK, Bank Indonesia, or stakeholders in accordance with applicable regulations.*
- *The Bank has issued policies and procedures related to The Bank's strategic plan.*
- *The integrity, competency, composition, and reputation of the Board of Commissioners were in accordance with OJK regulations.*

- Seluruh komite telah menjalankan fungsinya sesuai dengan ketentuan yang berlaku.
- Departemen *Risk Management* telah memperbarui kebijakan dan prosedur *liquidity risk and contingency funding plan*.
- Bank telah memfinalisasi kebijakan yang mengatur tentang pihak terkait dan penyediaan dana besar termasuk limit sesuai dengan prinsip kehati-hatian.
- Prosedur Batas Maksimum Pemberian Kredit (BMPK) telah diterbitkan.
- Laporan Pengawasan Rencana Bisnis oleh Dewan Komisaris telah sesuai dengan ketentuan.
- Bank telah memiliki Komite Manajemen Risiko dan melakukan rapat secara berkala yang dihadiri Direksi terkait dan *senior management*.

Faktor yang perlu mendapat perhatian pada aspek *governance structure:*

- Strategi untuk mengembangkan layanan Perbankan Prioritas belum dikaji ulang. Hal ini mengakibatkan kurangnya diversifikasi pada jenis dan layanan yang ditawarkan.
- Bank telah memiliki ketentuan BMPK, namun prosedur BMPK masih difinalisasi.
- Kebijakan transparansi perlu disempurnakan agar sejalan dengan ketentuan OJK.
- Pada semester II tahun 2019, salah satu Direktur telah mengundurkan diri. Tanggung jawab Direktur yang telah mengundurkan diri tersebut sementara dipegang oleh Direktur lain dan Presiden Direktur.
- Terdapat beberapa komite di bawah Direksi yang telah melakukan tanggung jawabnya. Namun demikian, Bank sedang dalam proses untuk mengkaji ulang seluruh komite.
- Bank wajib menetapkan Komite Kredit dan Komite Kebijakan Kredit.
- Terdapat kelemahan pada Rencana Strategis TI (RSTI) tahun 2018–2021.
- Bank dalam proses penyusunan prosedur terkait dengan pinjaman likuiditas jangka pendek.
- Bank agar meningkatkan fungsi audit internal untuk mengidentifikasi masalah terkait aspek tata kelola dan kualitas penerapan manajemen risiko khususnya pada kredit, pasar, likuiditas dan operasional.

Proses Tata Kelola

Faktor-faktor positif aspek proses tata kelola:

- Seluruh komite telah menjalankan tugasnya dengan baik dan sangat membantu Dewan Komisaris dalam memantau risiko yang mungkin terjadi.
- Dewan Komisaris telah melaksanakan pengawasan terhadap pelaksanaan tugas dan tanggung jawab Direksi secara berkala maupun sewaktu-waktu, serta memberikan nasihat kepada Direksi.
- Dewan Komisaris tidak terlibat dalam pengambilan keputusan kegiatan operasional Bank, kecuali dalam hal penyediaan dana kepada pihak terkait dan hal-hal lain yang ditetapkan dalam Anggaran Dasar Bank dan/atau peraturan perundangan yang berlaku dalam rangka melaksanakan fungsi pengawasan.
- Direksi telah memberikan perhatian yang sangat serius terhadap tindak lanjut temuan hasil pemeriksaan OJK dan memastikan tindak lanjut tersebut dipenuhi sesuai komitmen.
- Frekuensi komunikasi dan pengawasan Dewan Komisaris terhadap kondisi Bank (tindak lanjut penyelesaian audit

- *All committees have carried out their functions in accordance with applicable regulations.*
- *The Risk Management Department has updated its liquidity risk and contingency funding plan policies and procedures.*
- *The Bank has finalized policies governing related parties and large exposures, including their limits in accordance with the prudential principles.*
- *Legal Lending Limit (LLL) procedures have been issued.*
- *The Business Plan Oversight Report by the Board of Commissioners complies with the provisions.*
- *The Bank has formed Risk Management Committee and has held regular meetings attended by the relevant Directors and senior management.*

Factors that needed attention of the governance structure aspect:

- *Strategies for developing Priority Banking services have not been reviewed. This has resulted in a lack of diversification in the types and services offered.*
- *The Bank already has LLL provisions, yet LLL procedures are still to be finalized.*
- *The transparency policy needs to be refined so as to in line with OJK regulations.*
- *In the second semester of 2019, one of the Directors was officially resigned. The responsibility of the Director who has resigned is temporarily held by another Director and the President Director.*
- *There are several committees under the Board of Directors that have carried out their responsibilities. However, The Bank is still reviewing all of its committees.*
- *The Bank is required to establish a Credit Committee and Credit Policy Committee.*
- *There are weaknesses in the 2018–2021 IT Strategic Plan (ITSP).*
- *The Bank is in the process of preparing procedures related to short-term liquidity borrowing.*
- *The Bank should improve the internal audit function to identify problems related to governance aspects and the quality of the risk management implementation, especially in loans, markets, liquidity, and operations.*

Governance Process

Positive factors in the governance process aspect:

- *All committees have performed their duties well and are able to assist the Board of Commissioners in monitoring probable risk event.*
- *The Board of Commissioners has performed its duties to conduct supervision on the implementation of the Board of Directors duties and responsibilities on a regular basis or anytime, including providing advice to the Board of Directors.*
- *The Board of Commissioners does not involve in the decision of operational aspect of The Bank, except on the aspect of funding to related parties and other issues named in The Bank's Articles of Association and/or the prevailing laws in performing its supervisory function.*
- *The Board of Directors has rendered a serious attention to follow-up the OJK findings and ensures the said follow-up has been met according to the commitment.*
- *The communication and supervision frequency of the Board of Commissioners regarding The Bank conditions (follow-*

OJK dan BI, manajemen risiko, dan APU-PPT) telah meningkat pada semester II tahun 2019.

- Dewan Komisaris telah secara aktif berkomunikasi dengan regulator (OJK dan BI).
- Secara aktif menyelesaikan tindak lanjut temuan regulator dan denda regulator.
- Departemen *Internal Audit* telah melaksanakan pemeriksaan sesuai dengan rencana, namun terdapat 1 (satu) rencana audit 2019 yang diundur menjadi tahun 2020, dikarenakan kekurangan sumber daya dan terdapat beberapa pemeriksaan *ad hoc*.
- Departemen *Internal Audit* telah melakukan *monitoring* hasil audit dan rekomendasi audit telah ditindaklanjuti dengan sesuai.
- Bank telah memperbaiki sistem pengendalian internal yang dapat diandalkan dan komprehensif untuk aktivitas kredit dan operasional dengan memperluas jangkauan audit.

Faktor-faktor yang perlu mendapat perhatian pada aspek *governance process*:

- Direksi perlu memonitor komitmen terhadap regulator: kemajuan *on-shoring* dan pengawasan untuk menghindari NPL baru serta menyelesaikan akun NPL yang ada.
- Terkait tenaga kerja asing (TKA) masih menjadi perhatian OJK dalam kaitannya dengan kepatuhan terhadap ketentuan.
- Terkait penggunaan anggaran pelatihan SDM, rasio pelatihan tersebut telah memenuhi ketentuan (tidak termasuk *carry over* dari 2018, namun jika anggaran pelatihan 2018 dimasukkan, rasio pelatihan masih di bawah peraturan yang disyaratkan).
- Terdapat peningkatan terhadap denda regulator dibandingkan dengan periode sebelumnya.
- Bank belum melakukan evaluasi terhadap akurasi model dan validitas data yang digunakan untuk mengukur risiko, bagi bank yang menggunakan model untuk keperluan internal (*internal model*).

Hasil Tata Kelola

Faktor-faktor positif aspek hasil tata kelola:

- Proses *on-shoring* telah sesuai dengan rencana dan laporan perkembangan telah dilaporkan kepada OJK secara tepat waktu.
- Risalah rapat (MoM) telah dibuat berdasarkan format percakapan individual dan telah secara jelas menjelaskan orang yang menyampaikan hal tersebut dalam rapat termasuk perbedaan pendapat. Hal ini didukung dengan rekaman untuk seluruh percakapan pada rapat.
- Tidak terdapat hasil audit atau hal terkait proses pengendalian internal yang berkaitan dengan benturan kepentingan.
- Terkait temuan audit OJK tahun 2019, Bank telah menindaklanjuti sebanyak 41 (empat puluh satu) komitmen (89,1%) dari total 46 (empat puluh enam) komitmen sesuai dengan target penyelesaian yang telah disepakati.
- Per Desember 2019, Bank telah menindaklanjuti seluruh komitmen (100%) atas temuan audit OJK tahun 2019 untuk Cabang Batam dan Makassar.
- Sedangkan untuk pemenuhan komitmen audit BI tahun 2019, Bank telah menindaklanjuti 6 (enam) komitmen (66,7%) dari 9 (sembilan) komitmen sesuai dengan target penyelesaian yang telah disepakati.
- Tidak terdapat permasalahan terkait penunjukan, komunikasi, independensi, dan cakupan pekerjaan auditor eksternal.

up on OJK and BI audit findings, risk management, and AML-CFT concerns) has increased in the second semester of 2019.

- *The Board of Commissioners has actively communicated with regulators (OJK and BI).*
- *Actively completing follow-up on regulator findings and regulator fines.*
- *The Internal Audit Department has conducted audits according to plan, but there was 1 (one) audit plan in 2019 that is postponed to 2020, due to the lack of resources and there were some ad hoc audits.*
- *The Internal Audit Department has monitored the audit results and followed-up the audit recommendations accordingly.*
- *The Bank has improved a reliable and comprehensive internal control system for lending and operational activities by expanding audit coverage.*

Factors that needed attention of the governance process aspect:

- *Board of Directors needs to closely monitor The Bank's commitment to regulators: the on-shoring progress, supervision to prevent new NPL and settlement of existing NPL accounts.*
- *Regarding foreign workers, this has been OJK's concern in relation to its compliance with regulations.*
- *Regarding the use of HR training budget, the training ratio has met the requirement (excluding carry over from 2018, but if the 2018 training budget was included in the training ratio, it was still below the requirement).*
- *There was an increase in regulator fines compared to the previous period.*
- *The Bank has not evaluated the accuracy of the model and the validity of the data used to measure risk, for banks that use the model for internal purposes (internal model).*

Governance Outcome

Positive factors of governance outcome aspect:

- *The on-shoring process was in accordance with the plan and progress reports have been reported to OJK in a timely manner.*
- *Minutes of meeting (MoM) have been made in individual conversations format and clearly express the people who spoke at the meeting, including dissenting opinions. This was supported by recording of the whole conversations in the meeting.*
- *There were no audit results or matters related to the internal control process regarding the conflicts of interest.*
- *Regarding OJK audit findings in 2019, The Bank has followed-up on 41 (forty-one) commitments (89.1%) from a total of 46 (forty-six) commitments in accordance with the agreed settlement date.*
- *As of December 2019, The Bank has followed-up on all commitments (100%) towards OJK audit findings in 2019 for Batam dan Makassar Branches.*
- *As for fulfilling the 2019 BI audit commitments, The Bank has followed-up on 6 (six) commitments (66.7%) out of 9 (nine) commitments in accordance with the agreed settlement date.*
- *There were no issues related to the appointment, communication, independence, and scope of work of the external auditor.*

Faktor-faktor yang perlu mendapat perhatian pada aspek *governance outcome:*

- Masih terdapat kesalahan administratif dalam pelaporan kepada regulator. Perbaikan proses maupun akurasi laporan perlu dilaksanakan guna menghindari terjadinya kesalahan serupa.
- Terdapat beberapa temuan terkait pemeriksaan kredit dan operasional oleh OJK pada tahun 2019 sehingga Bank perlu memperkuat fungsi pengendalian internal.
- Bank belum sepenuhnya menerapkan transparansi informasi mengenai produk dan penggunaan data pribadi nasabah.
- Indikator rasio NPL, kredit, dan dana pihak ketiga yang belum memenuhi target rencana bisnis Bank wajib mendapat perhatian Bank.
- Bank wajib menjaga rasio *turnover* karyawan dan menjaga penggunaan TKA.
- Bank belum mempublikasikan eksposur risiko.

Perkembangan Penilaian dan Hasilnya

Bank secara berkala melakukan penilaian dengan tujuan melakukan pemantauan, evaluasi, serta perbaikan terhadap penerapan praktik GCG di lingkup Bank. Bank telah mencapai *rating* 2 (dua) selama 5 (lima) tahun terakhir. Pencapaian *rating* tersebut dapat disimpulkan bahwa penerapan praktik GCG di lingkup Bank telah berjalan dengan baik didukung dengan kesinambungan yang konsisten.

Struktur Tata Kelola Perusahaan

Struktur GCG Bank dibentuk berdasarkan fungsi, kewenangan dan tanggung jawab masing-masing organ sesuai dengan Undang-Undang No. 40 Tahun 2007, Peraturan Otoritas Jasa Keuangan terkait, dan Anggaran Dasar Bank.

Struktur GCG Bank secara garis besar terbagi atas Organ Utama dan Organ Pendukung.

Organ Utama Bank adalah sebagai berikut:

1. Rapat Umum Pemegang Saham (RUPS)
   Rapat Umum Pemegang Saham merupakan forum bagi pemegang saham untuk melakukan pembahasan dan pengambilan keputusan strategis usaha Bank dan didasarkan pada Anggaran Dasar Bank serta peraturan perundang-undangan.
2. Dewan Komisaris
   Dewan Komisaris adalah organ yang secara kolektif memiliki tugas dan tanggung jawab untuk melaksanakan fungsi pengawasan dan pemberian arahan terhadap pengelolaan usaha Bank serta memastikan terpenuhinya kepentingan para pemangku kepentingan berdasarkan prinsip-prinsip GCG.
3. Direksi
   Direksi adalah organ yang secara kolektif memiliki tugas dan tanggung jawab untuk melaksanakan pengelolaan Bank sesuai dengan arah dan tujuan yang telah ditetapkan, serta bertindak atas nama Bank dalam urusan di dalam maupun di luar pengadilan.

Selanjutnya Organ Pendukung terdiri dari komite di bawah Dewan Komisaris serta komite dan fungsi di bawah Direksi.

Bank juga telah memiliki *soft stucture* atau perangkat kebijakan yang akan memberikan definisi batasan-batasan tugas, peran dan tanggung jawab dari masing-masing organ Bank, sebagai berikut:

- Kode Etik
- *Speak Up*
- Kebijakan GCG

Factors that needed attention of the governance outcome aspect:

- *There are still administrative errors in reporting to the regulator. Process improvement and reporting accuracy need to be implemented to avoid similar mistakes.*
- *There were several findings related to lending and operational examinations by OJK in 2019 so that The Bank needs to strengthen its internal control function.*
- *The Bank has not fully implemented transparency of information regarding products and the use of customers' personal data.*
- *Indicators of NPL ratio, loan, and third party funds which have not met the targets of The Bank's business plan may require The Bank attention.*
- *The Bank is required to maintain the employee turnover ratio and to maintain the use of foreign workers.*
- *The Bank has not published risk exposures.*

Assessment Progress and Results

The Bank regularly carries out the assessment aim at monitoring, evaluating, and improving the implementation of GCG practices within The Bank. The Bank has achieved an assessment rating of 2 (two) for the past 5 (five) years. This achievement indicates well implementation of GCG practices within The Bank supported with consistent sustainability.

Corporate Governance Structure

The Bank governance structure is established based on the functions, authorities, and responsibilities of each organ in accordance with Law No. 40 of 2007, relevant Financial Services Authority Regulations, and The Bank's Articles of Association.

The Bank governance structure is broadly divided into Primary Organs and Supporting Organs.

The Primary Organs are as follows:

1. *General Meeting of Shareholders (GMS)*
   The General Meeting of Shareholders is a strategic discussion and decision-making forum for the shareholders, in relation with The Bank interests and is based on Articles of Association as well as laws and regulations.
2. *Board of Commissioners*
   The Board of Commissioners is an organ collectively assigned with supervisory and advisory functions on the management of The Bank as well as ensuring that all stakeholders' interests are met based on the governance principles.
3. *Board of Directors*
   The Board of Directors is an organ collectively responsible for managing The Bank in accordance with the set direction and objectives, as well as acting on behalf of The Bank in both legal and non-legal settings.

The Supporting Organs consist of committees under the Board of Commissioners as well as committees and functions under the Board of Directors.

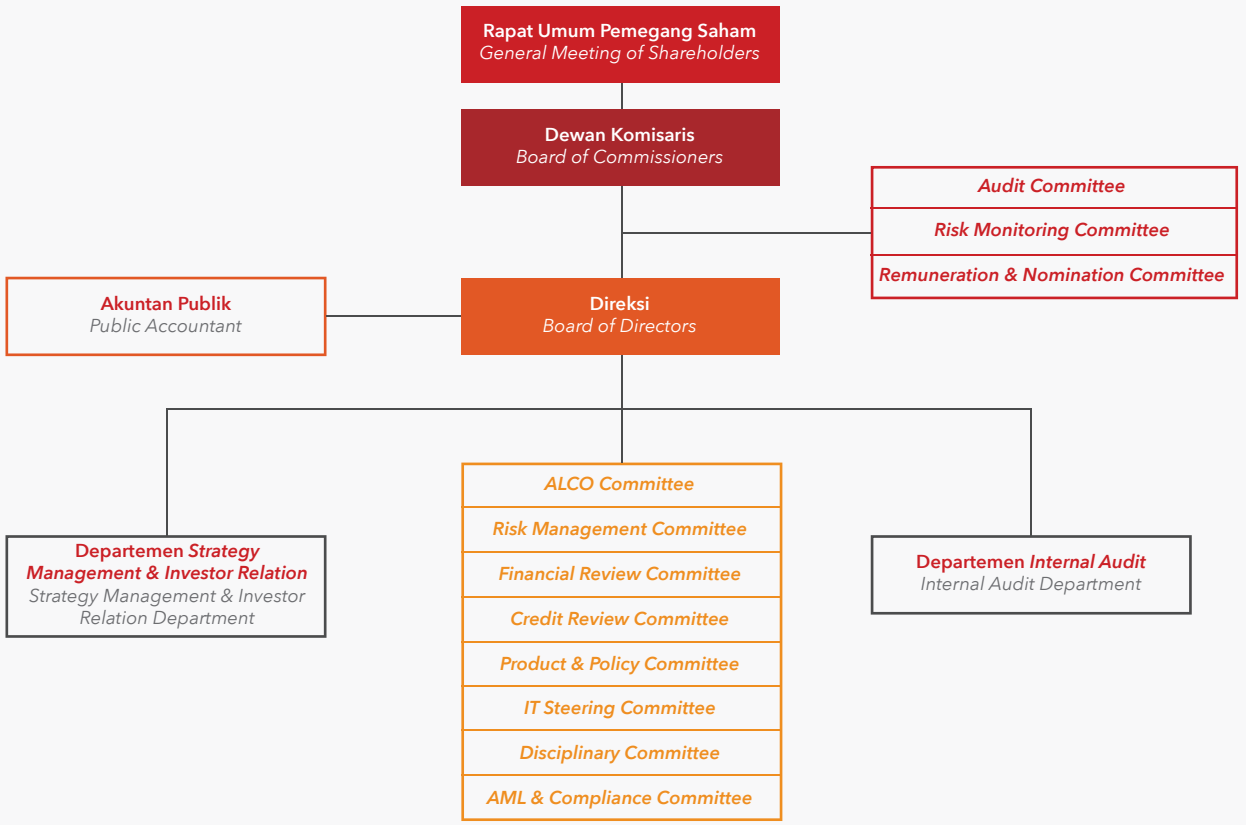
The Bank also has in place the soft structures or policies that define the boundaries of duties, roles, and responsibilities of each of The Bank's organs, as follows:

- *Code of Conduct*
- *Speak Up*
- *GCG Policy*

- Pedoman dan Tata Tertib Kerja Direksi
- Pedoman dan Tata Tertib Kerja Dewan Komisaris
- Piagam Kepatuhan
- Piagam Internal Audit
- Piagam Komite Audit

- *BOD Charter*
- *BOC Charter*
- *Compliance Charter*
- *Internal Audit Charter*
- *Audit Committee Charter*

Struktur Tata Kelola Perusahaan | *Corporate Governance Structure*



Rencana Peningkatan Penerapan Tata Kelola Perusahaan

Sebagai tindak lanjut dan komitmen yang tinggi atas kesinambungan peningkatan praktik GCG pada seluruh level organisasi, Bank merencanakan beberapa kegiatan penting terkait praktik GCG. Kegiatan dimaksud mencakup di antaranya:

1. Melengkapi seluruh *soft structure* yang disesuaikan dengan peraturan yang berlaku dan praktik terbaik penerapan GCG serta melakukan kajian bagi penyempurnaan yang sudah ada guna meningkatkan kualitas penerapan GCG.
2. Melakukan *monitoring*, pelaporan secara reguler, dan mengkaji penerapan GCG serta memfasilitasi *assessment* oleh pihak independen terhadap implementasi GCG di Bank untuk mendapatkan *feedback* penerapan GCG.

Corporate Governance Implementation Improvement Plans

As a follow-up and high commitment on sustainability of GCG practices at all operational level, The Bank has planned key activities related to GCG practices. The activities include as follows:

1. *Complete all soft structures in accordance with prevailing regulations and best practices for GCG implementation as well as review the existing improvements in order to improve the quality of GCG implementation.*
2. *Conduct monitoring, regular reporting, and reviewing the GCG implementation as well as facilitating the independent assessment of GCG implementation in The Bank to obtain GCG implementation feedbacks.*

RAPAT UMUM **PEMEGANG SAHAM**

General Meeting of Shareholders

Rapat Umum Pemegang Saham (RUPS) adalah organ perusahaan dengan kewenangan yang tidak diberikan kepada Dewan Komisaris atau Direksi dalam batas yang ditentukan dalam Anggaran Dasar dan peraturan perundang-undangan yang berlaku.

RUPS merupakan forum bagi pemegang saham untuk menggunakan haknya, menjalankan wewenang, mengemukakan pendapat, memberikan suara serta meminta informasi berkaitan dengan pengambilan keputusan strategis ataupun pengelolaan Bank.

Anggaran Dasar Bank menyatakan bahwa pelaksanaan RUPS sekurang-kurangnya 1 (satu) kali dalam setahun dan harus diselenggarakan paling lambat 6 (enam) bulan setelah berakhirnya tahun buku.

Pemegang Saham dan Informasi tentang Pemegang Saham Mayoritas

Pemegang saham mayoritas Bank adalah ICBC Limited dengan kepemilikan sebesar 98,61%, sedangkan pemegang saham minoritas adalah PT Intidana Wijaya dengan kepemilikan sebesar 1,39%. Sebagai pemegang saham mayoritas, ICBC Limited telah memenuhi persyaratan kemampuan, kepatutan, dan kepatuhan terhadap regulasi yang ditetapkan oleh OJK, Bank Indonesia, serta perundang-undangan terkait perbankan yang berlaku di Indonesia.

Hak Pemegang Saham

- Menghadiri dan memberikan suara dalam suatu RUPS, berdasarkan ketentuan 1 (satu) saham memberi hak kepada pemegangnya untuk mengeluarkan 1 (satu) suara;
- Memperoleh informasi material secara tepat waktu dan teratur sehingga memungkinkan bagi pemegang saham untuk membuat keputusan;
- Menerima bagian keuntungan dari Bank dalam bentuk dividen dan bentuk pembagian keuntungan lainnya;
- Menerima bagian atas saham baru yang hendak dikeluarkan dengan mengambil bagian yang seimbang dengan jumlah saham yang mereka miliki (proporsional);
- Meminta Direksi untuk mengeluarkan surat saham pengganti atas surat saham yang rusak;
- Melihat daftar pemegang saham dan daftar khusus pada waktu jam kerja kantor Bank;
- Menjual atau mengalihkan saham-saham yang dimiliki dengan menawarkan secara tertulis kepada pemegang saham lainnya dan sebaliknya, membeli saham yang ditawarkan oleh pemegang saham lainnya;
- Menyelenggarakan RUPS dalam hal Dewan Komisaris dan/atau Direksi lalai menyelenggarakan RUPS Tahunan dan/atau RUPS Luar Biasa, setelah mendapat izin dari Ketua Pengadilan Negeri setempat;
- Atas nama Bank, pemegang saham yang mewakili paling sedikit 1/10 (satu per sepuluh) bagian dari jumlah seluruh saham dengan hak suara dapat mengajukan gugatan melalui pengadilan negeri terhadap anggota Dewan Komisaris dan/atau Direksi yang karena kesalahan atau kelalaiannya menimbulkan kerugian pada Bank;

The General Meeting of Shareholders (GMS) is a company's organ with authorities not granted to the Board of Commissioners and Board of Directors within threshold as set forth under the Articles of Association and prevailing regulations.

The GMS serves as a forum for shareholders to exercise rights, initiate authorities, and submission of opinions, voting, and request of information relating to the strategic decision-making or The Bank management.

The Bank's Articles of Association states that the GMS is to be held at least once a year and shall be held no later than 6 (six) months after the end of the fiscal year.

Shareholders and Information on the Majority Shareholders

The majority shareholder of The Bank is ICBC Limited with shares ownership of 98.61%. Meanwhile, the minority shareholder is PT Intidana Wijaya with shares ownership of 1.39%. As the controlling shareholder of The Bank, ICBC Limited has fulfilled the requirements of ability, propriety and compliance with regulations stipulated by the Financial Services Authority (OJK), Bank Indonesia, and applicable banking related legislation in Indonesia.

Shareholders Rights

- *Attending and voting in a General Meeting of Shareholders (GMS), under the condition that one share entitles the holder to issue 1 (one) vote;*
- *Receiving material information in a timely and orderly manner so as to enable shareholders to make informed decisions;*
- *Receiving a share of The Bank's profits in the form of dividends and other forms of profit sharing;*
- *Receiving a portion of new shares that will be issued with the proportion value equals to number of shares owned by each individual shareholder;*
- *Requesting the Board of Directors to issue a share certificate replacement for any defaced share certificate;*
- *Viewing the shareholder register and special register during the office hour of The Bank;*
- *Selling or transferring shares owned through offering in writing to other shareholders, and conversely buying shares offered by the other shareholders;*
- *Organizing a GMS in the event that the Board of Commissioners and/or the Board of Directors fails to hold an Annual GMS and/or an Extraordinary GMS, after obtaining a permission from the local District Court Chairman;*
- *On behalf of The Bank, a shareholder representing at least 1/10 (one-tenth) of the total number of shares with voting rights may file a lawsuit through the district court against a member of the Board of Commissioners and/or the Board of Directors whose fault or negligence incurs a loss to The Bank;*

- Setiap pemegang saham berhak mengajukan gugatan terhadap Bank ke pengadilan negeri apabila dirugikan karena tindakan Bank yang dianggap tidak adil dan tanpa alasan wajar sebagai akibat keputusan RUPS, Dewan Komisaris, dan/atau Direksi;
- Meminta secara tertulis untuk penyelenggaraan Rapat Dewan Komisaris, Rapat Direksi, dan RUPS Luar Biasa bila dipandang perlu.

Wewenang Rapat Umum Pemegang Saham

RUPS memiliki wewenang antara lain untuk:

- Menetapkan perubahan Anggaran Dasar Bank;
- Menetapkan perubahan modal Bank dan/atau pengeluaran saham-saham baru untuk keperluan modal Bank;
- Memberikan persetujuan atas atau menolak pemindahan hak atas saham Bank;
- Memutuskan penggabungan, peleburan, pemisahan, pengambilalihan, serta pembubaran dan likuidasi Bank;
- Memberikan persetujuan atas atau menolak untuk mengalihkan, menjadikan jaminan utang, melepaskan hak atas seluruh atau sebagian dari jumlah kekayaan Bank dalam satu tahun buku, baik dalam satu transaksi atau beberapa transaksi yang berdiri sendiri ataupun yang berkaitan satu sama lain;
- Menyetujui atau menolak Rencana Tahun Buku Bank;
- Mengangkat dan memberhentikan Dewan Komisaris dan Direksi;
- Menilai kinerja Dewan Komisaris dan Direksi;
- Menetapkan pembagian tugas dan wewenang setiap anggota Direksi;
- Mengesahkan laporan tahunan dan perhitungan tahunan yang diajukan Direksi;
- Menetapkan penggunaan laba bersih Bank termasuk menentukan jumlah penyisihan untuk dana cadangan;
- Menetapkan auditor eksternal berdasarkan usulan yang diterima dari Dewan Komisaris;
- Menetapkan remunerasi (gaji dan/atau tunjangan) Dewan Komisaris dan Direksi;
- Menyetujui apabila Direksi menawarkan sisa saham baru yang hendak dikeluarkan kepada pihak lain;
- Menetapkan surat saham yang rusak dan tidak dapat dipakai lagi untuk dimusnakan;
- Menyetujui setiap gadai atau pembebanan terhadap saham dalam Bank atau penerbitan pemberian opsi, waran, hak, atau jaminan lainnya yang dapat ditukar dengan saham di dalam Bank;
- Memutuskan agar jumlah dari dana cadangan yang melebihi jumlah yang ditentukan oleh Anggaran Dasar Bank untuk digunakan bagi keperluan Bank;
- Wewenang lainnya sebagaimana diatur dalam peraturan perundang-undangan.

- *Each shareholder is entitled to file a lawsuit against The Bank to the district court if they are impaired by The Bank's actions deemed unfair and unreasonable as a result of the resolutions of the GMS, the Board of Commissioners, and/or the Board of Directors;*
- *Requesting in writing for the holding of a Board of Commissioners Meeting, a Board of Directors Meeting, and an Extraordinary GMS if deemed necessary.*

General Meeting of Shareholders Authorities

The GMS has the authorities to do the following:

- *Deciding on amendments to The Bank's Articles of Association;*
- *Deciding on changes in The Bank's capital and/or issuance of new shares for The Bank's capital requirements;*
- *Approving or rejecting the transfer of rights to The Bank's shares;*
- *Making decisions involving merger, consolidation, segregation, acquisition, dissolution, and liquidation of The Bank;*
- *Approving or refusing to transfer, make debt guarantees, waive rights to all or some of The Bank's total assets within a fiscal year, either in one transaction or in several transactions that are independent or related to one another;*
- *Approving or rejecting The Bank's Fiscal Year Plan;*
- *Appointing and dismissing the Board of Commissioners and Board of Directors;*
- *Assessing the performance of the Boards of Commissioners and Board of Directors;*
- *Establishing the distribution of duties and authorities of each member of the Board of Directors;*
- *Approving the annual report and annual calculations submitted by the Board of Directors;*
- *Deciding on the use of The Bank's net income, including determining the amount of allowance for reserves;*
- *Establishing an external auditor based on proposals received from the Board of Commissioners;*
- *Establishing remuneration (salary and/or allowances) for the Boards of Commissioners and Board of Directors;*
- *Approving the Board of Directors plan to offer the remaining new shares to be issued to other parties;*
- *Deciding on defaced share certificate which can no longer be used for destruction;*
- *Approving any liens or imposition of shares in The Bank or the issuance of options, warrants, rights, or other collaterals that can be exchanged for shares in The Bank;*
- *Deciding on the amount of allowance for reserves which is greater than the amount stipulated in The Bank's Articles of Association to be used for the needs of The Bank;*
- *Other powers as regulated in legislation.*

Tata Cara Pelaksanaan Rapat Umum Pemegang Saham

Tata cara penyelenggaraan RUPS telah diatur dalam Anggaran Dasar Bank sebagai berikut:

- RUPS diadakan di tempat kedudukan Bank atau di tempat lain yang disetujui oleh pemegang saham dalam wilayah Republik Indonesia.
- Diselenggarakan dengan pemanggilan terlebih dahulu kepada para pemegang saham dengan surat tercatat.
- Pemanggilan dilakukan paling lambat 14 (empat belas) hari sebelum RUPS diadakan.
- Pemanggilan RUPS harus mencantumkan hari, tanggal, waktu, tempat, dan acara rapat dengan disertai pemberitahuan bahwa bahan yang akan dibicarakan dalam rapat tersedia di tempat kedudukan Bank mulai dari hari dilakukan pemanggilan sampai dengan tanggal RUPS.
- Pemanggilan RUPS tidak diperlukan jika semua pemegang saham menyetujui agenda rapat dan keputusan disetujui dengan suara bulat.
- RUPS dipimpin oleh Presiden Direktur.
- Dalam hal Presiden Direktur tidak hadir atau berhalangan, RUPS dipimpin oleh salah seorang anggota Direksi yang hadir, apabila seluruh anggota Direksi tidak hadir, RUPS dipimpin oleh Presiden Komisaris. Dalam hal Presiden Komisaris tidak hadir, RUPS dipimpin oleh salah satu anggota Komisaris yang hadir. Dalam hal seluruh anggota Dewan Komisaris tidak hadir, RUPS dipimpin oleh salah seorang yang dipilih di antara mereka yang hadir dalam rapat.
- Dalam hal keputusan pemberhentian sementara anggota Direksi yang diajukan oleh Dewan Komisaris, maka RUPS dipimpin oleh Presiden Komisaris.
- Dalam hal Presiden Komisaris tidak hadir atau berhalangan, RUPS dipimpin oleh salah satu anggota Komisaris yang hadir. Dalam hal seluruh anggota Dewan Komisaris tidak hadir, RUPS dipimpin oleh salah seorang yang dipilih di antara mereka yang hadir dalam rapat.
- Segala hal yang dibicarakan dan diputuskan dalam RUPS harus dibuat berita acara rapat dan ditandatangani oleh Ketua Rapat dan seluruh pemegang saham atau kuasa pemegang saham yang hadir dalam rapat.
- RUPS dapat dilangsungkan apabila kuorum kehadiran sesuai undang-undang Perusahaan Terbatas dan Anggaran Dasar Bank telah dipenuhi.
- Pemegang saham dapat diwakili oleh pemegang saham lain atau orang lain dengan surat kuasa.
- Anggota Direksi dan Dewan Komisaris, serta karyawan Bank boleh bertindak selaku kuasa dalam rapat, namun mereka tidak memiliki hak suara dalam pemungutan suara.
- Suara blanko (*abstain*) tidak dihitung.
- Keputusan rapat diambil berdasarkan musyawarah untuk mufakat. Dalam hal keputusan secara musyawarah untuk mufakat tidak tercapai, maka keputusan diambil berdasarkan suara setuju lebih dari ½ (setengah) jumlah suara yang sah dalam rapat. Dalam hal suara yang setuju dan tidak setuju berimbang maka usul harus dianggap ditolak.
- Pemegang saham dapat pula mengambil keputusan yang sah tanpa mengadakan RUPS dengan ketentuan semua pemegang saham telah diberitahu secara tertulis dan semua pemegang saham memberikan persetujuan dengan menandatangani persetujuan tersebut. Keputusan yang diambil dengan cara demikian mempunyai kekuatan yang sama dengan keputusan yang diambil dengan sah dalam RUPS.

General Meeting of Shareholders Convention Procedures

The procedure for implementing the GMS has been arranged in the Articles of Association of The Bank, as follows:

- *The GMS is to be held in the domicile of The Bank or at other places agreed by the shareholders within the territory of Republic of Indonesia.*
- *It is to be organized by informing the shareholders through registered mail.*
- *The call shall be made no later than 14 (fourteen) days before the GMS is held.*
- *The call shall include the day, date, time, place, and agenda of the meeting accompanied by a notification that the meeting material is available in the domicile of The Bank from the day of the call up to the date of the GMS.*
- *A GMS call is not required if all shareholders agree on the agenda of the meeting and the decision is approved unanimously.*
- *The GMS is chaired by the President Director.*
- *In the event that the President Director is absent or not present, the GMS is to be chaired by one of the members of the Board of Directors present. If all members of the Board of Directors are absent, the GMS is to be chaired by the President Commissioner. In the event that the President Commissioner is absent, the GMS is to be chaired by one of the members of the Board of Commissioners present. In the event that all members of the Board of Commissioners are absent, the GMS is to be presided over by one elected member among those present at the meeting.*
- *In the event of temporary dismissal of members of the Board of Directors submitted by the Board of Commissioners, the GMS is chaired by the President Commissioner.*
- *In the event that the President Commissioner is absent or not present, the GMS is to be chaired by one of the members of the Board of Commissioners present. In the event that all members of the Board of Commissioners are absent, the GMS is to be presided over by one elected member among those present at the meeting.*
- *All matters discussed and decided at the GMS shall be translated into the minutes of meeting and signed by the Chairperson of the meeting and all shareholders or the attorney of the shareholders present at the meeting.*
- *A GMS may be held if the quorum required by the law on Limited Liability Company and The Bank's Articles of Association have been fulfilled.*
- *Shareholders can be represented by other shareholders or other people with the power of attorney.*
- *Members of the Board of Directors and Board of Commissioners and The Bank's employees may act as an attorney in the meeting, but they do not have voting rights.*
- *Abstained votes are not counted.*
- *The decision of the meeting is based on deliberations to reach consensus. In the event that a consensus decision is not reached, a decision is made on the basis of agreed votes of more than ½ (half) from the legitimate votes in the meeting. In the case of agreeing and disagreeing votes are equal then the proposal shall be deemed to be rejected.*
- *The shareholders may also make informed decisions without holding a GMS provided that all shareholders have been notified in writing and all shareholders agree on the proposal and sign the agreement. The decisions taken in this way have the same power as the decisions taken legitimately in the GMS.*

Pelaksanaan dan Hasil Keputusan Rapat Umum Pemegang Saham Tahun 2019

Selama tahun 2019, Bank menyelenggarakan 3 (tiga) kali RUPS Tahunan, bertempat di kantor pusat. Hasil keputusan RUPS serta realisasi dan/atau rencana realisasi oleh manajemen Bank disampaikan pada tabel di bawah ini.

General Meeting of Shareholders Convention and Resolutions in 2019

During 2019, The Bank convened 3 (three) Annual GMS, held in the head office. Following tables are the GMS resolutions and realizations and/or realization plans by The Bank management.

RUPS Tanggal 7 Oktober 2019
GMS Dated October 7, 2019

Hasil Keputusan *Resolutions*	Telah atau Belum Ditindaklanjuti *Has Been or Yet to be Followed-up*	Realisasi oleh Manajemen *Follow-up by Management*
Menyetujui perubahan terhadap beberapa ketentuan dalam Anggaran Dasar Bank. *Approved changes on several provisions in The Bank's Articles of Association.*	•	
Menyatakan bahwa seluruh ketentuan Anggaran Dasar Bank yang tidak dirubah dengan keputusan ini akan tetap berlaku dan seluruh ketentuan Anggaran Dasar Bank akan dinyatakan kembali ke dalam suatu akta. *Declared that all provisions in The Bank's Articles of Association that are not amended by this decision wil remain in force and all provisions in The Bank's Articles of Association will be restated in a deed.*	•	Akta No. 81 tanggal 8 Oktober 2019. *The Deed No. 81 dated October 8, 2019.*

RUPS Tanggal 7 Oktober 2019
GMS Dated October 7, 2019

Hasil Keputusan *Resolutions*	Telah atau Belum Ditindaklanjuti *Has Been or Yet to be Followed-up*	Realisasi oleh Manajemen *Follow-up by Management*
Memberikan batasan otorisasi kepada Direksi Bank untuk menjalankan bisnis Bank. *Gave authorization limits to the Board of Directors of The Bank to run The Bank's business.*	•	
Menunjuk dan memberi kuasa kepada Dewan Komisaris Bank untuk menyampaikan kepada Direksi Bank mengenai batasan otorisasi dan juga seluruh perubahan dan penambahannya yang akan disampaikan oleh pemegang saham dari waktu ke waktu. *Appointed and authorized The Bank's Board of Commissioners to inform the Board of Directors regarding the authorization limits and all changes and additions which will be informed by the shareholders from time to time.*	•	Akta No. 80 tanggal 8 Oktober 2019. *The Deed No. 80 dated October 8, 2019.*

RUPS Tanggal 28 Oktober 2019
GMS Dated October 28, 2019

Hasil Keputusan *Resolutions*	Telah atau Belum Ditindaklanjuti *Has Been or Yet to be Followed-up*	Realisasi oleh Manajemen *Follow-up by Management*
Menerima pengunduran diri anggota Direksi: Xin Haiyan selaku Direktur, terhitung sejak tanggal 24 Agustus 2019. *Accepted the resignation of a member of the Board of Directors: Xin Haiyan as Director, effective as of August 24, 2019.*	●	Akta No. 8 tanggal 1 November 2019. *The Deed No. 8 dated November 1, 2019.*
Mengangkat kembali anggota Dewan Komisaris dan Direksi Bank. *Reappointed members of the Board of Commissioners and Board of Directors of The Bank.*	●	

● telah ditindaklanjuti | *has been followed-up*
○ belum ditindaklanjuti | *yet to be followed-up*

Pelaksanaan dan Hasil Keputusan Rapat Umum Pemegang Saham Tahun 2018
Selama tahun 2018, Bank menyelenggarakan 1 (satu) kali RUPS Tahunan, bertempat di kantor pusat. Hasil keputusan RUPS serta realisasi dan/atau rencana realisasi oleh manajemen Bank disampaikan pada tabel di bawah ini.

General Meeting of Shareholders Convention and Resolutions in 2018
During 2018, The Bank convened 1 (one) Annual GMS, held in the head office. Following tables are the GMS resolutions and realizations and/or realization plans by The Bank management.

RUPS Tanggal 29 Agustus 2018
GMS Dated August 29, 2018

Hasil Keputusan *Resolutions*	Telah atau Belum Ditindaklanjuti *Has Been or Yet to be Followed-up*	Realisasi oleh Manajemen *Follow-up by Management*
Menerima pengunduran diri anggota Dewan Komisaris: Christina Harapan selaku Komisaris Independen, terhitung sejak tanggal 31 Mei 2018. *Accepted the resignation of a member of the Board of Commissioners: Christina Harapan as Independent Commissioner, effective as of May 31, 2018.*	●	
Menerima pengunduran diri anggota Direksi: Liang Qinjun selaku Direktur, terhitung sejak tanggal 31 Mei 2018. *Accepted the resignation of a member of the Board of Directors: Liang Qinjun as Director, effective as of May 31, 2018.*	●	Seluruh pergantian manajemen kunci Bank telah dilakukan dan disahkan melalui Akta No. 137 tanggal 29 Agustus 2018. *All changes of The Bank's key management have been carried out and legalized through the Deed No. 137 dated August 29, 2018.*
Mengangkat anggota Dewan Komisaris yang baru: H. Yunno Kusumo, SE.AKT.MA selaku Komisaris Independen, yang berlaku efektif sejak diperolehnya persetujuan/perizinan sesuai ketentuan yang berlaku. *Appointed new member of the Board of Commissioners: H. Yunno Kusumo, SE.AKT.MA as Independent Commissioner, effective as of the obtaining of approval/permit in accordance with applicable regulations.*	●	

● telah ditindaklanjuti | *has been followed-up*
○ belum ditindaklanjuti | *yet to be followed-up*

DEWAN **KOMISARIS**
Board of Commissioners

Dewan Komisaris merupakan organ Bank yang bertugas melakukan fungsi pengawasan secara umum dan/atau secara khusus, serta memberikan nasihat terhadap kegiatan pengelolaan Bank oleh Direksi sesuai dengan Anggaran Dasar Bank.

Dewan Komisaris tidak turut serta dalam pengambilan keputusan operasional. Kedudukan setiap anggota Dewan Komisaris termasuk Presiden Komisaris adalah setara. Dewan Komisaris memiliki lebih dari satu orang anggota yang setiap anggota bertindak atas keputusan bersama dan mewakili Dewan Komisaris.

Dasar Hukum
Dasar hukum penunjukan, kriteria, kewenangan serta tugas dan tanggung jawab Dewan Komisaris didasarkan pada:
- Undang-Undang No. 40 Tahun 2007
- POJK No. 55/POJK.03/2016
- Anggaran Dasar

Kriteria & Persyaratan Anggota Dewan Komisaris
Kriteria dan persyaratan minimum untuk Dewan Komisaris adalah:
- Dewan Komisaris terdiri dari paling sedikit 3 (tiga) orang dan paling banyak sama dengan jumlah anggota Direksi.
- Dewan Komisaris wajib dipimpin oleh Presiden Komisaris yang ditunjuk dari anggota Dewan Komisaris.
- Dari seluruh anggota Dewan Komisaris, paling sedikit 1 (satu) orang wajib berdomisili di Indonesia dan paling sedikit 1 (satu) orang Warna Negara Indonesia dipilih sebagai anggota Dewan Komisaris.
- Dewan Komisaris wajib terdiri dari Komisaris Independen dan Komisaris Non-Independen.
- Komisaris Independen wajib paling sedikit berjumlah 50% (lima puluh persen) dari jumlah anggota Dewan Komisaris.
- Mantan anggota Direksi atau Pejabat Eksekutif Bank atau pihak-pihak yang mempunyai hubungan dengan Bank, yang dapat mempengaruhi kemampuan yang bersangkutan untuk bertindak independen wajib menjalani masa tunggu (*cooling off*) paling singkat 1 (satu) tahun sebelum menjadi Komisaris Independen pada Bank. Ketentuan tersebut tidak berlaku bagi mantan anggota Direksi yang membawahi fungsi pengawasan atau Pejabat Eksekutif yang melakukan fungsi pengawasan pada Bank tersebut.
- Komisaris Non-Independen dapat beralih menjadi Komisaris Independen setelah memenuhi persyaratan sebagai Komisaris Independen.
- Komisaris Non-Independen yang akan beralih menjadi Komisaris Independen wajib menjalani masa tunggu (*cooling off*) paling singkat 6 (enam) bulan.
- Peralihan dari Komisaris Non-Independen menjadi Komisaris Independen wajib memperoleh persetujuan Otoritas Jasa Keuangan (OJK).
- Komisaris Independen yang telah menjabat selama 2 (dua) periode masa jabatan berturut-turut dapat diangkat kembali pada periode selanjutnya sebagai Komisaris Independen dalam hal Rapat Anggota Dewan

The Board of Commissioners is The Bank's organ that undertakes supervisory function generally and/or specifically, and provides advisory function to the Board of Directors management activities in accordance with The Bank's Articles of Association.

The Board of Commissioners does not take part in making operational decisions. The status of each member of the board, including the President Commissioner is equal. Each individual member acts on a joint decision and represents the board.

Legal Basis
The appointment, criteria, authorities as well as the duties and responsibilities of the Board of Commissioners refer to:
- *Law No. 40 of 2007*
- *POJK No. 55/POJK.03/2016*
- *Articles of Association*

Board of Commissioners Criteria & Member Requirements
The minimum criteria and requirements for the Board of Commissioners are:
- *At the very least the Board of Commissioners should consist of three (3) members and at the most equivalent to the members of the Board of Directors.*
- *Board of Commissioners must be chaired by the President Commissioner who is appointed from the members of Board of Commissioners.*
- *At least 1 (one) member of the Board of Commissioners must be domiciled in Indonesia and at least 1 (one) Indonesian Citizen is appointed as a member of the Board of Commissioners.*
- *The Board of Commissioners must consist of Independent Commissioners and Non-Independent Commissioners.*
- *Independent Commissioners must at the very least occupy 50% (fifty percent) of the total members of the Board of Commissioners.*
- *Former member of the Board of Directors or Executive Officer of The Bank, or other parties in relation to The Bank, which may affect the ability of concerned individual to act independently are required to undergo a cooling off period at the very least 1 (one) year prior to the appointment as an Independent Commissioner of The Bank. Such provision is not applicable for former member of the Board of Directors in charge of monitoring function or Executive Officer whose duty is to perform monitoring function.*
- *Non-Independent Commissioners can be appointed as Independent Commissioners after fulfilling the requirements to be Independent Commissioners.*
- *Non-Independent Commissioners who will be positioned as Independent Commissioners are required to undergo a cooling off period at the very least 6 (six) months.*
- *The transition from Non-Independent Commissioners to Independent Commissioners must be subjected to approval from the Financial Services Authority (OJK).*
- *Independent Commissioners who have held the position for 2 (two) office terms consecutively can be reappointed in the next period as an Independent Commissioner under the conditions of the Board of Commissioners' meeting*

Komisaris menilai bahwa Komisaris Independen tetap dapat bertindak independen; dan Komisaris Independen menyatakan dalam RUPS mengenai independensi yang bersangkutan.

- Pernyataan independensi Komisaris Independen wajib diungkapkan dalam laporan pelaksanaan tata kelola.
- Setiap usulan pengangkatan dan/atau penggantian anggota Dewan Komisaris kepada RUPS harus memperhatikan rekomendasi Komite Remunerasi dan Nominasi.
- Anggota Komite Remunerasi dan Nominasi yang memiliki benturan kepentingan (*conflict of interest*) dengan usulan yang direkomendasikan wajib mengungkapkan dalam usulan yang direkomendasikan.
- Anggota Dewan Komisaris harus memenuhi persyaratan Penilaian Kemampuan dan Kepatutan sesuai POJK mengenai Penilaian Kemampuan dan Kepatutan bagi Pihak Utama Lembaga Jasa Keuangan.
- Mayoritas anggota Dewan Komisaris dilarang saling memiliki hubungan keluarga sampai dengan derajat kedua dengan sesama anggota Dewan Komisaris dan/atau anggota Direksi.
- Dalam waktu 5 (lima) tahun sebelum pengangkatannya tidak pernah dinyatakan pailit atau menjadi anggota Dewan Komisaris atau anggota Direksi yang dinyatakan bersalah menyebabkan suatu perusahaan dinyatakan pailit, dihukum karena melakukan tindak pidana yang merugikan keuangan negara dan/atau yang berkaitan dengan sektor keuangan.
- Anggota Dewan Komisaris harus ditunjuk berdasarkan keputusan yang diambil berdasarkan suara yang setuju lebih dari 2/3 (dua pertiga) dari jumlah suara yang dikeluarkan secara sah di RUPS untuk periode 3 (tiga) tahun dimulai sejak tanggal anggota Dewan Komisaris tersebut lulus Uji Kemampuan dan Kepatutan yang dilakukan oleh Otoritas Jasa Keuangan (OJK). Anggota Dewan Komisaris yang masa jabatannya telah berakhir dapat dipilih kembali untuk periode 3 (tiga) tahun selanjutnya.
- Gaji dan/atau remunerasi lainnya diberikan kepada anggota Dewan Komisaris, yang jumlahnya ditetapkan oleh RUPS.
- Apabila oleh sebab apa pun jabatan anggota Dewan Komisaris lowong, RUPS harus diselenggarakan dalam jangka waktu 30 (tiga puluh) hari kalender sejak terjadi lowongan untuk mengisi posisi tersebut dengan memperhatikan ketentuan yang berlaku. Masa jabatan dari pihak yang ditunjuk untuk mengisi kekosongan oleh sebab apa pun adalah masa jabatan dari anggota Dewan Komisaris yang digantikan.
- Seorang anggota Dewan Komisaris berhak mengundurkan diri dari jabatannya dengan memberitahukan secara tertulis mengenai maksud tersebut kepada Bank sekurang-kurangnya 30 (tiga puluh) hari kalender sebelum tanggal pengunduran dirinya.
- Jabatan anggota Dewan Komisaris berakhir apabila:
  a. Mengundurkan diri sesuai dengan ketentuan Anggaran Dasar Bank;
  b. Masa jabatannya berakhir;
  c. Tidak lagi memenuhi persyaratan sesuai dengan perundang-undangan yang berlaku;
  d. Meninggal dunia;
  e. Diberhentikan berdasarkan keputusan RUPS; dan
  f. Dinyatakan pailit oleh Institusi Pengadilan yang telah berkekuatan hukum tetap atau ditaruh di bawah pengampunan berdasarkan suatu keputusan pengadilan.

concludes that Independent Commissioners could still act independently; and the Independent Commissioners state his/her independency in the GMS.

- *The independency statement of Independent Commissioners must be disclosed in the GCG report.*
- *Every proposal on the appointment and/or changes in the members of the Board of Commissioners to the GMS must consider the recommendations of the Remuneration and Nomination Committee.*
- *Members of the Remuneration and Nomination Committee who have conflict of interest with the recommended proposal should disclose in the recommended proposal.*
- *Members of the Board of Commissioners must fulfill the requirements for the Fit and Proper Test in accordance with POJK on the Fit and Proper Test as the Main Party of Financial Institutions.*
- *Majority of the Board of Commissioners are prohibited to have family relations up to the second degree with other members of the Board of Commissioners and/or members of the Board of Directors.*
- *Within 5 (five) years prior to the appointment have never been declared bankrupt or became member of the Board of Commissioners or member of the Board of Directors who was declared guilty for causing a company to be bankrupt, convicted of a criminal offense that is detrimental to the country's finances and/or related to financial sector.*
- *Members of the Board of Commissioners must be appointed based on the decision taken by agreed votes of more than 2/3 (two-thirds) from legitimate votes at the GMS for a period of 3 (three) years, commencing from the date of concerned members of the Board of Commissioners passed the Fit and Proper Test by the Financial Services Authority (OJK). Members of the Board of Commissioners whose term of office has ended can be reappointed for the next 3 (three) years.*
- *Salary and/or other remuneration are provided to members of the Board of Commissioners, which sums are determined by the GMS.*
- *If for any reasons, the position of a member of the Board of Commissioners is vacant, the GMS must be convened within 30 (thirty) calendar days since the occurrence of such vacancy for further replacement by considering the applicable rules. The office term of the appointment for replacement due to any reasons is following the tenure of the replaced member of the Board of Commissioners.*
- *A member of the Board of Commissioners has the rights to tender his/her resignation from a position by written notice of his/her intentions to The Bank at least 30 (thirty) calendar days prior to his/her date of resignation.*
- *The tenure of members of the Board of Commissioners ends if:*
  a. Resigned in accordance with the provisions of The Bank's Articles of Association;
  b. Term of office is over;
  c. No longer meet the requirements to perform according to prevailing laws and regulations;
  d. Passed away;
  e. Dismissed pursuant to the GMS resolution; and
  f. Declared bankrupt by Court Institution which has permanent legal force or is put under pardon based on a court decision.

Rangkap Jabatan

- Anggota Dewan Komisaris dilarang melakukan rangkap jabatan sebagai anggota Dewan Komisaris, anggota Direksi, dan/atau Pejabat Eksekutif:
  - Pada lembaga keuangan atau perusahaan keuangan, baik bank maupun bukan bank;
  - Pada lebih dari 1 (satu) lembaga bukan keuangan atau perusahaan bukan keuangan, baik yang berkedudukan di dalam maupun di luar negeri.
- Tidak termasuk rangkap jabatan dalam hal:
  - Anggota Dewan Komisaris menjabat sebagai anggota Dewan Komisaris, anggota Direksi, dan/atau Pejabat Eksekutif yang melaksanakan fungsi pengawasan pada 1 (satu) perusahaan anak bukan bank yang dikendalikan oleh bank;
  - Komisaris Non-Independen menjalankan tugas fungsional dari pemegang saham bank yang berbentuk badan hukum pada kelompok usaha bank; dan/atau
  - Anggota Dewan Komisaris menduduki jabatan pada organisasi atau lembaga nirlaba.

Pengangkatan dan Pemberhentian Dewan Komisaris

Berikut ini adalah mekanisme serta prosedur pengangkatan Dewan Komisaris Bank:

1. Setiap usulan atas kandidat anggota Dewan Komisaris harus memperhatikan rekomendasi dari Komite Remunerasi dan Nominasi.
2. Kandidat anggota Dewan Komisaris yang telah dinominasikan melalui hasil rekomendasi dari Komite Remunerasi dan Nominasi akan diajukan kepada pemegang saham guna mendapatkan persetujuan awal.
3. Setelah menerima persetujuan awal dari pemegang saham, kandidat akan diatur untuk menjalani tes Uji Kemampuan dan Kepatutan oleh regulator, tes kesehatan, dan bentuk pemeriksaan lainnya yang akan dilakukan oleh pemegang saham maupun Bank.
4. Setelah kandidat memenuhi persyaratan Penilaian Kemampuan dan Kepatutan sesuai Peraturan Otoritas Jasa Keuangan (POJK) dan juga bentuk pemeriksaan lainnya yang akan dilakukan oleh pemegang saham dan Bank, maka pemegang saham akan melakukan RUPS untuk memutuskan secara formal anggota baru dan komposisi baru dari anggota Dewan Komisaris termasuk di dalamnya persetujuan atas paket remunerasi untuk anggota Dewan Komisaris yang baru. Persetujuan RUPS akan berupa keputusan pemegang saham dalam bentuk risalah rapat RUPS atau cara lain yang diatur dalam Anggaran Dasar Bank.
5. Berdasarkan keputusan tersebut di atas, Departemen Sumber Daya Manusia akan mempersiapkan surat pemberitahuan kepada supervisor/regulator mengenai perubahan komposisi dari Dewan Komisaris.
6. Untuk kandidat yang berasal dari pemegang saham atau dari internal (Pejabat Eksekutif Bank), proses seleksi secara umum akan berlaku sama, kecuali untuk beberapa poin yang mungkin tidak berlaku untuk kandidat yang berasal dari ICBC Limited seperti disebutkan di atas.

Multiple Board Memberships

- *Members of the Board of Commissioners are prohibited to have a concurrent position as member of the Board of Commissioners, member of the Board of Directors, and/or Executive Officer:*
  - *At financial institutions or financial companies, bank or non-bank;*
  - *At more than 1 (one) non-financial institution or non-financial company, both located domestically and overseas.*
- *Conditions which do not fall as concurrent positions:*
  - *The Board of Commissioners member who has a concurrent position as member of the Board of Commissioners, member of the Board of Directors, and/or Executive Officer and who performs the monitoring function in 1 (one) non-bank subsidiary company that is controlled by the bank;*
  - *Non-Independent Commissioner who performs functional responsibility from the bank's shareholders in the form of legal entity in the bank business group; and/or*
  - *The Board of Commissioners member who assumes position in a non-profit organization or institutions.*

Appointment and Dismissal of the Board of Commissioners

The following are mechanisms and procedures for the appointment of members of The Bank's Board of Commissioners:

1. *Every proposal of candidates for the Board of Commissioners member must consider the recommendations of the Remuneration and Nomination Committee.*
2. *The candidate for the Board of Commissioners member who has been nominated through the recommendation from the Remuneration and Nomination Committee will be proposed to the shareholders for initial approval.*
3. *After receiving the initial approval from the shareholders, the candidate will be arranged to undergo the Fit and Proper Test by regulators, medical check-up, and other forms of inspection that will be carried out by the shareholders and The Bank.*
4. *After the candidate meets the requirements for the Fit and Proper Test according to the Financial Services Authority Regulations (POJK) and other inspections carried out by the shareholders and The Bank, the shareholders will hold a GMS to formally decide a new member and new composition of the Board of Commissioners members, including the approval of the remuneration package for new Board of Commissioners member. The agreement will be in the form of shareholders' resolution and the GMS Minutes of Meeting (MoM) or other methods stipulated in The Bank's Articles of Association.*
5. *Based on the aforementioned decision, the Human Resources Department will prepare a notification letter to the supervisors/regulators regarding changes in the composition of the Board of Commissioners.*
6. *For candidates who are the shareholders or internal parties (Executive Officers of The Bank), the same general selection process applies, except for some points, which may not apply to candidates from ICBC Limited, as mentioned above.*

Susunan dan Komposisi Dewan Komisaris pada 2019

Susunan Dewan Komisaris Bank pada 31 Desember 2019 terdiri dari 1 (satu) orang Presiden Komisaris dan 2 (dua) orang Komisaris Independen. Kedua Komisaris Independen berdomisili di Indonesia. Dengan demikian, komposisi Dewan Komisaris Bank telah memenuhi Peraturan OJK tentang Pelaksanaan Tata Kelola bagi Bank Umum.

Board of Commissioners Structure and Composition in 2019

The composition of The Bank's Board of Commissioners as of December 31, 2019 consists of 1 (one) President Commissioner and 2 (two) Independent Commissioners. The two Independent Commissioners are domiciled in Indonesia. As such, the Board of Commissioners' composition has complied with OJK Regulations on the Implementation of Governance for Commercial Banks.

Nama *Name*	Jabatan *Position*	Periode *Period*	Dasar Penunjukan *Appoinment Legal Basis*
Wang Kun	Presiden Komisaris *President Commissioner*	13 Desember 2017 – sekarang *December 13, 2017 – current*	Akta pengangkatan No. 108 tanggal 13 Desember 2017 *Deed of appointment No. 108 dated December 13, 2017*
Hendra Widjojo	Komisaris Independen *Independent Commissioner*	19 September 2007 – sekarang *September 19, 2007 – current*	Akta pengangkatan No. 024 tanggal 19 September 2007 *Deed of appointment No. 024 dated September 19, 2007*
H. Yunno Kusumo	Komisaris Independen *Independent Commissioner*	29 Agustus 2018 – sekarang *August 29, 2018 – current*	Akta pengangkatan No. 137 tanggal 29 Agustus 2018 *Deed of appointment No. 137 dated August 29, 2018*

Uji Kemampuan dan Kepatutan

Uji Kemampuan dan Kepatutan bagi Dewan Komisaris dilakukan setelah menerima persetujuan awal dari pemegang saham. Kandidat akan diatur untuk menjalani tes Uji Kemampuan dan Kepatutan oleh regulator, tes kesehatan, dan bentuk pemeriksaan lainnya yang akan dilakukan baik oleh pemegang saham maupun Bank.

Per 31 Desember 2019, seluruh anggota Dewan Komisaris Bank telah lulus Uji Kemampuan dan Kepatutan oleh regulator melalui keputusan di bawah ini:

Fit and Proper Test

The Fit and Proper Test of the Board of Commissioners should be conducted upon receiving the initial approval from the shareholders. The candidate will be required to undergo the Fit and Proper Test by regulators, medical check-up, and other forms of inspection that will be carried out by the shareholders and The Bank.

As of December 31, 2019, all members of The Bank's Board of Commissioners have passed the Fit and Proper Test by regulators through the following decrees:

Nama *Name*	Jabatan *Position*	Surat Uji Kemampuan dan Kepatutan *Letter of Fit and Proper Test*
Wang Kun	Presiden Komisaris *President Commissioner*	Surat No. KEP-203/D.03/2017 tanggal 3 November 2017 *Letter No. KEP-203/D.03/2017 dated November 3, 2017*
Hendra Widjojo	Komisaris Independen *Independent Commissioner*	Surat No. 9/9/DPIP/Prz/Sb/Rahasia tanggal 7 November 2007 *Letter No. 9/9/DPIP/Prz/Sb/Rahasia dated November 7, 2007*
H. Yunno Kusumo	Komisaris Independen *Independent Commissioner*	Surat No. SR-165/PB.12/2018 tanggal 9 Agustus 2018 *Letter No. SR-165/PB.12/2018 dated August 9, 2018*

Program Orientasi dan Pengenalan Dewan Komisaris Baru

Bank memiliki program orientasi dan pengenalan bagi anggota Dewan Komisaris dan komite di bawah Dewan Komisaris yang baru bergabung dengan tujuan untuk memberikan pengetahuan dan pemahaman tentang Bank dan lingkup pekerjaannya. Program orientasi and pengenalan ini dipresentasikan oleh Presiden Direktur dan anggota Direksi lainnya yang meliputi: visi dan misi Bank; Kode Etik Bank; struktur organisasi Bank; pedoman dan tata tertib kerja Dewan Komisaris dan komite-komite; informasi tentang segmen/bidang yang ada di Bank yang disampaikan oleh masing-masing Direktur bidang; serta peraturan-peraturan terkait lainnya.

Board of Commissioners' Orientation and Induction Program

The Bank has an orientation and induction program for newly appointed Board of Commissioners members as well as for committees under the Board of Commissioners. The purpose is to provide knowledge and understanding of The Bank and the scope of its work. This orientation and induction program is to be presented by the President Director and members of the Board of Directors that covers: The Bank's vision and mission; The Bank's Code of Conduct; The Bank's organizational structure; the Board Charter and Committee Charter; information on segments/fields in The Bank delivered by each field Director; and other related regulations.

Pelatihan dan Pengembangan Kompetensi

Bank memiliki kebijakan terkait pengembangan dan peningkatan kompetensi Dewan Komisaris, yang dilakukan melalui berbagai pelatihan dan pendidikan. Daftar pelatihan dan pengembangan kompetensi Dewan Komisaris dapat dilihat dalam Bab "Profil Perusahaan" pada Laporan Tahunan ini.

Training and Development of Competency

The Bank has its own policy related to the development and enhancement of the Board of Commissioners competency, which are conducted through various trainings and workshops. The trainings and development of the Board of Commissioners competency can be referred to the "Company Profile" section in this Annual Report.

Pedoman Kerja

Dewan Komisaris Bank melaksanakan fungsi pengawasan berdasarkan pedoman dan tata tertib kerja Dewan Komisaris, yang telah diperbarui pada tanggal 10 Oktober 2017, yang antara lain mengatur tugas dan tanggung jawab Dewan Komisaris; etika atau pedoman berperilaku; waktu kerja Dewan Komisaris; kategori rapat; serta tata tertib rapat.

Board Charter

The Bank's Board of Commissioners conducts the oversight function based on the Board Charter, which has been updated on October 10, 2017. The Board Charter among others regulates the duties and responsibilities of the Board of Commissioners; ethics or code of conduct; working time of the Board of Commissioners; meeting category; and meeting procedures.

Pedoman Perilaku

Dewan Komisaris telah bertindak profesional dan menghindari segala bentuk potensi benturan kepentingan secara langsung maupun tidak langsung, menjamin keamanan dan kerahasiaan informasi penting perusahaan.

Code of Conduct

The Board of Commissioners has acted professionally and avoided any form of potential conflict of interest directly or indirectly, ensured the security and confidentiality of corporate key information.

Interaksi antara Dewan Komisaris dengan pemegang saham terjadi, antara lain ketika:

- Memberikan pendapat dan saran saat RUPS mengenai rencana jangka panjang perusahaan, anggaran dan rencana kerja perusahaan yang diusulkan Direksi.
- Mengawasi pengelolaan Bank, serta memberikan pendapat dan saran kepada RUPS mengenai setiap masalah yang dianggap penting.
- Melaporkan dengan segera kepada RUPS apabila terjadi gejala penurunan kinerja perusahaan.
- Hal-hal lain sesuai dengan ketentuan Anggaran Dasar Bank dan pedoman Bank yang berlaku.

Interaction between the Board of Commissioners and shareholders occurred when they are:

- *Providing opinions and suggestions during the GMS regarding the corporate long-term plan, budget and business plan proposed by the Board of Directors.*
- *Supervising the management of The Bank and providing opinions and suggestions to the GMS regarding any issues that are considered important.*
- *Reporting immediately to the GMS in the event of declining inclination of the company performance.*
- *Other matters stipulated in The Bank's Articles of Association and The Bank's prevailing guidelines.*

Sementara itu, interaksi Dewan Komisaris dan Direksi antara lain terjadi ketika:

- Meneliti dan menelaah laporan berkala dan laporan tahunan yang disiapkan Direksi, serta menandatangani laporan tahunan.
- Melakukan pengawasan dan memberikan pendapat atas pengelolaan Bank.
- Melakukan penilaian atas kinerja Direksi.
- Hal-hal lain sesuai dengan ketentuan Anggaran Dasar Bank dan pedoman Bank yang berlaku.

Meanwhile, the interaction of the Board of Commissioners and the Board of Directors occurred when they are:

- *Examining and reviewing the periodical reports and annual reports prepared by the Board of Directors, and signing these annual reports.*
- *Conducting supervision and providing opinions on the management of The Bank.*
- *Assessing the performance of the Board of Directors.*
- *Other matters stipulated in The Bank's Articles of Association and The Bank's prevailing guidelines.*

Tugas dan Tanggung Jawab

Tugas dan tanggung jawab Dewan Komisaris antara lain:

- Melaksanakan pengawasan terhadap Direksi Bank dalam pelaksanaan kebijakan Bank, tugas-tugas dan tanggung jawabnya sesuai dengan Keputusan RUPS maupun semua ketentuan yang berlaku.
- Memberikan nasihat kepada Direksi mengenai hal-hal strategis yang berhubungan dengan kegiatan usaha Bank.
- Mengarahkan, memantau, dan mengevaluasi pelaksanaan kebijakan strategis Bank.
- Melaporkan kepada Otoritas Jasa Keuangan (OJK) paling lambat 7 (tujuh) hari sejak ditemukan pelanggaran perundang-undangan di bidang keuangan dan perbankan, keadaan atau perkiraan keadaan yang dapat membahayakan kelangsungan usaha Bank.
- Melaksanakan pengawasan terhadap rencana bisnis Bank yang dilakukan Direksi.
- Mengevaluasi pertanggungjawaban Direksi atas pelaksanaan kebijakan manajemen risiko Bank.
- Memberikan persetujuan pengangkatan dan pemberhentian Kepala Satuan Kerja Audit Internal (SKAI).
- Melakukan kajian atas perencanaan audit dan pelaksanaannya serta pemantauan atas tindak lanjut hasil audit dalam rangka menilai kecukupan pengendalian internal, termasuk kecukupan proses pelaporan keuangan.
- Memberikan laporan tentang tugas pengawasan yang telah dilakukan selama tahun buku sebelumnya kepada RUPS.
- Mengevaluasi laporan tahunan yang telah diaudit untuk diajukan dalam RUPST.
- Melakukan pengawasan terhadap pelaksanaan fungsi kepatuhan Bank.
- Memastikan terselenggaranya pelaksanaan tata kelola perusahaan yang baik dalam setiap kegiatan usaha Bank pada seluruh tingkatan atau jenjang organisasi.
- Memastikan bahwa Direksi Bank telah menindaklanjuti temuan audit dan rekomendasi dari SKAI, auditor eksternal, hasil pengawasan regulator.
- Membentuk Komite Audit, Komite Pemantau Risiko, dan Komite Remunerasi dan Nominasi , serta memastikan ketiga komite tersebut telah menjalankan tugasnya secara efektif.
- Menjamin SKAI dapat melaksanakan tugasnya secara independen.
- Memberikan persetujuan atas kebijakan dan prosedur penerapan program Anti Pencucian Uang dan Pencegahan Pendanaan Terorisme (APU dan PPT), serta melakukan pengawasan atas pelaksanaan tanggung jawab Direksi terhadap program APU dan PPT.
- Menyetujui dan mengevaluasi kebijakan alih daya termasuk penyempurnaannya, termasuk mengevaluasi pertanggungjawaban Direksi atas penerapan manajemen risiko pada alih daya.
- Mengarahkan, memantau dan mengevaluasi rencana strategis Teknologi Informasi (TI) dan kebijakan Bank terkait dengan penyelenggaraan teknologi informasi.
- Memelihara dan memantau tingkat kesehatan Bank serta mengambil langkah-langkah yang diperlukan untuk memelihara dan/atau meningkatkan tingkat kesehatan Bank.

Duties and Responsibilities

The duties and responsibilities of the Board of Commissioners are as follows:

- *Conduct supervision on The Bank's Board of Directors in the implementation of The Bank's policies, duties and responsibilities of the Board of Directors as stipulated in the GMS Resolutions and all applicable regulations.*
- *Advise the Board of Directors on strategic matters relating to The Bank's business activities.*
- *Direct, monitor, and evaluate the implementation of The Bank's strategic policies.*
- *Report to the Financial Services Authority (OJK) no later than 7 (seven) days since the date of violation of laws in the financial and banking fields, and for circumstances or estimates of circumstances that may compromise The Bank's business continuity.*
- *Implement oversight of The Bank's business plan conducted by the Board of Directors.*
- *Evaluate the Board of Directors' accountability for the implementation of The Bank's risk management policy.*
- *Provide approval on the appointment and dismissal of the Head of Internal Audit Department (IAD).*
- *Review the audit plan and its implementation process as well as monitor the follow-up of audit results in order to assess the adequacy of internal controls, including the adequacy of the financial reporting process.*
- *Provide reports on oversight duties that have been conducted during the previous financial year to the GMS.*
- *Evaluate audited annual reports for submission in the AGMS.*
- *Monitor the implementation of The Bank's compliance function.*
- *Ensure the implementation of good corporate governance in every business activity of The Bank at all levels of the organization.*
- *Ensure the Board of Directors of The Bank has followed-up on audit findings and recommendations of The Bank's IAD, external auditor, the oversight results by regulators.*
- *Establish the Audit Committee, Risk Monitoring Committee, and Remuneration and Nomination Committee, and ensure the three committees have performed their duties effectively.*
- *Ensure the IAD can carry out its duties independently.*
- *Provide approval on the Anti Money Laundering and Countering the Financing of Terrorism (AML and CFT) policies and procedures, as well as conduct supervision on the implementation of the Board of Directors' responsibilities towards AML and CFT programs.*
- *Approve and evaluate the outsourcing policy and its improvements, including evaluate the responsibility of the Board of Directors on the implementation of risk management on outsourcing.*
- *Direct, monitor and evaluate the strategic plan of Information Technology (IT) and The Bank's policy related to the implementation of information technology.*
- *Maintain and monitor The Bank's soundness rating and take necessary measures to maintain and/or to increase the soundness rating of The Bank.*

- Sendiri dan/atau bersama-sama dengan Direksi dan/atau pemegang saham pengendali wajib menyampaikan rencana tindakan (*action plan*) kepada OJK yang memuat langkah-langkah perbaikan yang wajib dilaksanakan oleh Bank dalam rangka mengatasi permasalahan yang signifikan yang dihadapi oleh Bank beserta target waktu penyelesaiannya.
- Melakukan pengawasan aktif terhadap penerapan manajemen risiko dalam kegiatan keagenan produk keuangan luar negeri.
- Memantau dan memberikan persetujuan kepada Direksi untuk menetapkan kebijakan dan prosedur tentang transparansi penggunaan data pribadi nasabah serta kebijakan dan prosedur tentang transparansi informasi produk Bank.

Laporan Pelaksanaan Tugas Dewan Komisaris Tahun 2019

Dewan Komisaris telah melakukan pengawasan terhadap pelaksanaan rencana bisnis yang dijalankan oleh Direksi tahun 2019. Pengawasan dilakukan terhadap aspek-aspek penting antara lain:

- Penilaian Dewan Komisaris tentang aspek kualitatif maupun kuantitatif dari realisasi rencana bisnis, termasuk penilaian faktor-faktor eksternal yang mempengaruhi operasional Bank.
- Hasil penilaian Dewan Komisaris tentang faktor-faktor yang mempengaruhi kinerja Bank.
- Pendapat Dewan Komisaris mengenai upaya untuk meningkatkan kinerja Bank.

Dewan Komisaris telah aktif berperan dalam hal pengawasan operasional Bank. Di tahun 2019, Dewan Komisaris telah mengadakan rapat Dewan Komisaris, di mana terdapat 24 (dua puluh empat) proposal utama yang telah dibahas. Rapat Komite Pemantau Risiko dan Komite Audit yang berada di bawah Dewan Komisaris telah dilaksanakan dengan masing-masing 33 (tiga puluh tiga) topik dan 19 (sembilan belas) topik yang menjadi perhatian utama telah dibahas dan ditinjau. Rapat Komite Remunerasi dan Nominasi yang berada di bawah Dewan Komisaris juga telah dilaksanakan.

Selain itu, untuk memantau masalah-masalah penting di Bank secara tepat, Dewan Komisaris telah mengadakan beberapa pertemuan lainnya seperti penyelesaian NPL, kemajuan migrasi DC/DRC, dan beberapa pembahasan lainnya. Untuk lebih memperkuat komunikasi dan koordinasi antara Dewan Komisaris dan Direksi, diselenggarakan rapat komunikasi Dewan Komisaris dan Direksi.

- *Individually and/or collectively with the Board of Directors and/or controlling shareholders, to submit the action plans to OJK, in which contain the remedial measures that must be performed by The Bank in order to address the significant problems faced by The Bank, including their target completion time.*
- *Conduct active supervision on the implementation of risk management in the activities of foreign financial product agency.*
- *Monitor and provide approval to the Board of Directors to establish policies and procedures on the transparency use of customers personal data, as well as policies and procedures on the transparency of The Bank's product information.*

Report on the Duties Implementation of the Board of Commissioners in 2019

The Board of Commissioners has supervised the implementation of the business plan performed by the Board of Directors in 2019. The supervision is carried out on important aspects such as:

- *Assessment of the Board of Commissioners on the qualitative and quantitative aspects of the realization of The Bank's business plan, including the assessment of external factors affecting The Bank's operations.*
- *The results of the Board of Commissioners' assessment of the factors affecting The Bank's performance.*
- *The opinion of the Board of Commissioners on efforts to improve The Bank's performance.*

The Board of Commissioners has been actively involved in the supervision of The Bank's operations. In 2019, the Board of Commissioners has held the Board of Commissioners meeting, during which 24 (twenty-four) main proposals were discussed. The meetings of the Risk Monitoring Committee and the Audit Committee under the Board of Commissioners have been implemented, with 33 (thirty-three) topics and 19 (nineteen) topics respectively of major concerns being discussed and reviewed. The Remuneration and Nomination Committee meeting under the Board of Commissioners has also been implemented.

In addition, to monitor important issues at The Bank appropriately, the Board of Commissioners has held several other meetings such as NPL settlement, DC/DRC migration progress, and several other discussions. To further strengthen the communication and coordination between the Board of Commissioners and Board of Directors, a communication meeting of the Board of Commissioners and Board of Directors has also been held.

Penilaian Kinerja Komite di Bawah Dewan Komisaris

Berdasarkan Peraturan OJK No. 55/POJK.03/2016 tentang Penerapan Tata Kelola bagi Bank Umum, komite telah melaporkan hasil kinerja setiap kuartal kepada Dewan Komisaris dan sudah diterima dengan baik oleh Dewan Komisaris.

Selama tahun 2019, Dewan Komisaris dan anggota komite di bawah Dewan Komisaris melakukan beberapa kegiatan sebagai berikut:

Performance Assessment of the Committees under the Board of Commissioners

In accordance with OJK Regulation No. 55/POJK.03/2016 on the Implementation of Governance for Commercial Banks, the committees have reported their quarterly performance results to the Board of Commissioners and those reports have been well received by the Board of Commissioners.

During 2019, the Board of Commissioners and committee members under the Board of Commissioners conducted several activities as follows:

Tanggal *Date*	Aktivitas *Activity*	Dewan Komisaris dan Komite Audit *Board of Commissioners and Audit Committee*	Tempat *Venue*
28 Maret 2019 *March 28, 2019*	Kunjungan ke Kantor Cabang Bandung, dalam rangka menghadiri *internal audit exit meeting*. *Visit to Bandung Branch Office, to attend the internal audit exit meeting.*	Waldy Gutama Anggota Komite Audit *Audit Committee Member*	Kantor Cabang Bandung *Bandung Branch Office*
11 April 2019 *April 11, 2019*	Kunjungan ke Kantor Cabang Makassar, dalam rangka menghadiri OJK *exit meeting*. *Visit to Makassar Branch Office, to attend the OJK exit meeting.*	H. Yunno Kusumo Komisaris Independen *Independent Commissioner*	Kantor Cabang Makassar *Makassar Branch Office*
15 April 2019 *April 15, 2019*	Kunjungan ke Kantor Cabang Medan, dalam rangka menghadiri *internal audit exit meeting*. *Visit to Medan Branch Office, to attend the internal audit exit meeting.*	H. Yunno Kusumo Komisaris Independen *Independent Commissioner* Ricky Dompas Anggota Komite Audit *Audit Committee Member*	Kantor Cabang Medan *Medan Branch Office*
18 Juli 2019 *July 18, 2019*	Kunjungan ke Kantor OJK, dalam rangka menghadiri OJK *exit meeting*. *Visit to OJK Office, to attend the OJK exit meeting.*	Wang Kun Presiden Komisaris *President Commissioner* Hendra Widjojo Komisaris Independen *Independent Commissioner* H. Yunno Kusumo Komisaris Independen *Independent Commissioner*	Kantor OJK, Jakarta *OJK Office, Jakarta*
30 Juli 2019 *July 30, 2019*	Kunjungan ke Kantor Cabang Surabaya, dalam rangka menghadiri *internal audit exit meeting*. *Visit to Surabaya Branch Office, to attend the internal audit exit meeting.*	H. Yunno Kusumo Komisaris Independen *Independent Commissioner* Waldy Gutama Anggota Komite Audit *Audit Committee Member*	Kantor Cabang Surabaya *Surabaya Branch Office*
19 Agustus 2019 *August 19, 2019*	Kunjungan ke Kantor Cabang Makassar, dalam rangka menghadiri *internal audit exit meeting*. *Visit to Makassar Branch Office, to attend the internal audit exit meeting.*	Ricky Dompas Anggota Komite Audit *Audit Committee Member*	Kantor Cabang Makassar *Makassar Branch Office*

Komisaris Independen

Komisaris Independen Bank memiliki peranan penting dalam menjaga pelaksanaan pengawasan Dewan Komisaris yang objektif dan memastikan kewajaran terhadap berbagai kepentingan, termasuk kepentingan pemegang saham minoritas.

Kriteria Penentuan Komisaris Independen

Berdasarkan Peraturan OJK No. 55/POJK.03/2016 tentang Penerapan Tata Kelola bagi Bank Umum, Komisaris Independen adalah anggota Dewan Komisaris yang tidak memiliki hubungan keuangan, kepengurusan, kepemilikan saham dan/atau hubungan keluarga dengan anggota Dewan Komisaris lain, anggota Direksi dan/atau pemegang saham pengendali, atau hubungan dengan Bank yang dapat mempengaruhi kemampuan yang bersangkutan untuk bertindak independen.

Peraturan juga mensyaratkan bahwa setidaknya 50% (lima puluh persen) dari anggota Dewan Komisaris adalah Komisaris Independen, dengan ketentuan masa jabatan 2 (dua) periode masa jabatan berturut-turut dan dapat diangkat kembali pada periode selanjutnya sebagai Komisaris Independen dengan ketentuan sebagai berikut:

- Rapat Dewan Komisaris menilai bahwa Komisaris Independen tetap dapat bertindak independen.
- Komisaris Independen menyatakan dalam RUPS mengenai independensi yang bersangkutan.

Bank telah memenuhi peraturan di atas, dengan komposisi keanggotaan Komisaris Independen berjumlah 2 (dua) orang, atau 66,67% (enam puluh enam koma enam puluh tujuh persen) dari jumlah keseluruhan Dewan Komisaris yang sebanyak 3 (tiga) orang, yaitu Hendra Widjojo dan H. Yunno Kusumo.

Pernyataan Independensi Dewan Komisaris

Dewan Komisaris wajib bersifat independen dalam melaksanakan tugasnya termasuk dalam memberikan keputusan strategis terkait Bank yang bebas dari tekanan atau kepentingan pihak tertentu.

Masing-masing anggota Dewan Komisaris Bank wajib menghindari adanya benturan kepentingan dalam bentuk hubungan keuangan maupun hubungan keluarga dengan sesama anggota Dewan Komisaris, Direksi, pemegang saham pengendali, maupun pihak eksternal yang memiliki hubungan bisnis dengan Bank.

Seluruh anggota Dewan Komisaris Bank telah menandatangani surat pernyataan yang menyatakan pemenuhan seluruh kriteria dan independensi jabatannya sesuai kriteria yang disyaratkan oleh peraturan perundang-undangan yang berlaku.

Independent Commissioner

The Independent Commissioners of The Bank have significant roles in promoting objective and fairness supervision in order to maintain the interests of shareholders, including the minorities.

Independent Commissioner Stipulation Criteria

Pursuant to OJK Regulation No. 55/POJK.03/2016 on the Implementation of Governance for Commercial Banks, Independent Commissioners are members of the Board of Commissioners who have no financial relations, management, share ownership and/or family relations with other members of the Board of Commissioners, members of the Board of Directors, and/or controlling shareholders, or any relations with The Bank that may affect the ability of concerned members to act independently.

The regulation also requires that at least 50% (fifty percent) of the Board of Commissioners members are Independent Commissioners, subject to the term of office of 2 (two) periods of consecutive terms and may be reappointed in the following period as an Independent Commissioner with the following provisions:

- *The Board of Commissioners meeting concludes that the Independent Commissioners could still act independently.*
- *The Independent Commissioners state his/her independency in the GMS.*

The Bank has complied with the above regulations, in which the composition of its Independent Commissioners consists of 2 (two) members, or 66.67% (sixty-six-point sixty-seven percent) of the overall total 3 (three) members of the Board of Commissioners, namely Hendra Widjojo and H. Yunno Kusumo.

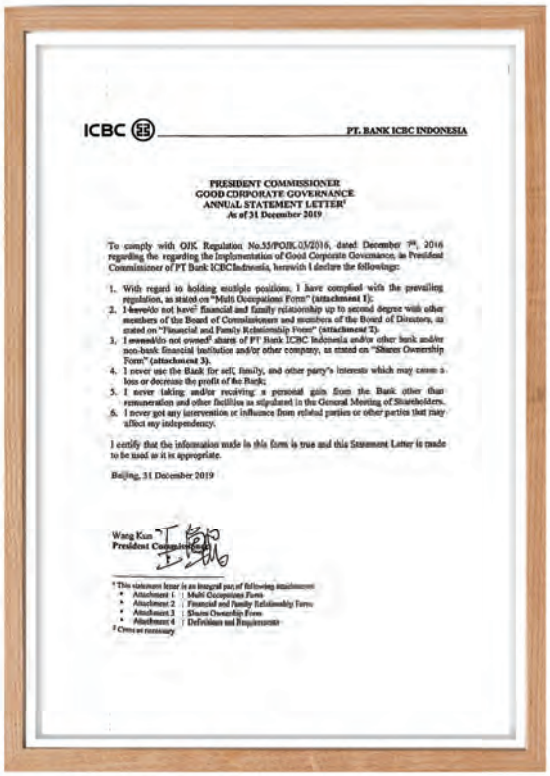
Independency Statement of the Board of Commissioners

The Board of Commissioners must be independent in carrying out its duties including in providing strategic decisions pertaining with The Bank that are free from pressure or interest of certain parties.

Each member of The Bank's Board of Commissioners must avoid any conflict of interest in the form of financial or family relations with other members of the Board of Commissioners, the Board of Directors, controlling shareholders, or any external party having business relations with The Bank.

All members of The Bank's Board of Commissioners have signed a statement certifying fulfillment of criteria as well as his/her independency of position in accordance with the criteria as set under prevailing regulations.

Dewan Komisaris
Board of Commissioners



ICBC PT. BANK ICBC INDONESIA

PRESIDENT COMMISSIONER
GOOD CORPORATE GOVERNANCE
ANNUAL STATEMENT LETTER[1]
As of 31 December 2019

To comply with OJK Regulation No.55/POJK.03/2016, dated December 7th, 2016 regarding the regarding the Implementation of Good Corporate Governance, as President Commissioner of PT Bank ICBCIndonesia, herewith I declare the followings:

1. With regard to holding multiple positions, I have complied with the prevailing regulation, as stated on "Multi Occupations Form" (attachment 1);
2. I have/do not have[2] financial and family relationship up to second degree with other members of the Board of Commissioners and members of the Board of Directors, as stated on "Financial and Family Relationship Form" (attachment 2).
3. I owned/do not owned[2] shares of PT Bank ICBC Indonesia and/or other bank and/or non-bank financial institution and/or other company, as stated on "Shares Ownership Form" (attachment 3).
4. I never use the Bank for self, family, and other party's interests which may cause a loss or decrease the profit of the Bank;
5. I never taking and/or receiving a personal gain from the Bank other than remuneration and other facilities as stipulated in the General Meeting of Shareholders.
6. I never got any intervention or influence from related parties or other parties that may affect my independency.

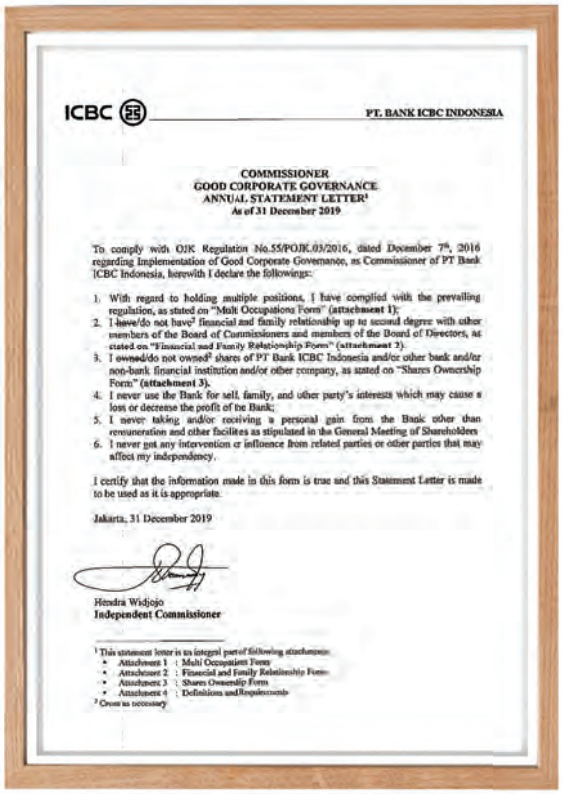
I certify that the information made in this form is true and this Statement Letter is made to be used as it is appropriate.

Beijing, 31 December 2019

Wang Kun
President Commissioner

[1] This statement letter is an integral part of following attachments:
- Attachment 1 : Multi Occupations Form
- Attachment 2 : Financial and Family Relationship Form
- Attachment 3 : Shares Ownership Form
- Attachment 4 : Definitions and Requirements

[2] Cross as necessary



ICBC PT. BANK ICBC INDONESIA

COMMISSIONER
GOOD CORPORATE GOVERNANCE
ANNUAL STATEMENT LETTER[1]
As of 31 December 2019

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6. I never got any intervention or influence from related parties or other parties that may affect my independency.

I certify that the information made in this form is true and this Statement Letter is made to be used as it is appropriate.

Jakarta, 31 December 2019

Hendra Widjojo
Independent Commissioner

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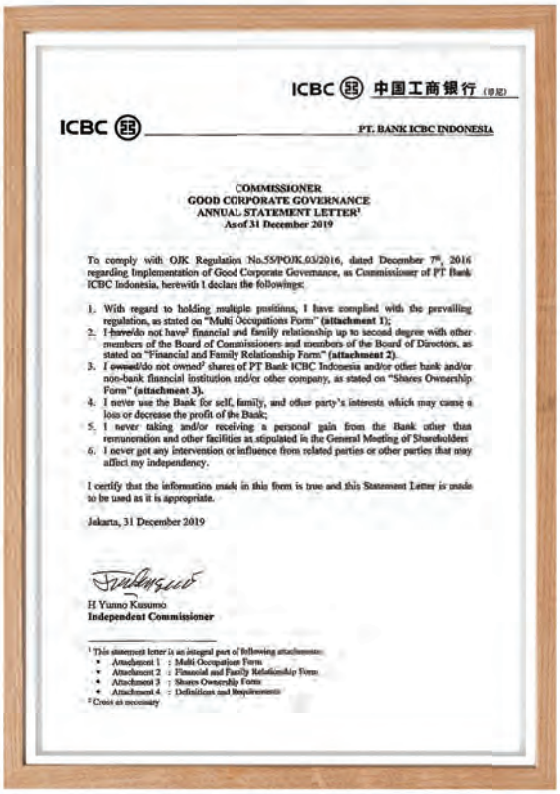
- Attachment 4 : Definitions and Requirements

[2] Cross as necessary



ICBC 中国工商银行 (印尼)
ICBC PT. BANK ICBC INDONESIA

COMMISSIONER
GOOD CORPORATE GOVERNANCE
ANNUAL STATEMENT LETTER[1]
As of 31 December 2019

To comply with OJK Regulation No.55/POJK.03/2016, dated December 7th, 2016 regarding Implementation of Good Corporate Governance, as Commissioner of PT Bank ICBC Indonesia, herewith I declare the followings:

1. With regard to holding multiple positions, I have complied with the prevailing regulation, as stated on "Multi Occupations Form" (attachment 1);
2. I have/do not have[2] financial and family relationship up to second degree with other members of the Board of Commissioners and members of the Board of Directors, as stated on "Financial and Family Relationship Form" (attachment 2).
3. I owned/do not owned[2] shares of PT Bank ICBC Indonesia and/or other bank and/or non-bank financial institution and/or other company, as stated on "Shares Ownership Form" (attachment 3).
4. I never use the Bank for self, family, and other party's interests which may cause a loss or decrease the profit of the Bank;
5. I never taking and/or receiving a personal gain from the Bank other than remuneration and other facilities as stipulated in the General Meeting of Shareholders
6. I never got any intervention or influence from related parties or other parties that may affect my independency.

I certify that the information made in this form is true and this Statement Letter is made to be used as it is appropriate.

Jakarta, 31 December 2019

H Yunno Kusumo
Independent Commissioner

[1] This statement letter is an integral part of following attachments:
- Attachment 1 : Multi Occupations Form
- Attachment 2 : Financial and Family Relationship Form
- Attachment 3 : Shares Ownership Form
- Attachment 4 : Definitions and Requirements

[2] Cross as necessary

DIREKSI
Board of Directors

Direksi adalah organ Bank yang berwenang dan bertanggung jawab penuh atas pengurusan Bank untuk kepentingan Bank, sesuai dengan maksud dan tujuan Bank serta mewakili Bank baik di dalam maupun di luar pengadilan sesuai dengan ketentuan Anggaran Dasar Bank.

Dasar Hukum
Dasar hukum penunjukan, kriteria, kewenangan serta tugas dan tanggung jawab Direksi didasarkan pada:
- Undang-Undang No. 40 Tahun 2007
- POJK No. 55/POJK.03/2016
- Anggaran Dasar

Kriteria & Persyaratan Anggota Direksi
Kriteria dan persyaratan minimum untuk Direksi adalah sebagai berikut:
- Bank diurus dan dipimpin oleh suatu Direksi yang terdiri dari sekurangnya 3 (tiga) Direktur, satu di antaranya akan ditunjuk sebagai Presiden Direktur.
- Presiden Direktur diangkat dari calon yang dinominasikan oleh pemegang saham mayoritas di dalam RUPS.
- Presiden Direktur haruslah seseorang yang independen dari pemegang saham pengendali.
- Mereka yang diangkat sebagai anggota Direksi adalah sebagai berikut:
  a. Mayoritas anggota Direksi harus Warga Negara Indonesia;
  b. Mayoritas anggota Direksi harus memiliki setidaknya 5 (lima) tahun pengalaman dalam operasional perbankan sebagai Pejabat Eksekutif Bank;
  c. Bertempat tinggal di Indonesia dan bersedia tinggal di Indonesia (apabila kandidat adalah warga negara asing);
  d. Tidak merangkap jabatan sebagai anggota Dewan Komisaris, anggota Direksi atau Pejabat Eksekutif di bank, perusahaan atau institusi lain, kecuali yang telah diatur oleh Anggaran Dasar Bank;
  e. Tidak secara sendiri-sendiri atau bersama-sama memiliki saham untuk jumlah lebih dari 25% (dua puluh lima persen) dari modal disetor di Bank dan/atau perseroan terbatas lainnya;
  f. Anggota Direksi tidak boleh memiliki hubungan keluarga sampai derajat kedua dengan sesama anggota Direksi dan/atau Dewan Komisaris;
  g. Dalam waktu 5 (lima) tahun sebelum pengangkatannya tidak pernah dinyatakan pailit atau menjadi anggota Direksi atau anggota Dewan Komisaris yang dinyatakan bersalah menyebabkan suatu perusahaan dinyatakan pailit, dihukum karena melakukan tindak pidana yang merugikan keuangan negara dan/atau yang berkaitan dengan sektor keuangan;
  h. Lulus Uji Kemampuan dan Kepatutan sesuai dengan Peraturan Otoritas Jasa Keuangan (POJK);
- Anggota Direksi harus ditunjuk berdasarkan keputusan yang diambil berdasarkan suara yang setuju lebih dari 2/3 (dua pertiga) dari jumlah suara yang dikeluarkan secara sah di RUPS untuk periode 3 (tiga) tahun dimulai sejak tanggal penunjukan anggota Direksi tersebut dan setelah lulus Uji Kemampuan dan Kepatutan yang dilakukan oleh

The Board of Directors is The Bank's organ that has the authority and is fully responsible for managing The Bank for the interests of The Bank, in accordance with the aims and objectives of The Bank, as well as representing The Bank in both legal and non-legal settings in accordance with the provisions of The Bank's Articles of Association.

Legal Basis
The appointment, criteria, authorities as well as the duties and responsibilities of the Board of Directors refer to:
- *Law No. 40 of 2007*
- *POJK No. 55/POJK.03/2016*
- *Articles of Association*

Board of Directors Criteria & Member Requirements
The minimum requirements for the Board of Directors are:

- *The Bank is managed and chaired by the Board of Directors, which consists of at the very least 3 (three) Directors, with one of which will be appointed as President Director.*
- *President Director is appointed from the nominated candidates by majority shareholders in the GMS.*
- *President Director must be independent from the controlling shareholders.*
- *Those appointed as members of the Board of Directors are as follows:*
  a. Majority of the Board of Directors must be Indonesian Citizen;
  b. Majority of the Board of Directors should have minimum 5 (five) years experience in banking operations as The Bank's Executive Officer;
  c. Reside in Indonesia and willing to stay in Indonesia (if the candidate is non-Indonesian citizen);
  d. Do not hold a concurrent position as member of the Board of Commissioners, member of the Board of Directors or Executive Officer in other banks, companies or institutions, except for those stipulated in The Bank's Articles of Association;
  e. Not individually or jointly own more than 25% (twenty-five percent) shares of capital paid to The Bank and/or in other limited liability companies;
  f. Board of Directors members are prohibited to have family relations up to the second degree, with other members of the Board of Directors and/or members of the Board of Commissioners;
  g. Within 5 (five) years prior to the appointment have never been declared bankrupt or became member of the Board of Directors or member of the Board of Commissioners who was declared guilty for causing a company to be bankrupt, convicted of a criminal offense that is detrimental to the country's finances and/or related to financial sector;
  h. Have passed Fit and Proper Test in accordance with the Financial Services Authority Regulations (POJK).
- *Members of the Board of Directors must be appointed based on the decision taken by agreed votes of more than 2/3 (two-thirds) from legitimate votes at the GMS for a period of 3 (three) years commencing from the date of appointment of concerned members of the Board of Directors and he/she has passed the Fit and Proper Test*

Otoritas Jasa Keuangan (OJK). Anggota Direksi yang masa jabatannya telah berakhir dapat dipilih kembali untuk periode 3 (tiga) tahun selanjutnya.

- Setiap usulan pengangkatan dan/atau penggantian anggota Direksi oleh Dewan Komisaris kepada RUPS, harus memperhatikan rekomendasi Komite Remunerasi dan Nominasi.
- Gaji dan/atau remunerasi lainnya diberikan kepada anggota Direksi, yang jumlahnya ditetapkan oleh RUPS dan wewenang tersebut oleh RUPS dapat dilimpahkan kepada Dewan Komisaris.
- Apabila oleh sebab apa pun jabatan anggota Direksi lowong, RUPS harus diselenggarakan dalam jangka waktu 30 (tiga puluh) hari kalender sejak terjadi lowongan untuk mengisi kekosongan tersebut dengan memperhatikan ketentuan yang berlaku. Masa jabatan dari pihak yang ditunjuk untuk mengisi kekosongan oleh sebab apa pun adalah masa jabatan dari anggota Direksi yang digantikan.
- Seorang anggota Direksi berhak mengundurkan diri dari jabatannya dengan memberitahukan secara tertulis mengenai maksudnya tersebut kepada Bank sekurangnya 30 (tiga puluh) hari kalender sebelum tanggal pengunduran dirinya.
- Jabatan anggota Direksi berakhir apabila:
  a. Mengundurkan diri sesuai dengan ketentuan pada Anggaran Dasar Bank;
  b. Masa jabatannya berakhir;
  c. Tidak lagi memenuhi persyaratan untuk menjabat sesuai perundang-undangan yang berlaku;
  d. Meninggal dunia;
  e. Diberhentikan berdasarkan keputusan RUPS; dan
  f. Dinyatakan pailit oleh Institusi Pengadilan yang telah berkekuatan hukum tetap atau ditaruh di bawah pengampunan berdasarkan suatu keputusan pengadilan.

Rangkap Jabatan

- Anggota Direksi dilarang melakukan rangkap jabatan sebagai anggota Direksi, anggota Dewan Komisaris, dan/atau Pejabat Eksekutif pada bank, perusahaan dan/atau lembaga lain baik di Indonesia maupun di luar negeri.

- Tidak termasuk rangkap jabatan dalam hal:
  - Anggota Direksi bertanggung jawab terhadap pengawasan atas penyertaan bank pada perusahaan anak;
  - Menjalankan tugas fungsional menjadi anggota Dewan Komisaris pada perusahaan anak bukan bank yang dikendalikan oleh bank.

Pengangkatan dan Pemberhentian Direksi

Berikut ini adalah mekanisme serta prosedur pengangkatan Direksi Bank:

- Direksi, Dewan Komisaris atau pemegang saham akan memberikan proposal kandidat anggota Direksi kepada Komite Remunerasi dan Nominasi yang akan memproses kandidat lebih lanjut.
- Sebelum diajukan kepada pemegang saham melalui Dewan Komisaris, kandidat akan menjalani proses seleksi. Kandidat yang telah memenuhi kriteria selanjutnya akan diwawancara. Kandidat yang lulus wawancara akan dicek latar belakangnya oleh pihak eksternal dan secara internal.

by the Financial Services Authority (OJK). Members of the Board of Directors whose term of office has ended can be reappointed for the next 3 (three) years

- *Every proposal on the appointment and/or changes in the members of the Board of Directors by Board of Commissioners to the GMS must consider the recommendations of the Remuneration and Nomination Committee.*
- *Salary and/or other remuneration are provided to members of the Board of Directors, which sums are determined by the GMS and such authority may be delegated by the GMS to the Board of Commissioners.*
- *If for any reasons the position of members of the Board of Directors is vacant, the GMS must be convened within 30 (thirty) calendar days since the occurrence of such vacancy for further replacement by considering the applicable rules. The office term of the appointment for replacement due to any reasons is following the tenure of the replaced member of the Board of Directors.*
- *A member of the Board of Directors has the rights to tender his/her resignation from a position by written notice of his/her intentions to The Bank at least 30 (thirty) calendar days prior to his/her date of resignation.*

- *The tenure of members of the Board of Directors ends if:*
  a. Resigned in accordance with the provisions of The Bank's Articles of Association;
  b. Term of office is over;
  c. No longer meet the requirements to perform according to prevailing laws and regulations;
  d. Passed away;
  e. Dismissed pursuant to the GMS resolution; and
  f. Declared bankrupt by Court Institution which has permanent legal force or is put under pardon based on a court decision.

Multiple Board Memberships

- *Members of the Board of Directors are prohibited to have a concurrent position as member of the Board of Directors, member of the Board of Commissioners, and/or Executive Officer at other banks, companies and/or institutions both in Indonesia or in foreign countries.*
- *Conditions which do not fall as concurrent positions:*
  - *The Board of Directors member performs the monitoring function in subsidiary company of the bank.*
  - *Performs functional responsibility as member of the Board of Commissioners in non-bank subsidiary company that is controlled by the bank.*

Appointment and Dismissal of the Board of Directors

The following are mechanisms and procedures for the appointment of members of The Bank's Board of Directors:

- *The Board of Directors, Board of Commissioners or shareholders will give proposal of candidates for the Board of Directors member to the Remuneration and Nomination Committee who will then process the candidate.*
- *Prior to be proposed to shareholders through the Board of Commissioners, the candidates will go through the selection process. Those who meet the criteria will be arranged for interview. Candidates who pass the interview will get his/her background check by external party and internally.*

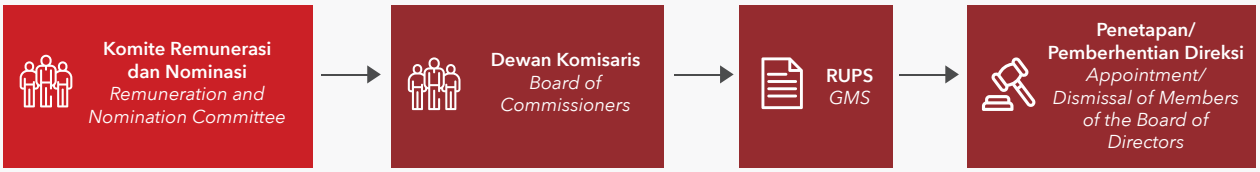
- Setelah melakukan beberapa proses seleksi di atas, kandidat yang terpilih akan dinominasikan oleh Komite Remunerasi dan Nominasi kepada Dewan Komisaris yang kemudian akan diajukan kepada RUPS.
- Setelah menerima persetujuan awal dari pemegang saham, kandidat akan diatur untuk menjalani Uji Kemampuan dan Kepatutan oleh regulator, tes kesehatan, dan bentuk pemeriksaan lainnya yang akan dilakukan oleh pemegang saham maupun Bank.
- Kandidat yang telah lolos akan diusulkan oleh Dewan Komisaris dan Direksi untuk ditunjuk oleh pemegang saham. Proposal akan termasuk di dalamnya paket remunerasi untuk kandidat anggota Direksi.

- Berdasarkan persetujuan dari pemegang saham, Departemen Sumber Daya Manusia akan memberikan penawaran kepada kandidat anggota Direksi.
- Setelah meninjau proposal dari Dewan Komisaris, dan persetujuan penawaran dari kandidat anggota Direksi, maka pemegang saham akan melakukan RUPS untuk memutuskan secara formal anggota baru dan komposisi baru dari anggota Direksi termasuk di dalamnya persetujuan atas paket remunerasi untuk anggota Direksi yang baru.
- Persetujuan RUPS akan berupa keputusan pemegang saham atau risalah rapat dari RUPS atau cara lain yang diatur dalam Anggaran Dasar Bank.
- Berdasarkan keputusan tersebut, Departemen Sumber Daya Manusia akan mempersiapkan surat pemberitahuan kepada regulator mengenai perubahan komposisi Direksi.

- Untuk kandidat yang datang dari pemegang saham atau dari internal (Pejabat Eksekutif Bank), proses seleksi secara umum akan berlaku sama. Kecuali untuk beberapa poin yang mungkin tidak berlaku untuk kandidat yang berasal dari ICBC Limited seperti disebutkan di atas.

- *After going through the above selection process, the chosen candidate will be nominated by the Remuneration and Nomination Committee to the Board of Commissioners, who will then propose to the GMS.*
- *After receiving the initial approval from the shareholders, the candidate will be arranged to undergo the Fit and Proper Test by regulators, medical check-up, and other forms of inspection that will be carried out by the shareholders and The Bank.*
- *Candidate who has passed the aforementioned process will be proposed by the Board of Commissioners and the Board of Directors to be appointed by the shareholders. The proposal will include the remuneration package for the candidate of the Board of Directors member.*
- *Based on the approval from the shareholders, the Human Resources Department will give the offer to candidate of the Board of Directors member.*
- *After reviewing the proposal from the Board of Commissioners and approving the offer from the candidate of the Board of Directors member, the shareholders will hold a GMS to formally decide a new member and new composition of the Board of Directors members, including the approval of the remuneration package for new Board of Directors member.*
- *The agreement will be in the form of shareholders' resolution or The GMS Minutes of Meeting (MoM) or other methods stipulated in The Bank's Articles of Association.*
- *Based on the above-mentioned decision, the Human Resources Department will prepare a notification letter to the regulators regarding changes in the composition of the Board of Directors.*
- *For candidates who are the shareholders or internal parties (Executive Officers of The Bank), the same general selection process applies, except for some points, which may not apply to candidates from ICBC Limited as mentioned above.*

Proses Pengangkatan dan Pemberhentian Anggota Direksi
Appointment and Dismissal of Members of the Board of Directors



Susunan dan Komposisi Direksi Tahun 2019

Komposisi Direksi Bank telah memperhitungkan dan disesuaikan dengan kondisi Bank dimana masing-masing anggota Direksi memiliki kemampuan sesuai kebutuhan Bank dalam menjalankan tugasnya baik secara individu maupun kolektif.

Jumlah anggota Direksi Bank per 31 Desember 2019 sebanyak 6 (enam) orang dan masing-masing memiliki pengalaman yang baik di bidang perbankan. Seluruh anggota Direksi Bank berdomisili di Indonesia dan memiliki integritas serta kompetensi yang memadai sesuai dengan persyaratan Uji Kemampuan dan Kepatutan regulator.

Board of Directors Structure and Composition in 2019

The composition of the Board of Directors has taken into account and in accordance with The Bank's condition whereby each member of the Board of Directors has the ability based on The Bank's needs to perform the duty both individually and collectively.

As of December 31, 2019, The Bank's Board of Directors consists of 6 (six) members and respectively has good experience in banking. All members of The Bank's Board of Directors are domiciled in Indonesia and have adequate integrity and competence in accordance with regulatory requirements on the Fit and Proper Test.

Nama *Name*	Jabatan *Position*	Periode *Period*	Dasar Penunjukan *Appoinment Legal Basis*
Zhang Jinxing	Presiden Direktur *President Director*	20 April 2018 – sekarang *April 20, 2018 – current*	Akta pengangkatan No. 108 tanggal 13 Desember 2017 *Deed of appointment No. 108 dated December 13, 2017*
Yu Guangzhu	Direktur *Director*	13 Mei 2014 – sekarang *May 13, 2014 – current*	Akta pengangkatan No. 118 tanggal 13 Mei 2014 *Deed of appointment No. 118 dated May 13, 2014*
Jeff S.V. Eman	Direktur *Director*	30 Juni 2015 – sekarang *June 30, 2015 – current*	Akta pengangkatan No. 417 tanggal 30 Juni 2015 *Deed of appointment No. 417 dated June 30, 2015*
Xin Haiyan	Direktur *Director*	13 April 2017 – 24 Agustus 2019 *April 13, 2017 – August 24, 2019*	Xin Haiyan mengundurkan diri sebagai Direktur efektif sejak tanggal 24 Agustus 2019 Akta No. 8 tanggal 1 November 2019 *Xin Haiyan officially resigned as Director as of August 24, 2019* *The Deed No. 8 dated November 1, 2019*
Thomas Arifin	Direktur *Director*	22 Februari 2016 – sekarang *February 22, 2016 – current*	Akta pengangkatan No. 135 tanggal 22 Februari 2016 *Deed of appointment No. 135 dated February 22, 2016*
Sandy T. Muliana	Direktur *Director*	24 November 2009 – sekarang *November 24, 2009 – current*	Akta pengangkatan No. 35 tanggal 24 November 2009 *Deed of appointment No. 35 dated November 24, 2009*
Fransisca Nelwan Mok	Direktur *Director*	13 April 2017 – sekarang *April 13, 2017 – current*	Akta pengangkatan No. 71 tanggal 13 April 2017 *Deed of appointment No. 71 dated April 13, 2017*

Uji Kemampuan dan Kepatutan

Sebagai bentuk kepatuhan dan komitmen terhadap GCG, proses penetapan Direksi Bank dilakukan melalui Uji Kemampuan dan Kepatutan yang dilaksanakan oleh Otoritas Jasa Keuangan (OJK). Bank mengajukan dan melengkapi *administrative compliance checklist* kepada OJK yang ditandatangani oleh Direktur yang membawahi fungsi kepatuhan.

Seluruh anggota Direksi Bank telah lulus Uji Kemampuan dan Kepatutan oleh regulator melalui keputusan di bawah ini:

Fit and Proper Test

As a form of compliance and commitment to GCG, the process of determining The Bank's Board of Directors is carried out through the Fit and Proper Test conducted by the Financial Services Authority (OJK). This is done through The Bank's proposal that has filled out an administrative compliance checklist to OJK, signed by the Director in charge of the compliance function.

All members of The Bank's Board of Directors have passed the Fit and Proper Test by regulators through the following decrees:

Nama *Name*	Jabatan *Position*	Surat Uji Kemampuan dan Kepatutan *Letter of Fit and Proper Test*
Zhang Jinxing	Presiden Direktur *President Director*	Surat No. SR-58/PB.12/2018 tanggal 6 April 2018 *Letter No. SR-58/PB.12/2018 dated April 6, 2018*
Yu Guangzhu	Direktur – Kredit *Director – Credit*	Surat No. SR-48/D.03/2014 tanggal 8 April 2014 *Letter No. SR-48/D.03/2014 dated April 8, 2014*
Jeff S.V. Eman	Direktur – Operasional *Director – Operations*	Surat No. SR-4/D.03/2015 tanggal 5 Januari 2015 *Letter No. SR-4/D.03/2015 dated January 5, 2015*
Thomas Arifin	Direktur – Marketing *Director – Marketing*	Surat No. SR-190/D.03/2015 tanggal 15 Oktober 2015 *Letter No. SR-190/D.03/2015 dated October 15, 2015*
Sandy T. Muliana	Direktur – Kepatuhan *Director – Compliance*	Surat No. 11/109/GBI/DPIP/Rahasia tanggal 21 Agustus 2009 *Letter No. 11/109/GBI/DPIP/Rahasia dated August 21, 2009*
Fransisca Nelwan Mok	Direktur – Sumber Daya Manusia *Director – Human Resources*	Surat No. SR-22/PB.12/2017 tanggal 8 Februari 2017 *Letter No. SR-22/PB.12/2017 dated February 8, 2017*

Program Orientasi Direksi Baru

Anggota Direksi yang baru ditunjuk wajib diberikan program pengenalan mengenai Bank dan dilakukan sesegera mungkin setelah pengangkatannya. Tanggung jawab untuk mengadakan program pengenalan bagi Direksi yang baru berada pada Presiden Direktur, atau jika Presiden Direktur berhalangan, maka tanggung jawab pelaksanaan program pengenalan tersebut berada pada Direksi yang ada. Program pengenalan ini dapat dilaksanakan dalam bentuk presentasi/seminar/*workshop*, pertemuan, kunjungan ke lokasi, pengkajian dokumen atau bentuk lainnya yang dianggap sesuai.

Program pengenalan kepada anggota Direksi baru mencakup hal-hal sebagai berikut:

- Gambaran mengenai Bank berkaitan dengan visi dan misi, nilai dan budaya Bank, tujuan dan strategi Bank, kinerja keuangan dan operasi, rencana usaha jangka pendek dan jangka panjang, aplikasi teknologi informasi, manajemen risiko, kondisi persaingan usaha, dan masalah strategis lainnya.

Board of Directors' Orientation Program

A newly appointed member of the Board of Directors must be provided an induction program regarding The Bank and the program must be conducted immediately following the appointment. The responsibility to hold an induction program for a new member of the Board of Directors lies on the President Director, or in the event that the President Director is absent, then the responsibility for the implementation of induction program rests with the existing Directors. This induction program can be carried out in the form of presentations/seminars/workshops, meetings, site visits, document review, or any other forms deemed appropriate.

The induction program for the new member of the Board of Directors includes the following:

- *Description on The Bank's vision and mission, values and culture, The Bank's goals and strategies, financial and operating performance, short-term and long-term business plans, information technology applications, risk management, business competition conditions, and other strategic issues.*

- Penjelasan mengenai tugas dan tanggung jawab Dewan Komisaris, Direksi, serta komite di bawah Dewan Komisaris dan komite di bawah Direksi.
- Penjelasan mengenai pemangku kepentingan utama Bank dan tanggung jawab sosial Bank.
- Sistem pengendalian internal, sistem audit dan temuan audit yang belum ditindak lanjuti secara tuntas serta kasus hukum yang melibatkan Bank.
- Pelaksanaan GCG di lingkungan Bank.

Pelatihan dan Pengembangan Kompetensi

Bank memiliki kebijakan terkait pengembangan dan peningkatan kompetensi Direksi, yang dilakukan melalui berbagai pelatihan dan pendidikan. Daftar pelatihan dan pengembangan kompetensi Direksi dapat dilihat dalam Bab "Profil Perusahaan" pada Laporan Tahunan ini.

Pedoman dan Tata Tertib Kerja Direksi

Bank memiliki pedoman dan tata tertib kerja bagi Direksi (*Board Charter*) yang telah disahkan pada 30 Juni 2015, yang bersifat mengikat bagi setiap anggota Direksi.

Board Charter berfungsi sebagai pedoman bagi masing-masing anggota Direksi untuk menjaga hubungan kerja yang profesional dan produktif secara efisien dalam menjalankan tugasnya serta untuk memahami peran serta wewenang masing-masing.

Tugas dan Tanggung Jawab

Berkaitan dengan pelaksanaan tugas, Direksi Bank mengacu pada pedoman dan tata tertib Direksi berdasarkan Undang-Undang No. 40 Tahun 2007 tanggal 16 Agustus 2007 tentang Perseroan Terbatas; POJK No. 55/POJK.03/2016 tentang Penerapan Tata Kelola bagi Bank Umum; serta Anggaran Dasar Bank.

Tanggung Jawab

Direksi Bank bertanggung jawab dalam hal-hal sebagai berikut:

- Bertanggung jawab penuh atas pelaksanaan kepengurusan Bank untuk kepentingan dan tujuan Bank.
- Bertanggung jawab penuh atas pelaksanaan tugas kepada pemegang saham melalui RUPS.
- Wajib mengelola Bank sesuai dengan kewenangan dan tanggung jawab Direksi sebagaimana diatur dalam Anggaran Dasar dan peraturan perundang-undangan.
- Wajib menerapkan prinsip-prinsip tata kelola yang baik dalam setiap kegiatan usaha Bank pada seluruh tingkatan atau jenjang organisasi.
- Direksi paling sedikit wajib membentuk Satuan Kerja Audit Internal (SKAI); Satuan Kerja Manajemen Risiko (SKMR) dan Komite Manajemen Risiko; dan Satuan Kerja Kepatuhan.
- Wajib menciptakan struktur pengendalian internal, menjamin terselenggaranya fungsi audit internal dalam setiap tingkatan manajemen dan menindaklanjuti temuan audit dan rekomendasi dari SKAI Bank, auditor eksternal, hasil pengawasan OJK dan/atau otoritas lain, serta melaporkan kegiatan tersebut kepada RUPS.
- Wajib mengungkapkan kepada pegawai mengenai kebijakan Bank yang bersifat strategis di bidang kepegawaian.
- Wajib menyediakan data dan informasi yang akurat, relevan dan tepat waktu kepada Dewan Komisaris.
- Mendorong terciptanya budaya kepatuhan melalui perumusan strategi, kebijakan kepatuhan, menetapkan

- *Description on the duties and responsibilities of the Board of Commissioners, the Board of Directors, as well as the committees under the Board of Commissioners and committees under the Board of Directors.*
- *Description on The Bank's key stakeholders and The Bank's social responsibility.*
- *Internal control system, audit system and audit findings that have not been followed-up completely, as well as legal cases involving The Bank.*
- *Implementation of GCG within The Bank.*

Training and Development of Competency

The Bank has its own policy related to the development and enhancement of the Board of Directors competency, which are conducted through various trainings and workshops. The trainings and development of the Board of Directors competency can be referred to the "Company Profile" section in this Annual Report.

Board of Directors Board Charter

The Bank has in place the guidelines and working procedures for the Board of Directors (Board Charter), which was ratified on June 30, 2015 and binding on each member of the Board of Directors.

The Board Charter serves as a guideline for each member of the Board of Directors to maintain professional and productive working relations in an efficient manner in performing their duties as well as understanding each roles and authorities.

Duties and Responsibilities

In implementing its duties, the Board of Directors of The Bank refers to the Board Charter, which are based on Law No. 40 of 2007 dated August 16, 2007 concerning Limited Liability Company; POJK No. 55/POJK.03/2016 concerning Implementation of Governance for Commercial Banks; and The Bank's Articles of Association.

Responsibilities

The Bank's Board of Directors is responsible for the following matters:

- *Fully responsible for the execution of The Bank's management in the interests and objectives of The Bank.*
- *Fully responsible for the performance of duties to shareholders through the GMS.*
- *Responsible to manage The Bank in accordance with the authorities and responsibilities of the Board of Directors as stipulated in the Articles of Association, laws and regulations.*
- *Responsible to apply the good governance principles in each of The Bank's business activities at all levels of the organization.*
- *The Board of Directors must at least form the Internal Audit Department (IAD); Risk Management Unit (SKMR) and Risk Management Committee; and Compliance Unit.*
- *Responsible to establish internal control structures, ensure the implementation of The Bank's internal audit function at all levels of management and follow-up on audit findings and recommendations of The Bank's IAD, external auditor, the oversight results by OJK and/or other authorities, and report those activities to the GMS.*
- *Responsible to inform the employees on The Bank's strategic policies in the area of employment.*
- *Responsible to provide data and information in an accurate, relevant, and timely manner to the Board of Commissioners.*
- *Encourage the creation of compliance culture through strategy formulation, compliance policy, compliance*

sistem dan prosedur kepatuhan, dan memastikan bahwa seluruh kebijakan, ketentuan, sistem, dan prosedur, serta kegiatan usaha yang dilakukan Bank telah sesuai dengan ketentuan OJK dan peraturan perundang-undangan.
- Meminimalkan risiko kepatuhan Bank.
- Sesuai dengan POJK No. 46/POJK.03/2017, Direktur yang membawahi fungsi kepatuhan wajib melaporkan pelaksanaan tugas dan tanggung jawabnya kepada Presiden Direktur dengan tembusan kepada Dewan Komisaris, serta menyampaikan laporan kepada OJK tentang pelaksanaan tugasnya.
- Memastikan bahwa Bank memiliki kebijakan dan prosedur penerapan program APU dan PPT, serta melakukan pengawasan atas kepatuhan unit kerja yang dibentuk dalam menerapkan program APU dan PPT.
- Menyusun dan menyempurnakan kebijakan dan prosedur alih daya, termasuk memantau, mengevaluasi, dan bertanggung jawab atas penerapan manajemen risiko atas alih daya.
- Menetapkan rencana strategis Teknologi Informasi (TI) dan kebijakan Bank terkait penggunaan teknologi informasi, dan memastikan penerapan proses manajemen risiko dalam penggunaan teknologi informasi dilaksanakan secara memadai dan efektif.
- Memelihara dan memantau tingkat kesehatan Bank serta mengambil langkah-langkah yang diperlukan untuk memelihara dan/atau meningkatkan tingkat kesehatan Bank.
- Sesuai dengan POJK No. 4/POJK.03/2016, Direksi bersama-sama dengan Dewan Komisaris, dan/atau pemegang saham pengendali wajib menyampaikan rencana tindakan (*action plan*) kepada OJK.
- Menetapkan rencana, kebijakan dan prosedur Bank untuk aktivitas keagenan produk keuangan luar negeri, termasuk memantau dan mengevaluasinya.
- Menetapkan kebijakan dan prosedur tertulis terkait transparansi informasi produk Bank dan penggunaan data pribadi nasabah.
- Menyusun dan melaksanakan rencana bisnis secara efektif, dan mengkomunikasikan rencana bisnis kepada pemegang saham Bank dan seluruh jenjang organisasi yang ada pada Bank.
- Menyusun kebijakan dan strategi manajemen risiko secara tertulis dan komprehensif, serta bertanggung jawab atas pelaksanaan kebijakan manajemen risiko dan eksposur risiko yang diambil oleh Bank secara keseluruhan.
- Direksi bersama-sama dengan Dewan Komisaris Bank wajib menumbuhkan budaya dan kepedulian *anti-fraud* pada seluruh jajaran organisasi Bank.
- Wajib menilai dan memantau kualitas aset, serta mengambil langkah-langkah yang diperlukan agar kualitas aset senantiasa baik.
- Menyusun kebijakan remunerasi yang paling sedikit memuat struktur remunerasi, skala remunerasi berdasarkan tingkat dan jabatan, serta komponen remunerasi, termasuk metode dan mekanisme penetapan remunerasi.

Pembagian Lingkup Tugas Anggota Direksi
Dalam menjalankan tugasnya, setiap anggota Direksi memiliki lingkup tugas dan tanggung jawab masing-masing yaitu:

systems and procedures, and ensure that all policies, regulations, systems, procedures and business activities conducted by The Bank are in compliance with the provisions of OJK, laws and regulations.
- *Minimize The Bank compliance risk.*
- *In reference to POJK No. 46/POJK.03/2017, the Director in charge of compliance function must report the execution of its duties and responsibilities to the President Director with copies to the Board of Commissioners, and submit a report to OJK concerning the performance of its duties.*
- *Ensure that The Bank has policies and procedures for implementing AML and CFT programs, and supervise the compliance of established work units in implementing the AML and CFT programs.*
- *Develop and refine the outsourcing policies and procedures, including monitoring, evaluating, and being responsible for the implementation of risk management on outsourcing.*
- *Establish the strategic plan of Information Technology (IT) and The Bank's policy regarding the use of information technology and ensure that the implementation of risk management process in the use of information technology is carried out adequately and effectively.*
- *Maintain and monitor The Bank's soundness rating and take necessary measures to maintain and/or to increase the soundness rating of The Bank.*
- *Pursuant to POJK No. 4/POJK.03/2016, the Board of Directors together with the Board of Commissioners and/or controlling shareholders must submit the action plans to OJK.*
- *Establish The Bank's plans, policies and procedures for the activities of foreign financial product agency, including its monitoring and evaluation.*
- *Establish the policies and procedures on the transparency of The Bank's product information, as well as the use of customers personal data.*
- *Prepare and implement the business plan effectively, and to communicate the business plan to The Bank's shareholders and all levels of the organization in The Bank.*
- *Develop the risk management policy and strategy comprehensively in writing and be responsible for the implementation of risk management policy and risk exposure taken by The Bank as a whole.*
- *The Board of Directors together with the Board of Commissioners of The Bank must foster the culture of and concern for anti-fraud in all levels of The Bank's organization.*
- *Responsible to assess and monitor the assets quality, including taking the necessary measures to ensure well-maintained assets quality.*
- *Develop remuneration policy containing at least the remuneration structure, remuneration scale based on level and position, and remuneration component, as well as method and mechanism for determining remuneration.*

Board of Directors Delegation of Duties
In performing their duties, the members of the Board of Directors have their respective duties and responsibilities as follows:

Nama *Name*	Jabatan *Position*	Lingkup Tugas dan Tanggung Jawab *Scope of Duties and Responsibilities*
Zhang Jinxing	Presiden Direktur *President Director*	*Financial Management* *Internal Audit* *Strategy Management and Investor Relation* *Corporate Banking I (temporary)*
Yu Guangzhu	Direktur *Director*	*Credit Management* *Credit Review* *Trade Finance (temporary)*
Jeff S.V. Eman	Direktur *Director*	*Information Technology* *Management Information and Accounting* *Loan Operation* *Operation Management* *Bills Center*
Thomas Arifin	Direktur *Director*	*Global Market* *SME Banking* *Consumer Banking* *Branches* *Corporate Banking II (temporary)* *Corporate Banking Surabaya (temporary)*
Sandy T. Muliana	Direktur *Director*	*Compliance* *Anti Money Laundering* *Risk Management*
Fransisca Nelwan Mok	Direktur *Director*	*Human Resources* *General Affairs* *Special Asset Management* *Legal*

Pernyataan Independensi Direksi

Direksi Bank wajib bersifat independen dalam memutuskan hal-hal terkait kepentingan Bank.

Masing-masing anggota Direksi wajib menghindari adanya benturan kepentingan dari pihak manapun termasuk hubungan keuangan dan hubungan keluarga dengan sesama anggota Direksi, Dewan Komisaris, pemegang saham pengendali maupun pihak eksternal yang memiliki hubungan bisnis dengan Bank.

Seluruh anggota Direksi Bank telah menandatangani surat pernyataan yang menyatakan pemenuhan seluruh kriteria dan independensi jabatannya sesuai kriteria yang disyaratkan oleh peraturan perundang-undang yang berlaku.

Independency Statement of the Board of Directors

The Bank's Board of Directors must be independent in deciding matters concerning the interests of The Bank.

Each member of The Bank's Board of Directors must avoid any conflict of interest from any party including financial and family relations with other members of the Board of Directors, the Board of Commissioners, controlling shareholders or any external party having business relations with The Bank.

All members of The Bank's Board of Directors have signed a statement certifying fulfillment of criteria as well as his/her independency of position in accordance with the criteria as set under prevailing regulations.

Direksi
Board of Directors

ICBC — PT. BANK ICBC INDONESIA

PRESIDENT DIRECTOR
GOOD CORPORATE GOVERNANCE
ANNUAL STATEMENT LETTER[1]
As of 31 December 2019

To comply with OJK Regulation No.55/POJK.03/2016, dated December 7th, 2016 regarding The Implementation of Good Corporate Governance, as President Director of PT Bank ICBC Indonesia, herewith I declare the followings:

1. I do not have any financial, management, share ownership, and/or family relationship up to second degree with controlling shareholders;
2. I do not hold another position as a member of the Board of Commissioners, the Board of Directors or Executive Officer at a bank, company and/or other institution;
3. I do not owned, individually or jointly, shares of more than 25% (twenty five percent) from the paid in capital of PT Bank ICBC Indonesia and /or another company;
4. I ~~have/do~~ not have[2] family and/or financial relationship up to the second degree with other members of the Board of Directors and/or members of the Board of Commissioners, as stated on "Financial and Family Relationship Form" (**attachment 1**);
5. I never extend a general power of attorney to other parties which will result in transfer of my tasks and functions;
6. With regard to having an individual advisory and/or professional service as a consultant, I have complied with the prevailing regulation;
7. I ~~owned/do~~ not owned[2] shares of PT Bank ICBC Indonesia and/or other bank and/or non-bank financial institution and/or other company, as stated on "Shares Ownership Form" (**attachment 2**);
8. I never use the Bank for self, family, and other party's interests which may cause a loss or decrease the profit of the Bank;
9. I never taking and/or receiving a personal gain from the Bank other than remuneration and other facilities as stipulated in the General Meeting of Shareholders.
10. I never get any intervention or influence from related parties or other parties that may affect my independency.

I certify that the information made in this form is true and this Statement Letter is made to be used as it is appropriate

Jakarta, 31 December 2019

Zhang Jinxing
President Director

[1] This statement letter is an integral part of following attachment
- Attachment 1 : Financial and Family Relationship Form
- Attachment 2 : Shares Ownership Form

ICBC — PT. BANK ICBC INDONESIA

DIRECTOR
GOOD CORPORATE GOVERNANCE
ANNUAL STATEMENT LETTER[1]
As of 31 December 2019

To comply with with OJK Regulation No.55/POJK.03/2016, dated December 7th, 2016 regarding The Implementation of Good Corporate Governance, as Director of PT Bank ICBC Indonesia, herewith I declare the followings:

1. I do not hold another position as a member of the Board of Commissioners, the Board of Directors or Executive Officer at a bank, company and/or other institution;
2. I do not own, individually or jointly, shares of more than 25% (twenty five percent) from the paid in capital of PT Bank ICBC Indonesia and /or another company;
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Jakarta, 31 December 2019

Yu Guangzhi
Director

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ICBC — PT. BANK ICBC INDONESIA

DIRECTOR
GOOD CORPORATE GOVERNANCE
ANNUAL STATEMENT LETTER[1]
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Jakarta, 31 December 2019

Thomas Salim
Director

[1] This statement letter is an integral part of following attachment
- Attachment 1 : Financial and Family Relationship Form
- Attachment 2 : Shares Ownership Form
- Attachment 3 : Definition and Requirements

[2] Cross as necessary

ICBC — PT. BANK ICBC INDONESIA

DIRECTOR
GOOD CORPORATE GOVERNANCE
ANNUAL STATEMENT LETTER[1]
As of 31 December 2019

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Jakarta, 31 December 2019

Sandy Tjipto Mulianto
Director

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ICBC — PT. BANK ICBC INDONESIA

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GOOD CORPORATE GOVERNANCE
ANNUAL STATEMENT LETTER[1]
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Jeff S. V. Emau
Director

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[2] Cross as necessary

ICBC — PT. BANK ICBC INDONESIA

DIRECTOR
GOOD CORPORATE GOVERNANCE
ANNUAL STATEMENT LETTER[1]
As of 31 December 2019

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Jakarta, 31 December 2019

Francisca Nilwan Mok
Director

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PENILAIAN PENERAPAN GCG 2019 **TERHADAP DEWAN KOMISARIS DAN DIREKSI**

2019 GCG Assessment for the Board of Commissioners and Board of Directors

Bank melakukan *self-assessment* terhadap penerapan GCG tahun 2019 sejalan dengan periode penilaian *Risk-Based Bank Rating* (RBBR) yang dilakukan setiap semester sebagaimana dimaksud dalam Surat Edaran OJK No. 13/SEOJK.03/2017 tentang Pelaksanaan Tata Kelola Bagi Bank Umum.

Berdasarkan acuan tersebut, Bank melakukan *self-assessment* secara berkala terhadap 11 (sebelas) faktor penilaian penerapan GCG, di mana 2 (dua) faktor di dalamnya merupakan Dewan Komisaris dan Direksi, yaitu:

1. Pelaksanaan tugas dan tanggung jawab Dewan Komisaris.
2. Pelaksanaan tugas dan tanggung jawab Direksi.

Hasil *self-assessment* tahun 2019 terhadap kedua aspek di atas menunjukkan berfungsinya perangkat organ Dewan Komisaris dan Direksi, dengan hasil sebagai berikut:

The Bank conducts self-assessment of GCG implementation in 2019 in accordance with the period of Risk-Based Bank Rating (RBBR) assessment conducted every semester as referred to OJK Circular Letter No. 13/SEOJK.03/2017 on the Implementation of Governance for Commercial Banks.

Based on the aforementioned guidelines, The Bank conducts self-assessment regularly for 11 (eleven) GCG implementation assessment factors, of which 2 (two) factors are concerning the Board of Commissioners and Board of Directors, namely:

1. *The Board of Commissioners' duties and responsibilities implementation.*
2. *The Board of Directors' duties and responsibilities implementation.*

The self-assessment results in 2019 towards the above aspects indicate the proper functioning of the organs of the Board of Commissioners and the Board of Directors, with the following results:

Faktor Penilaian Penerapan GCG *GCG Assessment Factors*	Skor *Score*
Pelaksanaan tugas dan tanggung jawab Dewan Komisaris *The Board of Commissioners' duties and responsibilities implementation*	1
Pelaksanaan tugas dan tanggung jawab Direksi *The Board of Directors' duties and responsibilities implementation*	2

Realisasi/Tindak Lanjut atas Hasil Rekomendasi | *Realization/Follow-up on Recommendations*

Rekomendasi Atas *Assessment* Penerapan GCG Tahun 2018 & 2019 *Recommendations on the GCG Implementation Assessment in 2018 & 2019*	Tindak Lanjut pada 2019 *Follow-up in 2019*		
	Status	Periode Tindak Lanjut *Follow-up Period*	Bentuk Realisasi/Tindak Lanjut *Realization/Follow-up Actions*
Aspek Dewan Komisaris *Board of Commissioners Aspect*			
Pengelolaan pemanfaatan TKA yang melakukan fungsi sebagaimana konsultan/ tenaga ahli tidak memenuhi prinsip *transparency* dan *responsibility* karena tidak diadministrasikan dengan baik sehingga tidak diketahui tujuan, jangka waktu dan manfaat dari kunjungan/kedatangan TKA dimaksud. *The management of utilization of foreign workers who perform as consultants/experts does not meet the principles of transparency and responsibility, due to the lack of administration process so that the purpose, time period, and benefit of the visit/arrival of those foreign workers are unknown.*	•	2019	Bank telah menerbitkan SOP terkait dengan Kebijakan Tenaga Kerja Asing dan Tamu Asing. *The Bank has issued SOPs related to Foreign Workers and Foreign Guests Policy.*

Rekomendasi Atas *Assessment* Penerapan GCG Tahun 2018 & 2019 *Recommendations on the GCG Implementation Assessment in 2018 & 2019*	Tindak Lanjut pada 2019 *Follow-up in 2019*		
	Status	Periode Tindak Lanjut *Follow-up Period*	Bentuk Realisasi/Tindak Lanjut *Realization/Follow-up Actions*
Aspek Direksi *Board of Directors Aspect*			
Kerja sama *bancassurance* pada model bisnis referensi dalam rangka produk Bank belum dilaporkan sesuai ketentuan. *Bancassurance cooperation on the reference business model in the framework of The Bank products has not been reported in accordance with the provisions.*	•	2019	Bank telah melaporkan kerja sama *bancassurance* pada model bisnis referensi kepada OJK. *The Bank has reported bancassurance cooperation on the reference business model to OJK.*
Rencana Strategis TI (RSTI) Bank periode 2018 sampai dengan 2021 belum sesuai dengan POJK MRTI karena beberapa aplikasi masih menggunakan DC dan DRC *offshore*. *The Bank's IT Strategic Plan (RSTI) for the period of 2018 to 2021 is not in line with POJK MRTI due to some applications still using offshore DC and DRC.*	•	2019	Bank telah mengirimkan laporan RSTI sesuai dengan POJK MRTI kepada OJK. *The Bank has sent RSTI report to OJK in accordance with POJK MRTI.*
Kelemahan pengelolaan *user access* dan perubahan parameter pada sistem FMBM (*treasury*). *Weakness in managing user access and parameters updates on FMBM (treasury) system.*	•	2019	Bank telah mengatur untuk pengelolaan *user access* FMBM dilakukan oleh Departemen Tekhnologi Informasi. *The Bank has arranged FMBM user access management to be conducted by the Information Technology Department.*

● telah ditindaklanjuti | *has been followed-up*
○ belum ditindaklanjuti | *yet to be followed-up*

Penilaian Kinerja Dewan Komisaris dan Direksi

Metode/Mekanisme Penilaian
Penilaian faktor GCG merupakan penilaian terhadap kualitas manajemen Bank atas pelaksanaan prinsip GCG, dengan memperhatikan signifikansi atau materialitas suatu permasalahan terhadap penerapan GCG secara *bank-wide*, sesuai skala, karakteristik dan kompleksitas usaha Bank. Penilaian tersebut dikelompokkan dalam suatu *governance system* yang terdiri dari 3 (tiga) aspek *governance*, yaitu: *governance structure*, *governance process*, dan *governance outcome*.

Hasil Penilaian
Struktur Tata Kelola
- Seluruh anggota Direksi memiliki integritas, kompetensi dan reputasi keuangan yang memadai.
- Seluruh Komisaris Independen tidak ada yang memiliki hubungan keuangan, kepengurusan, kepemilikan saham dan hubungan keluarga dengan anggota Dewan Komisaris lainnya, Direksi, dan/atau pemegang saham pengendali atau hubungan dengan Bank, yang dapat mempengaruhi kemampuannya untuk bertindak independen.
- Dewan Komisaris dan Direksi memiliki sarana mekanisme komunikasi melalui BOC – BOD *communication meeting* yang dilaksanakan secara berkala. Pada pertemuan tersebut, dibahas hal-hal terkini yang berkaitan dengan perkembangan perusahaan maupun permasalahan yang dihadapi.
- Frekuensi komunikasi dan pemantauan oleh Dewan Komisaris mengenai kondisi Bank (tingkat koreksi terhadap audit OJK, manajemen risiko dan APU) telah meningkat.

Board of Commissioners and Board of Directors Performance Assessment

Assessment Methods/Mechanisms
The GCG factors assessment is the assessment of The Bank management quality in implementing GCG principles, by taking into account the significance or materiality of an issue to the implementation of GCG bank-wide, based on the scale, characteristics and complexity of The Bank's business. The assessment is grouped into a governance system comprising 3 (three) aspects of governance: governance structure, governance process, and governance outcome.

Assessment Results
Governance Structure
- *All members of the Board of Directors have integrity, competency, and adequate financial reputation.*
- *All Independent Commissioners do not have financial relations, management, share ownership, and family relations with the other members of the Board of Commissioners, Board of Directors, and/or controlling shareholders or any relations with The Bank, which may affect their ability to act independently.*
- *The Board of Commissioners and Board of Directors have communication mechanism through the BOC – BOD communication meeting which is conducted regularly. At the meeting, current matters related to the company development as well as issues were discussed.*
- *The frequency of communication and monitoring by the Board of Commissioners regarding The Bank conditions (OJK audit rectification rate, risk management, and AML concerns) has been improved.*

- Bank telah melakukan perbaikan terhadap struktur tata kelola, terutama pada komposisi Direksi dan struktur organisasi.
- Bank telah memperbarui kebijakan dan prosedur terkait *risk appetite* dan mitigasi untuk penerimaan kredit.
- Bank telah mentransparansikan kondisi keuangan kepada *stakeholders* termasuk mengumumkan laporan keuangan secara triwulanan dan telah melaporkannya kepada OJK, Bank Indonesia atau *stakeholders* sesuai dengan peraturan yang berlaku.
- Bank telah menerbitkan kebijakan dan prosedur terkait rencana strategis Bank.
- Integritas, kompetensi, komposisi, dan reputasi Dewan Komisaris telah sesuai dengan ketentuan OJK.

- Seluruh komite telah menjalankan fungsinya sesuai dengan ketentuan yang berlaku.
- Departemen *Risk Management* telah memperbarui kebijakan dan prosedur *liquidity risk and contingency funding plan*.
- Bank telah memfinalisasi kebijakan yang mengatur tentang pihak terkait dan penyediaan dana besar termasuk limit sesuai dengan prinsip kehati-hatian.
- Prosedur Batas Maksimum Pemberian Kredit (BMPK) telah diterbitkan.
- Laporan Pengawasan Rencana Bisnis oleh Dewan Komisaris telah sesuai dengan ketentuan.
- Bank telah memiliki Komite Manajemen Risiko dan melakukan rapat secara berkala yang dihadiri Direksi terkait dan *senior management*.

Proses Tata Kelola

- Seluruh komite telah menjalankan tugasnya dengan baik dan sangat membantu Dewan Komisaris dalam memantau risiko yang mungkin terjadi.
- Dewan Komisaris telah melaksanakan pengawasan terhadap pelaksanaan tugas dan tanggung jawab Direksi secara berkala maupun sewaktu-waktu, serta memberikan nasihat kepada Direksi.
- Dewan Komisaris tidak terlibat dalam pengambilan keputusan kegiatan operasional Bank, kecuali dalam hal penyediaan dana kepada pihak terkait dan hal-hal lain yang ditetapkan dalam Anggaran Dasar Bank dan/atau peraturan perundangan yang berlaku dalam rangka melaksanakan fungsi pengawasan.
- Direksi telah memberikan perhatian yang sangat serius terhadap tindak lanjut temuan hasil pemeriksaan OJK dan memastikan tindak lanjut tersebut dipenuhi sesuai komitmen.
- Frekuensi komunikasi dan pengawasan Dewan Komisaris terhadap kondisi Bank (tindak lanjut penyelesaian audit OJK dan BI, manajemen risiko, dan APU-PPT) telah meningkat pada semester II tahun 2019.
- Dewan Komisaris telah secara aktif berkomunikasi dengan regulator (OJK dan BI).
- Secara aktif menyelesaikan tindak lanjut temuan regulator dan denda regulator.
- Departemen *Internal Audit* telah melaksanakan pemeriksaan sesuai dengan rencana, namun terdapat 1 (satu) rencana audit 2019 yang diundur menjadi tahun 2020, dikarenakan kekurangan sumber daya dan terdapat beberapa pemeriksaan *ad hoc*.
- Departemen *Internal Audit* telah melakukan *monitoring* hasil audit dan rekomendasi audit telah ditindaklanjuti dengan sesuai.
- Bank telah memperbaiki sistem pengendalian internal yang dapat diandalkan dan komprehensif untuk aktivitas kredit dan operasional dengan memperluas jangkauan audit.

- *The Bank has made improvement to the governance structure, especially in the composition of the Board of Directors and organizational structure.*
- *The Bank has updated the policies and procedures related to risk appetite and mitigation for loan acceptance.*
- *The Bank has made financial conditions transparency to the stakeholders, including announcing the financial statements on a quarterly basis and has reported them to OJK, Bank Indonesia or stakeholders in accordance with applicable regulations.*
- *The Bank has issued policies and procedures related to The Bank's strategic plan.*
- *The integrity, competency, composition, and reputation of the Board of Commissioners were in accordance with OJK regulations.*
- *All committees have carried out their functions in accordance with applicable regulations.*
- *The Risk Management Department has updated its liquidity risk and contingency funding plan policies and procedures.*
- *The Bank has finalized policies governing related parties and large exposures, including their limits in accordance with the prudential principles.*
- *Legal Lending Limit (LLL) procedures have been issued.*

- *The Business Plan Oversight Report by the Board of Commissioners complies with the provisions.*
- *The Bank has formed Risk Management Committee and has held regular meetings attended by the relevant Directors and senior management.*

Governance Process

- *All committees have performed their duties well and are able to assist the Board of Commissioners in monitoring probable risk event.*
- *The Board of Commissioners has performed its duties to conduct supervision on the implementation of the Board of Directors duties and responsibilities on a regular basis or anytime, including providing advice to the Board of Directors.*
- *The Board of Commissioners does not involve in the decision of operational aspect of The Bank, except on the aspect of funding to related parties and other issues named in The Bank's Articles of Association and/or the prevailing laws in performing its supervisory function.*

- *The Board of Directors has rendered a serious attention to follow-up the OJK findings and ensures the said follow-up has been met according to the commitment.*

- *The communication and supervision frequency of the Board of Commissioners regarding The Bank conditions (follow-up on OJK and BI audit findings, risk management, and AML-CFT concerns) has increased in the second semester of 2019.*
- *The Board of Commissioners has actively communicated with regulators (OJK and BI).*
- *Actively completing follow-up on regulator findings and regulator fines.*
- *The Internal Audit Department has conducted audits according to plan, but there was 1 (one) audit plan in 2019 that is postponed to 2020, due to the lack of resources and there were some ad hoc audits.*

- *The Internal Audit Department has monitored the audit results and followed-up the audit recommendations accordingly.*
- *The Bank has improved a reliable and comprehensive internal control system for lending and operational activities by expanding audit coverage.*

Hasil Tata Kelola

- Proses *on-shoring* telah sesuai dengan rencana dan laporan perkembangan telah dilaporkan kepada OJK secara tepat waktu.
- Risalah rapat (MoM) telah dibuat berdasarkan format percakapan individual dan telah secara jelas menjelaskan orang yang menyampaikan hal tersebut dalam rapat termasuk perbedaan pendapat. Hal ini didukung dengan rekaman untuk seluruh percakapan pada rapat.
- Tidak terdapat hasil audit atau hal terkait proses pengendalian internal yang berkaitan dengan benturan kepentingan.
- Terkait temuan audit OJK tahun 2019, Bank telah menindaklanjuti sebanyak 41 (empat puluh satu) komitmen (89,1%) dari total 46 (empat puluh enam) komitmen sesuai dengan target penyelesaian yang telah disepakati.
- Per Desember 2019, Bank telah menindaklanjuti seluruh komitmen (100%) atas temuan audit OJK tahun 2019 untuk Cabang Batam dan Makassar.
- Sedangkan untuk pemenuhan komitmen audit BI tahun 2019, Bank telah menindaklanjuti 6 (enam) komitmen (66,7%) dari 9 (sembilan) komitmen sesuai dengan target penyelesaian yang telah disepakati.
- Tidak terdapat permasalahan terkait penunjukan, komunikasi, independensi, dan cakupan pekerjaan auditor eksternal.

Governance Outcome

- *The on-shoring process was in accordance with the plan and progress reports have been reported to OJK in a timely manner.*
- *Minutes of meeting (MoM) have been made in individual conversations format and clearly express the people who spoke at the meeting, including dissenting opinions. This was supported by recording of the whole conversations in the meeting.*
- *There were no audit results or matters related to the internal control process regarding the conflicts of interest.*
- *Regarding OJK audit findings in 2019, The Bank has followed-up on 41 (forty-one) commitments (89.1%) from a total of 46 (forty-six) commitments in accordance with the agreed settlement date.*
- *As of December 2019, The Bank has followed-up on all commitments (100%) towards OJK audit findings in 2019 for Batam and Makassar Branches.*
- *As for fulfilling the 2019 BI audit commitments, The Bank has followed-up on 6 (six) commitments (66.7%) out of 9 (nine) commitments in accordance with the agreed settlement date.*
- *There were no issues related to the appointment, communication, independence, and scope of work of the external auditor.*

KEBIJAKAN REMUNERASI **DEWAN KOMISARIS DAN DIREKSI**

Remuneration Policy of the Board of Commissioners and Board of Directors

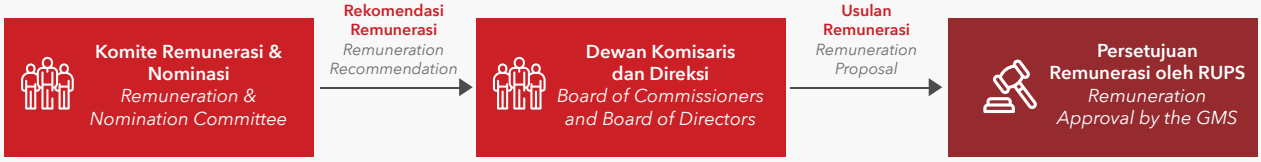
Berdasarkan Undang-Undang No. 40 Tahun 2007 tentang Perseroan Terbatas dan Anggaran Dasar Perseroan; penetapan gaji, honorarium, atau tunjangan anggota Dewan Komisaris dan Direksi harus dilakukan melalui pengambilan keputusan Rapat Umum Pemegang Saham (RUPS).

Dalam hal ini, Bank memiliki Komite Remunerasi dan Nominasi yang berfungsi merekomendasikan remunerasi Dewan Komisaris dan Direksi Bank, sebelum diserahkan kepada Dewan Komisaris untuk disampaikan kepada RUPS untuk mendapatkan persetujuan.

Pursuant to Law No. 40 of 2007 concerning the Limited Liability Companies and Articles of Association; the arrangement of salary, fees, or benefits for the Board of Commissioners and Board of Directors members must be made through the decision making of the General Meeting of Shareholders (GMS).

In this case, The Bank has a Remuneration and Nomination Committee whose function is to recommend the remuneration of The Bank's Board of Commissioners and Board of Directors, before it is submitted to the Board of Commissioners for further submission to the GMS for approval.

Prosedur Remunerasi Dewan Komisaris dan Direksi | *Remuneration Procedures of the Board of Commissioners and Board of Directors*



Indikator Penetapan Remunerasi

Komite Remunerasi dan Nominasi menyusun rekomendasi remunerasi berdasarkan formulasi remunerasi yang mengacu kepada kebijakan internal Bank, peraturan eksternal yang berlaku, dan komparasi industri, dengan tetap mempertimbangkan kinerja Bank.

Komite Remunerasi dan Nominasi mengacu kepada prinsip-prinsip remunerasi Bank dan hasil penilaian atas pencapaian target (*goal setting*), peraturan yang berlaku, komparasi industri dan kinerja Bank untuk menetapkan remunerasi Dewan Komisaris dan Direksi.

Remuneration Determination Indicators

The Remuneration and Nomination Committee prepares remuneration recommendations based on remuneration formulations that refer to The Bank's internal policies, applicable external regulations, and industrial comparisons, while considering The Bank's performance.

The Remuneration and Nomination Committee refers to The Bank's remuneration principles and the assessment results of goal setting, applicable regulations, industrial comparisons, and The Bank's performances to determine the remuneration of the Board of Commissioners and Board of Directors.

Jumlah Remunerasi Diterima dalam 1 Tahun | *Total Remuneration Accepted in 1 Year*

Total Remunerasi per Orang dalam 1 Tahun *Total Remuneration per Person in 1 Year*	Jumlah Komisaris *Number of Commissioners*	Jumlah Direktur *Number of Directors*
Di atas Rp2 miliar *Above Rp2 billion*	0	7
Di atas Rp1 miliar s.d. Rp2 miliar *Above Rp1 billion up to Rp2 billion*	1	0
Di atas Rp500 juta s.d. Rp1 miliar *Above Rp500 million up to Rp1 billion*	1	0
Di bawah Rp500 juta *Rp500 million or less*	0	1
Total	**2**	**8**

Rasio Gaji
Berikut adalah rasio gaji tertinggi dan terendah dalam lingkup organisasi Bank:

Salary Ratio
The ratio of the highest and lowest salaries within the scope of The Bank's organization is as follows:

Rasio Gaji *Salary Ratio*	2019	2018
Gaji Direktur tertinggi terhadap gaji Direktur terendah *The highest salary of Directors compared to the lowest salary of Directors*	1,66 : 1	2,04 : 1
Gaji Direktur tertinggi terhadap gaji Komisaris tertinggi *The highest salary of Directors compared to the highest salary of Commissioners*	4,49: 1	7,29 : 1
Gaji Komisaris tertinggi terhadap gaji Komisaris terendah *The highest salary of Commissioners compared to the lowest salary of Commissioners*	1 : 1	1,14 : 1
Gaji Direktur tertinggi terhadap gaji karyawan tertinggi *The highest salary of Directors compared to the highest salary of employees*	1,96 : 1	2,48 : 1
Gaji karyawan tertinggi terhadap gaji karyawan terendah *The highest salary of employees compared to the lowest salary of employees*	26,92 : 1	34,55 : 1
Gaji karyawan terendah terhadap Upah Minimum Provinsi (UMP) *The lowest salary of employees compared to the Provincial Minimum Wage (UMP)*	1,09 : 1	0,81 : 1

Opsi Saham dan *Buy Back*
Hingga akhir tahun 2019, Bank tidak memiliki kebijakan mengenai Opsi Saham bagi Dewan Komisaris dan Direksi.

Stock Options and Buy Back
By the end of 2019, The Bank does not have a policy on Stock Options for the Board of Commissioners and Board of Directors.

RAPAT DEWAN **KOMISARIS DAN DIREKSI**

Board of Commissioners and Board of Directors Meetings

Rapat Dewan Komisaris

Rapat Dewan Komisaris dilaksanakan berdasarkan Peraturan OJK No. 33/POJK.04/2014 mengenai penetapan rapat Dewan Komisaris yang diwajibkan untuk mengadakan rapat minimum 1 (satu) kali dalam 2 (dua) bulan.

Kebijakan Rapat Dewan Komisaris

Kebijakan rapat Dewan Komisaris diatur dalam *Board Charter* dengan pokok-pokok sebagai berikut:

- Keputusan rapat Dewan Komisaris diambil berdasarkan musyawarah untuk mufakat. Dalam hal keputusan secara musyawarah untuk mufakat tidak tercapai, maka keputusan diambil berdasarkan suara setuju lebih dari ½ (setengah) jumlah suara yang sah dalam rapat. Dalam hal suara yang setuju dan tidak setuju berimbang maka usul harus dianggap ditolak.
- Dewan Komisaris dapat pula mengambil keputusan yang sah tanpa mengadakan rapat Dewan Komisaris dengan ketentuan semua anggota Komisaris telah diberitahu secara tertulis dan semua anggota Komisaris memberikan persetujuan mengenai usul yang diajukan secara tertulis serta menandatangani persetujuan tersebut. Keputusan yang diambil dengan cara demikian mempunyai kekuatan yang sama dengan keputusan yang diambil dengan sah dalam rapat Dewan Komisaris. Keputusan Dewan Komisaris mengikat seluruh anggota Dewan Komisaris.

Agenda dan Frekuensi Rapat

Sepanjang tahun 2019, Dewan Komisaris menyelenggarakan rapat sebanyak 5 (lima) kali. Berikut disampaikan agenda dan tingkat kehadiran Dewan Komisaris dalam rapat-rapat tersebut.

Board of Commissioners Meetings

The Board of Commissioners meetings is implemented pursuant to the OJK Regulation No. 33/POJK.04/2014 on the meeting convention by the Board of Commissioners at least once every 2 (two) months.

Board of Commissioners Meeting Policy

The Board of Commissioners meeting policy is accommodated under the Board Charter with the following key points:

- *The decision of the Board of Commissioners meetings is based on deliberations to reach consensus. In the event that a consensus decision is not reached, a decision is made on the basis of agreed votes of more than ½ (half) from the legitimate votes in the meeting. In the case of agreeing and disagreeing votes are equal then the proposal shall be deemed to be rejected.*
- *The Board of Commissioners may also make informed decisions without holding a Board of Commissioners meeting provided that all members of the Board of Commissioners have been notified in writing and all members of the Board of Commissioners agree on the proposal submitted in writing and sign the agreement. The decisions taken in this way have the same power as the decisions taken legitimately in the Board of Commissioners meetings. The decisions of the Board of Commissioners are binding to all members of the Board of Commissioners.*

Meetings Agenda and Frequency

Throughout 2019, the Board of Commissioners held 5 (five) meetings. The following are the Board of Commissioners meetings agenda and attendance.

Agenda Rapat Dewan Komisaris | *Board of Commissioners Meetings Agenda*

Tanggal *Date*	*Agenda*	Nomor Risalah Rapat *MoM Number*
14 Maret 2019 *March 14, 2019*	1. *2018 Financial Performance* 2. *Amendment of AOA* 3. *2018 Comprehensive Risk Management Report* 4. *Compliance and AML Report*	001/MM/BOC/III/2019
28 Juni 2019 *June 28, 2019*	1. *Marketing Incentive Program* 2. *YTD Financial Performance* 3. *2019 Business Plan Revision* 4. *AOA Updates* 5. *Exchange Program Updates* 6. *Impairment Calculation of IFRS 9 System and Risk Management Report in First Quarter of 2019* 7. *Compliance Management and Internal Control Compliance Strengthen Management Report in First Quarter of 2019*	002/MM/BOC/VI/2019

Tanggal *Date*	*Agenda*	Nomor Risalah Rapat *MoM Number*
26 September 2019 *September 26, 2019*	1. *YTD Financial Performance* 2. *Risk Management Implementation and RBBR in the Second Half of 2019 AOA Updates* 3. *AML* 4. *Compliance Implementation Report* 5. *Internal Audit Activity Report in the Second Half of 2019* 6. *DC-DRC On-shoring Progress*	003/MM/BOC/IX/2019
22 November 2019 *November 22, 2019*	1. *On-shoring Progress* 2. *Shareholder Opinions*	004/MM/BOC/XI/2019
10 Desember 2019 *December 10, 2019*	1. *AC Working Summary in 2019 and Working Plan in 2020* 2. *RMC Working Summary in 2019 and Working Plan in 2020* 3. *RNC Working Summary in 2019 and Working Plan in 2020* 4. *Compliance Updates* 5. *AML Updates* 6. *Risk Management* 7. *YTD Financial Performance* 8. *Internal Audit Report*	005/MM/BOC/XII/2019

Kehadiran Rapat Dewan Komisaris | *Board of Commissioners Meetings Attendance*

Dewan Komisaris *Board of Commissioners*	14-Mar-19	28-Jun-19	26-Sep-19	22-Nov-19	10-Dec-19	Total Rapat *Total Meeting(s)*	Total Kehadiran *Total Attendance(s)*	Persentase Kehadiran *Percentage of Attendance*
Wang Kun	1	1	1	1	1	5	5	100%
Hendra Widjojo	1	1	1	1	1	5	5	100%
H. Yunno Kusumo	1	1	1	1	1	5	5	100%

Rapat Direksi

Rapat Direksi dilaksanakan berdasarkan Peraturan OJK No. 33/POJK.04/2014 tentang penetapan kewajiban rapat Direksi minimum 1 (satu) kali sebulan. Selain dari kewajiban tersebut, rapat Direksi juga dapat dilaksanakan setiap waktu apabila dan ketika diperlukan.

Kebijakan Rapat Direksi

Rapat Direksi dilaksanakan di kantor pusat Bank, lokasi usaha atau lokasi lain yang disetujui oleh Direksi. Namun, rapat juga dapat dilaksanakan melalui media komunikasi lainnya, yang mana para Direktur dapat berkomunikasi satu sama lainnya dan berpartisipasi seperti kehadiran dalam rapat.

Agenda dan Frekuensi Rapat

Sepanjang tahun 2019, Direksi menyelenggarakan rapat sebanyak 18 (delapan belas) kali. Berikut disampaikan agenda dan tingkat kehadiran Direksi dalam rapat-rapat tersebut.

Board of Directors Meetings

The Board of Directors meetings is implemented pursuant to OJK Regulation No. 33/POJK.04/2014 on the meeting convention by the Board of Directors at least once a month. Furthermore, the Board of Directors may convene a meeting when is deemed necessary.

Board of Directors Meeting Policy

The Board of Directors meeting is held at The Bank head office, other business locations or places agreed by the Board of Directors. However, the meeting can also be done via other means of communication, through which the Directors can communicate with one another and participate as if they are present in that meeting.

Meetings Agenda and Frequency

Throughout 2019, the Board of Directors held 18 (eighteen) meetings. The following are the Board of Directors meetings agenda and attendance.

Agenda Rapat Direksi | *Board of Directors Meetings Agenda*

Tanggal *Date*	*Agenda*	Nomor Risalah Rapat *MoM Number*
14 Januari 2019 & 15 Januari 2019 *January 14, 2019 & January 15, 2019*	1. *Work Summary in 2018 and Work Plan in 2019*	001/MM/BOD/I/2019
30 Januari 2019 *January 30, 2019*	1. *Performance Awards* 2. *Review Bank-wide KPI of Departments and Branches* 3. *Performance Rewards*	002/MM/BOD/I/2019
19 Februari 2019 *February 19, 2019*	1. *General Updates*	003/MM/BOD/II/2019
11 Maret 2019 *March 11, 2019*	1. *Corporate Banking Negative Spread Analysis* 2. *Liquidity and NIM*	004/MM/BOD/III/2019
12 Maret 2019 *March 12, 2019*	1. *Bank-wide 2018 Performance Appraisal and Bonus* 2. *Opening of Bali Branch*	005/MM/BOD/III/2019
25 Maret 2019 *March 25, 2019*	1. *2019 Financial Forecast* 2. *2019 KPI of All Departments and Branches* 3. *Rules of Deduction Points in Bank-wide Assessment* 4. *Other Related Work Requirements*	006/MM/BOD/III/2019
7 Mei 2019 *May 7, 2019*	1. *General Updates*	007/MM/BOD/V/2019
28 Mei 2019 *May 28, 2019*	1. *Restructure of Golden Harvest Cocoa Indonesia*	008/MM/BOD/V/2019
18 Juni 2019 *June 18, 2019*	1. *2019 Business Plan Revision* 2. *OJK Audit Updates* 3. *Write-off Updates* 4. *HR Matters*	009/MM/BOD/VI/2019
27 Juni 2019 *June 27, 2019*	1. *Olaga and Mikka Law Restructure Updates* 2. *2019 Marketing Incentive Program* 3. *Salary Increment Proposal* 4. *HR Policies* 5. *Disciplinary Committee Meeting Result*	010/MM/BOD/VI/2019
5 Juli 2019 *July 5, 2019*	1. *Settlement of the First National Glassware (FNG)* 2. *Proposal of Cost Sharing with Potential Buyer of FNG Overdue Fee to JIEP* 3. *Potential Demonstration from FNG Labor Union*	011/MM/BOD/VII/2019
16 Juli 2019 *July 16, 2019*	1. *2019 OJK Audit Finding Results* 2. *General Updates* 3. *Salary Increment Discussion*	012/MM/BOD/VII/2019
13 Agustus 2019 *August 13, 2019*	1. *NPL Account Updates* 2. *HR Updates* 3. *Other Updates*	013/MM/BOD/VIII/2019
17 September 2019 *September 17, 2019*	1. *BOD Updates* 2. *HR Matters (Planning for Dept Head of CB Surabaya, Dept Heads Who will be Retired Soon, Branch Coordinator in Surabaya)*	014/MM/BOD/IX/2019
18 Oktober 2019 *October 18, 2019*	1. *2020 Business Plan* 2. *Internal Audit Report* 3. *Compliance Report* 4. *AML Report* 5. *Other Updates*	015/MM/BOD/X/2019
6 November 2019 *November 6, 2019*	1. *2020 Business Plan* 2. *Other Updates*	016/MM/BOD/XI/2019
28 November 2019 *November 28, 2019*	1. *2020 Business Plan* 2. *HR Matters*	017/MM/BOD/XI/2019
10 Desember 2019 *December 10, 2019*	1. *General Updates* 2. *Loan Cessie Proposal of Mandiri Finance Indonesia* 3. *Branch Transformation*	018/MM/BOD/XII/2019

Kehadiran Rapat Direksi | *Board of Directors Meeting Attendance*

Tanggal Rapat *Meeting Date*	Direksi | *Board of Directors*						
	Zhang Jinxing	Yu Guangzhu	Jeff S.V. Eman	Xin Haiyan*	Thomas Arifin	Sandy T. Muliana	Fransisca Nelwan Mok
14-Jan-19 & 15-Jan-19	1	1	1	1	1	1	1
30-Jan-19	1	1		1	1	1	1
19-Feb-19	1		1	1	1	1	1
11-Mar-19	1	1	1	1	1	1	1
12-Mar-19	1	1	1	1	1	1	1
25-Mar-19	1	1	1	1	1	1	1
7-May-19	1	1	1	1	1	1	1
28-May-19	1	1		1	1	1	1
18-Jun-19	1	1	1	1	1	1	1
27-Jun-19	1	1	1	1	1	1	1
5-Jul-19	1		1		1	1	1
16-Jul-19	1	1	1		1	1	1
13-Aug-19	1	1	1		1	1	1
17-Sep-19	1	1	1		1	1	1
18-Oct-19	1	1	1		1	1	1
6-Nov-19	1		1		1	1	1
28-Nov-19	1	1	1		1	1	1
10-Dec-19	1	1	1		1	1	1
Total Kehadiran *Total Attendance(s)*	18	15	16	10	18	18	18
Total Rapat *Total Meeting(s)*	18	18	18	13	18	18	18
Persentase Kehadiran *Percentage of Attendance*	100%	83%	89%	77%	100%	100%	100%

* efektif mengundurkan diri sebagai Direktur per tanggal 24 Agustus 2019 | *officially resigned as Director as of August 24, 2019*

Belum bergabung/efektif mengundurkan diri | *Not yet on board/officially resigned*

Pelatihan | *Training*

Cuti | *On leave*

Rapat Gabungan Dewan Komisaris dan Direksi

Rapat gabungan Dewan Komisaris dan Direksi dilaksanakan guna memelihara koordinasi, sinergi dan penyelaras antara Dewan Komisaris dan Direksi dalam menjalankan tugas mencapai tujuan perusahaan. Materi pembahasan rapat meliputi isu strategis termasuk tentang kelangsungan usaha perusahaan serta pelaporan kinerja Direksi.

Joint Meetings of Board of Commissioners and Board of Directors

The Board of Commissioners and Board of Directors joint meetings are implemented for coordination, synergy and alignment between the Board of Commissioners and Board of Directors in carrying out their duties to achieve the company objectives. Meetings discussion includes strategic issues regarding the company's business sustainability as well as the Board of Directors performance report.

Agenda dan Frekuensi Rapat

Pada tahun 2019, rapat gabungan dilaksanakan 1 (satu) kali. Berikut agenda dan tingkat kehadiran Dewan Komisaris dan Direksi dalam rapat gabungan.

Meetings Agenda and Frequency

In 2019, a joint meeting was held 1 (one) time. The following are the joint meeting agenda and attendance of the Board of Commissioners and Board of Directors.

Agenda Rapat Gabungan | *Joint Meeting Agenda*

Tanggal *Date*	*Agenda*	Nomor Risalah Rapat *MoM Number*
22 November 2019 *November 22, 2019*	1. *2020 Business Plan* 2. *Business Strategic Plan to Achieve 2020 Business Plan by:* - *CB I* - *GMD and FI* - *CB II and CB Surabaya* - *SME Banking* - *Consumer Banking include Branch Offices*	001/MM/BOD-BOC/XI/2019

Kehadiran Rapat Gabungan | *Joint Meeting Attendance*

Dewan Komisaris *Board of Commissioners*	22-Nov-19	Total Rapat *Total Meeting*	Total Kehadiran *Total Attendance*	Persentase Kehadiran *Percentage of Attendance*
Wang Kun	1	1	1	100%
Hendra Widjojo	1	1	1	100%
H. Yunno Kusumo	1	1	1	100%

Direksi *Board of Directors*	22-Nov-19	Total Rapat *Total Meeting*	Total Kehadiran *Total Attendance*	Persentase Kehadiran *Percentage of Attendance*
Zhang Jinxing		1	0	0%
Yu Guangzhu	1	1	1	100%
Jeff S.V. Eman		1	0	0%
Xin Haiyan*		0	0	100%
Thomas Arifin	1	1	1	100%
Sandy T. Muliana		1	0	0%
Fransisca Nelwan Mok	1	1	1	100%

* efektif mengundurkan diri sebagai Direktur per tanggal 24 Agustus 2019 | *officially resigned as Director as of August 24, 2019*

Belum bergabung/efektif mengundurkan diri | *Not yet on board/officially resigned*

Berhalangan hadir | *Unable to attend*

INFORMASI MENGENAI **PEMEGANG SAHAM UTAMA DAN PENGENDALI**

Information on Majority and Controlling Shareholders

Pemegang saham mayoritas Bank adalah ICBC Limited dengan kepemilikan sebesar 98,61%, sedangkan pemegang saham minoritas adalah PT Intidana Wijaya dengan kepemilikan sebesar 1,39%. Sebagai pemegang saham mayoritas, ICBC Limited telah memenuhi persyaratan kemampuan, kepatutan dan kepatuhan terhadap regulasi yang ditetapkan oleh OJK, Bank Indonesia, serta perundang-undangan terkait perbankan yang berlaku di Indonesia.

The majority shareholder of The Bank is ICBC Limited with shares ownership of 98.61%. Meanwhile, minority shareholder is PT Intidana Wijaya with shares ownership of 1.39%. As the controlling shareholder of The Bank, ICBC Limited has fulfilled the requirements of ability, propriety and compliance established by the Financial Services Authority (OJK), Bank Indonesia, and applicable banking related legislation in Indonesia.

HUBUNGAN AFILIASI ANTARA **ANGGOTA DIREKSI, DEWAN KOMISARIS, DAN PEMEGANG SAHAM UTAMA DAN/ATAU PENGENDALI**

Affilliates Relationship Between Members of the Board of Directors, Board of Commissioners, and Majority and/or Controlling Shareholders

Pemegang saham mayoritas, Dewan Komisaris, dan Direksi saling menghormati pelaksanaan tugas, tanggung jawab, dan wewenang masing-masing sesuai peraturan perundang-undangan dan Anggaran Dasar. Pengungkapan hubungan afiliasi mencakup hubungan keluarga dan hubungan keuangan. Bentuk hubungan keluarga mencakup hubungan istimewa terutama yang disebabkan hubungan pertalian darah seperti suami/istri/anak/orang tua/saudara kandung/ipar, dan sebagainya; sementara bentuk hubungan keuangan termasuk di antaranya utang-piutang, kerja sama bisnis, dan sebagainya.

The majority shareholders, Board of Commissioners, and Board of Directors honor their respective duties, responsibilities, and authorities in accordance with the laws and the Articles of Association. The disclosure of affiliation includes family relations and financial relations. The form of family relations includes special relations primarily due to blood-related relationships such as spouses/children/parents/siblings/in-laws, and so forth; while the form of financial relations includes debts, business cooperation, and so forth.

	Hubungan Keluarga dengan *Family Relations with*			Hubungan Keuangan dengan *Financial Relations with*		
	Dewan Komisaris *Board of Commissioners*	Direksi *Board of Directors*	ICBC Limited (Pemegang Saham Utama/Pengendali) *ICBC Limited (Majority/Controlling Shareholder)*	Dewan Komisaris *Board of Commissioners*	Direksi *Board of Directors*	ICBC Limited (Pemegang Saham Utama/Pengendali) *ICBC Limited (Majority/Controlling Shareholder)*
Dewan Komisaris | *Board of Commissioners*						
Wang Kun Presiden Komisaris *President Commissioner*	o	o	o	o	o	o
Hendra Widjojo Komisaris Independen *Independent Commissioner*	o	o	o	o	o	o
H. Yunno Kusumo Komisaris Independen *Independent Commissioner*	o	o	o	o	o	o
Direksi | *Board of Directors*						
Zhang Jinxing Presiden Direktur *President Director*	o	o	o	o	o	o
Yu Guangzhu Direktur *Director*	o	o	o	o	o	o
Jeff S.V. Eman Direktur *Director*	o	o	o	o	o	o
Thomas Arifin Direktur *Director*	o	o	o	o	o	o
Sandy T. Muliana Direktur *Director*	o	o	o	o	o	o
Fransisca Nelwan Mok Direktur *Director*	o	o	o	o	o	o

● Terdapat hubungan | *A relation with*
○ Tidak terdapat hubungan | *No relation*

PENGUNGKAPAN RANGKAP JABATAN **DEWAN KOMISARIS DAN DIREKSI**

Disclosure of Concurrent Positions of the Board of Commissioners and Board of Directors

Rangkap jabatan oleh Dewan Komisaris maupun Direksi dapat dilakukan sepanjang memenuhi kriteria dan persyaratan sesuai perundang-undangan yang berlaku.

Berikut ini tabel yang menunjukkan rangkap jabatan Dewan Komisaris dan Direksi pada perusahaan/institusi lain dalam periode tahun 2019.

Concurrent positions by members of the Board of Commissioners and Board of Directors can be done upon criteria and requirements in accordance with prevailing laws and regulations.

The following table illustrates the concurrent positions of the Board of Commissioners and Board of Directors in other companies/institutions in 2019.

	Kepengurusan pada Perusahaan/Institusi Lain *Management of Other Companies/Institutions*		
	Sebagai Anggota Dewan Komisaris *As Board of Commissioners Member*	Sebagai Anggota Direksi *As Board of Directors Member*	Jabatan Lainnya *Other Position*
Dewan Komisaris | *Board of Commissioners*			
Wang Kun Presiden Komisaris *President Commissioner*	o	o	●
Hendra Widjojo Komisaris Independen *Independent Commissioner*	o	o	o
H. Yunno Kusumo Komisaris Independen *Independent Commissioner*	o	o	o
Direksi | *Board of Directors*			
Zhang Jinxing Presiden Direktur *President Director*	o	o	o
Yu Guangzhu Direktur *Director*	o	o	o
Jeff S.V. Eman Direktur *Director*	o	o	o
Thomas Arifin Direktur *Director*	o	o	o
Sandy T. Muliana Direktur *Director*	o	o	o
Fransisca Nelwan Mok Direktur *Director*	o	o	o

● Wang Kun memegang jabatan sebagai *Deputy Head of International Department* di ICBC Limited dan *Non-Executive Director* di ICBC Argentina
Wang Kun serves as Deputy Head of International Department at ICBC Limited and Non-Executive Director at ICBC Argentina

o Tidak terdapat hubungan kepengurusan | *No management relation*

KEBERAGAMAN KOMPOSISI **DEWAN KOMISARIS DAN DIREKSI**

Diversity of the Board of Commissioners and Board of Directors

Keberagaman komposisi Dewan Komisaris dan Direksi merupakan bagian dari upaya Bank untuk mendorong proses pengambilan keputusan yang lebih objektif, komprehensif, dan optimal, serta memiliki dampak positif terhadap pengawasan dan pengelolaan Bank. Keberagaman ini diharapkan dapat memperkaya sudut pandang dan kepentingan dalam proses pengambilan keputusan baik di tubuh Dewan Komisaris maupun Direksi, sehingga mampu memberikan nilai tambah bagi kegiatan Bank, serta penerapan tata kelola perusahaan di lingkup Bank.

The diversity of the Board of Commissioners and Board of Directors is part of The Bank's efforts to encourage a more objective, comprehensive, and optimal decision-making process that has a positive impact on The Bank supervision and management. This diversity is expected to enrich the point of view and interest in the decision making process in both of the Board of Commissioners and Board of Directors, thereby providing added value for The Bank's activities, as well as the implementation of corporate governance within the scope of The Bank.

Keberagaman Komposisi Dewan Komisaris | *Board of Commissioners Diversity*

Nama dan Jabatan *Name and Position*	Latar Belakang Pendidikan *Educational Background*	Pengalaman Kerja *Work Experience*	Usia *Age*	Jenis Kelamin *Gender*
Wang Kun Presiden Komisaris *President Commissioner*	*English Education & Literature*	Bekerja di ICBC Limited sejak tahun 2002 *Careers at ICBC Limited since 2002*	42	Laki-laki *Male*
Hendra Widjojo Komisaris Independen *Independent Commissioner*	Ekonomi *Economic*	Menjabat sebagai manajemen kunci PT Bank Halim Indonesia, pendahulu PT Bank ICBC Indonesia, sejak tahun 1989 *Served as the key management of PT Bank Halim Indonesia, the predecessor of PT Bank ICBC Indonesia since 1989*	56	Laki-laki *Male*
H. Yunno Kusumo Komisaris Independen *Independent Commissioner*	Ekonomi *Economic*	Pengawasan Perbankan *Banking Supervision*	63	Laki-laki *Male*

Keberagaman Komposisi Direksi | *Board of Directors Diversity*

Nama dan Jabatan *Name and Position*	Latar Belakang Pendidikan *Educational Background*	Pengalaman Kerja *Work Experience*	Usia *Age*	Jenis Kelamin *Gender*
Zhang Jinxing Presiden Direktur *President Director*	*Science and Economic*	Bekerja di ICBC Limited sejak tahun 1988 *Careers at ICBC Limited since 1988*	53	Laki-laki *Male*
Yu Guangzhu Direktur *Director*	*Geochemistry and Business Administration*	Bekerja di ICBC Limited sejak tahun 1988 *Careers at ICBC Limited since 1988*	53	Laki-laki *Male*
Jeff S.V. Eman Direktur *Director*	*Accounting*	Bekerja di PT Bank Halim Indonesia, pendahulu PT Bank ICBC Indonesia, sejak tahun 1990 *Careers at PT Bank Halim Indonesia, the predecessor of PT Bank ICBC Indonesia since 1990*	62	Laki-laki *Male*
Thomas Arifin Direktur *Director*	*Business Administration and Management*	Perbankan *Banking*	58	Laki-laki *Male*
Sandy T. Muliana Direktur *Director*	*Economic Management*	Perbankan *Banking*	55	Laki-laki *Male*
Fransisca Nelwan Mok Direktur *Director*	*Husbandry and Finance*	Perbankan *Banking*	63	Perempuan *Female*

ORGAN PENDUKUNG **DEWAN KOMISARIS**
Supporting Organs of the Board of Commissioners

Sekretaris Dewan Komisaris

Dalam rangka mendukung pelaksanaan fungsi dan efektivitas tugasnya, Dewan Komisaris menunjuk Departemen *Strategy Management and Investor Relation* (SMIR) yang salah satu fungsi utamanya sebagai Sekretaris Dewan Komisaris untuk membantu Dewan Komisaris dalam melaksanakan tugas dan tanggung jawabnya terhadap Bank.

Departemen SMIR mengemban fungsi Sekretaris Perusahaan berdasarkan Surat Keputusan Direksi No. 020A/KPTS.DIR/ICBC.IND/2017 tanggal 30 November 2017, dimana Kepala Departemen SMIR ditunjuk sebagai Pejabat Pelaksana Fungsi Sekretaris Perusahaan. Tugas dan tanggung jawab Sekretaris Perusahaan dapat dilihat pada bagian Sekretaris Perusahaan dalam Bab "Tata Kelola Perusahaan" pada Laporan Tahunan ini.

Tugas dan Tanggung Jawab Sekretaris Dewan Komisaris

Tugas Sekretaris Dewan Komisaris adalah sebagai berikut:

- Berperan membantu Dewan Komisaris dan komite dalam pengadaan rapat Dewan Komisaris dan komite baik sebelum, selama, dan setelah rapat tersebut dilaksanakan, termasuk segala sesuatu yang berkaitan dengan agenda rapat antara lain penjadwalan, pengaturan agenda, koordinasi, persiapan, kehadiran, rekaman, risalah rapat, dan distribusi material.
- Mengatur jadwal rapat dan membuat draf agenda untuk rapat Dewan Komisaris dan komite selama setahun sekaligus memastikan kepatuhan dengan persyaratan eksternal dan internal, dan bekerja sama dengan Dewan Komisaris dan komite dalam menciptakan, memelihara, dan merevisi agenda jika diperlukan.
- Mengkoordinasikan penyusunan dan penyebaran bahan rapat dalam bentuk *hard copy* atau *soft copy*, sekaligus memastikan kecukupan, konsistensi (dengan dokumen sebelumnya dan berikutnya), kemudahan penggunaan, dan kualitas bahan.
- Mendukung pemenuhan dokumen dari departemen terkait untuk rapat dan anggota komite dan Dewan Komisaris.
- Menghadiri rapat anggota Dewan Komisaris dan rapat komite, mencatat dan mengedarkan risalah rapat yang mencakup antara lain, keputusan, informasi, tindakan, dan arahan.
- Laporan mengenai agenda yang tertunda dan mengambil tindakan untuk memastikan informasi diberikan kepada anggota Dewan Komisaris dan komite pada waktu yang

Board of Commissioners' Secretary

To support the implementation of functions and effectiveness of its duties, the Board of Commissioners appoints Department of Strategy Management and Investor Relation (SMIR) as one of its main functions as Secretary of the Board of Commissioners, to assist the Board of Commissioners in carrying out its duties and responsibilities to The Bank.

SMIR Department carries a Corporate Secretary function based on the Board of Directors Decree No. 020A/KPTS.DIR/ICBC.IND/2017 dated November 30, 2017, where the Head of SMIR Department is appointed as Executive in Charge of Corporate Secretary Function. The duties and responsibilities of Corporate Secretary can be seen in the Corporate Secretary section in the "Good Corporate Governance" of this Annual Report.

Duties and Responsibilities of the Board of Commissioners' Secretary

The duties of the Board of Commissioners' Secretary are as follows:

- *Assist the Board of Commissioners and committees in the meeting arrangement both before, during and after the meeting, as well as everything related to the meeting agenda including scheduling, agenda setting, coordination, preparation, attendance, recording, minutes of meeting (MoM), and material distribution.*
- *Arrange the meeting schedule as well as draft the annual agenda for the Board of Commissioners and committees meetings while ensuring the compliance with external and internal requirements, and coordinate with the Board of Commissioners and committees in any changes or revision to the agenda as necessary.*
- *Coordinate the preparation and distribution of meeting materials both in hard copy and soft copy form, while ensuring adequate, consistency (between previous and subsequent documents), ease of use, and quality of materials.*
- *Support the fulfilment of documents from relevant departments for the meeting and members of the committees and Board of Commissioners.*
- *Attend the Board of Commissioners and committees meetings, record and circulate MoM that includes among others, decision, information, action, and direction.*
- *Provide report on any pending agenda and take action to ensure the information is provided to the Board of*

tepat.
- Melakukan aktivitas sekretariat, sistem pengarsipan, dan surat resmi masuk/keluar (aliran dokumen) yang sejalan dengan panduan yang ada untuk keperluan dalam memastikan keamanan dan kepatuhan dengan prosedur dan sistem yang telah ada.
- Bertanggung jawab atas terselenggaranya dengan baik kegiatan korespondensi surat menyurat antara Dewan Komisaris dan komite dengan pihak internal maupun eksternal.
- Melakukan fungsi peninjauan dan pengecekan untuk surat keluar resmi yang dikeluarkan oleh Dewan Komisaris dan komite dalam rangka untuk memastikan keakuratan informasi yang diberikan.
- Menyusun agenda kegiatan Dewan Komisaris dan komite sesuai dengan instruksi yang diterima.
- Menyusun konsep laporan dan dokumen untuk keperluan tugas Dewan Komisaris dan komite sesuai dengan diskusi dan instruksi.
- Mengatur perjalanan dinas untuk Dewan Komisaris dan komite, serta penyelesaian seluruh pengeluaran yang terjadi selama perjalanan dinas termasuk pemesanan tiket, hotel, aplikasi visa, dll.
- Turut mengambil bagian untuk melaksanakan kegiatan dan acara *bank-wide* dengan departemen terkait.
- Turut mengambil bagian dalam aktivitas pelaksanaan tanggung jawab sosial *bank-wide*.

Pelaksanaan Tugas Sekretaris Dewan Komisaris Tahun 2019

Pada tahun 2019, Sekretaris Dewan Komisaris telah melaksanakan tugas yang secara garis besar terbagi atas pengadaan rapat Dewan Komisaris dan komite, penyusunan laporan sebagai pemenuhan peraturan OJK, pelaksanaan kegiatan terkait tata kelola perusahaan, dan administrasi atas surat keputusan Dewan Komisaris dan Direksi.

Commissioners and committees at appropriate times.
- *Conduct secretarial activities, filing systems, and official incoming/outgoing letters (document flows) in line with existing guidelines to ensure security and compliance with existing procedures and systems.*
- *Responsible for the proper implementation of correspondence activities between the Board of Commissioners and committees with internal or external parties.*
- *Conduct review and check function for an official outgoing letter issued by Board of Commissioners and committees in order to ensure the accuracy of the information provided.*
- *Arrange the agenda of activities of the Board of Commissioners and committees in accordance with the instructions received.*
- *Prepare the concept of reports and documents for the purposes of the Board of Commissioners and committees in accordance with the discussions and instructions received.*
- *Arrange business travel for the Board of Commissioners and committees, as well as the completion of all expenses incurred during official travel, including ticket bookings, hotels, visa applications, etc.*
- *Participate in carrying out bank-wide activities and events with relevant departments.*
- *Participate in the implementation of bank-wide social responsibility activities.*

The Implementation of Duties of the Board of Commissioners' Secretary in 2019

In 2019, the Board of Commissioners' Secretary has carried out duties that in general are divided into the implementation of the Board of Commissioners and committees meetings, preparation of reports in compliance with OJK regulations, implementation of activities related to the corporate governance, and administration on the decrees of the Board of Commissioners and Board of Directors.

Lingkup Tugas *Scope of Duty*	Pelaksanaan pada Tahun 2019 *Implementation in 2019*
Pengadaan rapat Dewan Komisaris dan komite	· Menyelenggarakan rapat Dewan Komisaris sebanyak 5 (lima) kali. · Menyelenggarakan rapat gabungan Dewan Komisaris dan Direksi sebanyak 1 (satu) kali. · Menyelenggarakan rapat Komite Audit sebanyak 12 (dua belas) kali. · Menyelenggarakan rapat Komite Pemantau Risiko sebanyak 10 (sepuluh) kali. · Menyelenggarakan rapat Komite Remunerasi dan Nominasi sebanyak 4 (empat) kali. · Membuat, mendistribusikan, mengarsip risalah rapat Dewan Komisaris, rapat gabungan Dewan Komisaris dan Direksi, serta rapat komite.
Implementation of the Board of Commissioners and committees meetings	· *Convened 5 (five) times of the Board of Commissioners meetings.* · *Convened 1 (one) joint meeting of the Board of Commissioners and Board of Directors.* · *Convened 12 (twelve) times of the Audit Committee meetings.* · *Convened 10 (ten) times of the Risk Monitoring Committee meetings.* · *Convened 4 (four) times of the Remuneration and Nomination Committee meetings.* · *Develop, distribute, filing minutes of meetings of the Board of Commissioners, joint meeting of the Boards, as well as meetings of the committees.*
Penyusunan laporan sebagai pemenuhan peraturan OJK	· Membantu dalam menyusun laporan rutin pengawasan Dewan Komisaris, laporan evaluasi Komite Audit terhadap kinerja Akuntan Publik dan/atau Kantor Akuntan Publik kepada OJK. · Menyusun laporan perubahan susunan anggota komite kepada OJK serta perubahan susunan Dewan Komisaris dan Direksi kepada LPS.
Preparation of reports in compliance with OJK regulations	· *Assist in the preparation of regular supervision report of the Board of Commissioners, Audit Committee evaluation report on Public Accountant and/or Public Accounting Firm performance to OJK.* · *Prepare report on the changes of committees' members to OJK and the changes of the Board of Commissioners and Board of Directors to Indonesia Deposit Insurance Corporation (LPS).*
Kegiatan terkait tata kelola perusahaan	· Melengkapi GCG *self-assessment* dan *risk assessment* pada aspek yang terkait dengan tugas dan tanggung jawab Dewan Komisaris, Direksi dan komite.
Activities related to corporate governance	· *Complete the GCG self-assessment and risk assessment on aspects related to duties and responsibilities of the Board of Commissioners, Board of Directors, and committees.*
Administrasi atas surat keputusan Dewan Komisaris dan Direksi	· Mempersiapkan surat keputusan yang memerlukan persetujuan Dewan Komisaris dan Direksi.
Administration on the decrees of the Board of Commissioners and Board of Directors	· *Prepare the decree requiring the approval from the Board of Commissioners and Board of Directors.*

KOMITE **AUDIT**
Audit Committee

Sebagai bentuk pemenuhan atas Peraturan Otoritas Jasa Keuangan No. 55/POJK.04/2015 tentang Pembentukan dan Pedoman Pelaksanaan Kerja Komite Audit, Dewan Komisaris Bank membentuk Komite Audit.

Komite Audit membantu Dewan Komisaris dalam menjalankan fungsi pengawasan terhadap Bank.

Kriteria Anggota Komite Audit

Kriteria anggota Komite Audit Bank telah sesuai dengan POJK No. 55/POJK.04/2015 yaitu sebagai berikut:

- Berkewarganegaraan Indonesia.
- Sehat jasmani dan rohani.
- Memiliki integritas, komitmen, kemampuan, pengetahuan, dan pengalaman yang memadai sesuai dengan latar belakang pendidikannya serta mampu berkomunikasi dengan baik.
- Salah seorang dari anggota Komite Audit memiliki latar belakang pendidikan akuntansi atau keuangan.
- Memiliki pengetahuan yang cukup untuk membaca dan memahami laporan keuangan.
- Bukan merupakan orang dalam Kantor Akuntan Publik, Kantor Konsultan Hukum, atau pihak lain yang memberi jasa audit, jasa non-audit, dan/atau jasa konsultasi lain kepada Bank dalam waktu 1 (satu) tahun terakhir sebelum diangkat oleh Komisaris.
- Bukan orang yang mempunyai wewenang dan tanggung jawab untuk merencanakan, memimpin atau mengendalikan kegiatan Bank dalam waktu 1 (satu) tahun terakhir.
- Tidak mempunyai saham baik langsung maupun tidak langsung pada Bank.
- Tidak memangku jabatan sebagai pengurus partai politik dan/atau calon/anggota legislatif dan/atau calon kepala daerah/wakil kepada daerah, dan jabatan lain sesuai dengan peraturan perundang-undangan yang dapat menimbulkan benturan kepentingan.
- Tidak pernah ditetapkan menjadi terdakwa atas dugaan telah melakukan kesalahan/kelalaian/kejahatan yang dapat diancam dengan hukuman penjara.
- Tidak mempunyai hubungan keluarga karena perkawinan dan keturunan sampai derajat kedua, baik secara horizontal maupun vertikal dengan anggota Komisaris, Direksi, atau pemegang saham utama Bank.
- Tidak memiliki hubungan usaha baik langsung maupun tidak langsung yang berkaitan dengan kegiatan usaha Bank.

Ketentuan Masa Jabatan

Berdasarkan Piagam Komite Audit, masa kerja ketua Komite Audit maksimal sama dengan masa jabatannya sebagai anggota Dewan Komisaris Bank. Sementara itu, masa tugas bagi anggota Komite Audit adalah 1 (satu) tahun dan dapat dipilih kembali hanya untuk 1 (satu) periode berikutnya dengan tidak mengurangi hak Komisaris untuk memberhentikannya sewaktu-waktu.

In compliance with the Financial Services Authority Regulation No. 55/POJK.04/2015 on the Establishment and Working Guidelines of the Audit Committee, The Bank's Board of Commissioners established the Audit Committee.

The Audit Committee assists the Board of Commissioners in performing its supervisory function towards The Bank.

Criteria of the Audit Committee Members

Criteria of the Audit Committee members of The Bank are in accordance with POJK No. 55/POJK.04/2015, as follows:

- *Indonesian citizenship.*
- *Physically and mentally healthy.*
- *Having the integrity, commitment, ability, knowledge and adequate experience in accordance with his/her educational background and able to communicate well.*
- *A member of the Audit Committee has an accounting or financial education background.*
- *Having sufficient knowledge to read and understand the financial statements.*
- *Not an insider in a Public Accounting Firm, Legal Consultant Office, or any other party providing audit services, non-audit services, and/or other consulting services to The Bank within 1 (one) year prior to the appointment by the Commissioner.*
- *Not a person having the authority and responsibility to plan, lead or control The Bank's activities within the last 1 (one) year.*
- *Not having any shares directly or indirectly to The Bank.*
- *Not taking office as a political party and/or candidate/ member of legislative and/or candidate for regional head/representative to the region, and other positions in accordance with statutory regulations that may create a conflict of interest.*
- *Has never been named as a defendant for alleged wrongdoing/negligence/crime that could be punishable with imprisonment.*
- *Has no family relation due to marriage and descendant up to the second degree, either horizontally or vertically with the members of the Board of Commissioners, Board of Directors, or the majority shareholders of The Bank.*
- *Has no direct or indirect business relation relating to The Bank's business activities.*

Terms of Office

Based on the Audit Committee Charter, the tenure of the chairman of the Audit Committee is following his/her term of office as a member of The Bank's Board of Commissioners. Meanwhile, the tenure for members of the Audit Committee is 1 (one) year and may be re-elected only for 1 (one) next period without prejudice to the right of the Commissioner to dismiss them at any time.

Susunan dan Profil Komite Audit

Komite Audit terdiri dari seorang ketua yang merupakan Komisaris Independen dan 2 (dua) orang pihak independen sebagai anggota. Ketua dan anggota-anggota Komite Audit memiliki latar belakang, kompetensi, dan pengalaman yang memadai.

Kronologi susunan Komite Audit Bank sepanjang tahun 2019 adalah sebagai berikut:

Structure and Profile of the Audit Committee

The Audit Committee consists of a chairman who is an Independent Commissioner and 2 (two) members from independent parties. The chairman and members of the Audit Committee have adequate background, competence and experience.

The chronology of The Bank's Audit Committee composition in 2019 is as follows:

1 Januari – 31 Desember 2019 *January 1 – December 31, 2019*
H. Yunno Kusumo Ketua Komite Audit & Komisaris Independen *Chairman of Audit Committee & Independent Commissioner*
Waldy Gutama Anggota Komite Audit/Pihak Independen *Audit Committee Member/Independent Party*
Ricky Dompas Anggota Komite Audit/Pihak Independen *Audit Committee Member/Independent Party*

Profil Komite Audit per 31 Desember 2019 adalah sebagai berikut:

The following is the Audit Committee profile as of December 31, 2019:

H. Yunno Kusumo Ketua Komite Audit & Komisaris Independen *Chairman of Audit Committee & Independent Commissioner*	Profil H. Yunno Kusumo sebagai Ketua Komite Audit tersedia pada bagian Profil Dewan Komisaris dalam Bab "Profil Perusahaan" di Laporan Tahunan ini. *H. Yunno Kusumo's profile as the Chairman of Audit Committee is available in the Board of Commissioners' Profile section in the "Company Profile" of this Annual Report.*
Ricky Dompas Anggota Komite Audit/Pihak Independen *Audit Committee Member/ Independent Party*	**Pengalaman Kerja/Jabatan** Ricky Dompas pernah menjabat sebagai Sekjen dan Direktur Lembaga Sertifikasi Profesi Perbankan (LSPP) (2011–sekarang), *Senior Vice President*, *Head Internal Audit*/Kepala Satuan Kerja Audit Internal, *Head Compliance Monitoring*, dan *Head Compliance* PT Bank Permata Tbk (2006–2011), *Vice President, Division Head Audit Support & Centralised Operations* PT Bank Danamon Indonesia Tbk (2001–2006), *Senior Vice President Asset Management Credit*/AMC, Badan Penyehatan Perbankan Nasional (IBRA) (1999–2001), *Assistant Vice President, Accounting & Reporting Manager*, The Chase Manhattan Bank, Jakarta (1990–1999), dan *Supervisor Internal Audit* PT Huffco Indonesia, *a subsidiary of* Roy M. Huffington, Inc. (1984–1990). **Latar Belakang Pendidikan** BSc. (Strata-1) *Business Administration* dari American University, Washington DC, Amerika Serikat (1983). ***Work Experience*** *Ricky Dompas once served as Secretary General and Director of the Banking Profession Certification Organization (LSPP) (2011–present), Senior Vice President, Head Internal Audit, Head Compliance Monitoring, and Head Compliance of PT Bank Permata Tbk (2006–2011), Vice President, Division Head Audit Support & Centralized Operations of PT Bank Danamon Indonesia Tbk (2001–2006), Senior Vice President Asset Management Credit/AMC, Indonesian Bank Restructuring Agency (IBRA) (1999–2001), Assistant Vice President, Accounting & Reporting Manager, The Chase Manhattan Bank, Jakarta (1990–1999), and Supervisor Internal Audit of PT Huffco Indonesia, a subsidiary of Roy M. Huffington, Inc. (1984–1990).* ***Education*** *BSc. (Strata-1) Business Administration from American University, Washington DC, United States (1983).*

Waldy Gutama Anggota Komite Audit/Pihak Independen *Audit Committee Member/ Independent Party*	**Pengalaman Kerja/Jabatan** Waldy Gutama pernah menjabat sebagai Komite Pemantau Risiko Bank Woori Saudara (BWS) (2015–sekarang), Komite Audit PT Bank Tabungan Negara (Persero) (2013–2017), Komite Audit Bank Woori (2012–2014), dan berkarier di Bank Indonesia sejak 1981 hingga 2011, dengan 23 (dua puluh tiga) tahun terakhir sebagai pengawas bank. **Latar Belakang Pendidikan** Sarjana (S1) Administrasi Negara dari Sekolah Tinggi Administrasi Negara Republik Indonesia (STIA-LAN RI), Jakarta (1988), dan Magister (S2) Manajemen bidang studi Konsentrasi Keuangan dan Manajemen dari Sekolah Tinggi Ilmu Ekonomi–Institut Pengembangan Wiraswasta Indonesia, Jakarta (2000). ***Work Experience*** *Waldy Gutama once served as Risk Monitoring Committee of Bank Woori Brothers (BWS) (2015-present), Audit Committee of PT Bank Tabungan Negara (Persero) (2013-2017), Audit Committee of Bank Woori (2012-2014), and has career at Bank Indonesia from 1981 to 2011, with the last 23 (twenty three) years as bank supervisor.* ***Education*** *Bachelor of State Administration from College of State Administration of the Republic of Indonesia (STIA-LAN RI), Jakarta (1988), and Master's degree in Management of Finance and Management Concentration from College of Economics-Institute for Indonesia Entrepreneurship Development, Jakarta (2000).*

Independensi
Sesuai dengan kriteria yang telah ditetapkan Bank dan regulasi yang berlaku, Komite Audit wajib memiliki independensi atas beberapa aspek yang berhubungan dengan kepengurusan Bank. Berikut disampaikan transparansi independensi Komite Audit.

Independency
In accordance with the criteria established by The Bank and prevailing regulations, the Audit Committee should have independence over several aspects relating to the management of The Bank. Below is an outline of the independence of the Audit Committee.

Aspek Independensi *Independency Aspects*	Komite Audit | *Audit Committee*		
	H. Yunno Kusumo	Ricky Dompas	Waldy Gutama
Merupakan orang dalam Kantor Akuntan Publik, Kantor Konsultan Hukum, atau pihak lain yang memberi jasa audit, jasa non-audit, dan/atau jasa konsultasi lain kepada Bank dalam waktu 1 (satu) tahun terakhir sebelum diangkat oleh Komisaris. *Is an insider in a Public Accounting Firm, Legal Consultant Office, or any other party providing audit services, non-audit services, and/or other consulting services to The Bank within 1 (one) year prior to appointment by the Commissioner.*	o	o	o
Mempunyai wewenang dan tanggung jawab untuk merencanakan, memimpin atau mengendalikan kegiatan Bank dalam waktu 1 (satu) tahun terakhir. *Is a person having the authority and responsibility to plan, lead or control The Bank's activities within the last 1 (one) year.*	o	o	o
Mempunyai saham baik langsung maupun tidak langsung pada Bank. *Own shares directly or indirectly to The Bank.*	o	o	o
Memangku jabatan sebagai pengurus partai politik dan/atau calon/anggota legislatif dan/atau calon kepala daerah/wakil kepada daerah, dan jabatan lain sesuai dengan peraturan perundang-undangan yang dapat menimbulkan benturan kepentingan. *Has taken position as a political party and/or candidate/member of legislative and/ or candidate for regional head/representative to the region, and other positions in accordance with statutory regulations that may create a conflict of interest.*	o	o	o
Mempunyai hubungan keluarga karena perkawinan dan keturunan sampai derajat kedua, baik secara horizontal maupun vertikal dengan anggota Komisaris, Direksi, atau pemegang saham utama Bank. *Has a family relation due to marriage and descendant up to the second degree, either horizontally or vertically, with the members of the Board of Commissioners, Board of Directors, or the majority shareholders of The Bank.*	o	o	o
Memiliki hubungan usaha baik langsung maupun tidak langsung yang berkaitan dengan kegiatan usaha Bank. *Has a direct or indirect business relation relating to The Bank's business activities.*	o	o	o

● Ada | *Yes*
o Tidak ada | *No*

Piagam Komite Audit

Dalam melaksanakan tugasnya, Komite Audit Bank mengacu kepada Piagam Komite Audit yang telah disahkan oleh Dewan Komisaris pada tanggal 23 Februari 2017 dan diperbarui sesuai dengan ketentuan Otoritas Jasa Keuangan pada 6 September 2017.

Tugas dan Tanggung Jawab Komite Audit

Dalam melaksanakan fungsinya, Komite Audit memiliki tugas dan tanggung jawab sebagai berikut:

- Melakukan pemantauan dan evaluasi atas perencanaan dan pelaksanaan audit serta pemantauan atas tindak lanjut hasil audit dalam rangka menilai kecukupan pengendalian internal termasuk kecukupan proses pelaporan keuangan.
- Dalam rangka melaksanakan tugas pada butir tersebut di atas dan guna memberi rekomendasi kepada Dewan Komisaris, Komite Audit melakukan pemantauan dan evaluasi terhadap:
  - Pelaksanaan tugas Satuan Kerja Audit Internal (SKAI).
  - Kesesuaian pelaksanaan audit oleh Kantor Akuntan Publik dengan standar audit yang berlaku.
  - Memberikan pendapat independen dalam hal terjadi perbedaan pendapat antara manajemen dan Kantor Akuntan Publik atas jasa yang diberikannya.
  - Pelaksanaan tindak lanjut oleh Direksi atas hasil temuan SKAI, Akuntan Publik, Bank Indonesia dan hasil pengawasan Otoritas Jasa Keuangan (OJK).
- Melakukan penelaahan atas informasi keuangan lainnya yang akan dikeluarkan Bank kepada publik dan/atau pihak otoritas seperti proyeksi, dan laporan lainnya terkait dengan informasi keuangan Bank.
- Melakukan penelaahan atas kepatuhan Bank terhadap peraturan perundang-undangan di bidang perbankan dan peraturan perundang-undangan lainnya.
- Memberikan rekomendasi kepada Dewan Komisaris mengenai penunjukan Kantor Akuntan Publik, yang didasarkan pada independensi, ruang lingkup penugasan dan *fee* untuk disampaikan kepada pemegang saham melalui Dewan Komisaris.
- Menelaah dan melaporkan kepada Dewan Komisaris atas pengaduan yang berkaitan dengan proses akuntansi dan pelaporan keuangan Bank.
- Melakukan penelaahan dan pemantauan atas implementasi GCG yang efektif dan berkelanjutan.
- Menjalankan tugas-tugas lain yang relevan dengan fungsi Komite Audit atas permintaan Dewan Komisaris serta peraturan Otoritas Jasa Keuangan dan Bank Indonesia.

Kewenangan Komite Audit

Dalam melaksanakan tugasnya, Komite Audit mempunyai wewenang sebagai berikut:

- Mengakses dokumen, data, dan informasi Bank terkait karyawan, dana, aset, dan sumber daya Bank yang diperlukan.
- Melakukan komunikasi langsung dengan karyawan, termasuk Direksi dan pihak yang menjalankan fungsi audit internal, manajemen risiko, akuntansi dan sistem informasi, unit kerja terkait, dan akuntan publik terkait tugas dan tanggung jawab Komite Audit.
- Jika diperlukan, melibatkan pihak independen di luar anggota Komite Audit yang diperlukan untuk membantu pelaksanaan tugasnya.
- Melakukan kewenangan lain yang diberikan oleh Dewan Komisaris.

Audit Committee Charter

In carrying out its duties, The Bank's Audit Committee refers to the Audit Committee Charter which was enacted by the Board of Commissioners on February 23, 2017 and updated in accordance with the provision of Financial Services Authority on September 6, 2017.

Duties and Responsibilities of the Audit Committee

In performing its functions, the Audit Committee has the following duties and responsibilities:

- *Monitor and evaluate the planning and execution of audits, and monitor the follow-up of audit results in order to assess the adequacy of internal control, including financial reporting process.*
- *In order to carry out the duties mentioned above and to provide recommendations to the Board of Commissioners, the Audit Committee should monitor and evaluate:*
  - *The implementation of duties of the Internal Audit Department (IAD).*
  - *Compliance of audit conducted by Public Accounting Firm with applicable audit standards.*
  - *Provide an independent opinion in the event of dissenting opinions between the management and a Public Accounting Firm for its services.*
  - *Follow-up actions by the Board of Directors on findings made by the IAD, Public Accountant, Bank Indonesia, as well as the supervision results from the Financial Services Authority (OJK).*
- *Review other financial information to be issued to the public and/or authorities such as projections, and other reports related to The Bank's financial information.*
- *Review The Bank's compliance with laws and regulations in the banking sector and other laws and regulations.*
- *Provide recommendations to the Board of Commissioners regarding the appointment of a Public Accounting Firm. This recommendation is based on the independence, scope of assignment and fee of Public Accounting Firm to be submitted to the shareholders through the Board of Commissioners.*
- *Review and report to the Board of Commissioners for any complaints relating to The Bank's accounting and reporting process.*
- *Review and monitor the effectiveness and sustainability of GCG implementation.*
- *Carry out other tasks relevant to the functions of the Audit Committee at the request of the Board of Commissioners and the regulations of the Financial Services Authority and Bank Indonesia.*

Authorities of the Audit Committee

In performing its duties, the Audit Committee has the following authorities:

- *Access to the documents, data, and information of The Bank on its employees, funds, assets, and resources required.*
- *The ability to communicate directly with employees, including the Board of Directors and parties performing internal audit functions, risk management, accounting and information system, related work units, and public accountants related to the duties and responsibilities of Audit Committee.*
- *Where necessary, the committee may involve independent parties from outside of the Audit Committee members to assist the committee in performing its duties.*
- *To exercise other powers granted by the Board of Commissioners.*

Pembagian Tugas dan Tanggung Jawab dalam Keanggotaan Komite Audit

Komite Audit diketuai oleh seorang Komisaris Independen dan beranggotakan 2 (dua) pihak independen. Per 31 Desember 2019 keanggotaan Komite Audit adalah sebagai berikut:

1. H. Yunno Kusumo, sebagai ketua sekaligus mewakili peran Komisaris Independen dalam Komite Audit.
2. Ricky Dompas, sebagai pihak independen yang memiliki keahlian dalam bidang keuangan.
3. Waldy Gutama, sebagai pihak independen yang memiliki keahlian dalam bidang keuangan.

Separation of Duties and Responsibilities Between Members of the Audit Committee

The Audit Committee is chaired by an Independent Commissioner and comprised of 2 (two) independent parties. As of December 31, 2019, the membership of the Audit Committee is as follows:

1. *H. Yunno Kusumo, as a chairman who also represents the role of Independent Commissioner in the Audit Committee.*
2. *Ricky Dompas, as an independent party with an expertise in finance.*
3. *Waldy Gutama, as an independent party with an expertise in finance.*

Pelatihan dan Pengembangan Kompetensi

Bank memiliki kebijakan terkait pengembangan dan peningkatan kompetensi Komite Audit, yang dilakukan melalui berbagai pelatihan dan pendidikan dengan pendanaan sepenuhnya menjadi tanggung jawab Bank. Informasi terkait pelatihan dan pengembangan kompetensi Komite Audit tersedia dalam Bab "Profil Perusahaan" pada Laporan Tahunan ini.

Training and Development of Competency

The Bank has its own policy related to the development and improvement of the competency of the Audit Committee. This is done through various trainings and education programs with full funding being the responsibility of The Bank. The list of training and development of competency of the Audit Committee is available in the "Company Profile" section in this Annual Report.

Rapat Komite Audit

Rapat Komite Audit diselenggarakan sesuai dengan kebutuhan Bank, sekurang-kurangnya 4 (empat) kali dalam 1 (satu) tahun.

Selama tahun 2019, Komite Audit menyelenggarakan rapat sebanyak 12 (dua belas) kali. Berikut disampaikan agenda dan risalah rapat, kehadiran, serta rekapitulasi tingkat kehadiran anggota Komite Audit dalam rapat-rapat tersebut.

Audit Committee's Meetings

The Audit Committee's meetings are held in accordance with the needs of The Bank, at least 4 (four) times in a year.

Throughout 2019, the Audit Committee held 12 (twelve) meetings. The following are the details of the agenda and minutes of meeting, attendance, and recapitulation of the attendance of Audit Committee members in those meetings.

No.	Tanggal *Date*	Pembahasan *Topic*
1.	29 Januari 2019 *January 29, 2019*	1. *Follow-up on OJK and BI Audit Findings* 2. *Internal Audit Activity Report*
2.	18 Maret 2019 *March 18, 2019*	1. *Internal Audit Activity Report*
3.	26 Maret 2019 *March 26, 2019*	1. *KPMG Audit Updates*
4.	12 April 2019 *April 12, 2019*	1. *KPMG Management Letter Points*
5.	25 April 2019 *April 25, 2019*	1. *Internal Audit Activity Report*
6.	13 Juni 2019 *June 13, 2019*	1. *Internal Audit Activity Report* 2. *Updates on Audit Findings Related to Insurance in Batam and Makassar Branch*
7.	23 Juli 2019 *July 23, 2019*	1. *Internal Audit Activity Report* 2. *Status Implementation of ZTI* 3. *Follow-up Monitoring on BI and OJK for June 2019* 4. *Discuss on Letters from OJK in Connection with Compliance/Governance* 5. *Risk Profile for 2nd Quarter of 2019*
8.	27 Agustus 2019 *August 27, 2019*	1. *Internal Audit Activity Report* 2. *Status and Updates of Significant Credit Findings as Discussed on July 23, 2019*
9.	25 September 2019 *September 25, 2019*	1. *Internal Audit Activity Report*
10.	31 Oktober 2019 *October 31, 2019*	1. *Internal Audit Activity Report* 2. *Deviation and Exception*
11.	25 November 2019 *November 25, 2019*	1. *Audit of 2019 Financial Statements by KPMG*
12.	9 Desember 2019 *December 9, 2019*	1. *Internal Audit Activity Report* 2. *Status of Audit Founding in Pasar Atom* 3. *Audit Plan in 2020*

Komite Audit *Audit Committee*	29-Jan-19	18-Mar-19	26-Mar-19	12-Apr-19	25-Apr-19	13-Jun-19	23-Jul-19	27-Aug-19	25-Sep-19	31-Oct-19	25-Nov-19	9-Dec-19	Jumlah Rapat *Total Meeting(s)*	Jumlah Kehadiran *Total Attendance(s)*	Persentase Kehadiran Percentage *of Attendance*
H. Yunno Kusumo	1	1	1	1	1	1	1	1	1	1	1	1	12	12	100%
Ricky Dompas	1	1		1		1		1	1	1		1	12	8	67%
Waldy Gutama	1	1	1	1	1	1	1	1	1	1	1	1	12	12	100%

Pelatihan | *Training*

Laporan Singkat Pelaksanaan Kegiatan Komite Audit Tahun 2019

Komite Audit telah menjalankan program kerja pada 2019, antara lain sebagai berikut:

- Menyampaikan kepada Dewan Komisaris mengenai progres dan tindak lanjut atas hasil temuan SKAI.
- Mengawasi dan mengevaluasi kebijakan, prosedur, program dan penerapan SKAI.
- Mengawasi dan mengevaluasi tindakan manajemen atas hasil temuan SKAI, auditor eksternal, dan OJK.
- Memberikan rekomendasi kepada Dewan Komisaris mengenai penunjukan Kantor Akuntan Publik.
- Mengawasi dan memberikan rekomendasi terhadap isu-isu di Bank yang menjadi perhatian regulator.
- Mengevaluasi dan memberikan rekomendasi terhadap rencana kerja audit.
- Mengevaluasi hasil temuan audit yang berkaitan dengan kredit macet, serta meninjau proses persetujuan kredit untuk memberikan rekomendasi kepada manajemen perbaikan-perbaikan yang perlu dilakukan dalam memitigasi kredit macet.

Brief Summary of the Activities of the Audit Committee in 2019

The Audit Committee has carried out work programs in 2019 as follows:

- *Submit the progress and follow-up on IAD findings to the Board of Commissioners.*
- *Oversee and evaluate the policies, procedures, programs and implementation of IAD.*
- *Oversee and evaluate management actions on findings of IAD, external auditor, and OJK.*
- *Provide recommendations to the Board of Commissioners regarding the appointment of a Public Accounting Firm.*
- *Oversee and provide recommendations on issues at The Bank that are of concern to regulators.*
- *Evaluate and provide recommendations on the audit work plan.*
- *Evaluate audit findings related to bad loans and review the credit approval process to provide recommendations to management for improvements in mitigating bad loans.*

KOMITE **REMUNERASI DAN NOMINASI**
Remuneration and Nomination Committee

Komite Remunerasi dan Nominasi Bank dibentuk dalam rangka membantu pelaksanaan tugas Dewan Komisaris terkait evaluasi dan rekomendasi atas kebijakan remunerasi yang berlaku bagi Dewan Komisaris, Direksi dan karyawan Bank serta memberikan rekomendasi kepada Dewan Komisaris atas tindak lanjut temuan audit internal dan/atau audit eksternal serta hasil pengawasan OJK tentang kebijakan di bidang manajemen SDM.

The Bank's Remuneration and Nomination Committee was established to support the implementation of duties of the Board of Commissioners concerning the evaluation and recommendation on prevailing remuneration policy for the Board of Commissioners, Board of Directors and employees of The Bank, as well as to provide recommendation to the Board of Commissioners on the follow-up actions pursuant to findings from internal auditors and/or external auditors and OJK supervision on Human Resource Management policy.

Pembentukan tugas dan tanggung jawab Komite Remunerasi dan Nominasi telah sesuai dengan Peraturan Otoritas Jasa Keuangan No. 34/POJK.04/2014 tentang Komite Remunerasi dan Nominasi Emiten atau Perusahaan Publik.

The establishment of duties and responsibilities of the Remuneration and Nomination Committee are in conformity with the Financial Services Authority Regulation No. 34/POJK.04/2014 on the Remuneration and Nomination Committee of Issuers or Public Companies.

Susunan dan Profil Komite Remunerasi dan Nominasi

Komite Remunerasi dan Nominasi Bank dikepalai oleh seorang Komisaris Independen dan terdiri atas Komisaris Independen serta pihak yang menduduki jabatan manajerial di bawah Direksi yang membidangi sumber daya manusia.

Kronologis susunan Komite Remunerasi dan Nominasi Bank sepanjang tahun 2019 adalah sebagai berikut:

Structure and Profile of the Remuneration and Nomination Committee

The Bank's Remuneration and Nomination Committee is chaired by an Independent Commissioner and comprised of Independent Commissioner and personnel within managerial level below the Board of Directors in charge of human resources.

The chronology of The Bank's Remuneration and Nomination Committee composition in 2019 is as follows:

1 Januari – 31 Desember 2019 *January 1 – December 31, 2019*
Hendra Widjojo Ketua Komite Remunerasi dan Nominasi & Komisaris Independen *Chairman of Remuneration and Nomination Committee & Independent Commissioner*
H. Yunno Kusumo Anggota Komite Remunerasi dan Nominasi & Komisaris Independen *Remuneration and Nomination Committee Member & Independent Commissioner*
Josephine Sambajon Anggota Komite Remunerasi dan Nominasi *Remuneration and Nomination Committee Member*

Per 31 Desember 2019 profil Komite Remunerasi dan Nominasi Bank adalah sebagai berikut:

As of December 31, 2019, the profile of The Bank's Remuneration and Nomination Committee is as follows:

Hendra Widjojo Ketua Komite Remunerasi dan Nominasi & Komisaris Independen *Chairman of Remuneration and Nomination Committee & Independent Commissioner*	Profil Hendra Widjojo sebagai Ketua Komite Remunerasi dan Nominasi tersedia pada bagian Profil Dewan Komisaris dalam Bab "Profil Perusahaan" di Laporan Tahunan ini. *Hendra Widjojo's profile as the Chairman of Remuneration and Nomination Committee is available in the Board of Commissioners' Profile section in the "Company Profile" of this Annual Report.*
H. Yunno Kusumo Anggota Komite Remunerasi dan Nominasi & Komisaris Independen *Remuneration and Nomination Committee Member & Independent Commissioner*	Profil H. Yunno Kusumo sebagai anggota Komite Remunerasi dan Nominasi tersedia pada bagian Profil Dewan Komisaris dalam Bab "Profil Perusahaan" di Laporan Tahunan ini. *H. Yunno Kusumo's profile as member of Remuneration and Nomination Committee is available in the Board of Commissioners' Profile section in the "Company Profile" of this Annual Report.*
Josephine Sambajon Anggota Komite Remunerasi dan Nominasi *Remuneration and Nomination Committee Member*	Profil Josephine Sambajon sebagai anggota Komite Remunerasi dan Nominasi tersedia pada bagian Profil Pejabat Eksekutif dalam Bab "Profil Perusahaan" di Laporan Tahunan ini. *Josephine Sambajon's profile as member of Remuneration and Nomination Committee is available in the Executive Officer Profile section in the "Company Profile" of this Annual Report.*

Independensi

Sesuai dengan kriteria yang telah ditetapkan Bank dan regulasi yang berlaku, Komite Remunerasi dan Nominasi wajib memiliki independensi atas beberapa aspek yang berhubungan dengan kepengurusan Bank. Berikut disampaikan transparansi independensi Komite Remunerasi dan Nominasi.

Independency

In accordance with the criteria established by The Bank and prevailing regulations, the Remuneration and Nomination Committee should have independence over several aspects relating to the management of The Bank. Below is an outline of the independence of the Remuneration and Nomination Committee.

Aspek Independensi *Independency Aspects*	Komite Remunerasi dan Nominasi *Remuneration and Nomination Committee*		
	Hendra Widjojo	H. Yunno Kusumo	Josephine Sambajon
Merupakan orang dalam Kantor Akuntan Publik, Kantor Konsultan Hukum, atau pihak lain yang memberi jasa audit, jasa non-audit, dan/atau jasa konsultasi lain kepada Bank dalam waktu 1 (satu) tahun terakhir sebelum diangkat oleh Komisaris. *Is an insider in a Public Accounting Firm, Legal Consultant Office, or any other party providing audit services, non-audit services, and/or other consulting services to The Bank within 1 (one) year prior to appointment by the Commissioner.*	o	o	o
Mempunyai wewenang dan tanggung jawab untuk merencanakan, memimpin atau mengendalikan kegiatan Bank dalam waktu 1 (satu) tahun terakhir. *Is a person having the authority and responsibility to plan, lead or control The Bank's activities within the last 1 (one) year.*	o	o	o
Mempunyai saham baik langsung maupun tidak langsung pada Bank. *Own shares directly or indirectly to The Bank.*	o	o	o
Memangku jabatan sebagai pengurus partai politik dan/atau calon/anggota legislatif dan/atau calon kepala daerah/wakil kepada daerah, dan jabatan lain sesuai dengan peraturan perundang-undangan yang dapat menimbulkan benturan kepentingan. *Has taken position as a political party and/or candidate/member of legislative and/or candidate for regional head/representative to the region, and other positions in accordance with statutory regulations that may create a conflict of interest.*	o	o	o
Mempunyai hubungan keluarga karena perkawinan dan keturunan sampai derajat kedua, baik secara horizontal maupun vertikal dengan anggota Komisaris, Direksi, atau pemegang saham utama Bank. *Has a family relation due to marriage and descendant up to the second degree, either horizontally or vertically, with the members of the Board of Commissioners, Board of Directors, or the majority shareholders of The Bank.*	o	o	o
Memiliki hubungan usaha baik langsung maupun tidak langsung yang berkaitan dengan kegiatan usaha Bank. *Has a direct or indirect business relation relating to The Bank's business activities.*	o	o	o

● Ada | *Yes*
o Tidak ada | *No*

Pedoman Komite Remunerasi dan Nominasi

Komite Remunerasi dan Nominasi Bank telah memiliki Pedoman Komite Remunerasi dan Nominasi berdasarkan Keputusan Dewan Komisaris pada tanggal 24 Juli 2013 yang telah diperbarui pada tanggal 6 September 2017.

Tugas dan Tanggung Jawab Komite Remunerasi dan Nominasi

Tugas dan tanggung jawab Komite Remunerasi dan Nominasi sebagaimana diatur dalam POJK No. 34/POJK.04/2014 paling sedikit meliputi:

- Terkait dengan kebijakan remunerasi wajib:
  - Melakukan evaluasi terhadap kebijakan remunerasi yang didasarkan atas kinerja, risiko, kewajaran dengan *peer group*, sasaran, dan strategi jangka panjang Bank, pemenuhan cadangan sebagaimana diatur dalam peraturan perundang-undangan, dan potensi pendapatan Bank pada masa yang akan datang;
  - Menyampaikan hasil evaluasi dan rekomendasi kepada Dewan Komisaris mengenai:
    - o Kebijakan remunerasi bagi Dewan Komisaris dan Direksi untuk disampaikan kepada RUPS; dan
    - o Kebijakan remunerasi bagi pegawai secara keseluruhan untuk disampaikan kepada Direksi.
  - Memastikan bahwa kebijakan remunerasi telah sesuai dengan ketentuan; dan
  - Melakukan evaluasi secara berkala terhadap penerapan kebijakan remunerasi.
- Terkait dengan kebijakan nominasi:
  - Menyusun dan memberikan rekomendasi mengenai sistem serta prosedur pemilihan dan/atau penggantian anggota Dewan Komisaris dan anggota Direksi kepada Dewan Komisaris untuk disampaikan kepada RUPS;
  - Memberikan rekomendasi mengenai calon anggota Dewan Komisaris dan/atau calon anggota Direksi kepada Dewan Komisaris untuk disampaikan kepada RUPS; dan
  - Memberikan rekomendasi mengenai pihak independen yang akan menjadi anggota komite kepada Dewan Komisaris.

Pembagian Tugas dan Tanggung Jawab dalam Keanggotaan Komite Remunerasi dan Nominasi

Berikut komposisi Komite Remunerasi dan Nominasi:

1. Hendra Widjojo, sebagai ketua yang juga mewakili peranan Komisaris Independen dalam komite.
2. H. Yunno Kusumo, sebagai anggota komite yang juga merupakan Komisaris Independen.
3. Josephine Sambajon, sebagai anggota komite yang merupakan Pejabat Eksekutif yang membawahi bagian sumber daya manusia Bank.

Pelatihan dan Pengembangan Kompetensi

Bank memiliki kebijakan terkait pengembangan dan peningkatan kompetensi Komite Remunerasi dan Nominasi, yang dilakukan melalui berbagai pelatihan dan pendidikan dengan pendanaan sepenuhnya menjadi tanggung jawab Bank. Informasi terkait pelatihan dan pengembangan kompetensi Komite Remunerasi dan Nominasi tersedia dalam Bab "Profil Perusahaan" pada Laporan Tahunan ini.

Rapat Komite Remunerasi dan Nominasi

Rapat Komite Remunerasi dan Nominasi diselenggarakan sesuai dengan kebutuhan Bank, sekurang-kurangnya 4 (empat) kali dalam 1 (satu) tahun.

Remuneration and Nomination Committee Charter

The Bank's Remuneration and Nomination Committee has in place the Remuneration and Nomination Committee Charter based on the Board of Commissioners Decree dated July 24, 2013, that has been updated on September 6, 2017.

Duties and Responsibilities of the Remuneration and Nomination Committee

The duties and responsibilities of the Remuneration and Nomination Committee as stipulated in POJK No. 34/POJK.04/2014, should at least include:

- *In relation to remuneration policy:*
  - *Perform evaluation of the remuneration policy based on the performance, risks, fairness with peer group, targets, and long-term strategies of The Bank, the fulfilment of reserves as regulated in legislation, and potential future revenue of The Bank;*
  - *Submit evaluation results and recommendations to the Board of Commissioners regarding:*
    - o *The remuneration policy for the Board of Commissioners and Board of Directors to be submitted to the GMS; and*
    - o *The remuneration policy for employees as a whole to be submitted to the Board of Directors.*
  - *Ensure remuneration policy is in accordance with the provision; and*
  - *Conduct periodic evaluation of the implementation of remuneration policy.*
- *In relation to nomination policy:*
  - *Prepare and provide recommendations on the system and procedure in selecting and/or replacing members of the Board of Commissioners and members of the Board of Directors to the Board of Commissioners to be submitted to the GMS;*
  - *Submit recommendations on candidate for members of the Board of Commissioners and/or members of the Board of Directors to the Board of Commissioners to be submitted to the GMS; and*
  - *Submit recommendations on independent parties who will be the committees' members to the Board of Commissioners.*

Separation of Duties and Responsibilities Between Members of the Remuneration and Nomination Committee

The composition of the Remuneration and Nomination Committee is as follows:

1. *Hendra Widjojo, as a chairman, who also represents the role of Independent Commissioner in the committee.*
2. *H. Yunno Kusumo, as a committee member who is also an Independent Commissioner.*
3. *Josephine Sambajon, as a committee member who is an Executive Officer in charge of The Bank's human resources.*

Training and Development of Competency

The Bank has its own policy related to the development and improvement of the competency of the Remuneration and Nomination Committee. This is done through various trainings and education programs with full funding being the responsibility of The Bank. The list of training and development of competency of the Remuneration and Nomination Committee is available in the "Company Profile" section in this Annual Report.

Remuneration and Nomination Committee's Meetings

The Remuneration and Nomination Committee's meetings are held in accordance with the needs of The Bank, at least 4 (four) times in a year.

Selama tahun 2019, Komite Remunerasi dan Nominasi menyelenggarakan rapat sebanyak 4 (empat) kali. Berikut disampaikan agenda dan risalah rapat, kehadiran, serta rekapitulasi tingkat kehadiran anggota Komite Remunerasi dan Nominasi dalam rapat-rapat tersebut.

Throughout 2019, the Remuneration and Nomination Committee held 4 (four) meeting. The following are the details of the agenda and minutes of meeting, attendance, and recapitulation of the attendance of Remuneration and Nomination Committee members in those meetings.

Tanggal *Date*	Pembahasan *Topic*
29 Januari 2019 *January 29, 2019*	1. *Salary and Grading*
26 Maret 2019 *March 26, 2019*	1. *2018 Employee Bonus*
18 Juli 2019 *July 18, 2019*	1. *2019 Salary Review* 2. *New Policy: Performance Management Evaluation Mechanism for Board of Directors Policy* 3. *Extension Contract of One Risk Monitoring Committee Member*
8 Oktober 2019 *October 8, 2019*	1. *Performance Bonus 2018 for BOD & BOC* 2. *Salary Review 2019 for BOD & BOC* 3. *Extension Contract of One Risk Monitoring Committee Member and One Audit Committee Member*

Komite Remunerasi & Nominasi *Remuneration & Nomination Committee*	29-Jan-19	26-Mar-19	18-Jul-19	8-Oct-19	Jumlah Rapat *Total Meeting(s)*	Jumlah Kehadiran *Total Attendance(s)*	Persentase Kehadiran *Percentage of Attendance*
Hendra Widjojo	1		1	1	4	3	75%
H. Yunno Kusumo	1	1	1	1	4	4	100%
Josephine Sambajon	1	1	1	1	4	4	100%

Cuti | *On leave*

Laporan Singkat Pelaksanaan Kegiatan Komite Remunerasi dan Nominasi Tahun 2019

Di sepanjang tahun 2019, Komite Remunerasi dan Nominasi melaksanakan tugas sebagai berikut:

- Mengevaluasi gaji karyawan untuk tahun 2019.
- Mengevaluasi bonus kinerja karyawan untuk tahun 2018.
- Mengevaluasi *salary and job grading structure* karyawan, serta meninjau mekanisme KPI tahun 2019.
- Proses perpanjangan kontrak anggota-anggota Komite Audit dan Komite Pemantau Risiko untuk disampaikan kepada Dewan Komisaris.
- Mengevaluasi gaji untuk Dewan Komisaris dan Direksi tahun 2019.
- Mengevaluasi bonus kinerja untuk Dewan Komisaris dan Direksi tahun 2018.
- Mengevaluasi mekanisme kinerja manajemen.

Brief Summary of the Activities of the Remuneration and Nomination Committee in 2019

Throughout 2019, the Remuneration and Nomination Committee performed the following duties:

- *Evaluate employee salaries in 2019.*
- *Evaluate employee performance bonuses in 2018.*
- *Evaluate employee salary and job grading structure and review the 2019 KPI mechanism.*
- *The contract extension process for members of the Audit Committee and Risk Monitoring Committee to be submitted to the Board of Commissioners.*
- *Evaluate salaries for the Board of Commissioners and Board of Directors in 2019.*
- *Evaluate performance bonuses for the Board of Commissioners and Board of Directors in 2018.*
- *Evaluate management performance mechanisms.*

Kebijakan Mengenai Suksesi Direksi

Suksesi Direksi Bank diatur berdasarkan *Board of Directors and Commissioners Nomination Policy* No. HR/POL/020 tanggal 24 Maret 2014 tentang Penggantian dan Pengangkatan Direksi. Tidak hanya terbatas untuk Direksi, kebijakan ini termasuk mengatur suksesi bagi Dewan Komisaris, termasuk persyaratan jika nominasi berasal dari Pejabat Eksekutif internal Bank dan/atau pejabat dari ICBC Limited sebagai pemegang saham mayoritas. Kebijakan ini juga mengatur secara rinci terkait prosedur pengusulan untuk Dewan Komisaris dan Direksi jika berasal dari kalangan internal.

Policy Concerning the Succession of the Board of Directors

The succession of The Bank's Board of Directors is governed by the Board of Directors and Commissioners Nomination Policy No. HR/POL/020 dated March 24, 2014 regarding the Replacement and Appointment of the Board of Directors. This policy not only limited to the Board of Directors, it also regulates the succession of the Board of Commissioners, including the requirements if the candidates are from The Bank's internal Executive Officers and/or officials of ICBC Limited as the majority shareholders. This policy also regulates in detail the procedure for proposals for the Board of Commissioners and the Board of Directors if the members are from internal.

KOMITE **PEMANTAU RISIKO**
Risk Monitoring Committee

Komite Pemantau Risiko bertugas untuk membantu Dewan Komisaris dalam mengawasi pelaksanaan manajemen risiko di lingkungan Bank. Komite ini diketuai oleh Komisaris Independen dengan 2 (dua) orang anggota yang berasal dari pihak independen yang memiliki keahlian pada bidang keuangan dan manajemen risiko.

The Risk Monitoring Committee has the duty to assist the Board of Commissioners in overseeing the implementation of risk management within The Bank. The Committee is chaired by an Independent Commissioner, with 2 (two) members from independent parties with expertise in the area of finance and risk management.

Susunan dan Profil Komite Pemantau Risiko
Kronologis susunan Komite Pemantau Risiko Bank di tahun 2019 adalah sebagai berikut:

Structure and Profile of the Risk Monitoring Committee
The chronology of The Bank's Risk Monitoring Committee composition in 2019 is as follows:

1 Januari – 31 Desember 2019 *January 1 – December 31, 2019*
Hendra Widjojo Ketua Komite Pemantau Risiko & Komisaris Independen *Chairman of Risk Monitoring Committee & Independent Commissioner*
Ignace Widiatmoko Anggota Komite Pemantau Risiko *Risk Monitoring Committee Member*
Aki H. Parwoto Anggota Komite Pemantau Risiko *Risk Monitoring Committee Member*

Per 31 Desember 2019 profil Komite Pemantau Risiko Bank adalah sebagai berikut:

As of December 31, 2019, the profile of The Bank's Risk Monitoring Committee is as follows:

Hendra Widjojo Ketua Komite Pemantau Risiko & Komisaris Independen *Chairman of Risk Monitoring Committee & Independent Commissioner*	Profil Hendra Widjojo sebagai Ketua Komite Pemantau Risiko tersedia pada bagian Profil Dewan Komisaris dalam Bab "Profil Perusahaan" di Laporan Tahunan ini. *Hendra Widjojo's profile as the Chairman of Risk Monitoring Committee is available in the Board of Commissioners' Profile section in the "Company Profile" of this Annual Report.*
Ignace Widiatmoko Anggota Komite Pemantau Risiko *Risk Monitoring Committee Member*	**Pengalaman Kerja/Jabatan** Ignace Widiatmoko sebelumnya menjabat sebagai *Managing Director*, PT Gedung Bank Exim dan Komisaris PT Resik Guna Maju (2015–2018). Beliau juga menjalankan karier profesionalnya antara lain pada Bank Mandiri sebagai *VP of Risk Management Directorate* (2007–2015), *VP of Consumer Banking* (2006–2007), *Department Head Bancassurance* (2004–2006), *Department Head Fee Base Business/E-banking* (2001–2003), *Department Head Liabilities Products* (1999–2001), serta pada Bank Ekspor Impor Indonesia (1985–1998). **Latar Belakang Pendidikan** • *Chartered Financial Consultant & Diploma in Financial Planning*, Singapore College of Insurance, Jakarta–Singapore, 2006. • *MBA in Marketing*, Rutgers University, Graduate School of Management Newark, New Jersey USA, 1995. • *USA Pre MBA Program*, The Economic Institute, Colorado University, Boulder USA, 1993. • Sarjana Ekonomi, Universitas Diponegoro, Indonesia,1984.

	Work Experience *Ignace Widiatmoko previously served as Managing Director, PT Gedung Bank Exim and Commissioner of PT Resik Guna Maju (2015–2018). His other professional careers include at Bank Mandiri as the VP of Risk Management Directorate (2007–2015), VP of Consumer Banking (2006–2007), Department Head Bancassurance (2004–2006), Department Head Fee Base Business/E-banking (2001–2003), Department. Head Liabilities Products (1999–2001), and at Bank Ekspor Impor Indonesia (1985–1998).* ***Education*** • *Chartered Financial Consultant & Diploma in Financial Planning, Singapore College of Insurance, Jakarta-Singapore, 2006.* • *MBA in Marketing, Rutgers University, Graduate School of Management Newark, New Jersey USA,1995.* • *USA Pre MBA Program, The Economic Institute, Colorado University, Boulder USA,1993.* • *Bachelor in Economics, University of Diponegoro, Indonesia,1984.*
Aki H. Parwoto Anggota Komite Pemantau Risiko *Risk Monitoring Committee Member*	**Pengalaman Kerja/Jabatan** Aki H. Parwoto saat ini menjabat sebagai anggota Komite Pemantau Risiko dan Komite Audit pada PT Bank Resona Perdania. Sebelumnya beliau bergabung dengan PT Bank CIMB Niaga sejak tahun 2009 dan menjabat antara lain sebagai *Senior Vice President Credit and Operations Policy* (2015–2017), *First Vice President Credit Risk Management Group Head* (2010–2014), dan *Vice President Credit Risk Management Group Head* (2009–2010). Beliau juga pernah menjabat berbagai posisi strategis pada PT Bank Niaga untuk periode 1987–2008 dengan menjabat antara lain sebagai *Vice President* pada *Credit Risk Division Head* (2004–2008), *Risk Asset Audit Division Head* (2001–2004), *Assistant Vice President Compliance Management Group* (2000), *Assistant Vice President Credit Policy and Administration Group* (1998–1999), *Senior Manager – Branch* Bali (1994–1997), *Manager – Credit Audit* (1988–1993) dan *Officer Development Program* (1987). Beliau memulai karier profesionalnya pada Kantor Akuntan Publik Amir Abadi Jusuf pada tahun 1986. **Latar Belakang Pendidikan** • Magister Manajemen, Universitas Gajah Mada, 2004. • Sarjana Akuntansi, Fakultas Ekonomi, Universitas Indonesia, 1985. ***Work Experience*** *Aki H. Parwoto currently serving as a member of Risk Monitoring Comittee and Audit Committee at PT Bank Resona Perdania. He previously joined at PT Bank CIMB Niaga in 2009 and served as Senior Vice President of Credit and Operations Policy (2015–2017), First Vice President of Credit Risk Management Group Head (2010–2014), and Vice President of Credit Risk Management Group Head (2009–2010). He also had various strategic positions at PT Bank Niaga for the period 1987–2008 with the positions including Vice President at Credit Risk Division Head (2004–2008), Risk Asset Audit Division Head (2001–2004), Assistant Vice President of Compliance Management Group (2000), Assistant Vice President of the Credit Policy and Administration Group (1998–1999), Senior Manager - Branch Bali (1994–1997), Manager - Credit Audit (1988–1993) and Officer Development Program (1987). He began his professional career at Amir Abadi Jusuf Public Accounting Firm in 1986.* ***Education*** • *Master of Management, University of Gajah Mada, 2004.* • *Bachelor of Accounting, Faculty of Economy, University of Indonesia, 1985.*

Independensi
Sesuai dengan kriteria yang telah ditetapkan Bank, Komite Pemantau Risiko wajib memiliki independensi atas beberapa aspek yang berhubungan dengan kepengurusan Bank. Berikut disampaikan transparansi independensi Komite Pemantau Risiko.

Independency
In accordance with the criteria established by The Bank, the Risk Monitoring Committee should have independence over several aspects relating to the management of The Bank. Below is an outline of the independence of the Risk Monitoring Committee.

Aspek Independensi *Independency Aspects*	Komite Pemantau Risiko *Risk Monitoring Committee*		
	Hendra Widjojo	Ignace Widiatmoko	Aki H. Parwoto
Merupakan orang dalam Kantor Akuntan Publik, Kantor Konsultan Hukum, atau pihak lain yang memberi jasa audit, jasa non-audit, dan/atau jasa konsultasi lain kepada Bank dalam waktu 1 (satu) tahun terakhir sebelum diangkat oleh Komisaris. *Is an insider in a Public Accounting Firm, Legal Consultant Office, or any other party providing audit services, non-audit services, and/or other consulting services to The Bank within 1 (one) year prior to the appointment by the Commissioner.*	o	o	o
Mempunyai wewenang dan tanggung jawab untuk merencanakan, memimpin atau mengendalikan kegiatan Bank dalam waktu 1 (satu) tahun terakhir. *Is a person having the authority and responsibility to plan, lead or control The Bank's activities within the last 1 (one) year.*	o	o	o
Mempunyai saham baik langsung maupun tidak langsung pada Bank. *Own shares directly or indirectly to The Bank.*	o	o	o
Memangku jabatan sebagai pengurus partai politik dan/atau calon/anggota legislatif dan/atau calon kepala daerah/wakil kepada daerah, dan jabatan lain sesuai dengan peraturan perundang-undangan yang dapat menimbulkan benturan kepentingan. *Has taken position as a political party and/or candidate/ member of legislative and/or candidate for regional head/representative to the region, and other positions in accordance with statutory regulations that may create a conflict of interest.*	o	o	o
Mempunyai hubungan keluarga karena perkawinan dan keturunan sampai derajat kedua, baik secara horizontal maupun vertikal dengan anggota Komisaris, Direksi, atau pemegang saham utama Bank. *Has a family relation due to marriage and descendant up to the second degree, either horizontally or vertically, with the members of the Board of Commissioners, Board of Directors, or the majority shareholders of The Bank.*	o	o	o
Memiliki hubungan usaha baik langsung maupun tidak langsung yang berkaitan dengan kegiatan usaha Bank. *Has a direct or indirect business relation relating to The Bank's business activities.*	o	o	o

● Ada | *Yes*
o Tidak ada | *No*

Pedoman Komite Pemantau Risiko

Dalam menjalankan tugasnya, Komite Pemantau Risiko memiliki pedoman dan tata tertib kerja (*Committee Charter*) yang telah disahkan dan diperbarui pada tanggal 25 Agustus 2017.

Tugas dan Tanggung Jawab Komite Pemantau Risiko

Sebagaimana diatur dalam Pasal 48 POJK No. 55/POJK.03/2016, Komite Pemantau Risiko wajib melakukan paling sedikit:

- Evaluasi tentang kesesuaian antara kebijakan dengan pelaksanaan manajemen risiko dari Bank;
- Pemantauan dan evaluasi pelaksanaan tugas Komite Manajemen Risiko dan Satuan Kerja Manajemen Risiko (SKMR).

Hasil dari evaluasi yang telah disebutkan di atas wajib disampaikan dan memberikan rekomendasi kepada Dewan Komisaris. Laporan hasil evaluasi tersebut wajib disampaikan secara triwulanan setiap tahun. Prioritas tugas Komite Pemantau Risiko adalah sebagai berikut:

- Mengevaluasi proposal kebijakan manajemen risiko termasuk strategi dan kerangka manajemen risiko, serta memberikan rekomendasi dan masukan kepada Dewan Komisaris terhadap proposal kebijakan tersebut.
- Meninjau notulen rapat Komite Manajemen Risiko secara berkala, mengusulkan saran independen, dan memberikan rekomendasi untuk memperkuat panduan manajemen risiko Bank.

Risk Monitoring Committee Charter

In performing its duties, the Risk Monitoring Committee has in place the guidelines and working procedures (Committee Charter), which was ratified and updated on August 25, 2017.

Duties and Responsibilities of the Risk Monitoring Committee

As stipulated in Article 48 POJK No. 55/POJK.03/2016, the Risk Monitoring Committee should perform at least:

- *Evaluate the conformity between The Bank's risk management policy and implementation;*
- *Monitor and evaluate the implementation of duties of Risk Management Committee and Risk Management Unit (RMU).*

The result of evaluation mentioned above is to be submitted to the Board of Commissioners along with its recommendation. The report on evaluation result should be submitted quarterly every year. Risk Monitoring Committee priority duties are as follows:

- *Evaluate the risk management policy proposals including risk management strategies and framework, and provide recommendations and input to the Board of Commissioners on those policy proposals.*
- *Review minutes of Risk Management Committee meetings regularly, propose independent advices, and provide recommendations to strengthen The Bank's risk management guidelines.*

- Mengadakan rapat dengan SKMR dan departemen terkait paling sedikit sebulan sekali mengenai pengendalian risiko, *risk appetite*, dan *risk tolerance*. Memberikan panduan mengenai risiko potensial bisnis dan isu-isu manajemen risiko.
- Memberikan perhatian kepada peringkat kesehatan Bank serta memberikan rekomendasi praktisnya.
- Dalam setiap triwulan progres kerja, apabila ada temuan yang muncul maka perlu memberikan rekomendasi dan tindak lanjut dari rekomendasi tersebut serta memberikan laporan kepada Dewan Komisaris.

- *Conduct meeting at least once a month with RMU and other related departments regarding risk control, risk appetite, and risk tolerance. Provide guidance on potential business risks and risk management issues.*
- *Pay attention to The Bank's soundness rating and provide practical recommendations.*
- *In each quarter of work progress, if there are any findings, it is necessary to provide recommendations and follow-up on the recommendations and report to the Board of Commissioners.*

Pembagian Tugas dan Tanggung Jawab dalam Keanggotaan Komite Pemantau Risiko

Berikut komposisi Komite Pemantau Risiko:

- Hendra Widjojo, sebagai ketua yang juga mewakili peranan Komisaris Independen dalam komite.
- Ignace Widiatmoko, berperan sebagai pihak independen yang memiliki keahlian dalam bidang manajemen risiko.
- Aki H. Parwoto, berperan sebagai pihak independen yang memiliki keahlian dalam bidang keuangan.

Separation of Duties and Responsibilities Between Members of the Risk Monitoring Committee

The composition of the Risk Monitoring Committee is as follows:

- *Hendra Widjojo, as a chairman who also represents the role of Independent Commissioner in the committee.*
- *Ignace Widiatmoko, as an independent party with an expertise in risk management.*
- *Aki H. Parwoto, as an independent party with an expertise in finance.*

Pelatihan dan Pengembangan Kompetensi

Bank memiliki kebijakan terkait pengembangan dan peningkatan kompetensi Komite Pemantau Risiko, yang dilakukan melalui berbagai pelatihan dan pendidikan dengan pendanaan sepenuhnya menjadi tanggung jawab Bank. Informasi terkait pelatihan dan pengembangan kompetensi Komite Pemantau Risiko dapat dilihat pada Bab "Profil Perusahaan" dalam Laporan Tahunan ini.

Training and Development of Competency

The Bank has its own policy related to the development and improvement of the competency of Risk Monitoring Committee. This is done through various trainings and education programs with full funding being the responsibility of The Bank. The list of training and development of competency of the Risk Monitoring Committee can be seen in the "Company Profile" section in this Annual Report.

Rapat Komite Pemantau Risiko

Komite Pemantau Risiko mengadakan rapat sesuai dengan ketentuan OJK yang mensyaratkan penyelenggaraan rapat paling kurang 4 (empat) kali dalam setahun.

Selama tahun 2019, Komite Pemantau Risiko menyelenggarakan rapat sebanyak 10 (sepuluh) kali. Berikut disampaikan agenda dan risalah rapat, kehadiran, serta rekapitulasi tingkat kehadiran anggota Komite Pemantau Risiko dalam rapat-rapat tersebut.

Risk Monitoring Committee's Meetings

The Risk Monitoring Committee's meetings are held in accordance with OJK regulation, which requires the meeting to be held at least 4 (four) times in a year.

Throughout 2019, the Risk Monitoring Committee held 10 (ten) meetings. The following are the details of the agenda and minutes of meeting, attendance, and recapitulation of the attendance of Risk Monitoring Committee members in those meetings.

Tanggal *Date*	Pembahasan *Topic*
29 Januari 2019 *January 29, 2019*	1. *RBBR Assessment Semester II - 2018*
21 Februari 2019 *February 21, 2019*	1. *NPL Progress (Corporate and SME Department)* 2. *On-shoring Progress (DC-DRC Updates)* 3. *NPL Progress (Consumer Banking Department)*
26 Maret 2019 *March 26, 2019*	1. *NPL Progress (Corporate and SME Department)* 2. *Vintage NPL* 3. *NPL Progress (Consumer Banking Department)*
25 April 2019 *April 25, 2019*	1. *Q1 2019 Risk Profile Report* 2. *Q1 2019 Compliance Report* 3. *Q1 2019 AML-CFT Report*
13 Juni 2019 *June 13, 2019*	1. *DC-DRC On-shoring Progress* 2. *Post-disbursement Monitoring*
23 Juli 2019 *July 23, 2019*	1. *Risk Profile for 2nd Quarter 2019* 2. *NPL Updates (Corporate)* 3. *NPL Updates (Retail)* 4. *Updates on On-shoring Project* 5. *AML Project for 2nd Quarter 2019*
27 Agustus 2019 *August 27, 2019*	1. *Work Program Presentation and Discuss on Pending Matters* 2. *RBB Realization Report for 2nd Quarter* 3. *Action Plan for RBB 2019* 4. *Policy on Giving Credit Facilities for Apartment vs Current Practice (Split Certification)*

Tanggal *Date*	Pembahasan *Topic*
25 September 2019 *September 25, 2019*	1. *NPL Updates (SAM Department)* 2. *NPL Updates (Consumer Banking Department)* 3. *On-shoring Project Updates*
31 Oktober 2019 *October 31, 2019*	1. *Procurement Policy* 2. *Financial Target Realization as of September 2019 and Financial Projection as of December 2019* 3. *Risk Profile Q3 2019* 4. *Watchlist with Downgrade or Upgrade Potential* 5. *Latest Updates of Krakatau Steel*
9 Desember 2019 *December 9, 2019*	1. *Emerging Risk* 2. *Product Development and New Activities in 2020 after On-shoring (Contactless Credit Card)* 3. *Product Development and New Activities in 2020 after On-shoring (Global Cash Management)* 4. *Product Development and New Activities in 2020 after On-shoring (NCD)*

Komite Pemantau Risiko *Risk Monitoring Committee*	29-Jan-19	21-Feb-19	26-Mar-19	25-Apr-19	13-Jun-19	23-Jul-19	27-Aug-19	25-Sep-19	31-Oct-19	9-Dec-19	Jumlah Rapat *Total Meeting(s)*	Jumlah Kehadiran *Total Attendance(s)*	Persentase Kehadiran *Percentage of Attendance*
Hendra Widjojo	1	1		1	1	1	1	1	1	1	10	9	90%
Ignace Widiatmoko	1	1	1	1	1	1	1	1	1	1	10	10	100%
Aki H. Parwoto	1	1	1	1	1	1	1	1	1	1	10	10	100%

Cuti | *On leave*

Laporan Singkat Pelaksanaan Kegiatan Komite Pemantau Risiko Tahun 2019

Sepanjang tahun 2019, Komite Pemantau Risiko telah bekerja guna membantu Dewan Komisaris yang mencakup hasil evaluasi mengenai tugas dan tanggung jawab beserta dengan rekomendasinya.

Adapun kegiatan yang telah dilaksanakan komite ini sampai Desember 2019 adalah sebagai berikut:

- Melakukan pemantauan dan evaluasi pelaksanaan tugas Komite Pemantau Risiko dan Satuan Kerja Manajemen Risiko (SKMR).
- Melakukan evaluasi terhadap rencana kerja SKMR.
- Melakukan evaluasi Kualitas Penerapan Manajemen Risiko (KPMR) pada *Risk-Based Bank Rating* (RBBR).
- Melakukan evaluasi terhadap laporan profil risiko Bank per 3 (tiga) bulan, serta kecukupan kebijakan dan prosedur Bank.
- Melakukan evaluasi terhadap laporan pelaksanaan kepatuhan dan AML.
- Melakukan pemantauan dan evaluasi pelaksanaan tugas departemen terkait dalam mengatasi masalah kredit macet.
- Melakukan pemantauan terhadap kredit yang berada dalam kategori *watch list* dan *potential risk*, serta memberikan masukan untuk memastikan kredit tersebut tidak menjadi kredit macet.
- Memantau progres proyek *on-shoring* untuk memastikan proyek *on-shoring* dapat terealisasi sesuai dengan target yang telah ditetapkan.
- Mengevaluasi Rencana Bisnis Bank beserta realisasinya.
- Memberikan masukan kepada Dewan Komisaris dan memantau departemen terkait mengenai hasil pelaksanaan tugas departemen yang belum memenuhi kriteria.

Brief Summary of the Activities of the Risk Monitoring Committee in 2019

Throughout 2019, the Risk Monitoring Committee has assisted the Board of Commissioners, through the results of evaluation on its duties and responsibilities, as well as its recommendations.

The following are the activities carried out by the committee until December 2019:

- *Monitor and evaluate the implementation of duties of the Risk Monitoring Committee and Risk Management Unit (RMU).*
- *Evaluate the work plan of RMU.*
- *Evaluate the quality of risk management implementation in Risk-Based Bank Rating (RBBR).*
- *Evaluate The Bank's risk profile report in a quarterly base, as well as the adequacy of The Bank policies and procedures.*
- *Evaluate the compliance and AML implementation report.*
- *Monitor and evaluate the implementation of duties of the relevant departments in overcoming the bad loans issue.*
- *Monitor loans that are in the watch list and potential risk categories, as well as providing input to ensure these loans do not turn into bad loans.*
- *Monitor the progress of on-shoring project to ensure the project can be realized in accordance with the targets set.*
- *Evaluate The Bank's Business Plan and its realization.*
- *Provide input to the Board of Commissioners and monitor the relevant departments regarding the results of their tasks implementation that have not met the criteria.*

ORGAN **PENDUKUNG DIREKSI**
Supporting Organs of the Board of Directors

Komite-Komite Eksekutif
Dalam menjalankan tugas pengelolaan Bank, Direksi memiliki komite-komite eksekutif yang masing-masing beranggotakan Direktur dan para Pejabat Eksekutif Bank. Seluruh komite bertanggung jawab dan melapor kepada Direksi.

***Assets and Liabilities Committee* (ALCO)**
Assets and Liabilities Committee (ALCO) bertugas untuk membantu Direksi dalam upaya memperkuat dan meningkatkan manajemen aset dan liabilitas, menyesuaikan jangka waktu atas aset dan liabilitas, mengatur likuiditas dan risiko valuta asing, serta mengatur *interest sensitive gap* dan Posisi Devisa Neto (PDN) agar tercapai profit yang berkesinambungan. Selama tahun 2019, ALCO mengadakan rapat sebanyak 12 (dua belas) kali.

***Risk Management Committeee* (RMC)**
Tugas utama *Risk Management Committee* (RMC) adalah membantu Direksi dalam merumuskan kebijakan dan mengawasi pelaksanaan kebijakan yang berkaitan dengan manajemen risiko, memantau perkembangan dan kondisi profil risiko, serta memberikan saran dan perbaikan terkait dengan manajemen risiko. Selain itu, komite ini berwenang dan bertanggung jawab untuk menyusun kebijakan, strategi, dan pedoman pelaksanaan manajemen risiko termasuk penetapan limit, *risk appetite, risk tolerance*, dan *contingency plan*. Selama tahun 2019, RMC mengadakan rapat sebanyak 12 (dua belas) kali.

***Financial Review Committee* (FRC)**
Tugas *Financial Review Committee* (FRC) adalah mengawasi, memeriksa, dan mengevaluasi kebutuhan pengeluaran dana dalam jumlah besar yang persetujuannya berada di luar wewenang Direksi. Biaya-biaya yang menggunakan dana dalam jumlah besar harus diperiksa sesuai dengan standar dan prosedur FRC yang berlaku melalui mekanisme rapat FRC. Selama tahun 2019, FRC mengadakan 31 (tiga puluh satu) kali rapat untuk pemeriksaan 59 (lima puluh sembilan) aplikasi.

***Credit Review Committee* (CRC)**
Credit Review Committee (CRC) bertugas untuk memberikan rekomendasi atas usulan pinjaman yang memerlukan persetujuan Direksi. Selama 2019, CRC mengadakan rapat sebanyak 49 (empat puluh sembilan) kali untuk Kredit Korporasi & SME dan 50 (lima puluh) kali untuk Kredit Konsumen.

***Product and Policy Committee* (PPC)**
Product and Policy Committee (PPC) adalah komite yang bertugas membantu manajemen melaksanakan penerapan prinsip-prinsip *Good Corporate Governance* yang berkaitan dengan penerbitan kebijakan dan prosedur antara lain melalui:
- Memutuskan kebijakan dan prosedur yang akan diterbitkan maupun yang di amandemen.
- Memantau kebijakan dan prosedur Bank agar sesuai dengan peraturan internal dan eksternal, serta sesuai dengan kebutuhan Bank.
- Mengendalikan dan mengevaluasi kebijakan dan prosedur yang berlaku agar tidak terjadi konflik antara kebijakan dan prosedur.

Komite Kepatuhan dan Anti Pencucian Uang
Untuk mengimplementasikan prinsip GCG, serta menerapkan budaya kepatuhan dan anti pencucian uang yang kuat. Pembentukan komite ini adalah untuk mengawasi risiko-risiko

Executive Committees
In carrying out The Bank's management duties, the Board of Directors has executive committees, each of which consists of Directors and Executive Officers of The Bank. All committees are responsible and report to the Board of Directors.

Assets and Liabilities Committee (ALCO)
The Assets and Liabilities Committee (ALCO) is responsible for assisting the Board of Directors in strengthening and improving the management of assets and liabilities, adjusting the time period for assets and liabilities, managing foreign exchange liquidity and risk, and regulating interest sensitive gap and Net Open Position (NOP) in order to achieve sustainable profit. Throughout 2019, ALCO held 12 (twelve) meetings.

Risk Management Committee (RMC)
The main duties of the Risk Management Committee (RMC) are to assist the Board of Directors in formulating policy and observing the implementation of the policy related to risk management, to monitor the progress and condition of risk profile, and to provide suggestions and improvement associated with risk management. In addition, the committee is authorized and responsible to develop policies, strategies, and guidelines of risk management implementation, including limit setting, risk appetite, risk tolerance, and contingency plan. Throughout 2019, RMC conducted 12 (twelve) meetings.

Financial Review Committee (FRC)
The duties of Financial Review Committee (FRC) are to oversee, examine, and evaluate the need for large exposures which approval is beyond the authority of the Board of Directors. Applications that require large exposures must be verified in accordance with the prevailing FRC standards and procedures, and through the FRC meeting mechanism. Throughout 2019, FRC conducted 31 (thirty-one) meetings to review 59 (fifty-nine) applications.

Credit Review Committee (CRC)
Credit Review Committee (CRC) is assigned to provide recommendations on loan proposals that require the approval of the Board of Directors. Throughout 2019, CRC conducted 49 (forty-nine) meetings for Corporate & SME Loans and 50 (fifty) meetings for Consumer Loans.

Product and Policy Committee (PPC)
Product and Policy Committee (PPC) is a committee responsible for assisting the management in implementing the principles of Good Corporate Governance related to the issuance of policies and procedures, among others through:
- *Decision on the policies and procedures for publication as well as their amendments.*
- *Monitor the policies and procedures of The Bank in order to comply with internal and external regulations, and in accordance with the needs of The Bank.*
- *Control and evaluate the prevailing policies and procedures to prevent the conflicts between the policies and procedures.*

Compliance and AML Committee
To implement the GCG principles, compliance culture, and robust anti money laundering. The objective of this committee is to observe the risk of compliance and AML in The Bank, to ensure

kepatuhan dan anti pencucian uang Bank, untuk memastikan bahwa manajemen Bank memahami risiko-risiko kepatuhan dan anti pencucian uang yang mungkin dihadapi, dan memiliki kebijakan dan prosedur yang tepat serta tindakan untuk mengelola risiko tersebut.

Komite meninjau tindakan yang diambil untuk memastikan sistem kepatuhan dan anti pencucian yang kuat dan konsisten diterapkan, menciptakan budaya kepatuhan yang tinggi, dan membantu Direksi untuk mengurangi potensi permasalahan di area kepatuhan dan anti pencucian uang.

Tujuan Komite Kepatuhan dan Anti Pencucian Uang adalah untuk membantu Direksi dalam memenuhi tanggung jawab pengawasannya terkait dengan:

a. Kepatuhan dan anti pencucian uang Bank sesuai peraturan yang berlaku;
b. Memberikan saran untuk pengembangan dan pelaksanaan kontrol untuk mengelola dan memantau kualitas kegiatan kepatuhan dan anti pencucian uang Bank;
c. Mengawasi risiko kepatuhan dan anti pencucian uang di Bank;
d. Mendorong budaya kepatuhan yang tinggi dan prinsip anti pencucian uang; dan
e. Memberikan saran kepada Direksi mengenai kesesuaian dan efisiensi sistem pengendalian internal Bank terkait dengan kepatuhan dan anti pencucian uang.

Selama 2019, Komite Kepatuhan dan Anti Pencucian Uang mengadakan rapat sebanyak 6 (enam) kali.

Komite Pengarah Teknologi Informasi

Komite Pengarah Teknologi Informasi bertanggung jawab memberikan rekomendasi kepada Direksi paling sedikit terkait dengan:

a. Rencana strategis Teknologi Informasi (TI) yang sejalan dengan rencana strategis kegiatan usaha Bank;
b. Perumusan kebijakan, standar dan prosedur TI yang utama;
c. Kesesuaian antara proyek TI yang disetujui dengan rencana strategis TI;
d. Kesesuaian antara pelaksanaan proyek TI dengan rencana proyek yang disepakati;
e. Kesesuaian antara TI dengan kebutuhan sistem informasi manajemen serta kebutuhan kegiatan usaha Bank;
f. Efektivitas langkah-langkah dalam meminimalkan risiko atas investasi Bank pada sektor TI agar investasi Bank pada sektor TI memberikan kontribusi terhadap pencapaian tujuan bisnis Bank;
g. Pemantauan atas kinerja TI dan upaya peningkatan kinerja TI;
h. Upaya penyelesaian berbagai masalah terkait TI yang tidak dapat diselesaikan oleh satuan kerja pengguna dan penyelenggara TI secara efektif, efisien, dan tepat waktu; dan
i. Kecukupan dan alokasi sumber daya yang dimiliki Bank.

Disciplinary Committee

Untuk menjamin kepercayaan masyarakat terhadap integritas Bank, maka Bank membentuk *Disciplinary Committee*. Komite ini memiliki satuan kerja khusus dan tim kerja disiplin, yang bertugas untuk melakukan investigasi dan mengajukan sanksi kepada pelanggar peraturan dan Kode Etik Bank. Selama 2019, *Disciplinary Committee* mengadakan rapat sebanyak 17 (tujuh belas) kali.

that The Bank's management understands the risk of compliance and AML to which The Bank may be exposed, and to have in place appropriate policies and procedures as well as actions to manage such risks.

The committee reviews the actions taken to ensure a robust and consistent compliance and AML system is in place, promote a high compliance culture, and assist the Board of Directors to mitigate the risk of compliance and AML.

The purpose of the Compliance and AML Committee is to assist the Board of Directors in fulfilling their oversight responsibilities related to:

a. The Bank's compliance and AML with regulatory requirements;
b. Providing advice for the development and implementation of controls to manage and monitor The Bank's compliance and AML activities;
c. Overseeing the risk of compliance and AML in The Bank;
d. Promoting a high compliance culture and AML principle; and
e. Providing advice to the Board of Directors on the suitability and efficiency of The Bank's internal control system related to compliance and AML.

Throughout 2019, the Compliance and AML Committee held 6 (six) meetings.

Information Technology Steering Committee

Information Technology Steering Committee is responsible for providing recommendations to the Board of Directors at the very least related to:

a. Information Technology (IT) strategic plan that is consistent with the strategic plan of The Bank's business activities;
b. Formulation of policies, standards, and procedures for the main IT;
c. Alignment between the approved IT projects with IT strategic plan;
d. Alignment between the implementation of IT projects with the agreed project plans;
e. Alignment between IT with the needs of management information system and the needs of The Bank's business activities;
f. Effectiveness of the measures taken in order to minimize the risk of The Bank investment in IT sector so that it can contribute to the business objectives of The Bank;
g. Monitor the performance of IT and efforts to improve IT performance;
h. Efforts to resolve various IT problems, which cannot be resolved by the working unit of IT's users and providers in an effective, efficient and timely manner; and
i. Adequacy and allocation of resources owned by The Bank.

Disciplinary Committee

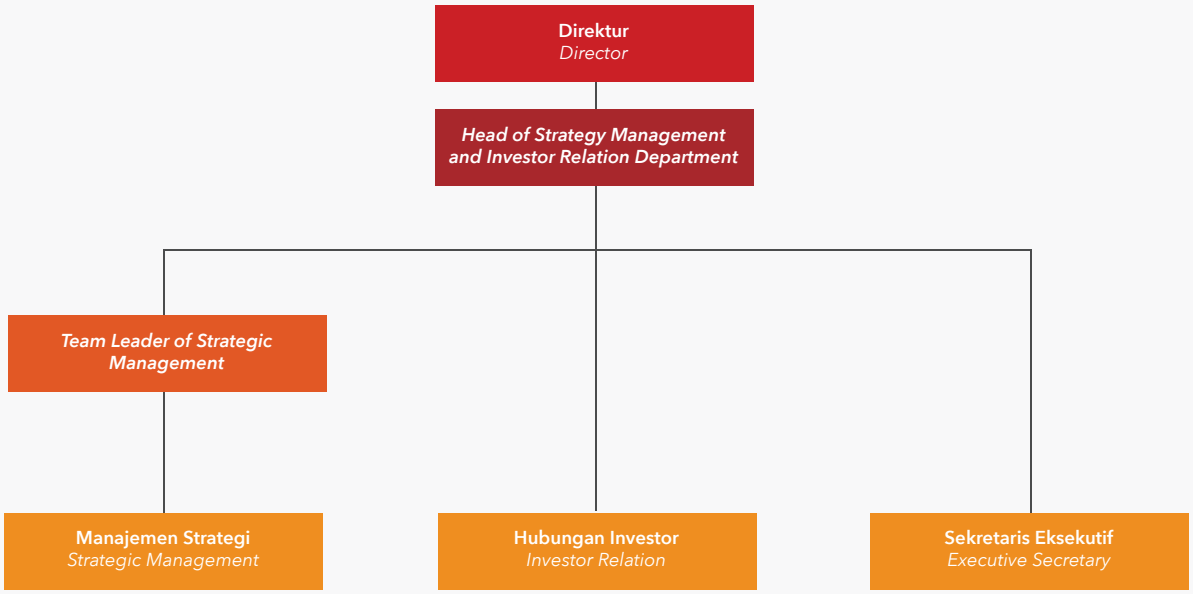
The Bank formed a Disciplinary Committee to ensure public trust in the integrity of The Bank. The committee has a special working unit and a disciplinary working team, which conduct investigations and submit sanctions to violators of The Bank's rules and Code of Conduct. Throughout 2019, the Disciplinary Committee conducted 17 (seventeen) meetings.

SEKRETARIS **PERUSAHAAN**
Corporate Secretary

Sekretaris Perusahaan merupakan salah satu organ pendukung yang berperan penting dalam memfasilitasi komunikasi antar organ Bank, hubungan antara Bank dengan pemegang saham, regulator, dan pemangku kepentingan lainnya. Fungsi Sekretaris Perusahaan Bank diemban oleh Departemen *Strategy Management and Investor Relation.*

Corporate Secretary is one of the supporting organs taking an important role in facilitating The Bank's inter-organ communications, the relationship between The Bank and its shareholders, regulators, and other stakeholders. The Bank's Corporate Secretary function is carried out by the Strategy Management and Investor Relation Department.

Struktur Organisasi Sekretaris Perusahaan | *Corporate Secretary Organizational Structure*



Pejabat Pelaksana Fungsi Sekretaris Perusahaan
Berdasarkan Surat Keputusan Direksi No. 020A/KPTS.DIR/ICBC.IND/2017 tanggal 30 November 2017, Bank telah menunjuk Kepala Departemen *Strategy Management and Investor Relation* sebagai Pejabat Pelaksana Fungsi Sekretaris Perusahaan.

Executive in Charge of Corporate Secretary Function
Based on the Board of Directors Decree No. 020A/KPTS.DIR/ICBC.IND/2017 dated November 30, 2017, The Bank has appointed the Head of Strategy Management and Investor Relation Department as Executive in Charge of Corporate Secretary Function.

Renault Yufarsim
Kepala Departemen *Strategy Management and Investor Relation* & Pejabat Pelaksana Fungsi Sekretaris Perusahaan
Head of Strategy Management and Investor Relation & Executive in Charge of Corporate Secretary Function

Profil Renault Yufarsim sebagai Pejabat Pelaksana Fungsi Sekretaris Perusahaan dapat dilihat pada Bab "Profil Perusahaan" di Laporan Tahunan ini.

Profile of Renault Yufarsim as Executive in Charge of Corporate Secretary Function can be seen in the "Company Profile" section in this Annual Report.

Kualifikasi
Dalam melaksanakan tugasnya, sesuai dengan Peraturan Otoritas Jasa Keuangan No. 35/POJK.04/2014, maka Sekretaris Perusahaan wajib memiliki pengetahuan mengenai peraturan yang berkaitan dengan Bank, hubungan masyarakat, keterampilan administratif, dan pengalaman yang mendukung pelaksanaan tugasnya.

Fungsi Sekretaris Perusahaan
Sekretaris Perusahaan memiliki fungsi sebagai berikut:
- Bertindak sebagai penghubung antara Direksi dengan Dewan Komisaris, pemegang saham, masyarakat, dan media massa termasuk mewakili Bank dalam berkomunikasi dengan masyarakat, regulator, lembaga atau asosiasi lain yang berkaitan dengan Bank.
- Bertindak sebagai administrator yang mengelola dokumen Bank.
- Mempersiapkan Rapat Umum Pemegang Saham (RUPS).
- Mengkoordinasikan dan menghadiri rapat Direksi dan rapat komunikasi antara Dewan Komisaris dan Direksi.
- Mempersiapkan undangan, jadwal, agenda, materi dan menyusun risalah rapat.
- Mengelola dan menyiapkan dokumen yang terkait dengan kegiatan Bank meliputi dokumen RUPS, risalah rapat Direksi, risalah rapat gabungan antara Dewan Komisaris dan Direksi, daftar pemegang saham, daftar khusus perusahaan dan dokumen-dokumen penting Bank lainnya.
- Mencatat daftar khusus berkaitan dengan Dewan Komisaris dan keluarganya serta Direksi dan keluarganya baik dalam Bank maupun afiliasinya yang mencakup kepemilikan saham, hubungan bisnis, dan peranan lain yang menimbulkan benturan kepentingan dengan kepentingan Bank.
- Menentukan kriteria mengenai jenis dan materi informasi yang dapat disampaikan kepada pemangku kepentingan, termasuk informasi yang dapat disampaikan sebagai dokumen publik.
- Memberikan informasi relevan yang dibutuhkan oleh pemangku kepentingan.
- Merencanakan dan melaksanakan kegiatan Bank yang melibatkan pihak eksternal yang bertujuan untuk membentuk citra Bank.
- Memelihara dan memperbarui informasi tentang Bank yang disampaikan kepada pemangku kepentingan baik melalui situs dan media informasi lainnya.

Tugas dan Tanggung Jawab Fungsi Sekretaris Perusahaan
Tugas dan tanggung jawab Sekretaris Perusahaan adalah sebagai berikut:
- Mengkoordinasikan kegiatan internal.
- Mengkoordinasikan rapat bulanan Dewan Komisaris dan Direksi.
- Mengkoordinasikan RUPS Tahunan dan RUPS Luar Biasa (LB).
- Mengkoordinasikan rapat kerja/rapat koordinasi Bank.
- Merencanakan dan melaksanakan kegiatan *Corporate Social Responsibility* (CSR) Bank.
- Mengkoordinasikan penanganan *legal* Bank baik internal maupun eksternal.
- Melaksanakan aktivitas *investor relation*.
- Memfasilitasi pengiriman dokumen/informasi penting dari pemegang saham.
- Menyiapkan Laporan Tahunan Bank.
- Menyusun Rencana Bisnis Bank dan Rencana Aksi Keuangan Berkelanjutan (RAKB), serta memastikan realisasi dari rencana bisnis tersebut agar sejalan dengan yang telah disampaikan kepada regulator.

Pengangkatan dan Pemberhentian Sekretaris Perusahaan
Sekretaris Perusahaan diangkat dan diberhentikan oleh Direksi.

Qualification
In carrying out their duties, pursuant to the Financial Services Authority Regulation No. 35/POJK.04/2014, the Corporate Secretary should have the knowledge on regulations related to The Bank, public relations, administrative skills, and experiences that support the implementation of their duties.

Corporate Secretary Function
Corporate Secretary has the following functions:
- *As a liaison between the Board of Directors and Board of Commissioners, shareholders, public, and mass media, including representing The Bank in communicating with the public, regulators, other institutions or associations related to The Bank.*
- *As an administrator who manages The Bank's documents.*
- *Prepare the General Meeting of Shareholders (GMS).*
- *Coordinate and attend the Board of Directors meetings and communication meetings between the Board of Commissioners and the Board of Directors.*
- *Prepare invitations, schedules, agendas, materials, and drafting minutes of meetings (MoM).*
- *Manage and prepare documents related to The Bank's activities including the GMS documents, MoM of the Board of Directors, minutes of joint meetings between the Board of Commissioners and Board of Directors, shareholders register, special register, and other important documents of The Bank.*
- *Record a special register with regard to the Board of Commissioners and their families as well as the Board of Directors and their families within The Bank, and their affiliates that include share ownership, business relation and other roles, which may create a conflict of interest with The Bank's interests.*
- *Decide on criteria for the types and materials of information that can be submitted to stakeholders, including information that may be disseminated as public documents.*
- *Provide relevant information required by the stakeholders.*
- *Plan and implement The Bank's activities that involve external parties with the aim to establish The Bank's image.*
- *Maintain and update information on The Bank to be submitted to stakeholders, both through the website and other information media.*

Duties and Responsibilities of Corporrate Secretary Function
The duties and responsibilities of the Corporate Secretary are as follows:
- *Coordinate internal activities.*
- *Coordinate monthly meetings of the Board of Commissioners and Board of Directors.*
- *Coordinate the Annual GMS and Extraordinary GMS.*
- *Coordinate The Bank's work/coordination meetings.*
- *Plan and carry out The Bank's Corporate Social Responsibility (CSR) activities.*
- *Coordinate The Bank's internal and external legal handlings.*
- *Conduct investor relation activities.*
- *Facilitate the delivery of important documents/information from shareholders.*
- *Prepare The Bank's Annual Report.*
- *Prepare The Bank's Business Plan and Sustainable Financial Action Plan (RAKB), and ensure the realization of the business plan is in line with what has been submitted to regulators.*

Appointment and Dismissal of Corporate Secretary
The Corporate Secretary is appointed and dismissed by the Board of Directors.

Laporan Singkat Pelaksanaan Tugas Tahun 2019

Selama tahun 2019, Sekretaris Perusahaan telah melaksanakan tugas dan tanggung jawabnya, antara lain:

- Memfasilitasi pengiriman dan penerimaan sebanyak 1.083 (seribu delapan puluh tiga) dokumen/informasi penting yang berkenaan dengan pemegang saham.
- Menerjemahkan lebih kurang 1.500 (seribu lima ratus) halaman dokumen dari bahasa asing ke Bahasa Indonesia atau sebaliknya dengan tujuan menjembatani komunikasi antara para pemangku kepentingan.
- Melaksanakan tugas-tugas dalam 51 (lima puluh satu) rapat yang berkaitan dengan Dewan Komisaris, Direksi, dan komite, dengan antara lain melakukan penjadwalan, pengaturan agenda, koordinasi, persiapan, kehadiran, rekaman, risalah rapat, dan distribusi material.
- Memimpin inisiatif tanggung jawab sosial Bank dengan meluncurkan 18 (delapan belas) kegiatan CSR.
- Menjadi mitra yang aktif dengan Dewan Komisaris, Direksi, dan anggota komite dalam pemenuhan kewajiban tata kelola perusahaan (misalnya: kewajiban menghadiri jumlah tertentu dari rapat).
- Melaksanakan persiapan yang matang dalam menyambut kunjungan para delegasi ICBC Limited ke ICBC Indonesia.
- Menyampaikan laporan-laporan yang bersifat wajib secara tepat waktu kepada regulator.

Brief Report of Duties Implementation in 2019

Throughout 2019, the Corporate Secretary has carried out their duties and responsibilities, among others:

- *Facilitating the delivery and collection of 1,083 (one thousand and eighty-three) important documents/information related to shareholders.*
- *Translating approximately 1,500 (one thousand and five hundred) pages of documents from foreign language into Indonesian or vice versa, with the aim of bridging communications among stakeholders.*
- *Implementing duties in 51 (fifty-one) meetings related to the Board of Commissioners, Board of Directors, and committees, including scheduling, agenda arrangement, coordination, preparation, attendance list, recording, minutes of meeting, and distribution of materials.*
- *Leading The Bank's social responsibility initiatives by launching 18 (eighteen) CSR activities.*
- *Becoming an active partner with the Board of Commissioners, Board of Directors, and members of committees in fulfilling the corporate governance requirements (for instance: the requirement to attend certain number of meetings).*
- *Well preparation in welcoming ICBC Limited delegation visit to ICBC Indonesia.*
- *Submitting mandatory reports in a timely manner to the regulators.*

Program Kerja Sekretaris Perusahaan Tahun 2020

Sekretaris Perusahaan telah menyusun program kerja yang akan dilaksanakan di tahun 2020, antara lain:

- Menerbitkan ketentuan-ketentuan baru maupun memperbarui peraturan-peraturan yang telah ada guna meningkatkan tata kelola perusahaan ke tingkat yang lebih baik lagi.
- Meluncurkan kegiatan tanggung jawab sosial sesuai rencana.
- Meningkatkan efektivitas pelaksanaan tugas dan tanggung jawab melalui perbaikan prosedur.
- Memastikan kelancaran komunikasi dengan para pemangku kepentingan.
- Melanjutkan pekerjaan yang telah dikerjakan pada 2019.

Corporate Secretary Work Program In 2020

The Corporate Secretary has prepared work programs to be implemented in 2020, among others:

- *Issuing new provisions and updating existing regulations to reach a higher level of corporate governance.*
- *Launching CSR activities according to the plan.*
- *Increasing the effectiveness of duties and responsibilities implementation through improvement in the procedures.*
- *Ensuring smooth communication with stakeholders.*
- *Continuing the tasks executed in 2019.*

Pelatihan dan Pengembangan Kompetensi

Bank memiliki kebijakan terkait pengembangan dan peningkatan kompetensi Sekretaris Perusahaan, yang dilakukan melalui berbagai pelatihan dan pendidikan dengan pendanaan sepenuhnya menjadi tanggung jawab Bank. Berikut adalah daftar pelatihan yang diikuti oleh Sekretaris Perusahaan:

Training and Competency Development

The Bank has its own policy related to the development and improvement of Corporate Secretary competency. This is done through various trainings and education programs with full funding being the responsibility of The Bank. The trainings participated by the Corporate Secretary are as follows:

Materi Pendidikan dan Pelatihan *Education and Training Material*	Tempat *Location*	Tanggal *Date*	Penyelenggara *Organizer*
Strategic Workshop	Jakarta	1 Februari 2019	ICBC Indonesia
Preparation of Risk Management Certification - Level 1, 2 & 3	Jakarta	Maret - November 2019	GPS, BARa
Sosialisasi SPT Tahunan Orang Pribadi	Jakarta	20 Maret 2019	KPP Jakarta
Understanding Fraud and Financial Crime in Banking	Jakarta	10 April 2019	Perbanas
Sustainable Finance	Jakarta	April, Juni, Oktober & November 2019	Lembaga Pengembangan Perbankan Indonesia (LPPI)
Mengelola Risiko Kredit agar Portofolio Kredit Menjadi Sehat	Jakarta	9 Mei 2019	Lembaga Sertifikasi Profesi Perbankan
Implementation of PSAK 72/73 / IFRS 15	Jakarta	28 Mei 2019	Ernst & Young Indonesia

Materi Pendidikan dan Pelatihan *Education and Training Material*	Tempat *Location*	Tanggal *Date*	Penyelenggara *Organizer*
Security Management Training & Drilling	Jakarta	27 Juli 2019	ICBC Indonesia
Pre-Team Improvement 2019: Integrated Corporate Communication	Jakarta	3 Agustus 2019	GNV Consulting
New Employee Orientation Program	Jakarta	15 Agustus 2019	ICBC Indonesia
Managing Operational Risk & Compliance In Digital Era	Jakarta	24 Agustus 2019	DMN Consulting
Encountering Digital Era of Banking Operation	Bali	28-30 Agustus 2019	Bank Indonesia
Team Improvement 2019: Strategy Management & Investor Relation Department	Bali	30 Agustus – 1 September 2019	ICBC Indonesia
Sensitive Business & Bills	Hangzhou, China	17-22 September 2019	ICBC Limited
Studi Tiru Pengelolaan Arsip	Jakarta	18 September 2019	Bank Indonesia
Sharing Session: Credit Policy Socialization Phase 2 - Batch 2	Jakarta	3 Oktober 2019	ICBC Indonesia
Cross Culture Program: The Silk Road Rising	Jakarta	1 November 2019	ICBC Indonesia
Cross Culture Program: Spectacular 2019	Jakarta	2 November 2019	ICBC Indonesia
Developing Policies and Procedure for Banks	Jakarta	4 November 2019	Allman Indonesia
Basic Banking Knowledge	Jakarta	16, 23 & 30 November 2019	Lembaga Pengembangan Perbankan Indonesia (LPPI)
Compliance, AML, Risk, Audit and Legal (CARAL) Refreshment	Jakarta	25 November 2019	ICBC Indonesia
Basic Legal Knowledge	Jakarta	12, 13 & 16 Desember 2019	ICBC Indonesia

AUDIT **INTERNAL**
Internal Audit

Visi
Menjadi penyedia jasa pemberi jaminan yang berkomitmen dan dapat dipercaya di industri perbankan dan berperan sebagai *strategic partner* di organisasi, dengan auditor internal yang berkualitas dan berpengalaman.

Misi
Untuk memberikan keyakinan yang memadai dan jasa konsultasi, melalui aktivitas audit yang independen dan objektif yang dirancang untuk memberikan nilai tambah dan meningkatkan proses tata kelola, manajemen risiko, dan sistem pengendalian internal Bank, dengan memastikan kepatuhan Bank terhadap regulasi serta kebijakan & prosedur yang berlaku.

Fungsi Departemen Audit Internal
Bank memiliki fungsi audit internal yang dilaksanakan oleh Departemen Audit Internal (SKAI) dan dipimpin oleh seorang Kepala Departemen.

SKAI Bank bersifat independen dan bertanggung jawab langsung kepada Presiden Direktur, serta memiliki jalur komunikasi langsung kepada Dewan Komisaris melalui Komite Audit untuk menginformasikan hal-hal signifikan yang berhubungan dengan aktivitas audit internal.

SKAI memeriksa efektivitas sistem pengendalian internal, termasuk kepatuhan terhadap hukum dan peraturan yang berlaku, kecukupan proses tata kelola, manajemen risiko, dan sistem pengendalian internal Bank, serta memberikan rekomendasi untuk perbaikan di area Bank yang membutuhkan.

Rencana kerja SKAI 2019 disetujui oleh Presiden Direktur dan Komite Audit. Rencana tersebut dikaji ulang secara berkala untuk memastikan relevansinya dengan kondisi dan risiko bisnis Bank.

Vision
To become a committed and trusted assurance provider in banking industry and plays the role of a strategic partner in the organization with qualified and experienced internal auditor professionals.

Mission
To provide reasonable assurance and consultancy services, through an independent and objective internal audit activity designed to provide added value and improve The Bank's governance, risk management, and internal control system, by ensuring The Bank's compliance with regulations and prevailing policies and procedures.

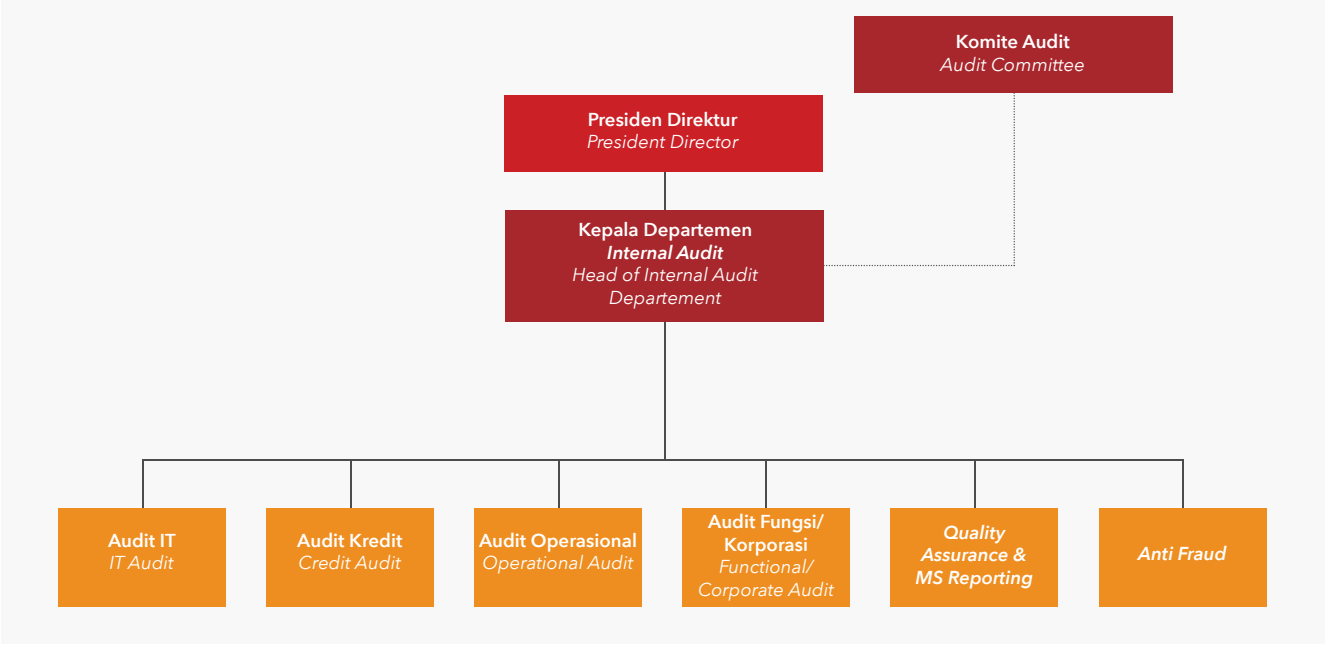
The Functions of Internal Audit Department
The Bank has internal audit function carried out by the Internal Audit Department (IAD) and led by a Head of Department.

The Bank's IAD has independent functions with direct responsibility to the President Director, and has direct communication channels to the Board of Commissioners through the Audit Committee to inform significant matters related with activities of the internal audit.

IAD examines the effectiveness of internal control system, including compliance with prevailing laws and regulations, adequacy of governance processes, risk management, and The Bank's internal control system, as well as provides recommendations for The Bank's areas in need of improvement.

IAD's work programs in 2019 were approved by the President Director and the Audit Committee. The plans were reviewed periodically to ensure their relevance to The Bank's business conditions and risks.

Struktur Organisasi Departemen Audit Internal | *Internal Audit Department Organizational Structure*



Per 31 Desember 2019, jumlah karyawan Departemen Audit Internal sebanyak 17 (tujuh belas) orang dengan perincian karyawan sebagai berikut:

As of December 31, 2019, the Internal Audit Department has 17 (seventeen) personnel with the following details:

Jabatan *Position*	Fungsi *Function*	Jumlah Orang *Total Person(s)*
Kepala Departemen *Department Head*	SKAI & *Anti Fraud* *IAD & Anti Fraud*	1
Ketua Tim *Team Leader*	Audit Teknologi Informasi *Information Technology Audit*	1
	Audit Kredit *Credit Audit*	1
	Audit Operasional *Operational Audit*	1
	Audit Fungsi Korporasi *Corporate Function Audit*	1
	Penjamin Kualitas (QA), Sistem Informasi Manajemen (SIM), dan *Anti Fraud* *Quality Assurance (QA), Management Information System (MIS), and Anti Fraud*	1
Auditor Internal *Internal Auditor*	Audit Teknologi Informasi *Information Technology Audit*	2
	Audit Kredit *Credit Audit*	2
	Audit Operasional *Operational Audit*	4
	Audit Fungsi Korporasi *Corporate Function Audit*	1
	Penjamin Kualitas (QA) dan Sistem Informasi Manajemen (SIM) *Quality Assurance (QA) and Management Information System (MIS)*	1
Anti Fraud	Manajemen *Anti Fraud* *Anti Fraud Management*	1

Pejabat Kepala Departemen Audit Internal

Berdasarkan Surat Keputusan Direksi No. 026/KPTS.DIR/ICBC.IND/2018 tanggal 5 November 2018, Bank telah menunjuk I Gde Wiyadnya sebagai Kepala Departemen Audit Internal.

Head of Internal Audit Department

In accordance to Board of Directors Decree No. No. 026/KPTS.DIR/ICBC.IND/2018 dated November 5, 2018, The Bank has appointed I Gde Wiyadnya as the Head of Internal Audit Department.

I Gde Wiyadnya
Kepala Departemen Audit Internal
Head of Internal Audit Department

Profil I Gde Wiyadnya sebagai Kepala SKAI dipaparkan pada bagian Profil Pejabat Eksekutif dalam Bab " Profil Perusahaan" pada Laporan Tahunan ini.

Profile of I Gde Wiyadnya as the Head of IAD is disclosed in the Executive Officer Profile section in the "Company Profile" of this Annual Report.

Pengangkatan dan Pemberhentian Kepala Departemen Audit Internal

Kepala SKAI diangkat dan diberhentikan serta bertanggung jawab langsung kepada Presiden Direktur atas persetujuan Dewan Komisaris, dan selanjutnya dilaporkan kepada Otoritas Jasa Keuangan (OJK).

Appointment and Dismissal of Internal Audit Department Head

Head of IAD is appointed and dismissed and directly responsible to the President Director upon approval of the Board of Commissioners, and subsequently reported to the Financial Services Authority (OJK).

Piagam Audit Internal

SKAI memiliki Piagam Audit Internal sebagai pedoman kerja yang telah disahkan oleh Presiden Direktur, Presiden Komisaris, dan Komisaris Independen (Ketua Komite Audit) Bank dengan revisi terakhir pada 31 Mei 2019.

Internal Audit Charter

IAD has established an Internal Audit Charter as a working guideline as approved by the President Director, President Commissioner, and Independent Commissioner (Chairman of the Audit Committee) of The Bank with the latest revision on May 31, 2019.

Piagam ini merupakan dokumen resmi yang mendefinisikan tujuan, kewenangan dan tanggung jawab aktivitas audit internal. Kedudukan, kewenangan dan tanggung jawab yang dinyatakan secara formal dalam Piagam Audit Internal telah sesuai dengan Peraturan Otoritas Jasa Keuangan (POJK) No. 1/POJK.03/2019 yang berlaku sejak 29 Januari 2019 perihal Penerapan Fungsi Audit Internal pada Bank Umum dan POJK No. 56/POJK.04/2015 tentang Pembentukan dan Pedoman Penyusunan Piagam Audit Internal serta *best practice* yang mengacu pada *International Professional Practice Framework* (IPPF) oleh *Institute of Internal Auditor* (IIA).

Wewenang, Tugas, dan Tanggung Jawab Departemen Audit Internal

SKAI memiliki wewenang sebagai berikut:

- Memperoleh akses yang tidak terbatas pada seluruh fungsi, kegiatan, catatan, sistem informasi manajemen, personil dan aset serta kewajiban Bank, baik di kantor pusat maupun cabang, agenda dan risalah rapat manajemen dan kertas kerja auditor eksternal, yang diperlukan terkait tugas dan fungsi SKAI.
- Melakukan komunikasi langsung dengan dan mempunyai akses kepada Dewan Komisaris, Direksi, dan Komite Audit, dengan penyelenggaraan rapat secara insidental.
- Mengalokasikan sumber daya, menetapkan jadwal, memilih subyek, menentukan ruang lingkup pemeriksaan dan menerapkan teknik yang dibutuhkan untuk memenuhi tujuan audit.
- Memperoleh bantuan yang dibutuhkan dari unit organisasi yang diaudit, serta layanan khusus lainnya, baik dari dalam maupun luar organisasi.
- Melakukan koordinasi kegiatan dengan pihak terkait lainnya seperti Departemen Kepatuhan, Departemen Manajemen Risiko, auditor eksternal, dan konsultan hukum.
- Mengikuti dan mengamati rapat yang bersifat strategi, seperti *Assets and Liabilities Committee* (ALCO) dan *Risk Management Committee* (RMC) atau forum pengambilan keputusan, tanpa memiliki hak suara
- Mengatur lebih lanjut kebijakan, prosedur dan panduan mengenai audit internal.

SKAI tidak berwenang untuk:

- Melaksanakan tugas operasional Bank.
- Melaksanakan, menginisiasi, atau menyetujui transaksi akuntansi/operasional atau aktivitas non-operasional lainnya di luar audit yang dapat mempengaruhi independensi termasuk apabila aktivitas tersebut mensyaratkan persetujuan SKAI sebelum dijalankan baik sementara maupun permanen.
- Mengarahkan aktivitas dari karyawan Bank yang tidak dipekerjakan oleh SKAI, kecuali karyawan tersebut telah ditugaskan sebagai tim pemeriksa atau diperbantukan di SKAI.

SKAI memiliki tugas antara lain:

- Membantu Presiden Direktur dan Dewan Komisaris dalam melakukan tugas pengawasan dengan cara menjabarkan perencanaan, pelaksanaan maupun pemantauan hasil audit.
- Membuat analisis dan penilaian di bidang keuangan, akuntansi, operasional dan kegiatan lainnya melalui pemeriksaan langsung dan pengawasan secara tidak langsung.
- Mengidentifikasi segala kemungkinan untuk memperbaiki dan meningkatkan efisiensi penggunaan sumber daya dan dana.
- Memberikan saran perbaikan dan informasi yang objektif tentang kegiatan yang diperiksa pada semua tingkatan manajemen.

This Charter is an official document that defines the objectives, authorities and responsibilities of the internal audit activities. The positions, authorities and responsibilities that formally stated in the Internal Audit Charter are in conformity with the Financial Services Authority Regulation (POJK) No. 1/POJK.03/2019, which was effective since January 29, 2019 concerning the Implementation of Internal Audit Function for Commercial Banks and POJK No. 56/POJK.04/2015 concerning the Establishment and Guidelines for the Formulation of the Internal Audit Charter as well as with the best practices that refer to the International Professional Practice Framework (IPPF) by the Institute of Internal Auditors (IIA).

Authorities, Duties, and Responsibilities of Internal Audit Department

IAD has the following authorities:

- *Acquiring unlimited access to all functions, activities, records, management information systems, personnels and assets as well as obligations of The Bank, both at the head office and branches, agenda and minutes of meetings of management and working papers of external auditors, which are required to support the duties and functions of IAD.*
- *Communicating directly to and having access to the Board of Commissioners, Board of Directors, and the Audit Committee, by holding meetings incidentally.*
- *Allocating resources, setting schedules, selecting subjects, determining the scope of audit, and applying techniques needed to meet the audit objectives.*
- *Obtaining the required assistance from the audited organizational units, as well as other special services, both within and outside the organization.*
- *Coordinating activities with other related parties such as the Compliance Department, Risk Management Department, external auditors, and legal consultants.*
- *Attending and observing strategic meetings, such as the Assets and Liabilities Committee (ALCO) and Risk Management Committee (RMC) or decision-making forum, without voting rights.*
- *Managing further the policies, procedures, and guidelines regarding internal audit.*

IAD is not authorized to:

- *Carry out operational tasks of The Bank.*
- *Implement, initiate, or approve accounting/operational transactions or other non-operational activities outside the audit that may impair the independency, including if such activity requires the approval of IAD prior to its temporary or permanent execution.*
- *Direct the activities of The Bank employees who are not employed by the IAD, unless the employee has been assigned as a review team or seconded to IAD.*

IAD has the following tasks:

- *Assist the President Director and the Board of Commissioners in conducting supervision by outlining the plan, implementation and monitoring of audit results.*
- *Prepare analysis and assessments in finance, accounting, operations and other activities through direct inspection and indirect supervision.*
- *Identify all possibilities to remediate and improve the efficient use of resources and funds.*
- *Provide objective advice for improvements and information on the activities examined at all levels of management.*

- Menyampaikan laporan audit kepada Presiden Direktur dan Dewan Komisaris melalui Komite Audit dengan tembusan kepada Direktur Kepatuhan.
- Memantau pelaksanaan tindak lanjut yang dilakukan oleh pihak yang di audit atas usulan langkah perbaikan yang telah disetujui.
- Membuat laporan pelaksanaan kegiatan audit dan pokok-pokok hasil audit, termasuk informasi rahasia dari hasil audit. Laporan tersebut ditandatangani oleh Presiden Direktur dan Komisaris Independen yang menjadi Ketua Komite Audit. Laporan harus dibuat untuk periode yang masing-masing berakhir pada 30 Juni dan 31 Desember, dan disampaikan kepada OJK paling lambat 1 (satu) bulan sejak berakhirnya periode pelaporan.

- Segera membuat laporan khusus atas setiap temuan audit internal yang diperkirakan dapat membahayakan kelangsungan usaha Bank. Laporan tersebut harus ditandatangani oleh Presiden Direktur dan Komisaris Independen yang menjadi Ketua Komite Audit. Laporan harus disampaikan segera ke OJK paling lambat 3 (tiga) hari kerja setelah adanya informasi temuan audit tersebut.

Tanggung jawab SKAI adalah sebagai berikut:
- Membuat rencana audit yang fleksibel dengan menggunakan metodologi audit berbasis risiko, termasuk seluruh risiko dan masalah pengendalian yang teridentifikasi oleh manajemen dan menyampaikan rencana tersebut kepada Presiden Direktur dan Dewan Komisaris melalui Komite Audit untuk dikaji ulang dan disetujui, demikian pula dengan pengkiniannya secara periodik.
- Memberikan saran kepada Presiden Direktur terkait langkah-langkah perbaikan yang perlu diambil oleh pihak yang diaudit, termasuk mengusulkan langkah korektif dan/atau usul pengenaan sanksi apabila perlu atas pelanggaran/penyimpangan yang dilakukan oleh pihak yang di audit.
- Memastikan kesesuaian fungsi dan aktivitas Departemen Audit Internal dengan penerapan fungsi audit internal pada bank umum, termasuk Standar Professional dan Kode Etik Audit Internal yang berlaku.

Ruang Lingkup Pekerjaan Departemen Audit Internal

Ruang lingkup pekerjaan SKAI mencakup pemeriksaan atas seluruh aspek operasional Bank yang secara langsung ataupun tidak langsung dapat membahayakan kepentingan Bank dan masyarakat umum, paling sedikit mengenai:
- Efektivitas, efisiensi, dan kecukupan sistem pengendalian internal, manajemen risiko, dan tata kelola.
- Keandalan, efektivitas, integritas dari proses dan sistem manajemen informasi, termasuk relevansi, akurasi, kelengkapan, ketersediaan, serta kerahasiaan data.
- Kepatuhan terhadap ketentuan peraturan perundang-undangan.
- Kualitas kinerja Bank.

Ruang lingkup SKAI mencakup seluruh area di kantor pusat, kantor cabang, dan teknologi informasi. Prioritas penugasan audit internal dilaksanakan dengan pendekatan audit berbasis risiko. Selain itu, pelaksanaan audit insidental dilaksanakan sesuai kebutuhan Bank.

SKAI memantau tindak lanjut yang dilakukan oleh manajemen dan *auditee* atas temuan hasil audit secara bulanan. Rangkuman kegiatan SKAI dan ringkasan hasil pemeriksaan telah disampaikan kepada OJK pada setiap semester melalui laporan pelaksanaan dan pokok-pokok hasil audit internal.

- *Submit an audit report to the President Director and the Board of Commissioners through the Audit Committee with a copy to the Compliance Director.*
- *Monitor the implementation of follow-up conducted by audited party on the approved remedial steps.*

- *Prepare a report on the implementation of internal audit activities and key points of internal audit results, including confidential information from the audit results. The report is to be signed by the President Director and Independent Commissioner as the Head of Audit Committee. The report must be made for the periods ending on June 30 and December 31 and to be submitted to the Financial Services Authority (OJK) no later than 1 (one) month after the end of the reporting period.*
- *Prepare immediate special report on any internal audit findings that are expected to harm The Bank's business continuity. The report must be signed by the President Director and Independent Commissioner as the Head of Audit Committee. The report should be submitted immediately to OJK no later than 3 (three) working days after the received information of the audit findings.*

Responsibilities of IAD are as follows:
- *Develop a flexible audit plan using a risk-based audit methodology, including all risks and control issues identified by the management and submit the plan to the President Director and the Board of Commissioners through the Audit Committee for review and approval, as well as its periodic updating.*

- *Provide advice to the President Director on corrective actions that need to be taken by the audited parties, including suggesting corrective actions and/or proposed sanctions if necessary, for any violations/irregularities committed by the audited parties.*
- *Ensure the suitability of functions and activities of the Internal Audit Department with the implementation of internal audit function for commercial banks, including the applicable Professional Standard and Code of Conduct of Internal Audit.*

Internal Audit Department Scope of Work

The scope of IAD's work covers the examination of all aspects of The Bank's operations which may directly or indirectly compromise the interests of The Bank and public, at the very least concerning:

- *Effectiveness, efficiency and adequacy of the internal control system, risk management and governance.*
- *Reliability, effectiveness, integrity of information management processes and systems, including relevance, accuracy, completeness, availability, and confidentiality of data.*
- *Compliance with statutory provisions.*

- *Quality of The Bank's performance.*

The scope of IAD covers all areas in the head office, branch offices, and information technology. The priority of internal audit assignments is carried out with a risk-based audit approach. In addition, the implementation of ad-hoc audits is carried out according to the needs of The Bank.

IAD monitors the follow-up actions conducted by the management and the auditee over the audit findings on a monthly basis. A summary of the activities of IAD and summary of inspection results have been submitted to the OJK in each semester through the report on the implementation of internal audit activities and key points of internal audit results.

Kode Etik

Dalam menjalankan tugasnya auditor internal memiliki Kode Etik yang harus dipatuhi, yaitu:

- Integritas
  Auditor internal harus dapat dipercaya dan senantiasa menyajikan dasar yang terpercaya untuk penilaiannya. Dapat diandalkan, tegas, jujur dan terpercaya menjadi bagian melekat dan integritas auditor internal.
- Objektivitas
  Auditor internal menunjukkan standar yang tinggi terhadap sikap objektif dan profesional dalam mengumpulkan, mengevaluasi, dan mengkomunikasikan informasi tentang aktivitas atau proses yang sedang diperiksa.
- Kerahasiaan
  Auditor internal menghormati nilai dan kepemilikan informasi yang mereka terima dan tidak mengungkapkan informasi tanpa persetujuan dari pihak yang berwenang kecuali ada kewajiban hukum dan profesi untuk melakukannya.
- Kompetensi
  Auditor internal menerapkan pengetahuan, keterampilan, dan pengalaman yang dibutuhkan untuk menjalankan jasa audit internal.

Laporan Pelaksanaan Tugas Departemen Audit Internal

Hingga 31 Desember 2019, SKAI mencatat pencapaian 197% (seratus sembilan puluh tujuh persen) dari rencana kerja tahunan. Pencapaian ini merupakan hasil dari pelaksanaan serangkaian penugasan terencana dan *ad-hoc* bagi SKAI dalam tahun berjalan seiring dengan pertumbuhan bisnis dan profil risiko Bank.

SKAI melakukan penilaian terhadap kecukupan sistem pengendalian internal dan berpartisipasi dalam meningkatkan efektivitas sistem pengendalian internal terkait aktivitas operasional Bank. Proses penilaian dilakukan dengan kerangka acuan yang diterbitkan oleh *Committee of Sponsoring Organizations of the Treadway Commission* (COSO) dan kepatuhan terhadap regulasi yang berlaku. COSO terdiri dari 5 (lima) komponen yaitu lingkungan pengendalian, penilaian risiko, aktivitas pengendalian, informasi dan komunikasi, dan *monitoring*.

Selain itu, SKAI mengembangkan dan mengoptimalkan metodologi serta alat bantu audit sehingga pelaksanaan audit lebih efektif dan efisien secara berkesinambungan, yaitu:

- Mengimplementasikan *audit management system* untuk memastikan standar kualitas audit dan mendukung proses audit tanpa kertas.
- Mengimplementasikan teknik audit berbantukan komputer (*Computer-Assisted Audit Techniques*/CAATs) untuk mengekstrak data, menganalisis data, dan menghasilkan *exception report*.
- Mengkaji ulang, mengkonsolidasikan, dan memperbarui kebijakan dan prosedur audit internal, yang bertujuan agar laporan hasil audit diselesaikan secara tepat waktu, dan proses penyelesaian temuan dilakukan lebih efektif.

SKAI secara rutin melakukan kajian pengendalian mutu (*quality assurance review*) atas aktivitas audit internal. Tujuan pelaksanaan *quality assurance* adalah:

- Memastikan proses audit telah sesuai dengan Peraturan Otoritas Jasa Keuangan (POJK) No. 1/POJK.03/2019 yang berlaku sejak tanggal 29 Januari 2019 perihal Penerapan Fungsi Audit Internal pada Bank Umum dan metodologi audit yang berlaku.
- Memastikan pelaksanaan audit terdokumentasikan dengan baik dan temuan audit didukung dengan bukti yang cukup.
- Memastikan penggunaan *audit management system* dengan baik.

Code of Conduct

In carrying out his/her duties, the internal auditor has a Code of Conduct to comply with, namely:

- *Integrity*
  Internal auditor must be trustworthy and always presents a reliable basis for his/her assessment. Reliable, decisive, honest, and trustworthy is an inherent part of the internal auditor's integrity.
- *Objectivity*
  Internal auditor should demonstrate high standards of objectivity and professional attitude in gathering, evaluating, and communicating information on the activity or process being examined.
- *Confidentiality*
  Internal auditor should respect the value and ownership of the information obtained and does not disclose the information without the consent of the authorities, unless there is a legal and professional obligation to do so.
- *Competency*
  Internal auditor should apply the knowledge, skills, and experience required to carry out the internal audit services.

Report on the Implementation of Duties of Internal Audit Department

As of December 31, 2019, IAD accomplished 197% (one hundred and ninety-seven percent) achievement of the annual work plan. This achievement is the implementation result of a series of planned and ad-hoc assignments by IAD throughout the year, that is in line with the business growth and risk profile of The Bank.

IAD assesses the adequacy of the internal control system and participates in improving the effectiveness of the internal control system related to The Bank's operational activities. The assessment process is conducted through a framework published by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) and through compliance with applicable regulations. COSO consists of 5 (five) components, namely the control environment, risk assessment, control activities, information and communication, and monitoring.

In addition, IAD develops and optimizes the audit methodology and tools so that the implementation of audits is more effective and efficient on an ongoing basis. This means:

- *Implementing an audit management system to ensure audit quality standards and to support paperless auditing process.*
- *Implementing Computer-Assisted Audit Techniques (CAATs) to extract data, analyze data, and generate exception reports.*
- *Reviewing, consolidating, and updating internal audit policies and procedures, to ensure the audit reports are completed in a timely manner and the process of completing the audit findings is more effective.*

IAD regularly conducts quality assurance reviews on internal audit activities. The purposes of implementing quality assurance reviews are:

- *To ensure the audit process is in conformity with the Financial Services Authority Regulation (POJK) No. 1/POJK.03/2019, which was effective since January 29, 2019, concerning the Implementation of the Internal Audit Function for Commercial Banks and the applicable audit methodology.*
- *To ensure the implementation of audits is properly documented and audit findings are supported with enough evidence.*
- *To ensure the proper use of audit management system.*

Sertifikasi dan Pelatihan

SKAI memberikan pelatihan dan ujian sertifikasi manajemen risiko kepada para auditor internal agar mematuhi regulasi yang berlaku. Untuk mendukung pertumbuhan bisnis, SKAI juga memberikan pelatihan kepada para auditor internal untuk meningkatkan pemahaman terhadap bidang usaha yang menjadi target Bank (seperti infrastruktur, energi, transportasi, dan lain-lain). Selain itu, SKAI juga memberikan pelatihan yang bersifat *soft skills* maupun pelatihan untuk memperoleh sertifikasi profesi bagi para auditor internal.

Berikut merupakan data sertifikasi profesi yang dimiliki oleh para auditor internal Bank:

Certification and Training

IAD provides training and risk management certification examinations to internal auditors in order to comply with prevailing regulations. To support the business growth, IAD also provides training to internal auditors to improve their understanding of the areas of business targeted by The Bank (such as infrastructure, energy, transportation, etc.). In addition, IAD provides soft skills training and other trainings for obtaining professional certification to internal auditors.

The following are the professional certifications owned by the internal auditors of The Bank:

Sertifikasi *Certification*	Nama *Name*	Jabatan *Position*
Certified Information System Auditor (CISA)	I Gde Wiyadnya	*Head of Internal Audit Department*
	Herindra Nurbuana	*Team Leader - IT Audit*
Chartered Accountant (CA)	I Gde Wiyadnya	*Head of Internal Audit Department*
	Agnes Maria Widiyanti	*Team Leader - QA, MIS & Anti Fraud*
Certified Bank Internal Auditor	I Gde Wiyadnya	*Head of Internal Audit Department*
	Ardi Nanjaya	*Team Leader – Corporate Function Audit*
	Herindra Nurbuana	*Team Leader – IT Audit*
	Dany Hermawan	*Team Leader – Credit Audit*
	Agnes Maria Widiyanti	*Team Leader – QA, MIS & Anti Fraud*
	Taufiqurarahman	*Auditor – Operation Audit*
	Julius Agung Wibowo	*Auditor – Operation Audit*
Certified Enterprise Risk Governance (CERG)	I Gde Wiyadnya	*Head of Internal Audit Department*
Enterprise Risk Management Certified Professional (ERMCP)	Ardi Nanjaya	*Team Leader – Corporate Function Audit*
	Agnes Maria Widiyanti	*Team Leader - QA, MIS & Anti Fraud*
Certified COBIT 5 Foundation (COBIT)	Herindra Nurbuana	*Team Leader – IT Audit*
Information Technology Infrastructure Library Foundation (ITIL)	Herindra Nurbuana	*Team Leader – IT Audit*
Certified Control Self-Assessment (CCSA)	Agnes Maria Widiyanti	*Team Leader – QA, MIS & Anti Fraud*

Bank memiliki kebijakan terkait pengembangan dan peningkatan kompetensi auditor internal, yang dilakukan melalui berbagai pelatihan dan pendidikan dengan pendanaan sepenuhnya menjadi tanggung jawab Bank. Berikut adalah daftar pelatihan yang diikuti oleh para auditor internal:

The Bank has its own policy related to the development and improvement of the competency of internal auditors. This is done through various trainings and education programs with full funding being the responsibility of The Bank. The trainings participated by the internal auditors are as follows:

Materi Pendidikan dan Pelatihan *Education and Training Material*	Tempat *Location*	Tanggal *Date*	Penyelenggara *Organizer*
Strategic Workshop	Jakarta	1 Februari 2019	ICBC Indonesia
APU PPT Berbasis Risiko pada Industri Perbankan	Jakarta	2 Februari 2019	Pusat Pelaporan & Analisis Transaksi Keuangan (PPATK)
Internal Audit Workshop	Jakarta	8-9 Februari 2019	ICBC Indonesia
Risk Management Certification Refreshment	Jakarta	21 Februari 2019	Perbanas
Preparation of Risk Management Certification - Level 1, 2, 3 and 4	Jakarta	26 Maret, 8 Juli, 11-12 November, 12-13 Desember 2019	GPS Consulting
Understanding Fraud and Financial Crime in Banking	Jakarta	10 April 2019	Perbanas
Sustainable Finance	Jakarta	April - Oktober 2019	Lembaga Pengembangan Perbankan Indonesia (LPPI)
HR Audit	Jakarta	28 Mei 2019	Apindo Training Center
Implementation of PSAK 72/73 / IFRS 15	Jakarta	28 Mei 2019	Ernst & Young Indonesia
COBIT 5	Jakarta	26-28 Juni 2019	Architecting Technology & Digital Solution
CGEIT	Jakarta	8-10 Juli 2019	Global Edu
Fraud Detection, Legal Contract, and Legal Entities	Jakarta	13 Juli 2019	ICBC Indonesia
IIA National Conference	Jakarta	24-25 Juli 2019	IIA Indonesia
Security Management & Drilling	Jakarta	27 Juli 2019	G4S Indonesia
Preparation of Internal Audit Certification - Level 1 and 2	Jakarta	23-24 & 26 Agustus 2019	Mahesa Prima Solusindo
Implikasi & Konsekuensi Hukum dari Surat Kuasa dan Kewenangan Berdasarkan Hukum	Jakarta	27 Agustus 2019	ICBC Indonesia
AML/CFT Practice and Latest Trend	Jakarta	9 September 2019	ICBC Indonesia
Credit Policy Socialization	Jakarta	2 Oktober 2019	ICBC Indonesia
Financial Management Internal Audit	Jakarta	29 Oktober - 1 November 2019	PPM Manajemen
Cross Culture Program: Spectacular 2019	Jakarta	1-2 November 2019	ICBC Indonesia
Board Governance Forum	Jakarta	4 November 2019	KPMG Indonesia
Developing Policies and Procedure for Banks	Jakarta	5 November 2019	Allman Indonesia
Credit Exposure Program 2019	Hangzhou, China	12-15 November 2019	ICBC Limited
Basic Banking Knowledge	Jakarta	16, 23 & 30 November 2019	Lembaga Pengembangan Perbankan Indonesia (LPPI)
Compliance, AML, Risk Management, Audit and Legal (CARAL) Refreshment	Jakarta	25 November 2019	ICBC Indonesia
Trade Finance Product & Control	Jakarta	20-21 Desember 2019	Jacob Siluetta & Tri Yuliani

AKUNTAN **PUBLIK**
Public Accountant

Akuntan publik merupakan organ eksternal Bank untuk memberikan opini terkait kesesuaian penyajian laporan keuangan Bank terhadap Pernyataan Standar Akuntansi Keuangan (PSAK) yang berlaku di Indonesia. Pelaksanaan audit eksternal Bank dilaksanakan oleh auditor eksternal, yaitu Kantor Akuntan Publik yang telah ditunjuk oleh para pemegang saham dalam RUPS berdasarkan usulan Dewan Komisaris dan Komite Audit.

Public accountant is The Bank's external organ that provides opinions regarding the conformity of the presentation of The Bank's financial statements against applicable Indonesian financial accounting standards (PSAK). The execution of The Bank's external audit is to be conducted by an external auditor, namely a Public Accounting Firm appointed by shareholders in the GMS based on the proposal from the Board of Commissioners and the Audit Committee.

Akuntan Publik Tahun 2019
Berdasarkan FEM No. 028/FEM/FM DEPT/ICBC INA/VIII/2019, audit eksternal untuk tahun buku 2019 dilaksanakan oleh Kantor Akuntan Publik Siddharta Widjaja & Rekan (KPMG).

Public Accountant in 2019
In accordance to FEM No. 028/FEM/FM DEPT/ICBC INA/VIII/2019, the external audit for the fiscal year 2019 was conducted by Registered Public Accountants Siddharta Widjaja & Partners (KPMG).

Akuntan Publik Tahun Buku 2019 | *Public Accountant for the Fiscal Year 2019*

Kantor Akuntan Publik *Public Accounting Firm*	Siddharta Widjaja & Rekan (KPMG)
Akuntan *Accountant*	Handrow Cahyadi, CPA
Tahun Audit *Year of Audit*	Tahun Buku 2019 *Fiscal Year 2019*
Periode Penugasan *Assignment Period*	Tahun Buku 2019 *Fiscal Year 2019*
Jasa *Services*	Audit Eksternal *External Audit*
Jasa Lainnya *Other Services*	Pra-transisi implementasi PSAK baru (PSAK 71, 72, dan 73) *Pre-transition of new financial accounting standards implementation (PSAK 71, 72, and 73)*
Biaya *Fees*	Rp2.160.000.000 (termasuk PPN) *Rp2,160,000,000 (tax inclusive)*

Akuntan Publik dan Biaya Periode 7 Tahun Terakhir
Guna kebutuhan transparansi, berikut disampaikan daftar Kantor Akuntan Publik, Akuntan, jasa yang diberikan dan jasa lainnya, serta biaya dalam mengaudit laporan keuangan Bank ICBC Indonesia selama 7 (tujuh) tahun terakhir.

Public Accountant and Fees for the Last 7 Years
In the name of transparency, the following submission is the list of Public Accounting Firms, Accountants, services provided, other services, and fees in auditing the financial statements of The Bank for the last 7 (seven) years.

Daftar Kantor Akuntan Publik 7 (Tujuh) Tahun Terakhir (2013-2019)
List of Public Accounting Firms for the Last 7 (Seven) Years (2013-2019)

Tahun Buku *Fiscal Year*	Kantor Akuntan Publik *Public Accounting Firm*	Akuntan *Accountant*	Jasa yang Diberikan *Services*	Jasa Lainnya *Other Services*	Biaya *Fees*
2019	Siddharta Widjaja & Rekan (KPMG)	Handrow Cahyadi, CPA	Audit Eksternal *External Audit*	Pra-transisi implementasi PSAK baru (PSAK 71, 72, dan 73) *Pre-transition of new financial accounting standards implementation (PSAK 71, 72, and 73)*	Rp2.160.000.000 (termasuk pajak) *Rp2,160,000,000 (tax inclusive)*
2018	Siddharta Widjaja & Rekan (KPMG)	Kusumaningsih Angkawijaya	Audit Eksternal *External Audit*	-	Rp1.260.000.000 (termasuk pajak) *Rp1,260,000,000 (tax inclusive)*
2017	Siddharta Widjaja & Rekan (KPMG)	Susanto Tjie	Audit Eksternal *External Audit*	-	Rp1.149.120.000 (termasuk pajak) *Rp1,149,120,000 (tax inclusive)*
2016	Siddharta Widjaja & Rekan (KPMG)	Susanto Tjie	Audit Eksternal *External Audit*	-	Rp1.149.120.000 (termasuk pajak) *Rp1,149,120,000 (tax inclusive)*
2015	Siddharta Widjaja & Rekan (KPMG)	Susanto Tjie	Audit Eksternal *External Audit*	-	Rp925.000.000 (tidak termasuk pajak) *Rp925,000,000 (tax exclusive)*
2014	Siddharta Widjaja & Rekan (KPMG)	Kusumaningsih Angkawijaya	Audit Eksternal *External Audit*	-	USD55.000 (tidak termasuk pajak) *USD55,000 (tax exclusive)*
2013	Siddharta Widjaja & Rekan (KPMG)	Susanto Tjie	Audit Eksternal *External Audit*	-	USD49.500 (tidak termasuk pajak) *USD49,500 (tax exclusive)*

Mekanisme Pelaksanaan Pekerjaan Audit

Audit dilaksanakan berdasarkan standar audit yang ditetapkan Ikatan Akuntan Indonesia (IAI) serta memperhatikan semua ketentuan OJK tentang bentuk dan susunan laporan keuangan. Tanggung jawab auditor adalah pada pernyataan pendapat apakah laporan keuangan telah disajikan secara wajar, dalam semua hal yang material, posisi keuangan, hasil usaha serta arus kas.

Agar proses audit sesuai dengan standar profesional akuntan serta perjanjian kerja dan ruang lingkup audit yang telah ditetapkan dan selesai sesuai dengan target waktu yang telah ditetapkan, secara rutin dilakukan pembahasan atas isu-isu yang signifikan.

Berikut disampaikan prosedur dan mekanisme penunjukan Akuntan Publik dan pelaksanaan audit eksternal di lingkup Bank.

Mechanism of Auditing Implementation

Auditing is implemented based on the auditing standards set by the Indonesia Accountants Association (IAI) and by taking into account all OJK provisions regarding the form and arrangement of financial statement. The responsibilities of an auditor are with the opinion statement whether the financial statement has been presented in fair value, in all material aspects, financial position, business achievement, and cash flows.

In order the auditing process is on par with the standards of professional accountant as well as working agreement and scope of audit being set and completed within the time frame, discussions on significant issues are routinely conducted.

The following are the procedure and mechanism of appointing Public Accountant and the implementation of external audit in The Bank.

1. Komite Audit mengusulkan Kantor Akuntan Publik kepada Dewan Komisaris.
2. Dewan Komisaris mengusulkan Kantor Akuntan Publik kepada pemegang saham melalui RUPS.
3. Pengesahan dan penunjukan Kantor Akuntan Publik oleh RUPS.
4. *Kick-off meeting* dengan manajemen, audit internal, dan Komite Audit.
5. Menyampaikan jadwal audit sesuai dengan target waktu yang telah disepakati.
6. Melaksanakan audit umum untuk interim dan akhir tahun berdasarkan standar audit yang berlaku umum di Indonesia.
7. Mengidentifikasi isu yang signifikan dan melakukan pembahasan dengan manajemen.
8. Melakukan *exit meeting* dengan manajemen, audit internal, dan Komite Audit.
9. Menerbitkan laporan audit.
10. Menyampaikan laporan audit.

Hubungan Auditor Eksternal dengan Departemen Audit Internal

Dalam mendukung kelancaran tugas-tugas auditor eksternal, Departemen Audit Internal (SKAI) membantu Departemen *Management Information & Accounting* (MI&Acc) sebagai departemen yang bertanggung jawab untuk mengkoordinasikan kegiatan auditor eksternal agar tercapai hasil audit yang optimal dan komprehensif. SKAI menjaga hubungan kerja yang baik dengan auditor eksternal, untuk mendukung penerapan audit kepada Bank dan meyakinkan program pemeriksaan saling melengkapi, sehingga dapat mengoptimalkan cakupan audit. SKAI juga melakukan *monitoring* atas tindak lanjut temuan audit eksternal.

Tindak Lanjut Temuan Audit Eksternal

Per 31 Desember 2019, SKAI telah memonitor tindak lanjut atas temuan yang disampaikan oleh auditor eksternal. Tindak lanjut atas 9 (sembilan) temuan telah dilakukan oleh departemen terkait, dan tindak lanjut atas 1 (satu) temuan masih sedang dalam proses pengimplementasian.

1. *The Audit Committee proposes the Public Accounting Firm to the Board of Commissioners.*
2. *The Board of Commissioners proposes the Public Accounting Firm to shareholders through the GMS.*
3. *Ratification and appointment of Public Accounting Firm by the GMS.*
4. *Kick-off meeting with the management, internal audit, and Audit Committee.*
5. *Deliver the audit schedule in accordance with agreed target timeline.*
6. *Conduct auditing for interim and year-end based on generally accepted auditing standards in Indonesia.*
7. *Identify significant issues and conduct discussions with the management.*
8. *Conduct exit meeting with the management, internal audit, and Audit Committee.*
9. *Publish an audit report.*
10. *Submit an audit report.*

External Auditor's Relationship with Internal Audit Department

In supporting the duties of external auditor, the Internal Audit Department (IAD) assists the Management Information & Accounting (MI&Acc) Department, which is responsible for coordinating the activities of external auditor in order to achieve the optimal and comprehensive audit results. IAD maintains a good working relationship with the external auditor to support the application of audit at The Bank and to ensure the audit program is complimentary so as to optimize the audit coverage. IAD also monitors the follow-up of external audit findings.

Follow-up on External Audit Findings

As of December 31, 2019, IAD has monitored the follow-up of findings raised by external auditor. Follow-up of 9 (nine) findings have been carried out by the relevant departments and follow-up on 1 (one) finding is still being implemented.

MANAJEMEN **RISIKO**
Risk Management

Kerangka Manajemen Risiko

Dalam melaksanakan kegiatan usahanya, Bank selalu berhadapan dengan risiko yang melekat (inheren) pada kegiatan bisnis maupun operasional perbankan. Dalam rangka mengendalikan risiko tersebut, Bank menerapkan manajemen risiko secara terintegrasi untuk mengidentifikasi, mengukur, memantau dan mengendalikan seluruh eksposur risiko yang dihadapi oleh Bank. Kerangka manajemen risiko (*risk management framework*) yang selaras dengan strategi bisnis, struktur organisasi, kebijakan dan pedoman, serta penyempurnaan infrastruktur Bank diimplementasikan untuk mendukung pelaksanaan manajemen risiko yang efektif dan konsisten pada setiap proses aktivitas bisnis maupun operasional untuk senantiasa menjadi bank yang sehat dan tumbuh secara berkesinambungan.

Kerangka manajemen risiko yang diterapkan pada Bank, sesuai dengan Peraturan Otoritas Jasa Keuangan No. 18/POJK.03/2016 tentang Penerapan Manajemen Risiko bagi Bank Umum, merujuk kepada 4 (empat) pilar manajemen risiko:

1. Pengawasan aktif Dewan Komisaris dan Direksi.
2. Kebijakan dan prosedur manajemen risiko serta penetapan limit risiko.
3. Proses identifikasi, pengukuran, pemantauan, dan pengendalian risiko, serta sistem informasi manajemen risiko.
4. Sistem pengendalian internal yang menyeluruh.

Manajemen risiko Bank dilakukan terhadap 8 (delapan) jenis risiko, yaitu: risiko kredit, risiko pasar, risiko likuiditas, risiko operasional, risiko hukum, risiko kepatuhan, risiko stratejik, dan risiko reputasi.

Kebijakan Manajemen Risiko

Kebijakan manajemen risiko Bank menjadi acuan dalam pemantauan dan/atau pengendalian internal pada semua tahapan dalam proses manajemen risiko dalam hubungannya dengan visi, misi, dan rencana strategis Bank:

- Sebagai panduan dalam menerapkan prinsip kehati-hatian dan GCG;
- Sebagai panduan untuk menetapkan dan memperjelas wewenang dan tanggung jawab semua pihak yang terkait dalam manajemen risiko;
- Merupakan alat pengawasan untuk mengendalikan risiko secara keseluruhan;
- Sebagai panduan untuk menjalankan semua aktivitas dalam limit risiko.

Tanggung Jawab Dewan Komisaris dan Direksi terhadap Manajemen Risiko

Dalam rangka memastikan penerapan fungsi manajemen risiko dan pengendalian internal yang baik, Bank telah memiliki struktur organisasi yang memadai dengan tingkat tanggung jawab yang berbeda. Pembagian wewenang dan tanggung jawab dalam organisasi dan fungsi manajemen risiko Bank adalah:

Dewan Komisaris

Wewenang dan tanggung jawab Dewan Komisaris yang berkaitan dengan manajemen risiko meliputi hal-hal sebagai berikut:

- Menyetujui serta mengevaluasi kebijakan manajemen risiko Bank;

Risk Management Framework

In carrying out its business activities, The Bank always encounters inherent risks in the banking business and operational activities. In order to control these risks, The Bank implements integrated risk management to identify, measure, monitor and control all risk exposures faced by The Bank. The risk management framework that is aligned with the business strategy, organizational structure, policies and guidelines, as well as the improvement of The Bank's infrastructure are implemented to support effective and consistent risk management implementation in each process of business and operational activities so as to always be a healthy bank that grows sustainably.

The risk management framework applied to The Bank refers to 4 (four) risk management pillars, in compliance with the Financial Services Authority Regulation No. 18/POJK.03/2016 concerning the Application of Risk Management for Commercial Banks as follows:

1. *Active supervision of the Board of Commissioners and Board of Directors.*
2. *Policy and procedures of risk management and the establishment of risk limits.*
3. *The process of identifying, measuring, monitoring, and controlling risk, as well as risk management information system.*
4. *A comprehensive internal control system.*

The Bank implements risk management on 8 (eight) types of risks, namely: credit risk, market risk, liquidity risk, operational risk, legal risk, compliance risk, strategic risk, and reputation risk.

Risk Management Policy

The Bank's risk management policy serves as a guidance in monitoring and/or internal control at all stages of the risk management process in relation to The Bank's vision, mission and strategic plan. It serves the following purposes:

- *As a guidance on applying prudential principles and GCG;*
- *As a guidance on establishing and clarifying the authority and responsibility of all parties involved in risk management;*
- *As a monitoring tool to control overall risk;*
- *As a guidance to carry out all activities within risk limits.*

Responsibilities of the Board of Commissioners and Board of Directors on Risk Management

In order to ensure the proper implementation of risk management and internal control functions, The Bank has in place an adequate organizational structure with different levels of responsibility. The segregation of authorities and responsibilities in the organization and risk management function of The Bank are as follows:

Board of Commissioners

The authorities and responsibilities of the Board of Commissioners in relation to risk management include the following:

- *Approve and evaluate The Bank's risk management policy;*

- Menyetujui dan mengevaluasi arah kebijakan dan strategi manajemen risiko Bank sekurang-kurangnya 1 (satu) tahun sekali atau sekiranya terjadi perubahan faktor-faktor yang mempengaruhi kegiatan usaha Bank secara signifikan;
- Mengevaluasi pertanggungjawaban Direksi dan memberikan arahan perbaikan atas pelaksanaan kebijakan manajemen risiko.

Direksi
Wewenang dan tanggung jawab Direksi Bank yang berkaitan dengan manajemen risiko sekurang-kurangnya meliputi:
- Menyusun kebijakan manajemen risiko Bank berdasarkan rekomendasi dari Komite Manajemen Risiko, dan menyampaikan kebijakan tersebut kepada Dewan Komisaris untuk mendapatkan persetujuan;
- Menyusun, menetapkan, mengevaluasi dan/atau memperbarui strategi manajemen risiko secara komprehensif yang sesuai dengan ketentuan yang berlaku, termasuk penetapan dan persetujuan limit risiko secara keseluruhan maupun per jenis risiko;
- Bertanggung jawab atas pelaksanaan kebijakan manajemen risiko dan eksposur risiko yang diambil oleh Bank secara keseluruhan;
- Mengembangkan budaya manajemen risiko pada seluruh jenjang organisasi, yang meliputi komunikasi yang memadai kepada seluruh jenjang organisasi tentang pentingnya pengendalian internal yang efektif.

Komite Manajemen Risiko
Komite Manajemen Risiko adalah komite yang bersifat non-struktural dalam manajemen risiko, berkedudukan di kantor pusat yang membantu Direksi dalam merumuskan kebijakan, mengawasi pelaksanaan kebijakan, memantau perkembangan dan kondisi profil risiko, dan memberikan saran-saran dan langkah perbaikan yang berkaitan dengan manajemen risiko. Komite Manajemen Risiko diketuai oleh Presiden Direktur, dengan anggota terdiri dari Direksi, Kepala Satuan Kerja Audit Internal, Kepala Departemen yang memimpin Satuan Kerja Manajemen Risiko (SKMR), dan Kepala Departemen terkait lainnya. Wewenang dan tanggung jawab Komite Manajemen Risiko antara lain:
- Menyusun kebijakan, strategi, dan pedoman pelaksanaan manajemen risiko, termasuk penetapan limit dan *contingency plan* dalam kondisi tidak normal;
- Memperbaiki atau menyempurnakan pelaksanaan manajemen risiko berdasarkan hasil evaluasi pelaksanaan yang dimaksud;
- Memantau, mengevaluasi, dan menilai perkembangan komposisi profil risiko dalam portofolio Bank, penetapan dan pelaksanaan limit, kecukupan permodalan Bank terhadap eksposur risiko sesuai ketentuan yang berlaku, dan memastikan efektivitas pelaksanaan manajemen risiko.

Departemen Manajemen Risiko
SKMR adalah unit kerja yang memiliki wewenang dan tanggung jawab dalam menjalankan proses manajemen risiko dan independen dari satuan kerja bisnis dan departemen lainnya yang menjalankan fungsi pengendalian internal. Wewenang dan tanggung jawab Departemen Manajemen Risiko antara lain meliputi:
- Memberikan masukan kepada Direksi dalam penyusunan kebijakan, strategi, dan kerangka manajemen risiko;
- Mengembangkan prosedur dan alat untuk mengidentifikasi,

- *Approve and evaluate the direction of The Bank risk management policy and strategies at least once a year or in the event of any changes in factors that significantly affect The Bank's business activities;*
- *Evaluate the accountability of the Board of Directors and provide direction for improvements in the implementation of risk management policy.*

Board of Directors
The authorities and responsibilities of the Board of Directors of The Bank in relation to risk management should include, among others:
- *Establish the risk management policy of The Bank based on recommendations from the Risk Management Committee, and submit this policy to the Board of Commissioners for approval;*
- *Arrange, establish, evaluate and/or update a comprehensive risk management strategies in accordance with prevailing regulations, including the determination and approval of risk limits in overall and on specific types of risks;*
- *Be responsible for the implementation of overall risk management policy and risk exposure of The Bank;*
- *Develop a risk management culture at all levels of the organization, including adequate communications to all levels of the organization on the importance of effective internal controls.*

Risk Management Committee
The Risk Management Committee is a non-structural committee in risk management, located in the head office. The committee assists the Board of Directors in formulating policy, overseeing the implementation of policy, monitoring the progress and conditions of risk profiles, and providing recommendations and improvement measures related to risk management. The Risk Management Committee is chaired by the President Director, with members consisting of the Board of Directors, the Head of Internal Audit Department, the Head of Department who leads the Risk Management Unit (SKMR), and other relevant Heads of Departments. The authorities and responsibilities of the Risk Management Committee include:
- *Establish policy, strategies and guidelines for the implementation of risk management, including the establishment of limits and contingency plans under abnormal conditions;*
- *Improve or enhance the implementation of risk management based on the evaluation results of intended implementation;*
- *Monitor, evaluate and asses the development of risk profile compositions in The Bank's portfolio, the establishment and implementation of limits, the adequacy of The Bank's capital against risk exposure in accordance with prevailing regulations, and ensure the effectiveness of risk management implementation.*

Risk Management Department
The Risk Management Department is a unit that has the authorities and responsibilities for carrying out the risk management process and is independent from the business units and department that performs internal control functions. The authorities and responsibilities of the Risk Management Department include the following:
- *Provide input to the Board of Directors in formulating risk management policy, strategies, and framework;*
- *Develop procedures and tools for identifying, measuring,*

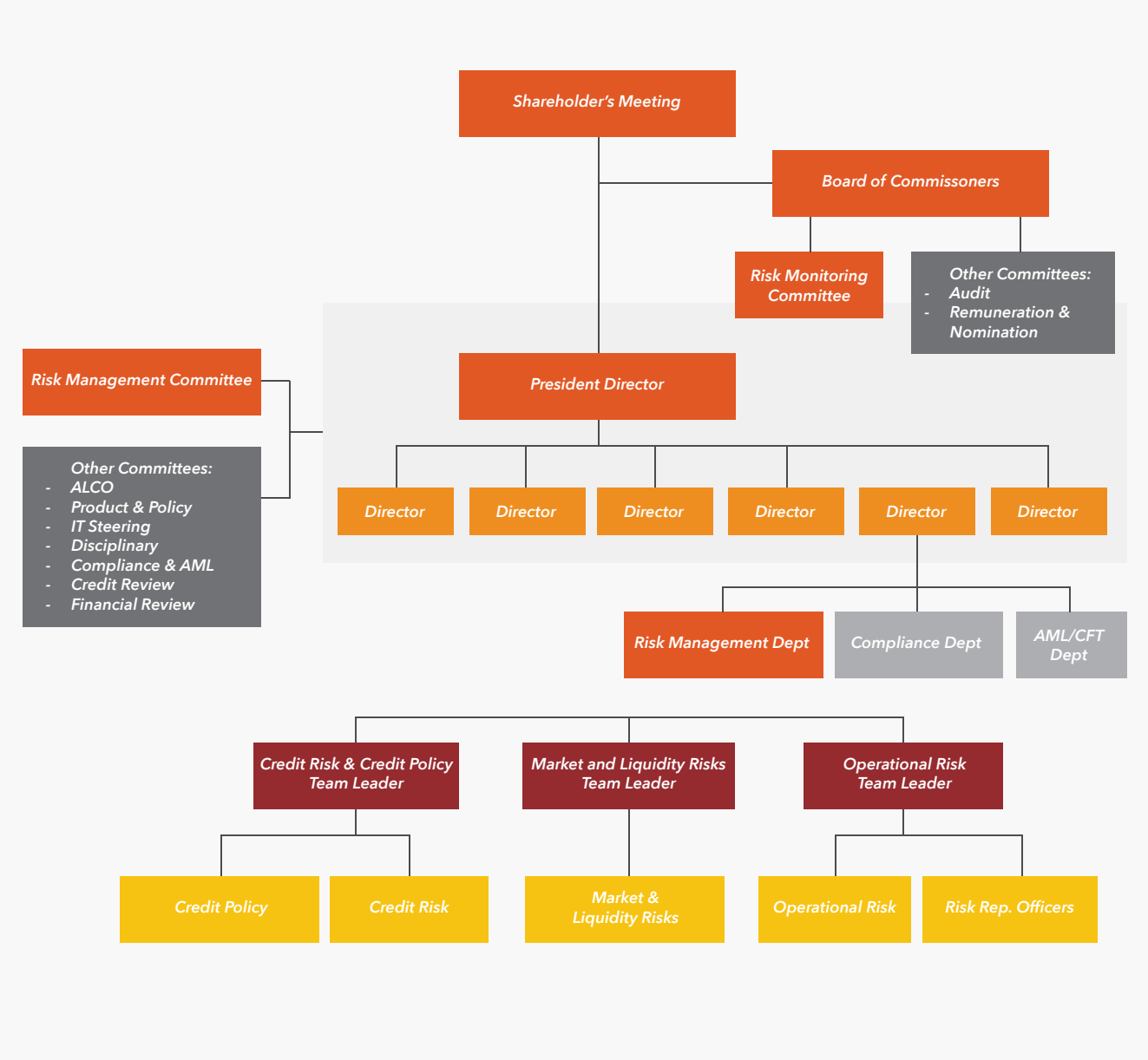
mengukur, memantau, dan mengendalikan risiko, serta mendesain dan menerapkan perangkat yang dibutuhkan dalam penerapan manajemen risiko;

- Memantau posisi risiko secara keseluruhan, maupun jenis posisi risiko tertentu serta melakukan *stress testing* untuk mengetahui dampak dari implementasi kebijakan dan strategi manajemen risiko terhadap portofolio atau kinerja Bank secara keseluruhan;
- Melakukan kaji ulang secara berkala untuk memastikan kecukupan kerangka manajemen risiko, keakuratan metodologi penilaian risiko, dan kecukupan sistem informasi manajemen risiko;
- Memberikan rekomendasi kepada satuan kerja bisnis dan/atau Komite Manajemen Risiko terkait penerapan manajemen risiko, antara lain mengenai besaran atau eksposur risiko maksimum yang dapat dipelihara Bank.

monitoring, and controlling risks, as well as designing and implementing the tools required for the implementation of risk management;

- *Monitor overall risk positions, as well as specific types of risk positions, and performing stress testing to ascertain the impact of implementation of risk management policy and strategies on the overall portfolios or performances of The Bank;*
- *Conduct periodic reviews to ensure adequacy of risk management framework, accuracy of risk assessment methodology, and adequacy of risk management information system;*
- *Provide recommendations to the business unit and/or Risk Management Committee related to the implementation of risk management, among others concerning the amount or maximum risk exposure that can be maintained by The Bank.*

Struktur Organisasi Manajemen Risiko | *Risk Management Organizational Structure*



Kegiatan Manajemen Risiko

Bank telah melaksanakan beberapa program kerja penting dalam mengembangkan manajemen risiko, termasuk antara lain, namun tidak terbatas pada:

- Bank telah memiliki komite-komite yang secara aktif melakukan pemantauan atas pengelolaan risiko Bank, seperti Komite Manajemen Risiko dan Komite Pemantau Risiko. Komite-komite tersebut telah melakukan evaluasi atas pelaksanaan manajemen risiko secara berkesinambungan;
- Kebijakan dan prosedur terkait manajemen risiko dan perkreditan antara lain:
  - Bank telah memiliki kebijakan dan prosedur yang komprehensif yang meliputi 8 (delapan) jenis risiko. Pada masing-masing area risiko, penyempurnaan kebijakan dan prosedur juga dilakukan agar sejalan dengan kondisi Bank dan peraturan terkini;
  - Bank juga telah menerapkan asas-asas perkreditan yang sehat sesuai dengan prinsip-prinsip kehati-hatian secara konsisten dan berkesinambungan, di mana secara komprehensif Bank telah memiliki kebijakan dan prosedur mengenai perkreditan dengan Kebijakan Perkreditan Bank sebagai payung kebijakan, yang senantiasa dilakukan penyempurnaan agar sejalan dengan kondisi Bank dan peraturan terkini;
  - Dalam rangka menjaga kualitas kredit, Bank juga telah meningkatkan pengelolaan dan pemantauan klasifikasi kualitas kredit debitur, baik debitur yang berada dalam *watch list* atau *potential risk* atau yang menunjukkan penurunan kualitas atau kredit bermasalah, serta memantau perkembangannya. Pengelolaan kredit bermasalah bertujuan untuk meminimalkan jumlah kredit bermasalah Bank serta memaksimalkan tingkat pengembalian kredit.
- *Risk Appetite*
  Pelaksanaan manajemen risiko yang efektif harus didukung oleh kerangka kerja manajemen risiko yang komprehensif, di mana salah satunya melalui kerangka kerja *risk appetite*, yang ditetapkan secara jelas sejalan dengan visi, misi, dan strategi bisnis Bank. *Risk Appetite Statement* memuat *target limit* dan *trigger limit* atas indikator, baik kuantitatif maupun kualitatif, yang telah ditetapkan, yang dipantau secara berkala dan apabila diperlukan dikaji kembali untuk diselaraskan dengan rencana strategi dan permodalan Bank.
- Risiko Kredit
  Pada area risiko kredit, pelaksanaan kerangka kerja risiko kredit telah diterapkan melalui pengembangan proses manajemen risiko kredit yang antara lain meliputi identifikasi risiko kredit pada produk/aktivitas baru, kecukupan kebijakan dan prosedur terkait proses perkreditan, pemantauan perkembangan portofolio pinjaman baik per mata uang, debitur, produk, segmentasi, lapangan usaha, industri, jangka waktu pembiayaan, penilaian profil risiko kredit, serta pelaksanaan *stress testing* risiko kredit secara berkala.

  Pengelolaan risiko kredit pada pemberian kredit secara langsung kepada debitur dijalankan melalui proses pemberian kredit sesuai kebijakan dan memantau pelaksanaannya agar sejalan dengan prinsip kehati-hatian di dalam mengelola risiko kredit yang harus dipenuhi. Persetujuan kredit diberikan dengan syarat bahwa aplikasi memenuhi persyaratan Bank dan tanpa mengorbankan integritas organisasi. Pemantauan pasca pencairan dilakukan dalam rangka menjaga kualitas kredit. Pemantauan kualitas portofolio kredit dilakukan melalui penerapan manajemen risiko kredit yang *prudent*, penerapan *early warning system*,

Risk Management Activities

The Bank has implemented several important work programs in developing risk management. This includes, among others, but not limited to the following:

- *The Bank has established committees that actively monitor The Bank's risk management, such as the Risk Management Committee and the Risk Monitoring Committee. These committees have evaluated the implementation of risk management on an ongoing basis;*
- *Policies and procedures related to risk management and credit are:*
  - *The Bank has comprehensive policies and procedures covering 8 (eight) types of risk. In each risk area, improvements to the policy and procedures are also conducted in line with The Bank's current conditions and regulations;*
  - *The Bank has also adopted sound credit principles according to the prudential principles in a consistent and continuous manner, whereby The Bank has comprehensive policy and procedures on credit, with The Bank Credit Policy serving as an umbrella policy, which is constantly enhanced to be in line with The Bank's conditions and current regulations;*
  - *In order to maintain credit quality, The Bank has also improved the management and monitoring of debtor credit quality classification, both for debtors who are in the watch list or potential risk or who show a decline in quality or non-performing loans, and monitor their progress. The management of non-performing loans aims to minimize the number of non-performing loans of The Bank and to maximize the credit repayment rate.*
- *Risk Appetite*
  The implementation of effective risk management must be supported by a comprehensive risk management framework. This includes a risk appetite framework that is clearly defined in line with The Bank's vision, mission and business strategy. The Risk Appetite Statement consists of the target limit and trigger limit for both quantitative and qualitative indicators, which are monitored periodically and where necessary reviewed to align with The Bank's strategic plan and capital.
- *Credit Risk*
  In the area of credit risk, the implementation of a credit risk framework has been implemented through the development of a credit risk management process, which includes the identification of credit risk on new products/activities, the adequacy of policies and procedures related to the credit process, monitoring the growth of loan portfolios by currency, debtor, product, segmentation, economic sector, industry, financing period, credit risk profile assessment, and periodic stress testing.

  Credit risk management on credit granting directly to debtors is carried out through the process of credit granting according to policy and monitoring its implementation to be in line with the prudenctial principles in managing credit risk that must be fulfilled. Credit approval is provided on condition that the application meets The Bank's requirements and without compromising organizational integrity. Post-disbursement monitoring is carried out in order to maintain credit quality. Monitoring of the quality of loan portfolio is carried out through the implementation of prudent credit risk management, the application of early

dan langkah-langkah preventif untuk mencegah terjadinya kredit bermasalah.

Pencadangan penurunan nilai secara individual telah dilakukan tepat waktu yang didasarkan atas analisis kemampuan pembayaran dan arus kas debitur. Selain itu, sistem telah diimplementasikan untuk menghitung pencadangan penurunan nilai secara kolektif sesuai dengan PSAK 50/55. Dalam rangka implementasi PSAK 71, pembangunan model dan simulasi paralel dilakukan.

- Risiko Pasar
  Dalam penerapan manajemen risiko pasar, dengan mengacu kepada *best practice*, selain kaji ulang dan pemantauan atas limit-limit yang telah ada, yaitu *stop loss limit*, limit PDN, faktor sensitivitas (PV01), *Management Action Triggers* (MATs), Bank juga melakukan *stress testing* dan faktor risiko (PSE *risk factor*) dalam penentuan limit FX untuk *counterparty*, VaR, serta memastikan bahwa transaksi yang dilakukan Bank sesuai dengan harga pasar (pemantauan *off market*). Selain itu, valuasi terhadap portofolio yang dimiliki Bank didasarkan pada sumber data pasar yang lazim digunakan. Dalam area manajemen risiko *banking book*, pengelolaan risiko suku bunga dilakukan melalui pendekatan faktor senstitivitas (PV01) dan *stress testing* baik dari perspektif pendapatan maupun perspektif nilai ekonomis. Hal ini akan membantu dalam melakukan pengukuran risiko suku bunga di *banking book* dengan lebih tepat.
- Risiko Likuiditas
  Manajemen risiko likuiditas merupakan salah satu fungsi yang sangat penting di Bank. Pendekatan proaktif yang melibatkan manajemen Bank dan departemen terkait melalui Komite *Assets and Liabilities* (ALCO) dalam mengoptimalkan dan memperkuat sumber pendanaan serta penggunaan dana bagi Bank akan terus dilakukan. Pemantauan atas rasio likuiditas, antara lain rasio aset likuid, LCR (*Liquidity Coverage Ratio*), NSFR (*Net Stable Funding Ratio*), dan likuiditas jangka pendek senantiasa disesuaikan dengan perkembangan yang ada. *Stress testing* likuiditas dilakukan berdasarkan asumsi yang disetujui untuk memastikan kondisi pendanaan pada satu bulan pertama. Selain itu, Rencana Pendanaan Darurat (*Contingency Funding Plan*) senantiasa diperbarui, di mana *trigger*/indikator peringatan dini Rencana Pendanaan Darurat (*Contingency Funding Plan*) dipantau dan Rencana Pendanaan Darurat (*Contingency Funding Plan*) diuji coba secara berkala untuk mempersiapkan Bank jika terjadi krisis likuiditas.
- Risiko Operasional
  Risiko operasional tetap menjadi salah satu fokus perhatian Bank karena risiko operasional timbul pada seluruh aktivitas fungsional, produk, proses dan sistem informasi. Sebagai bagian dari upaya Bank untuk meningkatkan pemantauan risiko operasional, Bank senantiasa melakukan penyesuaian dan penyempurnaan alat bantu risiko operasional, antara lain *Risk Control Self-Assessment* (RCSA) pada *risk taking units*, pemantauan pencatatan *Risk/Loss Event Database* (RLED), *Key Risk Indicators* (KRI), dan *Risk Representative Officer* sebagai kepanjangan tangan dari Departemen Manajemen Risiko, Departemen Kepatuhan, dan Departemen APU/PPT dalam mengidentifikasi dan memitigasi terjadinya risiko operasional dan risiko kepatuhan di cabang, dan bersama dengan Departemen TI dalam kesiapan *Business Continuity Plan* (BCP) untuk meminimalkan risiko yang berhubungan dengan gangguan bisnis baik karena masalah internal maupun eksternal, yang diuji coba secara berkala paling kurang 1 (satu) tahun sekali. Selain itu, untuk menguatkan pengendalian internal dalam rangka mengurangi paparan terhadap risiko operasional dan meningkatkan kemampuan dalam pencegahan dan

warning system, and preventive measures to prevent the occurrence of non-performing loans.

Individual impairment has been made on time based on analysis of payment ability and cash flow of the debtors. In addition, the system has been implemented to calculate the collective impairment in accordance with PSAK 50/55. For the PSAK 71 implementation, the construction of models and parallel simulations were carried out.

- *Market Risk*
  In the implementation of market risk management, with reference to best practices, in addition to reviewing and monitoring existing limits namely stop loss limit, Net Open Position (NOP) limit, sensitivity factor (PV01), Management Action Triggers (MATs), The Bank also conducts stress testing dan risk factor (PSE risk factor) in determining FX limits for counterparties, VaR, and ensuring that transactions carried out by The Bank are in accordance with market prices (off market monitoring). In addition, valuations of The Bank's portfolio are based on commonly used market data sources. In the banking book risk management area, interest rate risk management is carried out through a sensitivity factor (PV01) approach and stress testing both from income perspectives and economic value perspectives. This should help in dimensioning interest rate risk in the banking book with better precision.
- *Liquidity Risk*
  Liquidity risk management is one of the most critical functions in The Bank. A proactive approach involving The Bank management and relevant departments through the Assets and Liabilities Committee (ALCO) in optimizing and strengthening the funding sources and use of funds for The Bank will continue to be implemented. Monitoring of liquidity ratios, including liquid asset ratio, LCR (Liquidity Coverage Ratio), NSFR (Net Stable Funding Ratio), and short-term liquidity are always adjusted to the current developments. Liquidity stress testing is carried out based on agreed assumptions to ensure funding conditions in the first month. In addition, the Contingency Funding Plan is continually updated, where triggers/early warning indicators of the Contingency Funding Plan are monitored and the Contingency Funding Plan is periodically tested to prepare The Bank in the event of a liquidity crisis.
- *Operational Risk*
  Operational risk remains a focus of attention of The Bank due to operational risk arises in all functional activities, products, processes and information systems. As part of The Bank's initiatives to improve operational risk monitoring, The Bank continues to adjust and enhance the operational risk tools, including Risk Control Self-Assessment (RCSA) on risk taking units, monitoring the recording of Risk/Loss Event Database (RLED), Key Risk Indicators (KRI), and, Risk Representative Officer as an extension of the Risk Management Department, Compliance Department, and AML/CFT Department in identifying and mitigating the operational risk and compliance risk at the branches, and together with the IT Department in the preparation of the Business Continuity Plan (BCP) to minimize risks associated with business disruption due to internal and external incidents, which is periodically tested at least once a year. In addition, to strengthen internal controls in order to reduce exposure to operational risk and to improve capability in the prevention and detection of violation that cause harm to

deteksi atas tindakan penyimpangan yang menyebabkan kerugian baik bagi Bank maupun nasabah, penilaian risiko *fraud* untuk departemen dan cabang senantiasa dilakukan.

- Risiko Hukum, Risiko Stratejik, Risiko Kepatuhan, dan Risiko Reputasi
  Kerja sama dengan departemen terkait, yaitu Departemen Hukum, Departemen *Strategy Management and Investor Relation*, Departemen Kepatuhan, dan Departemen *Consumer Banking* dalam melakukan pengelolaan maupun pengawasan risiko hukum, risiko stratejik, risiko kepatuhan, dan risiko reputasi secara komprehensif, baik melalui penilaian profil risiko secara triwulanan, sosialisasi dan pelatihan untuk meningkatkan *awareness* dan pemahaman karyawan, maupun melalui rapat-rapat komite dan rapat-rapat Direksi.
- Analisis risiko atas usulan aktivitas dan/atau produk baru dilakukan untuk memastikan kemampuan Bank dalam mengelola aktivitas dan/atau produk baru termasuk kecukupan sumber daya manusia, kelengkapan kebijakan/prosedur dan sistem.
- Budaya Manajemen Risiko
  Dalam hal meningkatkan budaya manajemen risiko, sosialisasi mengenai *awareness* manajemen risiko terus dilakukan, antara lain melalui program CARAL (*Compliance*, AML/CFT, *Risk Management*, *Internal Audit*, *Legal*), forum diskusi dengan cabang, *awareness* terkait Rencana Kontinuitas Bisnis, termasuk mengingatkan kembali pemahaman terhadap kebijakan dan prosedur yang ada dan yang akan diimplementasikan.

Proses dan Penilaian Manajemen Risiko

Proses manajemen risiko mencakup identifikasi, pengukuran, pemantauan, dan pengendalian risiko dengan dukungan sistem informasi manajemen yang memadai. Pelaksanaan penilaian profil risiko dilakukan oleh Departemen Manajemen Risiko yang dilaporkan pada setiap triwulan. Penilaian profil risiko dilakukan berdasarkan penilaian risiko inheren dan kualitas penerapan manajemen risiko pada setiap risiko yang akan dinilai. Kualitas penerapan manajemen risiko meliputi tata kelola risiko, kerangka manajemen risiko, proses manajemen risiko, kecukupan sumber daya manusia, kecukupan sistem informasi manajemen, dan kecukupan sistem pengendalian risiko.

Risiko yang wajib dikelola Bank seperti yang tercantum pada Kebijakan Manajemen Risiko adalah risiko kredit, risiko pasar, risiko likuiditas, risiko operasional, risiko hukum, risiko kepatuhan, risiko stratejik, dan risiko reputasi.

Risiko Kredit

Risiko kredit didefinisikan sebagai risiko yang terjadi akibat kegagalan pihak debitur dan/atau pihak lain dalam memenuhi kewajiban kepada Bank. Risiko kredit dapat bersumber dari berbagai aktivitas bisnis Bank. Selain pada aktivitas pemberian kredit, risiko kredit dapat berasal dari berbagai instrumen keuangan seperti efek-efek, akseptasi, transaksi antar-bank, transaksi nilai tukar dan derivatif, transaksi pembiayaan perdagangan, dan liabilitas komitmen dan kontinjensi.

Penerapan manajemen risiko kredit berlandaskan pada kebijakan dan prosedur risiko kredit yang mencakup ketentuan regulator dan juga kebijakan internal. Kebijakan dan prosedur internal dikaji ulang secara berkala agar sejalan dengan perubahan-perubahan ketentuan perbankan, perkembangan usaha Bank, dan kondisi perekonomian.

Pelaksanaan penilaian risiko kredit dilakukan Bank atas penilaian terhadap risiko inheren dan kualitas penerapan manajemen

both The Bank and its customers, the fraud risk assessment for departments and branches is always being done.

- *Legal Risk, Strategic Risk, Compliance Risk, and Reputation Risk*
  Cooperation with relevant departments, namely Legal Department, Strategy Management and Investor Relation Department, Compliance Department, and Consumer Banking Department to manage and supervise legal risk, strategic risk, compliance risk, and reputation risk comprehensively, either through a quarterly risk profile assessment, socialization and training to increase awareness and understanding of employees or through the committees' meetings and the Board of Directors' meetings.
- *Risk analysis of proposed new activities and/or products is undertaken to ensure The Bank's ability in managing new activities and/or products. These include analysis of the adequacy of human resources, the completeness of policies/procedures and systems.*
- *Risk Management Culture*
  In order to improve risk management culture, socialization regarding risk management awareness is continually conducted through CARAL (Compliance, AML/CFT, Risk Management, Internal Audit, Legal) program, discussion forum with branches, awareness related to the Business Continuity Plan, as well as through the refreshment of the understanding of existing policies and procedures and which will be implemented.

Risk Management Process and Assessment

The risk management process includes identification, measurement, monitoring, and risk control with the support of an adequate management information system. Implementation of risk profile assessment conducted by the Risk Management Department is reported on a quarterly basis. Risk profile assessment is based on inherent risk assessment and the quality of risk management implementation at each risk to be assessed. The quality of risk management implementation covers aspects such as risk governance, risk management framework, risk management process, adequacy of human resources, adequacy of management information systems, and adequacy of risk control systems.

Risks that must be managed by The Bank as stated in the Risk Management Policy are credit risk, market risk, liquidity risk, operational risk, legal risk, compliance risk, strategic risk, and reputation risk.

Credit Risk

Credit risk is defined as the risk arising from the default of debtors and/or other parties in fulfilling their obligations to The Bank. Credit risk may arise from various business activities of The Bank. In addition to lending activities, credit risk may arise from various financial instruments such as securities, acceptances, interbank transactions, exchange rate and derivative transactions, trade finance transactions, and commitment and contingent liabilities.

Implementation of credit risk management is governed by the credit risk policy and procedure that incorporate the regulatory provisions as well as internal policies. Internal policies and procedures are reviewed periodically to reflect changes in banking regulations, The Bank's business growth, and economic conditions.

Credit risk assessment is conducted by The Bank in assessing inherent risk and the quality of risk management implementation.

risiko. Parameter yang digunakan sebagai dasar penilaian risiko inheren terdiri dari komposisi portofolio aset dan tingkat konsentrasi, kualitas penyediaan dana dan kecukupan pencadangan, strategi penyediaan dana dan sumber timbulnya penyediaan dana, dan faktor eksternal.

Berdasarkan penilaian tersebut, unit-unit pengambil risiko melakukan tindak lanjut, antara lain agar komposisi portofolio tidak terpusat pada sektor ataupun debitur besar tertentu, mempertahankan kualitas penyediaan dana pada tingkat risiko yang dipandang aman, mempertahankan kecukupan pencadangan, memastikan bahwa pemberian kredit dan pengambilan keputusan kredit telah dikelola secara memadai dan sesuai dengan limit yang telah ditetapkan.

Penerapan manajemen risiko yang dilakukan oleh Bank dalam rangka pemantauan dan pengendalian risiko kredit antara lain sebagai berikut:

- Pemberian kredit dan pengambilan keputusan kredit senantiasa mengacu pada pedoman tertulis yang telah dimiliki Bank mengenai kebijakan dan prosedur terkait perkreditan yang mencakup seluruh aspek proses pemberian kredit, termasuk mengenai pendelegasian wewenang dan limit wewenang kredit;
- Melakukan analisis terhadap sektor ekonomi/industri berdasarkan risiko dan penetapan limit sektor ekonomi/industri internal, yang bertujuan selain memberikan acuan dalam melakukan pemberian kredit, juga sebagai upaya untuk melakukan diversifikasi dan meningkatkan hasil proses pengelolaan risiko kredit yang lebih baik;
- Secara berkala, Bank melakukan pemantauan terhadap portofolio kredit, antara lain meliputi pemantauan pertumbuhan kredit, kualitas/kolektibilitas kredit, kecukupan pencadangan, konsentrasi pemberian kredit pada sektor ekonomi, debitur/grup debitur terbesar, dan mata uang;
- Melakukan pemantauan secara intensif dan penyusunan solusi penyelesaian terhadap setiap kredit bermasalah termasuk kemungkinan dilakukannya restrukturisasi kredit, penjualan kredit, penjualan agunan secara suka rela oleh debitur, lelang agunan;
- Melakukan identifikasi risiko kredit pada setiap produk/aktivitas baru, termasuk mitigasi risiko yang diperlukan.

Risiko Kredit Maksimum

Untuk aset keuangan yang diakui di laporan posisi keuangan, eksposur maksimum terhadap risiko kredit sama dengan nilai tercatat. Untuk garansi bank dan *Standby* L/C yang diterbitkan dan L/C serta SKBDN yang masih berjalan dan tidak dapat dibatalkan, eksposur maksimum terhadap risiko kredit adalah nilai maksimum yang harus dibayarkan oleh Bank jika kewajiban atas garansi bank, *Standby* L/C, L/C, dan SKBDN tersebut terjadi. Untuk komitmen fasilitas kredit yang diberikan yang belum digunakan, eksposur maksimum terhadap risiko kredit adalah sebesar jumlah komitmen tersebut.

Tabel berikut menyajikan eksposur maksimum Bank terhadap risiko kredit untuk instrumen keuangan pada laporan posisi keuangan dan rekening administratif dengan risiko kredit, tanpa memperhitungkan agunan yang dimiliki atau perlindungan kredit lainnya:

The parameters used as the basis for inherent risk assessment consist of the composition of asset portfolio and level of concentration, the quality of funding and the adequacy of provision, funding strategy and source of funding, and external factors.

Based on the assessment, risk taking units conduct follow-up actions to ensure that the portfolio composition is not concentrated on certain sectors or large debtors, to maintain the quality of funding at a safely perceived level of risk, to maintain adequacy of provision, and to ensure that credit lending and credit decision have been adequately managed and within the approved limits.

The implementation of risk management by The Bank in monitoring and controlling credit risk includes, among others, as follows:

- *Credit lending and credit decision must always refer to the written guidelines held by The Bank concerning credit policy and procedure, which cover all aspects of lending process, including delegation of authority and limit of credit authority;*
- *Perform analysis to economic/industry sectors based on risk and limits setting on the internal economic/industry sector. This aims to provide a reference in lending activity, as well as efforts to diversify and improve the credit risk management process;*
- *The Bank periodically performs monitoring on loan portfolios, including monitoring on loan growth, credit quality, adequacy of provision, credit concentration by the economic sector, the largest debtors/group of debtors, and currency;*
- *Perform intensive monitoring and prepare settlement solutions for any non-performing loans including possibility of credit restructuring, credit sales, voluntary collateral sales by debtors, collateral auctions;*
- *Perform credit risk identification on any new product/activity, including any risk mitigation required.*

Maximum Credit Risk

For financial assets recognized in the statement of financial position, the maximum exposure to credit risk equals their carrying amount. For bank guarantee and Standby L/C issued and outstanding irrevocable L/C and domestic L/C, the maximum exposure to credit risk is the maximum amount that The Bank has to pay if the obligation of bank guarantee, Standby L/C, irrevocable L/C, and domestic L/C are called upon. For unused committed loan facilities, the maximum exposure to credit risk is the committed amount.

The following table presents the maximum exposure of The Bank to credit risk for financial instruments in the statement of financial position and off-balance sheet accounts with credit risk, without taking into account any collateral held or other credit enhancements:

Risiko Kredit Maksimum | *Maximum Credit Risk*

dalam Rp juta | *in Rp million*

	2019	2018	
Laporan Posisi Keuangan			*Statement of Financial Position*
Giro pada Bank Indonesia	3.144.733	3.848.283	*Current accounts with Bank Indonesia*
Giro pada bank-bank lain	3.622.465	3.456.397	*Current accounts with other banks*
Penempatan pada Bank Indonesia dan bank-bank lain	2.400.863	5.410.777	*Placements with Bank Indonesia and other banks*
Aset derivatif	46.513	267.422	*Derivative assets*
Tagihan akseptasi	200.815	595.160	*Acceptance receivables*
Efek-efek yang dibeli dengan janji jual kembali	3.513.004	-	*Securities purchased under agreements to resell*
Efek-efek untuk tujuan investasi	3.714.365	3.791.167	*Investment securities*
Kredit yang diberikan	35.276.096	36.542.280	*Loans receivable*
Aset lain-lain	211.863	261.580	*Other assets*
Rekening Administratif dengan Risiko Kredit			*Off-balance Sheet Accounts with Credit Risk*
Fasilitas kredit yang diberikan yang belum digunakan - *committed*	5.021.480	9.601.421	*Unused loan facilities - committed*
L/C dan SKBDN yang masih berjalan dan tidak dapat dibatalkan	129.379	265.968	*Outstanding irrevocable L/C and domestic L/C*
Garansi bank dan *Standby L/C* yang diterbitkan	5.612.252	7.326.525	*Bank guarantees and Standy L/C issued*
Jumlah	**62.893.828**	**71.366.980**	***Total***

Risiko Konsentrasi Kredit

Bank mengelola dan mengendalikan konsentrasi kredit dengan menetapkan batas pemberian kredit untuk pihak terkait, satu debitur, kelompok debitur serta sektor ekonomi tertentu. Salah satu strategi yang dilakukan Bank dalam mengelola Risiko Konsentrasi Kredit adalah dengan memberikan acuan dalam aktivitas kredit berupa penetapan target dalam pemberian kredit seperti target berdasarkan sektor ekonomi, yang dituangkan dalam rencana bisnis Bank, termasuk di dalamnya penetapan target pasar yang bertujuan untuk mengidentifikasi segmen bisnis yang dapat diterima Bank, sehingga Bank dapat memfokuskan upaya pemasaran serta menentukan mitigasi risiko yang diperlukan.

Bank juga melakukan kaji ulang atas target yang telah ditetapkan dengan mempertimbangkan kondisi ekonomi terkini, serta apabila diperlukan Bank melakukan penyesuaian atas target tersebut.

Credit Concentration Risk

The Bank manages and controls credit concentration by setting lending limits to related parties, one debtor, group of debtors and a specific economic sector. One of the strategies undertaken by The Bank in managing Credit Concentration Risk is to provide a reference in credit activities in the form of target market lending, such as targets based on economic sectors that set forth in the business plan of The Bank. This includes target market aims to identify business segments that can be accepted by The Bank, so that The Bank can focus its marketing efforts and determine the necessary risk mitigation.

The Bank also reviews its predetermined targets by taking into consideration the current economic condition, and if necessary, The Bank adjusts its targets.

Agunan dan Perlindungan Kredit Lainnya

Sebagai salah satu kebijakan dalam memitigasi risiko kredit, Bank meminta agunan sebagai jaminan pembayaran atas dana yang diberikan oleh Bank. Bank berprinsip bahwa agunan adalah sumber terakhir dari pelunasan kredit, di mana sumber utama pelunasan kredit adalah dana dari hasil usaha debitur.

Pedoman Bank mengenai agunan antara lain mencakup jenis agunan yang dapat diterima sebagai mitigasi risiko kredit, perhitungan rasio jaminan, serta frekuensi penilaian agunan untuk setiap jenis agunan. Penentuan nilai dan jenis agunan yang diminta juga tergantung pada penilaian risiko kredit dari debitur.

Collateral and Other Credit Enhancements

As one of The Bank's policies in mitigating credit risk, The Bank requires collateral as a guarantee of payment for funds provided by The Bank. The Bank considers the collateral as the last source of loan repayment, whereas the main source of loan repayment is the fund generated from business operations of the debtors.

The Bank's guideline for collateral regulates the acceptability of the types of collateral, collateral ratio calculation, and frequency of appraisal for each collateral type. The determination of value and type of collateral required also depends on the assessment of debtors' credit risk.

Risiko Kredit Berdasarkan Risiko Konsentrasi Kredit | *Credit Risk by Credit Concentration Risk*

	Pemerintah (termasuk Bank Indonesia) *Government (including Bank Indonesia)*		Badan Usaha Milik Negara *State Owned Enterprises*		Bank *Banks*	
	2019	2018	2019	2018	2019	2018
Laporan Posisi Keuangan						
Giro pada Bank Indonesia	3.144.733	3.848.283	-	-	-	-
Giro pada bank-bank lain	-	-	-	-	3.622.465	3.456.397
Penempatan pada Bank Indonesia dan bank-bank lain	373.956	3.349.184	-	-	2.026.907	2.061.593
Aset derivatif	-	-	-	-	46.513	267.422
Tagihan akseptasi	-	-	102.917	107.279	-	-
Efek-efek yang dibeli dengan janji dijual kembali	3.513.004	-	-	-	-	-
Efek-efek untuk tujuan investasi	3.530.816	3.781.502	-	-	175.000	5.703
kredit yang diberikan	-	3.781.502	13.058.611	-	811.815	5.703
Aset lain-lain	29.065	42.964	57.192	54.455	12.348	32.667
Rekening Administratif dengan Risiko Kredit						
Fasilitas kredit yang diberikan yang belum digunakan - *committed*	-	-	2.472.313	4.000.255	-	-
L/C dan SKBDN yang masih berjalan dan tidak dapat dibatalkan	-	-	27.146	69.518	-	-
Garansi bank dan *Standby* L/C yang diterbitkan	-	-	-	63.282	1.436.858	1.438.000
Jumlah	**10.591.574**	**11.021.933**	**15.718.179**	**15.442.592**	**8.131.906**	**7.974.458**
Persentase	17%	16%	25%	22%	13%	11%

dalam Rp juta | *in Rp million*

Perusahaan *Corporate*		Ritel *Retail*		Jumlah *Total*		
2019	2018	2019	2018	2019	2018	
						Statement of Financial Position
-	-	-	-	3.144.733	3.848.283	*Current accounts with Bank Indonesia*
-	-	-	-	3.622.465	3.456.397	*Current accounts with other banks*
-	-	-	-	2.400.863	5.410.777	*Placements with Bank Indonesia and other banks*
-	-	-	-	46.513	267.422	*Derivative assets*
97.898	487.881	-	-	200.815	595.160	*Acceptance receivables*
-	-	-	-	3.513.004	-	*Securities purchased under agrements to resell*
8.549	3.962	-	-	3.714.365	3.791.167	*Investment securities*
21.005.879	24.147.619	399.791	534.182	35.276.096	36.542.280	*Loans receivable*
111.232	128.712	2.026	2.782	211.863	261.580	*Other assets*
						Off-balance Sheet Accounts with Credit Risk
2.245.229	5.249.855	303.938	351.311	5.021.480	9.601.421	*Unused loan facilities - committed*
102.233	196.450	-	-	129.379	265.968	*Outstanding irrevocable L/C and domestic L/C*
4.175.084	5.824.868	310	375	5.612.252	7.326.525	*Bank gurantees and Standby L/C issued*
27.746.104	**36.039.347**	**706.065**	**888.650**	**62.893.828**	**71.366.980**	***Total***
44%	50%	1%	1%	100%	100%	*Percentage*

Jenis agunan yang dapat diterima oleh Bank antara lain deposito berjangka/setoran kas, *Standby* L/C, tanah dan bangunan (properti - rumah tinggal, komersial, industri, dan dalam konstruksi), tanah kosong, mesin dan peralatan, piutang dagang, persediaan (termasuk komoditi), truk/bis, alat berat, pesawat (untuk tujuan komersial dan ***charter***), kapal, mobil, saham, motor, dan jaminan perusahaan atau perorangan. Kondisi, legalitas, peruntukan jaminan (sebagai jaminan pokok, utama, tambahan) serta rasio jaminan telah diatur dalam kebijakan Bank.

Untuk kredit atau pembiayaan properti, Bank telah menetapkan rasio *Loan to Value* (LTV), yang merupakan rasio antara nilai kredit yang dapat diberikan oleh Bank terhadap nilai agunan pada saat awal pemberian kredit, sesuai dengan ketentuan oleh regulator yang berlaku saat ini.

Tabel berikut menyajikan komposisi kredit yang diberikan (sebelum penyisihan kerugian penurunan nilai) yang mendapatkan manfaat dari agunan, baik sebagian maupun penuh, sebagai mitigasi dari risiko kredit:

The types of collateral that can be accepted by The Bank include time deposits/cash deposits, Standby L/C, land and buildings (property - residential, commercial, industrial, and under construction), vacant land, machinery and equipment, accounts receivable, supplies (including commodities), trucks/buses, heavy equipment, aircrafts (for commercial and charter purposes), ships, automobiles, stocks, motorcycles, and corporate or personal guarantees. The condition, legality, collateral purpose (as prime, main, additional collateral) and collateral ratio are regulated in The Bank's policy.

For credit or property financing, The Bank has set the Loan to Value (LTV) ratio, which is defined as the ratio between the credit value that may be granted by The Bank to the value of the collateral at the time when the loan was given, in accordance with the current prevailing provisions by regulators.

The following table presents the composition of loans receivable (before allowance for impairment losses) that benefit from collateral, either partially or in full, as mitigation of credit risk:

Agunan dan Perlindungan Kredit Lainnya | *Collateral and Other Credit Enhancements*

dalam Rp juta | *in Rp million*

	Nilai Kredit yang Diberikan Sebelum Penyisihan Kerugian Penurunan Nilai *Balance of Loans Receivable Before Allowance for Impairment Losses*		Jenis Agunan *Type of Collateral*	
	2019	2018		
Dijamin penuh *Fully secured*	4.033.696	4.518.738	Kas, *Standby L/C*	*Cash, Standby L/C*
Dijamin sebagian *Partially secured*	23.011.605	24.509.329	Kas, piutang dagang, tanah dan bangunan, aset bergerak, garansi	*Cash, accounts receivable, land and buildings, moveable assets, guarantees*
Tidak memiliki jaminan *Unsecured*	8.964.175	8.185.764	-	-
Jumlah ***Total***	**36.009.476**	**37.213.831**		

Kualitas Aset Keuangan
Bank memiliki kebijakan untuk memelihara secara akurat dan konsisten peringkat risiko seluruh portofolio aset keuangan. Hal ini akan memfasilitasi fokus manajemen risiko atas risiko yang ada dan perbandingan eksposur kredit di seluruh lini bisnis, daerah geografis, dan produk. Sistem peringkat ini didukung oleh berbagai analisa keuangan, dikombinasikan dengan informasi pasar yang telah diolah untuk menyediakan masukan utama untuk pengukuran risiko pihak lawan.

Fungsi Pengendalian Sebelum dan Setelah Pencairan Kredit
Fungsi pengendalian pada proses sebelum pencairan bertujuan untuk memastikan kelengkapan dokumen, pemenuhan syarat dan ketentuan yang telah ditetapkan serta kepatuhan debitur yang merupakan pemeriksaan umum awal sebelum pencairan dilakukan. Tata usaha dokumentasi dan administrasi yang baik akan menempatkan Bank pada posisi yang kuat pada saat terjadi tuntutan hukum yang harus diperhitungkan dengan baik, sehingga tidak ada keraguan dalam legalitas dokumen.

Quality of Financial Assets
The Bank has a policy to maintain accurate and consistent risk ratings across the portfolio of financial assets. This will facilitate the focus of risk management on existing risks and comparison of credit exposures across all lines of business, geographic areas, and products. This rating system is supported by a variety of financial analyses, combined with market information that has been processed to provide the main inputs for counterparty risk measurement.

Control Functions Pre and Post Credit Disbursement
The control function prior to credit disbursement is conducted to ensure the completeness of documents, the fulfillment of the terms and conditions set, and the compliance of debtors which are the initial general verifications before the disbursement takes place. Proper administration and documentation will place The Bank in a strong position in the event of a lawsuit, so that there is no doubt in the legality of the document.

Tidak hanya pengendalian sebelum pencairan kredit, pemantauan dan pemeriksaan setelah kredit direalisasi juga merupakan hal penting yang harus dilakukan. Oleh sebab itu, Bank mewajibkan adanya kunjungan rutin ke nasabah, melakukan pemeriksaan pasca realisasi kredit berdasarkan pemeriksaan umum dan khusus serta mendokumentasikannya dalam arsip file kredit.

Besides having control function prior to credit disbursement, the monitoring and checking after credit disbursement are also important. Therefore, The Bank requires regular visits to customers, conducts post-disbursement checking based on general and special checking, and documenting them in credit files.

Pemeriksaan umum antara lain meliputi kesesuaian penggunaan fasilitas dengan perjanjian kredit, situasi perkembangan usaha, aset dan kewajiban debitur, aktivitas rekening debitur dan perkembangan pasar dari debitur.

General verifications include, among others, the conformity between the use of facilities with loan agreements, business development situations, debtor assets and liabilities, debtor account activities and debtor market conditions.

Evaluasi Penurunan Nilai
Pertimbangan utama evaluasi penurunan nilai kredit yang diberikan antara lain adalah kualitas aset kredit, kondisi keuangan dan prospek usaha debitur. Bank melakukan evaluasi penurunan nilai dalam 2 (dua) pendekatan:

Impairment Assessment
The main considerations for the loan impairment assessment are the asset quality of loan, financial condition and business prospect of the debtor. The Bank evaluates impairment in 2 (two) approaches:

Evaluasi Penurunan Nilai Secara Individual
Bank menentukan penyisihan kerugian penurunan nilai secara individual untuk setiap kredit yang signifikan secara individual dan memiliki bukti objektif penurunan nilai kredit. Hal-hal yang dipertimbangkan dalam menentukan jumlah penyisihan kerugian penurunan nilai antara lain mencakup keberlanjutan rencana bisnis debitur, kemampuan debitur untuk memperbaiki kinerja saat menghadapi kesulitan keuangan, proyeksi penerimaan dan ekspektasi pengeluaran saat terjadi kepailitan, ketersediaan dukungan keuangan lainnya, nilai agunan yang dapat direalisasikan, dan ekspektasi waktu diperolehnya arus kas. Penyisihan kerugian penurunan nilai dievaluasi setiap tanggal pelaporan kecuali terdapat beberapa kondisi yang mengharuskan adanya perhatian lebih. Penilaian individu dilakukan berdasarkan metode *discounted cash flow*.

Individual Impairment Assessment
The Bank determines the allowance for impairment losses individually for each loan that is individually significant and has objective evidence of impairment of the credit score. Matters considered in determining the allowance for impairment losses include the sustainability of the debtor's business plan, the ability of the debtor to improve performance in the face of financial difficulties, the projected revenue and expenditure in the event of bankruptcy, the availability of other financial support, the value of collateral that can be realized, and the expected time of cash flows. Allowance for impairment losses is evaluated on every reporting date, unless there are certain conditions that require more attention. Individual assessment is based on discounted cash flow method.

Evaluasi Penurunan Nilai Secara Kolektif
Evaluasi penyisihan kerugian penurunan nilai secara kolektif dilakukan atas kredit yang diberikan yang tidak signifikan secara individual dan kredit yang diberikan yang dinilai secara individual namun tidak terdapat bukti objektif mengenai penurunan nilai. Pendekatan yang digunakan untuk penilaian kolektif didasarkan pada data yang dapat diobservasi dan mengindikasikan adanya penurunan yang dapat diukur atas estimasi arus kas masa datang, terkait dengan kelompok aset keuangan seperti memburuknya status pembayaran debitur atau penerbit dalam kelompok tersebut atau kondisi ekonomi yang berkorelasi dengan wanprestasi atas aset dalam kelompok tersebut.

Collective impairment Assessment
The assessment of allowance for impairment losses is collectively carried out on loans that are not individually significant and the loans granted are individually assessed but there is no objective evidence of impairment. The approach used for collective valuation is based on observable data and indicates a measurable decline in the estimated future cash flows associated with a group of financial assets such as the deterioration in the payment status of the debtor or the issuer in that group or the economic conditions that are correlated with the default asset in the group.

Tabel di bawah menunjukkan kualitas aset keuangan yang belum jatuh tempo dan tidak mengalami penurunan nilai, telah jatuh tempo tetapi tidak mengalami penurunan nilai, dan yang mengalami penurunan nilai:

The following table shows the quality of financial assets that are neither past-due nor impaired, past due but not impaired, and impaired:

Kualitas Aset Keuangan | *Financial Assets Quality*

	Belum jatuh tempo dan tidak mengalamin penurunan nilai *Neither past due nor impaired*		Telah jatuh tempo tetapi tidak mengalami penurunan nilai *Past due but not impaired*		Mengalami penurunan nilai *Impaired*	
	2019	2018	2019	2018	2019	2018
Giro pada Bank Indonesia	3.144.733	3.848.283	-	-	-	-
Giro pada bank-bank lain	3.622.465	3.456.397	-	-	-	-
Penempatan pada Bank Indonesia dan bank-bank lain	2.400.863	5.410.777	-	-	-	-
Aset derivatif	46.513	267.422	-	-	-	-
Tagihan akseptasi	200.815	595.160	-	-	-	-
Efek-efek yang dibeli dengan janji dijual kembali	3.513.004	-	-	-	-	-
Efek-efek untuk tujuan investasi	3.714.365	3.791.167	-	-	-	-
kredit yang diberikan	31.231.014	32.348.622	126.114	273.434	4.652.348	4.591.775
Aset lain-lain	169.845	225.773	2.180	2.640	39.838	33.167
Jumlah	**48.043.617**	**49.943.601**	**128.294**	**276.074**	**4.692.186**	**4.624.942**

dalam Rp juta | *in Rp million*

	Penyisihan kerugian penurunan nilai *Allowance for impairment losses*		Jumlah *Total*		
	2019	2018	2019	2018	
	-	-	3.144.733	3.848.283	*Current accounts with Bank Indonesia*
	-	-	3.622.465	3.456.397	*Current accounts with other banks*
	-	-	2.400.863	5.410.777	*Placements with Bank Indonesia and other banks*
	-	-	46.513	267.422	*Derivative assets*
	-	-	200.815	595.160	*Acceptance receivables*
	-	-	3.513.004	-	*Securities purchased under agrements to resell*
	-	-	3.714.365	3.791.167	*Investment securities*
	(733.380)	(671.551)	35.276.096	36.542.280	*Loans receivable*
	-	-	211.863	261.580	*Other assets*
	(733.380)	**(671.551)**	**52.130.717**	**54.173.066**	***Total***

Definisi dari kualitas kredit Bank adalah sebagai berikut:

- Belum jatuh tempo dan tidak mengalami penurunan nilai: Eksposur menunjukkan laba yang tinggi atau stabil, modal dan likuiditas yang memadai, secara umum direfleksikan dengan pembayaran komitmen terhadap Bank dan kreditur lainnya secara tepat waktu. Sumber pembayaran dapat diidentifikasikan secara jelas dan Bank tidak bergantung pada jaminan untuk penyelesaian komitmen masa datang. Hal ini pada umumnya untuk debitur korporasi dengan kualitas kredit peringkat 1 (satu) sesuai klasifikasi Otoritas Jasa Keuangan dan kredit konsumen yang tidak mengalami keterlambatan pembayaran;

- Telah jatuh tempo tetapi tidak mengalami penurunan nilai: Eksposur di mana nasabah dalam tahap awal dari keterlambatan pembayaran dan telah gagal untuk melakukan pembayaran atau pembayaran tidak penuh, sesuai dengan persyaratan kontraktual dalam perjanjian kredit. Hal ini pada umumnya untuk debitur korporasi dengan peringkat 2 (dua) sesuai klasifikasi peraturan dari regulator. Definisi ini tidak termasuk kredit restrukturisasi yang mengalami penurunan nilai namun memiliki kualitas kredit peringkat 2 (dua);

- Mengalami penurunan nilai:
  Eksposur telah mengalami penurunan nilai. Bank mempertimbangkan bahwa nasabah tidak mungkin membayar kewajiban kredit secara penuh, atau pemulihannya akan bertumpu pada realisasi agunan apabila ada, termasuk juga kredit restrukturisasi yang mengalami penurunan nilai namun memiliki kualitas kredit peringkat 1 (satu) dan 2 (dua). Selain itu, pada umumnya merupakan debitur korporasi dengan peringkat 3-5 (tiga sampai dengan lima) sesuai klasifikasi peraturan dari regulator.

Pertimbangan utama atas penilaian penurunan kualitas kredit mencakup keterlambatan pembayaran pokok atau bunga atau kesulitan aliran kas yang dialami oleh debitur/pihak lawan, penurunan peringkat kredit, atau pelanggaran atas persyaratan perjanjian kredit.

Risiko Pasar

Risiko pasar adalah risiko terjadinya perubahan harga pasar, seperti tingkat suku bunga dan nilai tukar valuta asing, yang akan mempengaruhi pendapatan Bank atau nilai dari instrumen keuangan yang dimilikinya. Tujuan dari manajemen risiko pasar adalah untuk mengelola dan mengendalikan eksposur risiko pasar dalam parameter yang dapat diterima, dan secara bersamaan mengoptimalkan hasil pengembalian atas risiko yang diambil. Penerapan manajemen risiko pasar Bank meliputi risiko suku bunga dan risiko nilai tukar yang timbul baik dari posisi *trading book* maupun posisi *banking book*.

Komite *Assets and Liabilities* (ALCO), yang diketuai oleh Presiden Direktur, dengan anggota Direksi terkait, Kepala Departemen terkait, dan Departemen *Global Markets* sebagai sekretaris ALCO, mengadakan rapat secara berkala untuk mengkaji profil bisnis Bank dan dampaknya terhadap pengelolaan aset dan kewajiban. ALCO menentukan strategi pengelolaan aset dan kewajiban dengan mempertimbangkan lingkungan bisnis saat ini dan yang diharapkan. ALCO mengkaji posisi aset, kewajiban, dan suku bunga dan posisi *gap* likuiditas pada *banking book*. ALCO juga menetapkan suku bunga deposito dan suku bunga acuan kredit.

The definition of credit quality of The Bank is as follows:

- *Neither past-due nor impaired:*
  Exposures indicate high or stable earnings, adequate capital and liquidity, as generally reflected by prompt repayment of commitment to The Bank and other creditors. The source of payment can be clearly identified and The Bank does not rely on collateral for future commitment settlement. This is typically for corporate debtors with grading 1 (one) in accordance with the regulatory classification of Financial Services Authority and consumer loans with no delinquency;

- *Past due but not impaired:*
  Exposures where the debtor is in the early stages of delinquency and has failed to make payment or make partial payment, in accordance with the contractual terms in the loan agreement. This is typically corporate debtors with grading 2 (two) in accordance with the regulatory classification of the regulators. This definition does not include credit restructuring that is impaired but has a credit quality grading 2 (two);

- *Impaired:*
  Exposures have been impaired. The Bank considers that either the debtor is unlikely to pay its credit obligation in full, or the recovery will be from the realization of collateral, if any, including credit restructuring that is impaired but has a credit quality grading 1 (one) and 2 (two). Other than that, it is typically corporate debtors with grading 3-5 (three to five) in accordance with regulatory classification of the regulators.

The main considerations for the loan impairment assessment include the late payment of principal or interest or cash flow difficulties experienced by the debtors/counterparties, credit rating downgrade, or infringement of the original terms of loan agreement.

Market Risk

Market risk is the risk of changes in market prices, such as interest rates and foreign exchange rates, which will affect The Bank's income or the value of its financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while simultaneously optimizing the return on risk. Implementation of The Bank's market risk management includes interest rate risk and exchange rate risk arising both from trading book position and banking book position.

The Assets and Liabilities Committee (ALCO), chaired by President Director, with members consists of related Board of Directors members, related Heads of Departments, Global Markets Department as secretary of ALCO. The ALCO meets periodically to review The Bank's business profile and its impact on asset and liability management. It determines the strategies of asset and liability management by considering the current and expected business environment. It reviews the position of assets, liabilities, and interest rates and liquidity gap position in the banking book. It also determines the term deposit rates and lending rates.

Dalam penerapan manajemen risiko pasar, dengan mengacu kepada *best practice*, selain kaji ulang dan pemantauan atas limit-limit yang ada, yaitu *stop loss limit, limit* PDN, faktor sensitivitas (PV01), dan *Management Action Triggers* (MATs), Bank juga menerapkan *stress testing* dan faktor risiko (PSE *risk factor*) dalam penentuan *limit* FX untuk *counterparty* serta memastikan bahwa transaksi yang dilakukan Bank sesuai dengan harga pasar (pemantauan *off market*). Selain itu, valuasi terhadap portofolio yang dimiliki Bank didasarkan atas sumber data pasar yang lazim digunakan. Penggunaan sistem *Treasury* dari perusahaan induk pada semester I 2019 juga dimaksudkan agar penerapan manajemen risiko pasar lebih efektif.

Dalam area manajemen risiko *banking book*, pengelolaan risiko suku bunga dilakukan melalui pendekatan faktor sensitivitas (PV01) dan *stress testing*, baik dari perspektif pendapatan maupun nilai ekonomis, yang telah disesuaikan dengan peraturan terkini dari regulator. Metode-metode ini membantu Bank dalam menentukan perkiraan risiko suku bunga di *banking book* dengan lebih akurat.

Risiko Suku Bunga

Risiko suku bunga timbul dari adanya kemungkinan bahwa perubahan tingkat suku bunga akan mempengaruhi aliran kas di masa depan atau nilai wajar instrumen keuangan. Posisi ini dipantau secara bulanan untuk memastikan bahwa posisi tersebut dapat dikelola oleh Bank. Pengelolaan risiko suku bunga dilakukan dengan pemantauan sensitivitas aset dan liabilitas keuangan Bank atas berbagai skenario suku bunga. Tabel di bawah ini menyajikan aset berbunga dan liabilitas berbunga (bukan untuk tujuan diperdagangkan) Bank pada nilai tercatat, yang dikategorikan menurut mana yang lebih terdahulu antara tanggal *repricing* atau tanggal jatuh tempo kontraktual:

In the implementation of market risk management, with reference to best practices, in addition to reviewing and monitoring existing limits, namely stop loss limit, PDN limit, sensitivity factor (PV01), and Management Action Triggers (MATs), The Bank also conducts stress testing and risk factor (PSE risk factor) in determining FX limits for counterparties and ensuring that transactions carried out by The Bank are in accordance with market prices (off market monitoring). Moreover, valuations of The Bank's portfolio are based on commonly used market data sources. The use of Treasury system of the parent company in semester I 2019 is also intended to create effective implementation of market risk management.

In the banking book risk management area, the interest rate risk management is carried out through a sensitivity factor (PV01) approach and stress testing, both from income perspectives and economic value perspectives, which have been adjusted to the current regulations of regulators. These methods help The Bank in determining the interest rate risk in the banking book more accurately.

Interest Rate Risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. This position is monitored on a monthly basis to ensure that the position can be managed by The Bank. Interest rate risk management is performed by monitoring the sensitivity of The Bank's assets and liabilities over various interest rate scenarios. The table below presents The Bank's interest-earning assets and interest-bearing liabilities (not for trading purpose) at carrying amounts, categorized by whichever is earlier between the re-pricing or contractual maturity dates:

Instrumen dengan Tingkat Suku Bunga Mengambang | *Instruments with Floating Interest Rates*

	Nilai tercatat *Carrying amount*		Hingga 3 bulan *Up to 3 months*	
	2019	2018	2019	2018
Giro pada bank-bank lain	3.622.465	3.456.397	-	-
Penempatan pada Bank Indonesia dan bank-bank lain	2.400.863	5.410.777	-	458.483
Efek-efek yang dibeli dengan janji dijual kembali	3.513.004	-	-	-
Efek-efek untuk tujuan investasi	3.714.365	3.791.167	-	-
kredit yang diberikan*	36.009.476	37.213.831	24.046.757	11.158.828
	49.260.173	49.872.172	24.046.757	11.617.311
Simpanan nasabah	(26.966.612)	(30.418.315)	(6.367.776)	(8.521.981)
Simpanan dari bank-bank lain	(3.731.791)	(2.227.491)	(911)	(1.551)
Pinjaman yang diterima	(11.222.532)	(13.780.073)	(9.473.107)	(12.561.105)
Surat berharga yang dijual dengan janji dibeli kembali	(2.98.580)	-	-	-
Pinjaman subordinasi	(1.874.138)	(1.222.300)	(832.950)	(1.222.300)
	(46.093.653)	(47.648.179)	(16.674.744)	(23.306.937)
Jumlah	**3.166.520**	**2.223.993**	**7.372.013**	**(10.689.626)**

* Sebelum dikurangi penyisihan kerugian penurunan nilai

dalam Rp juta | *in Rp million*

	3-12 bulan	*months*	
	2019	2018	
	-	-	*Current accounts with other banks*
	-	-	*Placements with Bank Indonesia and other banks*
	-	-	*Securities purchased under agrements to resell*
	-	-	*Investment securities*
	1.532.650	20.181.956	*Loans receivable**
	1.532.650	20.181.956	
	-	(115)	*Deposits from customers*
	-	-	*Deposits from other banks*
	(694.125)	-	*Borrowings*
	-	-	*Securities sold under agreements to repurchase*
	(1.041.188)	-	*Subordinated loans*
	(1.735.313)	(115)	
	(202.663)	**20.181.841**	***Total***

** Before allowance for impairment losses*

Instrumen dengan Tingkat Suku Bunga Tetap | *Instruments with Fixed Interest Rates*

	Hingga 3 bulan *Up to 3 months*		3-12 bulan | *months*	
	2019	2018	2019	2018
Giro pada bank-bank lain	3.622.465	3.456.397	-	-
Penempatan pada Bank Indonesia dan bank-bank lain	1.073.356	3.579.146	740.263	1.373.148
Efek-efek yang dibeli dengan janji dijual kembali	3.513.004	-	-	-
Efek-efek untuk tujuan investasi	1.621.507	1.356.388	57.232	881.925
kredit yang diberikan*	26.099	51.893	8.258.367	991.423
	9.856.431	8.443.824	9.055.862	3.246.496
Simpanan nasabah	(16.630.388)	(16.711.471)	(3.961.207)	(5.172.705)
Simpanan dari bank-bank lain	(2.542.980)	(1.495.414)	(1.187.900)	(730.526)
Pinjaman yang diterima	-	-	(500.000)	(1.218.968)
Surat berharga yang dijual dengan janji dibeli kembali	(667.136)	-	(1.631.444)	-
Pinjaman subordinasi	-	1.356.388	-	-
	(19.840.504)	(18.206.885)	(7.280.551)	(7.122.199)
Jumlah	**(9.984.073)**	**(9.763.061)**	**1.775.311**	**(3.875.703)**

* Sebelum dikurangi penyisihan kerugian penurunan nilai

dalam Rp juta | *in Rp million*

	1-2 tahun | *years*		> 2 tahun | *years*		
	2019	2018	2019	2018	
	-	-	-	-	*Current accounts with other banks*
	587.244	-	-	-	*Placements with Bank Indonesia and other banks*
	-	-	-	-	*Securities purchased under agreements to resell*
	51.607	177.502	1.984.019	1.375.352	*Investment securities*
	580.610	4.429.117	1.564.993	400.614	*Loans receivable**
	1.219.461	4.606.619	3.549.012	1.775.966	
	(3.055)	(5.235)	(4.186)	(6.808)	*Deposits from customers*
	-	-	-	-	*Deposits from other banks*
	(555.300)	-	-	-	*Borrowings*
	-	-	-	-	*Securities sold under agreements to repurchase*
	-	-	-	-	*Subordinated loans*
	(558.355)	(5.235)	(4.186)	(6.808)	
	661.106	**4.601.384**	**3.544.826**	**1.769.158**	***Total***

** Before allowance for impairment losses*

Berdasarkan perjanjian kredit dengan debitur/nasabah, Bank berhak mengubah besaran suku bunga sewaktu-waktu atas dasar pertimbangan Bank, kecuali untuk kredit-kredit tertentu yang sudah ditetapkan jangka waktu repricing.

Based on the loan agreement with the debtors/customers, The Bank has the right to change the interest rate at any time based on the consideration of The Bank, except for certain loans with repricing period have been determined.

Risiko Nilai Tukar
Risiko nilai tukar merupakan risiko di mana nilai instrumen keuangan akan berfluktuasi karena perubahan kurs nilai tukar. Bank telah menetapkan batasan posisi berdasarkan mata uang yang dipantau secara harian untuk memastikan bahwa posisi tersebut tetap berada dalam batasan yang telah ditetapkan.

Exchange Rate Risk
Exchange rate risk represents the risk that the value of financial instruments will fluctuate due to changes in the exchange rate. The Bank has set limits on positions by currency that is monitored on a daily basis to ensure that the positions remain within the predetermined limits.

Bank memiliki eksposur risiko mata uang melalui transaksi dalam mata uang asing. Bank memonitor konsentrasi risiko yang terkait dengan tiap mata uang individual sehubungan dengan penjabaran transaksi, aset moneter dan liabilitas moneter dalam mata uang asing ke dalam mata uang fungsional Bank, yaitu IDR.

The Bank is exposed to currency risk through transactions denominated in foreign currency. The Bank monitors the concentration of risk associated with each individual currency in respect of the translation of foreign currency transactions and monetary assets and liabilities into The Bank's functional currency, which is IDR.

Perhitungan Posisi Devisa Neto (PDN) dilakukan berdasarkan peraturan dari regulator yang berlaku. Bank diwajibkan untuk menjaga PDN secara keseluruhan maksimum 20% dari total modal.

Calculation of Net Open Position (NOP) is based on prevailing regulations from regulators. The Bank is required to maintain the overall NOP at a maximum of 20% from total capital.

PDN pada tanggal 31 Desember 2019 dan 2018 adalah sebagai berikut:

The NOP as of December 31, 2019 and 2018 is as follows:

Perhitungan Posisi Devisa Neto | *Net Open Position Calculation*

dalam Rp juta | *in Rp million*

Mata Uang *Currency*	Keseluruhan (Laporan Posisi Keuangan dan Rekening Administratif) *Aggregate (Statement of Financial Position and Off-balance Sheet Accounts)*					
	Aset *Assets*		Liabilitas *Liabilities*		Posisi Devisa Neto (Nilai Absolut) *Net Open Position (Absolute Amount)*	
	2019	2018	2019	2018	2019	2018
Dolar Amerika Serikat *United States Dollar*	27.962.367	34.120.530	27.822.980	34.144.988	139.387	24.458
Yuan China *Chinese Yuan*	1.430.850	1.426.797	1.431.235	1.383.693	385	43.104
Euro Eropa *European Euro*	3.109	2.285	1.939	2.702	1.170	417
Dolar Singapura *Singapore Dollar*	5.610	24.433	17.125	24.792	11.515	359
Dolar Australia *Australian Dollar*	6.687	6.805	6.086	7.010	601	205
Dolar Hong Kong *Hong Kong Dollar*	1.945	4.015	1.067	1.117	878	2.898
Poundsterling Inggris *British Poundsterling*	5.275	4.436	4.524	4.773	751	337
Yen Jepang *Japanese Yen*	1.131	693	747	797	384	104
Dolar Selandia Baru *New Zealand Dollar*	524	407	474	249	50	158
Jumlah ***Total***					**155.121**	**72.040**
Jumlah Modal ***Total Capital***					**7.403.980**	**6.430.227**
Rasio PDN (Keseluruhan) ***NOP Ratio (Aggregate)***					**2,10%**	**1,12%**

Fungsi manajemen risiko pasar diterapkan secara independen, antara lain, dengan terdapatnya pemisahan yang jelas antara tugas dan tanggung jawab setiap pihak yang terkait risiko pasar. Departemen *Global Markets* (*front office*) sebagai unit bisnis mengelola risiko pasar secara harian, *Unit Settlement Center* (*back office*) melakukan fungsi *settlement*, dan Departemen Manajemen Risiko (*middle office*) sebagai pihak yang independen memastikan pengelolaan risiko pasar sesuai dengan *limit* yang telah ditetapkan. Limit yang ditetapkan telah dipantau secara berkala dan telah berjalan dengan baik, antara lain, pemantauan atas *stop loss limit, Management Action Triggers* (MATs), *off market*, PDN, dan VaR telah dilakukan secara harian. *Limit* ini dikaji ulang secara berkala.

Risiko suku bunga dengan menggunakan pendekatan *repricing* diukur berdasarkan sensitivitas terhadap pendapatan bunga bersih dan nilai ekonomi permodalan.

Selain itu, *stress testing* dilakukan dengan berbagai skenario untuk mengukur kerugian dan inisiasi langkah-langkah pengendalian.

The market risk management function is applied independently, among others, through clear segregation of duties and responsibilities of each party in relation to market risk. The Global Markets Department (front office) serves as a business unit to manage market risk on a daily basis, the Settlement Center Unit (back office) performs the settlement function, and the Risk Management Department (middle office) serves as an independent party to ensure the market risk management is in accordance with predetermined limits. The predetermined limits have been monitored periodically and have been running well, among others, the monitoring of stops loss limit, Management Action Triggers (MATs), off-market, NOP, and VaR, have been done on a daily basis. These limits are reviewed regularly.

The interest rate risk by repricing approach is measured based on its net interest income sensitivity and economic value of equity.

In addition, stress testing is simulated through various scenarios in order to measure losses and initiate control measures.

Risiko Likuiditas

Risiko likuiditas adalah risiko akibat ketakmampuan Bank untuk memenuhi liabilitas yang jatuh tempo dari sumber pendanaan arus kas dan/atau dari aset likuid berkualitas tinggi yang dapat diagunkan, tanpa mengganggu aktivitas dan kondisi keuangan Bank.

Risiko likuiditas diukur melalui, antara lain, rasio likuiditas yang terdiri dari rasio aset likuid, rasio cadangan sekunder, *Loan to Funding Ratio* (LFR), rasio deposan besar, *Liquidity Coverage Ratio* (LCR), *Net Stable Funding Ratio* (NSFR), dan maksimum arus kas keluar. Pengendalian risiko likuiditas dilakukan dengan menetapkan limit-limit yang mengacu pada ketentuan regulator maupun internal serta menetapkan indikator peringatan dini.

Bank senantiasa mempertahankan aset likuid pada tingkat yang dipandang aman, memperkecil ketergantungan pada deposan besar, dan memastikan bahwa Bank dapat memperoleh akses sumber pendanaan baik pada kondisi normal maupun krisis, dengan mempertimbangkan *stress testing* yang dilakukan. Sedangkan pengendalian risiko likuiditas dilakukan melalui strategi pendanaan, pengelolaan posisi likuiditas dan risiko likuiditas harian, pengelolaan aset likuid yang berkualitas tinggi, dan rencana pendanaan darurat.

Manajemen risiko likuiditas merupakan salah satu fungsi yang sangat penting bagi Bank. Pendekatan proaktif yang melibatkan manajemen Bank dan semua departemen terkait dalam mengoptimalkan dan memperkuat sumber pendanaan bagi Bank akan terus dilakukan, salah satunya untuk memperbaiki *mismatch* likuiditas melalui pendanaan jangka panjang yang terutama berasal dari perusahaan induk. Sebagai tambahan, Bank juga melakukan *stress testing* dengan asumsi dasar yang telah disepakati untuk memastikan kebutuhan pendanaan pada bulan pertama, pemantauan atas indikator peringatan dini, rasio aset likuid, LCR, NSFR, dan memastikan likuiditas jangka pendek senantiasa disesuaikan dengan perkembangan yang ada.

Selain itu, Rencana Pendanaan Darurat (*Contingency Funding Plan*) telah disusun untuk mempersiapkan Bank jika terjadi krisis likuiditas, termasuk *standby committed facility* dari bank lokal, di mana pemicu Rencana Pendanaan Darurat dipantau secara berkala dan uji coba Rencana Pendanaan Darurat dilakukan 1 (satu) tahun sekali.

Untuk memantau mitigasi risiko likuiditas, Bank membentuk ALCO yang bertanggung jawab terhadap pengelolaan risiko likuiditas.

Liquidity Risk

Liquidity risk is the risk caused by the inability of The Bank to settle liabilities at due date from cash flow funding sources and/or of high-quality liquid assets that could be collateralized, without disrupting the activities and financial condition of The Bank.

Liquidity risk is measured through, among others, the ratio of liquid assets, the ratio of secondary reserves, Loan to Funding Ratio (LFR), the ratio of large depositors, Liquidity Coverage Ratio (LCR), Net Stable Funding Ratio (NSFR), and maximum cash outflow. Liquidity risk control is carried out by setting limits that refer to both regulatory and internal provisions, and by establishing early warning indicators.

The Bank continues to maintain liquid assets at a level that is deemed safe, minimize dependency on large depositors, and ensure that The Bank can obtain access to financing sources in both normal and crisis conditions, by considering stress testing. Liquidity risk control is conducted through funding strategy, liquidity position and daily liquidity risk management, high quality liquid asset management, and contingency funding plan.

Liquidity risk management is one of the most critical functions in The Bank. A proactive approach involving the management of The Bank and all relevant departments in optimizing and strengthening funding sources for The Bank will continue to be carried out, one of which is to improve the liquidity mismatch through long-term funding that mainly comes from the parent company. In addition, The Bank also conducts stress testing with agreed basic assumptions to ensure funding needs in the first month, monitoring of early warning indicators, liquid asset ratios, LCR, NSFR, and ensures the short-term liquidity is always adjusted to current developments.

Moreover, the Contingency Funding Plan has been prepared to prepare The Bank in the event of a liquidity crisis, including standby committed facility from local banks, where triggers of the Contingency Funding Plan are regularly monitored and trials of the Contingency Funding Plan are conducted once a year.

To monitor liquidity risk mitigation, The Bank forms ALCO which is responsible for liquidity risk management.

Nilai Nominal Bruto Arus Kas Masuk (Keluar) Berdasarkan Sisa Jatuh Tempo Kontraktual Liabilitas Keuangan
Gross Nominal Cash Inflow (Outflow) Based on Contractual Remaining Maturity of Financial Liabilities

	Nilai tercatat *Carrying amount*		Nilai nominal bruto arus kas masuk (keluar) *Gross nominal cash inflow (outflow)*		Kurang dari 3 bulan *Less than 3 months*	
	2019	2018	2019	2018	2019	2018
Liabiltas Non-derivatif						
Liabilitas segera	2.564	2.355	(2.564)	(2.355)	(2.564)	(2.355)
Simpanan nasabah	27.061.513	30.588.043	(27.285.438)	(30.813.257)	(23.060.181)	(25.423.713)
Simpanan dari bank-bank lain	3.731.791	2.227.491	(3.756.575)	(2.241.452)	(2.553.154)	(1.502.008)
Efek-efek yang dijual dengan janji dibeli kembali	2.298.560	-	(2.334.773)	-	(668.768)	-
Liabilitas akseptasi	200.815	595.160	(200.815)	(595.160)	(113.068)	(369.471)
Pinjaman yang diterima	11.222.532	13.780.073	(11.961.653)	(15.282.897)	(110.170)	(153.470)
Liabilitas lain-lain dan beban yang masih harus dibayar	229.491	270.166	(229.491)	(270.166)	(229.491)	(270.166)
Pinjaman subordinasi	1.874.138	1.222.300	(2.091.237)	(1.358.465)	(13.890)	(9.212)
	46.621.424	48.685.588	(47.862.546)	(50.563.752)	(26.751.286)	(27.730.395)
Liabilitas Derivatif						
Diperdagangkan:	15	538				
Arus kas keluar	-	-	(4.179)	(101.607)	(4.179)	(101.607)
Arus kas masuk	-	-	4.164	101.042	4.164	101.042
	15	538	(15)	(565)	(15)	(565)
Jumlah	**46.621.439**	**48.686.126**	**(47.862.561)**	**(50.564.317)**	**(26.751.301)**	**(27.730.960)**

dalam Rp juta | *in Rp million*

	3-12 bulan | *months*		1-5 tahun | *years*		
	2019	2018	2019	2018	
					Non-derivative Liabilities
	-	-	-	-	*Liabilities immediately payable*
	(4.213.247)	(5.367.513)	(12.010)	(22.031)	*Deposits from customers*
	(1.203.421)	(739.444)	-	-	*Deposits from other banks*
	(1.666.005)	-	-	-	*Securities sold under agreements to repurchase*
	(87.747)	(225.689)	-	-	*Acceptance payables*
	(1.998.552)	(4.752.751)	(9.852.931)	(10.376.676)	*Borrowings*
	-	-	-	-	*Other liabilities and accrued expenses*
	(41.702)	(385.071)	(2.035.645)	(964.182)	*Subordinated loans*
	(9.210.674)	(11.470.468)	(11.900.586)	(11.362.889)	
					Derivative Liabilities
					Trading:
	-	-	-	-	*Cash outflow*
	-	-	-	-	*Cash inflow*
	-	-	-	-	
	(9.210.674)	**(11.470.468)**	**(11.900.586)**	**(11.362.889)**	***Total***

Sisa Jatuh Tempo Kontraktual dari Liabilitas Keuangan
Pada tanggal 31 Desember 2019, nilai nominal bruto arus kas masuk (keluar) berdasarkan sisa jatuh tempo kontraktual liabilitas keuangan adalah seperti tabel di atas. Nilai nominal arus kas masuk (keluar) yang diungkapkan pada tabel di atas menyajikan arus kas kontraktual yang tidak didiskonkan terkait dengan nilai pokok dan bunga dari liabilitas keuangan. Arus kas atas instrumen keuangan yang diharapkan Bank bervariasi secara signifikan dari analisa ini. Sebagai contoh, simpanan diharapkan memiliki saldo yang stabil atau meningkat atau fasilitas kredit kepada nasabah yang belum digunakan (*committed*) tidak seluruhnya diharapkan untuk segera digunakan.

Contractual Remaining Maturity of Financial Liabilities
As of December 31, 2019, the gross nominal cash inflow (outlflow) based on the contractual remaining maturity of financial liabilities is represented in above table. The nominal cash inflow (outflow) disclosed in the above table represents an undiscounted contractual cash flow related to the principal and interest of the financial liabilities. The Bank's expected cash flows on the financial instruments vary significantly from this analysis. For example, deposits are expected to have stable or increasing balance or unused credit facilities to customers not all expected to be used immediately.

Risiko Operasional

Risiko operasional adalah risiko yang dapat timbul akibat ketidakcukupan dan/atau tidak berfungsinya proses internal, kesalahan manusia, kegagalan sistem, dan/atau adanya kejadian-kejadian eksternal yang mempengaruhi operasional Bank. Risiko operasional melekat pada semua aktivitas, kegiatan operasional dan produk Bank. Kegagalan mengelola risiko operasional dapat menyebabkan kerugian finansial, mempengaruhi keselamatan karyawan dan reputasi Bank.

Kerangka kerja manajemen risiko operasional terdiri dari identifikasi dan penilaian risiko dan kontrol, kerangka proses analisa risiko atas produk baru, pengukuran dan pemantauan melalui alat bantu risiko operasional, dan mitigasi melalui peningkatan proses dan kontrol. Bank mengelola risiko operasional secara aktif dan konsisten dengan menerapkan prinsip kehati-hatian pada setiap kegiatan usaha Bank dan seluruh unit bisnis terkait. Pelaksanaan penilaian terhadap risiko operasional dilakukan Bank pada semua aktivitas fungsional secara komprehensif. Penilaian terhadap risiko operasional dilakukan atas penilaian terhadap risiko inheren dan kualitas penerapan manajemen risiko. Parameter yang digunakan sebagai dasar penilaian risiko inheren mencakup karakteristik dan kompleksitas bisnis, sumber daya manusia, teknologi informasi dan infrastruktur pendukung, *fraud* dan kejadian eksternal seperti terorisme, pandemik, dan bencana alam.

Unit-unit pengambil risiko berperan sebagai lini pertahanan lapis pertama dalam pengelolaan risiko operasional sehari-hari. Lini pertahanan lapis kedua meliputi fungsi-fungsi *controlling*, seperti manajemen risiko dan kepatuhan. Masing-masing fungsi ini, bersama dengan unit-unit bisnis, memastikan bahwa risiko di unit bisnis telah diidentifikasi dan dikelola dengan tepat.

Fungsi-fungsi bisnis pendukung bekerja sama untuk membantu menentukan strategi, menerapkan kebijakan dan prosedur Bank, dan mengumpulkan informasi untuk menyusun risiko bank secara keseluruhan. Sementara itu, pengawasan independen yang dilakukan oleh Audit Internal sebagai lini pertahanan ketiga secara independen menilai efektivitas pengendalian internal dan pengelolaan risiko yang dilakukan oleh lini pertahanan pertama dan kedua dan memastikan kecukupan proses tersebut. Selain itu, fungsi audit juga secara aktif memberikan rekomendasi perbaikan terhadap proses operasional dan kualitas pelayanan.

Penerapan manajemen risiko operasional dilakukan melalui penyusunan dan penetapan kebijakan dan prosedur tertulis untuk setiap aktivitas operasional Bank, mengembangkan budaya organisasi yang sadar terhadap risiko operasional, memperkuat aspek keamanan dan keandalan operasi teknologi Informasi sehingga kesalahan manusia, *fraud*, kesalahan proses, dan potensi kegagalan sistem yang menyebabkan terganggunya kelangsungan usaha dapat ditekan dan dimitigasi lebih dini.

Operational Risk

Operational risk is the risk that may arise due to inadequacy and/or a malfunction of internal processes, human errors, system failures, and/or external events affecting The Bank's operations. Operational risk is inherent in all of The Bank's activities, operational activities, and products. Failure to manage operational risk could lead to financial losses, affecting employees' safety and reputation of The Bank.

The operational risk management framework comprises identification and assessment of risks and controls, new products risk analysis framework, measurement and monitoring through operational risk tools, and mitigation through process and control enhancement. The Bank manages the operational risk actively and consistently by applying prudential principles to every business activity of The Bank and all related business units. The operational risk assessment is conducted by The Bank on all functional activities in a comprehensive manner. The assessment of operational risk is conducted on the assessment of inherent risk and the quality of risk management implementation. Parameters used as the basis for inherent risk assessment, include the characteristic and complexity of business, human resources, information technology and supporting infrastructure, fraud and external events such as terrorism, pandemic, and natural disaster.

Risk taking units act as the first line of defense in day-to-day enforcement of operational risk management. The second line of defense includes controlling functions, such as risk management and compliance. Each of these functions, together with the business units, ensures that risks in the business units have been properly identified and managed.

The supporting business functions work closely to help determining strategies, implementing The Bank policies and procedures, and collecting information to create a bank wide view of risks. Meanwhile, independent supervision conducted by the Internal Audit as the third line of defense independently assesses the effectiveness of the internal control and risk management implemented by the first and second lines of defense and ensures the adequacy of these processes. In addition, the audit function also proactively provides recommendations on improvements in operational processes and service quality.

The implementation of operational risk management is conducted through the preparation and stipulation of written policies and procedures for each operational activity of The Bank, developing organizational culture to have awareness of operational risk, strengthening security and reliability aspects of information technology operations so that human error, fraud, process error, and system failure that cause disruption of business continuity could be reduced and early mitigated.

Bank juga mengembangkan pemantauan secara berkala oleh Departemen Manajemen Risiko terhadap hasil penilaian sendiri yang dilakukan unit-unit pengambil risiko atas risiko operasional yang melekat pada areanya masing-masing untuk mendeteksi secara dini dan melakukan pencegahan terhadap timbulnya risiko operasional, serta *Business Continuity Management*, untuk memastikan kemampuan Bank untuk tetap beroperasi jika terjadi bencana.

The Bank has also developed periodic monitoring performed by Risk Management Department on self-assessment results conducted by risk taking units for operational risk inherent to their respective areas for early detection and prevention of operational risk, as well as Business Continuity Management, to ensure The Bank's ability to continue to operate in the event of a disaster.

Sebagai bagian dari upaya Bank untuk meningkatkan pemantauan risiko operasional, Bank senantiasa melakukan penyesuaian cakupan dan peningkatan *Risk Control Self Assessment* (RCSA) pada *risk taking units* serta melakukan pemantauan pencatatan *Risk/Loss Event Database* (RLED), *key risk indicators*, dan *Risk Representative Officer* sebagai kepanjangan tangan dari Departemen Manajemen Risiko, Departemen Kepatuhan, dan Departemen APU/PPT dalam mengidentifikasi dan memitigasi terjadinya risiko operasional dan risiko kepatuhan di cabang. Selain itu, Bank juga memfungsikan Departemen TI dalam kesiapan *Business Continuity Plan* (BCP) untuk meminimalkan risiko yang berhubungan dengan gangguan bisnis, baik karena masalah internal maupun eksternal, yang diuji coba secara berkala paling kurang satu tahun sekali.

As part of The Bank's initiatives to improve operational risk monitoring, The Bank continues to adjust the scope and increase the Risk Control Self-Assessment (RCSA) on risk taking units, and to monitor the recording of Risk/Loss Event Database (RLED), key risk indicators, and Risk Representative Officer as an extension of the Risk Management Department, Compliance Department, and AML/CFT Department in identifying and mitigating operational risk and compliance risk at the branches. In addition, The Bank also functions the IT Department in the preparation of the Business Continuity Plan (BCP) to minimize risks associated with business disruption, both due to internal and external incidents, which is periodically tested at least once a year.

Bank juga melakukan pengembangan proses dan sistem TI untuk mengurangi proses manual agar dapat meminimalkan tingkat kesalahan, antara lain penggunaan sistem *Treasury* dari perusahaan induk pada semester I 2019 dan perubahan sistem *core banking* dari FOVA (*offshore core banking system*) menjadi FPS (*onshore core banking system*). Pelatihan secara berkala juga dilakukan di tingkat internal untuk memperkuat pemahaman terhadap kebijakan dan prosedur yang ada dan yang akan diimplementasikan sekaligus juga untuk meningkatkan *risk awareness*.

The Bank has also developed IT processes and systems to reduce manual processes in order to minimize error rates, including the used of Treasury system of the parent company in semester I 2019 and the change in the core banking system from FOVA (offshore core banking system) to FPS (onshore core banking system)). Regular training is also carried out at the internal level to strengthen the understanding of existing policies and procedures that will be implemented as well as to increase risk awareness.

Selanjutnya, untuk memitigasi risiko operasional, Bank telah menerapkan kontrol internal yang komprehensif termasuk jejak audit, pemisahan yang tepat dari *front*, *middle*, dan operasional *back office*, proses pemantauan pasca transaksi di bagian belakang untuk memastikan pemeriksaan secara independen, kepatuhan terhadap pelaksanaan kebijakan dan prosedur Bank dan untuk semua pedoman peraturan yang berlaku.

Furthermore, to mitigate the operational risk, The Bank has put in place extensive internal controls including audit trails, appropriate segregation of front, middle, and back office operations, post transaction monitoring processes at the back end to ensure independent checks and balances, compliance to The Bank's policies and procedures implementation and to all applicable regulatory guidelines.

Risiko Hukum

Risiko hukum adalah risiko yang timbul akibat tuntutan hukum dan/atau kelemahan aspek yuridis, di antaranya akibat kelemahan perikatan yang dilakukan oleh Bank, ketiadaan dan/atau perubahan peraturan perundang-undangan yang menyebabkan suatu transaksi yang telah dilakukan oleh Bank menjadi tidak sesuai dengan ketentuan yang ada dan proses litigasi baik yang timbul dari gugatan pihak ketiga maupun Bank terhadap pihak ketiga.

Legal Risk

Legal risk is the risk arising from lawsuits and/or weakness of juridical aspect, such as due to weakness of legal binding conducted by The Bank, the absence and/or change of laws and regulations causing a transaction that has been done by The Bank to be inconsistent with existing provisions, and litigation process arising either from any third-party lawsuits or The Bank against any third party.

Penerapan manajemen risiko hukum dilakukan melalui penerapan kebijakan manajemen risiko hukum, prosedur dan pedoman yang terkait dengan hukum untuk mengawasi pengelolaan risiko hukum yang disesuaikan dengan strategi bisnis Bank dan peraturan atau perundangan yang berlaku, termasuk peninjauan dokumentasi, standarisasi dokumen dan prosedur, penggunaan konsultan hukum, pengelolaan proses litigasi dan proses evaluasi atas produk atau layanan baru.

The implementation of legal risk management is conducted through the application of legal risk management policies, legal procedures and guidelines to oversee the management of legal risk adapted to The Bank's business strategy and applicable laws and regulations, including documentation review, standardization of documents and procedures, use of legal consultants, litigation process management and evaluation process of new products or services.

Departemen Hukum berfungsi sebagai penasihat dan melalui fungsinya sebagai ahli hukum mengidentifikasi risiko hukum pada produk/aktivitas dan perjanjian. Kejadian proses litigasi termasuk potensi kerugian dikelola sebagai sebuah parameter dalam mengukur risiko hukum yang didukung oleh pencatatan dan tata usaha yang memadai.

Legal Department acts as an advisor and through its function as a legal expert, is identifying the legal risk on products/activities and agreements. The litigation process incidents including potential losses are managed as a parameter in measuring legal risk supported by adequate records and administration.

Departemen Hukum melakukan pengkajian secara rutin atas kontrak dan perjanjian antara Bank dan pihak lain, termasuk tetapi tidak terbatas pada pengkajian ulang dan memastikan validitas atas hak dan kewajiban di dalam kontrak dan perjanjian terpenuhi. Departemen Hukum juga melakukan pemantauan secara berkala terhadap pembaruan perjanjian hukum dan tindak lanjut penyimpangan dokumen hukum.

Legal Department conducts regular review of contracts and agreements between The Bank and other parties, including but not limited to reviewing and ensuring the validity of the rights and obligations in the contracts and agreements are met. Legal Department also conducts periodic monitoring of legal agreement updates and follows up on irregularities of legal documents.

Peran serta Departemen Hukum dalam berbagai aktivitas pengendalian di dalam Bank, seperti tinjauan aktivitas/produk baru, tinjauan kebijakan, prosedur dan proses operasional merupakan bagian untuk memastikan kecukupan dari pengendalian risiko hukum.

The role of Legal Department in various control activities within The Bank, such as new product/activity reviews, policy review, operational procedures and processes are part of ensuring the adequacy of legal risk control.

Risiko Stratejik

Risiko stratejik adalah risiko akibat ketidaktepatan dalam pengambilan dan/atau pelaksanaan suatu keputusan strategis serta kegagalan dalam mengantisipasi perubahan lingkungan bisnis. Risiko stratejik merupakan potensi dari efek samping pada pendapatan (*earning*) yang muncul dari perubahan kondisi kegiatan usaha, seperti keadaan pasar, perilaku nasabah, kemajuan teknologi, serta keputusan strategi yang kurang baik.

Strategic Risk

Strategic risk is the risk caused by an inaccuracy in the decision making and/or in the execution of strategic decision as well as failure in anticipating changes in the business environment. Strategic risk is the potential of side-effects on earnings arising from changing business conditions, such as market conditions, customer behaviors, technological advances, and unfavorable strategic decisions.

Risiko stratejik dapat disebabkan oleh kelemahan dan ketidaktepatan dalam perumusan strategi, sistem informasi manajemen yang kurang memadai, analisa lingkungan internal dan eksternal yang kurang memadai, ketidaktepatan dalam implementasi strategi dan kegagalan mengantisipasi perubahan lingkungan bisnis. Dalam rangka mendukung perumusan strategi Bank, Bank telah mempersiapkan perkembangan teknologi yang dituangkan dalam rencana strategis IT dan terus meningkatkan kemampuan organisasi dibidang sumber daya manusia.

Strategic risk can be caused by weakness and inaccuracy in the formulation of strategies, inadequate management information systems, inadequate internal and external environment analysis, inaccuracy in strategy implementation and failure to anticipate changes in the business environment. To support The Bank's strategy formulation, The Bank has prepared technological developments as outlined in the IT strategic plan and continues to improve its organizational capability in the field of human resources.

Bank memiliki rencana bisnis tertulis yang mencakup strategi selama 3 (tiga) tahun yang akan dikaji ulang dan diperbarui setiap tahun. Rencana bisnis tersebut disusun sesuai dengan visi dan misi Bank dan dengan mempertimbangkan kondisi internal (kekuatan dan kelemahan Bank), perkembangan faktor-faktor/kondisi-kondisi eksternal yang secara langsung atau tidak langsung dapat mempengaruhi strategi usaha Bank, dan strategi yang diambil untuk mencapai tujuan kegiatan usaha Bank.

The Bank has a written business plan covering strategy for 3 (three) years that will be reviewed and updated annually. The business plan is prepared in accordance with The Bank's vision and mission, and by considering the internal conditions (strengths and weaknesses of The Bank), the development of external factors/conditions that directly or indirectly affect The Bank's business strategy, and the strategy taken to achieve the objectives business activities of The Bank.

Laporan rencana bisnis dibandingkan dengan realisasi pencapaian secara berkala dilaporkan kepada Dewan Komisaris dan Direksi dalam rangka mengevaluasi pelaksanaan rencana bisnis, di mana risiko stratejik diidentifikasi dan langkah-langkah perbaikan akan diambil apabila terjadi penyimpangan.

The business plan report compared to the achievement of its realization is periodically reported to the Board of Commissioners and the Board of Directors in order to evaluate the implementation of the business plan. Strategic risk is identified and corrective measures will be taken in the event of any deviation.

Laporan realisasi berkala kepada regulator setiap triwulan menggambarkan realisasi berbanding dengan rencana bisnis, diikuti dengan penjelasan dari variasi-variasi yang ada. Laporan profil risiko stratejik disiapkan setiap triwulan oleh Departemen *Strategy Management and Investor Relation* bersama dengan Departemen Manajemen Risiko untuk mengidentifikasi dan mengevaluasi perkembangan rencana strategis berdasarkan parameter yang telah ditentukan.

Realization reports to the regulators on a quarterly basis illustrates the realization results from the business plan, followed by an explanation of the variations. The strategic risk profile report is prepared on a quarterly basis by the Strategy Management and Investor Relation Department in conjunction with the Risk Management Department to identify and evaluate the progress of strategic plan based on predetermined parameters.

Risiko Kepatuhan

Risiko kepatuhan merupakan risiko yang disebabkan oleh karena Bank tidak mematuhi dan/atau tidak melaksanakan peraturan perundang-undangan dan ketentuan yang berlaku. Dalam mengelola risiko kepatuhan, Bank berpedoman pada kebijakan dan prosedur kepatuhan. Untuk menjalankan fungsi kepatuhan secara efektif, Bank telah memiliki Departemen Kepatuhan yang kompeten. Dalam rangka anti pencucian uang dan pencegahan pendanaan terorisme, Departemen *Anti Money Laundering/Countering Financing of Terrorism* (AML/CFT) bertanggung jawab atas pelaksanaan kebijakan dan prosedur anti pencucian uang dan pencegahan pendanaan terorisme yang mencakup proses identifikasi, pengukuran, pemantauan, pengendalian, dan pelaporan di Bank.

Dalam hal terjadi pelanggaran, Bank melakukan identifikasi penyebab terjadinya pelanggaran dan mengambil tindakan perbaikan untuk mencegah terjadinya pelanggaran yang sama di masa mendatang. Departemen Kepatuhan juga memastikan kepatuhan terhadap kebijakan, prosedur, sistem dan bisnis yang dimiliki oleh Bank, dan menjaga pelaksanaan komitmen kepada regulator.

Komite Kepatuhan dan APU/PPT yang dibentuk oleh Bank diketuai oleh Direktur Kepatuhan, dengan anggota terdiri dari Direktur yang membawahi operasional, Kepala Departemen Satuan Kerja Audit Internal, Kepala Departemen yang memimpin Satuan Kerja Manajemen Risiko (SKMR), Kepala Departemen APU/PPT, dan Kepala Departemen Kepatuhan, yang juga berperan sebagai sekretaris komite.

Compliance Risk

Compliance risk is the risk caused by The Bank's failure to comply with and/or to implement the applicable laws and regulations. In managing compliance risk, The Bank is guided by the compliance policy and procedure. To perform compliance functions effectively, The Bank has a competent Compliance Department. In the framework of anti money laundering and countering financing of terrorism, the Anti Money Laundering/Countering Financing of Terrorism (AML/CFT) Department is responsible in the implementation of anti money laundering and countering financing of terrorism system policy and procedure covering the process of identification, measurement, monitoring, controlling, and reporting in The Bank.

In the event of a violation, The Bank identifies the cause of the violation and takes corrective action to prevent the occurrence of same violation in the future. The Compliance Department also ensures compliance with The Bank's policies, procedures, systems and businesses, and maintains the implementation of its commitments to regulators.

The Bank has established Compliance and AML/CFT Committee, which is chaired by Compliance Director, with members consisting of Director in charge of operation, the Head of Internal Audit, the Head of Department who leads the Risk Management Unit, the Head of AML/CFT, and the Head of Compliance, who also acts as a secretary of the committee.

Risiko Reputasi

Risiko reputasi adalah risiko akibat menurunnya tingkat kepercayaan pemangku kepentingan yang bersumber dari persepsi negatif terhadap Bank. Kunci pengelolaan risiko reputasi di Bank berhubungan dengan kepatuhan terhadap peraturan-peraturan, penanganan yang tepat terhadap keluhan-keluhan nasabah, dan pelaksanaan pengujian kesesuaian nasabah terhadap produk yang ditawarkan.

Dalam mengelola risiko reputasi Bank, kerangka kerja manajemen Risiko Reputasi telah dibuat untuk memastikan risiko reputasi dalam Bank telah diidentifikasi dengan baik, diukur, dipantau, dikendalikan, dan dilaporkan secara konsisten.

Sebagai bagian dari pengelolaan risiko reputasi, Bank memiliki *call center* yang bertanggung jawab untuk menyediakan informasi komprehensif kepada nasabah dan pemilik kepentingan bank lainnya, serta menangani permintaan dan keluhan nasabah.

Pemantauan terhadap media cetak, jejaring sosial, internet, maupun media lainnya, dilakukan agar dapat segera diambil langkah-langkah yang diperlukan sekiranya terdapat pemberitaan yang memiliki dampak negatif terhadap Bank. Bank telah memiliki kebijakan tentang transparansi kondisi keuangan dan non-keuangan Bank yang dipublikasikan secara berkala untuk memberikan informasi yang komprehensif kepada pemangku kepentingan Bank.

Reputation Risk

Reputation risk is the risk arising from the decreasing level of trust of shareholders, pertaining to negative perception towards The Bank. The key to reputation risk management at The Bank relates to compliance with regulations, the proper handling of customer complaints, and the implementation of customer conformity testing on the products offered.

In managing the reputation risk of The Bank, the reputation risk management framework has been established to ensure that reputation risk within The Bank has been properly identified, measured, monitored, controlled, and reported consistently.

As part of reputation risk management, The Bank has a call center responsible for providing comprehensive information to customers and other bank interest owners, as well as handling customer requests and complaints.

Monitoring of print media, social networking, internet, and other media is carried out, so that necessary steps can be taken immediately, if there is any news that has a negative impact on The Bank. The Bank has a policy on transparent financial and non-financial condition of The Bank, which is published periodically to provide comprehensive information to stakeholders of The Bank.

Pengelolaan Permodalan

Sasaran utama atas kebijakan pengelolaan permodalan yang dilakukan oleh Bank adalah untuk mematuhi ketentuan permodalan eksternal yang berlaku dan untuk mempertahankan rasio permodalan yang sehat agar dapat mendukung usaha dan memaksimalkan nilai bagi pemegang saham.

Capital Management

The main objective of The Bank's capital management policy is to ensure that The Bank complies with externally imposed capital requirements and that The Bank maintains healthy capital ratio in order to support its business and to maximize shareholders' value.

Bank mengelola struktur modal dan melakukan penyesuaian atas struktur tersebut terhadap perubahan kondisi ekonomi dan karakteristik risiko aktivitasnya. Untuk mempertahankan atau menyesuaikan struktur modal tersebut, Bank melakukan antara lain penambahan setoran modal inti dari pemegang saham dan memperoleh pinjaman subordinasi.

The Bank manages its capital structure and makes adjustment to it in the light of changes in economic conditions and risk characteristics of its activities. To maintain or adjust the capital structure, The Bank may, among other things, inject the additional core capital from the shareholders and obtain subordinated loans.

Bank telah mematuhi semua persyaratan modal yang ditetapkan sepanjang periode pelaporan. Kewajiban Penyediaan Modal Minimum (KPMM) Bank, sesuai dengan peraturan Otoritas Jasa Keuangan (OJK), yang saat ini menggunakan pendekatan standar untuk risiko kredit dan risiko pasar, serta pendekatan indikator dasar untuk risiko operasional, adalah sebagai berikut:

The Bank has complied with all capital requirements set out throughout the reporting period. The Bank's Capital Adequacy Ratio (CAR), in accordance with the Financial Services Authority (OJK) regulation, which currently uses the standardized approach for credit risk and market risk, and the basic indicator approach for operational risk, is as follows:

Kewajiban Penyediaan Modal Minimum Bank | *The Bank Capital Adequacy Ratio Obligation*

dalam Rp juta | *in Rp million*

	2019	2018	
Modal *Tier 1*	5.419.530	5.176.212	*Tier 1 Capital*
Modal *Tier 2*	1.984.450	1.254.015	*Tier 2 Capital*
Jumlah Modal	7.403.980	6.430.227	*Total Capital*
ATMR untuk Risiko Kredit Setelah Memperhitungkan Risiko Spesifik	31.036.929	36.186.382	*RWA for Credit Risks After Considering Specific Risks*
ATMR untuk Risiko Operasional	3.018.870	2.902.493	*RWA for Operational Risks*
ATMR untuk Risiko Pasar	155.121	72.040	*RWA for Market Risks*
Jumlah ATMR untuk Risiko Kredit, Pasar, dan Operasional	34.210.920	39.160.915	*Total RWA for Credit, Market, and Operational Risks*
Rasio *CET 1*	15,84%	13,22%	*CET 1 Ratio*
Rasio *Tier 1*	15,84%	13,22%	*Tier 1 Ratio*
Rasio *Tier 2*	5,80%	3,20%	*Tier 2 Ratio*
Rasio Total	21,64%	16,42%	*Total Ratio*
Rasio KPMM yang Diwajibkan Sebelum Modal Penyangga	9% - 10%	9% - 10%	*Required CAR Before Buffer*
Capital Conservation Buffer	2,50%	1,88%	*Capital Conservation Buffer*
Countercyclical Buffer	0%	0%	*Countercyclical Buffer*
Capital Surcharge	0%	-	*Capital Surcharge*

Bank telah mematuhi semua persyaratan modal yang ditetapkan pada tanggal 31 Desember 2019 dan 2018.
The Bank has complied with all externally imposed capital requirements as of December 31, 2019 and 2018.

Proses Perhitungan Kecukupan Modal Internal (ICAAP)
Bank telah melakukan perhitungan Kecukupan Modal Internal (ICAAP) untuk menetapkan kecukupan modal sesuai dengan profil risikonya, dan menetapkan strategi untuk memelihara tingkat permodalan.

Kecukupan modal minimum sesuai profil risiko bertujuan untuk mengantisipasi potensi kerugian yang timbul dari seluruh risiko yang dihadapi Bank, yang kemungkinan memiliki dampak material terhadap bisnis dan posisi keuangan dan kecukupan permodalan untuk menutup risiko-risiko tersebut, antara lain, Aset Tertimbang Menurut Risiko (ATMR) yang telah memperhitungkan risiko kredit, risiko pasar, dan risiko operasional. Selain itu, kecukupan modal minimum juga bertujuan mengantisipasi potensi kerugian di masa mendatang dari risiko-risiko yang belum sepenuhnya diperhitungkan dalam ATMR tersebut, antara lain risiko konsentrasi kredit, risiko likuiditas, risiko suku bunga pada *banking book*, risiko hukum, risiko kepatuhan, risiko stratejik, dan risiko reputasi serta untuk mengantisipasi dampak penerapan skenario *stress-test* terhadap kecukupan modal Bank.

Internal Capital Adequacy Assessment Process (ICAAP)
The Bank has conducted the Internal Capital Adequacy Assessment Process (ICAAP) to determine the adequacy of capital in accordance with its risk profile and to establish strategy to maintain its capital level.

The capital adequacy based on risk profile aims to anticipate potential losses arising from all risks exposed by The Bank, which may have a material adverse impact on its business and financial position and the adequacy of capital to cover these risks, among others, Risk Weighted Assets (RWA) which have taken into account credit risk, market risk, and operational risk. In addition, the capital adequacy also aims to anticipate potential future losses from risks not yet fully accounted for in the Risk Weighted Assets, such as credit concentration risk, liquidity risk, interest rate risk in banking book, legal risk, compliance risk, strategic risk, and reputation risk, as well as to anticipate the impact of the implementation of stress test scenario on the capital adequacy of The Bank.

Fungsi Sistem Pengendalian Internal dalam Penerapan Manajemen Risiko

Bank melaksanakan sistem pengendalian internal dalam rangka memastikan kepatuhan terhadap ketentuan dan peraturan perundang-undangan yang berlaku, termasuk ketentuan internal Bank, tersedianya informasi keuangan dan manajemen yang lengkap dan akurat, efektivitas dan efisiensi dalam kegiatan operasional, serta efektivitas budaya risiko (*risk culture*) pada organisasi Bank secara menyeluruh. Penerapan sistem pengendalian internal dilakukan agar kegiatan operasional Bank dapat berjalan secara sehat, aman, dan terkendali.

Dalam mendukung pelaksanaan manajemen risiko, Bank menerapkan sistem pengendalian internal yang di dalamnya terdapat kerangka dan kebijakan pengendalian internal, pengawasan atas pelaksanaan sistem pengendalian internal, baik oleh audit internal maupun audit eksternal, pelaksanaan kaji ulang independen oleh Satuan Kerja Audit Internal (SKAI), serta fungsi yang melakukan kaji ulang independen, baik dari sisi metodologi, frekuensi, maupun pelaporan kepada Dewan Komisaris dan Direksi.

Penerapan fungsi pengendalian internal dalam kegiatan operasional Bank termasuk melalui pemisahan tugas, *dual control*, rekonsiliasi, standar proses kerja, dan pedoman pelaksanaan. Unit-unit pengambil risiko berperan sebagai lini pertahanan lapis pertama dalam pengelolaan risiko sehari-hari. Lini pertahanan lapis kedua meliputi fungsi-fungsi *controlling*, seperti manajemen risiko dan kepatuhan.

Setiap fungsi ini, bersama dengan unit-unit bisnis, memastikan bahwa risiko di unit bisnis telah diidentifikasi dan dikelola dengan tepat. Fungsi-fungsi bisnis pendukung bekerja sama untuk membantu menentukan strategi, menerapkan kebijakan dan prosedur Bank, serta mengumpulkan informasi untuk menyusun risiko bank secara keseluruhan. Sementara itu, pengawasan independen yang dilakukan oleh Audit Internal sebagai lini pertahanan ketiga secara independen menilai efektivitas pengendalian internal dan pengelolaan risiko yang dilakukan oleh lini pertahanan pertama dan kedua dan memastikan kecukupan proses tersebut.

Untuk memastikan independensi, Audit Internal bertanggung jawab langsung kepada Presiden Direktur dan memiliki jalur pelaporan kepada Komite Audit dan Dewan Komisaris. Komite Audit juga meninjau kinerja SKAI dan fungsi kepatuhan, meninjau efektivitas kontrol dan kepatuhan terhadap peraturan yang berlaku, serta memastikan SKAI bekerja secara independen. Atas hasil penilaian terhadap pelaksanaan manajemen risiko berdasarkan kaji ulang independen, pelaksanaan tindak lanjut dipantau sesuai dengan tenggat waktu yang telah ditentukan.

Kaji Ulang Terhadap Penerapan Manajemen Risiko

Bank melakukan kaji ulang penerapan manajemen risiko melalui evaluasi secara internal dan eksternal, yang antara lain bertujuan untuk menilai keandalan kerangka manajemen risiko, yang mencakup kebijakan dan prosedur, struktur organisasi, alokasi sumber daya, desain proses manajemen risiko, sistem informasi dan pelaporan risiko.

The Functions of Internal Control System in the Implementation of Risk Management

The Bank implements the internal control system in order to ensure the compliance with applicable laws and regulations, including The Bank's internal provisions, the availability of complete and accurate financial information and management, effectiveness and efficiency in operational activities, and the effectiveness of risk culture in The Bank's overall organization. The implementation of internal control system is carried out so that The Bank's operational activities can run in a healthy, safe, and controlled manner.

In supporting the application of risk management, The Bank implements the internal control system in which there is an internal control framework and policy, supervision of the implementation of internal control system, both by internal audit and external audit, the implementation of independent review by the Internal Audit Department (IAD), as well as the functions that perform independent review, both in terms of methodology, frequency, and reporting to the Board of Commissioners and Board of Directors.

The implementation of internal control function in The Bank's operational activities including through segregation of duties, dual control, reconciliation, work process standards, and implementation guidelines. Risk taking units serve as the first line of defense in day-to-day enforcement of risk management. The second line of defense includes controlling functions, such as risk management and compliance.

Each of these functions, together with the business units, ensures that risks in the business units have been properly identified and managed. The supporting business functions work closely to help determining strategies, implementing The Bank policies and procedures, and collecting information to create a bank wide view of risks. Meanwhile, the independent supervision carried out by the Internal Audit as the third line of defense independently assesses the effectiveness of the internal control and risk management implemented by the first and second lines of defense and ensures the adequacy of these processes.

To ensure independence, the Internal Audit reports directly to the President Director and has a reporting channel to the Audit Committee and Board of Commissioners. The Audit Committee also reviews the IAD performance and compliance function, reviews the effectiveness of controls and compliance with applicable regulations, and ensures the IAD works independently. The assessment results of risk management implementation based on independent review show that, the implementation of the follow-up has been monitored according to a specified deadline.

Risk Management Implementation Review

The Bank reviews the implementation of risk management through internal and external evaluations, which aims at assessing the reliability of the risk management framework, including policies and procedures, organizational structure, allocation of resources, risk management process design, information system and risk reporting.

Secara internal, Satuan Kerja Audit Internal (SKAI) secara independen dan rutin melakukan kaji ulang dan audit terhadap penerapan manajemen risiko Bank berdasarkan prinsip *risk-based audit* dengan tujuan bukan saja sebagai pengendalian internal namun juga untuk perbaikan penerapan manajemen risiko secara terus menerus. Komite Pemantau Risiko melakukan kajian dan evaluasi atas kebijakan dan pelaksanaan manajemen risiko Bank, serta memberikan masukan dan rekomendasi kepada Dewan Komisaris dalam rangka melaksanakan fungsi pengawasan. Secara eksternal, kaji ulang penerapan manajemen risiko dilakukan oleh auditor eksternal maupun pemeriksaan Otoritas Jasa Keuangan (OJK).

Internally, the Internal Audit Department (IAD) independently and regularly reviews and audits the application of risk management of The Bank based on the principle of risk-based audit with the objective not only as internal control but also for continuous improvement of risk management implementation. The Risk Monitoring Committee reviews and evaluates the policies and risk management implementation of The Bank, and provides inputs and recommendations to the Board of Commissioners in conducting its supervisory function. Externally, reviews of risk management implementation are performed by external auditors as well as by examinations from the Financial Services Authority (OJK).

Sertifikasi Manajemen Risiko
Bank telah melakukan pemantauan atas pelaksanaan kewajiban sertifikasi manajemen risiko pada seluruh unit kerja Bank, sebagai alat untuk meningkatkan kompetensi dan keahlian pengelolaan risiko.

Risk Management Certification
The Bank has conducted monitoring on the implementation of risk management certification obligations in all of The Bank's work units. This was done as a way to improve risk management competency and expertise.

Sertifikasi Manajemen Risiko | *Risk Management Certification*

	Level 1	Level 2	Level 3	Level 4	Level 5
Sasaran *Target*	155	206	140	36	7
Terpenuhi *Fulfilled*	134	168	79	32	7
Tidak terpenuhi *Not fulfilled*	21	38	61	4	0
Pemenuhan *Fulfillment*	86,45%	81,55%	56,43%	88,89%	100,00%
Rata-rata pemenuhan *Average fulfillment*			82,66%		

Evaluasi atas Efektivitas Manajemen Risiko
Dalam melaksanakan kegiatan usahanya, Bank selalu berhadapan dengan risiko yang melekat (inheren) pada kegiatan bisnis maupun operasional perbankan. Untuk mengendalikan risiko tersebut, Bank menerapkan manajemen risiko secara terintegrasi untuk mengidentifikasi, mengukur, memantau, dan mengendalikan seluruh eksposur risiko yang dihadapi oleh Bank. Kerangka manajemen risiko (*risk management framework*) yang selaras dengan strategi bisnis, struktur organisasi, kebijakan dan pedoman, serta penyempurnaan infrastruktur Bank diimplementasikan untuk mendukung pelaksanaan manajemen risiko yang efektif dan konsisten pada setiap proses aktivitas bisnis maupun operasional agar senantiasa menjadi Bank yang sehat dan tumbuh secara berkesinambungan.

Evaluation of the Effectiveness of Risk Management
In carrying out its business activities, The Bank always encounters inherent risks in the banking business and operational activities. To control these risks, The Bank implements integrated risk management to identify, measure, monitor, and control all risk exposures faced by The Bank. The risk management framework that is aligned with the business strategy, organizational structure, policies and guidelines, as well as the improvement of The Bank's infrastructure are implemented to support effective and consistent risk management implementation in each process of business and operational activities so as to always be a healthy bank that grows sustainably.

Garis besar kebijakan manajemen risiko diarahkan kepada hal-hal sebagai berikut:

1. Kerangka *risk appetite* yang ditetapkan secara jelas sejalan dengan visi, misi, dan strategi bisnis Bank. *Risk Appetite Statement* memuat *target limit* dan *trigger limit* atas indikator baik kuantitatif maupun kualitatif yang dipantau secara berkala;
2. Mengimplementasikan prinsip-prinsip kehati-hatian secara konsisten dan berkesinambungan, di mana secara komprehensif Bank telah memiliki kebijakan dan prosedur, baik mengenai perkreditan dengan Kebijakan Perkreditan Bank sebagai payung kebijakan, manajemen risiko dengan Kebijakan Manajemen Risiko sebagai payung kebijakan, maupun kebijakan dan prosedur terkait dengan aktivitas operasional Bank yang senantiasa dilakukan penyempurnaan agar sejalan dengan kondisi Bank, peraturan terkini, dan *best practice*;

The outline of risk management policy is directed to the following matters:

1. *The risk appetite framework that is clearly defined in line with The Bank's vision, mission, and business strategy. The Risk Appetite Statement consists of target limit and trigger limit for both quantitative and qualitative indicators that are monitored regularly;*
2. *Implementing the prudential principles in a consistent and continuous manner, whereby The Bank has comprehensive policy and procedures, both concerning credit with The Bank Credit Policy serving as an umbrella policy, risk management with the Risk Management Policy as an umbrella policy, as well as policies and procedures related to operational activities of The Bank, which are constantly being improved to be in line with The Bank's conditions, current regulations, and best practices;*

3. Kualitas portofolio kredit tetap menjadi perhatian Bank yang dilakukan melalui penerapan manajemen risiko kredit yang *prudent* serta penerapan *early warning system* dan langkah-langkah preventif untuk mencegah terjadinya kredit bermasalah;
4. Pengembangan dan penyempurnaan pengukuran risiko pasar baik untuk *trading book* maupun *banking book* senantiasa dilakukan dengan mengacu kepada kondisi Bank, peraturan terkini, dan *best practice*;
5. Dalam pemantauan risiko likuiditas, penyempurnaan pengukuran rasio likuiditas, likuiditas jangka pendek, *stress testing*, dan rencana pendanaan darurat senantiasa dilakukan, disesuaikan dengan perkembangan yang ada;
6. Penyempurnaan dan pengembangan alat bantu pengukuran risiko operasional, kebijakan/prosedur Bank, sistem informasi manajemen, serta kesiapan BCP dan DRC untuk meminimalkan risiko yang berhubungan dengan gangguan bisnis baik karena kejadian internal maupun eksternal senantiasa dilakukan;
7. Bersama dengan berbagai departemen terkait, yaitu Departemen Hukum, Departemen Manajemen Strategi dan Relasi Investor, Departemen Kepatuhan, serta Departemen *Consumer Banking* secara komprehensif mengelola, memantau, dan mengendalikan risiko hukum, risiko stratejik, risiko kepatuhan, dan risiko reputasi;
8. Pengembangan pelatihan untuk memperkuat pemahaman terhadap kebijakan dan prosedur yang ada, yang dimutakhirkan dan yang akan diimplementasikan, serta untuk meningkatkan *risk awareness and culture*;
9. Kaji ulang terhadap parameter Penilaian Tingkat Kesehatan Bank Umum, baik untuk parameter profil risiko, rentabilitas, maupun permodalan senantiasa disesuaikan dengan perkembangan kondisi Bank dan data *peer* bank.

3. The quality of the loan portfolio remains a concern of The Bank, which is maintained through the implementation of prudent credit risk management and the application of early warning system and preventive measures to prevent the occurrence of non-performing loans;
4. Development and improvement of market risk measurement both for trading book and banking book are always carried out by referring to The Bank's conditions, current regulations, and best practices;
5. In monitoring liquidity risk, improvements to the measurement of liquidity ratio, short-term liquidity, stress testing, and contingency funding plan are always carried out and adjusted to current developments;
6. Improvement and development of tools for measuring operational risk, The Bank policies/procedures, management information system, as well as BCP and DRC readiness to minimize risks associated with business disruption, both due to internal and external incidents, are always carried out;
7. Together with various relevant departments, namely Legal Department, Strategy Management and Investor Relation Department, Compliance Department, and Consumer Banking Department comprehensively manage, monitor, and control legal risk, strategic risk, compliance risk, and reputation risk;
8. Development of training to strengthen the understanding of existing policies and procedures, which are updated and will be implemented, to increase risk awareness and culture;
9. Parameters review for evaluating the soundness rating of commercial banks, both for the risk profile, profitability, and capital parameters, is always adjusted to the development of The Bank's conditions and peer bank data.

Profil Risiko dan Mitigasi

Penilaian terhadap profil risiko dilakukan setiap triwulan yang dilaporkan kepada Dewan Komisaris, Direksi dan regulator. Penilaian tersebut ditempuh dengan menggabungkan risiko yang melekat (*inherent risk*) dengan kualitas penerapan manajemen risiko.

Berdasarkan penilaian profil risiko per 31 Desember 2019, risiko inheren memiliki peringkat "*low to moderate*" dan kualitas penerapan manajemen risiko memiliki peringkat "*satisfactory*" sehingga risiko komposit Bank adalah "*low to moderate*".

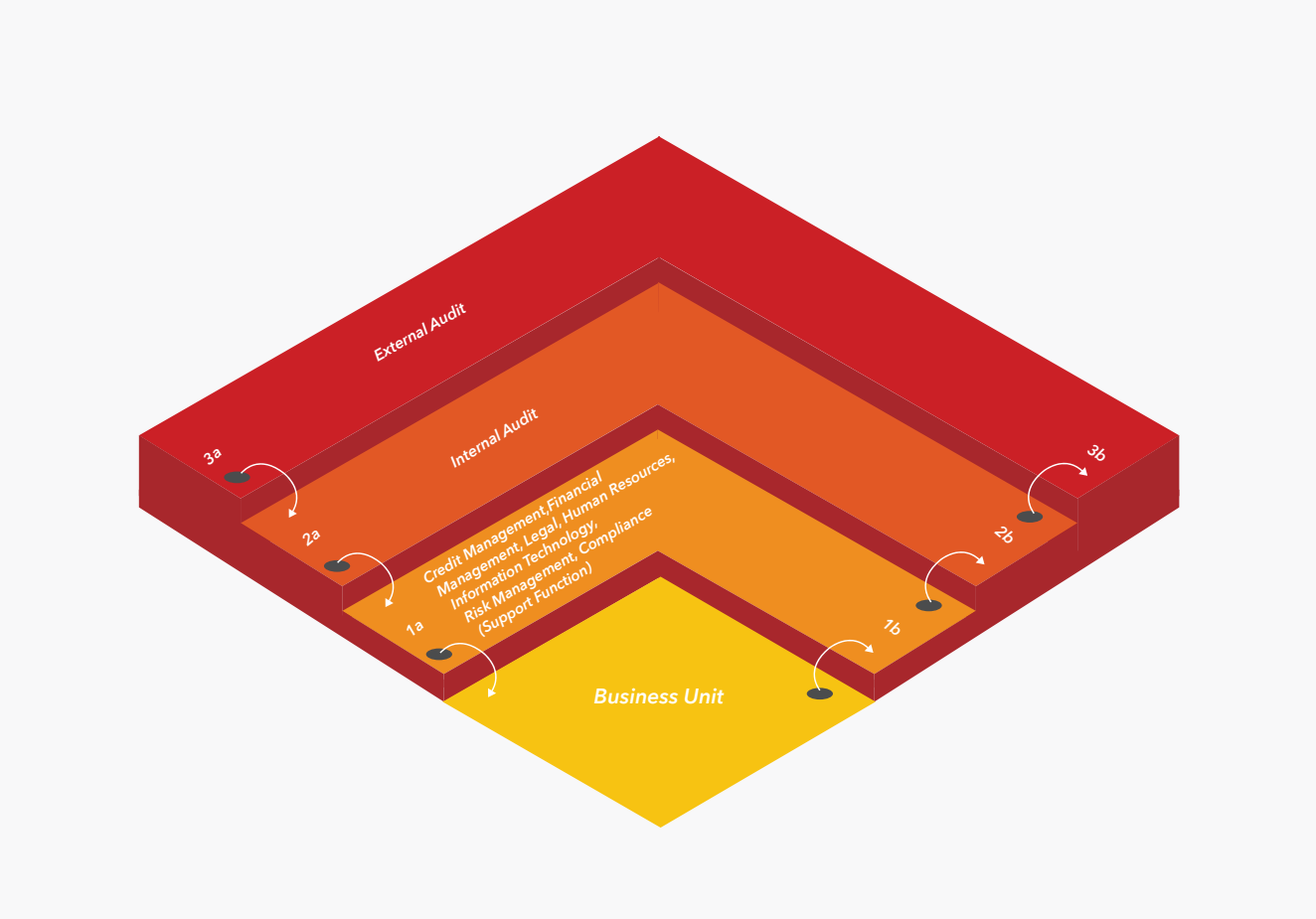
Risk Profile and Mitigation

The assessment of risk profile is performed quarterly and to be reported to the Board of Commissioners, Board of Directors and regulators. The assessment is done by combining inherent risk with the quality of risk management implementation.

Based on risk profile assessments as of December 31, 2019, The Bank's inherent risk has "low to moderate" rating and the quality of risk management implementation has "satisfactory" rating, thus the risk of The Bank composite is "low to moderate".

SISTEM PENGENDALIAN **INTERNAL**

Internal Control System



1a.
- Peraturan perusahaan, kode etik, termasuk tindakan disiplin
- Kebijakan, prosedur, petunjuk pelaksanaan
- Opini/nasehat dari *Compliance*
- Pelatihan, sosialisasi, diskusi
- Laporan *Compliance Assurance*
- Laporan hasil audit/hal-hal yang menjadi perhatian (*concern*) dari regulator, seperti Bank Indonesia dan Otoritas Jasa Keuangan
- Laporan hasil audit non-keuangan dari pihak eksternal

1b.
- Laporan *Risk Control Self-Assessment* (RCSA)/*IT Risk Management* (ITRM), laporan kejadian risiko (RER), laporan *risk officer*, dan laporan *Key Risk Indicator* (KRI)
- Laporan *Speak Up/Whistleblowing* dan Insiden *Fraud*
- Tindak lanjut hasil audit/*concern*, baik internal maupun eksternal

2a.
- Laporan hasil audit internal (termasuk audit investigasi), penilaian terhadap kualitas penerapan manajemen risiko
- Penilaian risiko *fraud*
- Laporan hasil audit dari pihak eksternal (keuangan dan non-keuangan)

1a.
- *Company regulation, code of conduct, including disciplinary action*
- *Policy, procedure and guideline*
- *Compliance's opinion/advice*
- *Training, socialization, discussion*
- *Compliance Assurance's report*
- *Report on audit results/concerns from regulators, such as Bank Indonesia and Financial Service Authority*
- *Non-financial audit report from external party*

1b.
- *Risk Control Self-Assessment (RCSA)/IT Risk Management (ITRM) report, Risk Event Reporting (RER), risk officer report, and Key Risk Indicator report (KRI)*
- *Speak Up/Whistleblowing and Fraud Incident report*
- *Follow-up on audit results/concerns, both internal and external*

2a.
- *Internal audit report (including investigation), assessment on the quality of risk management implementation*
- *Fraud risk assessment.*
- *External audit report (financial and non-financial)*

2b.
- Laporan *Risk Control Self-Assessment* (RCSA)/*IT Risk Management* (ITRM), laporan kejadian risiko (RER), dan laporan *risk officer*
- Laporan *Speak Up/Whistleblowing* (termasuk penerusan dari *business/support unit*)
- Tindak lanjut hasil audit, baik internal/eksternal

3a.
- Laporan hasil audit eksternal
- Ruang lingkup dan strategi audit eksternal

3b.
- Laporan hasil audit internal
- Ruang lingkup dan rencana strategis audit internal

Pada prinsipnya, sistem pengendalian internal melekat dalam seluruh aktivitas dan seluruh unit kerja. Dewan Komisaris dan Direksi bertanggung jawab penuh untuk mengawasi dan melaksanakan kerangka kerja sistem pengendalian internal yang diterapkan di Bank, dan untuk mengusulkan perubahan jika diperlukan. Bank telah membentuk tiga lapis *assurance* guna memastikan sistem pengendalian internal berjalan sesuai fungsinya.

Unit bisnis/pendukung/operasional, yang memiliki dan mengelola risiko, baik yang ada di cabang dan kantor pusat adalah lapis pertama *assurance*. Lapis kedua *assurance* adalah fungsi yang memantau dan meyakini bahwa risiko dan pengendalian terkelola dengan baik oleh lapis pertama, seperti manajemen risiko, kepatuhan, *legal*, sumber daya manusia, keuangan, operasional, dan teknologi informasi.

Lapisan ketiga *assurance* adalah fungsi audit internal yang secara independen menilai efektivitas proses yang diciptakan di lapisan pertama dan kedua, serta memberikan *assurance* yang memadai atas seluruh aktivitas dan unit kerja.

Sistem Pengendalian Keuangan dan Operasional

Sistem pengendalian internal ditetapkan oleh Direksi dengan persetujuan Dewan Komisaris. Penerapan sistem pengendalian yang efektif dilakukan secara berkesinambungan dengan tujuan sebagai berikut:
- Menjaga dan mengamankan harta kekayaan Bank.
- Menjamin tersedianya laporan yang lebih akurat.
- Meningkatkan kepatuhan terhadap ketentuan yang berlaku.
- Mengurangi dampak keuangan/kerugian, penyimpangan termasuk kecurangan/*fraud*, dan pelanggaran terhadap prinsip kehati-hatian.
- Meningkatkan efektivitas organisasi dan efisiensi biaya.

Penilaian terhadap Efektivitas Pengendalian Internal

Manajemen bertanggung jawab atas terselenggaranya sistem pengendalian internal yang andal dan efektif serta berkewajiban untuk meningkatkan budaya risiko (*risk culture*) yang efektif, dan wajib memastikan bahwa hal tersebut telah melekat di setiap jenjang organisasi. Departemen Audit Internal (SKAI) bertanggung jawab mengevaluasi dan berperan aktif dalam meningkatkan efektivitas sistem pengendalian internal secara berkesinambungan berkaitan dengan pelaksanaan operasional Bank dalam mencapai sasaran yang telah ditetapkan Bank. SKAI melakukan audit secara periodik terhadap seluruh aktivitas di unit kerja. Hasil audit disampaikan kepada manajemen untuk ditindaklanjuti dan dimonitor pelaksanaannya. Hal ini dilakukan untuk memastikan sistem pengendalian internal berjalan secara efektif.

2b.
- *Risk Control Self-Assessment (RCSA)/IT Risk Management (ITRM) report, Risk Event Reporting (RER), and risk officer report*
- *Speak Up/Whistleblowing report (including forwarding from the business/support unit)*
- *Follow-up on internal/external audit results*

3a.
- *External audit report*
- *External audit scope and strategy*

3b.
- *Internal audit report*
- *Internal audit scope and strategic plan*

In principle, the internal control system is attached in all activities and throughout all work units. The Board of Commissioners and the Board of Directors are fully responsible for overseeing and implementing the internal control system framework applied at The Bank, and proposing changes when necessary. The Bank has established three layers of assurance to ensure the internal control system is functioning accordingly.

Business/support/operational units who own and manage risk, both in the branch and head office serve as the first layer of assurance. The second layer of assurance is a function that monitors and ensures the risks and controls are well managed by the first layer, such as risk management, compliance, legal, human resources, financial management, operations, and information technology.

The third layer of assurance is an internal audit function that independently assesses the effectiveness of processes created in the first and second layers and provides adequate assurance of all activities and work units.

Financial and Operational Control Systems

The internal control system is established by the Board of Directors with the approval of the Board of Commissioners. The implementation of effective internal control system is carried out continuously with the following objectives:
- *Maintain and secure The Bank's assets.*
- *Ensure more accurate reporting.*
- *Improve compliance to prevailing regulations.*
- *Reduce financial impacts/losses, irregularities including deceit/fraud, and violation of prudential principles.*
- *Improve organizational effectiveness and cost efficiency.*

Assessment of Internal Control Effectiveness

The management is responsible for the implementation of a reliable and effective internal control system and is obliged to promote an effective risk culture, and to ensure that it is inherent at every level of the organization. The Internal Audit Department (IAD) is responsible for evaluating and taking an active role in improving the effectiveness of internal control system on an ongoing basis in relation to The Bank's operational implementation in achieving the objectives set by The Bank. IAD conducts periodic audits on all activities in the work units. Audit results are submitted to the management for follow-up and its implementation is to be monitored. This is carried out to ensure the internal control system runs effectively.

Proses penilaian kecukupan pengendalian internal dilakukan terhadap 5 (lima) komponen pengendalian internal yang merujuk ke kerangka acuan yang diterbitkan oleh *Committee of Sponsoring Organizations of the Treadway Commission* (COSO) dan komponen kepatuhan terhadap regulasi (*compliance*).

Penilaian pengendalian internal dengan berdasarkan kepada hasil audit dan *review* lainnya menunjukkan pengendalian internal yang ada telah dirancang untuk memitigasi risiko, namun masih memerlukan perbaikan, serta keefektifan pelaksanaannya masih perlu ditingkatkan.

Fungsi Kepatuhan

Sejalan dengan Peraturan Otoritas Jasa Keuangan No. 46/POJK.03/2017 tentang Pelaksanaan Fungsi Kepatuhan Bank Umum, Bank telah menetapkan serangkaian pedoman kepatuhan yang antara lain berupa:

Piagam Kepatuhan
Piagam Kepatuhan merupakan standar formal yang berisi prinsip-prinsip dasar, kewenangan, tugas dan tanggung jawab fungsi kepatuhan dalam organisasi, dan jalur pelaporan antara Dewan Komisaris, Direksi dan Otoritas Jasa Keuangan (OJK) selaku pengawas Bank. Tujuan utama dari disusunnya Piagam Kepatuhan ini adalah untuk memformulasikan tugas dan tanggung jawab fungsi kepatuhan.

Pernyataan Kepatuhan
Pernyataan Kepatuhan berisi kesanggupan setiap karyawan Bank untuk bertanggung jawab dan patuh pada Kode Etik Perilaku, kebijakan, prosedur dan pedoman internal, serta peraturan dan perundang-undangan yang berlaku sesuai dengan lingkup pekerjaan karyawan yang bersangkutan. Melalui Kode Etik Perilaku ini, diharapkan agar seluruh karyawan Bank dapat selalu bersikap hati-hati, cermat, dan cerdas saat menghadapi hal-hal yang berpotensi menimbulkan risiko yang dapat merugikan Bank (memiliki *risk awareness*).

Kebijakan Kepatuhan
Kebijakan Kepatuhan merupakan ketentuan yang mengatur pelaksanaan fungsi kepatuhan dalam Bank. Kebijakan ini diterbitkan dalam rangka memitigasi risiko pada aktivitas bisnis Bank terutama dalam pengelolaan risiko kepatuhan (*ex-ante),* serta mewujudkan terlaksananya budaya kepatuhan pada semua tingkatan organisasi dan kegiatan usaha Bank.

Kesesuaian dengan COSO
Sistem pengendalian internal Bank disusun secara terintegrasi dan telah sesuai dengan kerangka acuan yang diterbitkan oleh *Committee of Sponsoring Organizations of the Treadway Commission* (COSO) dan kepatuhan terhadap peraturan yang berlaku.

The process of assessing the adequacy of internal control is carried out on 5 (five) components of internal control that refers to a framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) and the component of compliance to regulations.

The assessment of internal control which is based on audit results and other reviews shows that existing internal controls have been designed to mitigate risk. However, the improvement is still required as well as the effectiveness of its implementation still needs to be improved.

Compliance Function

In compliance with the Financial Services Authority Regulation No. 46/POJK.03/2017 on the Implementation of Compliance Function for Commercial Banks, The Bank has established a series of compliance guidelines, which include:

Compliance Charter
The Compliance Charter is an official standard that contains the basic principles, authorities, duties and responsibilities of the compliance function within the organization, and the reporting line between the Board of Commissioners, the Board of Directors and the Financial Services Authority (OJK) as The Bank's supervisor. The main objective of this Compliance Charter's compilation is to formulate the duties and responsibilities of the compliance function.

Compliance Statement
The Compliance Statement contains the ability of The Bank employees to be responsible and adhere to the Code of Conduct, internal policies, procedures and guidelines, as well as prevailing laws and regulations in accordance with the scope of work of the employees concerned. Through this Code of Conduct, The Bank employees are expected to always be careful, prudent, and smart when dealing with matters that have potential to cause harmful risks for The Bank (have risk awareness).

Compliance Policy
The Compliance Policy is a provision that defines the role of compliance function within The Bank. This policy is published to mitigate the risks within The Bank's business activities particularly to manage the compliance risk (ex-ante), and to ensure the implementation of compliance culture at all levels of The Bank's organization and business activities.

Compatibility with COSO
The internal control system of The Bank is developed in an integrated manner and in accordance with a framework published by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) and the compliance of prevailing regulations.

PERKARA **PENTING**
Litigation

Permasalahan Hukum
Perkembangan jumlah permasalahan dan/atau perkara hukum serta litigasi yang dihadapi Bank dalam 3 (tiga) tahun terakhir adalah sebagai berikut:

Legal Issues
The development of the number of issues and/or legal and litigation issues faced by The Bank in the last 3 (three) years is as follows:

Perkara Hukum *Legal Cases*	2019		2018		2017	
	Perdata *Civil*	Pidana *Criminal*	Perdata *Civil*	Pidana *Criminal*	Perdata *Civil*	Pidana *Criminal*
Selesai (telah mempunyai kekuatan hukum tetap) *Completed (has valid legal force)*	11	-	4	-	1	-
Dalam proses penyelesaian *In the process of settlement*	1	-	6	-	5	-
Jumlah *Total*	12	-	10	-	6	-

Selama tahun 2019, terdapat 12 (dua belas) perkara hukum yang dihadapi Bank. Perkara hukum yang telah selesai (telah mempunyai kekuatan hukum tetap) berjumlah 11 (sebelas) perkara dengan nominal uang yang menjadi objek perkara sebesar Rp90.442.323.000. Perkara hukum yang sedang dalam proses penyelesaian berjumlah 1 (satu) perkara dengan nominal uang yang menjadi objek perkara sebesar Rp300.000.000. Perkara hukum tersebut dilaksanakan melalui proses yang berlaku di Indonesia dengan penuh kesadaran sebagai bentuk kepatuhan hukum. Bank senantiasa berkomitmen untuk memberikan kerja sama yang baik dalam proses penyelesaian perkara hukum.

Untuk Dewan Komisaris dan Direksi, tidak terdapat perkara hukum yang melibatkan anggota dari kedua organ tersebut.

During 2019, there were 12 (twelve) legal cases encountered by The Bank. Legal cases that have been completed (have valid legal force) were 11 (eleven) cases with the nominal money being the object of the case amounting to Rp90,442,323,000. Legal cases that were in the process of settlement was 1 (one) case with the nominal money being the object of the case amounting to Rp300,000,000. Legal cases were carried out through a process that applies in Indonesia with full awareness as a form of legal compliance. The Bank is always committed to providing good cooperation in the settlement of legal cases.

As for the Board of Commissioners and Board of Directors, there were no legal cases involving members of both organs.

SANKSI **ADMINISTRATIF**
Administrative Sanction

Pada tahun 2019, Bank dikenakan sanksi administratif sebesar Rp134.661.000, di mana 11 (sebelas) sanksi administratif berasal dari Bank Indonesia senilai Rp1.761.000 dan 5 (lima) sanksi administratif dari Otoritas Jasa Keuangan senilai Rp132.900.000. Seluruh sanksi administratif tersebut telah dibayarkan oleh Bank kepada instansi terkait.

In 2019, The Bank was subjected to administrative sanctions amounted to Rp134,661,000, in which 11 (eleven) administrative sanctions came from Bank Indonesia amounted to Rp1,761,000 and 5 (five) administrative sanctions from the Financial Services Authority amounted to Rp132,900,000. All administrative sanctions have been paid by The Bank to the relevant agencies.

AKSES INFORMASI **DAN DATA PERUSAHAAN**
Information Access and Corporate Data

Sesuai dengan Undang-Undang Republik Indonesia No. 14 Tahun 2008 tentang Keterbukaan Informasi Publik yang menyatakan bahwa keterbukaan informasi publik merupakan sarana dalam mengoptimalkan pengawasan publik terhadap penyelenggaraan negara dan badan publik lainnya dan segala sesuatu yang berakibat pada kepentingan publik, maka Bank berkomitmen menerapkan prinsip transparansi kepada segenap pemangku kepentingan Bank dengan menyediakan akses dan sarana perolehan informasi yang memadai kepada seluruh pemangku kepentingan.

Law of the Republic of Indonesia No. 14 of 2008 on Public Information Disclosure states that public information disclosure is a means to optimize public supervision on the administration of the state and other public bodies and everything that affects the public interest. In accordance with this law, The Bank is committed to apply the principle of transparency to all stakeholders of The Bank by providing access and means of obtaining adequate information to all stakeholders.

Akses informasi dan data Bank kepada publik secara eksternal dapat diakses di situs resmi Bank, media cetak, dan media elektronik lainnya seperti:

- Telepon : (+62 21) 2355 6000
- *Call Center* : 1-500-198 (i Call ICBC)
- Surel : customer_care@ina.icbc.com.cn
- *Website* : www.icbc.co.id
- Instagram : icbc.indonesia

Access to The Bank information and data for public is externally accessible on The Bank's official website, as well as through print media and the following channels:

- *Telephone : (+62 21) 2355 6000*
- *Call Center : 1-500-198 (i Call ICBC)*
- *Email : customer_care@ina.icbc.com.cn*
- *Website : www.icbc.co.id*
- *Instagram : icbc.indonesia*

Keterbukaan dalam Komunikasi Eksternal
Bank secara berkala menyebarluaskan informasi mengenai aktivitas dan kinerja Bank sebagai bentuk transparansi kepada masyarakat, yakni sebagai berikut:

Disclosure in External Communication
The Bank periodically disseminates material information regarding its activities and performances as a form of transparency towards the public, as follows:

Perkembangan Keterbukaan Informasi | *Development of Information Disclosure*

Bentuk Keterbukaan *Forms of Disclocure*	2019	2018	2017
Iklan Publikasi Pengumuman Lelang *Tender Publication*	-	-	-
Laporan Tahunan *Annual Report*	1	1	1
Paparan Kinerja Bank *Bank Performance Presentation*	10	7	5
Siaran/Konferensi Pers *Press Conference/Release*	1	2	3

Situs Web
Informasi mengenai profil dan sejarah perusahaan, manajemen perusahaan, produk dan layanan, kinerja keuangan, serta sejumlah dokumen keterbukaan informasi lainnya disajikan Bank dalam situs web dengan alamat www.icbc.co.id yang dapat diakses oleh pemegang saham dan segenap pemangku kepentingan.

Website
Information regarding the company's profile and history, company management, products and services, financial performance, and other information disclosure documents are presented by The Bank on the website at www.icbc.co.id that is accessible to shareholders and all other stakeholders.

Paparan Kinerja
Sepanjang 2019 Bank telah menyampaikan paparan kinerja kepada pemegang saham dan pemangku kepentingan sebagai bentuk keterbukaan informasi. Paparan kinerja dilakukan melalui tayangan iklan media massa nasional sebagai berikut:

Performance Exposure
Throughout 2019, The Bank has submitted performance exposure to shareholders and stakeholders as a form of information disclosure. The performance exposure is done through national mass media advertisement as follows:

Publikasi Laporan Keuangan | *Financial Statement Publication*

Posisi Keuangan *Financial Position*	Tanggal Publikasi *Publication Date*	Media
31 Desember 2018 *December 31, 2018*	30 Maret 2019 *March 30, 2019*	Bisnis Indonesia
31 Maret 2019 *March 31, 2019*	15 Mei 2019 *May 15, 2019*	Bisnis Indonesia
30 Juni 2019 *June 30, 2019*	14 Agustus 2019 *August 14, 2019*	Bisnis Indonesia
30 September 2019 *September 30, 2019*	14 November 2019 *November 14, 2019*	Bisnis Indonesia
31 Desember 2019 *December 31, 2019*	29 Mei 2020 *May 29, 2020*	Bisnis Indonesia

Publikasi Laporan Keuangan ICBC Limited | *ICBC Limited Financial Statement Publication*

Posisi Keuangan *Financial Position*	Tanggal Publikasi *Publication Date*	Media
31 Desember 2018 *December 31, 2018*	28 Maret 2019 *March 28, 2019*	Bisnis Indonesia
31 Desember 2019 *December 31, 2019*	29 Mei 2020 *May 29, 2020*	Bisnis Indonesia

Laporan Tahunan
Bank menerbitkan laporan tahunan yang merupakan dokumentasi resmi atas pencapaian kinerja Bank di tahun buku. Laporan Tahunan Bank tahun 2019 telah didistribusikan kepada pemegang saham dan segenap pemangku kepentingan lainnya.

Annual Report
The Bank publishes an annual report which is the official documentation of The Bank's performance in a fiscal year. The Bank's 2019 Annual Report has been distributed to shareholders and all other stakeholders.

Pengelolaan Komunikasi Internal
Dalam rangka menciptakan iklim komunikasi internal yang kondusif untuk mendukung pencapaian kinerja, Bank senantiasa menciptakan komunikasi dua arah melalui berbagai media komunikasi termasuk:

- Surel
- Situs Internal
- *Newsboard*
- *Digital Signage*

Internal Communication Management
In the event of creating a conducive internal communication climate to support The Bank performance achievements, The Bank continues to create two-way communication channels through various communication media, including

- *E-mail*
- *Internal Site*
- *Newsboard*
- *Digital Signage*

HUBUNGAN DENGAN **PEMANGKU KEPENTINGAN**

Relations with Stakeholders

Pemangku kepentingan adalah pihak-pihak yang memiliki kepentingan dengan Bank baik langsung maupun tidak langsung. Pemangku kepentingan utama Bank adalah ICBC Limited dan PT Intidana Wijaya. Pemangku kepentingan lainnya antara lain karyawan, nasabah, vendor penyedia barang dan jasa, pemerintah, regulator dan masyarakat.

Stakeholders are parties who have an interest with The Bank either directly or indirectly. The main stakeholders of The Bank are ICBC Limited and PT Intidana Wijaya. Other stakeholders include employees, customers, vendors of goods and services provider, government, regulators and community.

Prinsip Dasar

Bank menghormati hak setiap pemangku kepentingan yang tercermin dalam kebijakan sebagai berikut:

- Pengelolaan pemangku kepentingan diarahkan pada kepentingan bisnis Bank dengan tetap memperhatikan aturan main dan praktik bisnis yang sehat dan beretika.
- Pengelolaan pemangku kepentingan didasarkan pada prinsip-prinsip GCG, yaitu *Transparency, Accountability, Responsibility*, *Independency*, dan *Fairness*.

Basic Prinsiples

The Bank respects the rights of each stakeholder, as reflected in the following policies:

- *Stakeholder management is directed to The Bank's business interests with due regard to the sound and ethical business rules and business practices.*
- *Stakeholder management is based on GCG principles, namely Transparency, Accountability, Responsibility, Independency, and Fairness.*

Pola Hubungan dengan Pemangku Kepentingan

Dalam mencapai keseimbangan dalam pengelolaan pemangku kepentingan, Bank wajib memperhatikan hak pemangku kepentingan yang dapat timbul secara hukum karena peraturan perundangan, perjanjian/kontrak, nilai etika/moral, atau tanggung jawab sosial perusahaan yang tidak bertentangan dengan aturan main Bank, dengan demikian:

- Bank mengomunikasikan hak-hak para pemangku kepentingan secara transparan, akurat, dan tepat waktu melalui Sekretaris Perusahaan atau pejabat yang ditunjuk untuk menjadi penghubung antara Bank dengan pemangku kepentingan.
- Bank mempunyai mekanisme untuk menampung dan menindaklanjuti saran dan keluhan dari pemangku kepentingan.
- Bank mendorong pemangku kepentingan ikut berpartisipasi dalam penciptaan iklim yang kondusif untuk menaati peraturan perundangan yang berlaku.
- Bank memberikan kesempatan kepada masyarakat sekitar untuk bekerja di Bank sepanjang sesuai dengan kebutuhan dan standar mutu yang ditetapkan.

Relationship Patterns with Stakeholders

In achieving balance in the management of stakeholders, The Bank takes into account the rights of stakeholders that may arise legally due to laws, contracts, moral/ethical values, or corporate social responsibility, not in conflict with The Bank's rules of conduct. This is done in the following ways:

- *The Bank communicates the rights of stakeholders in a transparent, accurate and timely manner through the Corporate Secretary or through an appointed official to serve as a link between The Bank and the stakeholders.*
- *The Bank has mechanisms to accommodate and follow-up on stakeholders' suggestions and complaints.*
- *The Bank encourages stakeholders to participate in the creation of a conducive climate to comply with applicable laws and regulations.*
- *The Bank provides an opportunity for the surrounding community to work at The Bank as long as it meets the needs and quality standards set.*

Pengembangan Komunikasi dengan Pemangku Kepentingan

Upaya yang dilakukan Bank dalam membangun komunikasi dengan para pemangku kepentingan dilaksanakan dengan menggunakan berbagai media, di antaranya sebagai berikut:

Development of Communication with Stakeholders

The efforts made by The Bank in establishing communication with stakeholders are implemented using various media, including as follows:

Pemangku Kepentingan *Stakeholders*	Pengembangan Sarana Komunikasi *How Communication is Developed*
Pemegang Saham *Shareholders*	· Rapat Umum Pemegang Saham | *General Meeting of Shareholders* · Kunjungan kerja | *Work visits* · Presentasi paparan kinerja | *Presentations on The Bank's performance* · Laporan tahunan | *Annual report*
Regulator *Regulators*	· Situs | *Website* · Kunjungan kerja | *Work visits* · Laporan tahunan | *Annual report*
Pemerintah *Government*	· Laporan tahunan | *Annual report*

Pemangku Kepentingan *Stakeholders*	Pengembangan Sarana Komunikasi *How Communication is Developed*
Masyarakat *Community*	· Situs | *Website* · Media jejaring sosial Bank | *The Bank's social media* · Berita tentang Bank di media massa | *News about The Bank in mass media* · Tanggung jawab sosial perusahaan | *Corporate social responsibility*
Nasabah *Customers*	· Situs | *Website* · Media jejaring sosial Bank | *The Bank's social media* · Petugas garda depan | *Front guard officers*
Lembaga Swadaya Masyarakat *Non-governmental Organizations*	· Laporan tahunan | *Annual report* · Tanggung jawab sosial perusahaan | *Corporate social responsibility*
Media Massa *Mass Media*	· Situs | *Website* · Media jejaring sosial Bank | *The Bank's social media* · Laporan tahunan | *Annual report* · Pendistribusian siaran pers | *Distribution of press releases* · *Press gathering* · Wawancara | *Interviews*
Peer Group Usaha Perbankan (Bank Umum, Bank Devisa) *Peer Banking Business Groups (Commercial Bank, Foreign Exchange Bank)*	· Asosiasi industri | *Industry associations* · Laporan tahunan | *Annual report* · Studi banding | *Comparative studies*
Komunitas Keuangan *Financial Community*	· Laporan tahunan | *Annual report*
Pesaing *Competitors*	· Situs | *Website* · Media jejaring sosial Bank | *The Bank's social media* · Berita tentang Bank di media massa | *News about The Bank in mass media* · Asosiasi industri | *Industry associations* · Laporan tahunan | *Annual report*
Pihak Ketiga (Pemasok) *Third Party (Suppliers)*	· Pengarahan | *Briefing/Aanwijzing*
Karyawan *Employees*	· Situs internal | *Internal site* · Pos elektronik | *Electronic posts*

BUDAYA **PERUSAHAAN**
Corporate Culture

Bank memiliki nilai-nilai, budaya, dan karakter yang menjadi landasan kerja bagi seluruh insan Bank, yaitu:

Integritas
Bertindak sesuai dengan norma dan etika serta bertanggung jawab terhadap tindakan yang dilakukan.

Peduli Sosial
Membangun budaya peduli dan empati, serta menghargai sesama.

Kehati-hatian
Menerapkan prinsip kehati-hatian dalam menjalankan usaha.

Inovasi
Terdepan dalam menciptakan produk dan layanan, dengan berfokus pada pengembangan teknologi.

Keunggulan
Memberikan hasil terbaik agar terciptanya keunggulan dalam segala aspek.

The Bank has the following values, culture, and character that serve as the foundation of work for all of The Bank insiders:

Integrity
Act according to norms and ethics, and be responsible for actions taken.

Humanity
Build a culture of care and empathy, and respect for others.

Prudence
Implementing the prudential principles in progressing the business.

Innovation
Leading forward in creating products and services by focusing on the development of technology.

Excellence
Providing the best results for excellence in all aspects.

KODE **ETIK**
Code of Conduct

Landasan Penerapan Kode Etik
Untuk dapat menjalankan fungsinya dengan baik, dan memelihara kepercayaan masyarakat umum, termasuk para pemangku kepentingan Bank, setiap karyawan wajib melaksanakan tugasnya dengan kejujuran, integritas, tidak memihak, tanpa perlakuan istimewa dari pihak mana pun, dan bertindak sesuai dengan ketentuan yang berlaku. Oleh karena itu, diperlukan penetapan standar Kode Etik yang baik, agar dapat dipatuhi oleh seluruh karyawan Bank.

Kode Etik Bank
Bank telah memiliki Kode Etik. Tujuan Kode Etik adalah diharapkan agar seluruh karyawan Bank dapat selalu bersikap hati-hati, cermat dan cerdas saat menghadapi hal-hal yang berpotensi menimbulkan risiko yang dapat merugikan Bank (memiliki *risk awareness*).

Kode Etik Bank berlaku bersama dengan peraturan internal Bank, peraturan pemerintah dan undang-undang yang berlaku, dan sama sekali tidak dimaksud untuk menggantikan regulasi tersebut karena tidak semua hal tercakup di dalam Kode Etik. Karyawan diharapkan selalu dapat bertindak dan berperilaku atas pertimbangan baik dan benar, serta bila diperlukan mendiskusikannya dengan atasan jika timbul keraguan dalam bertindak dan berperilaku.

Platform for Implementing a Code of Conduct
To be able to perform its functions well, and to maintain the trust of the general public, including stakeholders of The Bank, it is important that each employee performs his/her duties with honesty, integrity, impartiality, no preferential treatment from other parties, and acts in accordance with applicable provisions. As such, it is necessary for The Bank to establish good Code of Conduct standards which can be adhered by all employees of The Bank.

The Bank's Code of Conduct
The Bank already has a Code of Conduct. The purpose of the Code of Conduct is so that all of The Bank's employees are always cautious, meticulous and intelligent when facing the potential risks that may harm The Bank (risk awareness).

The Bank's Code of Conduct applies in conjunction with The Bank's internal regulations, government regulations and applicable laws, and absolutely not intended to replace those regulations as not all are covered by the Code of Conduct. Employees are expected to always act and behave in good and right manners, and when necessary discuss things with their superiors when there is doubt in acting and behaving.

Kode Etik Bank tertuang dalam 10 (sepuluh) sikap dasar sebagaimana secara ringkas diuraikan di bawah ini:

The Bank's Code of Conduct contains 10 (ten) basic attitudes as summarized below:

Mematuhi Peraturan Internal Bank, Peraturan Regulator dan Peraturan Perundangan Lain yang Berlaku. *Compliance with The Bank's Internal Regulations, Regulatory Requirements and Other Applicable Laws.*	Karyawan mewakili dan menjaga reputasi Bank, sehingga karyawan harus memahami dan mengenal seluruh peraturan dan ketentuan yang berlaku terkait dengan departemennya. Jika terdapat keraguan, karyawan harus berkonsultasi dengan rekan-rekan yang berpengalaman pada Departemen Kepatuhan, Departemen Sumber Daya Manusia, Departemen *Legal*, Departemen *Management Information and Accounting*, dan Departemen *Financial Management* sesegera mungkin. Pelanggaran terhadap undang-undang dan peraturan dapat dikenakan sanksi sesuai dengan peraturan yang berlaku. *Employees represent and maintain The Bank's reputation, so they must understand all applicable rules and regulations related to their departments. In case of doubt, employees should consult with experienced colleagues in the Compliance Department, Human Resources Department, Legal Department, Management Information and Accounting Department, and Financial Management Department as soon as possible. Violations of the laws and regulations may be subject to sanctions in accordance with applicable regulations.*
Menolak Penyuapan, Korupsi, dan Aktivitas Ilegal Lain *Rejecting of Bribery, Corruption, and Other Illegal Activities*	Penyuapan dan korupsi merusak bisnis serta nilai-nilai yang dijunjung. Bank menentang segala bentuk penyuapan dan korupsi. Karyawan dilarang melakukan penyuapan, korupsi, dan kegiatan ilegal apa pun untuk keuntungan material atau sesuatu yang berharga. *Bribery and corruption damage business and upheld values. The Bank opposes all forms of bribery and corruption. Employees are prohibited from bribery, corruption, and any illegal activity for material benefits or valuable things.*
Hadiah dan Hiburan *Gifts and Entertainment*	Karyawan dilarang menerima atau meminta hadiah dan/atau hiburan dalam bentuk apa pun dari nasabah, *vendor* atau pihak mana pun yang dapat berpotensi terhadap benturan kepentingan atau lebih jauh lagi dapat mempengaruhi proses pengambilan keputusan. Hadiah dan/atau hiburan dapat diterima apabila memenuhi kriteria berikut: - Karyawan yang karena tugasnya harus memberikan atau menerima hadiah berupa barang dengan nilai yang wajar kepada/dari pihak eksternal dalam rangka hari raya keagamaan dan tahun baru, harus melaporkan kepada atasan langsung dan atasan langsung berikutnya untuk dilakukan pencatatan. Adapun nilai yang wajar adalah hadiah yang nilainya tidak melebihi Rp1.000.000. Hadiah berbentuk uang tunai tetap tidak diperkenankan. - Menawarkan dan menerima jamuan bisnis yang wajar. - Menerima hadiah yang bernilai tinggi, di mana penolakan akan menimbulkan penghinaan, dan di mana permintaan maaf dan pengembalian tidak dimungkinkan. Jika diterima, hadiah itu harus dilaporkan kepada atasan langsung dan atasan langsung berikutnya untuk dicatat, dan kemudian dilaporkan dan diserahkan ke Departemen Sumber Daya Manusia untuk disumbangkan dalam acara-acara karyawan atau amal. - Karyawan harus mencatat semua hadiah yang diterima dalam suatu daftar hadiah di departemen atau unit kerja yang bersangkutan. *Employees are prohibited from accepting or soliciting gifts of any kind and/or entertainment from customers, vendors or other parties that may potentially cause conflict of interests or may further influence the decision-making process.* *The following rewards and/or entertainment may be accepted in accordance with applicable provisions:* - *An employee, who due to his/her duties must provide/receive a prize of goods of a reasonable value to/from an external party in the event of religious festivities and new year's celebration, must report to the immediate supervisor and subsequent immediate supervisor for recording. The fair value is a gift which value does not exceed Rp1,000,000. Gifts in cash are still not allowed.* - *Offer and receive a reasonable business dinner.* - *Receive high value prize, where refusal will cause humiliation, and where apologies and returns are not possible. If accepted, the prize must be reported to the immediate supervisor and subsequent immediate supervisor for recording, and then reported and submitted to the Human Resources Department to be donated in employee or charity events.* - *Employees must record all prizes received in a prize list in their relevant departments or work units.*

Speak Up	*Speak up* adalah media bagi karyawan untuk mengungkapkan permasalahan yang berkaitan dengan perilaku yang tidak baik dan malpraktek. Karyawan harus menyampaikan *speak up* apabila karyawan memiliki kecurigaan yang besar terhadap suatu hal dengan menyampaikan kekhawatirannya. Semua laporan yang masuk melalui prosedur *speak up* akan diperiksa dan ditindaklanjuti apabila memenuhi kriteria dalam penyampaian *speak up*. Perlu diingat bahwa kebijakan *speak up* bukanlah mekanisme untuk mengungkapkan keluhan umum. Hal-hal yang dapat dilaporkan melalui prosedur *speak up* antara lain: pelanggaran undang-undang, regulasi, nilai-nilai budaya, penipuan, ataupun aksi kriminal yang lain dan insiden serius yang serupa, yang dirasakan belum dilaporkan atau diinvestigasi dengan benar. Masalah lain yang dapat menimbulkan risiko reputasi bagi Bank dapat dilaporkan. Bank mendorong aksi *speak up* dengan menyediakan saluran pelaporan yang aman dan terjamin kerahasiaannya. *Speak up* merupakan bagian penting dari nilai-nilai Bank. Tidak ada yang dirugikan dari *speak up*, kecuali jika penggunaannya disalahgunakan untuk memberikan informasi yang tidak benar (fitnah). *Speak up is a medium for employee to express concerns related to bad behavior and malpractice. Employee must convey speak up if the respective employee has a great suspicion of something by expressing his/her concerns.* *All reports that enter through the speak up procedures will be recorded, reviewed and followed-up if they meet the criteria for delivering speak up. Keep in mind that speak up policies are not a mechanism for expressing public complaints.* *Matters that can be reported through speak up procedures include: violation of laws, regulations, cultural values, fraud, or other criminal acts and similar serious incidents, which have not been properly reported or investigated. Any other issues that may pose a reputation risk to The Bank may be reported.* *The Bank encourages the action of speak up procedures by providing secure and confidential reporting channel. Speak up is an important part of The Bank's values. Nothing is harmed from speak up, unless the use is misused to provide false information.*
Mencegah Pencucian Uang *Preventing Money Laundering*	Pencucian uang merusak integritas dan reputasi Bank dan membawa Bank kepada kemungkinan dikenakan hukuman yang berat. Bank mendukung gerakan internasional dalam memerangi tindakan kriminal sepenuhnya serta berkomitmen mencegah pencucian uang dan penipuan. Karyawan wajib mematuhi berbagai undang-undang dan peraturan lain yang dikeluarkan oleh pemerintah atau instansi yang berwenang yang dirancang untuk mendeteksi, mencegah, dan melaporkan pencucian uang, pembiayaan teroris dan kriminalitas penggunaan sistem keuangan. Bank sudah memiliki kebijakan dan prosedur tentang anti pencucian uang dan pencegahan pendanaan terorisme berdasarkan ketentuan regulator dan Pusat Pelaporan dan Analisis Transaksi Keuangan (PPATK) dan peraturan perundangan lainnya yang terkait, maupun *international best practice* yang harus dipatuhi dalam menjalankan semua kegiatan usaha Bank. Dalam mencegah kegiatan pencucian uang, karyawan wajib untuk: - Pelatihan dan sosialisasi: Berpartisipasi dalam semua program pelatihan dan sosialisasi. - Mengenal nasabah: Karyawan harus mengenal nasabah dan mempunyai pengetahuan yang memadai mengenai nasabah agar dapat mengidentifikasi transaksi yang tidak sesuai dengan pola transaksi nasabah atau tidak sesuai dengan aktivitasnya. - Melaporkan aktivitas yang mencurigakan: Karyawan harus segera melaporkan kepada Departemen Kepatuhan dan Departemen AML/CFT (*Anti Money Laundering/Countering Financing of Terrorism*) atas kecurigaan pencucian uang. AML *officer* harus diberitahu untuk menentukan perlu atau tidaknya mengajukan laporan transaksi keuangan yang mencurigakan.

	Money laundering undermines the integrity and reputation of The Bank and brings The Bank to possible severe penalties. The Bank supports the international movement in combating criminal acts completely and is committed to preventing money laundering and fraud. *Employees are required to comply with various other laws and regulations issued by the government or authorized agencies designed to detect, prevent, and report money laundering, terrorist financing and criminal use of the financial system.* *The Bank has a policy and procedure on anti money laundering and countering financing of terrorism based on the provisions of regulators and Financial Transaction Reports and Analysis Center (PPATK) and other relevant legislations, as well as international best practices to be observed in carrying out all business activities of The Bank.* *In preventing money laundering activities, employees are required to observe the following:* - *Training and socialization: Participate in all training and socialization programs.* - *Know your customer: Employees must be familiar with customers and have sufficient knowledge of customers to identify transactions that are not in accordance with the pattern of customer transactions or not in accordance with their activities.* - *Reporting suspicious activity: Employees should report to the Compliance Department and AML/CFT Department for suspicion of money laundering. The AML officer must be notified to determine whether or not to file a suspicious transaction report.*
Menghindari Benturan Kepentingan *Avoiding Conflict of Interest*	Benturan kepentingan adalah suatu kondisi di dalam suatu rangkaian aktivitas Bank, di mana kepentingan Bank, dan/atau nasabahnya, dan/atau karyawan Bank saling berbenturan baik secara langsung maupun tidak langsung. Terdapat 5 (lima) kategori benturan kepentingan: - Benturan kepentingan dengan nasabah (atau pihak lainnya). Dalam melakukan kegiatan memasarkan produk dan jasa Bank, karyawan harus senantiasa memperhatikan kepentingan Bank dengan tetap menciptakan dan memelihara hubungan baik dengan calon nasabah atau nasabah. - Benturan kepentingan antar karyawan (dalam kaitannya dengan aktivitas profesional) dan nasabah. Karyawan harus selalu bersikap objektif dan tidak dipengaruhi oleh rekanan atau calon rekanan untuk memenuhi kepentingannya yang tidak sesuai dengan ketentuan internal Bank. - Benturan kepentingan di luar Bank. - Karyawan Bank tidak diperkenankan untuk mendapatkan keuntungan pribadi dengan menggunakan informasi yang diperoleh karena jabatannya di Bank, sedangkan informasi tersebut bukan informasi umum. - Karyawan Bank tidak diperkenankan memiliki usaha atau bisnis pribadi di luar pekerjaannya sebagai karyawan Bank. - Karyawan Bank tidak diperkenankan untuk mengikat hubungan kerja dengan pihak lain. Apabila hal ini terjadi, karyawan dapat dikenakan sanksi yang telah ditentukan oleh Bank. Bank dapat memberi izin kepada karyawan yang memiliki keahlian khusus, misalnya di bidang pendidikan (pengajar) untuk mengabdikan keahliannya kepada masyarakat luas sejauh karyawan tetap mengutamakan dan tidak mengabaikan kewajibannya terhadap Bank. Namun untuk hal ini karyawan harus mendapatkan rekomendasi dari atasannya sekurang-kurangnya pejabat tingkat Kepala Departemen. Namun Bank juga mempunyai hak prerogatif untuk tidak memberikan izin terhadap kepentingan tersebut di atas. - Benturan kepentingan dengan calon karyawan dan antar karyawan. Karyawan tidak diperkenankan untuk menerima suatu pemberian apalagi meminta sesuatu dari sesama karyawan maupun calon karyawan, baik berupa uang, tip, komisi, bantuan atau sesuatu apa pun yang dapat menyebabkan "hutang budi" kepada karyawan maupun calon karyawan tersebut. - Benturan kepentingan hubungan keluarga. Karyawan yang memiliki hubungan keluarga dengan karyawan lain di Bank, harus melaporkan hubungan tersebut kepada Departemen Sumber Daya Manusia. Hal ini dilakukan agar Departemen Sumber Daya Manusia dapat mengatur posisi masing-masing karyawan tidak saling menimbulkan benturan kepentingan. Benturan kepentingan akan membawa dampak negatif terhadap Bank dan merusak reputasi Bank dan reputasi karyawan sendiri.

	A conflict of interest is a condition within a series of The Bank activities, in which the interests of The Bank, and/or its customers, and/or The Bank employees' conflict with each other directly or indirectly. There are 5 (five) categories of conflict of interest: - *Conflict of interest with customers (or other parties). In conducting activities to market The Bank's products and services, employees must always pay attention to the interests of The Bank while maintaining good relationships with prospective customers or customers.* - *Conflict of interest between employees (in connection with professional activities) and customers. Employees must always be objective and not influenced by partners or potential partners to fulfill their interests that are not in accordance with the internal provisions of The Bank.* - *Conflict of interest outside The Bank.* - *The Bank employees are not allowed to gain personal benefit by using information obtained from their position at The Bank, as the information is not for public consumption.* - *The Bank employees are not allowed to own a business or personal business outside of their work as The Bank employees.* - *The Bank employees are not allowed to engage with other parties. If this occurs, the employee may be subject to sanctions determined by The Bank. The Bank may grant licenses to employee with special expertise, for example in the field of education (instructor) to devote his/her expertise to the public, as long as the employee remains concerned and does not neglect his/her obligations to The Bank. But for this, the employee must get recommendation from his/her superiors, at the very least from the Head of Department. However, The Bank also has a prerogative to not grant permission to the above-mentioned interests.* - *Conflict of interest with prospective employees and fellow employees. Employees are not allowed to accept gift or request something from their fellow employees or prospective employees, whether in the form of money, tips, commissions, assistance or anything that can cause "debt" to the employees or prospective employees.* - *Conflict of interest of family relations. Employees who have family relations with other employees at The Bank must report their relationships to the Human Resources Department. This is done so that the Human Resources Department can set the position of each employee to not conflict with each other interests. A conflict of interest will have a negative impact on The Bank as opposition may damage The Bank's reputation and the reputation of its own employees.*
Insider Trading	Dalam melakukan pekerjaan di dalam Bank, karyawan dapat memiliki akses terhadap *inside information*. Karyawan dilarang melakukan *insider trading* apabila memiliki *inside information* yang belum menjadi informasi publik. Bila karyawan melakukan transaksi tersebut karena mengetahui atau mendapatkan *inside information*, maka karyawan dapat dianggap telah membocorkan rahasia Bank dan harus bertanggung jawab atas pelanggaran undang-undang yang berlaku. Ketika memiliki *inside information*, karyawan harus bertindak dengan integritas dan kejujuran, serta menghindari mengambil keuntungan pribadi melalui transaksi yang dilakukan. Pemberian "gratifikasi" kepada orang lain atau bertransaksi mewakili keluarga, teman, ataupun pihak ketiga yang lain berdasarkan informasi orang dalam juga dilarang. *In performing their work within The Bank, the employees may have access to inside information. Employees are prohibited to conduct insider trading if they have inside information that has not become public information. If an employee commits such transactions for knowing or obtaining inside information, then the employee may be deemed to have disclosed The Bank secrets and shall be liable for breach of applicable laws. When having inside information, employees must act with integrity and honesty, and avoid taking personal advantage through transactions made. Giving "gratuity" to others or conducting transaction on behalf of family, friends, or other third parties based on inside information is also prohibited.*

Proper Selling	Karyawan dilarang, baik sengaja atau secara ceroboh, membuat pernyataan, janji, atau prediksi yang menyesatkan, palsu atau menipu kepada setiap nasabah atau dengan kata lain karyawan wajib untuk menghindari terjadinya *misselling*. *Misselling* dapat menurunkan reputasi Bank dan menimbulkan adanya tuntutan hukum dari nasabah. *Misselling* terjadi dikarenakan kesalahan dalam menyampaikan risiko yang terkait suatu produk perbankan, atau ketika produk perbankan yang ditawarkan tidak sesuai dengan kebutuhan nasabah. Selain itu, karyawan dilarang menyembunyikan fakta apa pun dari nasabah yang dapat menyebabkan nasabah atau pemangku kepentingan membuat keputusan berdasarkan informasi yang tidak benar. Setiap karyawan wajib untuk memberikan atau membuat pernyataan baik lisan ataupun tertulis mengenai fakta yang benar atau dengan kata lain karyawan wajib untuk menghindari terjadinya *misrepresentation*. Dengan demikian, karyawan diharuskan untuk: - Menghindari menjual produk dan jasa yang tidak sesuai dengan kebutuhan nasabah dan tidak memedulikan kepentingan nasabah. - Memberikan informasi yang relevan dan lengkap kepada nasabah supaya mereka dapat dihadapkan kepada pilihan yang paling tepat dari produk yang ada. - Memiliki pengetahuan yang memadai mengenai produk-produk Bank dan tingkat risiko yang diinginkan nasabah, serta tujuan, keuangan, dan kondisi pribadi nasabah agar dapat menilai akibat yang ditimbulkan dan apakah produk tersebut dapat memenuhi kebutuhan nasabah. - Berusaha agar nasabah mengerti produk beserta risikonya, terutama produk-produk yang rumit dan pembelian produk tersebut harus didasarkan atas persetujuan nasabah. - Menjelaskan fitur produk dengan jelas baik secara lisan maupun melalui media. *Employees are prohibited, either deliberately or carelessly, from making false or deceptive statements, promises or predictions to customers. In other words, employees are required to avoid the occurrence of misselling. Misselling can undermine The Bank's reputation and cause lawsuits from customers. Misselling occurs due to errors in conveying the risks associated with a banking product, or when the offered banking products are not in accordance with the needs of customers. In addition, employees are prohibited from hiding any facts from customers that may cause customers or stakeholders to make decisions based on information that is not true. Every employee is obliged to give or make a statement both orally and in writing about the true facts. In other words, employees are obliged to avoid the occurrence of misrepresentation. Accordingly, employees are required to:* - *Avoid selling products and services that are not in accordance with the needs of customers and not caring about the interests of customers.* - *Provide relevant and complete information to customers so that they can be exposed to the most appropriate choice of existing products.* - *Have sufficient knowledge of The Bank's products and the level of risk desired by the customers, as well as the clients' personal goals, finances and conditions in order to assess the consequences and whether the product meets the customers' needs.* - *Try to get customers to understand the product and its risks, especially for complicated products and the purchases of such products must be based on the customers' approval.* - *Describe the product features clearly both orally and through the media.*

Rahasia Bank dan Perlindungan Informasi *The Bank Confidentiality and Information Protection*	Karyawan Bank wajib sepanjang waktu menghormati prinsip kerahasiaan Bank khususnya sehubungan dengan perlindungan kerahasiaan informasi nasabah. Tugas untuk melindungi kerahasiaan informasi nasabah terus berlanjut bahkan setelah karyawan berhenti bekerja pada Bank. Hal tersebut terkait dan sejalan dengan kebijakan benturan kepentingan, Kode Etik, serta *compliance statement* yang disetujui karyawan pada saat bergabung dengan Bank. Karyawan Bank dapat memperoleh informasi Bank untuk dirahasiakan, dan tidak untuk diungkapkan kepada pihak ketiga. Membocorkan informasi tersebut kepada pihak di luar Bank adalah pelanggaran serius. Karyawan dilarang melakukan hal tersebut kecuali jika karyawan diminta oleh badan/instansi hukum yang berwenang (pengadilan/polisi/BI/OJK, dll.). Dengan demikian, karyawan wajib untuk: - Mencatat dan melaporkan seluruh data yang berkaitan dengan informasi nasabah dan menyimpan data dan informasi nasabah pada tempat yang aman, tidak dapat diakses oleh orang yang tidak berhak untuk memperoleh informasi tersebut untuk membaca, mengetahui, mencatat dan menggandakan data tersebut. - Menjaga kerahasiaan informasi nasabah dan tidak mendiskusikannya di tempat-tempat umum serta tidak memberi informasi baik secara lisan maupun tertulis tentang nasabah dan calon nasabah kepada pihak mana pun termasuk teman dekat atau anggota keluarga sendiri yang tidak berwenang untuk mengetahuinya yang dapat merugikan nasabah dan Bank secara langsung maupun tidak langsung. - Dilarang menyebarkan informasi gaji, pinjaman karyawan, dan informasi lainnya yang bersifat pribadi dan rahasia kepada pihak luar Bank. - Tidak menggunakan kembali kertas-kertas bekas yang berisikan informasi bersifat rahasia. *The Bank employees are obliged at all time to respect the principle of The Bank secrecy especially in protecting the confidentiality of customer information. The duty of protecting the confidentiality of customer information continues even after the employees stop working at The Bank. It is related and in line with the policy of conflict of interest, Code of Conduct, and compliance statement that employees agree upon joining The Bank. The Bank employees may obtain its information to be kept confidential and not to be disclosed to third parties. Leaking that information to parties outside The Bank is a serious offense. Employees are prohibited from doing so unless they are requested by a legal entity/agency (courts/police/Bank Indonesia/OJK, etc.). Accordingly, employees are required to:* - *Record and report all data relating to customer information and store customer data and information in a safe place, not accessible to unauthorized persons who wish to obtain such information to read, know, record and duplicate the data.* - *Maintain the confidentiality of customer information and not discussing it in public places, and not providing information both orally and in writing about customers and potential customers to any party including close friends or family members who are not authorized to know and that may harm the customers and The Bank directly or indirectly.* - *It is prohibited to disseminate salary information, employee loans, and other personal and confidential information to parties outside The Bank.* - *Do not reuse used papers containing confidential information.*

Memperlakukan Karyawan dengan Adil *Employee Fair Treatment*	Bank berupaya membantu karyawannya untuk mencapai potensi terbaiknya agar dapat berkinerja tinggi dengan selalu berusaha meningkatkan kesejahteraan dan memperlakukan karyawan secara adil dan bertindak sesuai peraturan internal Bank, peraturan Bank Indonesia dan peraturan perundangan lainnya yang berlaku serta melindungi hak-hak karyawan. Atasan mengemban tugas untuk memperhatikan secara seksama karyawannya. Karyawan harus terus mengembangkan keterampilan dan kemampuan untuk dapat memenuhi komitmen Bank kepada pemangku kepentingan. Dengan demikian, karyawan diharuskan untuk: 1. Mempertahankan standar kinerja dan perilaku · Memenuhi standar kinerja yang diharapkan, perilaku, dan etika. · Setiap perilaku diskriminatif, pelecehan, atau pelanggaran perilaku tidak akan ditoleransi dan akan diperlakukan dengan serius. 2. Menjaga kesehatan, keselamatan dan keamanan · Bekerja dengan sehat dan aman supaya tindakan atau kelalaian tidak menimbulkan risiko bagi orang lain. · Mendorong rekan kerja untuk bekerja secara sehat dan aman. · Melaporkan semua kecelakaan dan kejadian. · Meminta perhatian manajemen akan semua bahaya yang ada di tempat kerja. 3. Pembelajaran dan kompetensi · Karyawan bertanggung jawab atas pembelajaran dan perkembangan yang berkesinambungan. · Karyawan harus menjaga keahlian dan pengetahuan yang diperlukan dalam menjalankan pekerjaan dengan baik dan memaksimalkan potensi. · Karyawan harus mengidentifikasi kebutuhan pembelajaran setiap tahun dan berpartisipasi dalam aktivitas pengembangan yang relevan dalam membantu mengembangkan keahlian dan kemampuan baru. *The Bank strives to accommodate its employees to reach their best potential and generate great performance by improving their welfare, treating them fairly, and acting in accordance with its internal policies, Bank Indonesia regulations, and other regulatory requirements, as well as protecting the rights of its employees.* *Managers owe a duty of care to all their subordinates. Employees must continuously develop their skills and capabilities, so they can deliver The Bank's commitments to the stakeholders.* *Thus, the employees are required to:* *1. Maintain the standards of performance and conduct* · *Meet the expected standards of performance, behavior, and conduct.* · *Any discriminatory behavior, harassment, or breach of conduct will not be tolerated and will be treated seriously.* *2. Maintain healthy, safe and secure work environment* · *Work in a healthy and safe manner, so that the actions or omissions taken do not put others at risk.* · *Encourage others to work in a healthy and safe manner.* · *Report all accidents and incidents.* · *Bring any hazard in the workplace to the attention of management.* *3. Learning and competency* · *Employees have responsibility for continuous learning and development.* · *Employees must maintain the skills and knowledge they need to perform their jobs well and to maximize their potential.* · *Employees must identify their learning needs each year and participate in relevant development activities that can help them in developing new skills and capabilities.*

Penerapan Kode Etik
Kode Etik Bank berlaku untuk seluruh karyawan Bank pada setiap level organisasi dalam Bank.

Sosialisasi dan Penyebarluasan Kode Etik
Untuk mensosialisasikan kepada seluruh insan Bank, manajemen melakukan penyebarluasan materi Kode Etik melalui *town hall meeting*, penerbitan buku Peraturan Perusahaan, pelatihan *Compliance*, AML, *Risk Management, Audit, and Legal* (CARAL), serta melalui distribusi surel secara berkala kepada seluruh insan Bank. Penyebarluasan Kode Etik ini di bawah koordinasi Departemen Sumber Daya Manusia.

Pelanggaran dan Sanksi Disiplin
Kepatuhan terhadap kebijakan dan peraturan Bank adalah wajib. Karyawan yang berhubungan langsung dengan nasabah atau rekanan wajib menekankan dan mengimplementasikan kondisi pada kebijakan ini dalam hubungan kerja sama bisnis/komersil. Pelanggaran atas kebijakan tersebut dapat berakibat pada tindakan disiplin sesuai dengan peraturan Bank yang berlaku mulai dari surat peringatan sampai dengan pemberhentian, sebagaimana diatur dalam Kebijakan dalam Penanganan Ketidakpatuhan, Disipliner, dan Penalti.

Kecurangan Internal 2019
Kecurangan internal atau *internal fraud* adalah penyimpangan/kecurangan yang dilakukan oleh pengurus, karyawan tetap dan tidak tetap (honorer dan *outsourcing*) terkait dengan proses kerja dan kegiatan operasional Bank yang mempengaruhi kondisi keuangan Bank.

Bank telah menerapkan fungsi audit internal yang efektif pada seluruh aspek dan unsur kegiatan. Apabila terdapat hal-hal yang berindikasi penyimpangan/kecurangan (*fraud*) maka akan dilakukan audit khusus (investigasi). Terdapat 1 (satu) penyimpangan internal yang terjadi pada tahun 2019 dan seluruhnya telah diselesaikan berdasarkan peraturan Bank yang berlaku.

Implementation of Code of Conduct
The Bank's Code of Conduct applies to all of The Bank employees at each level of the organization in The Bank.

Socialization and Dissemination of the Code of Conduct
To socialize information to all of The Bank employees, the management disseminates the Code of Conduct materials through town hall meeting, the issuance of Company Regulation book, Compliance, AML, Risk Management, Audit, and Legal (CARAL) training, and through periodic email distribution to all of The Bank's personnel. The dissemination of this Code of Conduct is under the coordination of the Human Resources Department.

Violations and Disciplinary Sanctions
Compliance with all policies and regulations of The Bank is a mandatory obligation. Any respective employee with direct interaction with the customers or partners must emphasize and implement conditions in this policy in any business/commercial cooperation. Violation of this policy can result in disciplinary action in accordance with The Bank's applicable regulations, starting from the warning letter to termination, as stipulated in the Policy on Handling Disobedience, Disciplinary, and Penalties.

Internal Fraud 2019
Internal fraud is deviation/act of fraud committed by the management, permanent and non-permanent employees in relation to The Bank's work processes and operational activities that affect The Bank's financial condition.

The Bank has implemented an effective internal audit function on all aspects and elements of activities. If there are any indications of fraud, a special audit (investigation) is conducted. There was 1 (one) internal deviation that occurred in 2019 that has been resolved based on prevailing regulations of The Bank.

KEBIJAKAN TRANSPARANSI **DAN BENTURAN KEPENTINGAN**

Policy on Transparency and Conflict of Interest

Kode Etik Bank mengatur kebijakan terkait benturan kepentingan, yang tercantum dalam 10 (sepuluh) Sikap Dasar Kode Etik Bank, yang salah satunya adalah "Menghindari Benturan Kepentingan". Dalam Kode Etik Bank tercantum kebijakan secara rinci tentang definisi benturan kepentingan, dan jenis benturan kepentingan yang memungkinkan munculnya kerugian baik bagi Bank sendiri maupun bagi pemangku kepentingan.

The Bank's Code of Conduct regulates policy on conflict of interest, that is listed in 10 (ten) Basic Attitudes of The Bank's Code of Conduct, one of which is "Avoiding Conflict of Interest". The Bank's Code of Conduct includes detailed policy on the definition of conflict of interest, and the types of conflict of interest that may cause harm to both The Bank itself and the stakeholders.

KEBIJAKAN PENGADAAN **BARANG DAN JASA**

Procurement Policy

Tata Cara Pengadaan Barang dan Jasa

1. Menerima permintaan dari pemohon dan melakukan peninjauan dan diskusi untuk mendapatkan kriteria barang dan jasa yang diminta.
2. Menghubungi vendor-vendor terkait yang dapat menyediakan barang dan jasa yang diminta dan meminta penawaran harga awal.
3. Membuat analisis perbandingan dari penawaran yang diterima dari vendor-vendor.
4. Membuat proposal pengajuan dana pengadaan ke manajemen untuk mendapatkan persetujuan dana serta persetujuan atas hasil seleksi vendor.
5. Membuat pemesanan barang dan jasa kepada vendor terpilih.
6. Melakukan pengawasan terhadap penyerahan barang dan jasa yang telah dilaksanakan oleh vendor.
7. Melakukan pendataan dan penyimpanan terhadap barang yang telah dikirim oleh vendor.
8. Melakukan serah terima kepada pemohon.
9. Memproses tagihan vendor ke bagian keuangan.

Procedures for the Procurement of Goods and Services

1. *Receive requests from applicants and conduct reviews and discussions for obtaining the criteria of goods and services requested.*
2. *Contact the relevant vendors who can provide the requested goods dan services and asking for initial price quotes from vendors.*
3. *Make a comparison analysis of the proposals received from vendors.*
4. *Make a proposal for procurement funding to management for obtaining approval of funding and result of vendor selection.*
5. *Make a purchase order of goods and services to the selected vendor.*
6. *Conduct oversight of goods and services delivery carried out by the vendor.*
7. *Collect data and store the goods sent by the vendor.*
8. *Handover to the applicant.*
9. *Process billing to finance department.*

Sebagai salah satu komitmen Bank untuk melaksanakan proses bisnis yang berkelanjutan, manajemen sangat memperhatikan hubungan yang baik serta profesional dengan para pemasok barang dan jasa secara transparan, akuntabel, bertanggung jawab, independen, dan adil.

Semua pengadaan pendukung operasional dan bisnis Bank wajib melalui departemen penanggung jawab termasuk pengadaan untuk jasa perawatan, penggantian barang atas perbaikan, dan kontrak kerja pembelian atau sewa.

Pengajuan pendanaan atas pengadaan barang dan jasa dengan nominal tertentu dianalisis melalui *Finance Review Commitee* (FRC) dan dimintakan persetujuan ke Direktur penanggung jawab FRC dan Presiden Direktur.

Proses seleksi vendor atas barang dan jasa dengan nominal tertentu dikaji oleh *Centralized Purchase Review Team* (CPRT) yang terdiri dari perwakilan kepala atau penanggung jawab dari Departemen *General Affairs*, Departemen *Financial Management* dan departemen-departemen terkait lainnya yang ditunjuk oleh Presiden Direktur.

Tugas dan tanggung jawab dari departemen penanggung jawab dapat diuraikan sebagai berikut:

- Melaksanakan permintaan atas barang dan jasa dari pemohon berdasarkan prosedur yang telah ditetapkan.
- Menyusun detail permintaan atas barang dan jasa sesuai permintaan pemohon.
- Bekerja sama dengan vendor dalam proses pengadaan.
- Melakukan pendataan atas barang yang telah diterima.
- Pengawasan terhadap kualitas barang atau hasil pekerjaan dari vendor.
- Melakukan serah terima barang dan jasa kepada pemohon.

As part of The Bank's commitment to implementing sustainable business processes, the management takes a serious concern in maintaining the good and professional relationship with the suppliers of goods and services in a transparent, accountable, responsible, independent, and fair manner.

All procurement of The Bank's operational and business support must be done through the department in charge, including the procurement for maintenance services, replacement of goods for repairs, and lease purchase agreement.

Submission of funding for procurement of goods and services in certain amount is analyzed through the Financial Review Committee (FRC) and to be approved by the Director in charge of FRC and the President Director.

The selection process of vendors of goods and services in certain amount is reviewed by the Centralized Purchase Review Team (CPRT) comprising of the representatives of head or person in charge of the General Affairs Department, Financial Management Department and other relevant departments appointed by President Director.

The duties and responsibilities of the department in charge can be described as follows:

- *Conducting requests for goods dan services from applicants based on predetermined procedures.*
- *Prepare details of goods dan services request according to the request from applicants.*
- *Working closely with vendor in the procurement process.*
- *Collecting data on goods that have been received.*
- *Monitoring the quality of goods or services of vendor.*
- *Hand over goods dan services to the applicants.*

WHISTLEBLOWING **SYSTEM**

Whistleblowing System

Dalam menciptakan lingkungan kerja yang sehat, Bank telah memiliki *whistleblowing system* yang merupakan sarana komunikasi bagi semua pihak untuk melaporkan perbuatan/perilaku/kejadian yang berhubungan dengan antara lain: tindakan *fraud*/pelanggaran terhadap hukum, perjanjian kerja sama Bank, Kode Etik, kebijakan internal Bank, dan/atau benturan kepentingan yang dilakukan oleh/atau melibatkan internal Bank.

Speak up merupakan media/alat bagi pegawai Bank untuk mengungkapkan permasalahan tersebut di atas. Bank mendorong pegawainya untuk mengungkapkan bentuk penyelewengan dengan menyediakan sarana yang aman dan terjamin kerahasiaannya.

In creating a favorable working environment, The Bank has a whistleblowing system which provides communication channel for all parties to report any actions/behaviors/events related to: acts of fraud/violations of laws, working agreement with The Bank, Code of Conduct, The Bank's internal policies, and/or conflicts of interest by/or involving internal of The Bank.

Speak up is a medium/tool for The Bank employees to express the above issues. The Bank encourages its employees to disclose the form of fraud by providing a safe and secure means of secrecy.

Penerapan Kebijakan

Dalam menerapkan budaya manajemen risiko yang mampu mentransformasikan Bank untuk menjadi penyedia jasa keuangan terkemuka, maka prosedur *whistleblowing* diterapkan melalui:

1. Partisipasi aktif dari pegawai Bank
   Partisipasi aktif dari pegawai Bank diperlukan untuk mengadopsi nilai-nilai yang mendukung budaya risiko. Partisipasi aktif dari pegawai Bank dapat diwujudkan dalam bentuk tindakan nyata untuk mempertahankan terciptanya lingkungan kerja yang bebas dari pelanggaran. Oleh karena itu, setiap pegawai Bank berhak untuk melaporkan setiap indikasi akan adanya penyelewengan dan wajib untuk mengungkapkan setiap pelanggaran yang dilakukan oleh karyawan lain kepada Departemen Kepatuhan secara langsung ataupun melalui sarana *speak up* yang telah disediakan.
2. Komite Disipliner
   Setelah evaluasi dan analisa laporan yang disampaikan oleh karyawan, maka Komite Disipliner akan mengambil tindak lanjut yang mungkin juga melibatkan pihak-pihak terkait, seperti Departemen Kepatuhan, Departemen Audit Internal, Departemen Hukum, Departemen Sumber Daya Manusia, Departemen Manajemen Risiko, dan pihak lain jika dipandang perlu. Jika yang dicurigai melakukan potensi pelanggaran atau pelanggaran adalah anggota Dewan Komisaris atau Direksi, maka laporan ditujukan kepada Ketua Komite Audit (yang diketuai oleh Komisaris Independen).

Prinsip Dasar Sistem Pelaporan Pelanggaran

Penerapan sistem pelaporan pelanggaran di Bank memiliki prinsip dasar bagi yang memiliki informasi dan ingin melaporkan suatu perbuatan tidak etis maupun pelanggaran yang terjadi di lingkungan Bank. Pelapor tidak perlu khawatir atas terungkapnya identitas diri karena Bank akan merahasiakan identitas diri pelapor sebagai *whistleblower*. Bank menghargai informasi yang dilaporkan dan fokus pada materi informasi yang dilaporkan.

Tujuan

Pemberlakuan sistem pelaporan pelanggaran di lingkup Bank dilakukan sebagai acuan dalam tata cara pengelolaan penanganan pengaduan/penyingkapan (*whistleblowing system*) bagi Dewan Komisaris, Direksi, karyawan serta pemangku kepentingan, agar setiap laporan yang dikirimkan terjaga kerahasiaannya dan kasus yang dilaporkan dapat dipertanggungjawabkan serta dapat ditindaklanjuti.

Ruang Lingkup

Kebijakan ini berlaku bagi Direksi, Dewan Komisaris dan organnya, karyawan Bank (baik karyawan tetap, karyawan kontrak maupun karyawan tidak tetap), pihak eksternal yang memiliki hubungan kerja sama dan/atau berkepentingan dengan Bank, seperti nasabah, pihak ketiga (pihak penyedia barang/jasa) dan mantan karyawan. Pelanggaran yang dapat dilaporkan meliputi korupsi, suap, benturan kepentingan, pencurian, kecurangan, dan pelanggaran peraturan/hukum.

Implementation of Policy

In implementing a risk management culture that can transform The Bank into a leading financial service provider, the whistleblowing procedure is implemented through:

1. *The active participation of The Bank employees*
   The active participation of The Bank employees is required in order to adopt values that support the risk culture. The active participation of The Bank employees can be implemented in the form of concrete actions to maintain the creation of a work environment free from offense. Therefore, every employee of The Bank is entitled to report any indication of fraud and is obliged to disclose any offense caused by other employees to the Compliance Department directly or through the speak up channel provided.
2. *The Disciplinary Committee*
   Following the evaluation and analysis reports submitted by employees, the Disciplinary Committee will take follow-up actions that may also involve relevant parties, such as Compliance Department, Internal Audit Department, Legal Department, Human Resources Department, Risk Management Department, and others if deemed necessary. If the suspected of potential violation or suspected of violation is a member of the Board of Commissioners or Board of Directors, then the report is addressed to the Chairman of the Audit Committee (chaired by an Independent Commissioner).

Basic Principles of Violation Reporting System

The implementation of violation reporting system at The Bank has a basic principle for those who have information and wish to report an unethical act or violation that occurs within the environment of The Bank. The reporting party does not have to worry about the disclosure of his/her identity as The Bank will keep the identity as the whistleblower. The Bank appreciates the reported information and focuses on the reported information material.

Purpose

The application of violation reporting system in the scope of The Bank is conducted as a reference point in the management of the whistleblowing system for the Board of Commissioners, Board of Directors, employees and stakeholders, so that each submitted report is kept confidential and the reported case may be accountable and actionable.

Scope

This policy applies to the Board of Directors, Board of Commissioners and their organs, The Bank employees (both permanent employees, contract employees, and non-permanent employees), external parties who have business relations and/or have an interest in The Bank, such as customers, third parties (goods/services provider), and former employees. Reportable offenses include corruption, bribery, conflicts of interest, theft, fraud, and violation of regulations/laws.

Penanganan Pelaporan Pelanggaran

Bank memiliki prosedur dalam penanganan pelaporan pelanggaran. Prosedur tersebut dibuat dengan mengacu pada prinsip di bawah ini:

- Laporan *speak up* yang bersifat rahasia. Hanya pelapor dan administrator *speak up*, serta komite yang telah ditunjuk yang mempunyai kewenangan untuk mengakses laporan tersebut.
- Pihak pelapor berhak untuk mendapat perlindungan dari Bank jika laporannya dapat menyebabkan ancaman yang berasal dari dalam maupun dari luar Bank.
- Pihak pelapor dan terlapor dibebaskan dari segala sanksi apabila laporannya tidak dapat dibuktikan secara sah kebenarannya.
- Bank menjamin bahwa seluruh pihak pelapor dan laporan yang telah disampaikannya tidak akan memengaruhi penilaian terhadap kinerja maupun terhadap karier pegawai Bank.
- Berdasarkan kepastian dan jaminan di atas, pihak pelapor wajib untuk bersedia memberikan informasi yang lebih rinci jika diminta oleh pihak manajemen Bank sebagai bagian dari tindak lanjut atas laporan yang telah disampaikannya.

Langkah-langkah dari prosedur tersebut adalah:

1. Pendeteksian
2. Penulisan
3. Penyampaian

Pendeteksian Indikasi Pelanggaran

Dalam hal karyawan Bank mengetahui, melihat, dan mendengar tentang hal apa pun yang dapat diindikasikan sebagai tindakan pelanggaran di dalam lingkungan kerja, dengan mengacu kepada Kode Etik perilaku Bank, perjanjian kerja, serta hukum positif yang berlaku di Indonesia, pegawai Bank dapat melaporkan hal tersebut kepada atasannya sesuai dengan mekanisme eskalasi yang berlaku. Dalam hal mekanisme eskalasi tidak dapat diikuti disebabkan bahwa tindakan penyimpangan yang dilaporkan berhubungan dengan atasan langsung pegawai Bank dan/atau atasan lain, pegawai Bank dapat menggunakan prosedur *speak up* ini.

Dalam hal terdapat laporan pelanggaran yang diperkirakan berdampak negatif secara signifikan terhadap Bank dan/atau nasabah, termasuk yang berpotensi menjadi perhatian publik; maka Bank akan segera melaporkan hal tersebut kepada Otoritas Jasa Keuangan paling lambat 3 (tiga) hari kerja setelah Bank mengetahui terjadinya pelanggaran tersebut, sesuai dengan SEBI No. 13/28/DPNP tanggal 9 Desember 2011 perihal "Penerapan Strategi *Anti Fraud*". Dalam hal ini pelaporan juga mengacu pada "Kebijakan *Anti Fraud*" (IA/POL/007).

Penulisan Laporan

Pelaporan mengenai adanya indikasi pelanggaran atau aktivitas yang mencurigakan yang dilaporkan sepengetahuan pegawai Bank harus dinyatakan secara tertulis dengan menggunakan formulir *speak up*. Bukti pendukung (jika ada), wajib dilampirkan di dalam formulir pelaporan.

Penyampaian Laporan

Formulir *speak up* yang berisi laporan atas penyimpangan dapat disampaikan dengan menggunakan surel yang dikirimkan kepada: speakup@ina.icbc.com.cn. Jika yang dicurigai

Handling of Violation Report

The Bank has procedure for handling violation reports. The procedure is made with reference to the following principles:

- *Speak up reports are confidential. Only the reporting party, speak up administrator and designated committee have the authority to access such reports.*
- *The reporting party is entitled for protection from The Bank if his/her reporting may cause threat from within or outside The Bank.*
- *The reporting party and the reported party are exempt from any sanction if the report cannot be legally validated.*
- *The Bank guarantees that all reporting parties and reports submitted will not affect the assessment of performance or career of The Bank employees.*
- *Based on the above certainty and guarantee, the reporting party is obliged to provide more detailed information if requested by the management of The Bank as part of a follow-up action on the reports that have been submitted.*

The steps of the above procedures are:

1. *Detecting*
2. *Writing*
3. *Submitting*

Detecting an Indication of Violation

In the event that The Bank employees know, see and hear about any matter that may be indicated as an act of violation within the work environment, with reference to The Bank's Code of Conduct, working agreement, and applicable positive laws in Indonesia, The Bank employees may report such incidents to their supervisors in accordance with applicable escalation mechanisms. In the event that escalation mechanisms cannot be followed due to reported acts of irregularities are related to the immediate supervisors of The Bank employees and/or other superiors, The Bank employees may use this speak up procedure.

In the event of a violation report is expected to have a significant negative impact on The Bank and/or its customers, including potential public concerns; The Bank should promptly report the matter to the Financial Services Authority no later than 3 (three) working days after The Bank becomes aware of the breach, in pursuant to SEBI No. 13/28/DPNP dated December 9, 2011 regarding "Implementation of Anti Fraud Strategy". In this case, the reporting should also refer to "Anti Fraud Policy" (IA/POL/007).

Report Documentation

Any indication of violation or suspicious activity reported by the employees of The Bank must be expressed in writing using the speak up form. Supporting evidence (if any) must be attached to the reporting form.

Report Submission

Speak up form containing reports of irregularities may be submitted through email sent to: speakup@ina.icbc.com.cn. If the suspected of potential violation or suspected of violation is

melakukan potensi pelanggaran atau pelanggaran adalah anggota Dewan Komisaris atau Direksi, maka laporan dilakukan secara tertulis dan ditujukan melalui surat tertutup kepada Ketua Komite Audit (yang diketuai oleh Komisaris Independen).

Penerimaan Laporan

Setiap laporan yang diterima oleh administrator *speak up* akan ditindaklanjuti sebagai berikut:

- Membubuhkan tanda terima laporan.
- Pemberitahuan kepada pihak pelapor yang berupa konfirmasi (melalui surel) bahwa laporannya sudah diterima dan akan dilakukan paling lambat 5 (lima) hari kerja setelah laporan diterima.
- Laporan yang diterima dianalisa sesuai dengan isi permasalahan yang dilaporkan.
- Data pendukung diinvestigasi.
- Laporan kemudian disampaikan kepada komite yang berwenang untuk ditindaklanjuti.

3 (tiga) poin terakhir di atas dilakukan paling lambat 3 (tiga) bulan sejak diterimanya dokumen *speak up*.

Tindak Lanjut Laporan

Komite Disipliner memutuskan tindakan yang tepat untuk setiap laporan yang disampaikan. Komite Disipliner berwenang secara penuh untuk mengkategorikan laporan yang disampaikan berdasarkan urgensi dan signifikansinya untuk menentukan laporan yang perlu ditindaklanjuti dengan segera. Jika laporan telah ditindaklanjuti dan telah diambil tindakan sehingga mengarah kepada pencegahan penyimpangan, jika dipandang perlu, pihak pelapor akan diberikan penghargaan. Sebaliknya, jika laporan yang disampaikan tidak dapat ditindaklanjuti dengan alasan apa pun, komite akan menginformasikan alasan mengapa laporannya tidak dapat ditindaklanjuti kepada pihak pelapor.

Perlindungan bagi Pelapor

Hanya pihak pelapor, administrator *speak up*, dan Komite Disipliner yang memiliki kewenangan untuk mengakses laporan. Pegawai yang melapor berhak mendapatkan perlindungan dari Bank dalam hal keselamatannya terancam. Selain itu, pegawai yang melapor juga bebas dari segala bentuk sanksi, bahkan jika laporan mereka tidak terbukti benar. Bank juga memberikan jaminan kepada seluruh pihak yang melapor bahwa laporan mereka tidak akan berdampak pada evaluasi kinerja dan/atau karier mereka di Bank.

Pelanggaran *Whistleblowing* 2019

Sepanjang tahun 2019, tidak terdapat laporan yang masuk melalui mekanisme WBS.

Pihak yang Mengelola Pengaduan

Pengaduan tersebut dikelola oleh Komite Disipliner, di mana komite ini merupakan perwakilan dari Direksi Bank dan departemen sebagai berikut: Departemen Sumber Daya Manusia, Departemen Kepatuhan, Departemen Manajemen Risiko, Departemen *Legal*, dan Departemen Audit Internal. Komite Disipliner, setelah melakukan evaluasi dan menganalisa pelaporan yang disampaikan oleh karyawan akan mengambil tindak lanjut yang mungkin juga melibatkan pihak-pihak terkait dan pihak lain jika dipandang perlu. Jika yang dicurigai melakukan potensi pelanggaran atau pelanggaran adalah anggota Dewan Komisaris atau Direksi, maka laporan ditujukan kepada Ketua Komite Audit yang diketuai oleh Komisaris Independen.

a member of the Board of Commissioners or Board of Directors, then the report must be made in writing and addressed by a closed letter to the Chairman of the Audit Committee (chaired by an Independent Commissioner).

Report Acceptance

Any report received by speak up administrator will be followed-up in the following way:

- *Append the report receipt.*
- *Give notification to the reporting party in the form of confirmation (by email) that the report has been received and will be processed no later than 5 (five) working days after the report is received.*
- *The report is then analyzed in accordance with the contents of reported problems.*
- *Supporting data is investigated.*
- *The report is then submitted to the designated committee for follow-up action.*

The last 3 (three) points mentioned above should be made no later than 3 (three) months after the receipt of the speak up document.

Follow-up Report

The Disciplinary Committee has the authority to decide on appropriate action for each report submitted. The Disciplinary Committee is fully entitled to categorize the reports submitted based on their urgency and significance to determine which reports need immediate follow-up. If a report has been followed-up and action has been taken that may lead to the prevention of irregularities, the reporting party may be awarded, if deemed necessary. On the contrary, if the submitted report cannot be followed-up for any reason, the committee will inform the reason of the report cannot be followed-up to the reporting party.

Whistleblower Protection

Only the reporting party, speak up administrator, and the Disciplinary Committee have the authority to access the reports. The reporting employees are entitled to have protection from The Bank in the event of their safety being threatened. In addition, the reporting employees are also free from any form of sanction, even if their reports are not proven to be true. The Bank also provides assurance to all reporting parties that their reports will not affect the evaluation of their performance and/or career at The Bank.

Whistleblowing Violation 2019

Throughout 2019, there were no reports received through the WBS mechanism.

Parties in Charge of Managing Complaint

Complaints are administered by the Disciplinary Committee, which comprised of the representative of the Board of Directors members and departments as follows: Human Resources Department, Compliance Department, Risk Management Department, Legal Department, and Internal Audit Department. The Disciplinary Committee, after evaluating and analyzing the report submitted by an employee, will take follow-up action that may also involve relevant parties and others if deemed necessary. If the suspected of potetial violation or suspected of violation is a member of the Board of Commissioners or Board of Directors, then the report is addressed to the Chairman of the Audit Committee, chaired by an Independent Commissioner.

Sanksi bagi Terlapor yang Terbukti
Bentuk sanksi kepada terlapor yang terbukti bersalah diberikan sesuai dengan ketentuan yang berlaku di Bank. Berdasarkan Peraturan Perusahaan Bank tindakan disiplin kepada pekerja dapat berupa teguran lisan, surat peringatan, pencabutan fasilitas, penundaan kenaikan golongan upah, penurunan golongan upah, pemindahan (mutasi dan demosi), pembayaran ganti rugi, atau pemutusan hubungan kerja sesuai dengan tingkatan kesalahan yang diperbuat.

Sanction for Proven Reported Party
The form of sanction to the reported party that is proven guilty is given in accordance with the prevailing provisions in The Bank. Based on the Company Regulation of The Bank, disciplinary actions to employees may include oral warning, warning letter, facility retention, postponement of salary increment, salary reduction, transfer (rotation and demotion), payment of losses incurred, or termination of employment in accordance with the level of offenses made.

Sosialisasi *Whistleblowing System*
Untuk mensosialisasikan kepada seluruh insan Bank, manajemen melakukan penyebarluasan materi Kode Etik melalui *town hall meeting*, penerbitan buku Peraturan Perusahaan, pelatihan *Compliance*, *AML*, *Risk Management*, *Audit*, *and Legal* (CARAL), serta melalui distribusi surel secara berkala kepada seluruh insan Bank. Penyebarluasan Kode Etik ini di bawah koordinasi Departemen Sumber Daya Manusia.

Whistleblowing System Socialization
To socialize information to all of The Bank employees, the management disseminates the Code of Conduct materials through town hall meeting, the issuance of Company Regulation book, Compliance, AML, Risk Management, Audit, and Legal (CARAL) training, and through periodic email distribution to all of The Bank's personnel. The dissemination of this Code of Conduct is under the coordination of the Human Resources Department.

TRANSPARANSI **PRAKTIK BAD GOVERNANCE**
Transparency of Bad Governance Practices

Pada tahun 2019, tidak adanya pihak mana pun yang melaporkan aktivitas Bank yang dapat mencemari lingkungan; baik aktivitas langsung maupun aktivitas perbankan seperti pemberian kredit kepada nasabah yang memiliki pelanggaran terhadap pencemaran lingkungan.

In 2019, there were no parties reporting the activities of The Bank that can pollute the environment, whether it be direct activities or banking activities such as lending to customers with violation in environmental pollution.

Pengungkapan Pemenuhan Kewajiban Perpajakan
Bank telah berkontribusi dalam pembayaran pajak sebesar Rp349,01 miliar selama tahun 2019.

Disclosure of Tax Obligation Fulfillment
The Bank has contributed commitment related to taxation payment amounting to Rp349.01 billion during 2019.

Ketidaksesuaian Penyajian Laporan Tahunan dan Laporan Keuangan dengan Peraturan yang Berlaku dan Pernyataan Standar Akuntansi Keuangan (PSAK)
Laporan Tahunan Bank tahun buku 2019 disusun melalui acuan laporan keuangan Bank yang berakhir pada 31 Desember 2019. Laporan keuangan Bank tahun buku 2019 telah diaudit oleh Kantor Akuntan Publik (KAP) Siddharta Widjaja & Rekan (KPMG) yang telah disusun sesuai dengan PSAK yang berlaku di Indonesia.

Non-Conformity Presentation of Annual Report and Financial Statement with Applicable Regulations and Financial Accounting Standards (PSAK)
The Bank's Annual Report for the fiscal year 2019 is prepared based on The Bank's financial statements ended December 31, 2019. The Bank's financial statements for the fiscal year 2019 have been audited by the Registered Public Accountants Siddharta Widjaja & Partners (KPMG). These statements have been prepared in accordance with the applicable financial accounting standards (PSAK) in Indonesia.

Kasus Terkait Buruh dan Karyawan
Bank tidak menemukan adanya kasus terkait buruh dan karyawan sepanjang tahun 2019.

Cases Related to Labor and Employee
The Bank did not find any cases related to labor and employee throughout the year 2019.

Kesesuaian Buku Laporan Tahunan dan Laporan Tahunan Digital
Laporan Tahunan digital Bank baik yang disampaikan kepada pemegang saham, pemangku kepentingan, maupun yang telah diunggah pada situs web Bank telah sesuai dengan Laporan Tahunan yang dicetak dan diterbitkan oleh Bank.

Compatibility of Annual Report Book and Digital Annual Report
The Bank's digital Annual Report submitted to shareholders, stakeholders or uploaded on The Bank's official website is in conformity with the Annual Report printed and published by The Bank.

Laporan Keberlanjutan Bank ICBC Indonesia

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06

TENTANG LAPORAN **KEBERLANJUTAN**

About Sustainability Report

Laporan Keberlanjutan ini berisi kinerja keberlanjutan Bank yang dilaksanakan pada periode 1 Januari – 31 Desember 2019. Laporan ini merupakan Laporan Keberlanjutan perdana yang diterbitkan Bank ICBC Indonesia yang disusun sesuai dengan Peraturan Otoritas Jasa Keuangan (POJK) No. 51/POJK.03/2017.

Laporan ini ditujukan bagi pemangku kepentingan Bank ICBC Indonesia untuk mengetahui kinerja dan pendekatan yang dilakukan Bank dalam mendukung program-program terkait Rencana Aksi Keuangan Berkelanjutan (RAKB). Pembuatan laporan ini juga sejalan dengan tujuan menjadikan Bank sebagai entitas yang unggul dalam pencapaian tujuan pembangunan berkelanjutan di Indonesia pada tahun 2024 mendatang.

This Sustainability Report presents the sustainable performances of The Bank in the period of January 1 – December 31, 2019. This report is the first Sustainability Report issued by Bank ICBC Indonesia, which is compiled in conformity with the Financial Services Authority Regulation (POJK) No. 51/POJK.03/2017.

This report is made for the stakeholders of The Bank to understand the performance and approach taken by The Bank in supporting the programs related to Sustainable Finance Action Plan (RAKB). The preparation of this report is also in line with The Bank's objective to be a superior entity in supporting the sustainable development plan in Indonesia in the upcoming 2024.

Proses Penyusunan Laporan

Dalam penyusunan Laporan Keberlanjutan, Bank menentukan batasan topik dan isi laporan dengan memperhatikan prinsip-prinsip *stakeholder inclusiveness, sustainability context, materiality,* dan *completeness.* Dalam hal ini, pemilihan topik dan isi dalam *sustainability context* meliputi aspek ekonomi, lingkungan, dan sosial.

Lingkup Batasan Pelaporan

Laporan Keberlanjutan 2019 Bank ICBC Indonesia memuat informasi kebijakan dan kinerja berkelanjutan Bank dalam rentang waktu antara 1 Januari hingga 31 Desember 2019. Dalam laporan ini juga terdapat laporan kinerja finansial terkait bisnis Bank serta data dan informasi non-finansial, termasuk di dalamnya adalah pengelolaan tanggung jawab sosial dan lingkungan yang hanya mencakup aktivitas dan kinerja Bank, kecuali jika diindikasikan berbeda.

Topik Material

Penyusunan Laporan Keberlanjutan ini dilakukan dengan menetapkan faktor penentu yang material bagi Bank ICBC Indonesia, di antaranya mencakup rencana strategis Bank, kapasitas organisasi, kondisi keuangan dan kapasitas teknis, kerja sama dengan pihak eksternal, strategi komunikasi, sistem *monitoring*, evaluasi dan mitigasi yang dijalankan, serta kebijakan pemerintah terkait isu keuangan berkelanjutan selama tahun pelaporan.

Berdasarkan faktor penentu tersebut, Bank menentukan topik yang relevan dan menjadi prioritas dalam bisnis Bank dalam bentuk matriks. Topik dengan prioritas tinggi mencakup kinerja ekonomi, portofolio produk dan jasa, perlindungan informasi nasabah, literasi keuangan, inklusi keuangan, ketenagakerjaan, serta pelatihan dan pendidikan. Topik dengan prioritas sedang mencakup energi dan emisi. Sementara topik lain terkait dengan kegiatan bisnis Bank juga disampaikan. Penetapan prioritas topik ditentukan berdasarkan dampak yang ditimbulkan dan pentingnya pembahasan topik tersebut bagi para pemangku kepentingan.

Matriks Prioritas Topik Material

Topik material yang relevan dan berpengaruh signifikan terhadap para pemangku kepentingan disajikan dalam matriks berikut.

Report Development Process

In preparing the Sustainability Report, The Bank arranges the topics and contents of the report while considering the principals of stakeholder inclusiveness, sustainability context, materiality, and completeness. In this case, the selection of topics and contents under the sustainability context covers the aspects of economic, environmental, and social.

Reporting Scope Limits

The Sustainability Report 2019 of Bank ICBC Indonesia contains the information on sustainable policies and performances of The Bank in the period of January 1 to December 31, 2019. In this report, there are also financial reports related to The Bank's businesses as well as non-financial data and information, including the management of social and environmental responsibility that only covers The Bank's activities, unless indicated otherwise.

Material Aspects

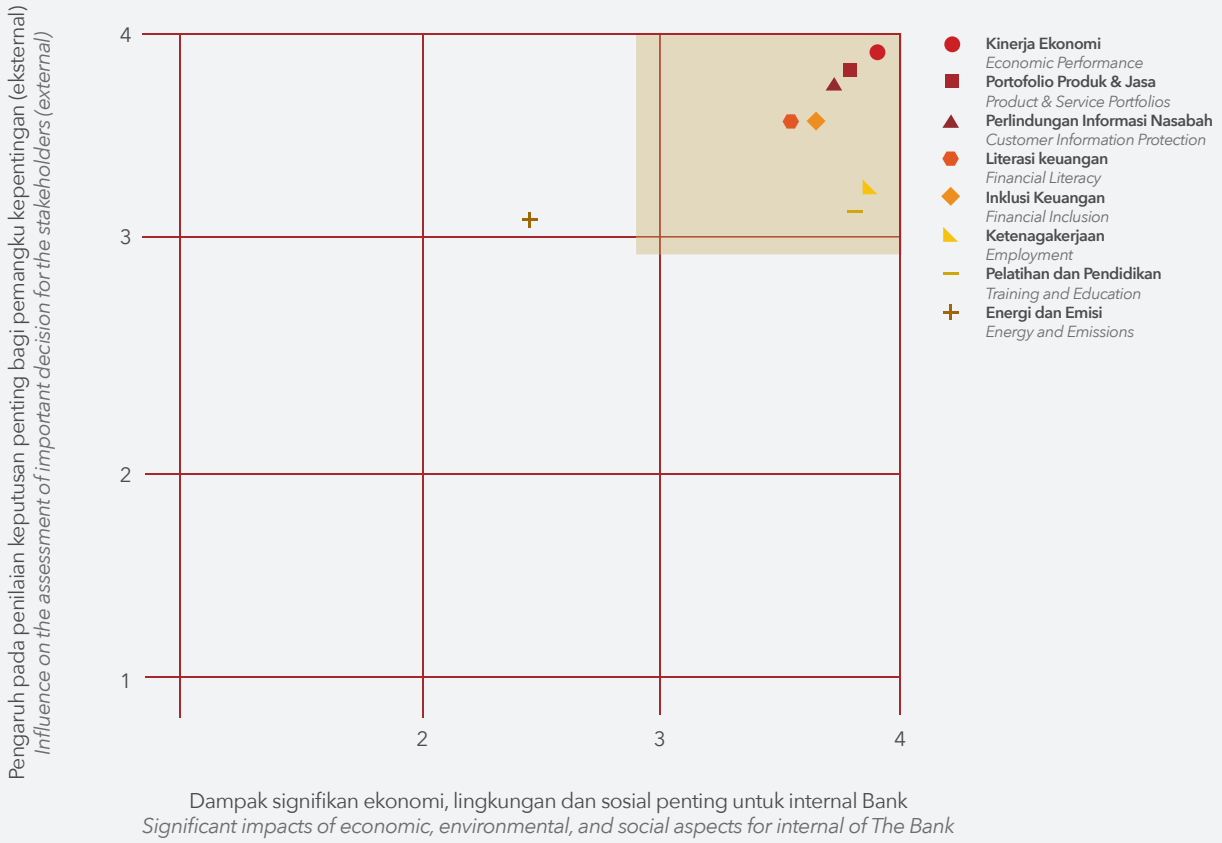
The preparation of this Sustainability Report is carried out by determining the material determinants for Bank ICBC Indonesia, among others covering The Bank's strategic plan, organizational capacity, financial condition and technical capacity, cooperation with external parties, communication strategies, monitoring systems, evaluation and mitigation implemented, as well as government policies related to the issue of sustainable finance throughout the reporting period.

Based on those determinants, The Bank determines the relevant and priority aspects within The Bank's business in the form of matrix. High priority aspects include the economic performance, product and service portfolios, customer information protection, financial literacy, financial inclusion, employment, as well as training and education. Moderate priority aspects include energy and emissions. Meanwhile, other aspects related to The Bank's business activities are also presented. The determination of priority of aspects is based on the analysis of their impacts and importance to the stakeholders.

Matrix of Material Aspects Priority

Material aspects that are relevant and have a significant impact on the stakeholders are presented in the following matrix.

Prioritas Topik | *Priority Aspects*



Penjelasan singkat terkait topik material di atas beserta batasannya disampaikan sebagai berikut:

A brief explanation related to the above material aspects including each of their boundaries is presented as follows:

Topik Material *Material Aspects*	Alasan Materialitas *Materiality Base*	*Boundary*	
		Di dalam ICBC Indonesia *Internal of ICBC Indonesia*	Di Luar ICBC Indonesia *External of ICBC Indonesia*
Ekonomi			***Economy***
Kinerja Ekonomi *Economic Performance*	Berdampak signifikan pada pemangku kepentingan *Significantly impacted the stakeholders*	v	v
Lingkungan			***Environment***
Energi dan Emisi *Energy and Emissions*	Berdampak signifikan pada pemangku kepentingan *Significantly impacted the stakeholders*	v	

Topik Material *Material Aspects*	Alasan Materialitas *Materiality Base*	*Boundary*	
		Di dalam ICBC Indonesia *Internal of ICBC Indonesia*	Di Luar ICBC Indonesia *External of ICBC Indonesia*
Sosial			***Social***
Perlindungan Informasi Nasabah *Customer Information Protection*	Berdampak signifikan pada pemangku kepentingan *Significantly impacted the stakeholders*	v	v
Ketenagakerjaan *Employment*	Berdampak signifikan pada pemangku kepentingan dan bagi kesinambungan usaha *Significantly impacted the stakeholders and business continuity*	v	
Pelatihan dan Pendidikan *Training and Education*	Berdampak signifikan pada pemangku kepentingan dan bagi kesinambungan usaha *Significantly impacted the stakeholders and business continuity*	v	
Layanan Keuangan			***Financial Service***
Portofolio Produk & Jasa *Product & Service Portfolios*	Berdampak signifikan pada pemangku kepentingan dan bagi kesinambungan usaha *Significantly impacted the stakeholders and business continuity*	v	v
Literasi Keuangan *Financial Literacy*	Berdampak signifikan pada kesinambungan usaha *Significantly impacted the business continuity*	v	v
Inklusi Keuangan *Financial Inclusion*	Berdampak signifikan pada kesinambungan usaha *Significantly impacted the business continuity*	v	v

Pelibatan Pemangku Kepentingan

Penerapan tata kelola perusahaan yang baik tidak dapat dilepaskan dari keterlibatan para pemangku kepentingan. Pemangku kepentingan adalah pihak-pihak yang memiliki kepentingan dengan Bank baik langsung maupun tidak langsung. Keterlibatan pemangku kepentingan memegang peranan penting dalam Bank untuk setiap pengambilan keputusan dan penentuan strategi Bank.

Pemangku kepentingan utama Bank adalah ICBC Limited dan PT Intidana Wijaya, sedangkan pemangku kepentingan lainnya adalah karyawan, nasabah, vendor penyedia barang dan jasa, pemerintah, regulator dan masyarakat.

Stakeholders Engagement

The implementation of good corporate governance cannot be separated from the stakeholders engagement. Stakeholders are parties who have interests with The Bank, either directly or indirectly. Stakeholders engagement plays an important role in The Bank for every decision making and determination of The Bank's strategies.

The major stakeholders of The Bank are ICBC Limited and PT Intidana Wijaya, while other stakeholders include employees, customers, vendors of goods and services, the government, regulators, and public.

IKHTISAR KINERJA **BERKELANJUTAN 2019**
Sustainable Performance Overview 2019

Kinerja Ekonomi | *Economic Performance*

dalam Rp milliar | *in Rp billion*

Komponen	2019	2018	2017	*Component*
Pendapatan bunga	3.040	3.179	3.017	*Interest income*
Beban bunga	(2.141)	(2.074)	(1.723)	*Interest expense*
Pendapatan bunga bersih	899	1.105	1.295	*Net interest income*
Pendapatan operasional lainnya	436	418	453	*Other operating income*
Beban operasional	(1.218)	(1.318)	(1.319)	*Operating expenses*
Laba (rugi) sebelum pajak	116	205	429	*Profit (loss) before income tax*
Beban pajak penghasilan	(37)	(57)	(117)	*Income tax expense*
Laba (rugi) bersih	79	148	311	*Net profit (loss)*
Pendapatan (beban) non-operasional setelah pajak	27	(13)	18	*Non-operating income (expenses) after income tax*
Laba (rugi) komprehensif	107	135	330	***Comprehensive income (expense)***

Kinerja Sosial | *Social Performance*

dalam orang | *in person*

Komponen	2019	2018	2017	*Component*
Jumlah total karyawan	585	595	649	*Total number of employees*
Jumlah karyawan tetap	563	574	634	*Total number of permanent employees*
Jumlah karyawan tidak tetap/ kontrak	22	21	15	*Total number of temporary/contract employees*
Jumlah pengaduan karyawan di kantor (*whistleblower*)	-	3	-	*Total number of employee grievances at the office (whistleblower)*
Biaya pengembangan kompetensi karyawan (Rp miliar)	16,59	16,03	12,41	*Employee competency development cost (Rp billion)*

Kinerja Lingkungan* | *Environmental Performance**

Komponen *Component*	Satuan *Unit*	2019	2018	2017
Penggunaan air *Water expense*	Nominal (Rp ribu | *thousand)*	915	570	900
Penggunaan listrik *Electricity expense*	Nominal (Rp juta | *million)*	1.967	1.630	1.489
Penggunaan bensin *Fuel expense*	Liter *Liters*	52.439	48.191	61.735
Penggunaan kertas *Paper expense (donated for recycling)*	Rim *Rim*	2.810	1.680	2.630

* Mencakup penggunaan utilitas area kantor pusat | *Includes the utilities consumption at head office area*

SAMBUTAN **PRESIDEN DIREKTUR**
Message from the President Director

Sambutan Presiden Direktur mengacu kepada Laporan Direksi pada Bab "Laporan Manajemen" dalam Laporan Tahunan 2019.

Presiden Director's message refers to the Board of Directors' Report in the "Management Report" of 2019 Annual Report.

PROFIL **PERUSAHAAN**
Company Profile

Profil Bank ICBC Indonesia dapat dilihat pada Bab "Profil Perusahaan" dalam Laporan Tahunan 2019.

The Bank's profile can be seen in the "Company Profile" section in 2019 Annual Report.

KERANGKA **DAN STRATEGI KEBERLANJUTAN**
Sustainability Framework and Strategy

Sebagaimana tercantum dalam Peraturan Otoritas Jasa Keuangan (POJK) No. 51/POJK.03/2017 tentang Penerapan Keuangan Berkelanjutan bagi Lembaga Jasa Keuangan, Emiten, dan Perusahaan Publik, diperlukan keselarasan antara aspek ekonomi, sosial, dan lingkungan hidup untuk mewujudkan pembangunan berkelanjutan dan menjaga stabilitas ekonomi nasional. Berawal dari peraturan tersebut, Bank perlu menerapkan keuangan berkelanjutan yang memprioritaskan pengembangan produk dan/atau jasa keuangan berkelanjutan, pengembangan kapasitas internal Bank, serta penyesuaian struktur organisasi, manajemen risiko, tata kelola, dan/atau standar prosedur operasional.

As stated in the Financial Services Authority Regulation (POJK) No. 51/POJK.03/2017 concerning the Implementation of Sustainable Finance for Financial Services Institutions, Issuers, and Public Companies, the harmony between economic, social and environmental aspects is required in order to achieve sustainable development and to maintain stability of national economic. With this regulation as the basic principle, The Bank is required to implement the sustainable finance that prioritizes the development of sustainable financial products and/or services, the development of The Bank's internal capacity, and the adjustment of organizational structure, risk management, governance, and/or operational procedure standards.

Bank berkomitmen dan berperan aktif dalam penerapan keuangan berkelanjutan melalui pelaksanaan tanggung jawab sosial perusahaan (*Corporate Social Responsibility*/CSR) yang tercermin dalam konsep "*triple bottom line*", yaitu *people, profit,* dan *planet*. Dengan demikian, kegiatan CSR yang dilaksanakan Bank pada tahun 2019 lebih mengedepankan kepada *people empowerment* dan inklusi keuangan. Bank memandang CSR sebagai bagian penting dalam menjalankan aktivitasnya yang bukan semata-mata untuk memperoleh keuntungan, melainkan juga untuk memberikan kontribusi nilai bagi para pemangku kepentingan. Kegiatan CSR juga diharapkan dapat menciptakan iklim usaha dan iklim investasi yang kondusif dengan memperhatikan lingkungan tempat Bank menjalankan bisnisnya.

The Bank is committed and takes an active role in implementing sustainable finance through the implementation of Corporate Social Responsibility (CSR), which is reflected in the concept of "triple bottom line", namely people, profit, and planet. Thus, CSR activities carried out by The Bank in 2019 were prioritized on people empowerment and financial inclusion. The Bank considers CSR as an important factor in conducting its activities which are not solely for profit, but also to provide a value contribution to stakeholders. CSR activities are also expected to create a positive business and investment climates by taking into account The Bank's operational environment.

Bank mendefinisikan pelaksanaan CSR ke dalam 4 (empat) aspek yang diharapkan dapat menciptakan pola hubungan yang harmonis antara pelaku usaha bersama-sama dengan pemerintah serta pemangku kepentingan. Keempat aspek tersebut meliputi lingkungan hidup; praktik ketenagakerjaan, kesehatan dan keselamatan kerja; pengembangan sosial dan kemasyarakatan; serta produk/jasa dan nasabah.

The Bank defines its CSR implementation into 4 (four) aspects, all of which are expected to contribute in creating a harmonious relation between business communities, the government, and the stakeholders. The four aspects include the environment; employment, occupational health and safety practices; social and community development; and banking products/services and customers.

Prinsip, Kebijakan, dan Kerangka Keberlanjutan

Pendekatan Manajemen

Sebagai bagian dari institusi keuangan di Indonesia, Bank senantiasa berkomitmen dalam mendukung pembangunan ekonomi Indonesia melalui pemberian nilai keunggulan bagi pemegang saham, pelanggan, karyawan serta masyarakat. Hal ini juga sesuai dengan salah satu misi Bank untuk menjadi bank lokal utama dan berpengaruh di Indonesia. Oleh karena itu, Bank akan senantiasa menjalankan bisnis perbankan dengan prinsip-prinsip berkelanjutan sehingga Bank dapat berperan aktif, tidak hanya dalam pengembangan bisnis dengan tata kelola yang baik untuk menyelaraskan peningkatan nilai bagi pemegang saham, namun juga memperhatikan aspek pengembangan karyawan dan masyarakat yang lebih inklusif, menjalankan bisnis yang lebih ramah lingkungan, serta menjadi agen perubahan dalam menciptakan dan mendukung pelestarian lingkungan bagi generasi mendatang dengan memperhatikan kapabilitas dan kapasitas internal bank.

Sustainability Principles, Policies, and Framework

Management Approach

As part of the financial institutions in Indonesia, The Bank is committed to supporting Indonesia's economic development through providing excellence value to shareholders, customers, employees, and the community. This commitment is also in line with one of The Bank's missions to become a major and influential local bank in Indonesia. As such, The Bank will always conducts its banking business with sustainable principles so as to play an active role, not only in business development with good governance to align the increase in value for shareholders, but also to take into account aspects of employee and community development more inclusively, carry out more environmentally-friendly businesses, as well as to become an agent in creating and supporting environmental preservation for future generations by considering the internal capabilities and capacities of The Bank.

Sebagai wujud dukungan terhadap pembangunan yang berorientasi Lingkungan, Kemasyarakatan, dan Tata Kelola (LKT), Bank menetapkan Rencana Aksi Keuangan Berkelanjutan dan Laporan Berkelanjutan sesuai dengan regulasi yang berlaku sehingga dapat memberikan informasi dan menerapkan transparansi kepada seluruh pemangku kepentingan. Oleh karena itu, sesuai dengan POJK No. 51/POJK.03/2017 Pasal 7 Ayat 1, Bank juga telah menetapkan prioritas utama dalam pengembangan produk dan/atau jasa keuangan berkelanjutan, pengembangan kapasitas internal Bank, serta penyesuaian struktur organisasi, manajemen risiko, tata kelola, dan/atau standar prosedur operasional.

As a form of support for Environmental, Community, and Governance (LKT) oriented development, The Bank establishes a Sustainable Finance Action Plan and Sustainability Report in accordance with applicable regulations so that The Bank can provide information and conduct transparency to all stakeholders. Therefore, in conformity with POJK No. 51/POJK.03/2017 Article 7 Paragraph 1, The Bank has set key priorities in the development of sustainable financial products and/or services, the development of The Bank's internal capacity, and the adjustment of organizational structure, risk management, governance, and/or operational procedure standards.

Rencana Strategis Keuangan Berkelanjutan

Guna memenuhi ketentuan dari OJK yang dicantumkan dalam POJK No. 51/POJK.03/2017 tentang Penerapan Keuangan Berkelanjutan, Bank menyusun Rencana Aksi Keuangan Berkelanjutan (RAKB) untuk periode 5 (lima) tahun mulai tahun 2020 sampai dengan tahun 2024. Sebagai dukungan terhadap pelaksanaan keuangan berkelanjutan, Bank telah menjalankan beberapa aktivitas yang menjadi langkah awal pada 2019, antara lain terkait peningkatan sumber daya manusia, penyesuaian unit terkait keuangan berkelanjutan, pengelolaan lingkungan internal yang ramah lingkungan, identifikasi portofolio Bank, dan edukasi eksternal kepada masyarakat.

Penyusunan RAKB tidak hanya melibatkan Dewan Komisaris dan Direksi, namun juga melibatkan departemen-departemen terkait. Bank juga bekerja sama dengan lembaga pendidikan seperti LPPI (Lembaga Pengembangan Perbankan Indonesia) untuk mewadahi peningkatan *awareness* dan kapasitas beberapa karyawan inti Bank mengenai tata cara penyusunan RAKB.

Terkait pengembangan produk dan/atau jasa keuangan berkelanjutan, Bank memiliki program kajian untuk identifikasi portofolio Bank yang sesuai dengan kriteria kegiatan usaha berkelanjutan. Selanjutnya, dalam hal pengembangan kapasitas internal, Bank menyiapkan program pengelolaan lingkungan internal yang ramah lingkungan hidup melalui penggunaan kertas daur ulang untuk agenda dan kalender serta digitalisasi dokumen. Selain itu, Bank juga melakukan peningkatan kapasitas sumber daya manusia terkait keuangan berkelanjutan dengan sebanyak 65% dari 585 karyawan telah mengikuti program pelatihan ini.

Terakhir, terkait penyesuaian struktur organisasi, manajemen risiko, tata kelola, dan/atau standar prosedur operasional, saat ini Bank juga sedang dalam tahap penyusunan *charter* Komite Produk sebagai langkah awal pembentukan Komite Produk dalam penyesuaian unit yang ada terkait keuangan berkelanjutan. Sementara itu, Bank juga menginisiasi program edukasi eksternal untuk meningkatkan pemahaman kegiatan usaha berkelanjutan kepada masyarakat. Dengan begitu, aksi keberlanjutan yang diterapkan Bank diharapkan dapat menciptakan iklim usaha dan iklim investasi yang kondusif di lingkungan operasional Bank.

Sustainable Finance Strategic Plan

In order to comply with the OJK provisions as stated in POJK No. 51/POJK.03/2017 concerning the Implementation of Sustainable Finance, The Bank has prepared a Sustainable Finance Action Plan (RAKB) for a five-year period from 2020 to 2024. To support the implementation of sustainable finance, The Bank has carried out several activities that will be the first step in 2019, among others related to the improvement of human resources, adjustment of units related to sustainable finance, management of environmentally-friendly internal environment, identification of The Bank's portfolio, and external education to the public.

The preparation of RAKB does not only involve the Board of Commissioners and the Board of Directors, but also involves the relevant departments. The Bank also works closely with educational institutions such as the LPPI (Indonesian Banking Development Institute) in order to increase the awareness and capacity of The Bank's core employees regarding the preparation procedures of RAKB.

In relation to the development of sustainable financial products and/or services, The Bank has a study program to identify The Bank's portfolio in accordance with the criteria for sustainable business activities. Furthermore, in terms of the development of internal capacity, The Bank has prepared a management program for an environmentally-friendly internal environment by using recycled paper for the agenda and calendar as well as document digitalization. In addition, The Bank has also increased the capacity of its human resources related to sustainable finance with 65% of 585 employees have participated in the training program.

Finally, in relation to the adjustment of organizational structure, risk management, governance, and/or operational procedure standards, The Bank is in the stage of preparing a Product Committee charter as an initial step in forming a Product Committee to adjust the existing units related to sustainable finance. Meanwhile, The Bank also initiated an external education program for the community to increase their understanding towards sustainable business activity. Thus, the sustainable actions implemented by The Bank are expected to create a positive business and investment climates within The Bank's operational environment.

TATA KELOLA KEUANGAN **KEBERLANJUTAN**
Sustainable Finance Governance

Penerapan tata kelola perusahaan yang baik (*Good Corporate Governance* – GCG) dalam era persaingan global saat ini sudah menjadi kebutuhan yang mutlak dalam menjalankan segala kegiatan usaha Bank. Dengan adanya penerapan GCG, maka Bank telah memiliki fondasi yang kokoh dan bekal yang cukup untuk mencapai visi dan misi Bank, serta mampu menjadi perusahaan yang tangguh dan terus berkembang.

Untuk itu, Bank senantiasa berupaya menyempurnakan penerapan praktik-praktik terbaik GCG di seluruh tingkatan organisasi secara berkesinambungan. Bank menyadari bahwa GCG merupakan salah satu komponen utama dalam rangka meningkatkan kinerja Bank, melindungi kepentingan para pemangku kepentingan, dan meningkatkan kepatuhan terhadap peraturan perundang-undangan, serta nilai-nilai etika yang berlaku umum pada industri perbankan. Oleh karena itu, penerapan GCG secara berkelanjutan sangat penting untuk pertumbuhan dan kemajuan usaha Bank.

Struktur Tata Kelola Perusahaan

Struktur GCG Bank dibentuk berdasarkan fungsi, kewenangan, dan tanggung jawab masing-masing organ sesuai dengan Undang-Undang No. 40 Tahun 2007, Peraturan Otoritas Jasa Keuangan terkait, dan Anggaran Dasar Bank. Struktur GCG Bank secara garis besar terbagi atas Organ Utama dan Organ Pendukung. Organ Utama Bank terdiri atas Rapat Umum Pemegang Saham (RUPS), Dewan Komisaris, dan Direksi. Sementara itu, Organ Pendukung Bank terdiri dari komite di bawah Dewan Komisaris serta komite dan fungsi di bawah Direksi.

Bank juga telah memiliki *soft structure* atau perangkat kebijakan yang akan memberikan definisi batasan-batasan tugas, peran, dan tanggung jawab setiap organ Bank. Bank senantiasa menerapkan Kode Etik dan *whistleblowing system* yang merupakan sarana komunikasi melalui perangkat *Speak Up* untuk melaporkan pelanggaran yang terjadi di lingkungan internal Bank. Selain menyusun kebijakan penerapan GCG, Bank memiliki Pedoman dan Tata Tertib Kerja Dewan Komisaris dan Direksi. Bank juga memiliki Piagam Kepatuhan, Piagam Internal Audit, dan Piagam Komite Audit sebagai pedoman organ terkait dalam menjalankan tugas masing-masing sehingga setiap organ dan komite yang saling terkait dapat bekerja sama dalam memenuhi kewajibannya terhadap Bank.

Manajemen Risiko

Bank menerapkan kebijakan manajemen risiko dalam menjalankan prinsip keuangan berkelanjutan. Kebijakan ini menjadi acuan dalam pemantauan dan/atau pengendalian internal terhadap semua tahapan dalam proses manajemen risiko dalam hubungannya dengan visi, misi, dan rencana strategis Bank. Fungsi kebijakan manajemen risiko Bank adalah sebagai berikut:

- Sebagai panduan dalam menerapkan prinsip kehati-hatian dan GCG;
- Sebagai panduan untuk menetapkan dan memperjelas wewenang dan tanggung jawab semua pihak yang terkait dalam manajemen risiko;
- Merupakan alat pengawasan untuk mengendalikan risiko secara keseluruhan;
- Sebagai panduan untuk menjalankan semua aktivitas dalam limit risiko.

The implementation of Good Corporate Governance (GCG) in today's global competitive era is a much-needed element in undertaking The Bank's business activities. The GCG implementation will enable The Bank to create solid foundation and adequate endeavor to achieve The Bank's vision and mission, as well as to become a sustainable strong corporation.

Therefore, The Bank strives to refine the sustainable implementation of its GCG best practices in all level of organizations. The Bank realizes that GCG becomes one of the main components in the improvement of The Bank's performance, to protect the interests of stakeholders, and enhance compliance with prevailing regulations and ethic values in the banking industry. Thus, the sustainable implementation of GCG is very important for The Bank's business growth and progress.

Corporate Governance Structure

The Bank governance structure is formed based on the functions, authorities, and responsibilities of each organ in accordance with Law No. 40 of 2007, relevant Financial Services Authority Regulations, and The Bank's Articles of Association. In general, The Bank governance structure is broadly divided into Primary Organs and Supporting Organs. The Primary Organs of The Bank consist of the General Meeting of Shareholders (GMS), the Board of Commissioners, and the Board of Directors. Meanwhile, Supporting Organs of The Bank consist of committees under the Board of Commissioners as well as committees and functions under the Board of Directors.

The Bank also has in place the soft structures or policies that define the boundaries of duties, roles, and responsibilities of each of The Bank's organs. The Bank consistently implements the Code of Conduct and whistleblowing system as a means of communication through the Speak Up tool to report any violation that occurs within the internal environment of The Bank. Besides formulating the GCG implementation policies, The Bank has in place the Board Charter. The Bank also has in place a Compliance Charter, Internal Audit Charter, and Audit Committee Charter as a guideline for relevant organs in conducting their respective duties, so that each organ and related committees can work closely in fulfilling their obligations to The Bank.

Risk Management

The Bank implements risk management policy in carrying out the sustainable finance principles. This policy serves as a guidance in monitoring and/or internal control at all stages of the risk management process in relation to The Bank's vision, mission, and strategic plan. The functions of The Bank's risk management policy are as follows:

- *As a guidance on implementing prudential principles and GCG;*
- *As a guidance on establishing and clarifying the authority and responsibility of all parties involved in risk management;*
- *As a monitoring tool to control overall risk;*
- *As a guidance to carry out all activities within risk limits.*

Pelatihan Keuangan Berkelanjutan

Demi mewujudkan perekonomian yang berkelanjutan, Bank memberikan edukasi kepada seluruh karyawan melalui pelatihan terkait keuangan berkelanjutan. Bank meyakini hal ini dapat menumbuhkan kesadaran atas perbaikan lingkungan hidup sekaligus meningkatkan kesejahteraan sosial karyawan.

Karena itu, pada Januari–Februari 2020, Bank menggelar *workshop* tentang konsep dasar keuangan berkelanjutan dengan menggandeng institusi pendidik sebagai pembicara dan mentor. Pelatihan ini diikuti 5 (lima) karyawan dan bertujuan untuk memberikan pengetahuan yang dibutuhkan kepada karyawan sehingga dapat mendukung bisnis inti Bank secara berkelanjutan.

Kebijakan dan Prosedur Keuangan Berkelanjutan

Dalam rangka mempersiapkan Bank untuk memiliki sistem pengawasan yang lebih terstruktur, perlu adanya penyesuaian unit kerja terkait keuangan berkelanjutan. Karena itu, dalam tahap awal, Bank akan melakukan *review* dan revisi kebijakan Komite Produk.

Langkah pertama yang dilakukan Bank adalah melakukan finalisasi *charter* Komite Produk (*Product Committee*) yang akan terus dilakukan sampai akhir 2020. Sejalan dengan strategi tersebut, Bank juga akan melakukan pembahasan produk dan jasa keuangan berkelanjutan di Komite Produk. Langkah ini diharapkan dapat memperkuat fungsi Komite Produk serta mengembangkan kebijakan terkait produk dan jasa keuangan berkelanjutan sesuai dengan perkembangan zaman dan peraturan dari regulator.

Sustainable Finance Training

In order to achieve a sustainable economy, The Bank provides training related to sustainable finance to all of its employees. The Bank convinces that this training could stimulate the awareness of environmental improvement and increase the employee social welfare.

Hence, in January–February 2020, The Bank held a workshop regarding the basic concepts of sustainable finance by collaborating with educational institutions as speakers and mentors. This training was attended by 5 (five) employees and aimed at providing the knowledge needed to employees so that they can support The Bank's core business in a sustainable manner.

Sustainable Finance Policy and Procedure

In order to prepare The Bank to have a more structured monitoring system, it is necessary for The Bank to adjust working units related to sustainable finance. As such, in the initial stage, The Bank will conduct review and revision towards the policy of Product Committee.

The initial step taken by The Bank is to finalize the Product Committee charter which will continue to be carried out until the end of 2020. In line with the above strategy, The Bank will also discuss the sustainable financial products and services at the Product Committee. This step is expected to strengthen the function of the Product Committee and develop policy related to sustainable financial products and services according to the current development and regulations from the regulators.

KINERJA **KEBERLANJUTAN**
Sustainability Performance

Dalam menerapkan prinsip keberlanjutan, Bank senantiasa berpegang pada visi dan misi terhadap implementasi keuangan berkelanjutan. Visi keberlanjutan Bank adalah "Menjadi bank yang unggul dalam pengembangan bisnis yang memberikan nilai ekonomi, sosial, dan lingkungan hidup di Indonesia". Sementara itu, Bank memiliki misi keberlanjutan untuk menjadi bank lokal yang terintegrasi dan senantiasa menjalankan praktik-praktik bisnis dengan tata kelola yang baik.

Untuk mendukung pertumbuhan ekonomi nasional yang berkelanjutan (*sustainable development*), Bank menerapkan langkah-langkah strategis berupa peningkatan kapasitas organisasi untuk kebutuhan strategis penerapan keuangan berkelanjutan, pelaksanaan operasional Bank yang lebih ramah lingkungan, integrasi aspek sosial dan lingkungan hidup ke dalam pengelolaan risiko, dan pengembangan produk dan layanan perbankan yang ramah lingkungan.

Untuk itu, Bank memiliki 4 (empat) prioritas utama yang menjadi target penerapan keuangan berkelanjutan pada 2020 sebagai berikut:

1. Pengembangan sumber daya manusia lanjutan agar seluruh internal Bank memiliki daya respons tinggi terhadap tantangan implementasi keuangan berkelanjutan;
2. Pengkajian permintaan pasar terhadap produk dan/atau jasa keuangan berkelanjutan;
3. Program edukasi lanjutan untuk meningkatkan pemahaman keuangan berkelanjutan kepada nasabah dan masyarakat; dan
4. Program pengelolaan lingkungan internal yang ramah lingkungan.

Kinerja Ekonomi

Sampai Desember 2019, Bank belum memiliki kegiatan usaha berkelanjutan. Namun demikian, sejalan dengan prioritas utama Bank dalam penerapan keuangan berkelanjutan pada 2020, Bank akan melakukan pengkajian permintaan pasar terhadap produk dan/atau jasa keuangan berkelanjutan. Hal ini juga akan diikuti oleh pembentukan Komite Produk yang bertugas melakukan pembahasan pengembangan/inovasi produk dan/atau jasa keuangan berkelanjutan.

In implementing the sustainability principles, The Bank always adheres to the vision and mission of the implementation of sustainable finance. The Bank's sustainability vision is "To be a bank that excels in business development that provides economic, social, and environmental values in Indonesia". Meanwhile, The Bank has a sustainability mission to become an integrated local bank that consistently conducts business practices with good governance.

To support sustainable national economic growth (sustainable development), The Bank implements the strategic steps through the improvement of organizational capacity for the strategic needs on the implementation of sustainable finance, the implementation of The Bank operations that are more environmentally-friendly, integration of social and environmental aspects into risk management, and the development of environmentally-friendly banking products and services.

Therefore, The Bank has 4 (four) major priorities as the targets for implementation of sustainable finance in 2020 as follows:

1. *The development of advance human resources so that all internal Bank has high responsiveness towards the challenges of sustainable finance implementation;*
2. *Review market demand for sustainable financial products and/or services;*
3. *Continuous education programs to increase the understanding of sustainable finance to customers and public; and*
4. *The management program of environmentally-friendly internal environment.*

Economic Performance

Until December 2019, The Bank did not have any sustainable business activity. However, in conformity with The Bank's major priorities in the application of sustainable finance in 2020, The Bank will conduct assessment on the market demand for sustainable financial products and/or services. The Bank will also establish a Product Committee responsible for discussing the development/innovation of sustainable financial products and/or services.

Pada 2019, Bank telah mencatatkan pencapaian kinerja ekonomi Bank ICBC Indonesia dalam 3 (tiga) tahun terakhir sebagai berikut:

In 2019, The Bank has recorded the achievements of its economic performances in the last 3 (three) years as follows:

dalam Rp milliar | *in Rp billion*

Komponen	2019	2018	2017	*Component*
Total Aset	53.105	54.816	56.030	*Total Assets*
Aset Produktif	49.134	47.386	50.690	*Earning Assets*
Kredit/Pembiayaan Bank	35.276	36.542	35.069	*Bank Loans/Financing*
Dana Pihak Ketiga	27.062	30.588	33.045	*Third Party Funds*
Pendapatan Operasional	1.334	1.523	1.748	*Operating Income*
Beban Operasional	(1.218)	(1.318)	(1.319)	*Operating Expenses*
Laba Bersih	79	148	311	*Net Profit*
Rasio/Kinerja				***Ratio/Performance***
Rasio Kewajiban Penyediaan Modal Minimum (KPMM)	21,64%	16,42%	17,72%	*Capital Adequacy Ratio (CAR)*
Aset Produktif Bermasalah dan Aset Non-produktif Bermasalah terhadap Total Aset Produktif dan Aset Non-produktif	1,85%	2,02%	1,56%	*Classified Earning Asset and Classified Non-productive Assets to Total Earning Assets and Non-productive Assets*
Aset produktif Bermasalah terhadap Total Aset Produktif	2,25%	2,75%	2,00%	*Classified Earning Asset to Total Earning Assets*
Cadangan Kerugian Penurunan Nilai (CKPN) Aset Keuangan terhadap Aset Produktif	1,49%	1,42%	1,18%	*Allowance for Impairment Losses on Financial Assets to Earning Assets*
NPL *Gross*	3,14%	3,57%	2,90%	*NPL Gross*
NPL *Net*	1,77%	2,47%	2,06%	*NPL Net*
Return on Asset (ROA)	0,22%	0,28%	0,83%	*Return on Asset (ROA)*
Return on Equity (ROE)	1,48%	2,19%	6,21%	*Return on Equity (ROE)*
Net Interest Margin (NIM)	2,00%	2,35%	2,99%	*Net Interest Margin (NIM)*
Biaya Operasional terhadap Pendapatan Operasional (BOPO)	92,83%	96,77%	89,42%	*Operating Expense to Operating Income (BOPO)*
Loan to Deposit Ratio (LDR)	130,07%	119,33%	105,89%	*Loan to Deposit Ratio (LDR)*
Nilai *Liquidity Coverage Ratio* (LCR)				*Liquidity Coverage Ratio (LCR) Value*
a. LCR secara Individu	164,39%	140,54%	107,30%	*a. LCR Individually*
b. LCR secara Konsolidasi	-	-	-	*b. LCR Consolidated*

Kinerja Sosial

Bank berkomitmen untuk senantiasa memberikan layanan atas produk dan/atau jasa yang setara kepada nasabah, sebagaimana komitmen Bank untuk menjaga kepercayaan karyawan, vendor penyedia barang dan jasa, pemerintah, dan regulator. Komitmen ini sejalan dengan tujuan Bank menjadi entitas yang unggul dalam pencapaian tujuan pembangunan berkelanjutan di Indonesia pada 2024 mendatang.

Bank menyadari nilai krusial sumber daya manusia sebagai salah satu aset utama yang memiliki peranan penting dalam mendukung pencapaian rencana bisnis dan strategi Bank. Pemberdayaan sumber daya manusia secara tepat dianggap penting agar setiap organ Bank mampu memberikan kinerja terbaik. Karena itu, Bank menciptakan lingkungan kerja yang aman dan nyaman bagi karyawan sekaligus memberikan ruang pengembangan diri melalui berbagai pelatihan yang digelar oleh Bank.

Untuk memastikan Bank menjalankan kewajibannya terhadap karyawan, Bank berpedoman kepada 4 (empat) kebijakan terkait Kesehatan dan Keselamatan Kerja (K3), yaitu:

- Kebijakan Manajemen Kontinuitas Bisnis (*Business Continuity Management*) nomor RMD/POL/03 yang diterbitkan oleh Satuan Kerja Manajemen Risiko;
- Prosedur Rencana Kontinuitas Bisnis (*Business Continuity Plan*) nomor RMD/PRO/018 yang diterbitkan oleh Satuan Kerja Manajemen Risiko;
- Kebijakan Manajemen Keamanan nomor GA/POL/01 yang diterbitkan oleh Departemen *General Affairs*; dan
- Prosedur Penanggulangan Bencana nomor GA/PRO/42 yang diterbitkan oleh Departemen *General Affairs*.

Selain itu, Bank juga meyakini bahwa kinerja perusahaan memiliki dampak positif terhadap peningkatan kesejahteraan masyarakat yang pada akhirnya akan mendukung pengembangan usaha Bank secara berkelanjutan. Hal ini diwujudkan pada 2019 melalui sejumlah kegiatan sosial, antara lain berupa kunjungan ke Komunitas Tanpa Batas di Bandung, kunjungan ke Panti Asuhan At-Taqwa di Batam, serta kunjungan ke Panti Jompo Anugerah Werdha dan Studio Alang-Alang di Surabaya.

Di samping itu, Bank juga memberikan donasi berupa ranjang susun dan kasur busa kepada Panti Asuhan Gratia di Medan, donasi untuk pembangunan Panti Asuhan Tabita Putri di Balikpapan, serta donasi untuk Panti Asuhan Pangamaseang di Makassar.

Dalam rangka mendukung program pemerintah untuk meningkatkan edukasi literasi dan inklusi keuangan pada sektor jasa keuangan, sesuai dengan ketentuan yang berlaku, sepanjang tahun 2019, Bank telah melaksanakan edukasi literasi keuangan melalui kegiatan sosialisasi tatap muka yang membahas mengenai seputar perbankan. Selain itu Bank juga mempromosikan inklusi keuangan di beberapa kota besar, seperti Jakarta, Bandung, Surabaya dan Malang, dengan menyediakan produk dan layanan jasa keuangan sesuai dengan kebutuhan masyarakat.

Bank senantiasa berupaya untuk meningkatkan kualitas layanan perbankan yang berpengaruh terhadap peningkatan kepuasan dan loyalitas para nasabah. Untuk itu, Bank telah mempublikasikan prosedur layanan dan pengaduan yang dapat diakses oleh nasabah dan masyarakat luas melalui situs resmi Bank. Performa Bank juga dipantau melalui pemberitaan media cetak dan elektronik untuk diketahui secara luas. Selain itu Bank terus berupaya melakukan penanganan pengaduan nasabah secara komprehensif, dan penyelesaiannya dilakukan secara harian melalui laporan yang diserahkan oleh kantor cabang.

Social Performance

The Bank is committed to always providing equal products and/or services to customers, as part of The Bank's commitments to maintain the trust of employees, vendors of goods and services, the government, and regulators. This commitment is in line with The Bank's objective to be a superior entity in supporting the sustainable development plan in Indonesia in the upcoming 2024.

The Bank realizes the crucial value of human resources as one of the main assets that has an important role in supporting the achievement of The Bank's business plans and strategies. Proper human resources empowerment is considered important so that every organ of The Bank could provide the best performance. Therefore, The Bank creates a safe and comfortable work environment for employees, as well as offers personal development space through various trainings held by The Bank.

To ensure that The Bank carries out its obligations to employees, The Bank observes 4 (four) policies related to Occupational Health and Safety (OHS), namely:

- *Business Continuity Management Policy number RMD/POL/03 issued by the Risk Management Unit;*
- *Business Continuity Plan Procedure number RMD/PRO/018 issued by the Risk Management Unit;*
- *Security Management Policy number GA/POL/01 issued by the General Affairs Department; and*
- *Disaster Management Procedure number GA/PRO/42 issued by the General Affairs Department.*

In addition, The Bank firmly believes that the company performance has positive correlation to the community welfare, which will ultimately support The Bank's sustainable business growth. This was carried out in 2019 through several social activities, including a visit to Borderless Community in Bandung, a visit to the At-Taqwa Orphanage in Batam, and a visit to the Anugerah Werdha Nursing Home and Alang-Alang Studio in Surabaya.

Additionally, The Bank provided donations in the form of bunk beds and foam mattresses to the Gratia Orphanage in Medan, donations for the construction of Tabita Putri Orphanage in Balikpapan, and donations for the Pangamaseang Orphanage in Makassar.

In supporting the government's program to increase the financial literacy and inclusion in the financial services sector and in accordance with the applicable regulations, throughout 2019 The Bank has conducted financial literacy education through on-site banking educational talk. In addition, The Bank also promotes financial inclusion in several big cities, such as Jakarta, Bandung, Surabaya, and Malang, by providing financial products and services according to the community needs.

The Bank always strives to improve the quality of banking services which impact on the increasing customer satisfaction and loyalty. Therefore, The Bank has published service and complaint procedures that can be accessed by the customers and wider community through the official website of The Bank. The Bank also monitors its performance based on media coverage in print and electronic platforms for public disclosure. Moreover, The Bank constantly strives to make comprehensive handling of customer complaints, and its settlement is done on a daily basis through branch office reports.

Bank terus berupaya untuk selalu mendukung pembangunan yang berkelanjutan di Indonesia. Untuk itu, seluruh kegiatan Bank diarahkan agar dapat selaras dengan 17 (tujuh belas) tujuan pembangunan berkelanjutan di Indonesia. Sepanjang tahun 2019, Bank telah melakukan kegiatan Tanggung Jawab Sosial dan Lingkungan (TJSL) yang terkait dengan pemberdayaan masyarakat dan mendukung bisnis inti Bank, di antaranya meliputi:

1. Program pengelolaan lingkungan internal yang ramah lingkungan hidup dalam operasional keseharian Bank dengan melakukan digitalisasi dokumen karyawan yang bertujuan untuk meminimalkan penggunaan kertas, penggunaan produk-produk ramah lingkungan dalam pembuatan kalender dan buku agenda, serta menyumbangkan sampah kertas kepada Yayasan Tzu Chi Indonesia untuk didaur ulang menjadi barang yang memiliki nilai guna.
2. Program edukasi eksternal dalam rangka meningkatkan pemahaman usaha berkelanjutan kepada masyarakat melalui program edukasi kreativitas bahan daur ulang kepada anak-anak karyawan, kegiatan donor darah yang sekaligus memberikan pengetahuan terkait berbagai manfaat kegiatan donor darah rutin untuk kesehatan serta manfaat hasil donor darah bagi masyarakat yang membutuhkan, dan kegiatan pemberian bantuan kepada kaum papa atau kepada masyarakat yang membutuhkan.
3. Program kajian identifikasi portofolio Bank sesuai dengan kriteria kegiatan usaha berkelanjutan melalui penyusunan daftar kuesioner/parameter untuk seluruh debitur Bank. Hingga akhir 2019, Bank telah melakukan pemetaan debitur pada portofolio Bank sesuai dengan hasil kuesioner yang telah dilengkapi nasabah.
4. Program penyesuaian unit yang ada terkait keuangan berkelanjutan. Bank dalam tahap proses penyusunan *charter* Komite Produk sebagai langkah awal pembentukan Komite Produk yang bertujuan untuk membuat dan memonitor produk dan jasa yang dapat mendukung Rencana Aksi Keuangan Berkelanjutan (RAKB) Bank.
5. Program peningkatan kapasitas sumber daya manusia terkait keuangan berkelanjutan melalui penyelenggaraan *workshop* terkait konsep dasar keuangan berkelanjutan, pelatihan TAL, pelatihan AMDAL, dan sejenisnya untuk karyawan Bank. Sebanyak 78,8% dari total 585 karyawan telah mengikuti pelatihan terkait konsep dasar keuangan berkelanjutan.

The Bank constantly strives to support the sustainable development in Indonesia. Thus, all of The Bank's activities are directed to be in line with 17 (seventeen) sustainable development goals in Indonesia. Throughout 2019, The Bank has conducted Social and Environmental Responsibility (TJSL) activities related to community empowerment and to support The Bank's core business, among others include:

1. *The management of environmentally-friendly internal environment in the daily operations of The Bank through digitalization of employees' documents to minimize the use of paper, the use of environmentally-friendly products in making calendars and agendas, and donating paper waste to the Tzu Chi Indonesia Foundation for recycling into useful products.*
2. *External education programs to increase the community understanding of sustainable businesses through recycled materials education program for the employees' children, blood donation activities which at the same time provide knowledge regarding the importance of blood donation for employee health and the benefits of blood donors for the community, and donation activities for the destitute or people in need.*
3. *Identification of The Bank's portfolio in accordance with the criteria for sustainable business activities through the preparation of a questionnaire/parameter list for all of The Bank debtors. Until the end of 2019, The Bank has conducted mapping of debtors in The Bank's portfolio in accordance with the results of the questionnaire filled by the customers.*
4. *Adjustment of existing units related to sustainable finance. The Bank is in the stage of preparing the Product Committee charter as an initial step in forming a Product Committee that aims to create and monitor the products and services that can support The Bank's Sustainable Finance Action Plan (RAKB).*
5. *Development of human resources capacity related to sustainable finance through workshop activities related to the basic concepts of sustainable finance, TAL training, AMDAL training, and others for The Bank employees. As many as 78.8% of the total 585 employees have participated in the training related to the basic concepts of sustainable finance.*

Kinerja Lingkungan Hidup

Bagi Bank, pelaksanaan operasional tidak hanya mementingkan seluruh pemangku kepentingan, tetapi juga berdampak baik terhadap lingkungan. Hal ini menjadi tanggung jawab bersama Bank beserta seluruh pemangku kepentingan untuk senantiasa menjaga bumi lestari agar dapat diwariskan kepada generasi penerus. Oleh karena itu, Bank senantiasa mengupayakan pengelolaan operasional yang minim risiko perusakan lingkungan.

Komitmen Bank untuk menjaga lingkungan juga dipraktikkan oleh seluruh karyawan dalam kegiatan sehari-hari. Dalam hal ini, Bank mengupayakan beberapa langkah dan upaya penghematan penggunaan kertas, listrik, air, dan BBM. Melalui kegiatan penghematan tersebut, Bank telah berkontribusi dalam memberikan dampak positif terhadap lingkungan.

Pada 2019, Bank telah menerapkan kebijakan penggunaan material dan energi secara efektif demi lingkungan melalui program *reuse, reduce, recycle, save energy,* dan *stay healthy* yang sudah dimulai sejak 2016. Dengan menjalankan kebiasaan baik yang dapat mendukung *go-green initiative* dan peningkatan lingkungan hidup yang lebih sehat, Bank telah menjalani inisiatif berikut:

- Penghematan penggunaan kertas;
- Penghematan air;
- Pengelompokan kertas bekas untuk didaur ulang; dan
- Penghematan penggunaan listrik, antara lain dengan mematikan lampu pada jam istirahat makan siang, mematikan AC setelah melewati jam kerja, dan mematikan komputer saat pulang kerja.

Bekerja sama dengan Yayasan Tzu Chi Indonesia, Bank mencoba memanfaatkan sisa-sisa sampah kertas di setiap departemen di Kantor Pusat Jakarta melalui aksi pengumpulan sampah kertas yang berada di lingkungan kerja untuk didaur ulang. Selama tahun 2019, Bank berhasil mengumpulkan sampah kertas sebanyak 1.725 kg. Sampah kertas tersebut diolah oleh Yayasan Tzu Chi Indonesia menjadi produk daur ulang bernilai guna. Di samping itu, dalam upaya untuk melestarikan lingkungan, Bank menginisiasi pembuatan kalender dan agenda dengan memanfaatkan bahan daur ulang sehingga sebisa mungkin mengurangi penggunaan kertas.

Dalam upaya penghematan energi, Bank menggunakan peralatan hemat energi serta mematikan lampu pada jam makan siang agar dapat lebih menghemat tenaga listrik. Upaya ini diiringi dengan inisiatif kampanye dan sosialisasi kepada karyawan. Kampanye hemat penggunaan air di area kantor juga turut diterapkan demi lingkungan yang lebih baik sehingga dapat mengurangi jumlah air yang terbuang percuma.

Environmental Performance

For The Bank, the operational implementation should not only prioritize all stakeholders, but also have a good impact on the environment. This is the joint responsibility of The Bank and all stakeholders to create a sustainable planet as legacy for future generations. As such, The Bank always strives the operational management with minimal risk of environmental damage.

The Bank's commitment to protect the environment is also implemented by all employees in their daily activities. In this case, The Bank carries out a range of measures and efforts, including saving paper, electricity usage, water and fuel consumption. Through these conservation efforts, The Bank has provided a positive impact on the environment.

In 2019, The Bank has developed a policy on the use of materials and energy effectively for the environment through reuse, reduce, recycle, save energy, and stay healthy programs that have been in place since 2016. Through positive habits that could support The Bank's go-green initiative and promote healthier environment, The Bank has implemented the following initiatives:

- *Efficient paper consumption;*
- *Water saving;*
- *Waste paper grouping for recycle; and*
- *Electricity saving, among others, by turning off the lights during lunch break, turning off the air conditioner after office hours, and turning off the computer when leaving the office.*

In collaboration with the Tzu Chi Indonesia Foundation, The Bank tries to utilize paper waste in each department at the Jakarta Head Office through the collection of paper waste around office areas to be recycled. Throughout 2019, The Bank managed to collect 1,725 kg of paper waste. The paper waste is processed by the Tzu Chi Indonesia Foundation into recycled products. In addition, to preserve the environment, The Bank initiated the production of calendars and agendas through the use of recycled materials so as to reduce the use of paper.

As an effort to save energy, The Bank uses energy saving equipment and turns off the lights during lunch break to save electricity consumption. This effort is accompanied by campaign initiatives and socialization to employees. The campaign to conserve water consumption in the office area is also implemented for a better environment to reduce the amount of water wasted.

KEBIJAKAN PENERAPAN **TANGGUNG JAWAB SOSIAL PERUSAHAAN**

Corporate Social Responsibility Implementation Policy

Bank berkomitmen penuh terhadap pelaksanaan tanggung jawab sosial perusahaan (*Corporate Social Responsibility*/CSR) sebagai bagian dari pengembangan hubungan dengan pemangku kepentingan yang senantiasa dijalankan dengan harmonis antara kinerja ekonomi, kinerja lingkungan dan kinerja sosial, yang pada akhirnya berujung pada pertumbuhan yang berkelanjutan.

Konsep keberlanjutan perusahaan tercermin dalam konsep "*triple bottom line*", yaitu *people, profit,* dan *planet*. Oleh karena itu, kegiatan CSR yang dilaksanakan oleh Bank pada tahun 2019 lebih mengedepankan kepada *people empowerment* dan inklusi keuangan. Bagi Bank, CSR merupakan bagian yang penting bagi perusahaan karena aktivitas Bank tidak hanya semata-mata memperoleh keuntungan saja, akan tetapi juga memberikan kontribusi nilai bagi para pemangku kepentingan. Kegiatan CSR juga diharapkan dapat menciptakan iklim usaha dan iklim investasi yang kondusif dengan memperhatikan lingkungan tempat Bank menjalankan bisnisnya.

Pelaksanaan kegiatan CSR Bank berpedoman kepada beberapa kebijakan yang berlaku di Indonesia, yaitu:

1. Undang-Undang No. 1 Tahun 1970 tentang Keselamatan Kerja.
2. Undang-Undang No. 23 Tahun 1992 tentang Kesehatan.
3. Undang-Undang No. 13 Tahun 2003 tentang Ketenagakerjaan.
4. Undang-Undang No. 40 Tahun 2007 tentang Perseroan Terbatas.
5. Undang-Undang No. 25 Tahun 2007 tentang Penanaman Modal.
6. Undang-Undang No. 24 Tahun 2011 tentang Badan Penyelenggara Jaminan Sosial.
7. Peraturan Pemerintah No. 50 Tahun 2012 tentang Penerapan Sistem Manajemen Keselamatan dan Kesehatan Kerja.
8. Peraturan Pemerintah No. 47 Tahun 2012 tentang Tanggung Jawab Sosial dan Lingkungan Perseroan Terbatas.

Berdasarkan *roadmap* yang dikembangkan regulator di Indonesia, Bank mendefinisikan pelaksanaan CSR ke dalam 4 (empat) aspek yang diharapkan dapat menciptakan pola hubungan yang harmonis antara pelaku usaha bersama-sama dengan pemerintah serta pemangku kepentingan. Keempat aspek tersebut adalah lingkungan hidup; praktik ketenagakerjaan, kesehatan dan keselamatan kerja; pengembangan sosial dan kemasyarakatan; serta produk/jasa dan nasabah.

Dengan mengacu pada peraturan dan perkembangan di atas, Bank merumuskan kebijakan "4 Pilar dan 8 Inisiatif" sebagai kebijakan pelaksanaan CSR, sebagai berikut:

The Bank is fully committed to the implementation of its Corporate Social Responsibility (CSR) as part of its stakeholders engagement, which is constantly carried out in harmony between the economic performance, environmental performance and social performance, and will eventually lead to sustainable business growth.

The concept of corporate sustainability reflects the "triple bottom line" principle, covering people, profit and planet. As such, CSR activities carried out by The Bank in 2019 were prioritized on people empowerment and financial inclusion. CSR is an important factor for The Bank in conducting its activities, as The Bank does not focus solely on profit, but also provides a value contribution to stakeholders. CSR activities are also expected to create positive business and investment climates by taking into account The Bank's operational environment.

The Implementation of The Bank's CSR activities observes several relevant policies applicable in Indonesia, which are:

1. *Law No. 1 of 1970 concerning the Occupational Safety.*
2. *Law No. 23 of 1992 concerning the Health.*
3. *Law No. 13 of 2003 concerning the Employment.*
4. *Law No. 40 of 2007 concerning the Limited Liability Companies.*
5. *Law No. 25 of 2007 concerning the Capital Investment.*
6. *Law No. 24 of 2011 concerning the Social Security Development Agency.*
7. *Government Regulation No. 50 of 2012 concerning the Implementation of Occupational Safety and Health Management System.*
8. *Government Regulation No. 47 of 2012 concerning the Social and Environmental Responsibility of Limited Liability Companies.*

Based on the roadmap formulation by the regulators in Indonesia, The Bank defines its CSR implementation into 4 (four) aspects, all of which are expected to contribute in creating a harmonious relation between business communities, the government, and the stakeholders. The four aspects include the environment; employment, occupational health and safety practices; social and community development; and banking products/services and customers.

In reference to the above regulations and development, The Bank defines "4 Pillars and 8 Initiatives" policy to guide its CSR activities, as follows:

4 Pilar dan 8 Inisiatif Tanggung Jawab Sosial Perusahaan | *4 Pillars and 8 Initiatives of Corporate Social Responsibility*

Tanggung Jawab Sosial Bidang Lingkungan Hidup a. Menjaga dan melestarikan lingkungan. b. Memberikan kontribusi untuk penghijauan lingkungan.	Tanggung Jawab Sosial Bidang Ketenagakerjaan, Kesehatan, dan Keselamatan Kerja a. Meningkatkan efektivitas dan efisiensi karyawan. b. Membantu berkontribusi untuk kesehatan dan kesejahteraan karyawan.	Tanggung Jawab Sosial Bidang Pengembangan Sosial dan Kemasyarakatan a. Memfasilitasi pendidikan bagi generasi muda. b. Membangun solidaritas dengan masyarakat untuk meningkatkan kesehatan, kesejahteraan dan memberikan bantuan untuk masyarakat yang terkena dampak bencana.	Tanggung Jawab Sosial Terhadap Produk/Jasa dan Nasabah a. Meningkatkan hubungan yang baik dengan nasabah. b. Meningkatkan kualitas pelayanan.
Responsibility Towards the Environment *a. Maintain and preserve the environment.* *b. Contribute to reforestation and replanting.*	*Responsibility Towards Employment, Occupational Health and Safety* *a. Improve employees' effectiveness and efficiency.* *b. Contribute to promoting employees' health and welfare.*	*Responsibility Towards Social and Community Development* *a. Facilitate education access for the youth.* *b. Collaborate with people to improve their health quality and welfare, and to provide reinforcement to disaster-affected communities.*	*Responsibility Towards Banking Products/Services and Customers* *a. Improve good relationship with customers.* *b. Improve service quality.*

Selain peraturan pemerintah dan kebijakan internal, Bank juga merujuk pada praktik-praktik terbaik CSR yang berlaku dalam industri perbankan.

Other than the Indonesian government regulations and internal policies, The Bank also observes CSR best practices applicable in the banking industry.

TANGGUNG JAWAB **SOSIAL PERUSAHAAN BIDANG LINGKUNGAN**

Responsibility Towards the Environment

Pelestarian lingkungan adalah tanggung jawab bersama semua pihak agar bumi yang lestari dapat diwariskan kepada generasi-generasi penerus. Dalam hal lingkungan dan mengingat betapa relevannya permasalahan lingkungan dalam kehidupan sehari-hari, maka warga, pemerintah, organisasi masyarakat sipil, dan sektor usaha tanpa terkecuali merupakan pemangku kepentingan lingkungan.

Environmental preservation is a responsibility shared by all parties to create a sustainable planet as legacy for future generations. With respect to the environment and how relevant its issues with our daily lives, individual citizens, government, civil society organizations, and the business sector without exception are considered as environmental stakeholders.

Kebijakan

Bagi sebuah institusi perbankan, dampak langsung kegiatan operasional terhadap lingkungan memang relatif lebih rendah dibandingkan industri lainnya. Namun dengan komitmen Bank yang tinggi, Bank mengelola dan meminimalkan risiko/dampak operasionalnya terhadap lingkungan. Bentuk partisipasi

Policy

For a banking institution, the direct impact of operational activities on the environment is necessarily lower than other industries. However, with a firm commitment, The Bank manages and minimizes its risk/operational impacts in the environment. The Bank participation in efforts to conserve the environment

Bank dalam upaya pelestarian terhadap lingkungan hidup dipraktikkan mulai dari hal-hal kecil dalam kegiatan operasional sehari-hari baik di kantor pusat maupun kantor cabang. Dalam mendukung dan menjaga lingkungan hidup, Bank melakukan beberapa langkah dan upaya, di antaranya penghematan penggunaan kertas, listrik, air, dan bahan bakar minyak. Beberapa kegiatan penghematan tersebut selain mengurangi efek negatif terhadap lingkungan sekitar, juga memberikan dampak positif terhadap Bank, yaitu terciptanya budaya efisiensi.

starts from small matters in operational day-to-day activities, both at head office and at branch offices.
In supporting and maintaining the environment, The Bank conducts a range of measures and efforts, including saving paper, electricity usage, water and fuel consumption. These conservation efforts, besides reducing negative impacts on the surrounding environment, also provide a positive impact on The Bank, namely creating a culture of efficiency.

Kegiatan

Program penghematan yang dilaksanakan Bank adalah sebagai berikut:

- Kebijakan penggunaan material dan energi secara efektif
  Bank memiliki kebijakan dan panduan bagi seluruh karyawan untuk menjaga lingkungan melalui program *reuse, reduce, recycle, save energy*, dan *stay healthy* yang sudah dimulai sejak 2016. Manajemen dan segenap karyawan diharapkan untuk memulai berbagai kebiasaan baik yang dapat mendukung *go-green initiative* dan peningkatan lingkungan hidup yang lebih sehat, seperti:
  - Penghematan penggunaan kertas;
  - Penghematan air;
  - Pengelompokan kertas bekas untuk didaur ulang; dan
  - Penghematan penggunaan listrik, antara lain dengan mematikan lampu pada jam istirahat makan siang, mematikan AC setelah melewati jam kerja dan mematikan komputer pada saat pulang kerja.

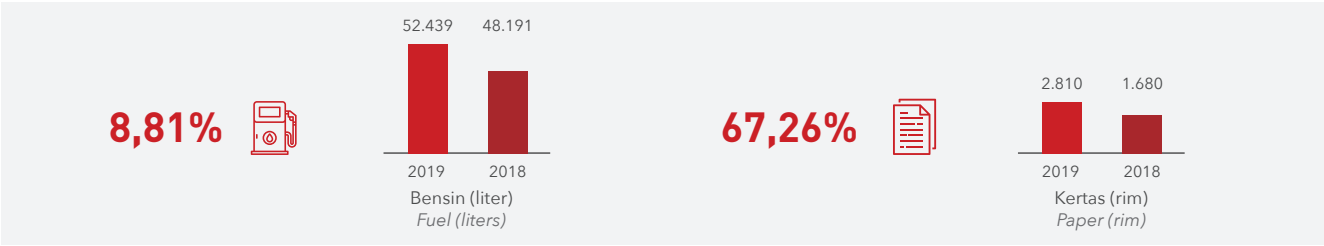
Activities

Conservation programs conducted by The Bank are as follows:

- *Effective use of materials and energy*
  The Bank has developed policies and guidelines for all employees to conserve the environment through reuse, reduce, recycle, save energy, and stay healthy programs that have been in place since 2016. The management and all employees are expected to start positive habits that could support The Bank's go-green initiative and to promote healthier environment, such as:
  - *Efficient paper consumption;*
  - *Water saving;*
  - *Waste paper grouping for recycle; and*
  - *Electricity saving, among others by turning off the lights during lunch break, turning off the air conditioner after office hours, and turning off computers when leaving the office.*

Data Penggunaan Energi dan Sumber Daya | *Energy and Resource Usage Data*

Komponen *Component*	Penggunaan *Usage*		% YoY
	2019	2018	
Bensin (liter) *Fuel (liters)*	52.439	48.191	8,81%
Kertas (rim) *Paper (rim)*	2.810	1.680	67,26%



- Pengembangan kesadaran "*go-green*"
  Melalui *go-green initiative*, Bank mengumpulkan sampah kertas dan barang-barang tidak terpakai di lingkungan kerjanya untuk didaur ulang dan disumbangkan ke Depo Pelestarian Lingkungan Yayasan Tzu Chi Indonesia. Pada tahun 2019, kegiatan ini berlangsung pada bulan Januari dan Desember dan berhasil mengumpulkan sampah kertas sebanyak 1.725 kg.

- *"Go-green" awareness development*
  Through the go-green initiative, The Bank collects paper waste and unused items around its office areas to be recycled and donated to the Environmental Conservation Depot owned by Tzu Chi Indonesia Foundation. In 2019, this activity took place in January and December, and successfully collected a total of 1,725 kg of paper waste for recycle.

Sepanjang tahun 2019, jumlah pengaduan lingkungan hidup yang diterima Bank adalah nihil. Meskipun Bank belum memiliki sertifikasi terkait bidang lingkungan, Bank akan terus melakukan upaya terbaik dalam memenuhi tanggung jawab sosial perusahaan dalam bidang lingkungan, melalui pengembangan kegiatan-kegiatan yang berkesinambungan dalam rangka turut serta mendukung pelestarian lingkungan untuk masa depan yang lebih baik.

Throughout 2019, the number of environmental complaints received by The Bank was zero. Although, The Bank does not have certification related to the environmental field, The Bank will continue to make the best effort in fulfilling its corporate social responsibility in the environmental field, through the development of sustainable activities to participate in supporting environmental preservation for a better future.

TANGGUNG JAWAB **SOSIAL PERUSAHAAN BIDANG KETENAGAKERJAAN, KESEHATAN DAN KESELAMATAN KERJA**

Responsibility Towards Employment and Occupational Health and Safety

Komitmen & Kebijakan

Sumber daya manusia merupakan salah satu aset utama yang memiliki peranan penting dalam mendukung pencapaian rencana bisnis dan strategis Bank. Untuk dapat mencapai target sasaran bisnis, Bank membutuhkan karyawan-karyawan yang berkualitas, memiliki kompetensi di bidangnya, dan memiliki dedikasi serta loyalitas yang tinggi.

Sumber daya manusia yang telah dimiliki harus dikelola secara tepat agar mampu memberikan kinerja terbaiknya. Bank telah memiliki Peraturan Perusahaan, serta kebijakan dan prosedur yang berkaitan dengan pengelolaan sumber daya manusia. Bank senantiasa melakukan peninjauan kembali terhadap kebijakan dan prosedur internal terkait sumber daya manusia sejalan dengan perkembangan perusahaan maupun perubahan peraturan-peraturan terkait ketenagakerjaan.

Di dalam pengelolaan sumber daya manusia, salah satu faktor pendukung yang penting untuk diperhatikan adalah lingkungan kerja yang aman dan nyaman bagi karyawan agar karyawan mampu bekerja dengan nyaman yang pada akhirnya mampu memberikan kontribusi terbaiknya dalam pencapaian target bisnis Bank. Memberikan lingkungan kerja yang aman dan nyaman merupakan salah satu tujuan Bank yang terangkum di dalam kebijakan-kebijakan terkait dengan Kesehatan dan Keselamatan Kerja (K3) yang telah diterbitkan, antara lain sebagai berikut:

- Kebijakan Manajemen Kontinuitas Bisnis (*Business Continuity Management*) nomor RMD/POL/03 yang diterbitkan oleh Satuan Kerja Manajemen Risiko
  Kebijakan ini merupakan pedoman umum bagi Bank dalam menghadapi dan melindungi dari berbagai kerugian finansial dan non-finansial yang bersifat *catastrophic* sebagai dampak dari kejadian bencana. Dalam kebijakan ini diatur hal-hal terkait dengan risiko-risiko yang memiliki potensi untuk terjadi di Bank, penyebab timbulnya risiko, serta cara-cara memitigasi risiko tersebut. Kebijakan Manajemen Kontinuitas Bisnis (*Business Continuity Management*/BCM) telah ditinjau ulang pada tanggal 3 September 2019.
- Prosedur Rencana Kontinuitas Bisnis (*Business Continuity Plan*) nomor RMD/PRO/018 yang diterbitkan oleh Satuan Kerja Manajemen Risiko
  Prosedur Manajemen Kontinuitas Bisnis (*Business Continuity Management*/BCM) menjelaskan secara spesifik syarat-syarat dalam mengembangkan dan menerapkan program Perencanaan Kontinuitas Bisnis (*Business Continuity Plan*/BCP) yang efektif guna memastikan kontinuitas fungsi-fungsi yang kritis apabila terjadi suatu bencana. Prosedur ini ditelah ditinjau ulang dan diterbitkan kembali pada tanggal 3 September 2019.
- Kebijakan Manajemen Keamanan nomor GA/POL/01 yang diterbitkan oleh Departemen *General Affairs*

Commitment & Policy

Human resources is one of the main assets that has an important role in supporting the achievement of The Bank's business and strategic plans. In order to achieve its business targets, The Bank requires qualified employees who have competence in their fields and have high dedication and loyalty.

Human resources must be managed appropriately to be able to provide the best performance. The Bank has formed Company Regulations, as well as policies and procedures related to the management of human resources. The Bank always reviews its internal policies and procedures related to human resources to be in line with company developments and changes in regulations related to employment.

In the management of human resources, one of the important supporting factors to be considered is a safe and comfortable work environment for employees, so that employees are able to work comfortably and able to give their best contribution in achieving The Bank's business targets. Providing a safe and comfortable work environment is one of The Bank's objectives, which is summarized in policies related to Occupational Health and Safety (OHS) that have been issued, among others, as follows:

- *Business Continuity Management Policy number RMD/POL/03 issued by the Risk Management Unit*

  This policy is a general guideline for The Bank in dealing with and protecting from various financial and non-financial losses that are catastrophic as a result of disaster events. This policy regulates risk-related matters that have the potential to occur at The Bank, the causes of risks, and ways to mitigate those risks. The Business Continuity Management (BCM) policy has been reviewed on September 3, 2019.

- *Business Continuity Plan Procedure number RMD/PRO/018 issued by the Risk Management Unit*

  The Business Continuity Management (BCM) procedure specifically explains the requirements for developing and implementing an effective Business Continuity Plan (BCP) program to ensure continuity of critical functions in the event of a disaster. This procedure has been reviewed and re-issued on September 3, 2019.

- *Security Management Policy number GA/POL/01 issued by the General Affairs Department*

Kebijakan ini merupakan pedoman umum bagi Bank dalam membangun sistem perlindungan keamanan, mengatur manajemen keamanan, memperkuat mekanisme perlindungan keamanan, dan pemantauan terhadap risiko-risiko keamanan yang memiliki potensi terjadi di Bank. Kebijakan ini diterbitkan pada tanggal 28 September 2018.

- Prosedur Penanggulangan Bencana nomor GA/PRO/42 yang diterbitkan oleh Departemen *General Affairs*
  Prosedur ini merupakan salah satu komponen BCM yang menjadi panduan dalam menjaga keamanan dan keselamatan jiwa seluruh karyawan, nasabah, dan pihak ketiga pada saat terjadi bencana, termasuk kegiatan penyelamatan data penting dan aset-aset Bank. Prosedur ini berlaku sejak tanggal 28 September 2018.

Kesetaraan dalam Kesempatan Kerja, Pelatihan, dan Pengembangan Karier

Bank menjadikan pemenuhan sumber daya manusia yang berkualitas sebagai salah satu prioritas utamanya. Dalam upaya memenuhi kebutuhan akan sumber daya manusia yang berkualitas Bank melakukan proses rekrutmen secara terbuka sesuai dengan kualifikasi yang telah ditetapkan tanpa memandang perbedaan jenis kelamin, status sosial, warna kulit, suku, agama, dan ras. Proses rekrutmen dilakukan dengan menjunjung tinggi prinsip kesetaraan dan keadilan, dan menjauhi praktik tidak terpuji seperti suap ataupun kandidat titipan.

Bagi karyawan baru, mereka akan diberikan pelatihan dan pengembangan individu yang setara sesuai dengan kebutuhan Bank. Sepanjang tahun 2019, persentase karyawan yang telah mengikuti program pelatihan yang diselenggarakan oleh Bank mencapai 98,28%.

Selain memiliki kesempatan yang setara untuk mendapatkan pelatihan, karyawan juga memiliki kesempatan yang sama untuk mengembangkan karier sesuai dengan aspirasi kariernya dengan tetap mempertimbangkan kebutuhan perusahaan. Proses rekrutmen internal yang telah dijalankan oleh Bank selain bertujuan untuk memenuhi kebutuhan perusahaan akan sumber daya manusia, juga merupakan salah satu upaya Bank dalam memberikan kesempatan bagi karyawan untuk mengembangkan karier sesuai dengan aspirasi kariernya.

Kesetaraan dalam Remunerasi

Karyawan yang telah resmi diangkat mendapatkan hak yang setara dalam remunerasi baik dalam bentuk upah, tunjangan, maupun fasilitas karyawan seperti asuransi kesehatan, asuransi jiwa, dana pensiun, dan pinjaman, sesuai dengan pangkat dan jabatannya. Terkait dengan upah karyawan, Bank senantiasa mematuhi aturan ketenagakerjaan tentang upah minimum di wilayah operasional Bank.

Penggunaan Tenaga Kerja Lokal

Dalam menjalankan operasional bisnisnya, Bank senantiasa berusaha untuk memanfaatkan tenaga kerja lokal. Akan tetapi, untuk beberapa jenis pekerjaan masih dibutuhkan tenaga kerja asing untuk mengisi posisi tersebut. Pada tahun 2019, total jumlah tenaga kerja asing sebanyak 10 (sepuluh) orang dan tenaga kerja lokal sebanyak 575 (lima ratus tujuh puluh lima) orang. Penggunaan tenaga kerja asing masih dibutuhkan oleh Bank dalam rangka menjalin komunikasi yang baik dengan pemegang saham utama, yaitu ICBC Limited, serta untuk program alih pengetahuan; yaitu memanfaatkan pengetahuan dan keterampilan tenaga kerja asing untuk menjadi mentor bagi tenaga kerja lokal sehingga tenaga kerja lokal mendapatkan perspektif baru dan ilmu pengetahuan baru terkait dengan proses bisnis di negara lain, khususnya di ICBC Limited.

This policy is a general guideline for The Bank in building security protection systems, regulating security management, strengthening security protection mechanisms, and monitoring security risks that have the potential to occur at The Bank. This policy was issued on September 28, 2018.

- *Disaster Management Procedure number GA/PRO/42 issued by the General Affairs Department*
  This procedure is one of the BCM components that serves as a guidance in maintaining the security and safety of all employees, customers, and third parties when a disaster occurs, including saving important data and The Bank's assets. This procedure was effective on September 28, 2018.

Equality in Job Opportunities, Training, and Career Development

The Bank establishes the fulfillment of qualified human resources as one of its top priorities. In fulfilling the needs of qualified human resources, The Bank conducts an open recruitment process in accordance with the predetermined qualifications regardless of differences in gender, social status, skin color, ethnicity, religion, and race. The recruitment process is carried out by upholding the principles of equality and fairness, and and avoiding dishonorable practices such as bribes or entrusted candidates.

For new employees, they will be given training and individuals development to fulfill the needs of The Bank. Throughout 2019, the percentage of employees who had participated in training programs organized by The Bank reached 98.28%.

Besides having equal opportunities to get training, employees also have the same opportunity to develop their careers in accordance with their career aspirations, while still considering the needs of the company. The internal recruitment process that has been carried out by The Bank, in addition to fulfill the company's needs for human resources, it is also one of The Bank's efforts in providing opportunities for employees to develop their careers in accordance with their career aspirations.

Equality in Remuneration

Employees who have been officially appointed have equal rights in remuneration in the form of wages, employee benefits, and employee facilities, such as health insurance, life insurance, pension funds, and loans, according to their grade and position. Regarding employee wages, The Bank always complies with employment regulations concerning the minimum wages in the operational area of The Bank.

The Use of Local Employees

In conducting its business operations, The Bank always strives to utilize local employees. However, for certain types of work, foreign employees are still required to fill these positions. In 2019, there were 10 (ten) foreign employees and 575 (five hundred and seventy-five) local employees. The use of foreign employees is still required by The Bank in order to establish good communication with its major shareholder, ICBC Limited, and for the purpose of knowledge transfer program; namely utilizing the knowledge and skills of foreign employees to be a mentor for local employees so that they could get new perspectives and new knowledge related to business processes in other countries, especially at ICBC Limited.

Kegiatan Pemberian Fasilitas Kesehatan

Karyawan yang sehat akan mampu memberikan kinerja yang maksimal yang dapat membantu Bank dalam mencapai tujuan bisnis dan prioritas-prioritasnya. Oleh karena itu, Bank berkomitmen untuk terus membantu menjaga kesehatan karyawannya baik melalui peningkatan fasilitas kesehatan bagi karyawan maupun kegiatan-kegiatan yang mendukung pola hidup sehat bagi karyawan. Peningkatan fasilitas kesehatan dilakukan dengan mempertimbangkan kajian hasil *benchmark* dengan industri perbankan dan kemampuan Bank terkait dengan ketersediaan anggaran biaya kesehatan bagi karyawan.

Dalam rangka menjaga kesehatan karyawan, Bank memberikan fasilitas pemeriksaan kesehatan berkala (*medical check-up*) bagi seluruh karyawan. Bagi karyawan yang berusia 40 (empat puluh) tahun ke atas akan mendapatkan fasilitas pemeriksaan kesehatan berkala setiap tahun, dan untuk karyawan yang berusia di bawah 40 (empat puluh) tahun, akan mendapatkan pemeriksaan kesehatan berkala setiap 2 (dua) tahun sekali.

Health Facility Provision Activities

Healthy employees will be able to contribute maximum performance that can help The Bank in achieving its business goals and priorities. As such, The Bank is committed to help maintaining the health of its employees, both through improving health facilities for employees and increasing activities that support healthy lifestyle for employees. Improvement of health facilities is carried out by considering the results of benchmarking with the banking industry and the ability of The Bank related to the availability of health budget for employees.

To maintain the health of its employees, The Bank provides periodic medical check-up facility for all employees. Employees with the age of 40 (forty) years old and above will get a medical check-up facility every year, and employees under 40 (forty) years old will get a medical check-up facility every 2 (two) years.

Pada tahun 2019, Bank mengadakan program *Health Talk* yang bertujuan untuk mendorong karyawan memiliki pola hidup yang sehat. Beragam topik terkait kesehatan telah dibahas dalam program *Health Talk* ini.

In 2019, The Bank held a Health Talk program aimed at encouraging employees to have a healthy lifestyle. Various health-related topics have been discussed in this Health Talk.

Selain melalui program *Health Talk*, kampanye untuk menjaga kesehatan juga dilakukan oleh Bank melalui program "SPECTACULAR", yaitu program kompetisi olah raga antar departemen dan cabang yang ada di Bank. Tahun 2019, cabang olah raga yang dipertandingkan adalah bulu tangkis, futsal, basket, dan tenis meja.

Aside from the Health Talk program, a campaign to maintain the health is also carried out by The Bank through the "SPECTACULAR" program, which is a sport competition program between departments and branches at The Bank. In 2019, the sports that were contested include badminton, futsal, basketball, and table tennis.

Kegiatan Kesejahteraan Karyawan

Kesejahteraan karyawan senantiasa menjadi prioritas bagi Bank, karena sinergi yang baik antara Bank dan karyawannya dapat menciptakan produktivitas kerja yang optimal. Peningkatan kesejahteraan karyawan diberikan oleh Bank baik secara material maupun non-material. Program yang bersifat material merupakan program-program yang terkait dengan prestasi atau kinerja karyawan yang kompensasinya diberikan melalui tunjangan makan, dana pensiun, tunjangan hari raya, sumbangan pernikahan, sumbangan kematian, dan bonus kinerja. Sejalan dengan peningkatan kesejahteraan karyawan melalui program yang bersifat material, Bank telah menyusun ulang sistem penilaian kinerja karyawan dirancang untuk memastikan keselarasan pencapaian kinerja Bank dengan karyawan, memberikan level objektivitas yang tinggi dalam penilaian kinerja karyawan, mendorong dan mengarahkan karyawan untuk meningkatkan kinerja di periode berikutnya. Hasil penilaian kinerja digunakan sebagai salah satu faktor dalam penetapan imbalan, serta promosi jabatan.

Sementara itu, program yang bersifat non-material diberikan melalui pemberian fasilitas dan pelayanan yang dapat dimanfaatkan oleh seluruh karyawan Bank tanpa diskriminasi, seperti misalnya ruang laktasi bagi karyawan perempuan yang sedang menyusui. Selain itu program yang bersifat non-material juga dilakukan melalui program-program yang bertujuan untuk meningkatkan *engagement* karyawan, misalnya acara buka puasa bersama, perayaan imlek, program *team improvement workshop*, kompetisi karaoke, lomba menghias nasi tumpeng dalam rangka perayaan kemerdekaan Republik Indonesia ke-74, dan acara Kids Day dengan aktivitas daur ulang yang merupakan perpaduan antara perayaan Hari Anak Nasional dan program Keuangan Berkelanjutan.

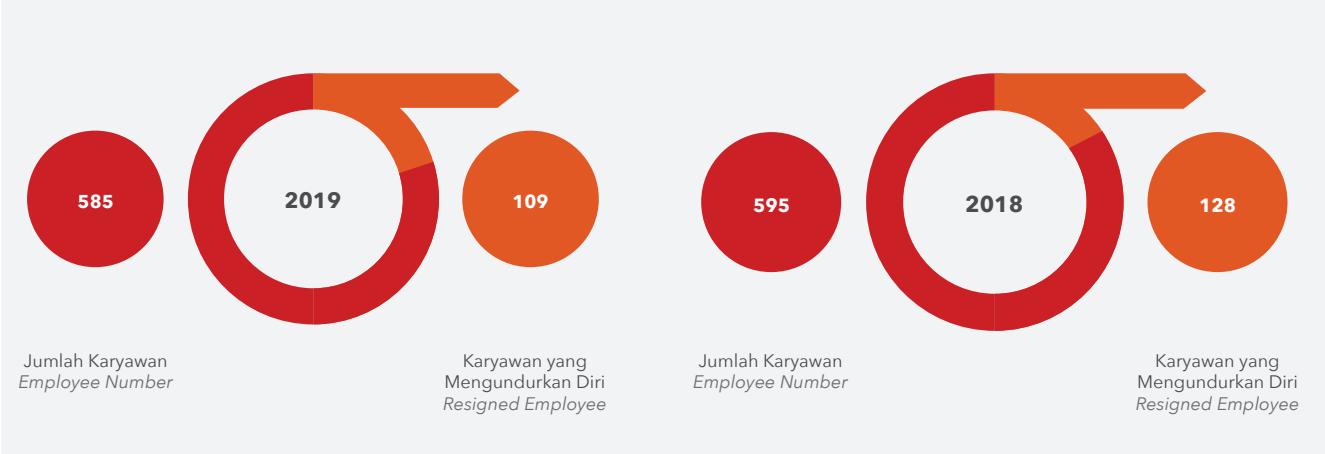
Employee Welfare Activities

The welfare of its employees is always a priority for The Bank, as a good synergy between The Bank and its employees may create optimal work productivity. The improvement of employee welfare is given by The Bank in the form of material and non-material programs. Material programs are programs related to the employee achievement or performance, where compensation is given through meal allowances, pension funds, holiday benefits, wedding gifts, death donations, and performance bonuses. In line with the improvement of employee welfare through material programs, The Bank has rearranged the employee performance appraisal system that is designed to ensure the alignment of The Bank's performance achievement with employees' performance, to provide a high level of objectivity in evaluating employees' performance, encourage and direct employees to improve their performances in the next period. The results of the performance appraisal are used as one of the factors in determining rewards, as well as the promotion of position.

Meanwhile, non-material programs are provided through the provision of facilities and services that can be utilized by all of The Bank's employees without discrimination, such as lactation rooms for female employees who are breastfeeding. In addition, non-material programs are also carried out through programs aimed at increasing employee engagement, like breakfasting event, Chinese New Year celebration, team improvement workshop programs, karaoke competition, cone rice decoration contest in the event of celebrating the 74th Indonesia's Independence Day, and Kids Day event with the recycling activity which is a combination of National Children's Day celebration and Sustainable Finance program.

Tingkat *Turnover* Karyawan | *Employees Turnover*

	31 Desember 2019 *December 31, 2019*	31 Desember 2018 *December 31, 2018*	% YoY
Jumlah Karyawan *Employee Number*	585	595	-1,68%
Karyawan yang Mengundurkan Diri *Resigned Employee*	109	128	-14,84%



Kecelakaan Kerja

Sepanjang tahun 2019, tidak terdapat kecelakaan kerja (*zero accident*) di lingkungan Bank.

Work Accident

During 2019, there were no work accidents (zero accidents) within The Bank.

TANGGUNG JAWAB **SOSIAL PERUSAHAAN BIDANG PENGEMBANGAN SOSIAL DAN KEMASYARAKATAN**

Responsibility Towards Social and Community Development

Masyarakat merupakan salah satu pemangku kepentingan yang paling penting bagi Bank. Bank juga meyakini bahwa kinerja perusahaan memiliki dampak positif terhadap peningkatan kesejahteraan masyarakat. Peningkatan kesejahteraan masyarakat ini pada akhirnya akan mendukung pengembangan usaha Bank secara berkelanjutan.

Kebijakan

Membina hubungan baik dengan masyarakat merupakan landasan pokok bagi keberhasilan jangka panjang sebuah entitas usaha. Oleh karena itu, Bank senantiasa menghormati nilai, norma dan budaya masyarakat di sekitar lingkungan Bank, dan mewujudkan hubungan yang harmonis dengan masyarakat setempat.

Kegiatan

Berbagai kegiatan kemasyarakatan dilaksanakan Bank selama tahun 2019, seperti sosialisasi literasi keuangan dan distribusi sumbangan. Perincian kegiatan adalah sebagai berikut:

- Kunjungan ke Komunitas Tanpa Batas pada 3 Agustus 2019 oleh Kantor Cabang Bandung. Kunjungan tersebut bertujuan untuk memberikan sumbangan barang berupa alat-alat tulis dan makanan kecil untuk anak-anak pada komunitas tersebut.
- Kunjungan ke Panti Asuhan At-Taqwa pada 9 Agustus 2019 oleh Kantor Cabang Batam. Pada kesempatan tersebut, Kantor Cabang Batam memberikan donasi barang berupa kebutuhan sehari-hari seperti beras, mi instan, minyak goreng, dan detergen. Melalui kegiatan ini, Kantor Cabang Batam dapat lebih dekat dengan komunitas yang membutuhkan serta dapat membantu mereka dalam memenuhi kebutuhan anak-anak panti asuhan.
- Pada 29 Agustus 2019, Kantor Cabang Surabaya melakukan kunjungan ke 2 (dua) lokasi, yaitu Anugerah Werdha dan Alang-Alang. Terdapat 31 (tiga puluh satu) panti jompo dengan mayoritas wanita lansia yang berasal dari keluarga kurang mampu di Anugerah Werdha, sedangkan di Studio Alang-Alang, Surabaya, terdapat 100 (seratus) anak-anak jalanan termasuk anak yang putus sekolah yang berasal dari keluarga kurang mampu. Pada kesempatan tersebut, Kantor Cabang Surabaya memberikan donasi berupa kebutuhan sehari-hari dan makanan ringan.
- Donasi berupa ranjang susun dan kasur busa untuk Panti Asuhan Gratia pada 9 Oktober 2019 yang berlokasi di Jalan Bawang Raya, Perumnas Simalingkar, Medan. Melalui kesempatan tersebut, Kantor Cabang Medan dapat lebih dekat dengan komunitas yang membutuhkan dan dapat memberikan bantuan sesuai dengan kebutuhan panti asuhan tersebut.
- Kunjungan ke Panti Asuhan Tabita Putri pada 26 November 2019 oleh Kantor Cabang Balikpapan. Panti asuhan tersebut masih dalam tahap pembangunan. Diharapkan dengan donasi yang diberikan dapat mempercepat proses pembangunan panti asuhan agar dapat segera dibuka untuk memberikan pelayanan, tempat dan bantuan bagi orang-orang yang membutuhkan.
- Kunjungan ke Panti Asuhan Pangamaseang oleh Kantor Cabang Makassar dengan kegiatan pemberian sumbangan dana pada tanggal 6 Desember 2019.

The community is an important stakeholder for The Bank. The Bank also passionately believes that company performance has positive correlation to the community welfare, which will ultimately supports The Bank's sustainable business growth.

Policy

Nurturing solid relationships with the communities are the key to the long-term success of a business entity. Therefore, The Bank consistently respects the values, norms, and culture of the surrounding communities, and strives to realize harmonious relationships with nearby communities.

Activities

The Bank conducted various community-related activities in 2019, such as financial literacy and distribution of donations. In details, the activities are as follows:

- *A visit to the Borderless Community on August 3, 2019, by the Bandung Branch Office. Donation of stationery and snacks for children were delivered to the community during the visit.*
- *A visit to the At-Taqwa Orphanage on August 9, 2019, by the Batam Branch Office. On this occasion, the Batam Branch Office donated goods in the form of daily supplies, such as rice, instant noodles, cooking oil, and detergent. Through this activity, the Batam Branch Office could engage closer relationship with the communities in need and help them in fulfilling the needs of orphanage children.*
- *On August 29, 2019, the Surabaya Branch Office visited 2 (two) locations, namely Anugerah Werdha and Alang-Alang. There were 31 (thirty-one) nursing homes with the majority of elderly women from underprivileged families in Anugerah Werdha, while in Alang-Alang Studio, Surabaya, there were 100 (one hundred) homeless children, including those who drop out of school and come from underprivileged families. On this occasion, the Surabaya Branch Office donated daily supplies and snacks.*
- *Donation of bunk beds and foam mattresses for Gratia Orphanage on October 9, 2019, which is located on Jalan Bawang Raya, Perumnas Simalingkar, Medan. On this occasion, the Medan Branch Office could engage closer relationship with the communities in need and help in fulfilling the needs of the orphanage.*
- *A visit to Tabita Putri Orphanage on November 26, 2019, by Balikpapan Branch Office. The orphanage is still under construction. The Bank hopes that the donations could accelerate the development process of this orphanage so that it could open to provide services, places, and assistance for people in need.*
- *A visit to Pangamaseang Orphanage by Makassar Branch Office with the donation activity on December 6, 2019.*

TANGGUNG JAWAB **SOSIAL PERUSAHAAN TERHADAP PRODUK/ JASA SERTA NASABAH**

Responsibility Towards Banking Products/Services and Customers

Bank berkomitmen untuk memberikan layanan terbaik kepada setiap nasabah. Bukan hanya dari segi produk tapi juga layanan yang terpercaya, konsisten, aman, dan totalitas dalam memenuhi seluruh kebutuhan nasabah. Hal ini merupakan wujud dari pemenuhan tanggung jawab Bank kepada nasabah.

Kebijakan

Bank menyadari bahwa peningkatan kualitas layanan akan berdampak pada peningkatan kepuasan dan loyalitas nasabah. Perbaikan kualitas layanan juga merupakan bentuk tanggung jawab Bank terhadap pemangku kepentingan.

Upaya Bank dalam hal ini dapat dilihat dari beberapa dimensi berikut:

Departemen *Service Quality*

Komitmen Bank terhadap mutu layanan tercermin dari pembentukan tim tersendiri yang bertugas mengelola mutu layanan Bank. Beberapa kegiatan yang dilakukan tim ini adalah:

- Memperbarui prosedur standar layanan.
- Melakukan kunjungan ke kantor-kantor cabang untuk memantau secara langsung pelayanan dan penampilan staf garda depan.
- Memantau pemahaman staf terhadap kebijakan, prosedur, dan produk Bank dengan menyelenggarakan tes pengetahuan perbankan secara berkala.
- Mengawasi kondisi fisik infrastruktur yang berkaitan langsung dengan pengalaman pelanggan seperti *banking hall*.

Penanganan Pengaduan Nasabah

Pengaduan nasabah ditangani oleh *Call Center* Bank yang terus menerus mendapatkan pelatihan dan dipantau kinerjanya. Untuk nasabah dan masyarakat secara luas, Bank telah mempublikasikan prosedur layanan pengaduan yang dapat diakses melalui situs resmi Bank.

Setiap pengaduan nasabah pun dipantau proses penyelesaiannya secara harian melalui laporan yang diserahkan oleh kantor cabang. Selain itu, performa Bank dipantau melalui pemberitaan di media cetak dan elektronik. Data penanganan pengaduan nasabah dan publikasi negatif dilaporkan oleh Bank kepada 2 (dua) otoritas, yakni Bank Indonesia dan Otoritas Jasa Keuangan (OJK), masing-masing untuk laporan aduan terkait penyetoran dan/ atau penarikan uang dan laporan aduan terkait produk Bank dan praktik perbankan.

Sarana pengaduan nasabah disediakan melalui 3 (tiga) jalur:

- Cabang-cabang Bank ICBC Indonesia;
- *Call Center* yang dikenal dengan i Call ICBC (1-500-198); dan
- Surel: customer_care@ina.icbc.com.cn

The Bank is committed to providing the best services to every customer, not only in terms of products but also in providing trusted, consistent, and safe services to meet the needs of the customers. This is part of The Bank's responsibility to customers.

Policy

The Bank realizes that service quality improvement will have a positive impact on greater customer satisfaction and loyalty. It also reflects The Bank's responsibility to its stakeholders.

The Bank's efforts in this aspect are shown in the following:

Service Quality Department

The Bank's commitment to service quality is reflected through the development of a dedicated team that manages The Bank's service quality. The team's activities include:

- *Updating service standard procedures.*
- *Visiting branch offices to directly monitor the services and performances of front liners.*
- *Monitoring the understanding of front liners on The Bank's policies, procedures, and products by holding banking knowledge test from time to time.*
- *Overseeing the physical condition of infrastructure that is directly related to customer experience such as the banking hall.*

Handling of Customer Complaints

Customer complaints are handled by The Bank's Call Center which continuously trained and monitored. For the knowledge of customers and public in general, The Bank has published information on complaint procedures that can be accessed on The Bank's official website.

The Bank also monitors the settlement of each complaint on a daily basis through branch office reports. In addition, The Bank monitors its performance based on media coverage in print and electronic platforms. The customer complaint data and negative coverage are reported to 2 (two) authorities, namely Bank Indonesia, which focuses on complaints regarding money deposits and/or withdrawals, and the Financial Services Authority (OJK), which focuses on complaints regarding The Bank's products and banking practices.

The Bank has provided 3 (three) channels for customer engagement:

- *ICBC Indonesia branch offices;*
- *Call Center known as i Call ICBC (1-500-198); and*
- *E-mail: customer_care@ina.icbc.com.cn*

Data Pengaduan dan Publikasi Negatif Tahun 2019 | *Complaint and Negative Coverage in 2019*

No.	Jenis Transaksi Keuangan *Type of Financial Transactions*	Selesai*) *Completed*		Dalam Proses **) *In the Process*		Tidak Selesai ***) *Not Completed*		Jumlah Pengaduan *Total Complaints*
		Jumlah *Total*	Persentase *Percentage*	Jumlah *Total*	Persentase *Percentage*	Jumlah *Total*	Persentase *Percentage*	
1	Kartu Kredit *Credit Card*	19	73%	7	27%	-	-	26
2	ATM	25	100%	-	0%	-	-	25
3	KPR *Mortgages*	1	100%	-	0%	-	-	1
4	RTGS	2	100%	-	0%	-	-	2
Jumlah *Total*		**47**	**87%**	**7**	**13%**	**-**	**-**	**54**

*) Kolom Selesai diisi apabila pengaduan telah diberikan tanggapan pengaduan oleh PUJK dan apabila:
1. Konsumen memberikan persetujuan terhadap tanggapan pengaduan tersebut;
2. Konsumen tidak menyampaikan keberatan; atau
3. Konsumen menyampaikan keberatan namun PUJK menolak keberatan konsumen tersebut.

**) Kolom dalam Proses diisi apabila:
1. Pengaduan sedang dalam proses penanganan;
2. Pengaduan telah diberikan tanggapan pengaduan oleh PUJK namun konsumen menyampaikan keberatan dan PUJK sedang menangani keberatan dimaksud.

***) Kolom Tidak Selesai diisi apabila pengaduan telah diberikan tanggapan pengaduan oleh PUJK namun konsumen menyampaikan keberatan dan PUJK belum memutuskan untuk menangai keberatan tersebut.

**) The Completed column is filled in if the complaint has been responded by PUJK and if:*
1. The consumer gives his/her approval to the complaint response;
2. The consumer does not raise objection; or
3. The consumer raises the objection but it is rejected by PUJK.

***) In the Process column is filled in if:*
1. Complaint is in the process of settlement;
2. Complaint has been responded by PUJK but consumer raises his/her objection and PUJK is in the process of handling referred objection.

****) Not Completed column is filled in if the complaint has been responded by PUJK but consumer raises his/her objection and PUJK has not decided to follow-up the referred objection.*

Sampai dengan 31 Desember 2019, terdapat total 54 (lima puluh empat) pengaduan yang diterima Bank, yaitu pengaduan yang berkaitan dengan produk kartu kredit, ATM, KPR, dan RTGS. Secara terperinci, terdapat 7 (tujuh) pengaduan yang masih dalam proses penyelesaian dan 47 (empat puluh tujuh) pengaduan telah selesai ditindak lanjuti.

Dari seluruh pengaduan yang masuk selama tahun 2019, tidak terdapat publikasi negatif.

As of December 31, 2019, there were a total of 54 (fifty-four) complaints received by The Bank, namely complains concerning banking products of credit cards, ATM, mortgages, and RTGS. In details, there were 7 (seven) complaints still in the process of settlement and 47 (forty-seven) complaints have been followed-up.

Of all complaints received in 2019, there were no negative publications.

Literasi Keuangan

Bank mendukung program pemerintah dalam rangka meningkatkan literasi dan inklusi keuangan di sektor jasa keuangan, seperti yang tertuang dalam Peraturan Otoritas Jasa Keuangan (POJK) No. 76/POJK.07/2016 tentang Peningkatan Literasi dan Inklusi Keuangan di Sektor Jasa Keuangan bagi Konsumen dan/atau Masyarakat, Surat Edaran Otoritas Jasa Keuangan (SEOJK) No. 30/SEOJK.07/2017 tentang Pelaksanaan Kegiatan Dalam Rangka Meningkatkan Literasi Keuangan di Sektor Jasa Keuangan, dan Surat Edaran Otoritas Jasa Keuangan (SEOJK) No. 31/SEOJK.07/2017 tentang Pelaksanaan Kegiatan Dalam Rangka Meningkatkan Inklusi Keuangan di Sektor Jasa Keuangan. Bank telah melaksanakan edukasi literasi keuangan dengan materi mencakup identifikasi kesehatan

Financial Literacy

The Bank supports the Indonesian government's program to promote financial literacy and inclusion in the financial services sector, as articulated in the OJK Regulation (POJK) No. 76/POJK.07/2016 on the Promotion of Financial Literacy and Inclusion in the Financial Services Sector for Consumers and/or the Society, OJK Circular (SEOJK) No. 30/SEOJK.07/2017 on the Activities of Financial Literacy Enhancement in the Financial Services Sector, and OJK Circular (SEOJK) No. 31/SEOJK.07/2017 on the Activities of Financial Inclusion Enhancement in the Financial Services Sector. The Bank has carried out financial literacy education with topics covering financial health assessment of personal/company finances, financial management goals, stages in financial management,

keuangan pribadi/perusahaan, tujuan pengelolaan keuangan, tahapan dalam pengelolaan keuangan, pencatatan aset/harta yang dimiliki, dan perencanaan keuangan di masa depan. Secara terperinci, kegiatan sosialisasi literasi keuangan adalah sebagai berikut.

inventory of assets/properties, and long-term financial planning. The details of activities are as follows.

Tanggal *Date*	Bentuk Kegiatan *Activity*	Lokasi *Location*	Peserta *Participants*	Dana Kegiatan *Activity Funding*
22 Januari 2019 *January 22, 2019*	Sosialisasi tatap muka mengenai perbankan *On-site banking educational talk*	Bandung, Jawa Barat *Bandung, West Java*	20 profesional *20 professionals*	Rp0
13 Maret 2019 *March 13, 2019*	Sosialisasi tatap muka mengenai perbankan *On-site banking educational talk*	Jakarta Barat, DKI Jakarta *West Jakarta, DKI Jakarta*	20 pelajar *20 students*	Rp0
27 Agustus 2019 *August 27, 2019*	Sosialisasi tatap muka mengenai perbankan *On-site banking educational talk*	Jakarta Selatan, DKI Jakarta *South Jakarta, DKI Jakarta*	50 profesional *50 professionals*	Rp0

Inklusi Keuangan
Selain itu, Bank juga mempromosikan inklusi keuangan dengan menyediakan produk dan layanan jasa keuangan yang sesuai kebutuhan masyarakat. Program inklusi keuangan Bank pada tahun 2019 meliputi kegiatan-kegiatan berikut.

Financial Inclusion
The Bank also promotes financial inclusion by offering financial products and services that are suitable to the needs of customers. The details of activities throughout 2019 are as follows.

Tanggal *Date*	Bentuk Kegiatan *Activity*	Lokasi *Location*	Target Pengguna *Target User*	Dana Kegiatan *Activity Funding*
22 Januari 2019 *January 22, 2019*	*Gathering* pada peringatan Hari Rajin Menabung *Gathering at Savings Day celebration*	Bandung, Jawa Barat *Bandung, West Java*	20 orang *20 people*	Pembukaan 5 (lima) rekening tabungan baru senilai Rp485.000.000 *Opening of 5 (five) new savings accounts totaling to Rp485,000,000 in value*
22 Januari 2019 *January 22, 2019*	*Open booth* pada peringatan Hari Rajin Menabung *Open booth at Savings Day celebration*	Surabaya, Jawa Timur *Surabaya, East Java*	20 orang *20 people*	Pembukaan 1 (satu) rekening tabungan baru senilai Rp21.000.000 *Opening of 1 (one) new savings accounts totaling to Rp21,000,000 in value*
2–10 Februari 2019 *February 2–10, 2019*	*Open booth* pada peringatan Hari Rajin Menabung *Open booth at Savings Day celebration*	Surabaya, Jawa Timur *Surabaya, East Java*	30 orang *30 people*	Pembukaan 30 (tiga puluh) rekening tabungan baru senilai Rp2.836.715.000 *Opening of 30 (thirty) new savings accounts totaling to Rp2,836,715,000 in value*
8, 11 & 12 Februari 2019 *February 8, 11 & 12, 2019*	*Open booth* pada peringatan Hari Rajin Menabung *Open booth at Savings Day celebration*	Jakarta Selatan, DKI Jakarta *South Jakarta, DKI Jakarta*	20 orang *20 people*	Pembukaan 6 (enam) rekening tabungan baru senilai Rp6.000.000 *Opening of 6 (six) new savings accounts totaling to Rp6,000,000 in value*
14 Februari 2019 *February 14, 2019*	*Open booth* pada peringatan Hari Rajin Menabung *Open booth at Savings Day celebration*	Surabaya, Jawa Timur *Surabaya, East Java*	20 orang *20 people*	Pembukaan 3 (tiga) rekening tabungan baru senilai Rp3.000.000 *Opening of 3 (three) new savings accounts totaling to Rp3,000,000 in value*
19–20 Februari 2019 *February 19–20, 2019*	*Open booth* pada peringatan Hari Rajin Menabung *Open booth at Savings Day celebration*	Jakarta Pusat, DKI Jakarta *Central Jakarta, DKI Jakarta*	20 orang *20 people*	Pembukaan 15 (lima belas) rekening tabungan baru senilai Rp120.000.000 *Opening of 15 (fifteen) new savings accounts totaling to Rp120,000,000 in value*
28 Februari 2019 *February 28, 2019*	*Open booth* pada peringatan Hari Rajin Menabung *Open booth at Savings Day celebration*	Jakarta Utara, DKI Jakarta *North Jakarta, DKI Jakarta*	5 orang *5 people*	Pembukaan 1 (satu) rekening tabungan baru senilai Rp2.000.000.000 *Opening of 1 (one) new savings accounts totaling to Rp2.000,000,000 in value*

Tanggal *Date*	Bentuk Kegiatan *Activity*	Lokasi *Location*	Target Pengguna *Target User*	Dana Kegiatan *Activity Funding*
4 Maret 2019 *March 4, 2019*	*Open booth* pada peringatan Hari Rajin Menabung *Open booth at Savings Day celebration*	Jakarta Utara, DKI Jakarta *North Jakarta, DKI Jakarta*	15 orang *15 people*	Pembukaan 3 (tiga) rekening tabungan baru senilai Rp524.000.000 *Opening of 3 (three) new savings accounts totaling to Rp524,000,000 in value*
8 Maret 2019 *March 8, 2019*	*Open booth* pada peringatan Hari Rajin Menabung *Open booth at Savings Day celebration*	Jakarta Selatan, DKI Jakarta *South Jakarta, DKI Jakarta*	15 orang *15 people*	Pembukaan 9 (sembilan) rekening tabungan baru senilai Rp21.250.000 *Opening of 9 (nine) new savings accounts totaling to Rp21,250,000 in value*
31 Maret 2019 *March 31, 2019*	*Open booth* pada peringatan Hari Rajin Menabung *Open booth at Savings Day celebration*	Jakarta Pusat, DKI Jakarta *Central Jakarta, DKI Jakarta*	20 orang *20 people*	Pembukaan 1 (satu) rekening tabungan baru senilai Rp10.000.000 *Opening of 1 (one) new savings accounts totaling to Rp10,000,000 in value*
1 April 2019 *April 1, 2019*	*Community visit* pada peringatan Hari Rajin Menabung *Community visit at Savings Day celebration*	Jakarta Pusat, DKI Jakarta *Central Jakarta, DKI Jakarta*	10 orang *10 people*	Pembukaan 2 (dua) rekening tabungan baru senilai Rp10.600.000 *Opening of 2 (two) new savings accounts totaling to Rp10,600,000 in value*
11 April 2019 *April 11, 2019*	*Open booth* pada peringatan Hari Rajin Menabung *Open booth at Savings Day celebration*	Jakarta Utara, DKI Jakarta *North Jakarta, DKI Jakarta*	10 orang *10 people*	Pembukaan 2 (dua) rekening tabungan baru senilai Rp2.000.000 *Opening of 2 (two) new savings accounts totaling to Rp2,000,000 in value*
11-12 April 2019 *April 11–12, 2019*	*Open booth* pada peringatan Hari Rajin Menabung *Open booth at Savings Day celebration*	Jakarta Barat, DKI Jakarta *West Jakarta, DKI Jakarta*	10 orang *10 people*	Pembukaan 12 (dua belas) rekening tabungan baru senilai Rp793.900.000 *Opening of 12 (twelve) new savings accounts totaling to Rp793,900,000 in value*
25 April 2019 *April 25, 2019*	*Exhibition* pada peringatan Hari Rajin Menabung *Exhibition at Savings Day celebration*	Jakarta Utara, DKI Jakarta *North Jakarta, DKI Jakarta*	20 orang *20 people*	Pembukaan 4 (empat) rekening tabungan baru senilai Rp5.000.000 *Opening of 4 (four) new savings accounts totaling to Rp5,000,000 in value*
26 April 2019 *April 26, 2019*	*Community visit* pada peringatan Hari Rajin Menabung *Community visit at Savings Day celebration*	Jakarta Utara, DKI Jakarta *North Jakarta, DKI Jakarta*	10 orang *10 people*	Pembukaan 2 (dua) rekening tabungan baru senilai Rp5.000.000 *Opening of 2 (two) new savings accounts totaling to Rp5,000,000 in value*

Tanggal *Date*	Bentuk Kegiatan *Activity*	Lokasi *Location*	Target Pengguna *Target User*	Dana Kegiatan *Activity Funding*
29-30 April 2019 *April 29–30, 2019*	*Open booth* pada peringatan Hari Rajin Menabung *Open booth at Savings Day celebration*	Jakarta Selatan, DKI Jakarta *South Jakarta, DKI Jakarta*	10 orang *10 people*	Pembukaan 3 (tiga) rekening tabungan baru senilai Rp30.000.000 *Opening of 3 (three) new savings accounts totaling to Rp30,000,000 in value*
2-3 Mei 2019 *May 2–3, 2019*	*Open booth* pada peringatan Hari Rajin Menabung *Open booth at Savings Day celebration*	Jakarta Pusat, DKI Jakarta *Central Jakarta, DKI Jakarta*	30 orang *30 people*	Pembukaan 10 (sepuluh) rekening tabungan baru senilai Rp121.243.500 *Opening of 10 (ten) new savings accounts totaling to Rp121,243,500 in value*
17 Mei 2019 *May 17, 2019*	*Community visit* pada peringatan Hari Rajin Menabung *Community visit at Savings Day celebration*	Jakarta Utara, DKI Jakarta *North Jakarta, DKI Jakarta*	10 orang *10 people*	Pembukaan 2 (dua) rekening tabungan baru senilai Rp400.000.000 *Opening of 2 (two) new savings accounts totaling to Rp400,000,000 in value*
29 Mei 2019 *May 29, 2019*	*Open booth* pada peringatan Hari Rajin Menabung *Open booth at Savings Day celebration*	Surabaya, Jawa Timur *Surabaya, East Java*	20 orang *20 people*	Pembukaan 4 (empat) rekening tabungan baru senilai Rp103.000.000 *Opening of 4 (four) new savings accounts totaling to Rp103,000,000 in value*
29 Mei 2019 *May 29, 2019*	*Open booth* pada peringatan Hari Rajin Menabung *Open booth at Savings Day celebration*	Surabaya, Jawa Timur *Surabaya, East Java*	30 orang *30 people*	Belum ada pembukaan *No new savings accounts yet*
19-21, 24-26, & 29 Juni 2019 *June 19–21, 24–26, & 29, 2019*	*Open booth* pada peringatan Hari Rajin Menabung *Open booth at Savings Day celebration*	Jakarta Pusat, DKI Jakarta *Central Jakarta, DKI Jakarta*	50 orang *50 people*	Pembukaan 30 (tiga puluh) rekening tabungan baru senilai Rp15.000.000 *Opening of 30 (thirty) new savings accounts totaling to Rp15,000,000 in value*
29 Juni 2019 *June 29, 2019*	*Open booth* pada peringatan Hari Rajin Menabung *Open booth at Savings Day celebration*	Bandung, Jawa Barat *Bandung, West Java*	16 orang *16 people*	Belum ada pembukaan *No new savings accounts yet*
20 Juli 2019 *July 20, 2019*	*Open booth* pada peringatan Hari Rajin Menabung *Open booth at Savings Day celebration*	Jakarta Utara, DKI Jakarta *North Jakarta, DKI Jakarta*	20 orang *20 people*	Pembukaan 4 (empat) rekening tabungan baru senilai Rp1.004.000.000 *Opening of 4 (four) new savings accounts totaling to Rp1,004,000,000 in value*

Tanggal *Date*	Bentuk Kegiatan *Activity*	Lokasi *Location*	Target Pengguna *Target User*	Dana Kegiatan *Activity Funding*
26-28 Juli 2019 *July 26-28, 2019*	*Open booth* pada peringatan Hari Rajin Menabung *Open booth at Savings Day celebration*	Surabaya, Jawa Timur *Surabaya, East Java*	10 orang *10 people*	Pembukaan 4 (empat) rekening tabungan baru senilai Rp1.928.066.981 *Opening of 4 (four) new savings accounts totaling to Rp1,928,066,981 in value*
16 Agustus 2019 *August 16, 2019*	*Open booth* pada peringatan Hari Rajin Menabung *Open booth at Savings Day celebration*	Jakarta Utara, DKI Jakarta *North Jakarta, DKI Jakarta*	20 orang *20 people*	Belum ada pembukaan *No new savings accounts yet*
17 Agustus 2019 *August 17, 2019*	*Exhibition* pada peringatan Hari Rajin Menabung *Exhibition at Savings Day celebration*	Jakarta Barat, DKI Jakarta *West Jakarta, DKI Jakarta*	10 orang *10 people*	Pembukaan 9 (sembilan) rekening tabungan baru senilai Rp9.000.000 *Opening of 9 (nine) new savings accounts totaling to Rp9,000,000 in value*
27 Agustus 2019 *August 27, 2019*	*Open booth* pada peringatan Hari Rajin Menabung *Open booth at Savings Day celebration*	Jakarta Selatan, DKI Jakarta *South Jakarta, DKI Jakarta*	5 orang *5 people*	Pembukaan 1 (satu) rekening tabungan baru senilai Rp1.000.000 *Opening of 1 (one) new savings accounts totaling to Rp1,000,000 in value*
9 September 2019 *September 9, 2019*	*Open booth* pada peringatan Hari Rajin Menabung *Open booth at Savings Day celebration*	Jakarta Utara, DKI Jakarta *North Jakarta, DKI Jakarta*	10 orang *10 people*	Pembukaan 9 (sembilan) rekening tabungan baru senilai Rp1.059.000.000 *Opening of 9 (nine) new savings accounts totaling to Rp1,059,000,000 in value*
19-20 September 2019 *September 19-20, 2019*	*Open booth* pada peringatan Hari Rajin Menabung *Open booth at Savings Day celebration*	Jakarta Utara, DKI Jakarta *North Jakarta, DKI Jakarta*	10 orang *10 people*	Pembukaan 1 (satu) rekening tabungan baru senilai Rp3.000.000 *Opening of 1 (one) new savings accounts totaling to Rp3,000,000 in value*
3 Oktober 2019 *October 3, 2019*	*Open booth* pada peringatan Hari Rajin Menabung *Open booth at Savings Day celebration*	Surabaya, Jawa Timur *Surabaya, East Java*	4 orang *4 people*	Pembukaan 4 (empat) rekening tabungan baru senilai Rp325.000.000 *Opening of 4 (four) new savings accounts totaling to Rp325,000,000 in value*
20 Oktober 2019 *October 20, 2019*	*Open booth* pada peringatan Hari Rajin Menabung *Open booth at Savings Day celebration*	Jakarta Selatan, DKI Jakarta *South Jakarta, DKI Jakarta*	1 orang *1 person*	Pembukaan 1 (satu) rekening tabungan baru senilai Rp1.000.000 *Opening of 1 (one) new savings accounts totaling to Rp1,000,000 in value*

Tanggal *Date*	Bentuk Kegiatan *Activity*	Lokasi *Location*	Target Pengguna *Target User*	Dana Kegiatan *Activity Funding*
24–25 Oktober 2019 *October 24–25, 2019*	*Open booth* pada peringatan Hari Rajin Menabung *Open booth at Savings Day celebration*	Jakarta Utara, DKI Jakarta *North Jakarta, DKI Jakarta*	5 orang *5 people*	Pembukaan 5 (lima) rekening tabungan baru senilai Rp5.000.000 *Opening of 5 (five) new savings accounts totaling to Rp5,000,000 in value*
26 Oktober 2019 *October 26, 2019*	*Open booth* pada peringatan Hari Rajin Menabung *Open booth at Savings Day celebration*	Jakarta Utara, DKI Jakarta *North Jakarta, DKI Jakarta*	5 orang *5 people*	*Pembukaan 5 (lima) rekening tabungan baru senilai Rp60.000.000* *Opening of 5 (five) new savings accounts totaling to Rp60,000,000 in value*
30–31 Oktober 2019 *October 30–31, 2019*	*Open booth* pada peringatan Hari Rajin Menabung *Open booth at Savings Day celebration*	Jakarta Pusat, DKI Jakarta *Central Jakarta, DKI Jakarta*	8 orang *8 people*	Pembukaan 8 (delapan) rekening tabungan baru senilai Rp88.000.000 *Opening of 8 (eight) new savings accounts totaling to Rp88,000,000 in value*
12 November 2019 *November 12, 2019*	*Open booth* pada peringatan Hari Rajin Menabung *Open booth at Savings Day celebration*	Bandung, Jawa Barat *Bandung, West Java*	5 orang *5 people*	Pembukaan 4 (empat) rekening tabungan baru senilai Rp113.000.000 *Opening of 4 (four) new savings accounts totaling to Rp113,000,000 in value*
19 November 2019 *November 19, 2019*	*Dinner Gathering* pada peringatan Hari Rajin Menabung *Dinner Gathering at Savings Day celebration*	Jakarta Barat, DKI Jakarta *West Jakarta, DKI Jakarta*	5 orang *5 people*	Pembukaan 5 (lima) rekening tabungan baru senilai Rp600.000.000 *Opening of 5 (five) new savings accounts totaling to Rp600,000,000 in value*
20 November 2019 *November 20, 2019*	*Open booth* pada peringatan Hari Rajin Menabung *Open booth at Savings Day celebration*	Jakarta Pusat, DKI Jakarta *Central Jakarta, DKI Jakarta*	5 orang *5 people*	Pembukaan 2 (dua) rekening tabungan baru senilai Rp2.000.000 *Opening of 2 (two) new savings accounts totaling to Rp2,000,000 in value*
25 November 2019 *November 25, 2019*	*Open booth* pada peringatan Hari Rajin Menabung *Open booth at Savings Day celebration*	Jakarta Pusat, DKI Jakarta *Central Jakarta, DKI Jakarta*	10 orang *10 people*	Pembukaan 10 (sepuluh) rekening tabungan baru senilai Rp509.000.000 *Opening of 10 (ten) new savings accounts totaling to Rp509,000,000 in value*
7 Desember 2019 *December 7, 2019*	*Open booth* pada peringatan Hari Rajin Menabung *Open booth at Savings Day celebration*	Jakarta Timur, DKI Jakarta *East Jakarta, DKI Jakarta*	10 orang *10 people*	Pembukaan 8 (delapan) rekening tabungan baru senilai Rp9.130.500.000 *Opening of 8 (eight) new savings accounts totaling to Rp9,130,500,000 in value*

Tanggal *Date*	Bentuk Kegiatan *Activity*	Lokasi *Location*	Target Pengguna *Target User*	Dana Kegiatan *Activity Funding*
17 Desember 2019 *December 17, 2019*	*Open booth* pada peringatan Hari Rajin Menabung *Open booth at Savings Day celebration*	Malang, Jawa Timur *Malang, East Java*	5 orang *5 people*	Pembukaan 2 (dua) rekening tabungan baru senilai Rp111.000.000 *Opening of 2 (two) new savings accounts totaling to Rp111,000,000 in value*

Laporan Keuangan 2019

Financial Statements 2019

07

PT BANK ICBC INDONESIA

LAPORAN KEUANGAN TAHUN BERAKHIR 31 DESEMBER 2019/

FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2019

PT BANK ICBC INDONESIA

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ICBC 中国工商银行 (印尼)

SURAT PERNYATAAN DIREKSI
TENTANG TANGGUNG JAWAB ATAS
LAPORAN KEUANGAN
TAHUN BERAKHIR 31 DECEMBER 2019
PT BANK ICBC INDONESIA ("BANK")

Kami yang bertanda tangan dibawah ini:

1. Nama : Zhang Jinxing
   Alamat Kantor : ICBC Tower, Jl. MH Thamrin No. 81 Jakarta Pusat 10310
   Telepon Kantor : (021) 23556000
   Jabatan : Presiden Direktur
2. Nama : Jeff S.V. Eman
   Alamat Kantor : ICBC Tower, Jl. MH Thamrin No. 81 Jakarta Pusat 10310
   Telepon Kantor : (021) 23556000
   Jabatan : Direktur

menyatakan bahwa:

1. Kami bertanggung jawab atas penyusunan dan penyajian laporan keuangan Bank;
2. Laporan keuangan telah disusun dan disajikan sesuai dengan Standar Akuntansi Keuangan di Indonesia;
3. a. Pengungkapan yang kami cantumkan dalam laporan keuangan lengkap dan akurat;
   b. Laporan keuangan tidak mengandung informasi yang tidak benar, dan kami tidak menghilangkan informasi atau fakta yang material terhadap laporan keuangan;
4. Kami bertanggung jawab atas pengendalian internal;
5. Kami bertanggung jawab atas kepatuhan terhadap peraturan perundang-undangan.

Demikian pernyataan ini dibuat dengan sebenarnya.

DIRECTORS' STATEMENT
OF RESPONSIBILITY FOR THE
FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2019
PT BANK ICBC INDONESIA ("THE BANK")

We, the undersigned:

1. *Name* : *Zhang Jinxing*
   Office address : *ICBC Tower, Jl. MH Thamrin No. 81 Jakarta Pusat 10310*
   Office telephone : *(021) 23556000*
   Title : *President Director*
2. *Name* : *Jeff S.V. Eman*
   Office address : *ICBC Tower, Jl. MH Thamrin No. 81 Jakarta Pusat 10310*
   Office telephone : *(021) 23556000*
   Title : *Director*

declare that:

1. *We are responsible for the preparation and presentation of the financial statements of the Bank;*
2. *The financial statements have been prepared and presented in accordance with Indonesian Financial Accounting Standards;*
3. *a. The disclosures we have made in the financial statements are complete and accurate;*
   b. The financial statements do not contain misleading information, and we have not omitted any information or facts that would be material to the financial statements;
4. *We are responsible for the internal control;*
5. *We are responsible for the compliance with laws and regulations.*

This statement is made truthfully.

Atas nama dan mewakili Direksi/*For and on behalf of the Board of Directors*

METERAI TEMPEL
4BA8DAHF435929860
6000
ENAM RIBU RUPIAH

Zhang Jinxing	Jeff S.V. Eman
Presiden Direktur/*President Director*	Direktur/*Director*

Jakarta, 29 Mei/*May* 2020

PT BANK ICBC INDONESIA

LAPORAN POSISI KEUANGAN
31 DESEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

PT BANK ICBC INDONESIA

STATEMENT OF FINANCIAL POSITION
31 DECEMBER 2019
(Expressed in millions of Rupiah, unless otherwise stated)

	Catatan/ *Notes*	31 Desember/*December* 2019	31 Desember/*December* 2018*	1 Januari/ *January* 2018 / 31 Desember/ *December* 2017*	
ASET					*ASSETS*
Kas		79.587	63.490	88.399	*Cash*
Giro pada Bank Indonesia	6	3.144.733	3.848.283	3.888.038	*Current accounts with Bank Indonesia*
Giro pada bank-bank lain	7,28	3.622.465	3.456.397	3.314.446	*Current accounts with other banks*
Penempatan pada Bank Indonesia dan bank-bank lain	8,28	2.400.863	5.410.777	5.135.049	*Placements with Bank Indonesia and other banks*
Aset derivatif	28	46.513	267.422	5.980	*Derivative assets*
Tagihan akseptasi	9	200.815	595.160	1.519.878	*Acceptance receivables*
Efek-efek yang dibeli dengan janji dijual kembali	10	3.513.004	-	-	*Securities purchased under agreements to resell*
Efek-efek untuk tujuan investasi	11	3.714.365	3.791.167	6.248.877	*Investment securities*
Kredit yang diberikan	12,28	35.276.096	36.542.280	35.068.608	*Loans receivable*
Aset tetap	13	264.650	246.968	280.695	*Fixed assets*
Aset pajak tangguhan	17,33	590.605	287.435	182.684	*Deferred tax assets*
Aset lain-lain	14	250.889	306.585	297.331	*Other assets*
JUMLAH ASET		53.104.585	54.815.964	56.029.985	*TOTAL ASSETS*
LIABILITAS DAN EKUITAS					*LIABILITIES AND EQUITY*
LIABILITAS					*LIABILITIES*
Liabilitas segera		2.564	2.355	6.544	*Liabilities immediately payable*
Simpanan nasabah	15,28	27.061.513	30.588.043	33.044.505	*Deposits from customers*
Simpanan dari bank-bank lain	16,28	3.731.791	2.227.491	4.235.045	*Deposits from other banks*
Liabilitas derivatif	28	15	538	2.865	*Derivative liabilities*
Efek-efek yang dijual dengan janji dibeli kembali	18	2.298.580	-	88.979	*Securities sold under agreements to repurchase*
Liabilitas akseptasi	9,28	200.815	595.160	1.519.878	*Acceptance payables*
Utang pajak penghasilan	17	271.546	3.972	174.068	*Income tax payables*
Pinjaman yang diterima	19,28	11.222.532	13.780.073	2.858.866	*Borrowings*
Efek-efek yang diterbitkan		-	-	6.783.641	*Securities issued*
Liabilitas lain - lain dan beban yang masih harus dibayar	20,28,33	417.777	479.320	380.259	*Other liabilities and accrued expenses*
Pinjaman subordinasi	21,28	1.874.138	1.222.300	1.153.238	*Subordinated loans*
JUMLAH LIABILITAS		47.081.271	48.899.252	50.247.888	*TOTAL LIABILITIES*
EKUITAS					*EQUITY*
Modal saham	22	3.706.150	3.706.150	3.706.150	*Share capital*
Cadangan nilai wajar - bersih	11	12.988	(16.121)	1.993	*Fair value reserve - net*
Saldo laba					*Retained earnings*
Telah ditentukan penggunaannya		235.827	224.349	193.217	*Appropriated*
Belum ditentukan penggunaannya	33	2.068.349	2.002.334	1.880.737	*Unappropriated*
JUMLAH EKUITAS		6.023.314	5.916.712	5.782.097	*TOTAL EQUITY*
JUMLAH LIABILITAS DAN EKUITAS		53.104.585	54.815.964	56.029.985	*TOTAL LIAIBLITIES AND EQUITY*

*Setelah penyajian kembali (Lihat Catatan 33)

**After restatement (See Note 33)*

Catatan atas laporan keuangan terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan.

The accompanying notes to the financial statements form an integral part of these financial statements.

PT BANK ICBC INDONESIA

LAPORAN LABA RUGI DAN PENGHASILAN KOMPREHENSIF LAIN
TAHUN BERAKHIR 31 DESEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

PT BANK ICBC INDONESIA

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
YEAR ENDED 31 DECEMBER 2019
(Expressed in millions of Rupiah, unless otherwise stated)

	Catatan/ *Notes*	Tahun berakhir 31 Desember/ *Year ended 31 December* 2019	2018*	
PENDAPATAN DAN BEBAN OPERASIONAL				***OPERATING INCOME AND EXPENSES***
Pendapatan dan beban bunga				***Interest income and expenses***
Pendapatan bunga	23,28	3.039.968	3.178.646	*Interest income*
Beban bunga	24,28	(2.141.153)	(2.073.643)	*Interest expense*
Pendapatan bunga bersih		898.815	1.105.003	***Net interest income***
Pendapatan operasional lainnya				***Other operating income***
Provisi dan komisi lainnya		69.586	86.635	*Other fees and commissions*
Keuntungan transaksi mata uang asing - bersih		232.739	307.524	*Gains on foreign exchange transactions - net*
Keuntungan atas penjualan efek-efek untuk tujuan investasi - bersih	11	7.512	4.688	*Gains on sale of investment securities - net*
Lain-lain		125.718	19.445	*Others*
Pendapatan operasional lainnya		435.555	418.292	***Other operating income***
Jumlah pendapatan operasional		1.334.370	1.523.295	***Total operating income***
Beban operasional				***Operating expenses***
Beban kerugian penurunan nilai aset keuangan - bersih	25	(724.888)	(841.992)	*Impairment losses on financial assets - net*
Beban umum dan administrasi	26	(154.510)	(155.587)	*General and administrative expenses*
Beban tenaga kerja	27,28,33	(309.250)	(289.476)	*Personnel expenses*
Lain-lain		(29.575)	(31.252)	*Others*
Jumlah beban operasional		(1.218.223)	(1.318.307)	***Total operating expenses***
LABA SEBELUM PAJAK PENGHASILAN		116.147	204.988	***INCOME BEFORE INCOME TAX***
Beban pajak penghasilan	17,33	(36.784)	(57.232)	*Income tax expense*
LABA BERSIH		79.363	147.756	***NET INCOME***
PENDAPATAN KOMPREHENSIF LAINNYA:				***OTHER COMPREHENSIVE INCOME:***
Pos-pos yang akan direklasifikasi ke laba rugi				***Items that would be reclassified to profit or loss***
Keuntungan (kerugian) yang belum direalisasi atas perubahan nilai wajar aset keuangan yang tersedia untuk dijual - bersih	11	46.324	(19.464)	*Unrealized gains (loss) on changes in fair value of available-for-sale financial assets - net*
Perubahan nilai wajar yang ditransfer ke laba rugi pada saat penjualan - bersih	11	(7.512)	(4.688)	*Fair value changes transferred to profit or loss on disposal - net*
Pajak penghasilan terkait pos-pos yang akan direklasifikasikan ke laba rugi	17	(9.703)	6.038	*Income tax related to items that would be reclassified to profit or loss*
		29.109	(18.114)	

*Setelah penyajian kembali (Lihat Catatan 33)

**After restatement (See Note 33)*

Catatan atas laporan keuangan terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan.

The accompanying notes to the financial statements form an integral part of these financial statements.

PT BANK ICBC INDONESIA

LAPORAN LABA RUGI DAN PENGHASILAN KOMPREHENSIF LAIN (Lanjutan)
TAHUN BERAKHIR 31 DESEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

PT BANK ICBC INDONESIA

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (Continued)
YEAR ENDED 31 DECEMBER 2019
(Expressed in millions of Rupiah, unless otherwise stated)

	Catatan/ *Notes*	Tahun berakhir 31 Desember/ *Year ended 31 December* 2019	2018*	
Pos-pos yang tidak akan direklasifikasi ke laba rugi				*Items that would never be reclassified to profit or loss*
Pengukuran kembali liabilitas imbalan pascakerja		(2.493)	6.630	*Remeasurements of post-employment benefit liabilities*
Pajak penghasilan terkait pos-pos yang tidak akan direklasifikasi ke laba rugi	17	623	(1.657)	*Income tax related to items that would never be reclassified to profit loss*
		(1.870)	4.973	
PENGHASILAN KOMPREHENSIF LAIN, SETELAH PAJAK PENGHASILAN		27.239	(13.141)	*OTHER COMPREHENSIVE INCOME, NET OF INCOME TAX*
JUMLAH LABA KOMPREHENSIF		106.602	134.615	*TOTAL COMPREHENSIVE INCOME*

*Setelah penyajian kembali (Lihat Catatan 33)

**After restatement (See Note 33)*

Catatan atas laporan keuangan terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan.

The accompanying notes to the financial statements form an integral part of these financial statements.

PT BANK ICBC INDONESIA

LAPORAN PERUBAHAN EKUITAS
TAHUN BERAKHIR 31 DESEMBER 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

PT BANK ICBC INDONESIA

STATEMENT OF CHANGES IN EQUITY
YEAR ENDED 31 DECEMBER 2019
(Expressed in millions of Rupiah, unless otherwise stated)

	Catatan/ *Notes*	Modal saham/ *Share capital*	Cadangan nilai wajar - bersih/ *Fair value reserve - net*	Saldo laba/*Retained earnings* Telah ditentukan penggunaannya/ *Appropriated*	Saldo laba/*Retained earnings* Belum ditentukan penggunaannya/ *Unappropriated*	Jumlah ekuitas/ *Total equity*	
Saldo, 31 Desember 2017		3.706.150	1.993	193.217	1.853.079	5.754.439	***Balance, 31 December 2017***
Dampak penyajian kembali sehubungan dengan beban tenaga kerja, setelah pajak penghasilan	33	-	-	-	27.658	27.658	*Effect of restatement in relation to personnel expenses, net of income tax*
Saldo, 1 January 2018*		3.706.150	1.993	193.217	1.880.737	5.782.097	*Balance, 1 January 2018**
Cadangan umum dan wajib yang telah ditentukan penggunaannya	22	-	-	31.132	(31.132)	-	*Appropriation for general and legal reserves*
Laba bersih tahun berjalan*		-	-	-	147.756	147.756	*Net income for the year**
Pendapatan komprehensif lain, setelah pajak penghasilan:							*Other comprehensive income, net of income tax:*
Pengukuran kembali liabilitas imbalan pascakerja		-	-	-	4.973	4.973	*Remeasurements of post-employment benefit liabilities*
Cadangan nilai wajar (aset keuangan tersedia untuk dijual) - bersih	11	-	(18.114)	-	-	(18.114)	*Fair value reserve (available-for-sale financial assets) - net*
Saldo, 31 Desember 2018*		3.706.150	(16.121)	224.349	2.002.334	5.916.712	***Balance, 31 December 2018****
Cadangan umum dan wajib yang telah ditentukan penggunaannya	22	-	-	11.476	(11.476)	-	*Appropriation for general and legal reserves*
Laba bersih tahun berjalan		-	-	-	79.363	79.363	*Net income for the year*
Pendapatan komprehensif lain, setelah pajak penghasilan:							*Other comprehensive income, net of income tax:*
Pengukuran kembali liabilitas imbalan pascakerja		-	-	-	(1.870)	(1.870)	*Remeasurements of post-employment benefit liabilities*
Cadangan nilai wajar (aset keuangan tersedia untuk dijual) - bersih	11	-	29.109	-	-	29.109	*Fair value reserve (available-for-sale financial assets) - net*
Saldo, 31 Desember 2019		**3.706.150**	**12.988**	**235.827**	**2.068.349**	**6.023.314**	***Balance, 31 December 2019***

*Setelah penyajian kembali (Lihat Catatan 33)

**After restatement (See Note 33)*

Catatan atas laporan keuangan terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan.

The accompanying notes to the financial statements form an integral part of these financial statements.

	Catatan/ *Notes*	Tahun berakhir 31 Desember/ *Year ended 31 December* 2019	2018	
ARUS KAS DARI AKTIVITAS OPERASI				*CASH FLOWS FROM OPERATING ACTIVITIES*
Penerimaan bunga, provisi dan komisi		3.159.160	3.247.177	*Interest, fees and commissions received*
Pembayaran bunga		(2.181.828)	(1.975.931)	*Interest paid*
Keuntungan transaksi mata uang asing - bersih		(158.433)	855.445	*Gain on foreign exchange transactions - net*
Keuntungan atas penjualan efek-efek untuk tujuan investasi		7.512	4.688	*Gain on sale of investment securities*
Pembayaran gaji dan tunjangan karyawan		(293.087)	(279.330)	*Payments of salaries and employee benefits*
Beban operasional lainnya		(680.549)	(891.301)	*Other operating expenses*
Pembayaran pajak penghasilan badan		(81.460)	(327.698)	*Payments of corporete income taxes*
Arus kas sebelum perubahan dalam aset dan liabilitas operasi		(228.685)	633.050	***Cash flows before changes in operating assets and liabilities***
Perubahan dalam aset dan liabilitas operasi:				*Changes in operating assets and liabilities:*
Penempatan pada Bank Indonesia dan bank-bank lain yang jatuh tempo lebih dari 3 bulan sejak tanggal perolehan		504.124	352.736	*Placement with Bank Indonesia and other banks with original maturities more than 3 months from acquisition date*
Aset derivatif		220.909	(261.442)	*Derivative assets*
Efek-efek - pinjaman yang diberikan dan piutang		1.116	162.564	*Securities - loans and receivables*
Kredit yang diberikan		1.204.355	(1.549.499)	*Loans receivable*
Aset lain-lain		2.649	4.758	*Other assets*
Efek-efek yang dibeli dengan janji dijual kembali		(3.513.004)	-	*Securities purchased under agreements to resell*
Liabilitas segera		209	(4.189)	*Liabilities immediately payable*
Simpanan nasabah		(3.526.530)	(2.456.462)	*Deposits from customers*
Simpanan dari bank-bank lain		1.504.300	(2.007.554)	*Deposits from other banks*
Liabilitas derivatif		(523)	(2.327)	*Derivative liabilities*
Efek-efek yang dijual dengan janji dibeli kembali		2.298.580	(88.979)	*Securities sold under agreements to repurchase*
Liabilitas lain-lain dan beban yang masih harus dibayar		(39.524)	(2.166)	*Other liabilities and accrued expenses*
Kas bersih digunakan untuk aktivitas operasi		(1.572.024)	(5.219.510)	***Net cash used in operating activities***
ARUS KAS DARI AKTIVITAS INVESTASI				*CASH FLOWS FROM INVESTING ACTIVITIES*
Kenaikan efek-efek tersedia untuk dijual dan dimiliki hingga jatuh tempo		114.498	2.270.994	*Increase in available-for-sale and held-to-maturity securities*
Perolehan aset tetap	13	(54.581)	(4.325)	*Acquisition of fixed assets*
Perolehan aset takberwujud		(536)	(4)	*Acquisition of intangible assets*
Kas bersih diperoleh dari aktivitas investasi		59.381	2.266.665	***Net cash provided from investing activities***

Catatan atas laporan keuangan terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan.

The accompanying notes to the financial statements form an integral part of these financial statements.

	Catatan/ *Notes*	Tahun berakhir 31 Desember/ *Year ended 31 December* 2019	2018	
ARUS KAS DARI AKTIVITAS PENDANAAN				*CASH FLOWS FROM FINANCING ACTIVITIES*
Hasil dari pinjaman yang diterima	32	4.031.200	12.546.605	*Proceeds from borrowings*
Pembayaran untuk pinjaman yang diterima	32	(6.192.818)	(2.259.236)	*Payments for borrowings*
Pembayaran untuk efek-efek yang diterbitkan	32	-	(6.653.500)	*Payments for securities issued*
Hasil dari pinjaman subordinasi		1.057.875	-	*Proceeds from subordinated loans*
Pembayaran untuk pinjaman subordinasi		(354.875)	-	*Payments for subordinated loans*
Kas bersih (digunakan untuk) diperoleh dari aktivitas pendanaan		(1.458.618)	3.633.869	*Net cash (used in) provided from financing activities*
Pengaruh fluktuasi kurs mata uang asing pada kas dan setara kas		(55.914)	24.727	*Effect of foreign exchange rate fluctuation on cash and cash equivalents*
(PENURUNAN) KENAIKAN BERSIH KAS DAN SETARA KAS		(3.027.175)	705.751	*NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS*
KAS DAN SETARA KAS AWAL TAHUN		10.947.316	10.241.565	*CASH AND CASH EQUIVALENTS AT THE BEGINNING OF YEAR*
KAS DAN SETARA KAS AKHIR TAHUN		7.920.141	10.947.316	*CASH AND CASH EQUIVALENTS AT THE END OF YEAR*
Kas dan setara kas terdiri dari:				***Cash and cash equivalents consist of:***
Kas		79.587	63.490	*Cash*
Giro pada Bank Indonesia	6	3.144.733	3.848.283	*Current account with Bank Indonesia*
Giro pada bank-bank lain	7	3.622.465	3.456.397	*Current accounts with other banks*
Penempatan pada Bank Indonesia dan bank-bank lain yang jatuh tempo dalam jangka waktu 3 bulan atau kurang sejak tanggal perolehan	8	1.073.356	3.579.146	*Placements with Bank Indonesia and other banks with original maturities of 3 months or less from acquisition date*
		7.920.141	10.947.316	

Catatan atas laporan keuangan terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan.

The accompanying notes to the financial statements form an integral part of these financial statements.

1. UMUM

PT Bank ICBC Indonesia (dahulu bernama PT Bank Halim Indonesia) ("Bank") didirikan berdasarkan akta notaris No. 23 tertanggal 24 Februari 1989 dari Sastra Kosasih, S.H., notaris di Surabaya, dan diperbaharui dengan akta No. 16 tertanggal 17 April 1989 yang dibuat di hadapan notaris yang sama. Akta pendirian tersebut telah disetujui oleh Menteri Kehakiman Republik Indonesia dengan surat keputusan No. C2-3488.HT.01.04.TH.89 tertanggal 20 April 1989 serta diumumkan dalam Tambahan No. 100 pada Berita Negara No. 5104 tanggal 14 Desember 1990.

Berdasarkan Surat Keputusan Menteri Keuangan Republik Indonesia No. 698/KMK.013/1989 tertanggal 20 Juni 1989, Bank memperoleh izin usaha untuk beroperasi sebagai bank umum, dan berdasarkan Surat Keputusan Direksi Bank Indonesia No. 28/92/KEP/DIR tertanggal 7 November 1995, Bank telah disetujui menjadi bank devisa.

Berdasarkan surat Gubernur Bank Indonesia No. 9/48/Kep.GBI/2007 tertanggal 26 September 2007, Bank Indonesia telah menyetujui perubahan izin usaha atas nama PT Bank Halim Indonesia menjadi izin usaha atas nama PT Bank ICBC Indonesia.

Maksud dan tujuan didirikannya Bank, sesuai dengan Pasal 3 Anggaran Dasar No. 81 tertanggal 8 Oktober 2019, adalah melakukan kegiatan usaha Bank Umum Swasta Devisa sesuai dengan perundang-undangan yang berlaku.

Pada tanggal 31 Desember 2019 dan 2018, susunan Dewan Komisaris dan Direksi Bank adalah sebagai berikut:

1. GENERAL

PT Bank ICBC Indonesia (formerly PT Bank Halim Indonesia) (the "Bank") was established based on notarial deed No. 23 dated 24 February 1989 of Sastra Kosasih, S.H., a notary in Surabaya, and was renewed by deed No. 16 dated 17 April 1989 of the same notary. The articles of incorporation were approved by the Minister of Justice of the Republic of Indonesia in its decision letter No. C2-3488.HT.01.04.TH.89 dated 20 April 1989 and were published in Supplement No. 100 to the State Gazette No. 5104 dated 14 December 1990.

Based on the Decision Letter of the Ministry of Finance of the Republic of Indonesia No. 698/KMK.013/1989 dated 20 June 1989, the Bank received general banking license, and based on the Decision Letter of Bank Indonesia's Board of Directors No. 28/92/KEP/DIR dated 7 November 1995, the Bank has been approved to be a foreign exchange bank.

Based on the letter of the Governor of Bank Indonesia No. 9/48/Kep.GBI/2007 dated 26 September 2007, Bank Indonesia approved the change of the business license under the name of PT Bank Halim Indonesia to the business license under the name of PT Bank ICBC Indonesia.

The objectives of the Bank's establishment in accordance with Article 3 of the Articles of Association No. 81 dated 8 October 2019, are to engage in Foreign Exchange Commercial Bank in accordance with applicable laws.

As of 31 December 2019 and 2018, the composition of the Bank's Board of Commissioners and Board of Directors was as follows:

	2019	2018	
Dewan Komisaris			***Board of Commissioners***
Presiden Komisaris	Wang Kun	Wang Kun	*President Commissioner*
Komisaris Independen	Hendra Widjojo	Hendra Widjojo	*Independent Commissioner*
Komisaris Independen	H.Yunno Kusumo	H.Yunno Kusumo[1]	*Independent Commissioner*
Direksi			***Board of Directors***
Presiden Direktur	Zhang Jinxing	Zhang Jinxing[2]	*President Director*
Direktur	Yu Guangzhu	Yu Guangzhu	*Director*
Direktur	Jeff S. V. Eman	Jeff S. V. Eman	*Director*
Direktur	Sandy Tjipta Muliana	Sandy Tjipta Muliana	*Director*
Direktur	Thomas Arifin	Thomas Arifin	*Director*
Direktur	Fransisca Nelwan Mok	Fransisca Nelwan Mok	*Director*
Direktur	-	Xin Haiyan[3]	*Director*

[1] H.Yunno Kusumo diangkat sebagai Komisaris Independen sejak tanggal 29 Agustus 2018.

[2] Zhang Jinxing diangkat sebagai Presiden Direktur sejak tanggal 20 April 2018.

[3] Xin Haiyan mengundurkan diri sebagai Direktur sejak 24 Agustus 2019.

[1] *H. Yunno Kusumo was appointed as Independent Commissioner since 29 August 2018.*

[2] *Zhang Jinxing was appointed as President Director since 20 April 2018.*

[3] *Xin Haiyan was resigned as Director since 24 August 2019.*

1. UMUM (Lanjutan)

Pada tanggal 31 Desember 2019 dan 2018, susunan Komite Audit Bank terdiri dari:

1. GENERAL (Continued)

As of 31 December 2019 and 2018, the composition of the Bank's Audit Committee was as follows:

	2019	2018	
Ketua	H. Yunno Kusumo	H. Yunno Kusumo	*Chair Person*
Anggota	Waldy Gutama	Waldy Gutama	*Member*
Anggota	Ricky Dompas	Ricky Dompas	*Member*

Kantor pusat Bank berlokasi di Jalan M.H. Thamrin No. 81, Jakarta dengan jaringan distribusi pada tanggal 31 Desember 2019 dan 2018 sebagai berikut:

The Bank's head office is located at Jalan M.H. Thamrin No. 81, Jakarta with the distribution network as of 31 December 2019 and 2018 was as follows:

	Cabang/ Branches		
	2019	2018	
Kantor pusat	1	1	*Head office*
Kantor cabang	15	15	*Branches*
Kantor cabang pembantu	3	3	*Sub-branches*
Kantor kas	1	1	*Cash offices*
	20	20	

Pada tanggal 31 Desember 2019 dan 2018, Bank memperkerjakan masing-masing 585 dan 595 karyawan tetap.

As of 31 December 2019 and 2018, the Bank employed 585 and 595 permanent employees, respectively.

Manajemen Bank bertanggung jawab atas penyusunan laporan keuangan yang telah diselesaikan dan disetujui untuk diterbitkan oleh Direksi Bank pada tanggal 29 Mei 2020.

The management of the Bank is responsible for the preparation of the financial statements which were completed and authorized for issue by the Directors of the Bank on 29 May 2020.

2. DASAR PENYUSUNAN

a. Pernyataan kepatuhan

Laporan keuangan Bank telah disusun dan disajikan sesuai dengan Standar Akuntansi Keuangan (SAK) di Indonesia.

b. Dasar pengukuran

Laporan keuangan disusun atas dasar akrual dengan menggunakan konsep nilai historis, kecuali jika standar akuntansi mensyaratkan pengukuran nilai wajar.

c. Laporan arus kas

Laporan arus kas menyajikan perubahan dalam kas dan setara kas dari aktivitas operasi, investasi dan pendanaan. Laporan arus kas disusun dengan metode langsung.

2. BASIS OF PREPARATION

a. Statement of compliance

The Bank's financial statements have been prepared and presented in accordance with Indonesian Financial Accounting Standards (SAK).

b. Basis of measurement

The financial statements have been prepared on the accrual basis using the historical cost concept, except where the accounting standards require fair value measurement.

c. Statement of cash flows

The statement of cash flows presents the changes in cash and cash equivalents from operating, investing and financing activities. The statement of cash flows is prepared using direct method.

2. DASAR PENYUSUNAN (Lanjutan)

d. **Mata uang fungsional dan penyajian**

Laporan keuangan Bank dijabarkan dalam mata uang Rupiah, yang merupakan mata uang fungsional Bank. Kecuali dinyatakan khusus, informasi keuangan disajikan dalam jutaan Rupiah.

e. **Penggunaan pertimbangan, estimasi dan asumsi**

Penyusunan laporan keuangan sesuai dengan Standar Akuntansi Keuangan di Indonesia mengharuskan manajemen untuk membuat pertimbangan-pertimbangan, estimasi-estimasi, dan asumsi-asumsi yang mempengaruhi penerapan kebijakan akuntansi, dan jumlah aset, liabilitas, pendapatan dan beban yang dilaporkan.

Walaupun estimasi ini dibuat berdasarkan pengetahuan terbaik manajemen atas kejadian dan kegiatan saat ini, hasil aktual mungkin berbeda dengan jumlah yang diestimasi semula.

Estimasi-estimasi dan asumsi-asumsi yang digunakan ditelaah secara berkesinambungan. Revisi atas estimasi akuntansi diakui pada periode di mana estimasi tersebut direvisi dan periode yang akan datang yang dipengaruhi oleh revisi estimasi tersebut.

Informasi mengenai hal-hal penting yang terkait dengan ketidakpastian estimasi dan pertimbangan-pertimbangan penting dalam penerapan kebijakan akuntansi yang signifikan terhadap laporan keuangan dijelaskan di Catatan 5.

3. IKHTISAR KEBIJAKAN AKUNTANSI YANG PENTING

Kebijakan-kebijakan akuntansi yang penting di bawah ini telah diterapkan secara konsisten pada seluruh periode yang disajikan dalam laporan keuangan ini.

a. **Setara kas**

Untuk tujuan laporan arus kas, kas dan setara kas meliputi kas, giro pada Bank Indonesia, giro pada bank-bank lain, dan penempatan pada Bank Indonesia dan bank-bank lain yang jatuh tempo dalam waktu tiga bulan sejak tanggal perolehan, sepanjang tidak digunakan sebagai jaminan atas pinjaman yang diterima serta tidak dibatasi penggunaannya.

b. **Aset dan liabilitas keuangan**

Aset keuangan diklasifikasikan sebagai aset keuangan yang diukur pada nilai wajar melalui laba rugi, pinjaman yang diberikan dan piutang, aset keuangan dimiliki hingga jatuh tempo dan aset keuangan tersedia untuk dijual.

2. *BASIS OF PREPARATION (Continued)*

d. ***Functional and presentation currency***

The Bank's financial statements are presented in Rupiah, which is the Bank's functional currency. Except otherwise specified, financial information is presented in millions of Rupiah.

e. ***Use of judgments, estimates and assumptions***

The preparation of financial statements in conformity with Indonesian Financial Accounting Standards requires management to make judgments, estimates and assumptions that affect the application of accounting policies, and the reported amounts of assets, liabilities, income and expenses.

Although these estimates are based on management's best knowledge of current events and activities, actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

Information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that are significant to the financial statements are described in Note 5.

3. *SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*

The significant accounting policies set out below have been applied consistently to all periods presented in these financial statements.

a. ***Cash equivalent***

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash, current accounts with Bank Indonesia, current accounts with other banks, and placements with Bank Indonesia and other banks that mature within three months from the date of acquisition, as long as they are not being pledged as collateral for borrowings nor restricted.

b. ***Financial assets and liabilities***

Financial assets are classified as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity financial assets and available-for-sale financial assets.

3. IKHTISAR KEBIJAKAN AKUNTANSI YANG PENTING (Lanjutan)

b. Aset dan liabilitas keuangan (lanjutan)

Liabilitas keuangan diklasifikasikan sebagai liabilitas keuangan yang diukur pada biaya perolehan diamortisasi dan liabilitas yang diukur pada nilai wajar melalui laba rugi.

Bank menentukan klasifikasi atas aset dan liabilitas keuangan pada saat pengakuan awal, tergantung pada tujuan dan intensi manajemen serta karakteristik dari instrumen keuangan tersebut.

b.1. Pengakuan dan pengukuran

Semua instrumen keuangan pada saat pengakuan awal diukur sebesar nilai wajarnya ditambah biaya transaksi, kecuali untuk aset keuangan dan liabilitas keuangan yang diukur pada nilai wajar melalui laba rugi di mana biaya transaksi diakui langsung dalam laba rugi.

Pembelian dan penjualan aset keuangan yang lazim (regular) diakui pada tanggal perdagangan dimana Bank memiliki komitmen untuk membeli atau menjual aset tersebut.

Semua aset dan liabilitas keuangan lainnya pada awalnya diakui pada tanggal perdagangan dimana Bank menjadi suatu pihak dalam ketentuan kontraktual instrumen tersebut.

Pada saat pengakuan awal, aset keuangan atau liabilitas keuangan diukur pada nilai wajar ditambah/dikurangi (untuk instrumen keuangan yang tidak diukur pada nilai wajar melalui laba rugi setelah pengakuan awal) biaya transaksi yang dapat diatribusikan secara langsung atas perolehan aset keuangan atau penerbitan liabilitas keuangan. Pengukuran aset keuangan dan liabilitas keuangan setelah pengakuan awal tergantung pada klasifikasi aset keuangan dan liabilitas keuangan tersebut.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Financial assets and liabilities (continued)

Financial liabilities are classified as liabilities measured at amortized cost and liabilities at fair value through profit or loss.

The Bank determines the classification of its financial assets and liabilities at initial recognition based on the purpose and management's intention for which the financial instruments were acquired and their characteristics.

b.1. Recognition and measurement

All financial instruments are measured initially at their fair value plus transaction costs, except for financial assets and financial liabilities measured at fair value through profit or loss where transaction costs are recognized directly in profit or loss.

Regular way purchases and sales of financial assets are recognized on the trade date at which the Bank commits to purchase or sell those assets.

All other financial assets and liabilities are initially recognized on the trade date at which the Bank becomes a party to contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus/less (for financial instruments not subsequently measured at fair value through profit or loss) transaction costs that are directly attributable to the acquisition of a financial asset or issuance of a financial liability. The subsequent measurement of financial assets and financial liabilities depends on their classification.

3. IKHTISAR KEBIJAKAN AKUNTANSI YANG PENTING (Lanjutan)

b. Aset dan liabilitas keuangan (lanjutan)

b.1. Pengakuan dan pengukuran (lanjutan)

Biaya transaksi hanya meliputi biaya-biaya yang dapat diatribusikan secara langsung untuk perolehan suatu aset keuangan atau penerbitan suatu liabilitas keuangan dan merupakan biaya tambahan yang tidak akan terjadi apabila instrumen keuangan tersebut tidak diperoleh atau diterbitkan. Untuk aset keuangan, biaya transaksi ditambahkan pada jumlah yang diakui pada awal pengakuan aset, sedangkan untuk liabilitas keuangan, biaya transaksi dikurangkan dari jumlah utang yang diakui pada awal pengakuan liabilitas. Biaya transaksi tersebut diamortisasi selama umur instrumen berdasarkan metode suku bunga efektif dan dicatat sebagai bagian dari pendapatan bunga untuk biaya transaksi sehubungan dengan asset keuangan atau sebagai bagian dari beban bunga untuk biaya transaksi sehubungan dengan liabilitas keuangan.

Pengukuran aset keuangan dan liabilitas keuangan setelah pengakuan awal tergantung pada klasifikasi aset keuangan dan liabilitas keuangan tersebut.

(i) Aset keuangan

- Aset keuangan yang diukur pada nilai wajar melalui laba rugi

  Aset keuangan yang diukur pada nilai wajar melalui laba rugi adalah aset keuangan yang diklasifikasikan ke dalam kelompok untuk diperdagangkan. Aset keuangan yang diklasifikasikan ke dalam kelompok untuk diperdagangkan adalah aset keuangan yang diperoleh atau dimiliki terutama untuk tujuan dijual atau dibeli kembali dalam waktu dekat.

  Aset keuangan yang diukur pada nilai wajar melalui laba rugi disajikan sebesar nilai wajarnya. Keuntungan atau kerugian yang belum direalisasi akibat perubahan nilai wajar aset keuangan diakui dalam laba rugi.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Financial assets and liabilities (continued)

b.1. Recognition and measurement (continued)

Transaction costs include only those costs that are directly attributable to the acquisition of a financial asset or issuance of a financial liability and are incremental costs that would not have been incurred if the instrument had not been acquired or issued. In the case of financial assets, transaction costs are added to the amount recognized initially, while for financial liabilities, transaction costs are deducted from the amount of debt recognized initially. Such transaction costs are amortized over the terms of the instruments based on the effective interest method and are recorded as part of interest income for transaction costs related to financial assets or interest expense for transaction costs related to financial liabilities.

The subsequent measurement of financial assets and financial liabilities depends on their classification.

(i) Financial assets

- *Financial assets measured at fair value through profit or loss*

  Financial assets measured et fair value through profit or loss are those classified as held for treding. Held for trading financial assets are those which have been acquired or incurred principally for the purpose of selling or repurchasing in the near term.

  Financial assets measured at fair value through profit or loss are stated at fair value. The unrealized gains or losses resulting from changes in fair value are recognized in profit or loss.

3. IKHTISAR KEBIJAKAN AKUNTANSI YANG PENTING (Lanjutan)

b. Aset dan liabilitas keuangan (lanjutan)

b.1. Pengakuan dan pengukuran (lanjutan)

(i) Aset keuangan (lanjutan)

- Pinjaman yang diberikan dan piutang

  Pinjaman yang diberikan dan piutang adalah aset keuangan non-derivatif dengan pembayaran tetap atau yang telah ditentukan, yang tidak mempunyai kuotasi di pasar aktif, dan Bank tidak berniat untuk menjualnya segera atau dalam waktu dekat.

  Setelah pengukuran awal, pinjaman yang diberikan dan piutang diukur pada biaya perolehan diamortisasi dengan menggunakan metode suku bunga efektif, dikurangi dengan penyisihan kerugian penurunan nilai. Biaya perolehan diamortisasi dihitung dengan memperhitungkan biaya transaksi yang merupakan bagian tidak terpisahkan dari suku bunga efektif.

- Aset keuangan yang dimiliki hingga jatuh tempo

  Aset keuangan yang dimiliki hingga jatuh tempo adalah aset keuangan non-derivatif dengan pembayaran tetap atau telah ditentukan dan jatuh temponya telah ditetapkan, di mana Bank mempunyai intensi positif dan kemampuan untuk memiliki aset keuangan tersebut hingga jatuh tempo, dan yang tidak ditetapkan pada nilai wajar melalui laba rugi, tersedia untuk dijual, atau tidak memenuhi definisi pinjaman dan piutang.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Financial assets and liabilities (continued)

b.1. Recognition and measurement (continued)

(i) Financial assets (continued)

- *Loans and receivables*

  Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, and that the Bank does not intend to sell immediately or in the near term.

  After initial measurement, loans and receivables are measured at amortized cost using the effective interest rate method, less allowance for impairment losses. Amortized cost is calculated by taking into account transaction costs that are an integral part of the effective interest rate.

- *Held-to-maturity financial assets*

  Held-to-maturity financial assets are non-derivative financial assets with fixed or determinable payments and fixed maturities, which the Bank has the intention and ability to hold until maturity, and which are not designated at fair value through profit or loss, available-for-sale, or does not fulfill the definition of loans and receivables.

3. IKHTISAR KEBIJAKAN AKUNTANSI YANG PENTING (Lanjutan)

b. **Aset dan liabilitas keuangan (lanjutan)**

b.1. Pengakuan dan pengukuran (lanjutan)

(i) Aset keuangan (lanjutan)

- Aset keuangan yang dimiliki hingga jatuh tempo (lanjutan)

  Setelah pengukuran awal, aset keuangan yang diklasifikasikan sebagai dimiliki hingga jatuh tempo diukur pada biaya perolehan diamortisasi dengan menggunakan metode suku bunga efektif, dikurangi dengan penyisihan kerugian penurunan nilai. Biaya perolehan diamortisasi dihitung dengan memperhitungkan biaya transaksi yang merupakan bagian tidak terpisahkan dari suku bunga efektif.

- Aset keuangan tersedia untuk dijual

  Aset keuangan tersedia untuk dijual adalah aset keuangan non-derivatif yang ditetapkan sebagai tersedia untuk dijual atau yang tidak diklasifikasikan sebagai pinjaman yang diberikan dan piutang, investasi dimiliki hingga jatuh tempo, maupun aset keuangan yang diukur pada nilai wajar melalui laba rugi.

  Setelah pengukuran awal, aset keuangan tersedia untuk dijual diukur sebesar nilai wajar. Keuntungan atau kerugian yang belum direalisasi diakui dalam penghasilan komprehensif lain.

(ii) Liabilitas keuangan

- Liabilitas keuangan yang diukur pada biaya perolehan diamortisasi

  Liabilitas keuangan yang diukur pada biaya perolehan diamortisasi merupakan liabilitas keuangan non-derivatif yang dimiliki Bank tidak untuk diperdagangkan dan tidak ditetapkan pada nilai wajar melalui laba rugi. Setelah pengakuan awal, liabilitas keuangan diukur sebesar biaya perolehan diamortisasi dengan menggunakan metode suku bunga efektif.

- Liabilitas keuangan yang diukur pada nilai wajar melalui laba rugi

  Liabilitas keuangan yang diukur pada nilai wajar melalui laba rugi adalah liabilitas keuangan yang diklasifikasikan ke dalam kelompok untuk diperdagangkan atau ditetapkan pada nilai wajar melalui laba rugi.

3. *SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)*

b. ***Financial assets and liabilities (continued)***

b.1. Recognition and measurement (continued)

(i) Financial assets (continued)

- *Held-to-maturity financial assets (continued)*

  After initial measurement, held-to-maturity financial assets are measured at amortized cost using the effective interest method, less allowance for impairment losses. Amortized cost is calculated by taking into account transaction costs that are integral part of the effective interest rate.

- *Available-for-sale financial assets*

  Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale or are not classified as loans and receivables, held-to-maturity investments, or financial assets at fair value through profit or loss.

  After initial measurement, available-for-sale financial assets are measured at fair value. Unrealized gains or losses are recognized in other comprehensive income.

(ii) Financial liabilities

- *Financial liabilities measured at amortized cost*

  Financial liabilities measured at amortized cost are non-derivative financial liabilities that are not held for trading purpose and not designated as fair value through profit or loss. After initial measurement, financial liabilities are measured at amortized cost using the effective interest method.

- *Financial liabilities measured at fair value through profit or loss*

  Financial liabilities measured at fair value through profit or loss are financial liabilities that are classified as held for trading or designated as fair value through profit or loss.

3. IKHTISAR KEBIJAKAN AKUNTANSI YANG PENTING (Lanjutan)

b. Aset dan liabilitas keuangan (lanjutan)

b.1. Pengakuan dan pengukuran (lanjutan)

Tabel berikut menyajikan klasifikasi instrumen keuangan Bank berdasarkan karakteristik dari instrumen keuangan tersebut:

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Financial assets and liabilities (continued)

b.1. Recognition and measurement (continued)

The following table presents classification of financial instruments of the Bank based on characteristics of those financial instruments:

Instrumen keuangan	Klasifikasi/*Classification*	*Financial instruments*
Aset keuangan:		***Financial assets:***
Kas	Pinjaman yang diberikan dan piutang/ *Loans and receivables*	*Cash*
Giro pada Bank Indonesia	Pinjaman yang diberikan dan piutang/ *Loans and receivables*	*Current accounts with Bank Indonesia*
Giro pada bank- bank lain	Pinjaman yang diberikan dan piutang/ *Loans and receivables*	*Current accounts with other banks*
Penempatan pada Bank Indonesia dan bank-bank lain	Pinjaman yang diberikan dan piutang/ *Loans and receivables*	*Placements with Bank Indonesia and other banks*
Aset derivatif	Aset keuangan diukur pada nilai wajar melalui laba rugi/*Financial assets measured at fair value through profit or loss*	*Derivative assets*
Tagihan akseptasi	Pinjaman yang diberikan dan piutang/ *Loans and receivables*	*Acceptance receivables*
Efek-efek untuk tujuan investasi	Investasi yang dimiliki hingga jatuh tempo, pinjaman yang diberikan dan piutang, dan aset keuangan tersedia untuk dijual/ *Held-to-maturity investments, loans and receivables, and available-for-sale financial assets*	*Investment securities*
Efek-efek yang dibeli dengan janji dijual kembali	Pinjaman yang diberikan dan piutang/ *Loans and receivables*	*Securities purchased under agreements to resell*
Kredit yang diberikan	Pinjaman yang diberikan dan piutang/ *Loans and receivables*	*Loans receivable*
Bunga masih akan diterima dan setoran jaminan (bagian dari aset lain-lain)	Pinjaman yang diberikan dan piutang/ *Loans and receivables*	*Interest receivables and security deposits (part of other assets)*

3. IKHTISAR KEBIJAKAN AKUNTANSI YANG PENTING (Lanjutan)

b. Aset dan liabilitas keuangan (lanjutan)

b.1. Pengakuan dan pengukuran (lanjutan)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Financial assets and liabilities (continued)

b.1. Recognition and measurement (continued)

Instrumen keuangan	Klasifikasi/*Classification*	*Financial instruments*
Liabilitas keuangan:		***Financial liabilities:***
Liabilitas segera	Liabilitas yang diukur pada biaya perolehan diamortisasi/*Liabilities measured at amortized cost*	*Liabilities immediately payable*
Simpanan nasabah	Liabilitas yang diukur pada biaya perolehan diamortisasi/*Liabilities measured at amortized cost*	*Deposits from customers*
Simpanan dari bank- bank lain	Liabilitas yang diukur pada biaya perolehan diamortisasi/*Liabilities measured at amortized cost*	*Deposits from other banks*
Liabilitas derivatif	Liabilitas diukur pada nilai wajar melalui laba rugi/*Liabilities measured at fair value through profit or loss*	*Derivative liabilities*
Efek-efek yang dijual dengan janji dibeli kembali	Liabilitas yang diukur pada biaya perolehan diamortisasi/*Liabilities measured at amortized cost*	*Securities sold under agreements to repurchase*
Liabilitas akseptasi	Liabilitas yang diukur pada biaya perolehan diamortisasi/*Liabilities measured at amortized cost*	*Acceptance payables*
Pinjaman yang diterima	Liabilitas yang diukur pada biaya perolehan diamortisasi/*Liabilities measured at amortized cost*	*Borrowings*
Efek-efek yang diterbitkan	Liabilitas yang diukur pada biaya perolehan diamortisasi/*Liabilities measured at amortized cost*	*Securities issued*
Beban masih harus dibayar (bagian dari liabilitas lain-lain dan beban yang masih harus dibayar)	Liabilitas yang diukur pada biaya perolehan diamortisasi/*Liabilities measured at amortized cost*	*Accrued expenses (part of other liabilities and accrued expenses)*
Pinjaman subordinasi	Liabilitas yang diukur pada biaya perolehan diamortisasi/*Liabilities measured at amortized cost*	*Subordinated loans*

3. IKHTISAR KEBIJAKAN AKUNTANSI YANG PENTING (Lanjutan)

b. Aset dan liabilitas keuangan (lanjutan)

b.2. Penghentian pengakuan

Bank menghentikan pengakuan aset keuangan pada saat hak kontraktual atas arus kas yang berasal dari aset keuangan tersebut kadaluwarsa, atau Bank mentransfer seluruh hak untuk menerima arus kas kontraktual dari aset keuangan dalam transaksi dimana Bank secara substansial telah mentransfer seluruh risiko dan manfaat atas kepemilikan aset keuangan yang ditransfer. Setiap hak atau kewajiban atas aset keuangan yang ditransfer yang timbul atau yang masih dimiliki oleh Bank diakui sebagai aset atau liabilitas secara terpisah.

Bank menghentikan pengakuan liabilitas keuangan pada saat liabilitas yang ditetapkan dalam kontrak dilepaskan atau dibatalkan atau kadaluwarsa.

Dalam transaksi dimana Bank secara substantial tidak memiliki atau tidak mentransfer seluruh risiko dan manfaat atas kepemilikan aset keuangan, Bank menghentikan pengakuan aset tersebut jika Bank tidak lagi memiliki pengendalian atas aset tersebut. Hak dan kewajiban yang timbul atau yang masih dimiliki dalam transfer tersebut diakui secara terpisah sebagai aset atau liabilitas. Dalam transfer dimana pengendalian atas aset masih dimiliki, Bank tetap mengakui aset yang ditransfer tersebut sebesar keterlibatan berkelanjutan, dimana tingkat keberlanjutan Bank dalam aset yang ditransfer adalah sebesar perubahan nilai aset yang ditransfer.

Bank menghapusbukukan aset keuangan dan cadangan kerugian penurunan nilai terkait, pada saat Bank menentukan bahwa aset keuangan tersebut tidak dapat ditagih. Keputusan ini diambil setelah Bank melakukan berbagai upaya untuk memperoleh kembali aset keuangan tersebut serta mempertimbangkan kondisi debitur/penerbit aset keuangan antara lain yaitu telah terjadinya perubahan signifikan pada posisi keuangan debitur/penerbit aset keuangan sehingga debitur/penerbit aset keuangan tidak lagi dapat melunasi kewajibannya, atau hasil penjualan agunan tidak akan cukup untuk melunasi seluruh eksposur kredit yang diberikan.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Financial assets and liabilities (continued)

b.2. Derecognition

The Bank derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or when the Bank transfers the rights to receive the contractual cash flows from the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Bank is recognized as a separate asset or liability.

The Bank derecognizes a financial liability when its contractual obligations are discharged or cancelled or expired.

In transactions in which the Bank neither retains nor transfers substantially all the risks and rewards of ownership of a financial asset, the Bank derecognizes the asset if it does not retain control over the asset. The rights and obligations retained in the transfer are recognized separately as assets and liabilities as appropriate. In transfers in which control over the asset is retained, the Bank continues to recognize the asset to the extent of its continuing involvement, determined by the extent to which it is exposed to changes in the value of the transferred asset.

The Bank writes off a financial asset and any related allowance for impairment losses, when the Bank determines that the financial asset is uncollectible. This determination is reached after the Bank had undertaken various efforts to obtain back the financial asset as well as considering condition of the borrower/financial asset issuer among others are the occurrence of significant changes in the financial position of borrower/financial asset issuer such that the borrower/financial asset issuer can no longer pay the obligation, or the proceeds from collateral will not be sufficient to pay back the entire exposure.

3. IKHTISAR KEBIJAKAN AKUNTANSI YANG PENTING (Lanjutan)

b. Aset dan liabilitas keuangan (lanjutan)

b.3. Saling hapus

Aset keuangan dan liabilitas keuangan saling hapus dan nilai netonya disajikan dalam laporan posisi keuangan jika, dan hanya jika, Bank memiliki hak yang berkekuatan hukum untuk melakukan saling hapus atas jumlah yang telah diakui tersebut dan berniat untuk menyelesaikan secara neto atau untuk merealisasikan aset dan menyelesaikan liabilitas secara simultan.

Hak saling hapus harus tidak kontinjen atas peristiwa di masa depan dan dapat dipaksakan secara hukum dalam situasi bisnis yang normal dan dalam peristiwa gagal bayar, atau peristiwa kepailitan atau kebangkrutan Bank atau pihak lawan.

Pendapatan dan beban disajikan dalam jumlah neto hanya jika diperkenankan oleh standar akuntansi.

b.4. Pengukuran biaya perolehan

Biaya perolehan diamortisasi dari aset keuangan atau liabilitas keuangan adalah jumlah aset atau liabilitas keuangan yang diukur pada saat pengakuan awal, dikurangi pembayaran pokok, ditambah atau dikurangi dengan amortisasi kumulatif dengan menggunakan metode suku bunga efektif yang dihitung dari selisih antara nilai awal dan nilai jatuh temponya, dan dikurangi penyisihan kerugian penurunan nilai.

Tingkat suku bunga efektif adalah suku bunga yang secara tepat mendiskontokan estimasi arus kas di masa datang selama perkiraan umur dari aset keuangan atau liabilitas keuangan (atau jika lebih tepat, digunakan periode yang lebih singkat) untuk memperoleh nilai tercatat bersih pada pengakuan awal. Pada saat menghitung tingkat suku bunga efektif, Bank mengestimasi arus kas di masa datang dengan mempertimbangkan seluruh persyaratan kontraktual dalam instrumen keuangan tersebut, namun tidak mempertimbangkan kerugian kredit di masa mendatang.

Perhitungan suku bunga efektif mencakup biaya transaksi dan seluruh imbalan/provisi dan bentuk lain yang dibayarkan atau diterima yang merupakan bagian tak terpisahkan dari suku bunga efektif.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Financial assets and liabilities (continued)

b.3. Offsetting

Financial assets and financial liabilities are offset and the net amount is presented in the statement of financial position if, and only if, the Bank has an enforceable legal rights to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default in solvency or bankruptcy of the Bank or the counterparty.

Income and expenses are presented on a net basis only when permitted by accounting standards.

b.4. Amortized cost measurement

The amortized cost of a financial asset or liability is the amount at which the financial asset or liability is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between the initial amount recognized and the maturity amount, and minus any allowance for impairment losses.

The effective interest rate is the rate that exactly discounts the estimated future cash flows through the expected life of the financial asset or financial liability (or, where appropriate, a shorter period) to the net carrying amount on initial recognition. When calculating the effective interest rate, the Bank estimates future cash flows considering all contractual terms of the financial instrument, but does not consider any future credit losses.

The calculation of the effective interest rate includes transaction costs and all fees and provisions paid or received that are an integral part of the effective interest rate.

3. IKHTISAR KEBIJAKAN AKUNTANSI YANG PENTING (Lanjutan)

b. Aset dan liabilitas keuangan (lanjutan)

b.5. Pengukuran nilai wajar

Nilai wajar adalah harga yang akan diterima untuk menjual suatu aset atau harga yang akan dibayar untuk mengalihkan suatu liabilitas dalam transaksi teratur *(orderly transaction)* antara pelaku pasar *(market participants)* pada tanggal pengukuran di pasar utama atau, jika tidak terdapat pasar utama, di pasar yang paling menguntungkan dimana Bank memiliki akses pada tanggal tersebut. Nilai wajar liabilitas mencerminkan risiko wanprestasinya.

Jika tersedia, Bank mengukur nilai wajar instrumen keuangan dengan menggunakan harga kuotasian di pasar aktif untuk instrumen tersebut. Suatu pasar dianggap aktif jika transaksi atas aset dan liabilitas terjadi dengan frekuensi dan volume yang memadai untuk menyediakan informasi penentuan harga secara berkelanjutan.

Jika harga kuotasian tidak tersedia di pasar aktif, Bank menggunakan teknik penilaian dengan memaksimalkan penggunaan *input* yang dapat diobservasi dan relevan dan meminimalkan penggunaan *input* yang tidak dapat diobservasi. Teknik penilaian yang dipilih menggabungkan semua faktor yang diperhitungkan oleh pelaku pasar dalam penentuan harga transaksi.

Bukti terbaik atas nilai wajar instrumen keuangan pada saat pengakuan awal adalah harga transaksi, yaitu nilai wajar dari pembayaran yang diberikan atau diterima. Jika Bank menetapkan bahwa nilai wajar pada pengakuan awal berbeda dengan harga transaksi dan nilai wajar tidak dapat dibuktikan dengan harga kuotasian di pasar aktif untuk aset atau liabilitas yang identik atau berdasarkan teknik penilaian yang hanya menggunakan data dari pasar yang dapat diobservasi, maka nilai wajar instrumen keuangan pada saat pengakuan awal disesuaikan untuk menangguhkan perbedaan antara nilai wajar pada saat pengakuan awal dan harga transaksi. Setelah pengakuan awal, perbedaan tersebut diakui dalam laba rugi berdasarkan umur dari instrumen tersebut namun tidak lebih lambat dari saat penilaian tersebut didukung sepenuhnya oleh data pasar yang dapat diobservasi atau saat transaksi ditutup.

Jika aset atau liabilitas yang diukur pada nilai wajar memiliki harga penawaran dan harga permintaan, maka Bank mengukur aset dan posisi *long* berdasarkan harga penawaran dan mengukur liabilitas dan posisi *short* berdasarkan harga permintaan.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Financial assets and liabilities (continued)

b.5. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal market or, in its absence, the most advantageous market to which the Bank has access at that date. The fair value of a liability reflects its non-performance risk.

When available, the Bank measures the fair value of a financial instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Bank uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The best evidence of the fair value of a financial instrument at initial recognition is normally the transaction price, i.e., the fair value of the consideration given or received. If the Bank determines that the fair value at initial recognition differs from the transaction price and the fair velue is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value at initial recognition and the transaction price. Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Bank measures assets and long positions at a bid price and liabilities and short positions at an ask price.

3. **IKHTISAR KEBIJAKAN AKUNTANSI YANG PENTING (Lanjutan)**

b. **Aset dan liabilitas keuangan (lanjutan)**

b.5. Pengukuran nilai wajar (lanjutan)

Portofolio aset keuangan dan liabilitas keuangan yang diukur pada nilai wajar, yang terekspos risiko pasar dan risiko kredit yang dikelola oleh Bank berdasarkan eksposur netonya baik terhadap risiko pasar ataupun risiko kredit, diukur berdasarkan harga yang akan diterima untuk menjual posisi *net long* (atau dibayar untuk mengalihkan posisi *net short*) untuk eksposur risiko tertentu. Penyesuaian pada level portofolio tersebut dialokasikan pada aset dan liabilitas individual berdasarkan penyesuaian risiko relatif dari masing-masing instrumen individual di dalam portofolio.

c. **Giro pada Bank Indonesia dan bank-bank lain**

Setelah pengakuan awal, giro pada Bank Indonesia dan bank-bank lain diukur sebesar biaya perolehan diamortisasi dengan menggunakan metode suku bunga efektif.

d. **Penempatan pada Bank Indonesia dan bank-bank lain**

Setelah pengakuan awal, penempatan pada Bank Indonesia dan bank-bank lain diukur sebesar biaya perolehan diamortisasi dengan menggunakan metode suku bunga efektif.

e. **Efek-efek yang Dibeli dengan Janji Dijual Kembali**

Efek-efek yang dibeli dengan janji dijual kembali merupakan transaksi dimana Bank membeli aset keuangan dan secara simultan masuk ke dalam perjanjian untuk menjual kembali aset (atau aset yang serupa secara substansial) dengan harga tetap di masa depan.

Setelah pengakuan awal, efek-efek yang dibeli dengan janji dijual kembali diukur pada biaya perolehan diamortisasi. Selisih antara harga beli dan harga jual kembali diakui sebagai pendapatan bunga dengan menggunakan metode suku bunga efektif.

Efek-efek yang dibeli tidak diakui dalam laporan posisi keuangan karena Bank tidak memiliki risiko dan manfaat dari efek-efek tersebut.

f. **Efek-efek untuk tujuan investasi**

Efek-efek untuk tujuan investasi pada saat pengakuan awal diukur pada nilai wajar ditambah biaya transaksi dan setelah pengakuan awal diukur sesuai dengan klasifikasinya masing-masing, sebagai tersedia untuk dijual, dimiliki hingga jatuh tempo, atau pinjaman yang diberikan dan piutang.

3. ***SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)***

b. Financial assets and liabilities (continued)

b.5. Fair value measurement (continued)

Portfolios of financial assets and financial liabilities measured at fair value, that are exposed to market risk and credit risk that are managed by the Bank on the basis of the net exposure to either market or credit risk, are measured on the basis of a price that would be received to sell a net long position (or paid to transfer a net short position) for a particular risk exposure. Those portfolio-level adjustments are allocated to the individual assets and liabilities on the basis of the relative risk adjustment of each of the individual instruments in the portfolio.

c. Current accounts with Bank Indonesia and other banks

Subsequent to initial recognition, current accounts with Bank Indonesia and other banks are measured at amortized cost using effective interest method.

d. Placements with Bank Indonesia and other banks

Subsequent to initial recognition, placements with Bank Indonesia and other banks are measured at amortized cost using the effective interest method.

e. Securities Purchased under Agreements to Resell

Securities purchased under agreements to resell are transactions in which the Bank purchases a financial asset and simultaneously enters into an agreement to resell the asset (or substantially similar asset) at a fixed price on a future date.

Subsequent to initial recognition, securities purchased under agreements to resell are measured at amortized cost. The difference between purchase and resale price is recognized as interest income using the effective interest method.

Purchased securities are not recognized in the statement of financial position because the Bank does not retain the risk and rewards of such securities.

f. Investment Securities

Investment securities are initially measured at fair value plus transaction costs and subsequently accounted for in accordance with their classification, as either available-for-sale, held-to-maturity or loans and receivables.

3. IKHTISAR KEBIJAKAN AKUNTANSI YANG PENTING (Lanjutan)

f. Efek-efek untuk tujuan investasi (lanjutan)

Setelah pengakuan awal, efek-efek untuk tujuan investasi yang diklasifikasikan ke dalam kelompok tersedia untuk dijual disajikan sebesar nilai wajarnya. Keuntungan atau kerugian yang belum direalisasi akibat perubahan nilai wajar, setelah dikurangi pajak, diakui di dalam penghasilan komprehensif lain dan disajikan sebagai bagian ekuitas. Selisih antara harga jual dan nilai tercatat dari efek-efek untuk tujuan investasi diakui sebagai keuntungan atau kerugian pada tahun dimana efek-efek tersebut dijual.

Pendapatan bunga diakui dalam laba rugi dengan menggunakan metode suku bunga efektif. Laba atau rugi selisih kurs atas efek-efek utang yang tersedia untuk dijual diakui pada laba rugi tahun berjalan.

Setelah pengakuan awal, efek-efek untuk tujuan investasi yang diklasifikasikan ke dalam kelompok dimiliki hingga jatuh tempo atau pinjaman yang diberikan dan piutang disajikan sebesar biaya perolehan diamortisasi dengan menggunakan metode suku bunga efektif.

Penjualan atau reklasifikasi dalam jumlah yang lebih dari jumlah yang tidak signifikan dari investasi pada efek-efek dalam kelompok dimiliki hingga jatuh tempo yang belum mendekati tanggal jatuh tempo, akan menyebabkan reklasifikasi atas semua investasi pada efek-efek yang dimiliki hingga jatuh tempo ke dalam kelompok tersedia untuk dijual, dan Bank tidak diperkenankan untuk mengklasifikasikan efek-efek sebagai dimiliki hingga jatuh tempo untuk tahun berjalan dan untuk kurun waktu dua tahun mendatang.

Premi atau diskonto diamortisasi dengan menggunakan metode suku bunga efektif.

Laba atau rugi yang direalisasi dari penjualan efek-efek untuk tujuan investasi dihitung berdasarkan metode identifikasi spesifik dan dibebankan atau dikreditkan pada laba rugi.

g. Instrumen derivatif

Instrumen keuangan derivatif diakui sebesar nilai wajar pada laporan posisi keuangan. Nilai wajar ditentukan berdasarkan harga pasar, model penentuan harga opsi atau harga pasar instrumen lain yang memiliki karakteristik serupa. Derivatif dicatat sebagai aset apabila nilai wajarnya positif dan sebagai liabilitas apabila nilai wajamya negatif.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

f. Investments securities (continued)

Subsequent to initial recognition, investment securities classified as available-for-sale are stated at fair value. Unrealized gains or losses from changes in fair value, net of tax, are recognized in other comprehensive income and presented in equity section. The difference between the selling price and the carrying value of the investment securities is recognized as gain or loss in the year when realized.

Interest income is recognized in profit or loss using the effective interest method. Foreign exchange gains or losses on available-for-sale debt securities are recognized in the current year profit or loss.

Subsequent to initial recognition, investment securities classified as held-to-maturity or loans and receivables are stated at amortized cost using effective interest method.

Any sell or reclassification of a more than insignificant amount of held-to-maturity investment securities not close to their maturity date, would result in the reclassification of all held-to-maturity investment securities as available-for-sale, and prevent the Bank from classifying investment securities as held-to-maturity for the current year and the following two financial years.

Premiums or discounts are amortized using effective interest method.

Realized gains or losses from selling investment securities are calculated based on the specific identification method and charged or credited to profit or loss.

g. Derivative instruments

Derivative financial instruments are recognized in the statement of financial position at their fair value. Fair value is determined based on market value, option pricing models or quoted prices of other instruments with similar characteristics. Derivatives are recorded as assets when the fair value is positive and liabilities when the fair value is negative.

3. IKHTISAR KEBIJAKAN AKUNTANSI YANG PENTING (Lanjutan)

g. Instrumen derivatif (lanjutan)

Keuntungan atau kerugian yang terjadi dari perubahan nilai wajar kontrak derivatif diakui pada laba rugi.

h. Kredit yang diberikan

Setelah pengakuan awal, kredit yang diberikan diukur pada biaya perolehan diamortisasi dengan menggunakan metode suku bunga efektif. Biaya perolehan diamortisasi dihitung dengan memperhitungkan biaya transaksi yang merupakan bagian tidak terpisahkan dari suku bunga efektif.

Kredit sindikasi dinyatakan sebesar biaya perolehan diamortisasi sesuai dengan porsi partisipasi risiko yang ditanggung oleh Bank dalam sindikasi.

Bank mencatat restrukturisasi kredit bermasalah berdasarkan jenis restrukturisasi.

Dalam restrukturisasi kredit bermasalah yang dilakukan dengan penerimaan aset (termasuk kepentingan ekuitas debitur), Bank mencatat aset tersebut (termasuk kepentingan ekuitas) sebesar nilai wajarnya pada saat restrukturisasi. Kelebihan nilai tercatat kredit yang diberikan di atas nilai wajar aset yang diterima setelah dikurangi estimasi beban untuk menjual aset tersebut, diakui sebagai kerugian dalam laba rugi.

Dalam hal restrukturisasi kredit bermasalah dilakukan hanya dengan modifikasi persyaratan kredit, Bank mencatat dampak restrukturisasi tersebut secara prospektif dan tidak mengubah nilai tercatat kredit yang diberikan pada tanggal restrukturisasi, kecuali jika jumlahnya melebihi nilai kini penerimaan kas masa depan yang ditentukan dalam persyaratan baru. Jika nilai kini penerimaan kas masa depan sebagaimana yang ditentukan dalam persyaratan baru dari kredit yang direstrukturisasi tersebut lebih rendah daripada nilai tercatat kredit yang diberikan sebelum direstrukturisasi, Bank mengurangkan saldo kredit yang diberikan ke suatu jumlah yang sama dengan jumlah nilai kini penerimaan kas masa depan. Jumlah pengurangan tersebut diakui sebagai cadangan kerugian penurunan nilai individual.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

g. Derivative instruments (continued)

Gain or loss as a result of fair value changes on a derivative contract is recognized in profit or loss.

h. Loans receivable

Subsequent to initial recognition, loans receivable are measured at amortized cost using the effective interest method. Amortized cost is calculated by taking into account transaction costs that are an integrel part of effective interest rate.

Syndicated loans are stated at amortized cost which represents the Bank's risk participation in the syndication.

The Bank accounts for troubled debt restructuring in accordance with the type of restructuring.

In troubled debt restructuring which involves a repossession of assets (including an equity interest of the debtor), the Bank records those assets (including an equity interest) at their fair values at the time of restructuring. The excess of the carrying amount of the loans over the fair value of assets received less estimated costs to sell, is recognized as a loss in profit or loss.

In troubled debt restructuring which only involves modification of the credit terms, the Bank accounts for the restructuring's effect prospectively and does not change the carrying amount of the loans at the time of restructuring unless the amount exceeds the present value of the total future cash receipts specified in the new terms. If the present value of the total future cash receipts specified in the new terms is lower than the carrying amount of the loans prior to restructuring, the Bank reduces the loans balance to the amount equal to the present value of the total future cash receipts. The amount of the reduction is recognized as individual allowance for impairment losses.

3. IKHTISAR KEBIJAKAN AKUNTANSI YANG PENTING (Lanjutan)

i. Tagihan dan liabilitas akseptasi

Setelah pengakuan awal, tagihan dan liabilitas akseptasi diukur sebesar biaya perolehan diamortisasi dengan menggunakan metode suku bunga efektif.

j. Penurunan nilai aset keuangan dan non-keuangan

Penurunan nilai aset keuangan

Pada setiap tanggal pelaporan, Bank mengevaluasi apakah terdapat bukti objektif bahwa aset keuangan atau kelompok aset keuangan yang tidak dicatat pada nilai wajar melalui laba rugi mengalami penurunan nilai. Aset keuangan atau kelompok aset keuangan diturunkan nilainya dan kerugian penurunan nilai telah terjadi jika, dan hanya jika, terdapat bukti objektif mengenai penurunan nilai tersebut sebagai akibat dari satu atau lebih peristiwa yang terjadi setelah pengakuan awal aset tersebut (peristiwa yang merugikan), yang berdampak pada estimasi arus kas masa depan atas aset keuangan atau kelompok aset keuangan yang dapat diestimasi secara handal.

Bukti objektif penurunan nilai meliputi indikasi kesulitan keuangan signifikan yang dialami penerbit atau debitur, wanprestasi atau tunggakan pembayaran pokok atau bunga restrukturisasi kredit dengan persyaratan yang tidak mungkin diberikan jika debitur tidak mengalami kesulitan keuangan, kemungkinan bahwa debitur akan dinyatakan pailit atau melakukan restrukturisasi keuangan lainnya, dan data yang dapat diobservasi mengindikasikan adanya penurunan yang dapat diukur atas estimasi arus kas masa datang, terkait dengan kelompok aset keuangan seperti memburuknya status pembayaran debitur atau penerbit dalam kelompok tersebut atau kondisi ekonomi yang berkorelasi dengan wanprestasi atas aset dalam kelompok tersebut.

Bank menentukan bukti penurunan nilai atas aset keuangan secara individual dan kolektif. Evaluasi penurunan nilai secara individual dilakukan terhadap aset keuangan yang signifikan secara individual.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i. Acceptance receivables and payables

Subsequent to initial recognition, acceptance receivables and payables are measured at their amortized cost using the effective interest method.

j. Impairment of financial and non-financial assets

Impairment of financial assets

The Bank assesses whether there is any objective evidence that a financial asset or a group of financial assets not carried at fair value through profit or loss is impaired at each reporting date. A financial asset or a group of financial assets is deemed to be impaired and the value is reduced if, and only if, there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (an incurred 'loss event') which has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated.

Objective evidence of impairment may include indications that the debtors or issuers are experiencing significant financial difficulty, default or delinquency in interest or principal payments, loan restructuring with terms that may not be applied if the debtor is not experiencing financial difficulty, the probability that the debtor will enter bankruptcy or other financial restructuring, and observable data indicate that there is a measurable decrease in the estimated future cash flows relating to a group of assets such as adverse changes in the payment status of the debtor or issuer in the group or economic conditions that correlate with defaults in the asset in such group.

The Bank considers evidence of impairment for financial assets at both an individual asset and collective level. All individually significant financial assets are assessed for specific impairment.

3. IKHTISAR KEBIJAKAN AKUNTANSI YANG PENTING (Lanjutan)

j. Penurunan nilai aset keuangan dan non-keuangan (lanjutan)

Penurunan nilai aset keuangan (lanjutan)

Jika terdapat bukti objektif bahwa penurunan nilai telah terjadi, jumlah kerugian diukur sebagai selisih antara nilai tercatat aset dan nilai kini dari estimasi arus kas masa datang yang didiskonto menggunakan suku bunga efektif awal dari aset keuangan tersebut. Perhitungan nilai kini dari estimasi arus kas masa datang atas aset keuangan dengan agunan mencerminkan arus kas yang dapat dihasilkan dari pengambilalihan agunan dikurangi biaya-biaya untuk memperoleh dan menjual agunan, terlepas apakah pengambilalihan tersebut berpeluang terjadi atau tidak.

Jika Bank menentukan tidak terdapat bukti objektif mengenai penurunan nilai atas aset keuangan yang dinilai secara individual, terlepas aset keuangan tersebut signifikan atau tidak, maka Bank memasukkan aset tersebut ke dalam kelompok aset keuangan yang memiliki karakteristik risiko kredit yang sejenis dan menilai penurunan nilai kelompok tersebut secara kolektif. Arus kas masa datang dari kelompok keuangan yang penurunan nilainya dievaluasi secara kolektif, diestimasi berdasarkan kerugian historis yang pernah dialami atas aset-aset yang memiliki risiko kredit yang serupa dengan karakteristik risiko kredit kelompok tersebut di Bank. Aset yang penurunan nilainya dinilai secara individual dan untuk itu kerugian penurunan nilai diakui atau tetap diakui, tidak termasuk dalam penilaian penurunan nilai secara kolektif.

Penyisihan kerugian penurunan nilai secara kolektif dihitung dengan menggunakan metode statistik dari data historis berupa *probability of default* di masa lalu, waktu pengembalian, dan jumlah kerugian yang terjadi *(loss given default)* dan *loss identification period*. Bank menggunakan metode analisis model statistik, yaitu *migration analysis method* dan *net flow rate method* untuk penilaian penurunan nilai aset keuangan secara kolektif.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

j. Impairment of financial and non-financial assets (continued)

Impairment of financial assets (continued)

If there is an objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted using the financial asset's original effective interest rate. The calculation of the estimated future cash flows of a collateralized financial asset reflects the cash flows that may result from foreclosure less costs for obtaining and selling the collateral, whether or not foreclosure is probable.

If the Bank determines that there is no objective evidence of impairment for an individually assessed financial asset, whether significant or not, the Bank includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. The future cash flows of group of financial assets that are collectively assessed are estimated based on historical loss experience of assets with similar credit risk characteristics of the group in Bank. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognized are not included in a collective assessment of impairment.

The allowance for impairment losses which is collectively assessed is calculated using statistical method of the historical data such as the probability of defaults, time of recoveries, and the amount of loss incurred (loss given default), and loss identification period. The Bank uses statistical model analysis method, i.e. migration analysis method and net flow rate method to collectively assess financial assets impairment.

3. IKHTISAR KEBIJAKAN AKUNTANSI YANG PENTING (Lanjutan)

j. Penurunan nilai aset keuangan dan non-keuangan (lanjutan)

Penurunan nilai aset keuangan (lanjutan)

Nilai tercatat aset keuangan diturunkan melalui akun penyisihan dan jumlah kerugian yang terjadi diakui pada laba rugi. Pendapatan bunga tetap diakui atas nilai tercatat yang telah diturunkan tersebut berdasarkan suku bunga efektif awal yang digunakan untuk mendiskonto arus kas masa datang dari aset tersebut untuk perhitungan kerugian penurunan nilai. Jika pada periode berikutnya, jumlah estimasi kerugian penurunan nilai meningkat atau menurun karena peristiwa yang terjadi setelah pengakuan kerugian penurunan nilai, maka kerugian penurunan nilai yang sudah diakui sebelumnya dinaikkan atau diturunkan dengan menyesuaikan akun penyisihan.

Kerugian penurunan nilai atas efek-efek yang tersedia untuk dijual diakui dengan mengeluarkan kerugian kumulatif yang telah diakui secara langsung dalam penghasilan komprehensif lain ke laba rugi sebagai penyesuaian reklasifikasi. Jumlah kerugian kumulatif yang direklasifikasi dari penghasilan komprehensif lain ke laba rugi merupakan selisih antara biaya perolehan, setelah dikurangi pelunasan pokok dan amortisasi, dengan nilai wajar kini, dikurangi kerugian penurunan nilai aset keuangan yang sebelumnya telah diakui pada laba rugi.

Perubahan cadangan kerugian penurunan nilai yang dapat diatribusikan pada nilai waktu (*time value*) tercermin sebagai komponen pendapatan bunga.

Jika, pada periode berikutnya, nilai wajar instrumen utang yang diklasifikasikan dalam kelompok tersedia untuk dijual yang mengalami penurunan nilai meningkat dan peningkatan tersebut dapat secara obyektif dihubungkan dengan peristiwa yang terjadi setelah pengakuan kerugian penurunan nilai pada laba rugi, maka kerugian penurunan nilai tersebut harus dipulihkan dan pemulihan tersebut diakui pada laba rugi tahun berjalan.

Jika persyaratan kredit, piutang atau investasi yang dimiliki hingga jatuh tempo dinegosiasi ulang atau dimodifikasi karena debitur atau penerbit mengalami kesulitan keuangan, maka penurunan nilai diukur dengan suku bunga efektif awal yang digunakan sebelum persyaratan diubah.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

j. Impairment of financial and non-financial assets (continued)

Impairment of financial assets (continued)

The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognized in profit or loss. Interest income continues to be recognized on the reduced carrying amount and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring impairment loss. If, in subsequent period, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognized, the previously recognized impairment loss is increased or reduced by adjusting the allowance account.

Impairment losses on available-for-sale investment securities are recognized by transferring the cumulative loss that has been recognized directly in other comprehensive income to profit or loss as a reclassification adjustment. The cumulative loss that is reclassified from other comprehensive income to profit or loss is the difference between the acquisition cost, net of any principal repayment and amortization, and the current fair value, less any impairment loss previously recognized in profit or loss.

Changes in allowance for impairment losses attributable to time value are reflected as a component of interest income.

If, in a subsequent period, the fair value of an impaired available-for-sale debt instrument increases and the increase can be related objectively to an event occurring after the impairment loss was recognized in profit or loss, the impairment loss is reversed, with the amount of reversal recognized in the current year profit or loss.

If the terms of a loan, receivable or held-to-maturity investment are renegotiated or otherwise modified because of financial difficulties of the borrower or issuer, impairment is measured using the original effective interest rate before the modification of terms.

3. IKHTISAR KEBIJAKAN AKUNTANSI YANG PENTING (Lanjutan)

j. Penurunan nilai aset keuangan dan non-keuangan (lanjutan)

Penurunan nilai aset non-keuangan (lanjutan)

Nilai tercatat dari aset non-keuangan Bank ditelaah pada setiap tanggal pelaporan untuk menentukan ada tidaknya indikasi penurunan nilai. Jika terdapat indikasi penurunan nilai, maka Bank akan melakukan estimasi jumlah yang dapat dipulihkan.

Jumlah yang dapat dipulihkan dari suatu aset adalah sebesar jumlah yang lebih tinggi antara nilai pakainya dan nilai wajar aset dikurangi biaya untuk menjual. Dalam menentukan nilai pakai, estimasi arus kas masa depan didiskontokan ke nilai sekarang dengan menggunakan tingkat diskonto sebelum pajak yang mencerminkan penilaian pasar kini atas nilai waktu dari uang dan risiko yang terkait dengan aset yang bersangkutan.

Kerugian penurunan nilai diakui jika nilai tercatat dari suatu aset melebihi nilai yang dapat diperoleh kembali. Kerugian penurunan nilai diakui pada laba rugi.

Kerugian penurunan nilai yang diakui pada periode sebelumnya dinilai pada setiap tanggal pelaporan untuk melihat adanya indikasi bahwa kerugian telah menurun atau tidak ada lagi. Kerugian penurunan nilai dijurnal balik ketika terdapat perubahan estimasi yang digunakan dalam menentukan nilai yang dapat dipulihkan. Jumlah kerugian penurunan nilai yang dibalik tidak boleh menyebabkan nilai aset melebihi nilai tercatat neto setelah penyusutan atau amortisasi, seandainya tidak ada kerugian penurunan nilai yang diakui.

k. Aset tetap

Aset tetap dinyatakan sebesar harga perolehan dikurangi akumulasi penyusutan, kecuali biaya pengurusan legal hak atas tanah ketika tanah diperoleh pertama kali diakui sebagai bagian biaya perolehan tanah dan tidak disusutkan.

Kendaraan bermotor dan inventaris kantor disusutkan dengan metode saldo menurun ganda (*double declining method*), sedangkan bangunan dan prasarana disusutkan berdasarkan metode garis lurus (*straight-line method*), berdasarkan masa manfaat ekonomis aset tetap yang bersangkutan sebagai berikut:

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

j. Impairment of financial and non-financial assets (continued)

Impairment of non-financial assets (continued)

The carrying amount of the Bank's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the assets' recoverable amount is estimated.

The recoverable amount of an asset is the greater of its value in use and its fair value less cost to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risk specific to the assets.

An impairment loss is recognized if the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognized in the profit or loss.

Impeirment losses recognized in prior period are assessed at each reporting date for any indicetions that the losses have decreased or no longer exists. An impairment loss is reversed when there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

k. Fixed assets

Fixed assets are stated at cost less their accumulated depreciation, except for costs relating with legal processing on the land rights are recognized as part of acquisition cost of land and is not depreciated.

Motor vehicles and office equipments are depreciated using double declining balance method, while buildings and leasehold improvements are depreciated using straight-line method, based upon the estimated economic useful lives of the related fixed assets, as follows:

3. IKHTISAR KEBIJAKAN AKUNTANSI YANG PENTING (Lanjutan)

k. Aset tetap (lanjutan)

	Tahun/*Years*	
Bangunan	20	*Buildings*
Inventaris kantor	8	*Office equipments*
Kendaraan bermotor	4	*Motor vehicles*
Prasarana	5 - 10	*Leasehold improvements*

Beban pemeliharaan dan perbaikan dibebankan pada laba rugi pada saat terjadinya. Pemugaran dan penambahan dalam jumlah signifikan dikapitalisasi apabila kemungkinan besar Bank akan mendapatkan manfaat ekonomi masa depan dari aset tersebut yang melebihi standar kinerja yang diperkirakan sebelumnya.

Estimasi masa manfaat ekonomis, metode penyusutan, dan nilai residu dikaji ulang pada setiap akhir periode pelaporan dan disesuaikan secara prospektif.

Biaya perolehan dan akumulasi penyusutan aset tetap yang sudah tidak digunakan lagi atau dijual dikeluarkan dari kelompok aset tetap yang bersangkutan dan laba atau rugi yang terjadi dilaporkan pada laba rugi tahun berjalan.

Aset dalam penyelesaian merupakan aset yang masih dalam proses konstruksi dan belum siap untuk digunakan, serta dimaksudkan untuk digunakan dalam kegiatan usaha. Aset tersebut direklasifikasi ke aset tetap pada saat proses konstruksi selesai dan siap digunakan. Penyusutan mulai dibebankan pada tanggal tersebut.

l. Liabilitas segera

Liabilitas segera merupakan liabilitas Bank yang harus segera dibayarkan kepada pihak lain berdasarkan kontrak atau perintah dari pihak yang mempunyai kewenangan untuk itu. Setelah pengakuan awal, liabilitas segera diukur sebesar biaya perolehan diamortisasi dengan menggunakan metode suku bunga efektif.

m. Simpanan nasabah

Setelah pengakuan awal, giro, tabungan, deposito berjangka, dan deposito *on call* diukur pada biaya perolehan diamortisasi dengan menggunakan metode suku bunga efektif.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

k. Fixed assets (continued)

The cost of repairs and maintenance is charged to profit or loss as incurred. Significant improvement and addition are capitalized when it is probable that future economic benefits in excess of the originally assessed standard of performance of the assets exist.

Estimated economic useful lives, depreciation method, and residual value are reviewed at end of each reporting period and adjusted prospectively, if appropriate.

When assets are retired or otherwise disposed of, their cost and the related accumulated depreciation are removed from the accounts and any resulting gain or loss is recognized in the current year profit or loss.

The construction in progress consists of assets that are still in progress of construction and not yet ready for use and are intended to be used in business activity. These assets are reclassified to fixed assets when the construction is completed and ready for use. Depreciation is charged from such date.

l. Liabilities immediately payable

Liabilities immediately payable represent obligations to third parties based on contract or order by those having authority that have to be settled immediately. Subsequent to initial recognition, liabilities immediately payable are measured at amortized cost using effective interest rate method.

m. Deposits from customers

Subsequent to initial recognition, current accounts, saving accounts, time deposits, and deposits on call are measured at amortized cost using the effective interest method.

3. IKHTISAR KEBIJAKAN AKUNTANSI YANG PENTING (Lanjutan)

n. Simpanan dari bank-bank lain

Simpanan dari bank-bank lain terdiri dari liabilitas terhadap bank-bank lain, baik lokal maupun luar negeri, dalam bentuk giro, tabungan, *interbank call money*, dan deposito berjangka.

Setelah pengakuan awal, simpanan dari bank-bank lain diukur pada biaya perolehan diamortisasi dengan menggunakan metode suku bunga efektif.

o. Efek-efek yang dijual dengan janji dibeli kembali

Efek-efek yang dijual dengan janji dibeli kembali merupakan transaksi dimana Bank menjual aset keuangan dan secara simultan masuk kedalam perjanjian untuk membeli kembali aset (atau aset yang serupa secara substansial) dengan harga tetap dimasa depan.

Setelah pengakuan awal, efek-efek yang dijual dengan janji dibeli kembali diukur pada biaya perolehan diamortisasi. Selisih antara harga jual dan harga pembelian kembali diakui sebagai beban bunga dengan menggunakan metode suku bunga efektif. Efek-efek yang dijual tidak dihentikan pengakuannya dalam laporan posisi keuangan karena Bank tetap memiliki risiko dan manfaat dari efek-efek tersebut.

p. Pinjaman yang diterima

Pinjaman yang diterima merupakan dana yang diterima dari bank lain dengan kewajiban pembayaran kembali sesuai dengan persyaratan perjanjian pinjaman.

Setelah pengakuan awal, pinjaman yang diterima diukur pada biaya perolehan diamortisasi dengan menggunakan metode suku bunga efektif.

q. Efek-efek yang diterbitkan

Efek-efek yang diterbitkan merupakan obligasi diterbitkan.

Setelah pengakuan awal, efek-efek yang diterbitkan diukur pada biaya perolehan diamortisasi dengan menggunakan metode suku bunga efektif.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

n. Deposits from other banks

Deposits from other banks represent liabilities to local and overseas banks in the form of current accounts, saving accounts, interbank call money, and time deposits.

Subsequent to initial recognition, deposits from other banks are measured at amortized cost using the effective interest method.

o. Securities sold under agreements to repurchase

Securities sold under agreements to repurchase are transactions in which the Bank sells a financial asset and simultaneously enters into agreement to repurchase the assets (or substantially similar asset) at a fixed price on a future date.

Subsequent to initial recognition, securities sold under agreements to repurchase are measured at amortized cost. The difference between sale and repurchase price is recognized as interest expense using the effective interest rate method. Sold securities are not derecognized in the statements of financial position because the Bank retains the risks and rewards of such securities.

p. Borrowings

Borrowings are funds received from other banks with payment obligation based on the borrowing agreement.

Subsequent to initial recognition, borrowings are measured at amortized cost using the effective interest method.

q. Securities issued

Securities issued represents bond issued.

Subsequent to initial recognition, securities issued are measured at amortized cost using the effective interest method.

3. IKHTISAR KEBIJAKAN AKUNTANSI YANG PENTING (Lanjutan)

r. Pinjaman subordinasi

Setelah pengakuan awal, pinjaman subordinasi diukur pada biaya perolehan diamortisasi dengan menggunakan metode suku bunga efektif.

s. Pendapatan dan beban bunga

Untuk seluruh instrumen keuangan diukur pada biaya perolehan diamortisasi dan aset keuangan berbunga yang diklasifikasikan sebagai tersedia untuk dijual, pendapatan maupun beban bunga diakui pada laba rugi dengan menggunakan metode suku bunga efektif. Perhitungan dilakukan dengan memperhitungkan seluruh syarat dan ketentuan kontraktual dari instrumen keuangan dan biaya tambahan yang timbul secara langsung untuk instrumen tersebut dan merupakan bagian tidak terpisahkan dari suku bunga efektif.

t. Provisi dan komisi

Pendapatan dan beban provisi dan komisi atas aset dan liabilitas keuangan yang merupakan bagian tidak terpisahkan dari suku bunga efektif, dimasukkan dalam perhitungan suku bunga efektif. Pendapatan dan beban ini diamortisasi sepanjang ekspektasi umur aset atau liabilitas keuangan, atau selama periode risiko.

Provisi dan komisi lainnya diakui sebagai pendapatan dan beban pada saat terjadinya transaksi, dan jika terkait dengan jasa dalam kurun waktu tertentu, maka akan diamortisasi sepanjang waktu tersebut.

Beban provisi dan komisi lainnya yang terutama terkait dengan provisi transaksi antar bank diakui sebagai beban pada saat jasa tersebut diterima.

u. Pajak penghasilan

Beban pajak penghasilan terdiri dari beban pajak kini dan beban pajak tangguhan. Beban pajak kini dan pajak tangguhan diakui pada laba rugi kecuali untuk *item* yang diakui secara langsung di ekuitas atau dalam penghasilan komprehensif lain.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

r. Subordinated loans

Subsequent to initial recognition, subordinated loan is measured at amortized cost using the effective interest method.

s. Interest income and expenses

For all financial instruments measured at amortized cost and interest earning financial assets classified as available-for-sale, interest income or expense is recognized in profit or loss using the effective interest method. The calculation takes into account all contractual terms of the financial instrument and includes any fees or incremental costs that are directly attributable to the instrument and are an integral part of the effective interest.

t. Fees and commissions

Fees and commissions income and expense of financial assets and liabilities, which are an integral part of the effective interest rate are included in the calculation of effective interest rate. These income end expense are amortized during the expected life of financial assets or liabilities or during the period of the risk.

Other fees and commissions are recognized as income and expense at the transaction date, and if associated with services in a specified period, they will be amortized over the period.

Other fees and commission expense which are mainly related to inter bank transaction fees are expensed as the services are received.

u. Income tax

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in profit or loss except to the extent that they relate to items recognized directly in equity or in other comprehensive income.

3. IKHTISAR KEBIJAKAN AKUNTANSI YANG PENTING (Lanjutan)

u. Pajak penghasilan (lanjutan)

Beban pajak kini merupakan estimasi utang atau restitusi pajak yang dihitung atas laba kena pajak untuk tahun yang bersangkutan dengan menggunakan tarif pajak yang secara substantif telah berlaku pada tanggal pelaporan, dan penyesuaian-penyesuaian lainnya atas provisi pajak pada tahun-tahun sebelumnya, baik untuk disesuaikan dengan pajak penghasilan yang dilaporkan pada laporan pajak tahunan, atau dengan perbedaan yang timbul dari pemeriksaan pajak. Utang atau restitusi pajak kini diukur berdasarkan estimasi terbaik atas jumlah yang diharapkan akan dibayar atau diterima dengan mempertimbangkan ketidakpastian yang melekat pada kompleksitas peraturan-peraturan pajak.

Pajak tangguhan diakui atas perbedaan temporer antara nilai tercatat aset dan liabilitas untuk tujuan pelaporan keuangan, dan nilai yang digunakan untuk tujuan perpajakan. Pajak tangguhan diukur dengan menggunakan tarif pajak yang diharapkan untuk diterapkan atas perbedaan temporer pada saat pembalikan, berdasarkan peraturan yang berlaku atau secara substantif berlaku pada tanggal pelaporan. Metode ini juga mengharuskan pengakuan manfaat pajak masa depan, seperti kompensasi rugi fiskal, apabila besar kemungkinan manfaat pajak tersebut dapat direalisasi.

Aset pajak tangguhan dikaji ulang pada setiap tanggal pelaporan dan dikurangkan dengan manfaat pajak sejumlah nilai yang besar kemungkinan tidak dapat direalisasi; pengurangan tersebut akan dibalik ketika kemungkinan mendapatkan laba kena pajak di masa depan meningkat.

Aset pajak tangguhan yang belum diakui dinilai ulang pada setiap tanggal laporan dan diakui apabila besar kemungkinan besar laba kena pajak masa depan akan tersedia untuk digunakan.

Dalam menentukan jumlah pajak kini dan tangguhan, Bank memperhitungkan dampak atas posisi pajak yang tidak pasti dan tambahan pajak serta penalti.

Koreksi atas kewajiban pajak diakui pada saat surat ketetapan pajak diterima atau apabila diajukan keberatan dan atau banding, maka koreksi diakui pada saat keputusan atas keberatan atau banding itu diterima.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

u. Income tax (continued)

Current tax is the expected tax payable or refundable on taxable income for the year, using tax rates substantively enacted as of the reporting date, and includes true-up adjustments made to the previous years' tax provisions either to reconcile them with the income tax reported in annual tax returns, or to account for differences arising from tax assessments. Current tax payable or refundable is measured using the best estimate of the amount expected to be paid or received, taking into consideration the uncertainty associated with the complexity of tax regulations.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes, and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or subtantively enacted at the reporting date. This method also requires the recognition of future tax benefits, such as tax loss carry forwards, to the extent that realization of such benefits is probable.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized; such reductions are reversed when the probability of future taxable profit improves.

Unrecognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has became probable that future taxable profits will be available against which they can be used.

In determining the amount of current and deferred tax, the Bank takes into account the impact of uncertain tax positions and any additional taxes and penalties.

Amendments to tax obligation are recognized when tax assessment is received or if objection and or appeal is applied, when the results of the objection or appeal are received.

3. IKHTISAR KEBIJAKAN AKUNTANSI YANG PENTING (Lanjutan)

v. Imbalan kerja karyawan

Imbalan kerja karyawan jangka pendek

Liabilitas imbalan kerja jangka pendek merupakan bonus karyawan yang akan diselesaikan dalam jangka waktu satu tahun.

Liabilitas imbalan kerja jangka pendek diukur berdasarkan jumlah tidak terdiskonto dan dibebankan pada saat jasa tersebut diberikan.

Liabilitas diakui untuk jumlah yang akan dibayar sebagai bonus jangka pendek jika Bank memiliki kewajiban hukum atau kewajiban konstruktif atas pembayaran beban tersebut sebagai akibat dari jasa masa lalu yang diberikan oleh pekerja dan kewajiban tersebut dapat diestimasi secara handal.

Imbalan pascakerja karyawan

Liabilitas imbalan pascakerja dihitung sebesar nilai kini dari estimasi jumlah liabilitas imbalan pascakerja di masa depan yang timbul dari jasa yang telah diberikan oleh karyawan pada masa kini dan masa lalu. Perhitungan dilakukan oleh aktuaris independen dengan metode *projected-unit-credit.*

Laba atau rugi yang timbul dari pengukuran kembali aktuarial dari kewajiban manfaat bersih pasti diakui segera dalam penghasilan komprehensif lain. Ketika manfaat atas program berubah atau ketika terjadi kurtailmen program, dampak perubahan atas manfaat sehubungan dengan jasa lalu atau keuntungan atau kerugian atas kurtailmen diakui segera dalam laba rugi.

w. Transaksi dan saldo dengan pihak-pihak berelasi

Dalam kegiatan usaha normalnya, Bank melakukan transaksi dengan pihak-pihak berelasi seperti yang didefinisikan dalam PSAK 7, "Pengungkapan Pihak-pihak Berelasi".

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

v. Employee benefits

Short-term employee benefits

Short-term employee benefit obligation represents employee bonus which will be paid within one year.

Short-term employee benefit obligation is measured on an undiscounted basis and are expensed at the time the related service is provided.

A liability is recognised for the amount expected to be paid under short-term bonus if the Bank has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Post-employment benefits

The obligation for post-employment benefits is calculated at present value of estimated future benefits that the employees have earned in return for their services in the current and prior periods. The calculation is performed by an independent actuary using the projected-unit-credit method.

Gains or losses arising from actuarial measurements of the net defined benefit liability are recognized immediately in other comprehensive income. When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in profit or loss.

w. Transactions and balances with related parties

In its normal course of business, the Bank enters into transactions with related parties as defined under PSAK 7, "Related Party Disclosures".

3. IKHTISAR KEBIJAKAN AKUNTANSI YANG PENTING (Lanjutan)

x. Penjabaran transaksi dan saldo dalam mata uang asing

Transaksi-transaksi dalam mata uang asing dijabarkan ke dalam Rupiah, yang merupakan mata uang fungsional Bank, dengan menggunakan kurs pada tanggal transaksi.

Saldo akhir tahun aset moneter dan liabilitas moneter dalam mata uang asing dijabarkan ke dalam Rupiah dengan menggunakan kurs laporan (penutupan) yang ditetapkan oleh Bank Indonesia yaitu kurs tengah yang merupakan rata-rata kurs beli dan kurs jual berdasarkan Reuters pada pukul 16.00 WIB.

Keuntungan dan kerugian selisih kurs yang timbul dari transaksi dalam mata uang asing dan dari penjabaran aset moneter dan liabilitas moneter dalam mata uang asing diakui pada laba rugi tahun berjalan.

Keuntungan atau kerugian kurs mata uang asing atas aset moneter dan liabilitas moneter merupakan selisih antara biaya perolehan diamortisasi dalam Rupiah pada awal tahun, disesuaikan dengan suku bunga efektif dan pembayaran selama tahun berjalan, dan biaya perolehan diamortisasi dalam mata uang asing yang dijabarkan ke dalam Rupiah dengan menggunakan kurs pada akhir tahun.

Kurs mata uang asing utama yang digunakan pada tanggal 31 Desember 2019 dan 2018 adalah sebagai berikut (Rupiah penuh):

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

x. Foreign currency transactions and balances translations

Transactions in foreign currencies are transleted into Rupiah, the Bank's functional currency, using the rates prevailing at the transaction date.

Year-end balances of monetary assets and monetary liabilities denominated in foreign currencies are translated into Rupiah using exchange rates as of the reporting date (closing) as determined by Bank Indonesia i.e middle rates which are the average of buying rates and selling rates per Reuters at 16:00 Western Indonesian Time.

The exchange gains and losses arising from transactions in foreign currencies and from the translation of monetary assets and monetary liabilities denominated in foreign currencies are recognized in current year profit or loss.

The foreign currency gain or loss on monetary assets and monetary liabilities is the difference between the amortized cost in Rupiah at the beginning of the year, adjusted for effective interest and payments during the year, and the amortized cost in the foreign currency translated into Rupiah at the exchange rate at the end of the year.

The major exchange rates used as of 31 December 2019 and 2018 were as follows (whole Rupiah):

		2019	2018	
1	Dolar Amerika Serikat (USD)	13.882,50	14.380,00	*1 United States Dollar (USD)*
1	Yuan China (RMB)	1.994,00	2.090,57	*1 Chinese Yuan (RMB)*
1	Dolar Australia (AUD)	9.725,39	10.162,35	*1 Australian Dollar (AUD)*
1	Dolar Singapura (SGD)	10.315,05	10.554,91	*1 Singapore Dollar (SGD)*
1	Dolar Hong Kong (HKD)	1.782,75	1.836,28	*1 Hong Kong Dollar (HKD)*
1	Poundsterling Inggris (GBP)	18.238,14	18.311,50	*1 British Poundsterling (GBP)*
1	Yen Jepang (JPY)	127,81	130,62	*1 Japanese Yen (JPY)*
1	Euro (EUR)	15.570,61	16.440,66	*1 Euro (EUR)*
1	Dolar Selandia Baru (NZD)	9.335,29	9.659,05	*1 New Zealand Dollar (NZD)*

4. MANAJEMEN RISIKO KEUANGAN

a. Pengenalan dan Gambaran Umum

Sejalan dengan Peraturan Otoritas Jasa Keuangan tentang penerapan Manajemen Risiko, fungsi manajemen risiko pada Bank telah terintegrasi dengan menggabungkan pengelolaan risiko kredit, risiko pasar, risiko likuiditas, dan risiko operasional pada satu unit.

Dalam rangka memastikan penerapan fungsi manajemen risiko dan pengendalian intern yang baik, Bank telah membentuk struktur organisasi yang memadai dengan tingkat tanggung jawab yang berbeda.

Kerangka Manajemen Risiko

Pembagian wewenang dan tanggung jawab dalam organisasi dan fungsi manajemen risiko Bank adalah:

i. Dewan Komisaris

Wewenang dan tanggung jawab Komisaris Bank yang berkaitan dengan manajemen risiko meliputi hal-hal sebagai berikut:

- Menyetujui serta mengevaluasi Kebijakan Manajemen Risiko Bank;
- Mengevaluasi arah kebijakan dan strategi manajemen risiko Bank sekurang-kurangnya satu tahun sekali untuk mengidentifikasi terjadinya perubahan pada faktor-faktor yang mempengaruhi kegiatan usaha Bank secara signifikan;
- Mengevaluasi pertanggungjawaban Direksi dan memberikan arahan perbaikan atas pelaksanaan Kebijakan Manajemen Risiko.

ii. Direksi

Wewenang dan tanggung jawab Direksi Bank yang berkaitan dengan manajemen risiko sekurang-kurangnya meliputi antara lain:

- Menyusun Kebijakan Manajemen Risiko Bank dan menyampaikan kebijakan tersebut kepada Dewan Komisaris untuk mendapatkan persetujuan;
- Menyusun, menetapkan, mengevaluasi dan/atau memperbaharui strategi manajemen risiko secara komprehensif yang sesuai dengan ketentuan yang berlaku, termasuk penetapan dan persetujuan limit risiko secara keseluruhan maupun per jenis risiko;

4. FINANCIAL RISK MANAGEMENT

a. Introduction and Overview

In accordance with Otoritas Jasa Keuangan Regulation concerning application of Risk Management, the Bank's risk management function has been integrated by bringing credit, market, liquidity, and operetional risk management under one unit.

In order to ensure implementation of good risk management function and internal control, the Bank has established adequate organization structure with different levels of responsibility.

Risk Management Framework

The segregation of authorities and responsibilities in the organization and risk management function of the Bank are:

i. The Board of Commissioners

Authorities and responsibilities of the Bank's commissioners related to risk management shall cover the following:

- *Approve and evaluate the Bank's Risk Management Policy;*
- *Evaluate the Bank's policy and strategy of risk management at least once a year to identify any change in factors that significantly affect the Bank's business activities;*
- *Evaluate accountability of the Directors and provide guidance of improvement in implementation of Risk Management Policy.*

ii. The Board of Directors

The authorities and responsibilities of the Bank's Board of Directors related to risk management at least consist of:

- *Prepare the Bank's Risk Management Policy and submit it to the Board of Commissioners for obtaining an approval;*
- *Arrange, establish, evaluate and/or update risk managemant strategy comprehensively in line with the prevailing regulations, including determination and approval of risk limits, both overall risk limits and limits on specific types of risk;*

4. MANAJEMEN RISIKO KEUANGAN (Lanjutan)

a. Pengenalan dan Gambaran Umum (lanjutan)

Kerangka Manajemen Risiko (lanjutan)

ii. Direksi (lanjutan)

- Bertanggung jawab atas pelaksanaan kebijakan manajemen risiko dan eksposur risiko yang diambil oleh Bank secara keseluruhan;
- Mengembangkan budaya manajemen risiko pada seluruh jenjang organisasi, yang meliputi komunikasi yang memadai kepada seluruh jenjang organisasi tentang pentingnya pengendalian internal yang efektif.

iii. Komite Manajemen Risiko

Komite Manajemen Risiko adalah komite yang bersifat non-struktural dalam manajemen risiko, berkedudukan di Kantor Pusat yang membantu Direksi dalam merumuskan kebijakan, mengawasi pelaksanaan kebijakan, memantau perkembangan dan kondisi profil risiko, dan memberikan saran-saran dan langkah perbaikan yang berkaitan dengan manajemen risiko.

Komite Manajemen Risiko diketuai oleh Presiden Direktur, dengan anggota terdiri dari Direksi, Kepala Satuan Kerja Audit Internal, Kepala Departemen yang memimpin Satuan Kerja Manajemen Risiko, dan Kepala Departemen terkait lainnya.

Wewenang dan tanggung jawab Komite Manajemen Risiko antara lain:

- Menyusun kebijakan, strategi, dan pedoman pelaksanaan manajemen risiko, termasuk penetapan limit dan *contingency plan* dalam kondisi tidak normal;
- Memperbaiki atau menyempurnakan pelaksanaan manajemen risiko berdasarkan hasil evaluasi pelaksanaan yang dimaksud;
- Memantau, mengevaluasi, dan menilai perkembangan komposisi profil risiko dalam portofolio Bank, penetapan dan pelaksanaan limit, kecukupan permodalan Bank terhadap eksposur risiko sesuai ketentuan yang berlaku, dan efektivitas pelaksanaan manajemen risiko.

4. FINANCIAL RISK MANAGEMENT (Continued)

a. Introduction and Overview (continued)

Risk Management Framework (continued)

ii. The Board of Directors (continued)

- *Be responsible for the implementation of overall risk management policy and risk exposure of the Bank;*
- *Develop a risk management culture at all levels of the organization, including adequate communication to all levels within the organization on the importance of effective internal control.*

iii. Risk Management Committee

Risk Management Committee is a non-structural committee for risk management, located in Head Office assisting the Board of Directors in formulating policy, supervising the implementation of the policy, monitoring the development and condition of risk profile, and providing recommendations and corrective actions related to risk management.

Risk Management Committee is led by President Director, which members consist of Board of Directors, Head of Internal Audit, Department Head who leads the Risk Management Unit, and other related Department Heads.

Authorities and responsibilities of Risk Management Committee consist of:

- *Arrange policy, strategy, and implementation of risk management guideline, including determination of limit and contingency plan under abnormal condition;*
- *Improve or enhance the implementation of risk management based on the evaluation result;*
- *Monitor, evaluate, and assess the development of risk profile composition of the Bank's portfolio, the determination and implementation of limit, the adequacy of the Bank's capital against risk exposure in accordance with the prevailing regulation, and the effectiveness of risk management implementation.*

4. MANAJEMEN RISIKO KEUANGAN (Lanjutan)

a. Pengenalan dan gambaran umum (lanjutan)

Kerangka Manajemen Risiko (lanjutan)

iv. Departemen Manajemen Risiko

Departemen Manajemen Risiko adalah unit kerja yang memiliki wewenang dan tanggung jawab dalam menjalankan proses manajemen risiko dan independen dari satuan kerja bisnis dan departemen yang menjalankan fungsi pengendalian internal.

Wewenang dan tanggung jawab Departemen Manajemen Risiko antara lain meliputi:

- Memberikan masukan kepada Direksi dalam penyusunan kebijakan, strategi, dan kerangka manajemen risiko;
- Mengembangkan prosedur dan alat untuk mengidentifikasi, mengukur, memantau, dan mengendalikan risiko, serta mendesain dan menerapkan perangkat yang dibutuhkan dalam penerapan manajemen risiko;
- Memantau posisi risiko secara keseluruhan, maupun jenis risiko tertentu serta melakukan *stress testing* untuk mengetahui dampak dari implementasi kebijakan dan strategi manajemen risiko terhadap portofolio atau kinerja Bank secara keseluruhan;
- Melakukan kaji ulang secara berkala untuk memastikan kecukupan kerangka manajemen risiko, keakuratan metodologi penilaian risiko, dan kecukupan sistem informasi manajemen risiko;
- Memberikan rekomendasi kepada satuan kerja bisnis dan/atau Komite Manajemen Risiko terkait penerapan manajemen risiko, antara lain mengenai besaran atau maksimum eksposur risiko yang dapat dipelihara Bank.

Proses dan Penilaian Manajemen Risiko

Proses manajemen risiko mencakup identifikasi, pengukuran, pemantauan, dan pengendalian risiko dengan dukungan sistem informasi manajemen yang memadai.

Pelaksanaan penilaian risiko dilakukan oleh Departemen Manajemen Risiko yang dilaporkan setiap triwulan. Penilaian risiko dilakukan berdasarkan penilaian risiko inheren dan kualitas penerapan manajemen risiko pada setiap risiko yang akan dinilai. Kualitas penerapan manajemen risiko meliputi tata kelola risiko, kerangka manajemen risiko, proses manajemen risiko, kecukupan sumber daya manusia, kecukupan sistem informasi manajemen, dan kecukupan sistem pengendalian risiko.

4. FINANCIAL RISK MANAGEMENT (Continued)

a. Introduction and overview (continued)

Risk Management Framework (continued)

iv. Risk Management Department

Risk Management Department is a unit, which has authorities and responsibilities in implementing risk management process and independent from business units and department conducting the internal control function.

Authorities and responsibilities of Risk Management Department consist of:

- *Provide input to the Board of Directors in formulating risk management policy, strategy, and framework;*
- *Develop procedures and tools to identify, measure, monitor, and control risks, as well as to design and implement the tools required in the implementation of risk management;*
- *Monitor both overall risk exposure and specific type of risk, and conduct stress testing to ascertain the impact of implementation of risk management policy and strategy to the overall portfolio or performance of the Bank;*
- *Conduct periodic review to ensure adequacy of risk management framework, accuracy of risk assessment methodology, and adequacy of risk management information system;*
- *Provide recommendation to business units and/or the Risk Management Committee related to the risk management implementation, such as on the size or maximum risk exposures that could be maintained by the Bank.*

Risk Management Process and Assessment

Risk management process consists of identification, measurement, monitoring, and controlling risks supported by adequate management information system.

The risk assessment is conducted by Risk Management Department and reported on a quarterly basis. The risk assessment is performed based on the assessment of inherent risk and quality of risk management implementation on each risk assessed. The quality of risk management implementation covers risk governance, risk management framework, risk management process, adequacy of human resources, adequacy of management information system, and adequacy of risk control system.

4. MANAJEMEN RISIKO KEUANGAN (Lanjutan)

a. Pengenalan dan gambaran umum (lanjutan)

Kerangka Manajemen Risiko (lanjutan)

iv. Departemen Manajemen Risiko (lanjutan)

Proses dan Penilaian Manajemen Risiko (lanjutan)

Risiko yang wajib dikelola Bank seperti yang tercantum pada Kebijakan Manajemen Risiko adalah risiko kredit, risiko pasar, risiko likuiditas, risiko operasional, risiko hukum, risiko stratejik, risiko kepatuhan, dan risiko reputasi.

b. Risiko Kredit

Risiko kredit didefinisikan sebagai risiko yang terjadi akibat kegagalan pihak debitur dan/atau pihak lain dalam memenuhi kewajiban kepada Bank. Risiko kredit dapat bersumber dari berbagai aktivitas bisnis Bank. Selain pada aktivitas pemberian kredit, risiko kredit dapat berasal dari berbagai instrumen keuangan seperti kredit yang diberikan, efek-efek, akseptasi, transaksi antar bank, transaksi nilai tukar dan derivatif, transaksi pembiayaan perdagangan, dan kewajiban komitmen dan kontinjensi dengan risiko kredit.

Penerapan manajemen risiko kredit berlandaskan pada Kebijakan dan Prosedur Risiko Kredit Bank yang mencakup ketentuan Otoritas Jasa Keuangan ("OJK") dan juga kebijakan internal. Kebijakan dan prosedur internal dikaji ulang secara berkala agar sejalan dengan perubahan-perubahan ketentuan perbankan, perkembangan usaha Bank dan kondisi perekonomian.

Pelaksanaan penilaian risiko kredit dilakukan Bank atas penilaian terhadap risiko inheren dan kualitas penerapan manajemen risiko. Parameter yang digunakan sebagai dasar penilaian risiko inheren terdiri dari komposisi portofolio aset dan tingkat konsentrasi, kualitas penyediaan dana dan kecukupan pencadangan, strategi penyediaan dana dan sumber timbulnya penyediaan dana, dan faktor eksternal. Berdasarkan penilaian tersebut, Unit-unit Pengambil Risiko melakukan tindak lanjut, agar komposisi portfolio tidak terkonsentrasi pada sektor ataupun debitur besar tertentu, mempertahankan kualitas penyediaan dana pada tingkat risiko yang dipandang aman, mempertahankan kecukupan pencadangan, memastikan bahwa pemberian kredit dan pengambilan keputusan kredit telah dikelola secara memadai dan sesuai dengan limit yang telah ditetapkan.

4. FINANCIAL RISK MANAGEMENT (Continued)

a. Introduction and overview (continued)

Risk Management Framework (continued)

iv. Risk Management Department (continued)

Risk Management Process and Assessment (continued)

The risks managed by the Bank as stipulated in the Risk Management Policy consist of credit risk, market risk, liquidity risk, operational risk, legal risk, strategic risk, compliance risk, and reputation risk.

b. Credit Risk

Credit risk is defined as the risk arising from default of debtors and/or other parties to settle their liabilities to the Bank. Credit risk may arise from various business operations of the Bank. In addition to credit lending ectivities, credit risk may arise from various financial instruments, such as loans receivable, securities, acceptances, interbank transactions, foreign exchange transaction and derivatives, trade finance transaction, and committed and contingent liabilities with credit risk.

Implementation of credit risk management is governed by the Bank's Credit Risk Policy and Procedure that incorporates the regulations of Otoritas Jase Keuangan ("OJK"), as well as internal policy. Internal policy and procedures are reviewed periodically to reflect changes in the banking reguletions, the Bank's business growth and economic condition.

Credit risk assessment is conducted by the Bank in assessing inherent risk and quality of risk management implementation. Parameters used as the basis for inherent risk assessment consist of composition of asset portfolio and level of concentration, quality of provision of funds and adequacy of provision, funding strategy and source of funding, and external factors. Based on the assessment, Risk Taking Unit will perform follow up actions, so that the composition of the portfolio is not concentrated in certain sectors or large debtors, maintain quality of the funding at the safety level of risk, maintein the adequacy of provision, ensure that the lending process and credit decision have been managed adequately and within the epproved limit.

4. MANAJEMEN RISIKO KEUANGAN (Lanjutan)

b. Risiko Kredit (lanjutan)

Penerapan manajemen risiko yang dilakukan Bank dalam rangka pemantauan dan pengendalian risiko kredit antara lain sebagai berikut:

- Pemberian kredit dan pengambilan keputusan kredit senantiasa mengacu pada kebijakan tertulis yang telah dimiliki Bank mengenai Kebijakan Perkreditan Bank dan kebijakan terkait yang relevan, antara lain Kebijakan Standar Proses Kredit yang mencakup seluruh proses pemberian kredit dan Kebijakan Wewenang Kredit yang mencakup pendelegasian wewenang dan limit wewenang kredit;
- Melakukan analisis terhadap sektor ekonomi/industri berdasarkan risiko dan penetapan limit sektor ekonomi/industri internal, yang bertujuan selain memberikan acuan dalam melakukan pemberian kredit, juga sebagai upaya untuk melakukan diversifikasi dan meningkatkan proses pengelolaan risiko kredit;
- Bank secara berkala melakukan pemantauan terhadap portofolio kredit, antara lain meliputi pemantauan pertumbuhan kredit, kualitas/kolektibilitas kredit, konsentrasi pemberian kredit pada sektor ekonomi, debitur/grup debitur terbesar, dan mata uang;
- Melakukan pemantauan secara intensif dan menyusun solusi penyelesaian terhadap setiap kredit bermasalah termasuk kemungkinan restrukturisasi kredit;
- Melakukan identifikasi risiko kredit pada setiap produk/aktivitas baru, termasuk mitigasi risiko yang diperlukan.

i. Risiko kredit maksimum

Untuk aset keuangan yang diakui di laporan posisi keuangan, eksposur maksimum terhadap risiko kredit sama dengan nilai tercatat. Untuk garansi bank dan *Standby* L/C yang diterbitkan dan L/C serta Surat Kredit Berdokumen Dalam Negeri (SKBDN) yang masih berjalan dan tidak dapat dibatalkan, eksposur maksimum terhadap risiko kredit adalah nilai maksimum yang harus dibayarkan oleh Bank jika kewajiban atas garansi bank, *Standby* L/C, L/C, dan SKBDN tersebut terjadi. Untuk komitmen fasilitas kredit yang diberikan yang belum digunakan, eksposur maksimum terhadap risiko kredit adalah sebesar jumlah komitmen tersebut.

4. FINANCIAL RISK MANAGEMENT (Continued)

b. Credit Risk (continued)

The implementation of the risk management performed by the Bank in order to monitor and control credit risk, among others, are as follows:

- *Credit lending and credit decision always refer to written policies held by the Bank concerning Bank Credit Policy and relevant related policies, such as Credit Process Standard Policy which covers all lending processes and Credit Authority Policy which covers authorities delegation and credit authority limit;*
- *Perform analysis to economic/industry sector based on risk and set up the internal economic/industry sector limit, which aims to provide a reference in lending activity as well as the means to diversify and improve the credit risk management process;*
- *The Bank periodically performs monitoring on loan portfolio, including monitoring on loan growth, loan quality, loan concentration by economic sectors, top debtors/group debtors, and currencies;*
- *Perform intensive monitoring and prepare solution for each non-performing loan, including probability of credit restructuring;*
- *Perform credit risk identification for each new product/activity, including the required risk mitigation.*

i. Maximum credit risk

For financial assets recognized in the statement of financial position, the maximum exposure to credit risk equals their carrying amounts. For the bank guarantee and Standby L/C issued and outstanding irrevocable L/C and domestic L/C (SKBDN), the maximum exposure to credit risk is the maximum amount that the Bank has to pay if the obligation of the bank guarantee, Standby L/C, irrevocable L/C and SKBDN are called upon. For the unused committed loan facilities, the maximum exposure to credit risk is the committed amount.

4. MANAJEMEN RISIKO KEUANGAN (Lanjutan)

b. Risiko Kredit (lanjutan)

i. Risiko kredit maksimum (lanjutan)

Tabel berikut menyajikan eksposur maksimum Bank terhadap risiko kredit untuk instrumen keuangan pada laporan posisi keuangan dan rekening administratif dengan risiko kredit, tanpa memperhitungkan agunan yang dimiliki atau perlindungan kredit lainnya:

4. FINANCIAL RISK MANAGEMENT (Continued)

b. Credit Risk (continued)

i. Maximum credit risk (continued)

The following table presents the Bank's maximum exposure to credit risk of financial instruments in the statement of financial position and off-balance sheet accounts with credit risk, without taking into account any collateral held or other credit enhancement:

	31 Desember/*December* 2019	31 Desember/*December* 2018	
Laporan posisi keuangan			*Statement of financial position*
Giro pada Bank Indonesia	3.144.733	3.848.283	*Current accounts with Bank Indonesia*
Giro pada bank-bank lain	3.622.465	3.456.397	*Current accounts with other banks*
Penempatan pada Bank Indonesia dan bank-bank lain	2.400.863	5.410.777	*Placements with Bank Indonesia and other banks*
Aset derivatif	46.513	267.422	*Derivative assets*
Tagihan akseptasi	200.815	595.160	*Acceptance receivables*
Efek-efek yang dibeli dengan janji dijual kembali	3.513.004	-	*Securities purchased under agreements to resell*
Efek-efek untuk tujuan investasi	3.714.365	3.791.167	*Investment securities*
Kredit yang diberikan	35.276.096	36.542.280	*Loans receivable*
Aset lain-lain	211.863	261.580	*Other assets*
Rekening administratif dengan risiko kredit			*Off-balance sheet accounts with credit risk*
Fasilitas kredit yang diberikan yang belum digunakan - *committed*	5.021.480	9.601.421	*Unused loan facilities - committed*
L/C dan SKBDN yang masih berjalan dan tidak dapat dibatalkan	129.379	265.968	*Outstanding irrevocable L/C and domestic L/C*
Garansi bank dan *Standby* L/C yang diterbitkan	5.612.252	7.326.525	*Bank guarantees and Standby L/C issued*
	62.893.828	71.366.980	

ii. Risiko konsentrasi kredit

Pengungkapan risiko kredit maksimum berdasarkan konsentrasi sebelum memperhitungkan agunan yang dimiliki:

ii. Credit concentration risks

The disclosure on the maximum credit risk by concentration without taking into account any collateral held:

	31 Desember/*December* 2019						
	Pemerintah (termasuk Bank Indonesia)/ *Government (including Bank Indonesia)*	Badan Usaha Milik Negara/*State Owned Enterprises*	Bank/*Banks*	Perusahaan/ *Corporate*	Ritel/ *Retail*	Jumlah/ *Total*	
Laporan posisi keuangan							*Statement of financial position*
Giro pada Bank Indonesia	3.144.733	-	-	-	-	3.144.733	*Current accounts with Bank Indonesia*
Giro pada bank-bank lain	-	-	3.622.465	-	-	3.622.465	*Current accounts with other banks*
Penempatan pada Bank Indonesia dan bank-bank lain	373.956	-	2.026.907	-	-	2.400.863	*Placements with Bank Indonesia and other banks*
Aset derivatif	-	-	46.513	-	-	46.513	*Derivative assets*
Tagihan aksaptasi	-	102.917	-	97.898	-	200.815	*Acceptance receivables*
Efek-efek yang dibeli dengan janji dijual kembali	3.513.004	-	-	-	-	3.513.004	*Securities purchased under agreements to resell*
Efek-efek untuk tujuan investasi	3.530.816	-	175.000	8.549	-	3.714.365	*Investment securities*
Kredit yang diberikan	-	13.058.611	611.815	21.005.879	399.791	35.276.096	*Loans receivable*
Aset lain-lain	29.065	57.192	12.348	111.232	2.026	211.863	*Other assets*
Rekening administratif dengan risiko kredit							*Off-balance sheet accounts with credit risk*
Fasilitas kredit yang diberikan yang belum digunakan - *committed*	-	2.472.313	-	2.245.229	303.938	5.021.480	*Unused loan facilities - committed*
L/C dan SKBDN yang masih berjalan dan tidak dapat dibatalkan	-	27.146	-	102.233	-	129.379	*Outstanding irrevocable L/C and domestic L/C*
Garansi bank dan *Standby* L/C yang diterbitkan	-	-	1.436.858	4.175.084	310	5.612.252	*Bank gurantees and Standby L/C issued*
	10.591.574	15.718.179	8.131.906	27.746.104	706.065	62.893.828	
Persentase	17%	25%	13%	44%	1%	100%	*Percentage*

4. MANAJEMEN RISIKO KEUANGAN (Lanjutan)

b. Risiko Kredit (lanjutan)

4. FINANCIAL RISK MANAGEMENT (Continued)

b. Credit Risk (continued)

	31 Desember/*December* 2018						
	Pemerintah (termasuk Bank Indonesia)/ *Government (including Bank Indonesia)*	Badan Usaha Milik Negara/*State Owned Enterprises*	Bank/*Banks*	Perusahaan/ *Corporate*	Ritel/ *Retail*	Jumlah/ *Total*	
Laporan posisi keuangan							*Statement of financial position*
Giro pada Bank Indonesia	3.848.283	-	-	-	-	3.848.283	*Current accounts with Bank Indonesia*
Giro pada bank-bank lain	-	-	3.456.397	-	-	3.456.397	*Current accounts with other banks*
Penempatan pada Bank Indonesia dan bank-bank lain	3.349.184	-	2.061.593	-	-	5.410.777	*Placements with Bank Indonesia and other banks*
Aset derivatif	-	-	267.422	-	-	267.422	*Derivative assets*
Tagihan akseptasi	-	107.279	-	487.881	-	595.160	*Acceptance receivables*
Efek-efek untuk tujuan investasi	3.781.502	-	5.703	3.962	-	3.791.167	*Investment securities*
Kredit yang diberikan	-	11.147.803	712.676	24.147.619	534.162	36.542.280	*Loans receivable*
Aset lain-lain	42.964	54.455	32.667	126.712	2.782	251.580	*Other assets*
Rekening administratif dengan risiko kredit							*Off-balance sheet accounts with credit risk*
Fasilitas kredit yang diberikan yang belum digunakan - *committed*	-	4.000.255	-	5.249.855	351.311	9.601.421	*Unused loan facilities - committed*
L/C dan SKBDN yang masih berjalan dan tidak dapat dibatalkan	-	69.518	-	196.450	-	265.968	*Outstanding irrevocable L/C and domestic L/C*
Garansi bank dan *Standby* L/C yang diterbitkan	-	63.282	1.438.000	5.824.668	375	7.326.525	*Bank gurantees and Standby L/C issued*
	11.021.933	15.442.592	7.974.458	36.039.347	886.650	71.366.980	
Persentase	16%	22%	11%	50%	1%	100%	*Percentage*

iii. Agunan dan perlindungan kredit lainnya

Sebagai salah satu kebijakan Bank dalam memitigasi risiko kredit, Bank meminta agunan sebagai jaminan pembayaran atas dana yang diberikan oleh Bank. Bank berprinsip bahwa agunan adalah sumber terakhir dari pelunasan kredit, dimana sumber utama pelunasan kredit adalah dana dari hasil usaha debitur.

Pedoman Bank mengenai agunan antara lain mencakup jenis agunan yang dapat diterima sebagai mitigasi risiko kredit, perhitungan rasio jaminan, serta frekuensi penilaian agunan untuk setiap jenis agunan. Penentuan nilai dan jenis agunan yang diminta juga tergantung pada penilaian risiko kredit dari debitur.

Jenis jaminan yang dapat diterima oleh Bank adalah deposito berjangka/setoran kas, *Standby* L/C, tanah dan bangunan (properti - rumah tinggal, komersial, industri, dan dalam konstruksi), tanah kosong, mesin dan peralatan, piutang dagang, persediaan (termasuk komoditi), truk/bis, alat berat, pesawat (untuk tujuan komersil dan *charter*), kapal, mobil, saham, motor dan jaminan perseorangan/perusahaan. Kondisi, legalitas, peruntukan jaminan (sebagai agunan utama dan tambahan) serta rasio jaminan telah diatur dalam kebijakan Bank.

iii. Collateral and other credit enhancements

As one of the Bank's policies in mitigating the credit risk, the Bank requires collateral as guarantee of payment of the funds disbursed by the Bank. The Bank considers collateral as the lest source of credit repayment, whereas the primary source of credit repayment are the funds generated from business operations of the debtors.

The Bank's guideline for collateral regulates the acceptability of the types of collateral, collateral ratio calculation, and frequency of appraisal for each collateral type. The amount and type of collateral required also depends on an assessment of the debtors' credit risk.

The types of collateral which can be accepted by the Bank are time deposit/cash margin, Standby L/C, land and building (properties - residential, commercial, industrial and under construction), vacant land, machinery and equipment, account receivable, inventory (including commodity), truck/bus, heavy equipment, aircraft (for commercial and charter purposes), ship, car, shares, motorcycle and personal/corporate guarantees. The condition, legality, collateral purpose (as main and additional collateral) and collateral ratio are regulated under the Bank's policy.

4. MANAJEMEN RISIKO KEUANGAN (Lanjutan)

b. Risiko Kredit (lanjutan)

iii. Agunan dan perlindungan kredit lainnya (lanjutan)

Bank memitigasi risiko kredit dari derivatif dengan mengunakan *master netting agreements*. Transakasi derivatif dilakukan dengan *International Swaps and Derivatives Association* ("ISDA") *master netting agreements*, dalam kondisi tertentu, misalnya ketika peristiwa kredit seperti wanprestasi terjadi, semua transaksi yang masih berjalan berdasarkan kontrak akan dihentikan. Nilai yang dihentikan dihitung dan hanya satu jumlah yang akan terutang sebagai penyelesaian semua transaksi. Sedangkan mitigasi risiko kredit dari efek-efek yang dibeli dengan janji dijual kembali dilakukan dengan kepemilikan hak atas agunan berupa efek-efek menggunakan *Global Master Repurchase* ("GMRA").

Untuk kredit atau pembiayaan properti, Bank telah menetapkan rasio *Loan to Value* (LTV), yang merupakan rasio antara nilai kredit yang dapat diberikan oleh Bank terhadap nilai agunan pada saat awal pemberian kredit, sesuai dengan ketentuan oleh regulator yang berlaku saat ini.

Tabel berikut menyajikan komposisi kredit yang diberikan (sebelum penyisihan kerugian penurunan nilai) yang mendapatkan manfaat dari agunan, baik sebagian maupun penuh, sebagai mitigasi dari risiko kredit:

4. FINANCIAL RISK MANAGEMENT (Continued)

b. Credit Risk (continued)

iii. Collateral and other credit enhancements (continued)

The Bank mitigates the credit risk of derivatives by entering into master netting agreements. Derivative transactions are entered into under International Swaps and Derivatives Associations ("ISDA") master netting agreements. In general, under ISDA master netting agreements, in certain circumstances, such as when a credit event such as a default accours, all outstanding transactions under the agreements are terminated. The termination value is assessed and only a single amount is due or payable as a settlement of all transacations. While for mitigating credit risk of securities purchased under agreements to resell, the Bank holds collaterel in the form of marketable securities utilizing Global Master Repurchase Agreement ("GMRA").

For property financing, the Bank has set the Loan to Value ratio (LTV), which is defined as the ratio between the value of credit that can be provided by the Bank to the value of the collateral at the time when the loan was given, in accordance with the current prevailing provisions by regulator.

The following table presents the composition of loans receiveble (before allowance for impairment losses) that benefit from such partial or full collateralization as credit risk mitigation:

	2019 Nilai kredit yang diberikan sebelum penyisihan kerugian penurunan nilai/ *Balance of loans receivable before allowance for impairment losses*	2018 Nilai kredit yang diberikan sebelum penyisihan kerugian penurunan nilai/ *Balance of loans receivable before allowance for impairment losses*	Jenis agunan/ *Type of Collateral*	
Dijamin penuh	4.033.696	4.518.738	Kas, *Standby L/C/ Cash, Standby L/C*	*Fully secured*
Dijamin sebagian	23.011.605	24.509.329	Kas, piutang dagang, tanah dan bangunan, aset bergerak, garansi/ *Cash, accounts receivable, land and buildings, moveable assets, guarantees*	*Partially secured*
Tidak memiliki jaminan	8.964.175	8.185.764	-	*Unsecured*
	36.009.476	37.213.831		

4. MANAJEMEN RISIKO KEUANGAN (Lanjutan)

b. Risiko Kredit (lanjutan)

iv. Kualitas aset keuangan

Bank memiliki kebijakan untuk memelihara secara akurat dan konsisten peringkat risiko seluruh portofolio aset keuangan. Hal ini akan memfasilitasi fokus manajemen risiko atas risiko yang ada dan perbandingan eksposur kredit di seluruh lini bisnis, daerah geografis, dan produk. Sistem peringkat ini didukung oleh berbagai analisa keuangan, dikombinasikan dengan informasi pasar yang telah diolah untuk menyediakan masukan utama untuk pengukuran risiko pihak lawan.

v. Evaluasi penurunan nilai

Pertimbangan utama evaluasi penurunan nilai kredit yang diberikan antara lain adalah kualitas aset kredit, kondisi keuangan dan prospek usaha debitur.

Pada tanggal 31 Desember 2019 dan 2018, tabel di bawah menunjukkan kualitas aset keuangan yang belum jatuh tempo dan tidak mengalami penurunan nilai, telah jatuh tempo tetapi tidak mengalami penurunan nilai, dan yang mengalami penurunan nilai:

4. FINANCIAL RISK MANAGEMENT (Continued)

b. Credit Risk (continued)

iv. Quality of financial assets

It is the Bank's policy to maintain accurate and consistent risk ratings across the portfolio of financial assets. This fecilitates focused risk management of the applicable risks and the comparison of credit exposuras ecross all lines of business, geographic regions, and products. The rating system is supported by a variety of financial analytics, combined with processed market information to provide the main inputs for the measurement of counterparty risk.

v. Impairment assessments

The main considerations for the loan impairment assessment consist of asset quality of loan, financial condition end business prospect of debtor.

As of 31 December 2019 and 2018, the table below shows quality of financial assets that are neither past due nor impaired, past due but not impaired, and impaired:

	2019					
	Belum jatuh tempo dan tidak mengalami penurunan nilai/ *Neither past due nor impaired*	Telah jatuh tempo tetapi tidak mengalami penurunan nilai/ *Past due but not impaired*	Mengalami penurunan nilai/ *Impaired*	Penyisihan kerugian penurunan nilai/ *Allowance for impairment losses*	Jumlah/ *Total*	
Giro pada Bank Indonesia	3.144.733	-	-	-	3.144.733	*Current accounts with Bank Indonesia*
Giro pada bank-bank lain	3.622.465	-	-	-	3.622.465	*Current accounts with other banks*
Penempatan pada Bank Indonesia dan bank-bank lain	2.400.863	-	-	-	2.400.863	*Placements with Bank Indonesia and other banks*
Aset derivatif	46.513	-	-	-	46.513	*Derivative assets*
Tagihan akseptasi	200.815	-	-	-	200.815	*Acceptance receivables*
Efek-efek yang dibeli dengan janji dijual kembali	3.513.004	-	-	-	3.513.004	*Securities purchase under agreements to resell*
Efek-efek untuk tujuan investasi	3.714.365	-	-	-	3.714.365	*Investment securities*
Kredit yang diberikan	31.231.014	126.114	4.652.348	(733.380)	35.276.096	*Loans receivable*
Aset lain-lain	169.845	2.180	39.838	-	211.863	*Other assets*
	48.043.617	128.294	4.692.186	(733.380)	52.130.717	

4. MANAJEMEN RISIKO KEUANGAN (Lanjutan)

b. Risiko Kredit (lanjutan)

v. Evaluasi penurunan nilai (lanjutan)

4. FINANCIAL RISK MANAGEMENT (Continued)

b. Credit Risk (continued)

v. Impairment Assessment (continued)

	2018					
	Belum jatuh tempo dan tidak mengalami penurunan nilai/ *Neither past due nor impaired*	Telah jatuh tempo tetapi tidak mengalami penurunan nilai/ *Past due but not impaired*	Mengalami penurunan nilai/ *Impaired*	Penyisihan kerugian penurunan nilai/ *Allowance for impairment losses*	Jumlah/ *Total*	
Giro pada Bank Indonesia	3.848.283	-	-	-	3.848.283	*Current accounts with Bank Indonesia*
Giro pada bank-bank lain	3.456.397	-	-	-	3.456.397	*Current accounts with other banks*
Penempatan pada Bank Indonesia dan bank-bank lain	5.410.777	-	-	-	5.410.777	*Placements with Bank Indonesia and other banks*
Aset derivatif	267.422	-	-	-	267.422	*Derivative assets*
Tagihan akseptasi	595.160	-	-	-	595.160	*Acceptance receivables*
Efek-efek untuk tujuan investasi	3.791.167	-	-	-	3.791.167	*Investment securities*
Kredit yang diberikan	32.348.622	273.434	4.591.775	(671.551)	36.542.280	*Loans receivable*
Aset lain-lain	225.773	2.640	33.167	-	261.580	*Other assets*
	49.943.601	276.074	4.624.942	(671.551)	54.173.066	

- Belum jatuh tempo dan tidak mengalami penurunan nilai: eksposur menunjukkan laba yang tinggi atau stabil, modal dan likuiditas yang memadai, secara umum dibuktikan dengan pembayaran komitmen terhadap Bank dan kreditur lainnya secara tepat waktu. Sumber pembayaran dapat diidentifikasikan secara jelas dan Bank tidak bergantung pada jaminan untuk penyelesaian komitmen masa datang. Hal ini pada umumnya untuk debitur korporasi dengan kualitas kredit peringkat 1 (satu) sesuai klasifikasi OJK dan kredit konsumen yang tidak mengalami keterlambatan pembayaran.

- *Neither past-due nor impaired: exposures exhibit high or stable earnings, adequate capital and liquidity, as generally evidenced by prompt repayment of its commitment with the Bank and other creditors. Source of payments can be clearly identifiable and Bank does not rely on collateral for settlement of its future commitments. This is typically for corporate debtors with grading 1 (one) in accordance with classification per OJK regulation and consumer loans with no delinquency.*

- Telah jatuh tempo tetapi tidak mengalami penurunan nilai: eksposur dimana nasabah dalam tahap awal dari keterlambatan pembayaran dan telah gagal untuk melakukan pembayaran atau pembayaran tidak penuh, sesuai dengan persyaratan kontraktual dalam perjanjian kredit. Hal ini pada umumnya untuk debitur korporasi dengan peringkat 2 sesuai klasifikasi peraturan OJK. Definisi ini tidak termasuk kredit restrukturisasi yang mengalami penurunan nilai namun memiliki kualitas kredit peringkat 2.

- *Past due but not impaired: exposures which the debtor is in the early stages of deliquency and has failed to make a payment, or make partial payment, in accordance with the contractual terms of the loan agreement. These are typically corporate debtors with grading 2 in accordance with classification per OJK regulation. This definition does not include restructured loan with credit quality grading 2.*

4. MANAJEMEN RISIKO KEUANGAN (Lanjutan)

b. Risiko Kredit (lanjutan)

v. Evaluasi penurunan nilai (lanjutan)

- Mengalami penurunan nilai: eksposur telah mengalami penurunan nilai. Bank mempertimbangkan bahwa nasabah tidak mungkin membayar kewajiban kredit secara penuh, atau pemulihannya akan bertumpu pada realisasi agunan apabila ada. Di dalamnya termasuk juga kredit yang dinegosiasikan kembali yang mengalami penurunan nilai namun memiliki kualitas kredit peringkat 1 dan 2. Selain itu, pada umumnya merupakan debitur korporasi dengan peringkat 3 - 5 sesuai klasifikasi peraturan OJK.

Pertimbangan utama atas penilaian penurunan kualitas kredit mencakup keterlambatan pembayaran pokok atau bunga atau kesulitan aliran kas yang dialami oleh debitur/pihak lawan, penurunan peringkat kredit, atau pelanggaran atas persyaratan perjanjian kredit.

c. Risiko Pasar

Risiko pasar adalah risiko terjadinya perubahan harga pasar, seperti tingkat suku bunga dan nilai tukar valuta asing, yang akan mempengaruhi pendapatan Bank atau nilai dari instrumen keuangan yang dimilikinya. Tujuan dari manajemen risiko pasar adalah untuk mengelola dan mengendalikan eksposur risiko pasar dalam parameter yang dapat diterima, dan secara bersamaan mengoptimalkan hasil pengembalian atas risiko yang diambil.

Risiko pasar meliputi risiko suku bunga dan risiko nilai tukar yang timbul dari posisi *trading book* maupun posisi *banking book*. Penerapan manajemen risiko pasar Bank meliputi risiko suku bunga dan risiko nilai tukar.

i. Risiko suku bunga

Risiko tingkat bunga timbul dari adanya kemungkinan bahwa perubahan tingkat suku bunga akan mempengaruhi aliran kas di masa depan atau nilai wajar instrumen keuangan. Posisi ini dipantau secara bulanan untuk memastikan bahwa posisi tersebut tetap dapat dikelola.

Pengelolaan risiko suku bunga dilakukan dengan pemantauan sensitivitas aset dan liabilitas keuangan Bank atas berbagai skenario suku bunga. Skenario yang dilakukan antara lain mencakup kenaikan atau penurunan paralel 100 *basis point* pada kurva imbal hasil. Analisa sensitivitas Bank atas kenaikan atau penurunan suku bunga pasar, dengan asumsi bahwa tidak ada pergerakan asimetris di kurva imbal hasil dan posisi laporan posisi keuangan yang tetap, adalah sebagai berikut:

4. FINANCIAL RISK MANAGEMENT (Continued)

b. Credit Risk (continued)

v. Impairment Assessment (continued)

- *Impaired: exposures have been assessed as impaired. The Bank considers that either the debtor is unlikely to pay its credit obligation in full, or the recovery will be from realizing collaterals if held. This also includes renegotiated loans that are impaired with credit quality grading 1 and 2. Other than that, typically are the corporate debtors with grading 3 - 5 in accordance with classification per OJK regulation.*

The main considerations for the loan impairment assessment include whether any payments of principal or interest are overdue or there are any known difficulties in the cash flows of the debtors/counterparties, credit rating downgrades, or infringement of the original terms of the agreement.

c. Market Risk

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates, will affect the Bank's income or the value of its holdings of financial instruments. The objective of the market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return on risk.

Market risk covers interest rate risk and exchange rate risk arising from trading book position and banking book position. The implementation of market risk management of the Bank covers interest rate risk and exchange rate risk.

i. Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. Positions are monitored on a monthly basis to ensure positions are manageable.

Interest rate risk management is supplemented by monitoring the sensitivity of financial assets and liabilities of the Bank to various interest rate scenarios. Scenarios, among others, include a 100 basis points parallel fall or rise in yield curves. An analysis of the Bank's sensitivity to an increase or decrease in market interest rates, assuming no assymetrical movement in curves and a constant statement of financial position, is as follows:

4. MANAJEMEN RISIKO KEUANGAN (Lanjutan)

c. Risiko Pasar (lanjutan)

i. Risiko suku bunga (lanjutan)

	31 Desember/*December* 2019		31 Desember/*December* 2018		
	Kenaikan paralel 100 basis poin/ *100 basis point-parallel increase*	Penurunan paralel 100 basis poin/ *100 basis point-parallel decrease*	Kenaikan paralel 100 basis poin/ *100 basis point-parallel increase*	Penurunan paralel 100 basis poin/ *100 basis point-parallel decrease*	
Kenaikan (penurunan) pendapatan bunga bersih	(33.805)	33.805	(120.952)	120.952	*Increase (decrease) of net Interest income*

Dari perspektif pendapatan bunga, Bank memiliki sensitivitas yang lebih tinggi dalam portofolio liabilitas karena aset berbunga memiliki durasi yang lebih panjang dan peninjauan kembali suku bunga (*repricing*) kurang sering dibandingkan dengan liabilitas berbunga. Artinya dengan kondisi suku bunga yang cenderung meningkat, marjin yang dihasilkan akan mengecil akibat adanya *repricing* dalam liabilitas. Meskipun demikian, pengaruhnya secara aktual bergantung pada banyak faktor, termasuk apakah terjadi pembayaran kembali yang lebih cepat atau lebih lama dari tanggal kontraktualnya dan variasi dari sensitivitas suku bunga selama periode *repricing* dan di antara berbagai mata uang.

From interest earnings perspective, the Bank has larger interest rate sensitivity in liabilities rather than assets because its interest-earning assets have longer duration and are repriced less frequently than interest bearing liabilities. This means that in rising interest rate environments, margin earned will narrow as liabilities reprice. However, the actual effect will depend on a number of factors, including to the extent to which repayments are made earlier or later than the contractual dates and variations in interest rate sensitivity within repricing periods and among currencies.

Tabel di bawah ini menyajikan aset berbunga dan liabilitas berbunga (bukan untuk tujuan diperdagangkan) Bank pada nilai tercatat, yang dikategorikan menurut mana yang lebih terdahulu antara tanggal *repricing* atau tanggal jatuh tempo kontraktual:

The table below summarizes the Bank's interest-earning assets and interest-bearing liabilities (not for trading purpose) at carrying amounts, categorized by the earlier of contractual repricing or maturity dates:

	31 Desember/*December* 2019							
		Instrumen dengan tingkat suku bunga mengambang/ *Floating rate instruments*		Instrumen dengan tingkat suku bunga tetap/ *Fixed rate instruments*				
	Nilai tercatat/ *Carrying amount*	Hingga 3 bulan/ *Up to 3 months*	3-12 bulan/ *months*	Hingga 3 bulan/ *Up to 3 months*	3-12 bulan/ *months*	> 1- 2 tahun/ *years*	> 2 tahun/ *years*	
Giro pada bank-bank lain	3.622.465	-	-	3.622.465	-	-	-	*Current accounts with other banks*
Penempatan pada Bank Indonesia dan bank-bank lain	2.400.863	-	-	1.073.356	740.263	587.244	-	*Placements with Bank Indonesia and other banks*
Efek-efek yang dibeli dengan janji dijual kembali	3.513.004	-	-	3.513.004	-	-	-	*Securities purchased under agreements to resell*
Efek-efek untuk tujuan investasi	3.714.365	-	-	1.621.507	57.232	51.607	1.984.019	*Investment securities*
Kredit yang diberikan*	36.009.476	24.046.757	1.532.650	26.099	8.258.367	580.610	1.564.993	*Loans receivable**
	49.260.173	24.046.757	1.532.650	9.856.431	9.055.862	1.219.461	3.549.012	
Simpanan nasabah	(26.966.612)	(6.367.776)	-	(16.630.388)	(3.961.207)	(3.055)	(4.186)	*Deposits from customers*
Simpanan dari bank-bank lain	(3.731.791)	(911)	-	(2.542.980)	(1.187.900)	-	-	*Deposits from other banks*
Pinjaman yang diterima	(11.222.532)	(9.473.107)	(694.125)	-	(500.000)	(555.300)	-	*Borrowings*
Surat berharga yang dijual dengan janji dibeli kembali	(2.299.580)	-	-	(667.136)	(1.631.444)	-	-	*Securities sold under agreements to repurchase*
Pinjaman subordinasi	(1.874.138)	(832.950)	(1.041.188)	-	-	-	-	*Subordinated loans*
	(46.093.653)	(16.674.744)	(1.735.313)	(19.840.504)	(7.280.551)	(558.355)	(4.186)	
Jumlah	3.166.520	7.372.013	(202.663)	(9.984.073)	1.775.311	661.106	3.544.826	*Total*

* Sebelum dikurangi penyisihan kerugian penurunan nilai

**Before allowance for impairment losses*

4. MANAJEMEN RISIKO KEUANGAN (Lanjutan)

c. Risiko Pasar (lanjutan)

i. Risiko suku bunga (lanjutan)

4. FINANCIAL RISK MANAGEMENT (Continued)

c. Market Risk (continued)

i. Interest rate risk (lanjutan)

	31 Desember/*December* 2018							
		Instrumen dengan tingkat suku bunga mengambang/ *Floating rate instruments*		Instrumen dengan tingkat suku bunga tetap/ *Fixed rate instruments*				
	Nilai tercatat/ *Carrying amount*	Hingga 3 bulan/ *Up to 3 months*	3-12 bulan/ *months*	Hingga 3 bulan/ *Up to 3 months*	3-12 bulan/ *months*	> 1- 2 tahun/ *years*	> 2 tahun/ *years*	
Giro pada bank-bank lain	3.456.397	-	-	3.456.397	-	-	-	*Current accounts with other banks*
Penempatan pada Bank Indonesia dan bank-bank lain	5.410.777	458.483	-	3.579.146	1.373.148	-	-	*Placements with Bank Indonesia and other banks*
Efek-efek untuk tujuan investasi	3.791.167	-	-	1.356.388	881.925	177.502	1.375.352	*Investment securities*
Kredit yang diberikan*	37.213.831	11.158.828	20.181.956	51.893	991.423	4.429.117	400.614	*Loans receivable**
	49.872.172	11.617.311	20.181.956	8.443.824	3.246.496	4.606.619	1.775.966	
Simpanan nasabah	(30.418.315)	(8.521.981)	(115)	(16.711.471)	(5.172.705)	(5.235)	(6.808)	*Deposits from customers*
Simpanan dari bank-bank lain	(2.227.491)	(1.551)	-	(1.495.414)	(730.526)	-	-	*Deposits from other banks*
Pinjaman yang diterima	(13.780.073)	(12.561.105)	-	-	(1.218.968)	-	-	*Borrowings*
Pinjaman subordinasi	(1.222.300)	(1.222.300)	-	-	-	-	-	*Subordinated loans*
	(47.648.179)	(22.306.937)	(115)	(18.206.885)	(7.122.199)	(5.235)	(6.808)	
Jumlah	2.223.993	(10.689.626)	20.181.841	(9.763.061)	(3.875.703)	4.601.384	1.769.158	*Total*

* Sebelum dikurangi penyisihan kerugian penurunan nilai

**Before allowance for impairment losses*

Berdasarkan perjanjian kredit dengan debitur/nasabah, Bank berhak mengubah besaran suku bunga sewaktu-waktu atas dasar pertimbangan Bank, kecuali untuk kredit-kredit tertentu yang sudah ditetapkan jangka waktu *repricing*.

Based on the loan agreement with debtors/customers, the Bank has the rights to change the interest rates at any time at its discretion, except for certain loans which re-pricing period have been determined.

ii. Risiko nilai tukar

Risiko nilai tukar merupakan risiko dimana nilai instrumen keuangan akan berfluktuasi karena perubahan kurs nilai tukar. Bank telah menetapkan batasan posisi berdasarkan mata uang. Posisi ini dipantau secara harian untuk memastikan bahwa posisi tersebut tetap berada dalam batasan yang telah ditetapkan.

Bank memiliki eksposur risiko mata uang melalui transaksi dalam mata uang asing. Bank memonitor konsentrasi risiko yang terkait dengan tiap mata uang individual sehubungan dengan penjabaran transaksi, aset moneter dan liabilitas moneter dalam mata uang asing ke dalam mata uang fungsional Bank, yaitu Rupiah.

Perhitungan Posisi Devisa Neto (PDN) dilakukan berdasarkan peraturan Bank Indonesia yang berlaku, Bank diwajibkan untuk menjaga posisi devisa neto secara keseluruhan maksimum 20% dari total modal.

ii. Foreign exchange risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. The Bank has set limits on positions by currency. Positions are monitored on a daily basis to ensure positions are maintained within established limits.

The Bank is exposed to currency risk through transections in foreign currencies. The Bank monitors any concentrations of risk in relation to any individual currency in regard to the translation of foreign currency transactions and monetary assets and liabilities into the Bank's functional currency, i.e. Rupiah.

The Net Open Position (NOP) calculation is based on prevailing Bank Indonesia regulation where the Bank is required to maintain the overall net open position at a maximum of 20% from total capital.

4. MANAJEMEN RISIKO KEUANGAN (Lanjutan)

c. Risiko Pasar (lanjutan)

ii. Risiko nilai tukar (lanjutan)

PDN pada tanggal 31 Desember 2019 dan 2018 adalah sebagai berikut:

4. FINANCIAL RISK MANAGEMENT (Continued)

c. Market Risk (continued)

ii. Foreign exchange risk (continued)

NOP as of 31 December 2019 end 2018 was as follows:

	2019			
Mata uang	Aset/ *Assets*	Liabilitas/ *Liabilities*	Posisi Devisa Neto (nilai absolut)/ *Net Open Position (absolute amount)*	*Currency*
KESELURUHAN (LAPORAN POSISI KEUANGAN DAN REKENING ADMINISTRATIF)				*AGGREGATE (STATEMENT OF FINANCIAL POSITION AND OFF-BALANCE SHEET ACCOUNTS)*
Dolar Amerika Serikat	27.962.367	27.822.980	139.387	*United States Dollar*
Yuan China	1.430.850	1.431.235	385	*Chinese Yuan*
Euro Eropa	3.109	1.939	1.170	*European Euro*
Dolar Singapura	5.610	17.125	11.515	*Singapore Dollar*
Dolar Australia	6.687	6.086	601	*Australian Dollar*
Dolar Hong Kong	1.945	1.067	878	*Hong Kong Dollar*
Poundsterling Inggris	5.275	4.524	751	*British Poundsterling*
Yen Jepang	1.131	747	384	*Japanese Yen*
Dolar Selandia Baru	524	474	50	*New Zealand Dollar*
			155.121	
Jumlah Modal (Catatan 4f)			7.403.980	*Total Capital (Note 4f)*
Rasio PDN (Keseluruhan)			2,10%	*NOP Ratio (Aggregate)*

	2018			
Mata uang	Aset/ *Assets*	Liabilitas/ *Liabilities*	Posisi Devisa Neto (nilai absolut)/*Net Open Position (absolute amount)*	*Currency*
KESELURUHAN (LAPORAN POSISI KEUANGAN DAN REKENING ADMINISTRATIF)				*AGGREGATE (STATEMENT OF FINANCIAL POSITION AND OFF-BALANCE SHEET ACCOUNTS)*
Dolar Amerika Serikat	34.120.530	34.144.988	24.458	*United States Dollar*
Yuan China	1.426.797	1.383.693	43.104	*Chinese Yuan*
Euro Eropa	2.285	2.702	417	*European Euro*
Dolar Singapura	24.433	24.792	359	*Singapore Dollar*
Dolar Australia	6.805	7.010	205	*Australian Dollar*
Dolar Hong Kong	4.015	1.117	2.898	*Hong Kong Dollar*
Poundsterling Inggris	4.436	4.773	337	*British Poundsterling*
Yen Jepang	693	797	104	*Japanese Yen*
Dolar Selandia Baru	407	249	158	*New Zealand Dollar*
			72.040	
Jumlah Modal (Catatan 4f)*			6.430.227	*Total Capital (Note 4f)**
Rasio PDN (Keseluruhan)			1,12%	*NOP Ratio (Aggregate)*

Sesuai dengan peraturan Bank Indonesia yang berlaku, penempatan berjangka pada Bank Indonesia dalam valuta asing dapat menjadi pengurang PDN secara keseluruhan. Pada tanggal 31 Desember 2019, setelah memperhitungkan penempatan berjangka pada Bank Indonesia dalam valuta asing, rasio PDN Bank adalah sebesar 2,10% (2018: 0,00%).

Based on prevailing Bank Indonesia regulation, foreign currency placements in term deposit with Bank Indonesia can be deducted from aggregate NOP. As of 31 December 2019, after deducting foreign currency placements in term deposit with Bank Indonesia, the Bank's NOP ratio was 2.10% (2018: 0.00%).

*Setelah penyajian kembali (Lihat Catatan 33)

**After restatement (See Note 33)*

4. MANAJEMEN RISIKO KEUANGAN (Lanjutan)

d. Risiko Likuiditas

Risiko likuiditas adalah risiko akibat ketidakmampuan Bank untuk memenuhi liabilitas yang jatuh tempo dari sumber pendanaan arus kas dan/atau dari aset likuid berkualitas tinggi yang dapat diagunkan, tanpa mengganggu aktivitas dan kondisi keuangan Bank.

Sisa jatuh tempo kontraktual dari liabilitas keuangan

Pada tanggal 31 Desember 2019 dan 2018, nilai nominal bruto arus kas masuk (keluar) berdasarkan sisa jatuh tempo kontraktual liabilitas keuangan adalah sebagai berikut:

4. FINANCIAL RISK MANAGEMENT (Continued)

d. Liquidity Risk

Liquidity risk is the risk caused by the inability of the Bank to settle liabilities at due date from cash flow funding sources and/or high quality liquid assets that could be collateralized, without disrupting the activities and financial condition of the Bank.

Residual contractual maturities of financial liabilities

As of 31 December 2019 and 2018, the gross nominal cash inflow (outflow) based on contractual remaining maturity of the financial liabilities were as follows:

	2019					
	Nilai tercatat/ *Carrying amount*	Nilai nominal bruto arus kas masuk (keluar)/ *Gross nominal cash inflow (outflow)*	Kurang dari 3 bulan/ *Less than 3 months*	3-12 bulan/ *months*	1-5 tahun/ *years*	
Liabilitas non-derivatif						***Non-derivative liabilities***
Liabilitas segera	2.564	(2.564)	(2.564)	-	-	*Liabilities immediately payable*
Simpanan nasabah	27.061.513	(27.285.438)	(23.060.181)	(4.213.247)	(12.010)	*Deposits from customers*
Simpanan dari bank-bank lain	3.731.791	(3.756.575)	(2.553.154)	(1.203.421)	-	*Deposits from other banks*
Efek-efek yang dijual dengan janji dibeli kembali	2.295.560	(2.334.773)	(668.768)	(1.666.005)	-	*Securities sold under agreements to repurchase*
Liabilitas akseptasi	200.815	(200.815)	(113.068)	(87.747)	-	*Acceptance payables*
Pinjaman yang diterima	11.222.532	(11.961.653)	(110.170)	(1.998.552)	(9.852.931)	*Borrowings*
Liabilitas lain-lain dan beban yang masih harus dibayar	229.491	(229.491)	(229.491)	-	-	*Other liabilities and accrued expenses*
Pinjaman subordinasi	1.874.138	(2.091.237)	(13.890)	(41.702)	(2.035.645)	*Subordinated loans*
	46.621.424	(47.862.546)	(26.751.286)	(9.210.674)	(11.900.586)	
Liabilitas derivatif						***Derivative liabilities***
Diperdagangkan:	15					*Trading:*
Arus kas keluar		(4.179)	(4.179)	-	-	*Cash outflow*
Arus kas masuk		4.164	4.164	-	-	*Cash inflow*
	15	(15)	(15)	-	-	
	46.621.439	(47.862.561)	(26.751.301)	(9.210.674)	(11.900.586)	

	2018					
	Nilai tercatat/ *Carrying amount*	Nilai nominal bruto arus kas masuk (keluar)/ *Gross nominal cash inflow (outflow)*	Kurang dari 3 bulan/ *Less than 3 months*	3-12 bulan/ *months*	1-5 tahun/ *years*	
Liabilitas non-derivatif						***Non-derivative liabilities***
Liabilitas segera	2.355	(2.355)	(2.355)	-	-	*Liabilities immediately payable*
Simpanan nasabah	30.588.043	(30.813.257)	(25.423.713)	(5.367.513)	(22.031)	*Deposits from customers*
Simpanan dari bank-bank lain	2.227.491	(2.241.452)	(1.502.008)	(739.444)	-	*Deposits from other banks*
Liabilitas akseptasi	595.160	(595.160)	(369.471)	(225.689)	-	*Acceptance payables*
Pinjaman yang diterima	13.780.073	(15.282.897)	(153.470)	(4.752.751)	(10.376.676)	*Borrowings*
Liabilitas lain-lain dan beban yang masih harus dibayar	270.166	(270.166)	(270.166)	-	-	*Other liabilities and accrued expenses*
Pinjaman subordinasi	1.222.300	(1.358.465)	(9.212)	(385.071)	(964.182)	*Subordinated loans*
	48.685.588	(50.563.752)	(27.730.395)	(11.470.468)	(11.362.889)	
Liabilitas derivatif						***Derivative liabilities***
Diperdagangkan:	538					*Trading:*
Arus kas keluar		(101.607)	(101.607)	-	-	*Cash outflow*
Arus kas masuk		101.042	101.042	-	-	*Cash inflow*
	538	(565)	(565)	-	-	
	48.686.126	(50.564.317)	(27.730.960)	(11.470.468)	(11.362.889)	

Pada tanggal 31 Desember 2019 dan 2018, Bank telah memenuhi ketentuan OJK mengenai rasio kecukupan likuiditas. Rata-rata rasio kecukupan likuiditas pada tanggal 31 Desember 2019 dan 2018 masing-masing sebesar 164,39% dan 140,54%.

As of 31 December 2019 and 2018, the Bank complied with OJK regulation on Liquidity Coverage Ratio (LCR). The Bank's average LCR as of 31 December 2019 and 2018 were 164.39% and 140.54%, respectively.

4. MANAJEMEN RISIKO KEUANGAN (Lanjutan)

d. Risiko Likuiditas (lanjutan)

Nilai nominal arus kas masuk (keluar) yang diungkapkan pada tabel di atas menyajikan arus kas kontraktual yang tidak didiskontokan terkait dengan nilai pokok dan bunga dari liabilitas keuangan.

Arus kas liabilitas derivatif seperti yang ditunjukkan di tabel di atas merupakan arus kas berdasarkan jatuh tempo kontraktual yang menurut Bank adalah penting untuk memahami waktu arus kas.

Arus kas atas instrumen keuangan yang diharapkan Bank bervariasi secara signifikan dari analisa ini. Sebagai contoh, simpanan diharapkan memiliki saldo yang stabil atau meningkat.

Penilaian risiko likuiditas dilakukan Bank atas penilaian risiko inheren dan kualitas penerapan manajemen risiko. Parameter yang digunakan sebagai dasar penilaian risiko inheren terdiri dari komposisi dari aset dan liabilitas, konsentrasi dari aset dan liabilitas, kerentanan pada kebutuhan pendanaan, dan akses pada sumber-sumber pendanaan. Berdasarkan penilaian tersebut, tindak lanjut yang dilakukan antara lain mempertahankan aset likuid pada tingkat yang dipandang aman, menjaga aset dan liabilitas yang tidak terkonsentrasi pada aset/pembiayaan yang tidak dapat dikelola oleh Bank, memperkecil ketergantungan pada deposan besar, dan memastikan bahwa Bank dapat memperoleh akses sumber pendanaan baik pada kondisi normal maupun krisis.

Analisa jatuh tempo aset dan liabilitas keuangan (bukan untuk tujuan diperdagangkan) dapat dilihat di Catatan 30.

Pengelolaan likuiditas ditekankan pada pemantauan risiko likuiditas dengan memperhatikan indikator peringatan dini untuk mengetahui potensi peningkatan risiko likuiditas terhadap Bank. Indikator peringatan dini terdiri atas indikator internal dan eksternal. Sedangkan pengendalian risiko likuiditas dilakukan melalui strategi pendanaan, pengelolaan posisi likuiditas dan risiko likuiditas harian, pengelolaan aset likuid yang berkualitas tinggi, dan rencana pendanaan darurat.

e. Risiko Operasional

Risiko operasional adalah risiko yang antara lain, disebabkan adanya ketidakcukupan dan/atau tidak berfungsinya proses internal, kesalahan manusia, kegagalan sistem, dan/atau adanya kejadian-kejadian eksternal yang mempengaruhi operasional Bank.

Risiko operasional melekat pada semua aktivitas Bank, kegiatan operasional dan produk Bank. Kegagalan mengelola risiko operasional dapat menyebabkan kerugian finansial, keselamatan karyawan, dan reputasi Bank.

4. FINANCIAL RISK MANAGEMENT (Continued)

d. Liquidity Risk (continued)

The nominal cash inflow (outflow) disclosed in the above table represents the contractual undiscounted cash flows relating to the principal and interest on the financial liabilities.

The cash flows of derivative liabilities in the table represents the cash flows based on contractual maturities which the Bank believes is essential for an understanding of the timing of the cash flows.

The Bank's expected cash flows on these instruments vary significantly from this anelysis. For examples, deposits are expected to maintain stable or increasing balance.

Liquidity risk assessment is conducted by the Bank in assessing inherent risk and quality of risk management implementation. Parameters used as the basis for inherent risk assessment consist of composition of assets and liabilities, concentration of assets and liabilities, vulnerability to sources of funds, and access to sources of funds. Based on the assessment, follow up actions shall be conducted, among others, constantly maintaining liquid assets at a safe level, maintaining assets and liabilities not to be concentrated to assets/financing that cannot be managed by the Bank, reducing dependency on large depositors, and ensuring that the Bank can access to sources of funds in normal and crisis conditions.

The analysis of maturities of financial assets and liabilities (not for trading purposes) is shown in Note 30.

Liquidity management is emphasized on monitoring of liquidity risk by observing early warning indicators to understand the potential increase of liquidity risk to the Bank. Early warning indicators consist of internal and external indicators. Liquidity risk control shall be conducted through funding strategy, management of liquidity position and daily liquidity risks, management of high liquid assets, and contingent funding plan.

e. Operational Risk

Operational risk is the risk caused by inadequacy and/or dysfunction of internal processes, human error, system failure, and/or external events affecting the operations of the Bank.

Operational risk is inherent in all activities of the Bank, operational activities and products of the Bank. Failure to manage operational risk correctly could lead to financial losses, employees' safety, and reputation of the Bank.

4. MANAJEMEN RISIKO KEUANGAN (Lanjutan)

e. Risiko Operasional (lanjutan)

Pelaksanaan penilaian terhadap risiko operasional dilakukan Bank pada semua aktivitas fungsional secara komprehensif dengan memberi fokus pada aktivitas fungsional dalam tingkat risiko yang dinilai perlu ditingkatkan. Penilaian terhadap risiko operasional dilakukan atas penilaian terhadap risiko inheren dan kualitas penerapan manajemen risiko. Parameter yang digunakan sebagai dasar penilaian risiko inheren mencakup karakteristik dan kompleksitas bisnis, sumber daya manusia, teknologi informasi dan infrastruktur pendukung, kecurangan dan kejadian eksternal seperti terorisme, pandemik, dan bencana alam.

Unit-unit Pengambil Risiko berperan sebagai lini pertahanan lapis pertama dalam pengelolaan risiko operasional sehari-hari. Lini pertahanan lapis kedua meliputi fungsi-fungsi pendukung, seperti manajemen risiko dan kepatuhan. Masing-masing fungsi ini, bersama dengan unit-unit bisnis, memastikan bahwa risiko di unit bisnis telah diidentifikasi dan dikelola dengan tepat. Fungsi-fungsi bisnis pendukung bekerja sama untuk membantu menentukan strategi, menerapkan kebijakan dan prosedur Bank, dan mengumpulkan informasi untuk menyusun risiko Bank secara keseluruhan. Sementara itu, pengawasan independen yang dilakukan oleh Internal Audit sebagai lini pertahanan ketiga secara independen menilai efektivitas proses yang dilakukan oleh lini pertahanan pertama dan kedua dan memastikan kecukupan proses tersebut.

Penerapan manajemen risiko operasional dilakukan melalui penyusunan dan penetapan kebijakan dan prosedur tertulis untuk setiap aktivitas operasional Bank, memperkuat aspek keamanan dan kehandalan operasi teknologi informasi sehingga kesalahan manusia, kecurangan, kesalahan proses, dan potensi kegagalan sistem yang menyebabkan terganggunya kelangsungan usaha dapat ditekan dan diantisipasi lebih dini.

Bank juga mengembangkan pemantauan secara berkala oleh Departemen Manajemen Risiko terhadap hasil penilaian sendiri yang dilakukan Unit-unit pengambil risiko atas risiko operasional yang melekat pada areanya masing-masing, dalam rangka untuk mendeteksi secara dini dan melakukan pencegahan terhadap timbulnya risiko operasional.

4. FINANCIAL RISK MANAGEMENT (Continued)

e. Operational Risk (continued)

Operational risk assessment is conducted by the Bank to all functional activities comprehensively by focusing on functional activities which need improvement on risk level. Operational risk assessment is conducted by assessing inherent risk and quality of risk management implementation. Parameters used as the basis for inherent risk assessment consist of characteristic and complexity of business, human resources, information technology and supporting infrastructure, fraud, and external incidents such as terrorism, pandemics, and natural disaster.

Risk Taking Units act as the first line of defense in day-to-day enforcement of operational risk management. The second line of defense includes the support functions, such a risk management and compliance. Each of these functions, in close relationship with the business units, ensures that risks in the business units have been appropriately identified and managed. The business support functions work closely to help define strategy, implement bank policies and procedures, and collect information to create a Bank wide view of risks. Meanwhile, independent supervision conducted by Internal Audit which is doing the role as the third line of defense to independently assess the effectiveness of the processes created in the first and second lines of defense and provides reasonable assurance on these processes.

The implementation of operational risk management is performed by formulating and determining policies and procedures for each Bank's operational activity, enhance security aspect and reliability of information technology so that human error, fraud, process error, and system failure that lead to disturbance in operational activities can be early anticipated.

The Bank has also developed periodic monitoring performed by Risk Management Department for self-assessment made by Risk Taking Units for operational risk adhere to each area, in order to early detect and prevent operational risk.

4. MANAJEMEN RISIKO KEUANGAN (Lanjutan)

f. Pengelolaan permodalan

Sasaran utama atas kebijakan pengelolaan permodalan yang dilakukan oleh Bank adalah untuk mematuhi ketentuan permodalan eksternal yang berlaku dan untuk mempertahankan rasio permodalan yang sehat agar dapat mendukung usaha dan memaksimalkan nilai bagi pemegang saham.

Bank mengelola struktur modal dan melakukan penyesuaian atas struktur tersebut terhadap perubahan kondisi ekonomi dan karakteristik risiko aktivitasnya. Untuk mempertahankan atau menyesuaikan struktur modal tersebut, Bank dapat melakukan penambahan setoran modal inti dari pemegang saham dan memperoleh pinjaman subordinasi.

Manajemen menggunakan rasio permodalan yang diwajibkan regulator untuk memantau permodalan Bank. Pendekatan Bank Indonesia untuk pengukuran tersebut terutama berdasarkan pengawasan atas hubungan antara kecukupan modal dengan ketersediaan modal. Sejak tanggal 31 Desember 2013, fungsi pengaturan dan pengawasan perbankan telah beralih dari Bank Indonesia ke Otoritas Jasa Keuangan (OJK).

Sesuai dengan peraturan yang berlaku, Bank wajib menyediakan modal minimum sesuai dengan profil risikonya. Selain itu, Bank juga diwajibkan membentuk tambahan modal sebagai penyangga (*buffer*) yaitu:

- *Capital Conservation Buffer ("CCB")* sebesar 2,5% dari Aset Tertimbang Menurut Risiko ("ATMR") bagi Bank yang tergolong sebagai Bank Umum Kegiatan Usaha ("BUKU") 3 dan BUKU 4 dan berlaku bertahap mulai dari tanggal 1 Januari 2016 sebesar 0,625%, 1 Januari 2017 sebesar 1,25%, 1 Januari 2018 sebesar 1,875% dan 1 Januari 2019 dan seterusnya sebesar 2,5%.
- *Countercyclical Buffer ("CB")* dalam kisaran sebesar 0% sampai dengan 2,5% dari ATMR yang berlaku bagi seluruh bank dan mulai diterapkan pada tanggal 1 Januari 2016 sesuai penetapan oleh OJK berdasarkan kondisi makro ekonomi Indonesia.
  Besaran *Countercyclical Buffer* sebesar 0% dari ATMR telah dilaporkan secara bulanan dan triwulan kepada regulator.
- *Capital Surcharge* untuk *Domestic Systemically Important Bank ("D-SIB")* dalam kisaran sebesar 1% sampai dengan 2,5% dari ATMR berlaku bagi bank yang telah ditetapkan berdampak sistemik.

4. FINANCIAL RISK MANAGEMENT (Continued)

f. Capital management

The primary objectives of the Bank's capital management policy are to ensure that the Bank complies with externally imposed capital requirements and that the Bank maintains healthy capital ratios in order to support its business and to maximize shareholders' value.

The Bank manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Bank may inject additional core capital from shareholders and obtain subordinated loans.

Management uses regulatory capital ratios in order to monitor its capital. Bank Indonesia's approach to such measurement is primarily based on monitoring the relationship of the capital adequacy to availability of capital resources. Starting 31 December 2013, the role of regulator and supervision of banking industry has changed from Bank Indonesia to Otoritas Jasa Keuangan (OJK).

In accordance with prevailing regulation, the Bank is required to maintain a minimum capital according to its risk profile. In addition, Bank is also required to have additional capital as buffer namely:

- *Capital Conservation Buffer ("CCB") of 2.5% from Risk Weighted Assets ("RWA") for bank categorized as Commercial Bank with Business Activity ("BUKU") 3 and BUKU 4 and will be effective gradualy starting on 1 January 2017 of 1.25%, 1 January 2018 of 1.875% and 1 January 2019 and onwards of 2.5%.*
- *Countercyclical Buffer ("CB") in the range of 0% up to 2.5% from RWA which are applicable to all banks and will be implemented starting 1 January 2016 by OJK depending on Indonesia macro economic condition.*
  The Countercyclical Buffer is set at 0% of RWA has been reported on a monthly and quarterly based to regulator.
- *Capital Surcharge for Domestic Systemically Important Bank ("D-SIB") in the range of 1% up to 2.5% from RWA which are applicable to banks which are determined as having systemic impacts.*

4. MANAJEMEN RISIKO KEUANGAN (Lanjutan)

f. Pengelolaan permodalan (lanjutan)

Kewajiban Penyediaan Modal Minimum (KPMM) Bank dengan memperhitungkan risiko kredit, risiko operasional, dan risiko pasar adalah sebagai berikut:

4. FINANCIAL RISK MANAGEMENT (Continued)

f. Capital management (continued)

The Bank's Capital Adequacy Ratio (CAR) with consideration for credit, operational, and market risks was as follows:

	31 Desember/*December*		
	2019	2018*	
Modal *Tier* 1	5.419.530	5.176.212	*Tier 1 capital*
Modal *Tier* 2	1.984.450	1.254.015	*Tier 2 capital*
Jumlah modal	7.403.980	6.430.227	*Total Capital*
ATMR untuk risiko kredit setelah memperhitungkan risiko spesifik	31.036.929	36.186.382	*RWA for credit risks after considering specific risks*
ATMR untuk risiko operasional	3.018.870	2.902.493	*RWA for operational risks*
ATMR untuk risiko pasar	155.121	72.040	*RWA for market risks*
Jumlah ATMR untuk risiko kredit, pasar, dan operasional	34.210.920	39.160.915	*Total RWA for credit, market, and operational risks*
Rasio *CET* 1	15,84%	13,22%	*CET 1 ratio*
Rasio *Tier 1*	15,84%	13,22%	*Tier 1 ratio*
Rasio *Tier* 2	5,80%	3,20%	*Tier 2 ratio*
Rasio total	21,64%	16,42%	*Total ratio*
Rasio KPMM yang diwajibkan sebelum modal penyangga	9% - 10%	9% - 10%	*Required CAR before buffer*
Capital conservation buffer	2,50%	1,875%	*Capital conservation buffer*
Countercyclical buffer	0%	0%	*Countercyclical buffer*
Capital surcharge	0%	-	*Capital surcharge*

Bank telah mematuhi semua persyaratan modal yang ditetapkan pada tanggal 31 December 2019 dan 2018.

The Bank has complied with all externally imposed capital requirements as of 31 December 2019 and 2018.

*Setelah penyajian kembali (Lihat Catatan 33)

**After restatement (See Note 33)*

5. PENGGUNAAN ESTIMASI DAN PERTIMBANGAN

Pengungkapan ini merupakan tambahan atas pembahasan tentang manajemen risiko keuangan (Catatan 4).

a. Sumber utama atas ketidakpastian estimasi

a.1. Cadangan kerugian penurunan nilai aset keuangan

Evaluasi atas kerugian penurunan nilai aset keuangan yang dicatat pada biaya perolehan diamortisasi dijelaskan pada Catatan 3j.

Bank menentukan penyisihan kerugian penurunan nilai secara individual untuk setiap kredit yang signifikan secara individual dan memiliki bukti obyektif penurunan nilai kredit. Faktor-faktor yang dipertimbangkan dalam menentukan jumlah penyisihan kerugian penurunan nilai antara lain mencakup keberlanjutan rencana bisnis debitur, kemampuan debitur untuk memperbaiki kinerja saat menghadapi kesulitan keuangan, proyeksi penerimaan dan pembayaran yang diharapkan saat terjadi kepailitan, ketersediaan dukungan keuangan lainnya, nilai agunan yang dapat direalisasikan, dan ekspektasi waktu penerimaan arus kas. Penyisihan kerugian penurunan nilai dievaluasi setiap tanggal pelaporan, kecuali terdapat beberapa kondisi yang mengharuskan adanya perhatian lebih.

Evaluasi cadangan kerugian penurunan nilai secara kolektif meliputi kerugian kredit yang melekat pada portofolio tagihan dengan karakteristik ekonomi yang serupa ketika terdapat bukti obyektif bahwa telah terjadi penurunan nilai tagihan dalam portofolio tersebut, namun penurunan nilai secara individu belum dapat diidentifikasi. Dalam menentukan perlunya membentuk cadangan kerugian penurunan nilai secara kolektif, manajemen mempertimbangkan faktor-faktor seperti kualitas kredit, besarnya portofolio, konsentrasi kredit dan faktor-faktor ekonomi. Dalam mengestimasi cadangan yang dibutuhkan, asumsi-asumsi dibuat untuk menentukan model kerugian bawaan dan untuk menentukan parameter input yang dibutuhkan, berdasarkan pengalaman historis dan kondisi ekonomi saat ini. Ketepatan dari cadangan ini tergantung pada seberapa tepat estimasi arus kas masa depan untuk menentukan cadangan individual serta asumsi model dan parameter yang digunakan dalam menentukan cadangan kolektif.

5. USE OF ESTIMATES AND JUDGMENTS

These disclosures supplement the commentary on financial risk management (Note 4).

a. Key sources of estimation uncertainty

a.1. Allowances for impairment losses of financial assets

Financial assets accounted for at amortized cost are evaluated for impairment on a basis as described in Note 3j.

The Bank determines the allowances for impairment losses on individual basis for each individually significant loan and has any objective evidence of impairment. Factors considered when determining allowance for impairment losses include the sustainability of the debtors' business plan, its ability to improve performance once a financial difficulty has arisen, projected receipts and the expected payout should bankruptcy occur, the availability of other financial support, the realizable value of collateral, and the timing of expected cash flows. Allowances for impairment losses are evaluated at each reporting date, unless foreseen circumstances require more careful attention.

Collectively assessed impairment allowances cover credit losses inherent in portfolios of receivables with similar economic characteristics when there is objective evidence to suggest that they contain impaired receivables, but the individual impaired items cannot yet be identified. In assessing the need for collective loan loss allowances, management considers factors such as credit quality, portfolio size, credit concentrations, and economic factors. In order to estimate the required allowance, assumptions are made to define the way inherent losses are modeled and to determine the required input parameters, based on historical experiences and current economic conditions. The accuracy of the allowances depends on how well these estimated future cash flows are determined for specific counterparty allowances and the model's assumptions and parameters used in determining collective allowances.

5. PENGGUNAAN ESTIMASI DAN PERTIMBANGAN (Lanjutan)

a. Sumber utama atas ketidakpastian estimasi (lanjutan)

a.2. Penentuan nilai wajar

Dalam menentukan nilai wajar atas aset keuangan dan liabilitas keuangan dimana tidak terdapat harga pasar yang dapat diobservasi, Bank harus menggunakan teknik penilaian seperti dijelaskan pada Catatan 3b.5. Untuk instrumen keuangan yang jarang diperdagangkan dan tidak memiliki harga yang transparan, nilai wajarnya menjadi kurang obyektif dan karenanya, membutuhkan tingkat pertimbangan yang beragam, tergantung pada likuiditas, konsentrasi, ketidakpastian faktor pasar, asumsi penentuan harga, dan risiko lainnya yang mempengaruhi instrumen tertentu.

b. Pertimbangan akuntansi yang penting dalam menerapkan kebijakan akuntansi Bank

Pertimbangan akuntansi yang penting dalam menerapkan kebijakan akuntansi Bank meliputi:

b.1. Penilaian instrumen keuangan

Kebijakan akuntansi Bank untuk pengukuran nilai wajar dibahas di Catatan 3b.5. Informasi mengenai nilai wajar dari instrumen keuangan diungkapkan pada Catatan 31.

b.2. Klasifikasi aset dan liabilitas keuangan

Kebijakan akuntansi Bank memberikan keleluasaan untuk menetapkan aset keuangan dan liabilitas keuangan ke dalam berbagai kategori pada saat pengakuan awal sesuai dengan standar akuntansi yang berlaku berdasarkan kondisi tertentu.

5. USE OF ESTIMATES AND JUDGMENTS (Continued)

a. Key sources of estimation uncertainty (continued)

a.2. Determining fair value

In determining the fair value of financial assets and financial liabilities for which there is no observable market price, the Bank uses the valuation techniques as described in Note 3b.5. For financial instruments that trade infrequently and with less price transparency, fair value becomes less objective, and requires varying degrees of judgment depending on liquidity, concentration, uncertainty of market factors, pricing assumptions and other risks affecting the specific instrument.

b. Critical accounting judgments in applying the Bank's accounting policies

Critical accounting judgments made in epplying the Bank's accounting policies include:

b.1. Valuation of financial instruments

The Bank's accounting policy on fair value measurements is discussed in Note 3b.5. Information about fair value of financial instruments is disclosed in Note 31.

b.2. Financial asset and liability classification

The Bank's accounting policies provide scope for financial assets and liabilities to be designated on inception into different accounting categories in certain circumstances.

6. GIRO PADA BANK INDONESIA

6. CURRENT ACCOUNTS WITH BANK INDONESIA

	31 Desember/*December*		
	2019	2018	
Rupiah	1.104.900	1.433.369	*Rupiah*
Dolar Amerika Serikat	2.039.833	2.414.914	*United States Dollar*
	3.144.733	3.848.283	

Saldo giro pada Bank Indonesia disediakan untuk memenuhi persyaratan Giro Wajib Minimum (GWM) dari BI.

Current accounts with Bank Indonesia are maintained to comply with BI minimum statutory reserve requirement (GWM).

Rasio GWM Bank pada tanggal 31 Desember 2019 dan 2018 adalah sebagai berikut:

As of 31 December 2019 and 2018, the GWM ratios of the Bank were as follows:

	2019	2018	
Rupiah			*Rupiah*
GWM Primer	6,09%	6,68%	*Primary GWM*
GWM Sekunder	12,41%	7,64%	*Secondary GWM*
Mata uang asing	8,08%	8,90%	*Foreign currencies*

Pada tanggal 31 Desember 2019 dan 2018, Bank tidak memiliki kewajiban GWM LFR (*Loan Funding Ratio*).

As of 31 December 2019 and 2018, the Bank was not required to maintain LFR (Loan Funding Ratio) GWM.

Pada tanggal 31 Desember 2019 dan 2018, Bank telah memenuhi ketentuan Bank Indonesia mengenai GWM.

As of 31 December 2019 and 2018, the Bank complied with Bank Indonesia Regulation on the GWM.

7. GIRO PADA BANK-BANK LAIN

7. CURRENT ACCOUNTS WITH OTHER BANKS

a. Berdasarkan mata uang

a. By currency

	31 Desember/*December*		
	2019	2018	
Dolar Amerika Serikat	2.421.922	2.662.385	*United States Dollar*
Yuan China	1.153.432	705.004	*Chinese Yuan*
Rupiah	25.550	61.225	*Rupiah*
Dolar Australia	6.686	6.805	*Australian Dollar*
Poundsterling Inggris	5.149	4.436	*British Poundsterling*
Euro Eropa	3.108	2.285	*European Euro*
Dolar Singapura	3.017	9.142	*Singapore Dollar*
Dolar Hong Kong	1.945	4.015	*Hong Kong Dollar*
Yen Jepang	1.131	693	*Japanese Yen*
Dolar Selandia Baru	525	407	*New Zealand Dollar*
	3.622.465	3.456.397	

7. GIRO PADA BANK-BANK LAIN (Lanjutan)

7. CURRENT ACCOUNTS WITH OTHER BANKS (Continued)

b. Transaksi dengan pihak berelasi

b. Related party transactions

	31 Desember/*December* 2019	2018	
Industrial and Commercial Bank of China Ltd., cabang Singapura	829.755	571.306	*Industrial and Commercial Bank of China Ltd., Singapore branch*
Industrial and Commercial Bank of China Ltd., China	327.022	83.507	*Industrial and Commercial Bank of China Ltd., China*
Industrial and Commercial Bank of China Ltd., cabang New York	10.977	86.751	*Industrial and Commercial Bank of China Ltd., New York branch*
Industrial and Commercial Bank of China (Asia) Ltd., Hong Kong	6.752	18.778	*Industrial and Commercial Bank of China (Asia) Ltd., Hong Kong*
Industrial and Commercial Bank of China Ltd., cabang Sydney	6.686	6.805	*Industrial and Commercial Bank of China Ltd., Sydney branch*
Industrial and Commercial Bank of China Ltd., cabang Frankfurt	2.396	1.851	*Industrial and Commercial Bank of China Ltd., Frankfurt branch*
Bank of Communication Co. Ltd., China	1.368	6.089	*Bank of Communication Co. Ltd., China*
Industrial and Commercial Bank of China Ltd., cabang Tokyo	1.131	693	*Industrial and Commercial Bank of China Ltd., Tokyo branch*
	1.186.087	775.780	

c. Berdasarkan kolektibilitas

Pada tanggal 31 Desember 2019 dan 2018, seluruh giro pada bank-bank lain digolongkan lancar menurut kolektibilitas OJK.

c. By collectability

As of 31 December 2019 and 2018, all current accounts with other banks were classified as current based on OJK collectability.

d. Cadangan kerugian penurunan nilai

Cadangan kerugian penurunan nilai dihitung secara individual dan pada tanggal 31 Desember 2019 dan 2018 tidak ada cadangan kerugian penurunan nilai yang perlu dibentuk.

d. Allowance for impairment losses

Allowance for impairment losses is calculated using individual assessment and as of 31 December 2019 and 2018, there were no allowances for impairment losses required.

8. PENEMPATAN PADA BANK INDONESIA DAN BANK-BANK LAIN

8. PLACEMENTS WITH BANK INDONESIA AND OTHER BANKS

a. Berdasarkan jenis dan mata uang

a. By type and currency

	31 Desember/*December* 2019	2018	
Rupiah			***Rupiah***
Deposito berjangka pada bank lain	1.327.507	1.831.631	*Time deposits with other banks*
Penempatan pada Bank Indonesia	373.956	1.479.783	*Placements with Bank Indonesia*
Interbank call money	500.000	-	*Interbank call money*
	2.201.463	3.311.414	
Mata uang asing			***Foreign currencies***
Deposito berjangka pada Bank Indonesia	-	1.869.400	*Time deposits with Bank Indonesia*
Interbank call money	199.400	229.963	*Interbank call money*
	199.400	2.099.363	
Jumlah penempatan pada Bank Indonesia dan bank-bank lain	2.400.863	5.410.777	*Total placements with Bank Indonesia and other banks*

8. PENEMPATAN PADA BANK INDONESIA DAN BANK-BANK LAIN (Lanjutan)

a. Berdasarkan jenis dan mata uang (lanjutan)

Deposito berjangka pada bank lain yang dijadikan sebagai jaminan pada tanggal 31 Desember 2019 dan 2018 adalah masing-masing sebesar Rp 1.327.507 dan Rp 1.831.631.

8. PLACEMENTS WITH BANK INDONESIA AND OTHER BANKS (Continued)

a. By type and currency (continued)

Time deposit with other banks which were pledged as collaterals as of 31 December 2019 and 2018 amounted to Rp 1,327,507 and Rp 1,831,631, respectively.

b. Transaksi dengan pihak berelasi

b. Related party transactions

	31 Desember/*December*		
	2019	2018	
Industrial and Commercial Bank of China Ltd., cabang Singapura	199.400	229.963	*Industrial and Commercial Bank of China Ltd., Singapore branch*
	199.400	229.963	

c. Berdasarkan kolektibilitas

Seluruh penempatan pada Bank Indonesia dan bank-bank lain pada tanggal 31 Desember 2019 dan 2018 digolongkan lancar menurut kolektibilitas OJK.

Manajemen berpendapat bahwa Bank tidak perlu membentuk penyisihan kerugian penurunan nilai atas penempatan pada Bank Indonesia dan bank-bank lain pada tanggal 31 Desember 2019 dan 2018.

c. By collectability

All placements with Bank Indonesia and other banks as of 31 December 2019 and 2018 was classified as current based on OJK collectability.

Management believes that the Bank did not need to provide allowance for impairment losses on placement with Bank Indonesia and other banks as of 31 December 2019 and 2018.

d. Tingkat suku bunga kontraktual rata-rata setahun

d. Average annual contractual interest rates

	2019	2018	
Rupiah	5,11%	4,30%	*Rupiah*
Mata uang asing	2,05%	1,85%	*Foreign currencies*

e. Berdasarkan jangka waktu

Rincian penempatan pada Bank Indonesia dan bank-bank lain berdasarkan jangka waktu adalah sebagai berikut:

e. By contract period

Details of placements with Bank Indonesia and other banks based on contract periods are as follows:

	31 Desember/*December*		
	2019	2018	
1 - 3 bulan	1.073.356	3.579.146	*1 - 3 months*
> 3 -12 bulan	740.263	1.831.631	*> 3 - 12 months*
> 12 bulan	587.244	-	*> 12 moths*
	2.400.863	5.410.777	

9. TAGIHAN DAN LIABILITAS AKSEPTASI / *9. ACCEPTANCE RECEIVABLES AND PAYABLES*

a. Berdasarkan mata uang / *a. By currency*

	31 Desember/*December*				
	2019		2018		
	Tagihan akseptasi/ *Acceptance receivables*	Liabilitas akseptasi/ *Acceptance payables*	Tagihan akseptasi/ *Acceptance receivables*	Liabilitas akseptasi/ *Acceptance payables*	
Rupiah	191.794	(191.794)	303.762	(303.762)	*Rupiah*
Mata uang asing	9.021	(9.021)	291.398	(291.398)	*Foreign currencies*
	200.815	(200.815)	595.160	(595.160)	

b. Transaksi dengan pihak berelasi / *b. Transactions with related parties*

	31 Desember/*December*		
	2019	2018	
Liabilitas akseptasi:			*Acceptance payables:*
China Everbright Bank Co., Ltd., China	-	2.010	*China Everbright Bank Co., Ltd., China*
Bank of China, China	-	1.058	*Bank of China, China*
	-	3.068	

c. Berdasarkan kolektibilitas / *c. By collectibility*

	31 Desember/*December*		
	2019	2018	
Lancar	200.815	595.160	*Current*
	200.815	595.160	

Manajemen berpendapat bahwa Bank tidak perlu membentuk penyisihan kerugian penurunan nilai atas tagihan akseptasi pada tanggal 31 Desember 2019 dan 2018.

Management believes that the Bank did not need to provide allowance for impairment losses on acceptance receivables as of 31 December 2019 and 2018.

10. EFEK-EFEK YANG DIBELI DENGAN JANJI DIJUAL KEMBALI

Efek-efek yang dibeli dengan janji dijual kembali pada tanggal 31 Desember 2019 adalah sebagai berikut:

10. SECURITIES PURCHASED UNDER AGREEMENT TO RESELL

The securities purchased under agreements to resell as of 31 December 2019 were as follows:

	31 Desember/*December* 2019					
Pihak Lawan/ *Counterparty*	Jenis Efek yang mendasari/ *Type of Underlying Securities*	Nilai Wajar Efek yang Mendasari/ *Fair Value of Underlying Securities*	Tanggal Pembelian/ *Purchase Date*	Tanggal Penjualan Kembali/ *Resell Date*	Tingkat Suku Bunga/ *Interest Rate*	Nilai Tercatat/ *Carrying Amount*
Bank Indonesia	FR0064	564.306	18 Desember/ *December* 2019	2 Januari/ *January* 2020	5,02%	530.397
Bank Indonesia	FR0061	407.995	23 Desember/ *December* 2019	6 Januari/ *January* 2020	5,02%	390.140
Bank Indonesia	SPN12200213	397.799	26 Desember/ *December* 2019	2 Januari/ *January* 2020	5,00%	377.739
Bank Indonesia	SPN12200703 SPN12200814	744.838 35.280	27 Desember/ *December* 2019	3 Januari/ *January* 2020	5,00%	740.267
Bank Indonesia	FR0059	199.950	27 Desember/ *December* 2019	10 Januari/ *January* 2020	5,02%	190.478
Bank Indonesia	SPN12200213 SPN03200220	419.575 176.966	30 Desember/ *December* 2019	6 Januari/ *January* 2020	5,00%	566.539
Bank Indonesia	FR0031	419.137	31 Desember/ *December* 2019	7 Januari/ *January* 2020	5,00%	404.645
Bank Indonesia	FR0070	320.418	31 Desember/ *December* 2019	14 Januari/ *January* 2020	5,02%	312.799
		3.686.264				3.513.004

Manajemen menyatakan bahwa tidak ada saldo cadangan kerugian penurunan nilai untuk efek-efek yang dibeli dengan janji dijual kembali yang perlu diakui pada tanggal 31 Desember 2019.

Informasi mengenai klasifikasi dan nilai wajar atas efek-efek yang dibeli dengan janji dijual kembali diungkapkan pada Catatan 31.

Management has determined that there were no impairment losses on securities purchased under agreements to resell to be recognized as of 31 December 2019.

Information with regards to the classification and fair value of securities purchased under agreements to resell is disclosed in Note 31.

11. EFEK-EFEK UNTUK TUJUAN INVESTASI

11. INVESTMENT SECURITIES

a. Berdasarkan jenis dan mata uang

a. By type and currency

	31 Desember/*December* 2019	2018	
Tersedia untuk dijual			***Available-for-sale***
Rupiah:			*Rupiah:*
Sertifikat Bank Indonesia	-	684.236	*Certificates of Bank Indonesia*
Obligasi Pemerintah	2.152.187	955.675	*Government Bonds*
	2.152.187	1.639.911	
Mata uang asing:			*Foreign currencies:*
Obligasi Pemerintah	416.568	1.240.743	*Government Bonds*
	416.568	1.240.743	
Jumlah tersedia untuk dijual	2.568.755	2.880.654	*Total available-for-sale*
Pinjaman yang diberikan dan piutang			***Loans and receivables***
Rupiah:			*Rupiah:*
Wesel ekspor	6.074	8.984	*Export bills*
	6.074	8.984	
Mata uang asing:			*Foreign currency:*
Wesel ekspor	2.475	681	*Export bills*
	2.475	681	
Jumlah pinjaman yang diberikan dan piutang	8.549	9.665	*Total loans and receivables*
Dimiliki hingga jatuh tempo			***Held-to-maturity***
Rupiah:			*Rupiah:*
Obligasi Perusahaan	175.000	-	*Corporate Bonds*
Obligasi Pemerintah	98.747	-	*Government Bonds*
	273.747	-	
Mata uang asing:			*Foreign currencies:*
Obligasi Pemerintah	863.314	900.848	*Government Bonds*
	863.314	900.848	
Jumlah dimiliki hingga jatuh tempo	1.137.061	900.848	*Total held-to-maturity*
Jumlah efek-efek untuk tujuan investasi	**3.714.365**	**3.791.167**	***Total investment securities***

Pada tanggal 31 Desember 2019, termasuk dalam efek-efek tersedia untuk dijual dan dimiliki hingga jatuh tempo dengan nilai nominal masing-masing sejumlah Rp 1.602.120 dan Rp 822.580 yaitu obligasi yang dijual dengan janji dibeli kembali. Liabilitas atas pembelian kembali efek-efek sebesar Rp 2.298.580 yang disajikan sebagai akun efek yang dijual dengan janji dibeli kembali (lihat Catatan 18).

As of 31 December 2019, available-for-sale and held-to-maturity securities with nominal value of Rp 1,602,120 and Rp 822,580, respectively, are bonds sold under repurchase agreements. The corresponding liabilities in relation to these agreements of Rp 2,298,580 are presented as securities sold under repurchase agreements account (see Note 18).

b. Transaksi dengan pihak berelasi

Pada tanggal 31 Desember 2019 dan 2018, tidak ada saldo efek-efek untuk tujuan investasi yang diterbitkan oleh pihak berelasi.

b. Transaction with related parties

As of 31 December 2019 and 2018, there were no balances of investment securities issued by related parties.

c. Berdasarkan kolektibilitas

Seluruh efek-efek pada tanggal 31 Desember 2019 dan 2018 digolongkan lancar menurut kolektibilitas OJK.

Manajemen berpendapat bahwa Bank tidak perlu membentuk penyisihan kerugian penurunan nilai atas efek-efek untuk tujuan investasi pada tanggal 31 Desember 2019 dan 2018.

c. By collectibility

All marketable securities as of 31 December 2019 and 2018 were classified as current based on OJK collectibility.

Management believes that the Bank did not need to provide allowance for impairment losses on investment securities as of 31 December 2019 and 2018.

11. EFEK-EFEK UNTUK TUJUAN INVESTASI (Lanjutan)

11. INVESTMENT SECURITIES (Continued)

d. Tingkat suku bunga kontraktual rata-rata setahun

d. Average annual contractual interest rate

	2019	2018	
Rupiah:			*Rupiah:*
Wesel Ekspor	7,59%	8,57%	*Export Bills*
Obligasi Perusahaan	7,05%	-	*Corporate bonds*
Sertifikat Bank Indonesia	6,38%	6,38%	*Certificates of Bank Indonesia*
Obligasi Pemerintah	5,27%	6,80%	*Government Bonds*
Sertifikat Deposito Bank Indonesia	-	5,28%	*Certificates Deposit of Bank Indonesia*
Mata uang asing:			*Foreign currencies:*
Wesel Ekspor	6,01%	3,45%	*Export Bills*
Obligasi Pemerintah	4,91%	6,15%	*Government Bonds*
Obligasi Perusahaan	-	2,95%	*Corporate Bonds*
Surat Berharga Bank Indonesia	-	2,43%	*Bank Indonesia's Securities*

e. Perubahan keuntungan (kerugian) yang belum direalisasi

e. Movement of unrealized gain (loss)

Perubahan keuntungan (kerugian) yang belum direalisasi dari perubahan nilai wajar efek-efek yang tersedia untuk dijual adalah sebagai berikut:

The movement of unrealized gain (loss) from the change in fair value of available-for-sale securities was as follows:

	Tahun yang berakhir 31 Desember/ *Year ended 31 December*		
	2019	2018	
Saldo, 1 Januari - sebelum pajak penghasilan tangguhan	(21.494)	2.658	*Balance, 1 January - before deferred income tax*
Penambahan (kerugian) keuntungan yang belum direalisasi selama tahun berjalan, bersih	46.324	(19.464)	*Addition of unrealized (loss) gain during the year, net*
Reklasifikasi ke keuntungan yang direalisasi atas penjualan efek-efek yang tersedia untuk dijual selama tahun berjalan, bersih	(7.512)	(4.688)	*Reclassification to realized gain from sale of available-for-sale securities during the year, net*
Jumlah - sebelum pajak penghasilan tangguhan	17.318	(21.494)	*Total - before deferred income tax*
Pajak penghasilan tangguhan (Catatan 17)	(4.330)	5.373	*Deferred income tax (Note 17)*
Saldo, 31 Desember - bersih	**12.988**	**(16.121)**	***Balance, 31 December - net***

12. KREDIT YANG DIBERIKAN

12. LOANS RECEIVABLE

a. Berdasarkan jenis kredit dan mata uang

a. By type and currency

	31 Desember/*December*		
	2019	2018	
Rupiah			***Rupiah***
Investasi	8.326.327	6.737.097	*Investment*
Modal kerja	5.045.316	5.173.501	*Working capital*
Konsumsi	367.834	484.782	*Consumer*
	13.739.477	12.395.380	
Dolar Amerika Serikat			***United States Dollar***
Modal kerja	13.050.012	13.254.974	*Working capital*
Investasi	9.176.416	11.443.734	*Investment*
	22.226.428	24.698.708	
Yuan China			***Chinese Yuan***
Modal kerja	12.687	-	*Working capital*
Investasi	30.884	103.481	*Investment*
	43.571	103.481	

12. KREDIT YANG DIBERIKAN (Lanjutan) / *12. LOANS RECEIVABLE (Continued)*

a. Berdasarkan jenis kredit dan mata uang (lanjutan) / *a. By type and currency (continued)*

	31 Desember/*December* 2019	2018	
Dolar Singapura			*Singapore Dollar*
Investasi	-	16.262	*Investment*
	-	16.262	
Jumlah kredit yang diberikan sebelum penyisihan kerugian penurunan nilai	36.009.476	37.213.831	*Total loans receivable before allowance for impairment losses*
Penyisihan kerugian penurunan nilai	(733.380)	(671.551)	*Allowance for impairment losses*
Jumlah kredit yang diberikan - bersih	35.276.096	36.542.280	***Total loans receivable - net***

b. Berdasarkan sektor usaha / *b. By economic sector*

	31 Desember/*December* 2019	2018	
Perantara keuangan	7.300.482	6.032.234	*Financial intermediaries*
Industri pengolahan	6.341.872	7.471.718	*Manufacturing*
Pertambangan	4.332.695	4.465.248	*Mining*
Real estate, persewaan dan jasa dunia usaha	3.867.719	4.194.402	*Real estate, leasing and business services*
Konstruksi	3.274.621	3.240.744	*Construction*
Listrik, gas, dan air	3.221.480	2.833.615	*Electricity, gas, and water*
Perdagangan, hotel, dan restoran	2.798.637	4.108.616	*Trading, hotel, and restaurant*
Pertanian, perkebunan, dan sarana pertanian	2.365.153	2.333.607	*Agriculture, farming, and agriculture facilities*
Pengangkutan, pergudangan, dan komunikasi	2.134.229	2.045.384	*Transportation, warehousing, and communication*
Jasa-jasa sosial/masyarakat	4.754	3.481	*Social/public services*
Lain-lain	367.834	484.782	*Others*
Jumlah kredit yang diberikan sebelum penyisihan kerugian penurunan nilai	36.009.476	37.213.831	***Total loans receivable before allowance for impairment losses***
Penyisihan kerugian penurunan nilai	(733.380)	(671.551)	*Allowance for impairment losses*
Jumlah kredit yang diberikan - bersih	35.276.096	36.542.280	***Total loans receivable - net***

c. Berdasarkan jangka waktu / *c. By contract period*

Klasifikasi berdasarkan jangka waktu perjanjian kredit adalah sebagai berikut:

Loans by contract period based on loan agreement were as follows:

	31 Desember/*December* 2019	2018	
< 1 tahun	1.415.876	1.704.614	*< 1 year*
1 - 2 tahun	6.748.595	6.600.450	*1 - 2 years*
> 2 - 5 tahun	10.054.231	11.114.429	*> 2 - 5 years*
> 5 tahun	17.790.774	17.794.338	*> 5 years*
Jumlah kredit yang diberikan sebelum penyisihan kerugian penurunan nilai	36.009.476	37.213.831	***Total loans receivable before allowance for impairment losses***
Penyisihan kerugian penurunan nilai	(733.380)	(671.551)	*Allowance for impairment losses*
Jumlah kredit yang diberikan - bersih	35.276.096	36.542.280	***Total loans receivable - net***

12. KREDIT YANG DIBERIKAN (Lanjutan)

d. Berdasarkan kualitas kredit sesuai dengan peraturan yang berlaku

12. LOANS RECEIVABLE (Continued)

d. Based on quality of loans receivable based on prevailing regulation

	31 Desember/*December* 2019	31 Desember/*December* 2018	
Lancar	32.379.421	33.836.615	*Current*
Dalam perhatian khusus	2.524.860	2.073.920	*Special mention*
Kurang lancar	2.709	108.476	*Substandard*
Diragukan	255.301	117.597	*Doubtful*
Macet	847.185	1.077.223	*Loss*
Jumlah kredit yang diberikan sebelum penyisihan kerugian penurunan nilai	36.009.476	37.213.831	***Total loans receivable before allowance for impairment losses***
Penyisihan kerugian penurunan nilai	(733.380)	(671.551)	*Allowance for impairment losses*
Jumlah kredit yang diberikan - bersih	35.276.096	36.542.280	***Total loans receivable - net***

e. Tingkat suku bunga kontraktual rata-rata setahun

e. Average annual contractual interest rates

	2019	2018	
Rupiah	11,92%	9,75%	*Rupiah*
Dolar Amerika Serikat	5,10%	5,31%	*United States Dollar*
Yuan China	4,67%	5,75%	*Chinese Yuan*
Dolar Singapura	-	4,44%	*Singapore Dollar*

f. Perubahan penyisihan kerugian penurunan nilai

Perubahan penyisihan kerugian penurunan nilai untuk kredit yang diberikan adalah sebagai berikut:

f. Movement of allowance for impairment losses

The movement of allowance for impairment losses for loans was as follows:

	Tahun yang berakhir 31 Desember 2019/ *Year ended 31 December 2019*			
	Penyisihan kerugian penurunan nilai kolektif/*Collective impairment losses*	Penyisihan kerugian penurunan nilai individual/ *Individual impairment losses*	Jumlah/ *Total*	
Saldo, awal tahun	26.746	644.805	671.551	*Balance, beginning of year*
Penambahan beban penyisihan kerugian penurunan nilai (Catatan 25)	14.205	710.683	724.888	*Addition of allowance for impairment losses (Note 25)*
Penghapusbukuan selama tahun berjalan	(10.463)	(649.366)	(659.829)	*Write-off during the year*
Selisih kurs karena penjabaran mata uang asing	(162)	(3.068)	(3.230)	*Foreign exchange translation*
Saldo, akhir tahun	30.326	703.054	733.380	*Balance, end of year*

	Tahun yang berakhir 31 Desember 2018/ *Year ended 31 December 2018*			
	Penyisihan kerugian penurunan nilai kolektif/*Collective impairment losses*	Penyisihan kerugian penurunan nilai individual/ *Individual impairment losses*	Jumlah/ *Total*	
Saldo, awal tahun	20.082	575.642	595.724	*Balance, beginning of year*
Penambahan beban penyisihan kerugian penurunan nilai (Catatan 25)	34.483	807.509	841.992	*Addition of allowance for impairment losses (Note 25)*
Efek diskonto	-	(162)	(162)	*Effect of discounting*
Penghapusbukuan selama tahun berjalan	(27.807)	(767.138)	(794.945)	*Write-off during the year*
Selisih kurs karena penjabaran mata uang asing	(12)	28.954	28.942	*Foreign exchange translation*
Saldo, akhir tahun	26.746	644.805	671.551	*Balance, end of year*

Manajemen berpendapat bahwa penyisihan kerugian penurunan nilai yang dibentuk atas kredit yang diberikan telah memadai.

Management believes that the allowance for impairment losses provided on loans receivable was adequate.

12. KREDIT YANG DIBERIKAN (Lanjutan)

g. Informasi signifikan lainnya sehubungan dengan kredit yang diberikan

- Kredit yang diberikan dijamin dengan simpanan nasabah, agunan berupa tanah, bangunan, kendaraan atau jaminan lain yang umumnya diterima oleh Bank (Lihat Catatan 4.b.iii tentang informasi agunan).

- Kredit yang diberikan kepada Direksi dan karyawan Bank merupakan pinjaman untuk membeli rumah dan kendaraan. Pembayaran dilakukan melalui pemotongan gaji setiap bulan. Suku bunga efektif rata-rata pinjaman karyawan pada tanggal 31 Desember 2019 adalah sebesar 5,21% per tahun (31 Desember 2018: 5,14%).

- Pada tanggal 31 Desember 2019 dan 2018, *loan to funding ratio* masing-masing adalah sebesar 130,13% dan 119,33%.

- Kredit yang diberikan kepada pihak-pihak berelasi pada tanggal 31 Desember 2019 dan 2018 masing-masing adalah sebesar Rp 7.704 dan Rp 7.286 (Catatan 28).

- Pada tanggal 31 Desember 2019 dan 2018, saldo kredit yang direstrukturisasi masing-masing adalah sebesar Rp 4.322.849 dan Rp 4.062.843.

- Rasio non-performing loan (NPL) pada tanggal 31 Desember 2019 dan 2018 masing-masing adalah sebagai berikut:

	2019	2018
NPL bruto	3,14%	3,57%
NPL neto	1,77%	2,47%

- Pada tanggal 31 Desember 2019 dan 2018, tidak terdapat pelampauan atau pelanggaran Batas Maksimum Pemberian Kredit ("BMPK") kepada pihak berelasi dan pihak ketiga.

12. LOANS RECEIVABLE (Continued)

g. Other significant information relating to loans

- *The loans are secured by deposits from customers, collaterals in form of land, building, vehicles or other collaterals acceptable to the Bank (See Note 4.b.iii for collateral information).*

- *The loans to Banks' Directors and employees are intended for the acquisition of houses and vehicles. The repayments are collected through deductions of monthly salary. The average annual effective interest rates for employees loans as of 31 December 2019 was 5.21% per annum (31 December 2018: 5.14%).*

- *As of 31 December 2019 and 2018, loan to funding ratio was 130.13% and 119.33%, respectively.*

- *Loans granted to related parties as of 31 December 2019 and 2018 amounted to Rp 7,704 and Rp 7,286, respectively (Note 28).*

- *As of 31 December 2019 and 2018, restructured loans amounted to Rp 4,322,849 and Rp 4,062,843, respectively.*

- *As of 31 December 2019 and 2018 the non-performing loan (NPL) ratios were as follows:*

Gross NPL	*Net NPL*	

- *As of 31 December 2019 and 2018, there was no excess over or violation of Legal Lending Limit ("LLL") to related parties and third parties.*

13. ASET TETAP

13. FIXED ASSETS

	2019				
	Saldo awal/ *Beginning balance*	Penambahan/ *Additions*	Pengurangan/ *Deductions*	Saldo akhir/ *Ending balances*	
Harga perolehan					*Acquisition cost*
Tanah	1.419	-	-	1.419	*Land*
Bangunan	290.814	176	(88)	290.902	*Buildings*
Inventaris kantor	169.489	8.834	(3.917)	174.406	*Office equipments*
Kendaraan	375	-	(42)	333	*Vehicles*
Prasarana	87.227	-	(1.739)	85.488	*Leasehold improvements*
Aset dalam penyelesaian	3.057	45.571	-	48.628	*Construction in Progress*
	552.381	54.581	(5.786)	601.176	
Akumulasi penyusutan					*Accumulated depreciation*
Bangunan	(113.878)	(14.587)	39	(128.426)	*Buildings*
Inventaris kantor	(128.186)	(13.257)	3.520	(137.923)	*Office equipments*
Kendaraan	(354)	(10)	42	(322)	*Vehicles*
Prasarana	(62.995)	(8.341)	1.481	(69.855)	*Leasehold improvements*
	(305.413)	(36.195)	5.082	(336.526)	
	246.968			264.650	

	2018				
	Saldo awal/ *Beginning balance*	Penambahan/ *Additions*	Pengurangan/ *Deductions*	Saldo akhir/ *Ending balances*	
Harga perolehan					*Acquisition cost*
Tanah	1.419	-	-	1.419	*Land*
Bangunan	290.814	-	-	290.814	*Buildings*
Inventaris kantor	168.248	1.241	-	169.489	*Office equipments*
Kendaraan	348	27	-	375	*Vehicles*
Prasarana	87.227	-	-	87.227	*Leasehold improvements*
Aset dalam penyelesaian	-	3.057	-	3.057	*Construction in Progress*
	548.056	4.325	-	552.381	
Akumulasi penyusutan					*Accumulated depreciation*
Bangunan	(95.485)	(18.393)	-	(113.878)	*Buildings*
Inventaris kantor	(116.913)	(11.273)	-	(128.186)	*Office equipments*
Kendaraan	(344)	(10)	-	(354)	*Vehicles*
Prasarana	(54.619)	(8.376)	-	(62.995)	*Leasehold improvements*
	(267.361)	(38.052)	-	(305.413)	
	280.695			246.968	

Manajemen berpendapat bahwa tidak terdapat indikasi penurunan nilai atas aset tetap yang dimiliki Bank.

Management believes that there was no impairment in the value of fixed assets owned by the Bank.

14. ASET LAIN-LAIN / *14. OTHER ASSETS*

	31 Desember/*December* 2019	2018	
Bunga masih akan diterima	206.824	256.430	*Interest receivable*
Beban dibayar dimuka	20.573	23.584	*Prepaid expenses*
Aset takberwujud	11.599	15.041	*Intangible assets*
Setoran jaminan	5.039	5.150	*Security deposits*
Barang cetakan dan perlengkapan kantor	2.509	2.150	*Printed materials and office supplies*
Agunan yang diambil alih	1.206	1.206	*Foreclosed assets*
Lain-lain	3.139	3.024	*Others*
	250.889	306.585	

Bunga masih akan diterima merupakan pendapatan bunga atas kredit yang diberikan, penempatan pada bank-bank lain, dan efek-efek untuk tujuan investasi.

Interest receivable represents interest income from loans, placements with other banks, and investment securities.

Beban dibayar di muka sebagian besar terdiri atas sewa gedung, apartemen, kendaraan, dan asuransi.

Prepaid expenses mainly consist of prepaid rent on building, apartment, car, and insurance.

Aset takberwujud merupakan perangkat lunak komputer setelah dikurangi akumulasi amortisasi.

The intangible asset represents computer software-net of accumulated amortization.

Agunan yang diambil alih merupakan agunan yang diambil alih oleh Bank sehubungan dengan penyelesaian kredit yang terdiri atas tanah dan bangunan.

Foreclosed assets consist of collaterals which were acquired by the Bank in the settlement of loans in form of land and building.

Setoran jaminan terdiri dari setoran yang diberikan Bank kepada pihak ketiga sebagai jaminan atas gedung kantor yang disewa.

Guarantee deposits consist of deposits provided to third parties as guarantee for leased office buildings.

15. SIMPANAN NASABAH / *15. DEPOSITS FROM CUSTOMERS*

a. Berdasarkan jenis dan mata uang / *a. By type and currency*

	31 Desember/*December* 2019	2018	
Rupiah			*Rupiah*
Giro	1.423.710	3.697.685	*Current accounts*
Tabungan	964.955	1.012.629	*Saving accounts*
Deposito berjangka	15.414.074	14.608.764	*Time deposits*
	17.802.739	19.319.078	
Mata uang asing			*Foreign currency*
Giro	3.769.503	3.661.982	*Current accounts*
Tabungan	318.987	339.291	*Saving accounts*
Deposito berjangka	5.170.284	7.267.692	*Time deposits*
	9.258.774	11.268.965	
Jumlah	27.061.513	30.588.043	*Total*

Simpanan nasabah yang diblokir atau dijadikan sebagai jaminan pada tanggal 31 Desember 2019 adalah sebesar Rp 2.401.057 (2018: Rp 2.369.046).

Deposits from customers which were blocked or pledged as collaterals as of 31 December 2019 amounted to Rp 2,401,057 (2018: Rp 2,369,046).

15. SIMPANAN NASABAH (Lanjutan)

b. Transaksi dengan pihak berelasi

Pihak berelasi untuk transaksi simpanan nasabah adalah simpanan dari pemegang saham, Dewan Komisaris, Direksi, pejabat eksekutif dan keluarga mereka sebesar Rp 32.088 dan Rp 28.741 pada tanggal 31 Desember 2019 dan 2018.

c. Tingkat suku bunga kontraktual rata-rata setahun

Tingkat suku bunga kontraktual rata-rata setahun adalah sebagai berikut:

15. DEPOSITS FROM CUSTOMERS (Continued)

b. Related party transactions

Related party for deposits from customers transactions are deposits from shareholder, Board of Commissioners, Board of Directors, executive officers and their families amounting to Rp 32,088 and Rp 28,741, respectively, as of 31 December 2019 and 2018.

c. Average annual contractual interest rate

The average annual contractual interast rates were as follows:

	2019	2018	
Rupiah			***Rupiah***
Giro	1,22%	1,28%	*Current accounts*
Tabungan	1,36%	1,37%	*Saving accounts*
Deposito berjangka	6,91%	6,40%	*Time deposits*
Mata uang asing			***Foreign currencies***
Giro	0,08%	0,06%	*Current accounts*
Tabungan	0,07%	0,06%	*Saving accounts*
Deposito berjangka	1,34%	1,16%	*Time deposits*

16. SIMPANAN DARI BANK-BANK LAIN

a. Berdasarkan jenis dan mata uang

16. DEPOSITS FROM OTHER BANKS

a. By type and currency

	31 Desember/*December*		
	2019	2018	
Rupiah			***Rupiah***
Giro	975	1.615	*Current accounts*
Interbank call money	550.000	100.000	*Interbank call money*
Deposito berjangka	1.155.252	335.303	*Time deposits*
	1.706.227	436.918	
Mata uang asing			***Foreign currencies***
Giro	692.844	547.367	*Current accounts*
Interbank call money	1.332.720	1.243.206	*Interbank call money*
	2.025.564	1.790.573	
	3.731.791	2.227.491	

16. SIMPANAN DARI BANK-BANK LAIN (Lanjutan)

16. DEPOSITS FROM OTHER BANKS (Continued)

b. Transaksi dengan pihak berelasi

b. Transaction with related parties

	31 Desember/*December*		
	2019	2018	
Interbank call money			*Interbank call money*
Industrial and Commercial Bank of China Ltd., China	-	431.400	*Industrial and Commercial Bank of China Ltd., China*
Industrial and Commercial Bank of China Ltd., cabang Sydney	-	719.000	*Industrial and Commercial Bank of China Ltd., Sydney branch*
Industrial and Commercial Bank of China Ltd., cabang Singapore	-	71.900	*Industrial and Commercial Bank of China Ltd., Singapore branch*
Industrial and Commercial Bank of China Ltd., cabang Hengqin	152.708	-	*Industrial and Commercial Bank of China Ltd., Hengqin branch*
Giro			*Current account*
PT Bank China Construction Bank Indonesia Tbk	727	364	*PT Bank China Construction Bank Indonesia Tbk*
	153.435	1.222.664	

c. Tingkat suku bunga kontraktual rata-rata setahun

c. Average annual contractual interest rate

	31 Desember/*December*		
	2019	2018	
Rupiah			***Rupiah***
Giro	2,35%	2,14%	*Current accounts*
Interbank call money	6,43%	6,45%	*Interbank call money*
Deposito berjangka	6,99%	6,56%	*Time deposits*
Mata uang asing			***Foreign currency***
Giro	0,39%	0,54%	*Current accounts*
Interbank call money	2,52%	2,46%	*Interbank call money*

d. Berdasarkan jangka waktu

d. By contract period

	31 Desember/*December*		
	2019	2018	
≤ 1 bulan	1.243.819	923.965	*≤ 1 month*
> 1 - 3 bulan	1.300.072	582.000	*> 1 - 3 months*
> 3 - 12 bulan	1.187.900	721.526	*> 3 - 12 months*
	3.731.791	2.227.491	

17. PERPAJAKAN

a. Utang pajak penghasilan merupakan Pajak Penghasilan pasal 29.

b. **Beban pajak terdiri dari :**

	Untuk tahun berakhir 31 Desember/ *For the year ended 31 December*		
	2019	2018*	
Beban pajak kini	349.034	157.602	*Current tax expense*
Benefit pajak tangguhan - pembentukan dan pemulihan perbedaan temporer	(312.250)	(100.370)	*Deferred tax benefit - origination and reversal of temporary differences*
	36.784	57.232	

c. **Rekonsiliasi pajak penghasilan dengan laba sebelum pajak adalah sebagai berikut:**

	Untuk tahun berakhir 31 Desember/ *For the year ended 31 December*		
	2019	2018*	
Laba sebelum pajak penghasilan	116.147	204.988	*Profit before income tax*
Tarif pajak	25%	25%	*Statutory tax rate*
	29.037	51.247	
Perbedaan permanen	7.747	5.985	*Non deductible expenses*
Beban pajak	36.784	57.232	*Income tax expense*

d. **Aset (liabilitas) pajak tangguhan**

	Tahun yang berakhir 31 Desember 2019/ *Year ended 31 December 2019*				
	Saldo awal/ *Beginning balance**	Diakui pada laba rugi/ *Recognized in profit or loss*	Diakui pada pendapatan komprehensif lainnya/ *Recognized in other comprehensive income*	Saldo akhir/ *Ending balance*	
Aset tetap	(12.289)	3.711	-	(8.578)	*Fixed assets*
Penyisihan kerugian penurunan nilai atas aset keuangan	339.316	249.289	-	588.605	*Allowance for impairment losses on financial assets*
Bonus masih harus dibayar	8.523	1.789	-	10.312	*Accrued bonus*
Kewajiban imbalan pascakerja karyawan	13.231	2.365	623	16.219	*Post-employment benefits obligation*
Keuntungan yang belum direalisasi atas transaksi derivatif	(66.719)	55.096	-	(11.623)	*Unrealized gain on derivative transactions*
(Keuntungan) kerugian yang belum direalisasi atas efek-efek dalam kelompok tersedia untuk dijual	5.373	-	(9.703)	(4.330)	*Unrealized (gain) losses on available- for-sale securities*
	287.435	312.250	(9.080)	590.605	

17. TAXATION

a. Income tax payables represent Income Tax Article 29.

b. Tax expense consists of:

c. Income tax expense is reconciled with profit before income tax as follows:

d. Deferred tax assets (liabilities)

*Setelah penyajian kembali (Lihat Catatan 33)

**After restatement (See Note 33)*

17. PERPAJAKAN (Lanjutan)

d. Aset (liabilitas) pajak tangguhan (lanjutan)

17. TAXATION (Continued)

d. Deferred tax assets (liabilities) (continued)

	Tahun yang berakhir 31 Desember 2018/ *Year ended 31 December 2018**				
	Saldo awal/ *Beginning balance**	Diakui pada laba rugi/ *Recognized in profit or loss**	Diakui pada pendapatan komprehensif lainnya/ *Recognized in other comprehensive income*	Saldo akhir/ *Ending balance**	
Aset tetap	(14.030)	1.741	-	(12.289)	*Fixed assets*
Penyisihan kerugian penurunan nilai atas aset keuangan	177.190	162.126	-	339.316	*Allowance for impairment losses on financial assets*
Bonus masih harus dibayar	7.052	1.471	-	8.523	*Accrued bonus*
Kewajiban imbalan pascakerja karyawan	13.914	974	(1.657)	13.231	*Post-employment benefits obligation*
Keuntungan yang belum direalisasi atas transaksi derivatif	(777)	(65.942)	-	(66.719)	*Unrealized gain on derivative transactions*
(Keuntungan) kerugian yang belum direalisasi atas efek-efek dalam kelompok tersedia untuk dijual	(665)	-	6.038	5.373	*Unrealized (gain) losses on available- for-sale securities*
	182.684	100.370	4.381	287.435	

Manajemen berpendapat bahwa aset pajak tangguhan yang timbul dari perbedaan temporer diperkirakan dapat direalisasikan pada periode mendatang.

Management believes that the deferred tax assets resulted from temporary differences can be realized in the next periods.

e. Sesuai peraturan perpajakan di Indonesia, Bank melaporkan/menyetorkan pajak-pajaknya berdasarkan sistem *self-assessment*. Fiskus dapat menetapkan atau mengubah pajak-pajak tersebut dalam jangka waktu tertentu sesuai peraturan yang berlaku.

e. Under the taxation laws of Indonesia, the Bank submits tax returns on the basis of self-assessment. The tax authorities may assess or amend taxes within the statue of limitation, under prevailing regulations.

18. EFEK-EFEK YANG DIJUAL DENGAN JANJI DIBELI KEMBALI

Efek-efek yang dijual dengan janji dibeli kembali pada tanggal 31 Desember 2019, terdiri dari:

18. SECURITIES SOLD UNDER AGREEMENTS TO REPURCHASE

The securities sold under agreements to repurchase as of 31 December 2019 consists of:

Pihak Lawan/ *Counterparty*	Jenis Efek yang Mendasari/ *Type of Underlying Securities*	Nilai Wajar Efek yang Mendasari/ *Fair Value of Underlying Securities*	Tanggal Penjualan/ *Sale Date*	Tanggal Pembelian Kembali/ *Repurchase Date*	Tingkat Suku Bunga/ *Interest Rate*	Nilai Tercatat/ *Carrying Amount*
PT Bank UOB Indonesia	SPN12200213	397.799	20 November/ *November* 2019	7 Februari/ *February 2020*	2,35%	355.806
PT Bank UOB Indonesia	SPN12200213	348.074	20 November/ *November* 2019	7 Februari/ *February 2020*	2,35%	311.330
PT Bank BNP Paribas Indonesia	INDON22	327.312	27 Desember/ *December 2019*	21 Desember/ *December 2020*	2,50%	295.797
PT Bank Maybank Indonesia Tbk	FR0077	319.875	12 November/ *November* 2019	6 November/ *November 2020*	2,48%	286.205
PT Bank UOB Indonesia	FR0056	246.963	4 Desember/ *December* 2019	27 November/ *November 2020*	2,50%	225.852
PT Bank UOB Indonesia	INDON23	212.382	7 November/ *November 2019*	18 Juni/ *June* 2020	2,90%	193.590

*Setelah penyajian kembali (Lihat Catatan 33)

**After restatement (See Note 33)*

18. EFEK-EFEK YANG DIJUAL DENGAN JANJI DIBELI KEMBALI (Lanjutan)

18. SECURITIES SOLD UNDER AGREEMENTS TO REPURCHASE (Continued)

Pihak Lawan/ *Counterparty*	Jenis Efek yang Mendasari/ *Type of Underlying Securities*	Nilai Wajar Efek yang Mendasari/ *Fair Value of Underlying Securities*	Tanggal Penjualan/ *Sale Date*	Tanggal Pembelian Kembali/ *Repurchase Date*	Tingkat Suku Bunga/ *Interest Rate*	Nilai Tercatat/ *Carrying Amount*
PT Bank UOB Indonesia	INDON24	157.105	24 Juni/ *June* 2019	18 Juni/ *June* 2020	2,90%	146.479
PT Bank BNP Paribas Indonesia	INDON23	128.953	27 Desember/ *December 2019*	21 Desember/ *December 2020*	2,50%	116.537
PT Bank BNP Paribas Indonesia	INDON23	107.574	27 Desember/ *December* 2019	21 Desember/ *December 2020*	2,50%	97.770
PT Bank UOB Indonesia	FR0070	106.806	4 Desember/ *December* 2019	27 November/ *November 2020*	2,50%	97.071
PT Bank BNP Paribas Indonesia	INDON21	52.324	27 Desember/ *December 2019*	21 Desember/ *December 2020*	2,50%	47.432
PT Bank UOB Indonesia	INDON23	46.103	24 Juni/ *June* 2019	18 Juni/ *June* 2020	2,90%	42.363
PT Bank UOB Indonesia	INDON27	45.600	24 Juni/ *June* 2019	18 Juni/ *June* 2020	2,90%	41.545
PT Bank BNP Paribas Indonesia	INDON25	44.758	27 Desember/ *December* 2019	21 Desember/ *December 2020*	2,50%	40.803
		2.541.628				2.298.580

19. PINJAMAN YANG DITERIMA

19. BORROWINGS

	31 Desember/*December* 2019	31 Desember/*December* 2018	
Rupiah			***Rupiah***
Pihak ketiga			*Third party*
PT Bank Mandiri (Persero) Tbk	500.000	499.968	*PT Bank Mandiri (Persero) Tbk*
Mata uang asing			***Foreign currencies***
Pihak ketiga			*Third party*
PT Bank Central Asia Tbk	2.254.207	2.207.505	*PT Bank Central Asia Tbk*
PT Bank UOB Indonesia	694.125	719.000	*PT Bank UOB Indonesia*
Standard Chartered Bank Indonesia	555.300	575.200	*Standard Chartered Bank Indonesia*
PT Bank ANZ Indonesia	-	431.400	*PT Bank ANZ Indonesia*
Pihak berelasi (Catatan 29)			*Related party (Note 29)*
Industrial and Commercial Bank of China Ltd., China	5.830.650	7.909.000	*Industrial and Commercial Bank of China Ltd., China*
Industrial and Commercial Bank of China Ltd., Cabang New York	1.388.250	1.438.000	*Industrial and Commercial Bank of China Ltd., New York Branch*
	11.222.532	13.780.073	

Pada tanggal 31 Desember 2019 dan 2018, jatuh tempo dan suku bunga dari fasilitas pinjaman yang diterima adalah sebagai berikut:

As of 31 December 2019 and 2018, the maturity dates and interest rates of outstanding borrowing facilities were as follow:

	Tanggal jatuh tempo/*Maturity date* 2019	Tanggal jatuh tempo/*Maturity date* 2018	Suku bunga/*Interest rates* 2019	Suku bunga/*Interest rates* 2018
PT Bank Central Asia Tbk	12 - 26 Maret/ *March* 2021	11 Desember/ *December* - 20 Desember/ *December* 2019	2,79% - 3,16%	3,77% - 3,79%
PT Bank Mandiri (Persero) Tbk	27 November/ *November* 2020	24 Juli/ *July* 2019	5,86% - 7,39%	7,39%
PT Bank ANZ Indonesia	-	29 Agustus/ August 2019	-	3,31%
Standard Chartered Bank Indonesia	31 Desember/ *December* 2021	11 Desember/ *December* 2019	2,50% - 2,90%	2,90%
Industrial and Commercial Bank of China Ltd., China	28 Desember/ *December* 2021 - 2 Februari/ *February* 2023	28 Desember/ *December* 2021 - 2 Februari/ *February* 2023	2,92% - 3,18%	3,53% - 3,88%
PT Bank UOB Indonesia	29 Juli/ *July* 2020	31 Juli/ *July* 2019	2,35% - 2,90%	2,90%
Industrial and Commercial Bank of China Ltd., Cabang New York/*New York Branch*	19 April/ *April* 2021	19 April/ *April* 2021	2,87%	3,35%

20. LIABILITAS LAIN-LAIN DAN BEBAN YANG MASIH HARUS DIBAYAR

20. OTHER LIABILITIES AND ACCRUED EXPENSES

	31 Desember/*December*		
	2019	2018*	
Bunga masih harus dibayar	229.491	270.166	*Interest payable*
Bonus masih harus dibayar	41.675	34.974	*Accrued bonus*
Provisi dan komisi ditangguhkan	33.048	69.126	*Deferred fees and commissions*
Liabilitas imbalan pascakerja	64.877	52.922	*Obligation for post-employment benefits*
Pajak lainnya	24.083	29.788	*Other taxes*
Beban masih harus dibayar	12.580	19.274	*Accrued expenses*
Setoran jaminan	462	440	*Guarantee deposits*
Lain-lain	11.561	2.630	*Others*
	417.777	479.320	

Provisi dan komisi ditangguhkan merupakan pendapatan provisi dari fasilitas kredit yang belum dicairkan, L/C, SKBDN, dan garansi bank yang diamortisasi sesuai dengan jangka waktu.

Deferred fees and commissions represent fees and commission from undrawn loan facilities, L/C, SKBDN, and bank guarantees which are amortized during the period.

Bunga masih harus dibayar merupakan beban bunga atas simpanan nasabah, simpanan dari bank-bank lain, pinjaman yang diterima dan pinjaman subordinasi.

Interest payable represents interest expenses for deposits from customers, deposits from other banks, borrowings and subordinated loans.

Setoran jaminan merupakan setoran jaminan nasabah terkait dengan penerbitan L/C dan Surat Kredit Berdokumentasi Dalam Negeri (SKBDN).

Guarantee deposits represent customers' guarantee deposits related to issuance of L/C and Domestic Letter of Credit (SKBDN).

Beban masih harus dibayar berkenaan dengan pengadaan aset tetap dan transaksi *Letter of Credit* (L/C) yang belum diselesaikan.

Accrued expenses related to acquisition of fixed assets and Letter of Credit (L/C) transactions which are not yet settled.

21. PINJAMAN SUBORDINASI

21. SUBORDINATED LOANS

	31 Desember/*December*		
	2019	2018	
Pinjaman subordinasi	1.874.138	1.222.300	*Subordinated loans*

Pada tanggal 28 September 2009, Bank memperoleh pinjaman subordinasi dari Industrial and Commercial Bank of China Ltd., China sebesar USD 25.000.000 (nilai penuh) dengan suku bunga sebesar suku bunga *LIBOR* 3 bulan + 50 *basis point*. Pinjaman subordinasi ini berjangka waktu 10 tahun. Pada tanggal 30 September 2019, Bank telah membayar penuh pinjaman subordinasi tersebut.

On 28 September 2009, the Bank obtained a subordinated loan from Industrial and Commercial Bank of China Ltd., China amounting to USD 25,000,000 (full amount) at interest rate of 3 months LIBOR rate + 50 basis point. The subordinated loan has a term of 10 years. On 30 September 2019, the Bank has fully repaid its subordinated loan.

Pada tanggal 25 April 2013, Bank memperoleh pinjaman subordinasi dari Industrial and Commercial Bank of China Ltd., China sebesar USD 60.000.000 (nilai penuh) dengan jangka waktu 10 tahun dan jatuh tempo pada tanggal 25 April 2023. Suku bunga pinjaman adalah sebesar suku bunga *LIBOR* 3 bulan + 100 *basis point*.

On 25 April 2013, the Bank obtained a subordinated loan from Industrial and Commercial Bank of China Ltd., China amounting to USD 60,000,000 (full amount) with 10-years term and will mature on 25 April 2023. The interest rate of this loan is 3 months LIBOR rate + 100 basis point.

*Setelah penyajian kembali (Lihat Catatan 33)

**After restatement (See Note 33)*

21. PINJAMAN SUBORDINASI (Lanjutan)

Pada tanggal 4 Desember 2019, Bank memperoleh pinjaman subordinasi dari Industrial and Commercial Bank of China Ltd., China sebesar USD 75.000.000 (nilai penuh) dengan jangka waktu 5 tahun dan jatuh tempo pada tanggal 4 Desember 2024. Suku bunga pinjaman adalah sebesar suku bunga *LIBOR* 6 bulan + 100 *basis point*.

Untuk keperluan perhitungan rasio Kewajiban Penyediaan Modal Minimum (KPMM), pinjaman subordinasi di atas diperhitungkan sebagai bagian dari modal *Tier* 2.

21. SUBORDINATED LOANS (Continued)

On 4 December 2019, the Bank obtained a subordinated loan from Industrial and Commercial Bank of China Ltd., China amounting of USD 75,000,000 (full amount) with 5 - years term and will mature on 4 December 2024. The interest rate of this loan is 6 months LIBOR rate + 100 basis point.

For the purpose of Capital Adequacy Ratio (CAR) calculation, the above subordinated loan is calculated as part of Tier 2 capital.

22. MODAL SAHAM

Modal dasar Bank adalah sebesar Rp 6.000.000 (120.000 saham dengan nilai nominal Rp 50.000.000 (nilai penuh) per saham). Modal ditempatkan dan disetor penuh Bank adalah sebesar Rp 3.706.150 (74.123 saham dengan nilai nominal Rp 50.000.000 (nilai penuh) per saham) pada tanggal 31 Desember 2019 dan 2018.

Jumlah modal ditempatkan dan disetor penuh pada tanggal 31 Desember 2019 dan 2018 adalah sebagai berikut:

22. SHARE CAPITAL

The Bank's authorized share capital amounted to Rp 6,000,000 (120,000 shares at nominal value of Rp 50,000,000 (full amount) per share). The Bank's issued and paid-up share capital amounted to Rp 3,706,150 (74,123 shares at nominal value of Rp 50,000,000 (full amount) per share) as of 31 December 2019 and 2018.

The issued and fully paid up capital as of 31 December 2019 and 2018 were as follows:

	Jumlah saham/ *Number of shares*	Jumlah modal ditempatkan dan disetor penuh/ *Number of issued and paid-up share capital*	Persentase kepemilikan/ *Percentage of ownership (%)*	
Industrial and Commercial Bank of China Ltd.	73.091	3.654.550	98,61	*Industrial and Commercial Bank of China Ltd.*
PT Intidana Wijaya	1.032	51.600	1,39	*PT Intidana Wijaya*
	74.123	3.706.150	100,00	

Pada tahun 2019 dan 2018, berdasarkan resolusi pemegang saham, pengganti Rapat Umum Pemegang Saham tanggal 17 September 2019 dan 16 Oktober 2018 pemegang saham menyetujui untuk membukukan cadangan umum masing-masing sebesar Rp 11.478 dan Rp 31.132.

In 2019 and 2018, based on circular resolution of shareholders in lieu of the General Meeting of Shareholders dated 17 September 2019 and 16 October 2018 the shareholders agreed to book general reserve amounting to Rp 11,478 and Rp 31,132, respectively.

23. PENDAPATAN BUNGA

23. INTEREST INCOME

	Tahun berakhir 31 Desember/ *Year ended 31 December*		
	2019	2018	
Kredit yang diberikan	2.492.814	2.668.974	*Loans*
Penempatan pada Bank Indonesia dan bank-bank lain	181.826	185.703	*Placements with Bank Indonesia and other banks*
Efek-efek untuk tujuan investasi	173.214	219.295	*Investment securities*
Efek-efek yang dibeli dengan janji dijual kembali	166.931	81.288	*Securities purchased under agreements to resell*
Giro pada Bank Indonesia dan bank-bank lain	25.183	23.386	*Current accounts with Bank Indonesia and other banks*
	3.039.968	3.178.646	

24. BEBAN BUNGA / *24. INTEREST EXPENSE*

	Tahun berakhir 31 Desember/ *Year ended 31 December*		
	2019	2018	
Simpanan nasabah			*Deposits from customers*
Deposito berjangka	1.255.133	1.305.665	*Time deposits*
Giro	109.521	122.455	*Current accounts*
Tabungan	53.580	51.298	*Saving accounts*
Deposito *on call*	193	646	*Deposits on call*
Pinjaman subordinasi dan pinjaman yang diterima	534.030	433.020	*Subordinated loans and borrowings*
Simpanan dari bank-bank lain	117.779	70.477	*Deposit from other banks*
Premi penjaminan dana pihak ketiga	60.718	69.415	*Premium on third party funds guarantee*
Efek-efek yang diterbitkan	-	20.020	*Securities issued*
Efek-efek yang dijual dengan janji dibeli kembali	10.199	647	*Securities sold under agreements to repurchase*
	2.141.153	**2.073.643**	

25. BEBAN KERUGIAN PENURUNAN NILAI ATAS ASET KEUANGAN - BERSIH / *25. IMPAIRMENT LOSSES ON FINANCIAL ASSETS - NET*

	Tahun berakhir 31 Desember/ *Year ended 31 December*		
	2019	2018	
Kredit yang diberikan (Catatan 12f)	724.888	841.992	*Loans (Note 12f)*
	724.888	**841.992**	

26. BEBAN UMUM DAN ADMINISTRASI / *26. GENERAL AND ADMINISTRATIVE EXPENSES*

	Tahun berakhir 31 Desember/ *Year ended 31 December*		
	2019	2018	
Penyusutan aset tetap (Catatan 13)	36.195	38.052	*Depreciation of fixed assets (Note 13)*
Sewa	35.174	34.418	*Rent*
Pendidikan dan pelatihan	16.734	16.030	*Educational and training*
Komunikasi	14.919	19.317	*Communication*
Perbaikan dan pemeliharaan	12.051	9.834	*Repair and Maintenance*
Jasa profesional	9.268	8.197	*Professional fees*
Listrik dan air	5.958	5.336	*Electricity and water*
Amortisasi aset tak berwujud	4.031	4.097	*Amortization of intangible assets*
Perjalanan dinas	3.655	3.721	*Travel*
Perlengkapan kantor	3.109	2.521	*Office supplies*
Transportasi	1.582	1.495	*Transportation*
Pajak dan perizinan	1.378	1.077	*Licenses and dues*
Iklan dan promosi	1.299	3.385	*Advertising and promotion*
Representasi	1.166	1.651	*Representation*
Barang cetakan	493	778	*Printed materials*
Lain-lain	7.498	5.678	*Others*
	154.510	**155.587**	

27. BEBAN TENAGA KERJA / *27. PERSONNEL EXPENSES*

	Tahun berakhir 31 Desember/ *Year ended 31 December*		
	2019	2018*	
Gaji dan upah	208.786	203.319	*Salaries and wages*
Tunjangan hari raya dan bonus	41.557	34.974	*Festive allowances and bonus*
Imbalan kerja karyawan	4.379	4.570	*Employment benefits*
Iuran pensiun	6.017	5.849	*Pension contribution*
Tunjangan lain-lain	48.511	40.764	*Other allowances*
	309.250	**289.476**	

*Setelah penyajian kembali (Lihat Catatan 33)

**After restatement (See Note 33)*

27. BEBAN TENAGA KERJA (Lanjutan)

Berikut ini adalah beban tenaga kerja dan tunjangan-tunjangan untuk pengurus dan pejabat eksekutif:

27. PERSONNEL EXPENSES (Continued)

Outlined below are salaries and other benefits for the Bank's management and executive officers:

	Tahun berakhir 31 Desember/ *Year ended 31 December*		
	2019	2018*	
Dewan Komisaris	2.325	1.836	*Board of Commissioners*
Direksi	31.749	34.265	*Board of Directors*
Lain-lain *)	61.238	61.085	*Others *)*
	95.312	**97.186**	

28. TRANSAKSI DAN SALDO DENGAN PIHAK-PIHAK BERELASI

Transaksi dan saldo dengan pihak-pihak berelasi adalah sebagai berikut:

28. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Transactions and balances with related parties are as follows:

	31 Desember/*December*		
	2019	2018*	
Aset			***Assets***
Giro pada bank-bank lain (Catatan 7)	1.186.087	775.780	*Current accounts with other banks (Note 7)*
Penempatan pada Bank Indonesia dan bank-bank lain (Catatan 8)	199.400	229.963	*Placements with Bank Indonesia and others bank (Note 8)*
Aset derivatif	29	1.044	*Derivative assets*
Kredit yang diberikan (Catatan 12)			*Loans receivable (Note 12)*
Direksi, Dewan Komisaris, dan Pejabat Eksekutif	7.704	7.286	*Directors, Board of Commissioners, and Executive Officers*
Jumlah aset dari pihak-pihak berelasi	1.393.220	1.014.073	*Total assets from related parties*
Persentase aset dari pihak-pihak berelasi terhadap jumlah aset	2,62%	1,85%	*Percentage of assets from related parties to total assets*
Liabilitas			***Liabilities***
Simpanan nasabah (Catatan 15)			*Deposits from customers (Note 15)*
Deposito berjangka	23.843	19.535	*Time deposits*
Tabungan	7.093	8.875	*Saving accounts*
Giro	1.152	331	*Current accounts*
	32.088	28.741	
Simpanan dari bank-bank lain (Catatan 16)			*Deposits from other banks (Note 16)*
Interbank call money	152.708	1.222.300	*Interbank call money*
Giro	727	364	*Current accounts*
	153.435	1.222.664	
Liabilitas derivatif	-	27	*Derivative liabilities*
Liabilitas akseptasi (Catatan 9)	-	3.068	*Acceptance payables (Note 9)*
Pinjaman yang diterima (Catatan 19)	7.218.900	9.347.000	*Borrowings (Note 19)*
Liabilitas lain-lain dan beban yang masih harus di bayar	18.755	16.999	*Other liabilities and accrued expenses*
Pinjaman subordinasi (Catatan 21)	1.874.138	1.222.300	*Subordinated loans (Note 21)*
Jumlah liabilitas kepada pihak-pihak berelasi	9.297.316	11.840.800	*Total liabilities to related parties*
Persentase liabilitas kepada pihak-pihak berelasi terhadap jumlah liabilitas	19,75%	24,21%	*Percentage of liabilities to related parties to total liabilities*

*Setelah penyajian kembali (Lihat Catatan 33)

**After restatement (See Note 33)*

28. TRANSAKSI DAN SALDO DENGAN PIHAK-PIHAK BERELASI (Lanjutan)

28. TRANSACTIONS AND BALANCES WITH RELATED PARTIES (Continued)

	Untuk tahun berakhir 31 Desember/ *For the year ended 31 December*		
	2019	2018	
Pendapatan dan beban operasional			***Incomes and expenses from operations***
Pendapatan bunga	17.008	67.686	*Interest income*
Persentase pendapatan bunga dari pihak-pihak berelasi terhadap jumlah pendapatan bunga	0,56%	2,13%	*Percentage of interest income from related parties to total interest income*
Beban bunga	415.777	362.565	*Interest expense*
Persentase beban bunga kepada pihak-pihak berelasi terhadap jumlah beban bunga	19.42%	17,48%	*Percentage of interest expense to related parties to total interest expense*

	31 Desember/*December*		
	2019	2018	
Komitmen dan kontinjensi (Catatan 29)			***Commitments and contingencies (Note 29)***
Fasilitas kredit yang diberikan yang belum digunakan	3.145	3.753	*Unused loan facilities*
Persentase liabilitas komitmen kepada pihak-pihak berelasi terhadap jumlah liabilitas komitmen	0.06%	0,04%	*Percentage of committed liabilities to related parties to total committed liabilities*
Garansi bank dan *Standby* L/C yang diterbitkan	1.436.858	1.438.000	*Bank guarantees and Standby L/C issued*
Persentase liabilitas kontinjensi kepada pihak-pihak berelasi terhadap jumlah liabilitas kontinjensi	25.60%	19,63%	*Percentage of contingent liability to related parties to total contingent liabilities*
Bank garansi yang diterima	6.388.069	8.907.587	*Bank guarantees received*
Persentase tagihan kontinjensi kepada pihak-pihak berelasi terhadap jumlah tagihan kontinjensi	91,24%	93,75%	*Percentage of contingent receivables to related parties to total contingent receivables*

Bank memberikan kompensasi dan imbalan lain kepada Dewan Komisaris, Direksi, dan pejabat eksekutif untuk tahun yang berakhir pada tanggal-tanggal 31 Desember 2019 dan 2018 sebagai berikut (Catatan 27):

The Bank provided compensation and other benefits for the Board of Commissioners, Boerd of Directors, and executive officers for the years ended 31 December 2019 and 2018 as follows (Note 27):

	2019	2018	
Kompensasi dan imbalan lainnya	95.312	97.186	*Compensation and other benefits*

Hubungan dengan pihak berelasi adalah sebagai berikut:

The relationship with related parties are as follows:

28. TRANSAKSI DAN SALDO DENGAN PIHAK-PIHAK BERELASI (Lanjutan)

28. TRANSACTIONS AND BALANCES WITH RELATED PARTIES (Continued)

Pihak berelasi/ *Related parties*	Sifat dari hubungan/ *Nature of relationship*	Sifat dari transaksi/ *Nature of transaction*
Industrial and Commercial Bank of China Ltd., China	Entitas induk/*Parent entity*	Giro pada bank lain, simpanan dari bank-bank lain, pinjaman yang diterima, pinjaman subordinasi, komitmen dan kontinjensi/*Current accounts with other banks, deposits from other banks, borrowings, subordinated loans, commitments and contingencies*
PT Intidana Wijaya	Pemegang saham/*Shareholder*	Simpanan nasabah/*Deposits from customers*
Industrial and Commercial Bank of China Ltd., cabang New York/ *New York branch*	Cabang luar negeri dari entitas induk/ *Overseas branch of parent entity*	Giro pada bank lain/*Current accounts with other banks,*
Industrial and Commercial Bank of China Ltd., cabang Frankfurt/ *Frankfurt branch*	Cabang luar negeri dari entitas induk/ *Overseas branch of parent entity*	Giro pada bank lain/*Current accounts with other banks*
Industrial and Commercial Bank of China Ltd., cabang Singapore/ *Singapore branch*	Cabang luar negeri dari entitas induk/ *Overseas branch of parent entity*	Giro pada bank lain, penempatan pada bank-bank lain, simpanan dari bank lain, derivatif/*Current accounts with other banks, placements with other banks, deposits from other banks, derivatives*
Industrial and Commercial Bank of China Ltd., cabang Seoul/ *Seoul branch*	Cabang luar negeri dari entitas induk/ *Overseas branch of parent entity*	Komitmen dan kontinjensi/*Commitments and contingencies*
Industrial and Commercial Bank of China (Asia) Ltd., Hong Kong	Mempunyai pemegang saham akhir yang sama/*Having the same ultimate shareholder*	Giro pada bank lain, derivatif, komitmen dan kontinjensi/*Current accounts with other banks, commitments and contingencies, derivatives*
Bank of Communication Co. Ltd., China	Mempunyai pemegang saham akhir yang sama/*Having the same ultimate shareholder*	Giro pada bank lain, komitmen dan kontinjensi/*Current accounts with other banks, commitments and contingencies*
Bank of China, China	Mempunyai pemegang saham akhir yang sama/*Having the same ultimate shareholder*	Liabilitas akseptasi, komitmen dan kontinjensi/ *Acceptance payables, commitments and contingencies*
China Everbright Bank Co., Ltd., China	Mempunyai pemegang saham akhir yang sama/*Having the same ultimate shareholder*	Liabilitas akseptasi/ *Acceptance payables*
China Construction Bank, China	Mempunyai pemegang saham akhir yang sama/*Having the same ultimate shareholder*	komitmen dan kontinjensi/ *commitments and contingencies*
China Citic Bank Corporation Ltd., China	Mempunyai pemegang saham akhir yang sama/*Having the same ultimate shareholder*	Komitmen dan kontinjensi/*commitments and contingencies*
Export Import Bank of China	Mempunyai pemegang saham akhir yang sama/*Having the same ultimate shareholder*	Komitmen dan kontinjensi/*Commitments and contingencies*
Direksi, Dewan Komisaris, dan Pejabat Eksekutif/Board of Directors, Board of Commissioners, and Executive Officers	Manajemen dan karyawan kunci/ *Management and key employees*	Kredit yang diberikan, simpanan nasabah, komitmen dan kontinjensi/*Loans receivable, deposits from customers, commitments and contingencies*
PT Bank China Construction Bank Indonesia Tbk.(dahulu/*previously* PT Bank Windu Kentjana International Tbk.)	Mempunyai pemegang saham akhir yang sama/*Having the same ultimate shareholder*	Simpanan dari bank-bank lain/*Deposits from other banks*
Agricultural Bank of China Limited, China	Mempunyai pemegang saham akhir yang sama/*Having the same ultimate shareholder*	Efek-efek untuk tujuan investasi/ *investment securities*
Industrial and Commercial Bank of China Ltd., cabang Sydney/ *Sydney branch*	Cabang luar negeri dan entitas induk/*Overseas branch of parent entity*	Giro pada bank lain, simpanan dari bank-bank lain/*Current accounts with other banks, deposits from other banks*
Industrial and Commercial Bank of China Ltd., cabang Tokyo/ *Tokyo branch*	Cabang luar negeri dari entitas induk/*Overseas branch of parent entity*	Giro pada bank lain/*Current accounts with other banks*
Industrial and Commercial Bank of China Ltd., cabang Hengqin/ *Hengqin branch*	Cabang luar negeri dari entitas induk/*Overseas branch of parent entity*	Simpanan dari bank-bank lain/ *deposits from other banks*

29. KOMITMEN DAN KONTINJENSI / *29. COMMITMENTS AND CONTINGENCIES*

	31 Desember/*December* 2019	2018	
Komitmen			***Commitments***
Pihak ketiga			*Third parties*
Liabilitas komitmen			*Committed liabilities*
L/C dan SKBDN yang masih berjalan dan tidak dapat dibatalkan	(129.379)	(265.968)	*Outstanding irrecoverable L/C and domestic L/C*
Fasilitas kredit yang diberikan yang belum digunakan - *committed*	(5.018.335)	(9.597.668)	*Unused loan facilities - committed*
Pihak berelasi (Catatan 28)			*Related parties (Note 28)*
Liabilitas komitmen			*Committed liabilities*
Fasilitas kredit yang diberikan yang belum digunakan - *committed* Direksi, Dewan Komisaris, dan Pejabat Eksekutif	(3.145)	(3.753)	*Unused loan facilities - committed Directors, Board of Commissioners, and Executive Officers*
Komitmen	(5.150.859)	(9.867.389)	*Commitments*
Kontinjensi			***Contingencies***
Pihak ketiga			*Third parties*
Tagihan kontinjensi			*Contingent receivables*
Pendapatan bunga dalam penyelesaian	279.235	218.318	*Interest receivable on non-performing loans*
Garansi bank yang diterima	333.733	368.732	*Bank guarantees received*
Liabilitas kontinjensi			*Contingent liabilities*
Garansi bank dan *Standby L/C* yang diterbitkan	(4.175.394)	(5.888.525)	*Bank guarantees and Standby L/C issued*
	(3.562.426)	(5.301.475)	
Pihak berelasi (Catatan 28)			*Related parties (Note 28)*
Tagihan kontinjensi			*Contingent receivables*
Bank garansi yang diterima:			*Bank guarantees received:*
Industrial and Commercial Bank of China Ltd., China	5.808.791	7.411.286	*Industrial and Commercial Bank of China Ltd., China*
Export Import Bank of China	-	596.781	*Export Import Bank of China*
China Construction Bank, China	115.781	350.167	*China Construction Bank, China*
Bank of Communication Co. Ltd., China	17.353	83.088	*Bank of Communication Co. Ltd., China*
Bank of China, China	325.144	222.316	*Bank of China, China*
Industrial and Commercial Bank of China (Asia) Ltd., Hong Kong	121.000	243.949	*Industrial and Commercial Bank of China (Asia) Ltd., Hong Kong*
Liabilitas kontinjensi			*Contingent liabilities*
Garansi bank dan *Standby L/C* yang diterbitkan			*Bank guarantees and Standby L/C issued*
Industrial and Commercial Bank of China (Asia) Ltd., cabang Singapore	(48.608)	-	*Industrial and Commercial Bank of China (Asia) Ltd., Singapore branch*
Industrial and Commercial Bank of China (Asia) Ltd., Hong Kong	(1.388.250)	(1.438.000)	*Industrial and Commercial Bank of China (Asia) Ltd., Hong Kong*
	4.951.211	7.469.587	
Kontinjensi - neto	1.388.785	2.168.112	*Contingencies - net*

30. ASET DAN LIABILITAS KEUANGAN BERDASARKAN SISA UMUR JATUH TEMPO

Analisa jatuh tempo aset dan liabilitas keuangan (bukan untuk tujuan diperdagangkan) sebelum penyisihan kerugian penurunan nilai berdasarkan periode tersisa sampai dengan tanggal jatuh tempo kontraktual pada tanggal 31 Desember 2019 dan 2018 adalah sebagai berikut:

30. FINANCIAL ASSETS AND LIABILITIES BASED ON REMAINING PERIOD TO MATURITY

The analysis of maturities of financial assets and liabilities (not for trading purposes) before allowances for impairment losses based on remaining period to contractual maturity as of 31 December 2019 and 2018 was as follows:

2019	Nilai tercatat/ *Carrying amount*	Tidak mempunyai jatuh tempo kontraktual/ *No contractual maturity*	< 1 bulan/ *< 1 month*	1-3 bulan/ *1-3 months*	> 3-6 bulan/ *> 3-6months*	> 6-12 bulan/ *> 6-12months*	> 12 bulan/ *> 12 months*	
ASET								*ASSETS*
Kas	79.587	79.587	-	-	-	-	-	*Cash*
Giro pada Bank Indonesia	3.144.733	3.144.733	-	-	-	-	-	*Current accounts with Bank Indonesia*
Giro pada bank-bank lain	3.622.465	3.622.465	-	-	-	-	-	*Current accounts with other banks*
Penempatan pada Bank Indonesia dan bank-bank lain	2.400.863	-	1.073.356	587.244	-	740.263	-	*Placements with Bank Indonesia and other banks*
Tagihan akseptasi	200.815	-	15.830	97.239	87.746	-	-	*Acceptance receivables*
Efek-efek yang dibali dengan janji dijual kembali	3.513.004	-	3.513.004	-	-	-	-	*Securities purchased under agreements to resell*
Efek-efek untuk tujuan investasi	3.714.365	-	438	1.621.069	6.285	50.947	2.035.626	*Investment securities*
Kredit yang diberikan	36.009.476	-	879.352	884.363	1.453.900	12.041.167	20.750.694	*Loans receivable*
Aset lain-lain	211.863		211.863	-	-	-	-	*Other assets*
	52.697.171	6.846.785	5.693.844	3.189.915	1.547.931	12.832.377	22.786.320	
LIABILITAS								*LIABILITIES*
Liabilitas segera	(2.564)	(2.564)	-	-	-	-	-	*Liabilities immediately payable*
Simpanan nasabah	(27.061.513)	(6.462.442)	(9.556.945)	(7.073.731)	(2.241.213)	(1.719.941)	(7.241)	*Deposits from customers*
Simpanan dari bank-bank lain	(3.731.791)	-	(1.921.414)	(622.478)	(978.275)	(209.624)	-	*Deposits from other banks*
Efek-efek yang dijual dengan janji dijual kembali	(2.298.580)	-	-	(667.136)	(423.977)	(1.207.467)	-	*Securities sold under agreements to repurchase*
Liabilitas akseptasi	(200.815)	-	(15.830)	(97.239)	(87.746)	-	-	*Acceptance payables*
Pinjaman yang diterima	(11.222.532)	-	-	-	-	(1.194.125)	(10.028.407)	*Borrowings*
Liabilitas lain-lain dan beban yang masih harus dibayar	(229.491)	-	(229.491)	-	-	-	-	*Other liabilities and accrued expenses*
Pinjaman subordinasi	(1.874.138)	-	-	-	-	-	(1.874.138)	*Subordinated loans*
	(46.621.424)	(6.465.006)	(11.723.680)	(8.460.584)	(3.731.211)	(4.331.157)	(11.909.786)	
Perbedaan jatuh tempo	6.275.747	381.779	(6.029.836)	(5.270.669)	(2.183.280)	8.501.220	10.876.534	***Maturity gap***

2018	Nilai tercatat/ *Carrying amount*	Tidak mempunyai jatuh tempo kontraktual/ *No contractual maturity*	< 1 bulan/ *< 1 month*	1-3 bulan/ *1-3 months*	> 3-6 bulan/ *> 3-6months*	> 6-12 bulan/ *> 6-12months*	> 12 bulan/ *> 12 months*	
ASET								*ASSETS*
Kas	63.490	63.490	-	-	-	-	-	*Cash*
Giro pada Bank Indonesia	3.848.263	3.848.263	-	-	-	-	-	*Current accounts with Bank Indonesia*
Giro pada bank-bank lain	3.456.397	3.456.397	-	-	-	-	-	*Current accounts with other Banks*
Penempatan pada Bank Indonesia dan bank-bank lain	5.410.777	-	3.579.146	-	-	1.831.631	-	*Placements with Bank Indonesia and other banks*
Tagihan akseptasi	595.160	-	208.499	160.972	225.689	-	-	*Acceptance receivables*
Efek-efek untuk tujuan investasi	3.791.167	-	4.341	1.354.028	879.944	-	1.552.854	*Investment securities*
Kredit yang diberikan	37.213.631	-	1.532.134	797.677	1.892.215	4.308.600	28.683.005	*Loans receivable*
Aset lain-lain	261.580	-	261.580	-	-	-	-	*Other assets*
	54.640.685	7.368.170	5.585.700	2.312.677	2.997.848	6.140.431	30.235.859	

30. ASET DAN LIABILITAS KEUANGAN BERDASARKAN SISA UMUR JATUH TEMPO (Lanjutan)

30. FINANCIAL ASSETS AND LIABILITIES BASED ON REMAINING PERIOD TO MATURITY (Continued)

	2018							
	Nilai tercatat/ *Carrying amount*	Tidak mempunyai jatuh tempo kontraktual/ *No contractual maturity*	< 1 bulan/ *< 1 month*	1-3 bulan/ *1-3 months*	> 3-6 bulan/ *> 3-6months*	> 6-12 bulan/ *> 6-12months*	> 12 bulan/ *> 12 months*	
LIABILITAS								***LIABILITIES***
Liabilitas segera	(2.355)	(2.355)	-	-	-	-	-	*Liabilities immediately payable*
Simpanan nasabah	(30.588.043)	(8.691.709)	(9.324.222)	(7.387.250)	(3.750.894)	(1.421.926)	(12.042)	*Deposits from customers*
Simpanan dari bank-bank lain	(2.227.491)	-	(1.013.868)	(483.098)	(728.000)	(2.525)	-	*Deposits from other banks*
Liabilitas akseptasi	(595.160)	-	(208.499)	(160.972)	(225.689)	-	-	*Acceptance payables*
Pinjaman yang diterima	(13.780.073)	-	-	-	-	(4.433.073)	(9.347.000)	*Borrowings*
Liabilitas lain-lain dan beban yang masih harus dibayar	(270.166)	-	(270.166)	-	-	-	-	*Other liabilities and accrued expenses*
Pinjaman subordinasi	(1.222.300)	-	-	-	-	(359.500)	(862.800)	*Subordinated loans*
	(48.685.588)	(8.694.064)	(10.816.755)	(8.031.320)	(4.704.583)	(6.217.024)	(10.221.842)	
Perbedaan jatuh tempo	5.955.097	(1.325.894)	(5.231.054)	(5.718.643)	(1.706.735)	(76.593)	20.014.017	***Maturity gap***

31. INSTRUMEN KEUANGAN

a. Klasifikasi instrumen keuangan

Tabel di bawah ini menyajikan nilai tercatat aset keuangan dan liabilitas keuangan Bank berdasarkan klasifikasi masing-masing pada tanggal 31 Desember 2019 dan 2018:

31. FINANCIAL INSTRUMENTS

a. Classification of financial instruments

The table below sets out the carrying amount of the Bank's financial assets and financial liabilities based on their respective classification as of 31 December 2019 and 2018:

	2019						
	Diukur pada nilai wajar melalui laba rugi/ *Fair value through profit or loss*	Tersedia untuk dijual/ *Available-for-sale*	Pinjaman yang diberikan dan piutang/ *Loans and receivables*	Dimiliki hingga jatuh tempo/ *Held-to-maturity*	Liabilitas keuangan lainnya/ *Other financial liabilities*	Jumlah nilai tercatat/ *Total carrying Amount*	
Aset keuangan							*Financial assets*
Kas	-	-	79.587	-	-	79.587	*Cash*
Giro pada Bank Indonesia	-	-	3.144.733	-	-	3.144.733	*Current accounts with Bank Indonesia*
Giro pada bank-bank lain	-	-	3.622.465	-	-	3.622.465	*Current accounts with other banks*
Penempatan pada Bank Indonesia dan bank-bank lain	-	-	2.400.863	-	-	2.400.863	*Placements with Bank Indonesia and other banks*
Aset derivatif	46.513	-		-	-	46.513	*Derivative assets*
Tagihan akseptasi	-	-	200.815	-	-	200.815	*Acceptance receivables*
Efek-efek yang dibeli dengan janji dijual kembali	-	-	3.513.004	-	-	3.513.004	*Securities purchased under agreements to resell*
Efek-efek untuk tujuan investasi	-	2.568.755	8.549	1.137.061	-	3.714.365	*Investment securities*
Kredit yang diberikan	-	-	35.276.096	-	-	35.276.096	*Loans receivable*
Aset lain-lain	-	-	211.863	-	-	211.863	*Other assets*
	46.513	2.568.755	48.457.975	1.137.061	-	52.210.304	

31. INSTRUMEN KEUANGAN (Lanjutan)

31. FINANCIAL INSTRUMENTS (Continued)

a. Klasifikasi instrumen keuangan (lanjutan)

a. Classification of financial instruments (continued)

	2019						
	Diukur pada nilai wajar melalui laba rugi/ *Fair value through profit or loss*	Tersedia untuk dijual/ *Available-for-sale*	Pinjaman yang diberikan dan piutang/ *Loans and receivables*	Dimiliki hingga jatuh tempo/ *Held-to-maturity*	Liabilitas keuangan lainnya/ *Other financial liabilities*	Jumlah nilai tercatat/ *Total carrying Amount*	
Liabilitas keuangan							***Financial liabilities***
Liabilitas segera	-	-	-	-	(2.564)	(2.564)	*Liabilities immediately payable*
Simpanan nasabah	-	-	-	-	(27.061.513)	(27.061.513)	*Deposits from Customers*
Simpanan dari bank-bank lain	-	-	-	-	(3.731.791)	(3.731.791)	*Deposits from other Banks*
Efek-efek yang dijual dengan janji dibeli kembali	-	-	-	-	(2.298.580)	(2.298.580)	*Securities sold under agreements to repurchase*
Liabilitas derivatif	(15)	-	-	-	-	(15)	*Derivative liabilities*
Liabilitas akseptasi	-	-	-	-	(200.815)	(200.815)	*Acceptance peyables*
Pinjaman yang diterima	-	-	-	-	(11.222.532)	(11.222.532)	*Borrowings*
Liabilitas lain-lain dan beban yang masih harus dibayar	-	-	-	-	(229.491)	(229.491)	*Other liabilities and accrued expenses*
Pinjaman subordinasi	-	-	-	-	(1.874.138)	(1.874.138)	*Subordinated loans*
	(15)	-	-	-	(46.621.424)	(46.621.439)	

	2018						
	Diukur pada nilai wajar melalui laba rugi/ *Fair value through profit or loss*	Tersedia untuk dijual/ *Available-for-sale*	Pinjaman yang diberikan dan piutang/ *Loans and receivables*	Dimiliki hingga jatuh tempo/ *Held-to-maturity*	Liabilitas keuangan lainnya/ *Other financial liabilities*	Jumlah nilai tercatat/ *Total carrying Amount*	
Aset keuangan							***Financial assets***
Kas	-	-	63.490	-	-	63.490	*Cash*
Giro pada Bank Indonesia	-	-	3.848.283	-	-	3.848.283	*Current accounts with Bank Indonesia*
Giro pada bank-bank lain	-	-	3.456.397	-	-	3.456.397	*Current accounts with other banks*
Penempatan pada Bank Indonesia dan bank-bank lain	-	-	5.410.777	-	-	5.410.777	*Placements with Bank Indonesia and other banks*
Aset derivatif	267.422	-	-	-	-	267.422	*Derivative assets*
Tagihan akseptasi	-	-	595.160	-	-	595.160	*Acceptance receivables*
Efek-efek untuk tujuan investasi	-	2.880.654	9.665	900.848	-	3.791.167	*Investment securities*
Kredit yang diberikan	-	-	36.542.280	-	-	36.542.280	*Loans receivable*
Aset lain-lain	-	-	261.580	-	-	261.580	*Other assets*
	267.422	2.880.654	50.187.632	900.848	-	54.236.556	
Liabilitas keuangan							***Financial liabilities***
Liabilitas segera	-	-	-	-	(2.355)	(2.355)	*Liabilities immediately Payable*
Simpanan nasabah	-	-	-	-	(30.588.043)	(30.588.043)	*Deposits from Customers*
Simpanan dari bank-bank lain	-	-	-	-	(2.227.491)	(2.227.491)	*Deposits from other Banks*
Liabilitas derivatif	(538)	-	-	-	-	(538)	*Derivative liabilities*
Liabilitas akseptasi	-	-	-	-	(595.160)	(595.160)	*Acceptance payables*
Pinjaman yang diterima	-	-	-	-	(13.780.073)	(13.780.073)	*Borrowings*
Liabilitas lain-lain dan beban yang masih harus dibayar	-	-	-	-	(270.166)	(270.166)	*Other liabilities and accrued expenses*
Pinjaman subordinasi	-	-	-	-	(1.222.300)	(1.222.300)	*Subordinated loans*
	(538)	-	-	-	(48.685.588)	(48.686.126)	

31. INSTRUMEN KEUANGAN (Lanjutan)

b. Nilai wajar instrumen keuangan

Model penilaian

Bank mengukur nilai wajar untuk instrumen keuangan yang diakui pada nilai wajar dengan menggunakan level hirarki berikut ini:

- Level 1: input yang berasal dari harga kuotasian (tanpa penyesuaian) dalam pasar aktif untuk instrumen yang identik yang dapat diakses Bank pada tanggal pengukuran.
- Level 2: input selain harga kuotasian yang termasuk dalam level 1 yang dapat diobservasi, baik secara langsung atau tidak langsung. Dalam kategori ini termasuk instrumen yang dinilai dengan menggunakan: harga kuotasian untuk instrumen yang serupa di pasar aktif; harga kuotasian untuk instrumen yang identik atau yang serupa di pasar yang tidak aktif; atau teknik penilaian lainnya dimana seluruh input signifikan dapat diobservasi secara langsung maupun tidak langsung dari data pasar.
- Level 3: input yang tidak dapat diobservasi. Dalam kategori ini termasuk semua instrumen dimana teknik penilaian menggunakan input yang tidak dapat diobservasi dan input yang tidak dapat diobservasi ini memberikan dampak signifikan terhadap penilaian instrumen. Termasuk dalam kategori ini adalah instrumen yang dinilai berdasarkan harga kuotasian untuk instrumen serupa yang memerlukan penyesuaian atau asumsi signifikan yang tidak dapat diobservasi untuk mencerminkan perbedaan di antara instrumen tersebut.

31. FINANCIAL INSTRUMENTS (Continued)

b. Fair values of financial instruments

Valuation models

The Bank measures fair value for financial instruments recognized at fair value using the following hierarchy level:

- *Level 1: inputs that are quoted market prices (unadjusted) in active markets for identical instruments that the Bank can access at the measurement date.*
- *Level 2: inputs other than quoted prices included within Level 1 that are observable either directly or indirectly. This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are not active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.*
- *Level 3: inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.*

Instrumen keuangan yang diukur pada nilai wajar

Financial instrument measured at fair values

	31 Desember/*December* 2019			
	Level/ *Level 1*	Level/ *Level 2*	Jumlah/ *Total*	
Aset keuangan				***Financial assets***
Efek-efek untuk tujuan investasi				*Investment securities*
Tersedia untuk dijual	1.116.405	1.452.350	2.568.755	*Available-for sale*
Aset derivatif				*Derivative assets*
Diukur pada nilai wajar melalui laba rugi	86	46.427	46.513	*Fair value through profit or loss*
Liabilitas keuangan				***Financial liabilities***
Liabilitas derivatif				*Derivative liabilities*
Diukur pada nilai wajar melalui laba rugi	(15)	-	(15)	*Fair value through profit or loss*

31. INSTRUMEN KEUANGAN (Lanjutan)

31. FINANCIAL INSTRUMENTS (Continued)

b. Nilai wajar instrumen keuangan (lanjutan)

b. Fair values of financial instruments (continued)

	31 Desember/*December* 2018			
	Level/ *Level* 1	Level/ *Level* 2	Jumlah/ *Total*	
Aset keuangan				***Financial assets***
Efek-efek untuk tujuan investasi				*Investment securities*
Tersedia untuk dijual	1.265.732	1.614.922	2.880.654	*Available-for sale*
Aset derivatif				*Derivative assets*
Diukur pada nilai wajar melalui laba rugi	3.696	263.726	267.422	*Fair value through profit or loss*
Liabilitas keuangan				***Financial liabilities***
Liabilitas derivatif				*Derivative liabilities*
Diukur pada nilai wajar melalui laba rugi	(391)	(147)	(538)	*Fair value through profit or loss*

Nilai wajar efek-efek untuk tujuan investasi (tersedia untuk dijual) pada tanggal 31 Desember 2019 menggunakan harga kuotasian pasar, kecuali untuk nilai wajar obligasi korporasi yang penilaiannya ditentukan dengan teknik penilaian berdasarkan input yang dapat diobservasi.

The fair value of investment securities (available for-sale) as of 31 December 2019 used quoted market prices, except corporate bonds which were determined using valuation technique based on observable inputs.

Nilai wajar instrumen derivatif atas *spot* pada tanggal 31 Desember 2019 menggunakan harga kuotasian pasar, kecuali untuk *swap* dan *forward* yang penilaiannya ditentukan dengan teknik penilaian berdasarkan input yang dapat diobservasi.

The fair value of spot as of 31 December 2019 used quoted market prices, except for swap and forward which were determined using valuation techniques based on observable inputs.

Instrumen keuangan yang tidak diukur pada nilai wajar

Tabel di bawah ini menyajikan nilai wajar instrumen keuangan yang tidak diukur pada nilai wajar dan analisa atas instrumen keuangan tersebut sesuai dengan masing-masing level pada hirarki nilai wajar. Tabel ini tidak termasuk informasi nilai wajar untuk aset dan liabilitas keuangan yang tidak diukur pada nilai wajar jika nilai tercatatnya mendekati nilai wajarnya.

Financial instruments not measured at fair value

The following table sets out the fair values of financial instruments not measured at fair value and analysis on those financial instruments by level in the fair value hierarchy. The table does not include fair value information for financial assets and liabilities not measured at fair value if the carrying amount is as reasonable approximation of fair value.

	31 Desember/*31 December* 2019					
		Nilai wajar/*Fair value*				
	Jumlah nilai tercatat/ *Total carrying amount*	Level/ *Level 1*	Level/ *Level 2*	Level/ *Level 3*	Jumlah/ Total	
Aset keuangan:						***Financial assets:***
Efek-efek untuk tujuan investasi						*Investment securities*
Dimiliki hingga jatuh tempo	1.137.062	991.138	175.796	-	1.166.934	*Held-to-maturity*
Kredit yang diberikan	35.276.096	-	-	34.238.417	34.238.417	*Loans receivable*
Liabilitas keuangan:						***Financial liabilities:***
Simpanan nasabah-deposito berjangka	(20.584.358)	-	(20.584.358)	-	(20.584.358)	*Deposits from customers-time deposits*
Simpanan dari bank-bank lain-deposito berjangka dan *interbank call money*	(3.037.972)	-	(3.037.972)		(3.037.972)	*Deposits from other banks-time deposits and interbank call money*
Efek-efek yang dijual dengan janji dibeli kembali	(2.298.580)	-	-	(2.298.580)	(2.298.580)	*Securities sold under agreement to repurchase*
Pinjaman yang diterima	(7.218.900)	-	-	(7.218.900)	(7.218.900)	*Borrowings*

31. INSTRUMEN KEUANGAN (Lanjutan)

b. Nilai wajar instrumen keuangan (lanjutan)

31. FINANCIAL INSTRUMENTS (Continued)

b. Fair values of financial instruments (continued)

	31 Desember/*31 December* 2018					
		Nilai wajar/*Fair value*				
	Jumlah nilai tercatat/ *Total carrying amount*	Level/ *Level 1*	Level/ *Level 2*	Level/ *Level 3*	Jumlah/ Total	
Aset keuangan:						***Financial assets:***
Efek-efek untuk tujuan investasi						*Investment securities*
Dimiliki hingga jatuh tempo	900.848	876.208	-	-	876.208	*Held-to-maturity*
Kredit yang diberikan	36.542.280	-	-	35.662.886	35.662.886	*Loans receivable*
Liabilitas keuangan:						***Financial liabilities:***
Simpanan nasabah-deposito berjangka	(21.876.456)	-	(21.876.456)	-	(21.876.456)	*Deposits from customers-time deposits*
Simpanan dari bank-bank lain-deposito berjangka dan *interbank call money*	(1.678.509)	-	(1.678.509)	-	(1.678.509)	*Deposits from other banks-time deposits and interbank call money*
Pinjaman yang diterima	(9.347.000)	-	-	(9.347.000)	(9.347.000)	*Borrowings*

Sebagian besar dari instrumen keuangan yang tidak diukur pada nilai wajar, diukur pada biaya perolehan diamortisasi. Instrumen keuangan berikut ini merupakan instrumen keuangan jangka pendek (kurang dari satu tahun) atau yang ditinjau ulang menggunakan harga pasar secara berkala. Oleh karenanya, nilai wajar instrumen keuangan tersebut mendekati nilai tercatatnya.

Aset keuangan:

- Kas
- Giro pada Bank Indonesia
- Giro pada bank-bank lain
- Penempatan pada Bank Indonesia dan bank-bank lain
- Tagihan akseptasi
- Efek-efek yang dibeli dengan janji dijual kembali
- Efek-efek untuk tujuan investasi (wesel ekspor)
- Bunga akan diterima dan setoran jaminan (bagian dari aset lain-lain)

Liabilitas keuangan:

- Simpanan nasabah (giro, tabungan dan deposito *on call*)
- Simpanan dari bank-bank lain (giro dan tabungan)
- Efek-efek yang dijual dengan janji dibeli kembali
- Liabilitas akseptasi
- Pinjaman yang diterima
- Liabilitas segera

Nilai wajar dari simpanan nasabah dan simpanan dari bank-bank lain tanpa jatuh tempo adalah jumlah yang terutang pada saat penarikan.

Pinjaman subordinasi tidak disertakan pada tabel di atas karena sifat dan tujuannya secara substansi merupakan modal *Tier 2*.

Majority of the financial instrument not measured at fair value are measured at amortized cost. The following financial instruments represent financial instruments which are short term in nature (less than one year) or reprice to current market rates frequently. Therefore, the fair value of these financial instruments approximate to the carrying amount.

Financial assets:

- *Cash*
- *Current accounts with Bank Indonesia*
- *Current accounts with other banks*
- *Placements with Bank Indonesia and other banks*
- *Acceptance receivables*
- *Securities purchased under agreements to resell*
- *Investment securities (export bills)*
- *Interest receivable and security deposits (part of other assets)*

Financial liabilities:

- *Deposits from customers (current accounts, saving accounts and deposits on call)*
- *Deposits from other banks (current accounts and saving accounts)*
- *Securities sold under agreements to repurchase*
- *Acceptance Payables*
- *Borrowings*
- *Liabilities immediately payable*

The fair value of deposits from customers and deposits from other banks with no stated maturity is the amount repayable on demand.

Subordinated loan is not included in the above table since the nature and purpose of this subordinated loan in substance contemplates Tier 2 capital.

31. INSTRUMEN KEUANGAN (Lanjutan)

b. Nilai wajar instrumen keuangan (lanjutan)

Perhitungan nilai wajar dilakukan hanya untuk kepentingan pengungkapan dan tidak berdampak pada pelaporan posisi atau kinerja keuangan Bank. Nilai wajar yang dihitung oleh Bank mungkin berbeda dengan jumlah aktual yang akan diterima/dibayar pada saat penyelesaian atau jatuh tempo instrumen keuangan. Mengingat kategori tertentu instrumen keuangan yang tidak diperdagangkan, maka terdapat pertimbangan manajemen dalam perhitungan nilai wajar.

31. FINANCIAL INSTRUMENTS (Continued)

b. Fair values of financial instruments (continued)

The fair values calculated are for disclosure purposes only and do not have any impact on the Bank's reported financial performance or position. The fair values calculated by the Bank may be different from the actual amount that will be received/paid on the settlement or maturity of the financial instruments. As certain categories of financial instruments are not traded, there is management judgment involved in calculating the fair values.

32. REKONSILIASI AKTIVITAS PENDANAAN BERSIH

Rekonsiliasi arus kas yang berasal dari aktivitas pendanaan untuk tahun berakhir 31 Desember 2019 dan 2018 adalah sebagai berikut:

32. NET FINANCING ACTIVITIES RECONCILIATION

Reconciliation of cash flows arising from financing activities for the year ended 31 December 2019 and 2018, are as follows:

	Tahun berakhir 31 Desember/*Year ended 31 December* 2019					
	Saldo awal/ *Beginning balance*	Arus kas masuk (keluar)-bersih/*Cash inflows(outflows)-net*	Pergerakan valuta asing/*Movement of foreign exchange*	Pergerakan biaya transaksi/ *Movement of transaction cost*	Saldo akhir/ *Ending balance*	
Pinjaman yang diterima	13.780.073	(2.161.618)	(395.955)	32	11.222.532	*Borrowings*
Pinjaman subordinasi	1.222.300	703.000	(51.162)	-	1.874.138	*Subordinated loans*

	Tahun berakhir 31 Desember/*Year ended 31 December* 2018					
	Saldo awal/ *Beginning balance*	Arus kas masuk (keluar)-bersih/*Cash inflows(outflows)-net*	Pergerakan valuta asing/*Movement of foreign exchange*	Pergerakan biaya transaksi/ *Movement of transaction cost*	Saldo akhir/ *Ending balance*	
Pinjaman yang diterima	2.858.866	10.287.369	633.870	(32)	13.780.073	*Borrowings*
Efek-efek yang diterbitkan	6.783.641	(6.653.500)	(130.250)	109	-	*Securities issued*
Pinjaman subordinasi	1.153.238	-	69.062	-	1.222.300	*Subordinated loans*

33. PENYAJIAN KEMBALI INFORMASI KOMPARATIF

Pada tahun 2019, Bank menemukan kesalahan dalam perhitungan dan pencatatan bonus yang masih harus dibayar untuk tahun-tahun yang berakhir pada tanggal 31 Desember 2018 dan 2017. Hal ini menyebabkan beban tenaga kerja dan beban yang masih harus dibayar lebih saji. Kesalahan ini telah dikoreksi dengan menyajikan kembali pos-pos laporan keuangan yang terdampak dalam informasi keuangan komparatif yang disajikan sebagai berikut:

33. RESTATEMENT OF THE COMPARATIVE INFORMATION

In 2019, the Bank discovered errors in the calculation and recording of bonus accruals for the years ended 31 December 2018 and 2017. As a consequence, the personnel expenses and accrued expenses have been overstated. The errors have been corrected by restating each of the affected financial statements line items in the presented comparative financial information as follows:

	31 Desember/*December* 2018			
	Dilaporkan sebelumnya/ *As previously reported*	Penyesuaian/ *Adjustments*	Setelah penyajian kembali/ *As restated*	
Laporan Posisi Keuangan				***Statement of Financial Position***
Aset:				*Assets:*
Aset pajak tangguhan	307.645	(20.210)	287.435	*Deferred tax assets*
Liabilitas:				*Liabilities:*
Liabilitas lain-lain dan beban yang masih harus dibayar	560.162	(80.842)	479.320	*Other liabilities and accrued expense*
Ekuitas:				*Equity:*
Saldo laba – Belum ditentukan penggunaannya	1.941.702	60.632	2.002.334	*Retained earnings – Unappropriated*

33. PENYAJIAN KEMBALI INFORMASI KOMPARATIF (Lanjutan)

33. RESTATEMENT OF THE COMPARATIVE INFORMATION (Continued)

	Tahun berakhir 31 Desember 2018/ *Year Ended 31 December 2018*			
	Dilaporkan sebelumnya/ *As previously reported*	Penyesuaian/ *Adjustments*	Setelah penyajian kembali/ *As restated*	
Laporan Laba Rugi dan Penghasilan Komprehensif Lain				***Statement of Profit of Loss and Other Comprehensive Income***
Beban operasional:				*Operating expenses:*
Beban tenaga kerja	(333.441)	43.965	(289.476)	*Personnel expenses*
Beban pajak penghasilan	(46.241)	(10.991)	(57.232)	*Income tax expense*

Informasi komparatif tanggal 1 Januari 2018 (yang berasal dari laporan posisi keuangan tanggal 31 Desember 2017) juga disesuaikan untuk mencerminkan saldo yang disajikan kembali sebagai berikut:

Comparative information as of 1 January 2018 (which are derived from the financial statements as of 31 December 2017) is also adjusted to reflect the restated balance, as follows:

	1 Januari/*January* 2018			
	Dilaporkan sebelumnya/ *As previously reported*	Penyesuaian/ *Adjustments*	Setelah penyajian kembali/ *As restated*	
Laporan Posisi Keuangan				***Statement of Financial Position***
Aset:				*Assets:*
Aset pajak tangguhan	191.903	(9.219)	182.684	*Deferred tax assets*
Liabilitas				*Liabilities:*
Liabilitas lain-lain dan beban yang masih harus dibayar	417.136	(36.877)	380.259	*Other liabilities and accrued expense*
Ekuitas:				*Equity:*
Saldo laba – Belum ditentukan penggunaannya	1.853.079	27.658	1.880.737	*Retained earnings – Unappropriated*

Penyajian kembali tidak mempengaruhi klasifikasi dan jumlah arus kas dari aktivitas operasi, investasi, dan pendanaan.

The restatement does not affect the classification and the amount of cash flow from operating, investing, and financing.

34. STANDAR AKUNTANSI BARU

Beberapa standar akuntansi baru dan interpretasi telah diterbitkan, yang belum berlaku efektif untuk tahun yang berakhir 31 Desember 2019, dan belum diterapkan dalam penyusunan laporan keuangan ini. Di antaranya, Pernyataan Standar Akuntansi Keuangan ("PSAK") berikut ini, yang akan berlaku efektif mulai tanggal 1 Januari 2020 mungkin membutuhkan aplikasi secara restrospektif berdasarkan PSAK 25, "Kebijakan Akuntansi, Perubahan Estimasi Akuntansi dan Kesalahan".

34. NEW ACCOUNTING STANDARDS

Certain new accounting standards and interpretations have been issued, that are not yet effective for the year ended 31 December 2019, and have not been applied in preparing these financial statements. Among them, the following Pernyataan Standar Akuntansi Keuangan ("PSAK"), which are effective on 1 January 2020, may require retrospective application under PSAK 25, "Accounting Policies, Changes in Accounting Estimates, and Errors".

34. STANDAR AKUNTANSI BARU (Lanjutan)

- PSAK 71, "Instrumen Keuangan"

  PSAK 71 menggantikan hampir semua pedoman di PSAK 55, "Instrumen Keuangan: Pengakuan dan Pengukuran". Dalam PSAK ini terdapat pedoman yang direvisi untuk klasifikasi dan pengukuran instrumen keuangan, metode kerugian kredit ekspektasian yang baru untuk menghitung penurunan nilai aset keuangan, dan ketentuan baru untuk akuntansi lindung nilai secara umum. PSAK ini tetap meneruskan pedoman untuk pengakuan dan penghentian pengakuan instrumen keuangan dari PSAK 55.

  PSAK 71 berlaku efektif untuk periode tahunan yang dimulai pada atau setelah tanggal 1 Januari 2020 dengan penerapan dini diperkenankan. Penerapan secara retrospektif secara umum disyaratkan, kecuali untuk akuntansi lindung nilai. Untuk akuntasi lindung nilai, ketentuan secara umum adalah penerapan prospektif, dengan beberapa pengecualian. Penyajian kembali informasi komparatif tidak diwajibkan. Jika informasi komparatif tidak disajikan kembali, dampak kumulatif dicatat pada saldo awal saldo laba pada tanggal 1 Januari 2020.

- PSAK 72, "Pendapatan dari Kontrak dengan Pelanggan"

  PSAK 72 menetapkan kerangka yang komprehensif untuk menentukan besaran pendapatan dan saat pendapatan diakui. PSAK ini juga memperkenalkan pedoman baru untuk biaya, dimana biaya-biaya tertentu untuk memperoleh dan menyelesaikan kontrak dapat diakui sebagai aset jika kriteria tertentu terpenuhi.

  PSAK 72 berlaku efektif untuk periode tahunan yang dimulai pada atau setelah tanggal 1 Januari 2020 dengan penerapan dini diperkenankan. PSAK 72 menawarkan berbagai pilihan transisi termasuk penerapan retrospektif secara penuh dimana Bank dapat memilih untuk menerapkan standar untuk transaksi historis dan melakukan penyesuaian retrospektif untuk setiap informasi komparatif yang disajikan di laporan keuangan Bank pada tahun 2020. Ketika menerapkan metode penerapan retrospektif penuh, entitas juga dapat memilih menggunakan berbagai panduan praktis untuk mempermudah transisi.

34. NEW ACCOUNTING STANDARDS (Continued)

- *PSAK 71, "Financial Instruments"*

  PSAK 71 replaces most of the existing guidance in PSAK 55, "Financial Instruments: Recognition and Measurement". It includes revised guidance on classification and measurement of financial instruments, a new expected credit loss model for calculating impairment on financial assets, and new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from PSAK 55.

  PSAK 71 is effective for annual periods beginning on or after 1 January 2020, with early adoption permitted. Retrospective application is generally required, except for hedge accounting. For hedge accounting, the requirements are generally applied prospectively, with some limited exceptions. Restatement of comparative information is not mandatory. If comparative information is not restated, the cumulative effect is recorded in opening retained earnings as of 1 January 2020.

- *PSAK 72, "Revenue from Contracts with Customers"*

  PSAK 72 establishes a comprehensive framework for determining whether, how much and when revenue is recognized. It also introduces new cost guidance which requires certain costs of obtaining and fulfilling contracts to be recognized as separate assets when specified criteria are met.

  PSAK 72 is effective for annual periods beginning on or after 1 January 2020, with early adoption permitted. PSAK 72 offers a range of transition options including full retrospective adoption where the Bank can choose to apply the standard to its historical transactions and retrospectively adjust each comparative period presented in its 2020 financial statements. When applying the full retrospective method, the Bank may also elect to use a series of practical expedients to ease transition.

34. STANDAR AKUNTANSI BARU (Lanjutan)

- PSAK 73, "Sewa"

  PSAK 73 menggantikan PSAK 30, "Sewa". PSAK 73 meniadakan klasifikasi sewa yang terbagi menjadi sewa operasi maupun sewa pembiayaan untuk penyewa dan memperkenalkan model akuntansi tunggal untuk penyewa. Dalam menerapkan model baru, penyewa disyaratkan untuk mengakui aset hak-guna dan liabilitas sewa untuk semua sewa dengan jangka waktu lebih dari 12 bulan, kecuali sewa yang aset pendasarnya bernilai rendah. PSAK 73 secara substansial meneruskan persyaratan akuntansi untuk pesewa sesuai PSAK 30. Dengan demikian, pesewa tetap mengklasifikasikan sewa sebagai sewa operasi atau sewa pembiayaan, dan membukukan kedua jenis sewa ini dengan mengikuti model akuntansi sewa operasi dan sewa pembiayaan sesuai PSAK 30. Namun, PSAK 73 mensyaratkan pengungkapan yang lebih luas oleh pesewa.

Manajemen Bank telah menentukan dampak dari pengaruh retrospektif atas penerapan standar-standar di atas tidak memiliki dampak yang signifikan terhadap posisi keuangan dan hasil usaha, kecuali standar-standar berikut ini:

PSAK 71 "Instrumen Keuangan"

Detil ketentuan dan perkiraan dampak terhadap Bank dijelaskan di bawah ini.

i. Klasifikasi dan pengukuran

Aset keuangan - umum

Ada tiga klasifikasi pengukuran untuk aset keuangan berdasarkan PSAK 71: Biaya Perolehan Diamortisasi, Nilai Wajar melalui Laba atau Rugi (*FVTPL*) dan Nilai Wajar melalui Penghasilan Komprehensif Lain (*FVOCI*). Aset keuangan diklasifikasikan ke dalam klasifikasi pengukuran ini berdasarkan dua kriteria:

- Model bisnis dimana aset keuangan dikelola; dan
- Karakteristik arus kas kontraktual dari aset keuangan (khususnya apakah arus kas kontraktual merupakan pembayaran pokok dan bunga semata).

34. NEW ACCOUNTING STANDARDS (Continued)

- *PSAK 73, "Leases"*

  PSAK 73 replaces PSAK 30, "Leases". PSAK 73 eliminates the lessee's classification of leases as either operating leases or finance leases and introduces a single lessee accounting model. Applying the new model, a lessee is required to recognize right-of-use assets and lease liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. PSAK 73 substantially carries forward the lessor accounting requirements in PSAK 30. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for these two types of leases using the PSAK 30 operating lease and finance lease accounting models respectively. However, PSAK 73 requires more extensive disclosures to be provided by a lessor.

The Bank's management has assessed the extent of the retrospective impact from the future adoption of the above standards for which there are no significant impacts to the Bank's financial position and operating results, except for the following standards:

PSAK 71 "Financial Instruments"

Details of the key requirements and estimated impacts on the Bank are outlined below.

i. Classification and measurement

Financial assets - general

There are three measurement classifications for financial assets under PSAK 71: Amortised Cost, Fair Value through Profit or Loss (FVTPL) and Fair Value through Other Comprehensive Income (FVOCI). Financial assets are classified into these measurement classifications on the basis of two criteria:

- *the business model within which the financial asset is managed; and*
- *the contractual cash flow characteristics of the financial asset (specifically whether the contractual cash flows represent 'solely payments of principal and interest').*

34. STANDAR AKUNTANSI BARU (Lanjutan)

PSAK 71 "Instrumen Keuangan" (lanjutan)

i. Klasifikasi dan pengukuran (lanjutan)

Klasifikasi aset keuangan adalah sebagai berikut:

- Biaya perolehan diamortisasi: Aset keuangan dengan arus kas kontraktual dari pembayaran pokok dan bunga saja dan yang dimiliki dalam model bisnis yang tujuannya adalah untuk menerima arus kas kontraktualnya;
- Nilai wajar melalui penghasilan komprehensif lain: Aset keuangan dengan arus kas kontraktual dari pembayaran pokok dan bunga saja dan yang dimiliki dalam model bisnis yang tujuannya adalah untuk menerima arus kas kontraktualnya atau untuk dijual; dan
- Nilai wajar melalui laba rugi: Aset keuangan lainnya yang tidak masuk dalam kategori di atas diukur pada *FVTPL*.

PSAK 71 memungkinkan Bank untuk memilih dan menetapkan suatu aset keuangan yang diukur pada *FVTPL* pada saat pengakuan awal jika hal itu akan menghilangkan atau secara signifikan mengurangi *accounting mismatch*.

Liabilitas keuangan

Persyaratan klasifikasi dan pengukuran untuk liabilitas keuangan berdasarkan PSAK 71 sebagian besar konsisten dengan PSAK 55 kecuali untuk liabilitas keuangan yang diukur dengan nilai wajar dimana keuntungan atau kerugian yang terkait dengan perubahan risiko kredit Bank sendiri diakui dalam penghasilan komprehensif lain, kecuali perlakuan ini akan menyebabkan *accounting mismatch* pada pos laba atau rugi.

ii. Penurunan nilai

PSAK 71 menggantikan model penurunan nilai *incurred loss* dalam PSAK 55 dengan model kerugian kredit ekspetasian (ECL) yang memasukkan informasi yang bersifat perkiraan masa depan (*forward looking*) dan tidak membutuhkan terjadinya kejadian nyata kerugian kredit untuk mengakui cadangan kerugian penurunan nilai.

Model ECL akan diterapkan pada semua aset keuangan yang diukur pada biaya perolehan diamortisasi, instrumen utang yang diukur pada nilai wajar melalui penghasilan komprehensif lain, piutang sewa, beberapa komitmen pinjaman dan kontrak jaminan keuangan yang tidak diukur pada nilai wajar melalui laba rugi.

34. NEW ACCOUNTING STANDARDS (Continued)

PSAK 71 "Financial Instruments" (continued)

i. Classification and measurement (continued)

The financial asset classifications are as follows:

- *Amortised cost: Financial assets with contractual cash flows that comprise the payment of principal and interest only and which are held in a business model whose objective is to collect the contractual cash flows;*
- *Fair value through other comprehensive income: Financial assets with contractual cash flows that comprise the payment of principal and interest only and which are held in a business model whose objective is to collect their cash flows or to sell; and*
- *Fair value through profit or loss: Any other financial assets not falling into the categories above are measured at FVTPL.*

PSAK 71 allows the Bank to irrevocably elect to designate a financial asset as measured at FVTPL on initial recognition if doing so eliminates or significantly reduces an accounting mismatch.

Financial liabilities

The classification and measurement requirements for financial liabilities under PSAK 71 are largely consistent with PSAK 55 with the exception that for financial liabilities designated as measured at fair value whereas gains or losses relating to changes in the Bank's own credit risk are recognized in other comprehensive income, except where doing so would create or enlarge an accounting mismatch in profit or loss.

ii. Impairment

PSAK 71 replaces the incurred loss impairment model under PSAK 55 with an Expected Credit Loss (ECL) model incorporating forward looking information and which does not require an actual loss event to have occurred for an impairment provision to be recognised.

The ECL model will be applied to all financial assets measured at amortised cost, debt instruments measured at fair value through other comprehensive income, lease receivables, certain loan commitments and financial guarantees not measured at fair value through profit or loss.

34. STANDAR AKUNTANSI BARU (Lanjutan)

PSAK 71 "Instrumen Keuangan" (lanjutan)

ii. Penurunan nilai (Lanjutan)

Dalam model ECL, tiga tahap pendekatan berikut ini diterapkan dalam menghitung ECL berdasarkan migrasi kredit di antara tahap tersebut sejak pengakuan awal:

- Tahap 1: pada pengakuan awal aset keuangan, dan dimana tidak ada peningkatan signifikan atas risiko kredit sejak pengakuan awal, maka cadangan kerugian sebesar ECL untuk kredit ekspetasian 12 bulan diakui.

- Tahap 2: jika ada peningkatan risiko kredit yang signifikan sejak pengakuan awal, maka cadangan kerugian ECL untuk kredit ekspetasian sepanjang umurnya diakui. Jika, risiko kredit membaik pada periode berikutnya sehingga peningkatan risiko kredit sejak pengakuan awal tidak lagi dianggap signifikan, eksposur kembali ke tahap 1 dan ECL 12 bulan diakui.

- Tahap 3: mirip dengan persyaratan PSAK 55 untuk pengakuan penurunan nilai individual, ECL sepanjang umur instrumen diakui untuk aset keuangan dimana terdapat bukti obyektif penurunan nilai.

Kerugian kredit ekspetasian diestimasi pada level fasilitas dengan menggunakan suatu probabilitas gagal bayar yang mencerminkan probabilitas kisaran tertimbang dari skenario ekonomi masa depan dan menerapkannya terhadap estimasi eksposur Bank pada saat gagal bayar (*exposure at default*) setelah memperhitungkan nilai agunan yang dimiliki atau mitigasi kerugian lainnya (*loss given default*), dan memperhitungkan dampak diskonto atas nilai waktu uang (*time value of money*).

Pertimbangan utama dan estimasi yang dibuat oleh Bank meliputi:

Peningkatan risiko kredit yang signifikan

Aset pada tahap 2 adalah aset yang mengalami peningkatan risiko kredit yang signifikan (SICR) sejak pengakuan awal. Dalam menentukan apa yang merupakan SICR, Bank mempertimbangkan informasi kualitatif dan kuantitatif. Untuk sebagian besar portofolio, indikator utama SICR adalah penurunan signifikan dalam peringkat kredit internal dari fasilitas kredit sejak pengakuan awal. Bank juga menggunakan indikator sekunder, seperti: 30 hari tunggakan, sebagai *backstops* pada indikator utama.

34. NEW ACCOUNTING STANDARDS (Continued)

PSAK 71 "Financial Instruments" (continued)

ii. Impairment (Continued)

Under the ECL model, the following three-stage approach is applied to measuring ECL based on credit migration between the stages since origination:

- *Stage 1: At the origination of a financial asset, and where there has not been a significant increase in credit risk since origination, a provision equivalent to 12-month ECL is recognized.*

- *Stage 2: Where there has been a significant increase in credit risk since origination, a provision equivalent to lifetime ECL is recognised. If credit risk were to improve in a subsequent period such that the increase in credit risk since origination is no longer considered significant, the exposure returns to a Stage 1 classification and a 12-month ECL is recognized.*

- *Stage 3: Similar to the current PSAK 55 requirements for individual impairment provisions, lifetime ECL is recognised for financial asset where there is objective evidence of impairment.*

Expected credit losses are estimated at the facility level by using a probability of default reflecting a probability-weighted range of possible future economic scenarios, and applying this to the estimated exposure of the Bank at the point of default (exposure at default) after taking into account the value of any collateral held or other mitigants of loss (loss given default), while allowing for the impact of discounting for the time value of money.

Key judgements and estimates made by the Bank include the following:

Significant increase in credit risk

Stage 2 assets are those that have experienced a significant increase in credit risk (SICR) since initial recognition. In determining what constitutes a SICR, the Bank considers both qualitative and quantitative information. For the majority of portfolios, the primary indicator of a SICR is a significant deterioration in the internal credit rating grade of a facility since origination. The Bank will also use secondary indicators, such as 30 days past due arrears, as backstops to these primary indicators.

34. STANDAR AKUNTANSI BARU (Lanjutan)

PSAK 71 "Instrumen Keuangan" (lanjutan)

ii. Penurunan nilai (Lanjutan)

Penentuan titik pemicu yang terkait dengan penurunan peringkat kredit dikombinasikan dengan indikator risiko sekunder yang digunakan, membutuhkan pertimbangan. Dalam menentukan kebijakan Bank, indikator alternatif telah dipertimbangkan dan dinilai, dan akan ditinjau secara berkala untuk memastikan tetap memadai.

Informasi *forward looking*

Pengukuran kerugian kredit ekspektasian mencerminkan jumlah rata-rata probabilitas tertimbang yang tidak bias dari rentang hasil akhir masa depan yang mungkin terjadi.

Dalam menerapkan informasi *forward looking* dalam model penurunan nilai PSAK 71, Bank menggunakan tiga faktor ekonomi makro (MEFs) yang secara signifikan memiliki korelasi dengan PD (Probability of Default) dan LGD (Loss Given Default) Bank. Diantaranya PDB (Produk Domestik Bruto), tingkat inflasi, dan tingkat pengangguran.

Tingkat keseluruhan kerugian kredit ekspetasian dan area pertimbangan manajemen yang signifikan akan dilaporkan kepada, dan diawasi oleh, Komite Risiko Kredit Bank.

iii. Transisi

Klasifikasi dan pengukuran, dan ketentuan penurunan nilai, akan diterapkan secara retrospektif dengan menyesuaikan saldo awal laba ditahan pada tanggal 1 Januari 2020. Bank tidak memiliki intensi untuk menyajikan kembali laporan keuangan komparatif.

Estimasi dampak PSAK 71 terhadap Bank terkait dengan penurunan nilai dan ketentuan klasifikasi dan pengukuran. Estimasi ini didasarkan pada kebijakan akuntansi, asumsi dan pertimbangan dan teknik estimasi yang dapat berubah hingga Bank menyelesaikan laporan keuangan yang berakhir pada tanggal 31 Desember 2020.

Klasifikasi dan pengukuran aset dan liabilitas keuangan

Penerapan klasifikasi dan pengukuran sesuai standar akan menyebabkan hasil klasifikasi yang berbeda dibandingkan dengan PSAK 55. Berdasarkan penilaian awal secara umum atas kemungkinan perubahan klasifikasi dan pengukuran aset keuangan pada tanggal 31 Desember 2019, Bank memperkirakan perubahan terhadap klasifikasi dan pengukuran tidak akan memiliki dampak yang material terhadap laporan keuangan.

34. NEW ACCOUNTING STANDARDS (Continued)

PSAK 71 "Financial Instruments" (continued)

ii. Impairment (Continued)

The determination of trigger points in relation to the deterioration of rating grades, combined with secondary risk indicators where used, requires judgement. In determining the Bank's policy, alternative indicators have been considered and assessed, and these will be subject to regular review to ensure they remain appropriate.

Forward looking information

The measurement of expected credit losses reflects an unbiased probability-weighted range of possible future outcomes.

In applying forward looking information in the Bank's PSAK 71 impairment models, the Bank uses three macro economic factors (MEFs) which significantly correlated with Bank's PD (Probability of Default) and LGD (Loss Given Default). They are GDP (Gross Domestic Product), inflation rate, and unemployment rate.

The overall level of expected credit losses and areas of significant management judgement will be reported to, and oversighted by, the Bank's Risk Committee.

iii. Transition

The classification and measurement, and impairment requirements, will be applied retrospectively by adjusting opening retained earnings at 1 January 2020. The Bank does not intend to restate comparatives.

The estimated impact of PSAK 71 on the Bank relates to the impairment and the classification and measurement provisions. These estimates are based on accounting policies, assumptions and judgements and estimation techniques that remain subject to change until the Bank finalises its financial statements for the year ending 31 December 2020.

Classification and measurement of financial assets and liabilities

The adoption of the classification and measurement requirements of the standard will result in different classification compared to those under PSAK 55. Based on its preliminary high-level assessment of possible changes to the classification and measurement of financial assets held as at 31 December 2019, the Bank expects the change in classification and measurement will not have material impact to the financial statements.

34. STANDAR AKUNTANSI BARU (Lanjutan)

PSAK 71 "Instrumen Keuangan" (lanjutan)

iii. Transisi (lanjutan)

Penurunan nilai

Berdasarkan evaluasi sampai dengan saat ini, total penyesuaian (setelah pajak) dampak kumulatif dari penerapan PSAK 71 yang dicatat pada saldo awal ekuitas (saldo laba) pada tanggal 1 Januari 2020 diperkirakan berkisar antara Rp 50.000 hingga Rp 150.000 yang merupakan penambahan cadangan kerugian kredit ekspektasian dari aset keuangan.

Evaluasi di atas masih sementara karena proses transisi belum selesai seluruhnya. Jumlah penyesuaian transisi dari penerapan PSAK 71 pada tanggal 1 Januari 2020 bisa berubah, karena:

- Penerapan PSAK ini akan mengharuskan Bank untuk mengubah proses akuntansi dan pengendalian internal dan proses perubahan tersebut belum selesai;
- Bank masih menyempurnakan model perhitungan kerugian kredit ekspektasian (ECL); dan
- Kebijakan akuntansi, asumsi, pertimbangan dan teknik estimasi yang digunakan masih bisa berubah sampai Bank telah menyelesaikan laporan keuangan pertama yang mencakup tanggal penerapan awal PSAK.

PSAK 73 "Sewa"

PSAK 73 memperkenalkan model akuntansi tunggal dan dicatat pada laporan posisi keuangan untuk penyewa. Penyewa mengakui aset hak-guna yang mewakili haknya untuk menggunakan aset dan liabilitas sewa yang mewakili kewajibannya untuk melakukan pembayaran sewa. Ada pengecualian pengakuan untuk sewa jangka pendek dan sewa barang bernilai rendah. Standar akuntansi bagi pesewa tetap sama dengan standar saat ini (misalnya pihak pesewa terus mengklasifikasikan sewa sebagai sewa pembiayaan atau sewa operasi).

34. NEW ACCOUNTING STANDARDS (Continued)

PSAK 71 "Financial Instruments" (continued)

iii. Transition (continued)

Impairment

Based on assessment undertaken to date, the total estimated adjustment (net of tax) of the adoption PSAK 71 on the cumulative effect recorded in the opening balnce of equity (retained earnings) as of 1 January 2020 approximately ranging from Rp 50,000 to Rp 150,000, representing additional allowance for expected credit losses of financial assets.

The above assessment is preliminary because not all transition process has been completed. The actual impact of adopting PSAK 71 on 1 January 2020 may change because:

- *Implementation of this PSAK will require the Bank to revise its accounting processes and internal controls and these changes are not yet complete;*
- *The Bank is refining and finalizing its model for expected credit losses (ECL) calculations; and*
- *The new accounting policies, assumptions, judgments, and estimation techniques employed are subject to change until the Bank finalized its first financial statements that include the date of initial application of PSAK.*

PSAK 73 "Leases"

PSAK 73 introduces a single, on-balance sheet lease accounting model for lesses. A lessee recognizes a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard (e.g. lessors continue to classify leases as finance and operating lease).

34. STANDAR AKUNTANSI BARU (Lanjutan)

PSAK 73 "Sewa" (lanjutan)

a. Sewa dimana Bank merupakan penyewa

Bank telah melakukan penilaian awal atas dampak potensial terhadap laporan keuangannya, namun penilaian terperinci akan diselesaikan di 2020. Dampak aktual penerapan PSAK 73 pada laporan keuangan pada periode penerapan awal akan tergantung pada kondisi ekonomi di masa depan, pengembangan portofolio sewa Bank, penilaian Bank apakah akan menggunakan pilihan untuk pembaruan sewa, dan sejauh mana Bank memilih untuk menggunakan panduan praktis dan pengecualian pengakuan.

Bank akan mengakui aset dan liabilitas baru untuk sewa operasi gedung dan kendaraan. Pengakuan beban yang terkait dengan sewa ini akan berubah karena PSAK 73 menggantikan biaya sewa operasi dengan basis garis lurus dengan beban penyusutan untuk aset hak-guna dan beban bunga atas liabilitas sewa.

Sebelumnya, Bank mengakui beban sewa operasi berdasarkan garis lurus selama masa sewa dan mengakui asset dan liabilitas hanya sejauh ketika terdapat perbedaan waktu antara pembayaran sewa aktual dan beban yang diakui.

Berdasarkan informasi yang tersedia saat ini, estimasi jumlah aset hak-guna dan tambahan liabilitas sewa tidak lebih dari 1% dari jumlah aset dan jumlah liabilitas pada tanggal penerapan pertama standar ini.

Jumlah penyesuaian transisi dari penerapan standar PSAK 73 pada tanggal 1 Januari 2020 bisa berubah karena:

- Bank belum menyelesaikan pengujian dan penilaian control atas prosedur operasi yang baru; dan
- Kebijakan akuntasi baru masih bisa berubah sampai Bank telah menyajikan laporan keuangan pertama yang mencakup tanggal penerapan awal PSAK.

b. Transisi

Sesuai dengan ketentuan transisi PSAK 73, Bank akan menerapkan panduan praktis dimana aset hak-guna diukur pada jumlah yang sama dengan liabilitas sewa, yang disesuaikan dengan jumlah pembayaran sewa yang dibayar di muka atau terutang terkait sewa tersebut, yang diakui dalam laporan posisi keuangan segera sebelum tanggal 1 Januari 2020.

34. NEW ACCOUNTING STANDARDS (Continued)

PSAK 73 "Leases" (continued)

a. Leases in which the Bank is a lessee

The Bank has completed an initial assessment of the potential impact on its financial statements, but the detailed assessment will be completed in 2020. The actual impact of applying PSAK 73 on the financial statements in the period of initial application will depend on future economic conditions, the development of the Bank's lease portfolio, the Bank's assessment of whether it will exercise any lease renewal options and the extent to which the Bank choose to use practical expedients and recognition exemptions.

The Bank will recognize new assets and liabilities for its operating leases of building and vehicle. The nature of expenses related to these leases will change due to PSAK 73 replaces the straight-line operating lease expenses with a depreciation charge for right-of-use assets and interest expense on lease liabilities.

Previously, the Bank recognized operating lease expense on a straight-line basis over the term of the lease, and recognized assets and liabilities only to the extent that there was a timing difference between actual lease payments and the expense recognized.

Based on the information currently available, the estimated amount of right-of use assets and the lease liabilities were less than 1% of total assets and total liabilities, respectively, as of the date of initial application of this standard.

The actual impact of adopting the standard PSAK 73 on 1 January 2020 may change because:

- *The Bank has not finalized the testing and assessment of controls over its new operating procedures; and*
- *The new accounting policies are subject to change until the Bank presents its first financial statements that include the ate of initial application of PSAK.*

b. Transition

In accordance to the transitional provisions of PSAK 73, the Bank will apply the practical expedient where the right-of-use assets are measured at an amount equal to the lease liaiblities, adjusted by the amount of any prepaid or accured lease payments relating to that lease recognize in the statement of financial position immediately before 1 January 2020.

34. STANDAR AKUNTANSI BARU (Lanjutan)

PSAK 73 "Sewa" (lanjutan)

b. Sewa dimana Bank merupakan penyewa (lanjutan)

Pada transisi, Bank akan menerapkan panduan praktis dalam PSAK 73 yaitu mempertahankan penelaahan dengan cara lama untuk menentukan transaksi sewa. Bank menerapkan PSAK 73 hanya untuk kontrak yang sebelumnya diidentifikasi sebagai sewa. Kontrak yang tidak diidentifikasi sebagai sewa berdasarkan PSAK 30 dan ISAK 8 tidak ditelaah kembali apakah termasuk sewa. Oleh karena itu, definisi sewa berdasarkan PSAK 73 hanya akan diterapkan untuk kontrak yang dibuat atau diubah setelah tanggal 1 Januari 2020.

35. PERISTIWA SETELAH TANGGAL PELAPORAN

a. Kejadian luar biasa Coronavirus ("COVID-19") sejak bulan Maret 2020 telah meningkatkan ketidakpastian atas lingkungan di mana Bank beroperasi dan telah mempengaruhi posisi keuangan dan hasil operasi Bank. Situasi COVID-19 ini telah mengganggu aktivitas usaha, pasar modal, dan ekonomi global, termasuk Indonesia.

Bank terus memantau dampak perkembangan kejadian luar biasa tersebut terhadap aktivitas usaha Bank dan telah mengambil langkah-langkah antisipasi. Bank akan terus meninjau langkah-langkah antisipasi sejalan dengan perkembangan situasi. Sampai dengan tanggal penerbitan laporan keuangan ini, penilaian dampak atas COVID-19 terhadap posisi keuangan dan hasil operasi Bank masih berlangsung.

Efektif tanggal 1 Januari 2020, Bank telah mengadopsi PSAK 71 (Catatan 34) dan menerapkan perhitungan cadangan kerugian kredit ekspektasian yang forward looking ("ECL") atas aset keuangannya. Bank akan mempertimbangkan dampak dan tingkat probabilitas skenario ekonomi yang memburuk akibat situasi terkait COVID-19 tersebut ketika mengestimasi ECL pada tahun 2020.

34. NEW ACCOUNTING STANDARDS (Continued)

PSAK 73 "Leases" (continued)

b. Leases in which the Bank is a lessee (continued)

On transition, the Bank will apply the practical expedient in PSAK 73 to grandfather the assessment of which transactions are leases. It applies PSAK 73 only to contracts that were previously identified as leases. Contracts that were not identified as leases under PSAK 30 and ISAK 8 were not reassessed for whether there is a lease. Therefore, the definition of a lease under PSAK 73 will be applied only to contracts entered into or changed after 1 January 2020.

35. SUBSEQUENT EVENTS

a. *The Coronavirus outbreak ("COVID-19") since March 2020 has brought about additional uncertainties in the Bank's operating environment and has impacted the Bank operations and financial position. COVID-19 situation has distracted the business activities, capital market and global economy, including Indonesia.*

The Bank has been closely monitoring the impact of the developments on the Bank's businesses and has put in place contingency measures. The Bank will keep contingency measures under review as the situation evolves. As of the date of issuance of these financial statements, the impact assessment of COVID-19 on the Bank's financial position and operating results is still ongoing.

Effective 1 January 2020, the Bank adopted PSAK 71 (Note 34) and applied forward-looking expected credit loss ("ECL") in determining impairment losses for its financial assets. The Bank will consider the impacts and likelihood of the downside economic scenarios following the situation of COVID-19 when estimating the ECL in 2020.

35. PERISTIWA SETELAH TANGGAL PELAPORAN (Lanjutan)

b. Pada tanggal 31 Maret 2020, Pemerintah Republik Indonesia menerbitkan Peraturan Pemerintah Pengganti Undang-Undang No. 1 Tahun 2020 mengenai kebijakan stabilisasi sistem keuangan Pemerintah dalam menghadapi pandemic COVID-19. Perubahan terhadap tarif pajak penghasilan badan di Indonesia diberlakukan sebagai bagian dari paket stimulus ekonomi Pemerintah. Sebagai dampaknya, tarif pajak penghasilan badan di Indonesia akan diturunkan dari 25% ke 22% untuk tahun pajak 2020 dan 2021, dan akan diturunkan lagi kemudian menjadi 20% untuk tahun pajak 2022 dan tahun-tahun berikutnya. Penurunan ini tidak berdampak terhadap saldo pajak penghasilan kini dan tangguhan yang diakui pada tanggal 31 Desember 2019. Namun, perubahan ini akan menurunkan beban pajak kini dan tangguhan Bank di masa mendatang.

35. SUBSEQUENT EVENTS (Continued)

b. On 31 March 2020, the Government of the Republic of Indonesia has issued Government Regulation in Lieu of Law No. 1 Year 2020 following the Government's financial system stabilization policies in response to the COVID-19 pandemic. Changes to the corporate income tax rate were enacted in Indonesia as part of the Government's economic stimulus package. Consequently, the corporate income tax rate in Indonesia will be reduced from 25% to 22% for fiscal year 2020 and 2021, and will be further reduced to 20% for fiscal year 2022 onwards. This reduction does not affect the amounts of current of deferred income taxes recognized as of 31 December 2019. However, these changes will decrease the Bank's future current and deferred tax changes accordingly.

KPMG

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Laporan Auditor Independen

No.: 00332/2.1005/AU.1/07/1555-1/1/V/2020

Para Pemegang Saham,
Dewan Komisaris dan Direksi
PT Bank ICBC Indonesia:

Kami telah mengaudit laporan keuangan PT Bank ICBC Indonesia terlampir, yang terdiri dari laporan posisi keuangan tanggal 31 Desember 2019, serta laporan laba rugi dan penghasilan komprehensif lain, laporan perubahan ekuitas, dan laporan arus kas untuk tahun yang berakhir pada tanggal tersebut, dan catatan, yang berisi suatu ikhtisar kebijakan akuntansi signifikan dan informasi penjelasan lainnya.

Tanggung jawab manajemen atas laporan keuangan

Manajemen bertanggung jawab atas penyusunan dan penyajian wajar laporan keuangan tersebut sesuai dengan Standar Akuntansi Keuangan di Indonesia, dan atas pengendalian internal yang dianggap perlu oleh manajemen untuk memungkinkan penyusunan laporan keuangan yang bebas dari kesalahan penyajian material, baik yang disebabkan oleh kecurangan maupun kesalahan.

Tanggung jawab auditor

Tanggung jawab kami adalah untuk menyatakan suatu opini atas laporan keuangan tersebut berdasarkan audit kami. Kami melaksanakan audit kami berdasarkan Standar Audit yang ditetapkan oleh Institut Akuntan Publik Indonesia. Standar tersebut mengharuskan kami untuk mematuhi ketentuan etika serta merencanakan dan melaksanakan audit untuk memperoleh keyakinan memadai tentang apakah laporan keuangan tersebut bebas dari kesalahan penyajian material.

Independent Auditors' Report

No.: 00332/2.1005/AU.1/07/1555-1/1/V/2020

The Shareholders,
Board of Commissioners and Board of Directors
PT Bank ICBC Indonesia:

We have audited the accompanying financial statements of PT Bank ICBC Indonesia, which comprise the statement of financial position as of 31 December 2019, and the statements of profit or loss and other comprehensive income, changes in equity, and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Indonesian Financial Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Standards on Auditing established by the Indonesian Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

Suatu audit melibatkan pelaksanaan prosedur untuk memperoleh bukti audit tentang angka-angka dan pengungkapan dalam laporan keuangan. Prosedur yang dipilih bergantung pada pertimbangan kami, termasuk penilaian atas risiko kesalahan penyajian material dalam laporan keuangan, baik yang disebabkan oleh kecurangan maupun kesalahan. Dalam melakukan penilaian risiko tersebut, kami mempertimbangkan pengendalian internal yang relevan dengan penyusunan dan penyajian wajar laporan keuangan entitas untuk merancang prosedur audit yang tepat sesuai dengan kondisinya, tetapi bukan untuk tujuan menyatakan opini atas keefektivitasan pengendalian internal entitas. Suatu audit juga mencakup pengevaluasian atas ketepatan kebijakan akuntansi yang digunakan dan kewajaran estimasi akuntansi yang dibuat oleh manajemen, serta pengevaluasian atas penyajian laporan keuangan secara keseluruhan.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Kami yakin bahwa bukti audit yang telah kami peroleh adalah cukup dan tepat untuk menyediakan suatu basis bagi opini audit kami.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opini

Menurut opini kami, laporan keuangan tersebut menyajikan secara wajar, dalam semua hal yang material, posisi keuangan PT Bank ICBC Indonesia tanggal 31 Desember 2019, serta kinerja keuangan dan arus kasnya untuk tahun yang berakhir pada tanggal tersebut, sesuai dengan Standar Akuntansi Keuangan di Indonesia.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of PT Bank ICBC Indonesia as of 31 December 2019, and its financial performance and its cash flows for the year then ended, in accordance with Indonesian Financial Accounting Standards.

Penekanan suatu hal

Kami membawa perhatian ke Catatan 33 atas laporan keuangan yang menunjukkan bahwa informasi komparatif tanggal dan untuk tahun berakhir pada tanggal 31 Desember 2018 telah disajikan kembali. Opini kami tidak dimodifikasi terkait dengan hal lain.

Emphasis of a matter

We draw attention to Note 33 to the financial statements which indicates that the comparative information presented as of and for the year ended 31 December 2018 has been restated. Our opinion is not modified in respect of this matter.

Kantor Akuntan Publik/*Registered Public Accountants*
Siddharta Widjaja & Rekan

Handrow Cahyadi, CPA
Izin Akuntan Publik/*Public Accountant License* No. AP. 1555

29 Mei 2020.

29 May 2020.

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