



NAVIGATING THROUGH
**THE CHALLENGE
OF GROWTH**



Annual Report

NAVIGATING THROUGH **THE CHALLENGE OF GROWTH**

In a challenging global situation, BTPN continues to maintain its commitment to sustainable growth and value creation for stakeholders. BTPN continues to align and strengthen its business in various segments, from productive poor community, retail, to corporations. In the midst of the COVID-19 pandemic, BTPN gives priority to the health and safety of employees and customers, and focuses on efforts to maintain credit quality and customer relationships for the long term. At the same time, BTPN is intensifying the development of the Jenius digital banking platform to support BTPN's future business growth.

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Continuing Post-Merger Strategic Initiatives

Following the completion of the post-merger 'stabilization' stage, BTPN continues with the 'synergize' stage throughout 2020, and then the 'scale-up' stage for the following years.



Synergize

Combining existing assets to increase cross-selling, to serve new segments, and to reduce expenses.



Scale-Up

Creating new driving-force for growth and profitability, including enhancement of the Jenius business model and continuing digital transformation in all business segments.



Third Party Funds

↑ 15.93%

100.79 Trillion

Loans

↓ 3.91%

136.21 Trillion

Total Assets

↑ 0.84%

183.17 Trillion



Adapting to Crisis

BTPN reacts quickly to the outbreak of COVID-19 pandemic to cope with the impact and to embrace the reality of 'new normal' in 2020 by adopting various efforts to adapt and at the same time to maintain its growth.



Employee Care

Implementing various initiatives to protect employee health while maintaining productivity.



Customer Care

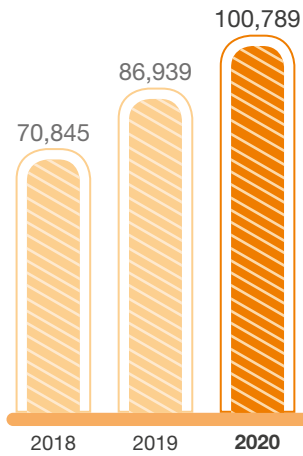
In all branches, protecting customers, by implementing health protocols while providing services to them.



Community Care

Implementing credit restructuring program to assist customers in maintaining their business.

Third Party Funds
(Rp Billion)



Rp100.79 Trillion

Third Party Funds grew 15.93% compared to the previous year's position.



Rp1.69 Trillion

The Bank's other operating income grew 4.47%



Strengthening the Foundation for Future Growth

The condition of the COVID-19 pandemic shows the effectiveness of digital banking services in everyday life, and gives urgency to the Jenius platform development strategy to support BTPN's business going forward.

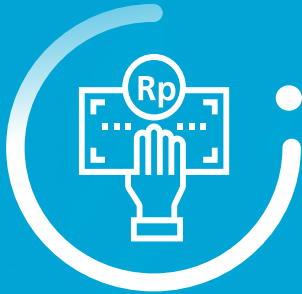


Jenius' customers in 2020 was recorded at **3.1 million** customers, grew by **26.92%** from the previous year.



Development of new features (Jenius Bisnis and Biseniskit, personal financial management, QRIS, etc.).





This feature helps Indonesian digital-savvy to manage cash flow in a more convenient way by automatically recording their expenses and incomes through Jenius app.

Moneytory



Jenius for Business is designed as partner and starter kit for digital-savvy who want to start and grow business.

Jenius For Business



Funding through Jenius has grown positively. The 2020's position

Rp13.28 trillion







MAIN HIGHLIGHTS

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Going forward, the foundation for the Bank's performance is getting stronger, especially supported by the corporate segment and digital development, where the Bank is currently the leading player in digital banking.

Performance 2020

Throughout 2020, BTPN has managed to maintain a stable business performance despite the pressure of the crisis.



The Bank's ability to generate profits remains stable.

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2020 Annual Report PT Bank BTPN Tbk

Net Interest Income

Rp 10.62 Trillion

Supported by lower cost of funds in line with lower benchmark interest rates.



Other Operating Expenses

Rp 6.88 Trillion

Other Operating Expenses decreased by 3.46% compared to the previous year.



Net Profit for the Year

Rp 2.01 Trillion

In the midst of the challenges of the COVID-19 pandemic, the Bank continues to post net profit.



CAR

25.55%

Capital Adequacy Ratio increased from 24.24% at the end of the previous year.



LCR

281.70%

The Bank managed to keep the LCR rate above the minimum requirement of 100%.



NPL (Gross)

1.21%

The Bank managed to keep the NPL (Gross) at a low level amid the COVID-19 situation.



Efficiency

The Bank succeeded in reducing operating expenses (excluding Allowance for Impairment Losses).



536

The Bank has 536 branch offices to serve customers in Indonesia.



The Bank's intermediary function continues to run well.

Loans

Rp136.21 Trillion

Selective lending in the midst of a pandemic. Credit quality is well maintained.

Third Party Funds

Rp100.79 Trillion

The Bank succeeded in increasing the collection of TPF.

Business Segment Growth

Corporate and Sharia segments Loan grew by 3.87% and 5.81% respectively.

CASA Balance Growth

Current Account and Saving Account balances grew 13.32% compared to last year's position.

Financial Highlights

(Rp million, unless stated otherwise)

Description	2020	2019 ¹⁾	2018	2017
Balance Sheet				
Total Assets	183,165,978	181,631,385	101,341,224	95,041,593
Earning Assets ¹⁾	176,915,917	173,854,020	94,345,608	88,263,211
Loans ²⁾	136,212,619	141,760,183	68,136,780	65,351,837
Deposits from Customers ³⁾	100,788,906	86,939,479	70,844,712	67,918,073
Borrowings	37,176,039	44,086,343	8,442,765	5,208,640
Securities Issued	993,045	3,190,628	1,197,442	2,543,401
Investment in Shares	22,522	22,522	22	22
Total Liabilities ³⁾	150,201,225	150,159,457	82,554,894	78,289,053
Total Shareholders' Equity ⁴⁾	32,964,753	31,471,928	18,786,330	16,752,540
Number of Shares Issued and Fully Paid (in units)	8,148,931,869	8,148,928,869	5,851,646,757	5,840,287,257
Income statement				
Interest Income	16,403,483	18,680,979	14,126,651	14,046,062
Interest Expenses	(5,779,055)	(7,689,284)	(4,526,243)	(4,524,452)
Net Interest Income	10,624,428	10,991,695	9,600,408	9,521,610
Other Operating Income	1,688,837	1,616,578	600,139	469,537
Other Operating Expenses	(6,883,113)	(7,129,872)	(5,877,519)	(6,915,102)
Allowance for Impairment Losses	(2,799,638)	(1,445,882)	(1,375,272)	(1,097,619)
Net Operating Income	2,630,514	4,032,519	2,947,756	1,978,426
Profit Before Income Tax	2,633,076	4,018,922	2,919,428	1,936,845
Net Profit for the Year	2,005,677	2,992,418	2,128,064	1,421,940
Net Profit Attributable to				
- Owners of Parent	1,749,293	2,572,528	1,838,471	1,220,886
- Non-Controlling Interest	256,384	419,890	289,593	201,054
Other Comprehensive Income/Loss	24,198	(14,596)	238,280	(13,449)
Total Comprehensive Income	2,029,875	2,977,822	2,366,344	1,408,491
Total Comprehensive Income Attributable to				
- Comprehensive Income	1,776,256	2,555,357	2,065,220	1,211,719
- Non-Controlling Interest	253,619	422,465	301,124	196,772
Earnings per Share (full amount)	217	327	320	213

Notes:

1. Including Sharia financing/receivables, current accounts wit BI and other banks, placements with BI and other banks, securities, investment in shares, acceptance receivables, reverse repo and derivative receivables
2. Including Sharia financing/receivables
3. Including temporary syirkah funds
4. Including non-controlling interests
5. Including credit and operational risks
6. RoA before tax
7. The BOPO ratio is calculated in accordance with new POJK (Antasena)
8. LDR (exclude Loan to Bank)
9. Including Payment Points & Functional Offices
10. Including BTPN Syariah
11. Certain accounts in the comparative information have been reclassified to conform with the presentation of the consolidated statements of profit or loss and other comprehensive income for the year ended 31 December 2020.



Description	2020	2019 ¹¹⁾	2018	2017
Financial Ratios (in %)				
Capital				
Capital Adequacy Ratio (CAR) ⁵⁾	25.6	24.2	24.6	24.1
Earning Assets				
Non-performing earning assets and non-earning assets to total earning assets and non-earning assets	0.6	0.5	0.9	0.7
Non-performing earning assets to total earning assets	1.0	0.7	1.0	0.7
Allowance for Impairment Losses for financial assets to earning assets	2.0	0.9	1.3	1.0
NPL Gross	1.2	0.8	1.2	0.9
NPL Net	0.5	0.4	0.5	0.4
Profitability				
Return on Assets (ROA) ⁶⁾	1.4	2.3	3.0	2.1
Return on Equity (ROE)	6.1	9.9	11.6	8.2
Net Interest Margin (NIM)	6.1	6.9	11.3	11.6
Liabilities to Assets ratio	82.0	82.7	81.5	82.4
Liabilities to Equity ratio	481.2	502.7	468.9	486.8
Operating Expenses to Operating Revenues	89.5	83.4	80.1	86.5
Cost of Funds	3.8	5.4	5.9	6.1
Liquidity				
Loan to Deposit Ratio (LDR) ⁸⁾	134.2	163.0	96.2	96.2
Compliance				
Percentage Violation of Legal Lending Limit				
Related Parties	-	-	-	-
Non-Related Parties	-	-	-	-
Percentage Lending in Excess of the Legal Lending Limit				
Related Parties	-	-	-	-
Non-Related Parties	-	-	-	-
Primary Statutory Reserve	3.2	6.2	6.6	6.6
Foreign Currency Reserve	4.0	8.0	8.3	8.4
Net Open Position	0.4	0.1	0.4	0.4
Others				
Number of Branches ⁹⁾	536	579	795	939
Number of ATM and TCR	227	226	227	207
Number of Employees ¹⁰⁾	19,370	19,235	19,175	20,912

↑ **15.93%**

Third Party Funds
Growth

Rp32,96trillion

Total Equity

25.55%

Capital Adequacy
Ratio (CAR)

↑ **1.21%**

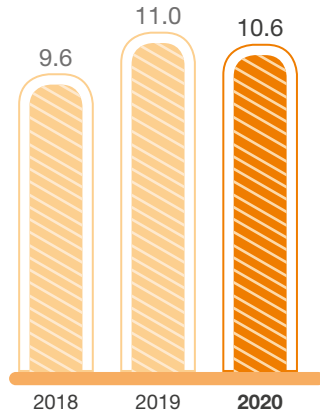
Loan Quality
(NPL-Gross Ratio)

0.84%

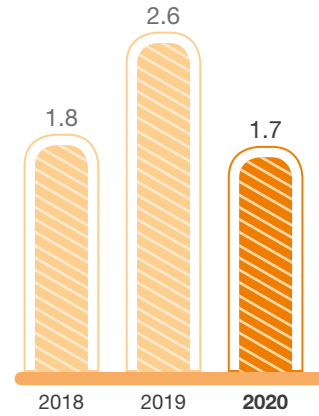
Asset Growth



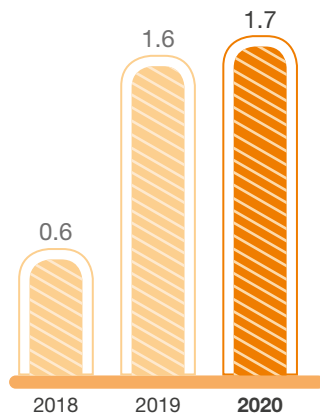
Net Interest Income
(in trillion rupiah)



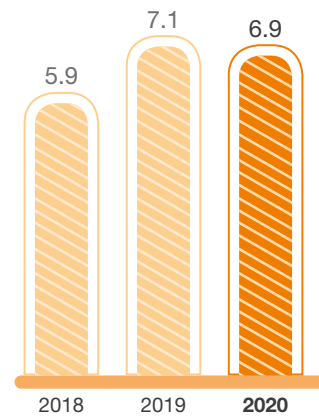
Net Profit Attributable to
Owners of Parent
(in trillion rupiah)



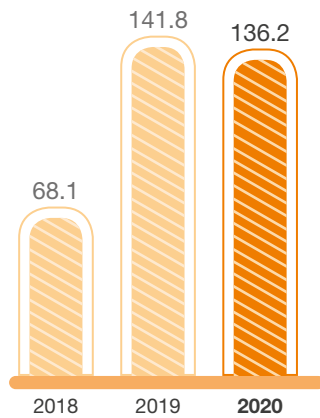
Other Operating Income
(in trillion rupiah)



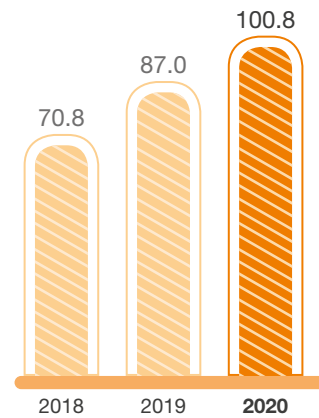
Operating Expenses
(in trillion rupiah)



Loans
(in trillion rupiah)



Third Party Funds
(in trillion rupiah)



Share Performance

INITIAL PUBLIC OFFERING

Resolutions on the Initial Public Offering of common share of PT Bank BTPN Tbk was based on the Extraordinary General Meeting of Shareholders on 8 June 2007. The total number of offered shares are 267,960,220 offered shares and Rp100 (full value) per share with nominal value at an offered price of Rp2,850 (full value) per share. The shares were registered on the Indonesia Stock Exchange or IDX in 12 March 2008.

STOCKS PERFORMANCE

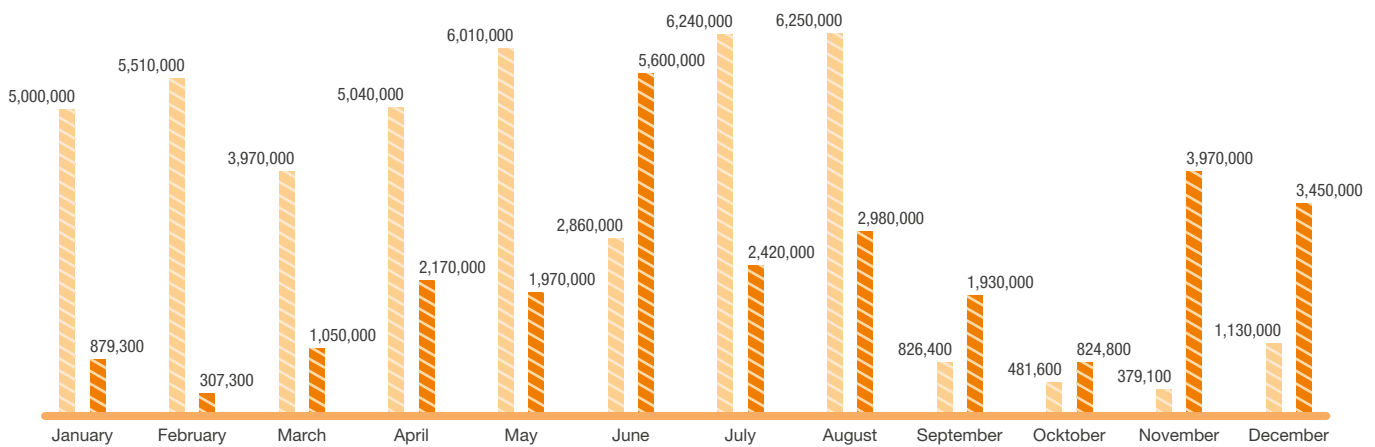
Up until Quarter IV/2020, the Bank's shares were traded at Rp 3,110 per share. The shares performance of the Bank is shown in the following graphs and tables.

MONTHLY STOCK MOVEMENTS (2019-2020)

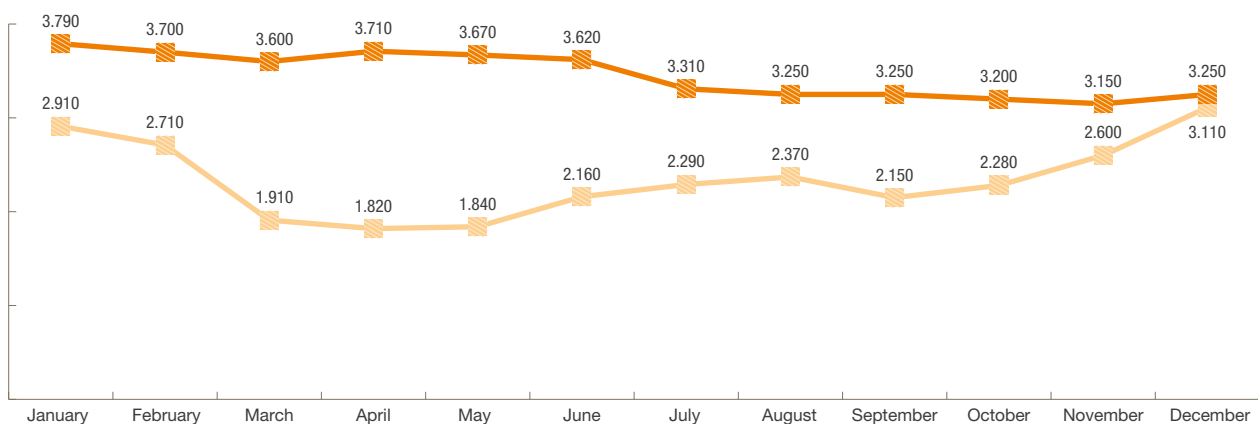
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2020 Annual Report PT Bank BTPN Tbk

Volume  2019  2020



Closing Price (Rp)  2019  2020





QUARTERLY STOCKS PERFORMANCE 2020 & 2019

Period	Highest (Rp)		Lowest (Rp)		Closing (Rp)		Volume (Shares)	
	2020	2019	2020	2019	2020	2019	2020	2019
March	3,300	4,000	1,585	3,460	1,910	3,600	2,240,000	14,490,000
June	2,390	3,750	1,750	3,400	2,160	3,620	9,730,000	13,910,000
September	2,650	3,720	1,950	3,080	2,150	3,250	7,340,000	13,310,000
December	3,680	3,450	2,150	3,050	3,110	3,250	8,240,000	1,990,000

Period	Number of Listing Shares		Market Capitalization	
	2020	2019	2020	2019
March	8,148,946,869	8,148,916,869	15,564,488,572,928	29,330,415,550,464
June	8,148,946,869	8,148,916,869	17,601,725,988,864	29,493,362,163,712
September	8,148,946,869	8,148,928,869	17,520,235,905,024	26,484,018,249,728
December	8,148,946,869	8,148,928,869	25,343,224,184,832	26,484,018,249,728

Corporate Action

During 2020 there were no Corporate Actions taken by the Company

Bonds/Sukuk Issuance

During 2020 the Company did not issue any Bonds/Sukuk

Bonds and Sukuk Overview

Description	Listing Date	Bond Amount (Rp)	Coupon Rate (%)	Maturity Date	Outstanding (Rp)
Public Offering of Sustainable Bonds III Bank BTPN with Fixed Coupon Rate Phase II Year 2017					
Series B	18 October 2017	900,000,000,000	7,50%	17 October 2020	The settlement has been made on October 19, 2020
Public Offering of Sustainable Bonds IV Bank BTPN with Fixed Coupon Rate I Year 2019					
Series A	27 November 2019	799,000,000,000	7,55%	26 November 2022	799,000,000,000
Series B	27 November 2019	201,000,000,000	7,75%	26 November 2024	201,000,000,000
Mid-Term Notes II Year 2017 of PT Bank Sumitomo Mitsui Indonesia					
MTN 11	14 June 2017	1,302,000,000,000	8,25%	14 June 2020	The payment has been made on June 15, 2020

RATINGS OF BANK BTPN BONDS

Bonds	Rating 2018	Rating 2019	Rating 2020
Bank BTPN Shelf Registry / Sustainable Bonds III with Fixed Coupon Rate Phase II Year 2017	AAA (idn)	AAA (idn)	AAA (idn)
Bank BTPN Shelf Registry Bonds IV with Fixed Coupon Rate Phase I Year 2019		AAA (idn)	AAA (idn); Outlook Stabil
Mid-Term Notes (MTN) II Year 2017 of PT Bank Sumitomo Mitsui Indonesia	idAAA	idAAA	idAAA



PAYMENT OF INTEREST AND PRINCIPAL LOAN OF THE YEAR 2020

Bank BTPN BTPN Shelf Registry Bonds III with Fixed
Coupon Rate Phase II year 2017 of B series

Description	Payment Date	Payment Amount (Net)
Coupon-1	17 January 2018	Rp16,875,000,000,-
Coupon-2	17 April 2018	Rp16,875,000,000,-
Coupon-3	17 July 2018	Rp16,875,000,000,-
Coupon-4	17 October 2018	Rp16,875,000,000,-
Coupon-5	17 January 2019	Rp16,875,000,000,-
Coupon-6	17 April 2019	Rp16,875,000,000,-
Coupon-7	17 July 2019	Rp16,875,000,000,-
Coupon-8	17 October 2019	Rp16,875,000,000,-
Coupon-9	17 January 2020	Rp16,875,000,000,-
Coupon-10	17 April 2020	Rp16,875,000,000,-
Coupon-11	17 July 2020	Rp16,875,000,000,-
Coupon-12	17 October 2020	Rp916,875,000,000,-

BTPN Shelf Registry Bonds IV with Fixed Coupon Rates
Phase I Year 2019 of A series

Description	Payment Date	Payment Amount (Net)
Coupon-1	26 February 2020	Rp15,081,125,000,-
Coupon-2	26 May 2020	Rp15,081,125,000,-
Coupon-3	26 August 2020	Rp15,081,125,000,-
Coupon-4	26 November 2020	Rp15,081,125,000,-
Coupon-5	26 February 2021	Rp15,081,125,000,-
Coupon-6	26 May 2021	Rp15,081,125,000,-
Coupon-7	26 August 2021	Rp15,081,125,000,-
Coupon-8	26 November 2021	Rp15,081,125,000,-
Coupon-9	26 February 2022	Rp15,081,125,000,-
Coupon-10	26 May 2022	Rp15,081,125,000,-
Coupon-11	26 August 2022	Rp15,081,125,000,-
Coupon-12	26 November 2022	Rp814,081,125,000,-

Bank BTPN Shelf Registry Bonds IV with Fixed coupon
Rates Phase I Year 2019 of B series

Description	Payment Date	Payment Amount (Net)
Coupon-1	26 February 2020	Rp3,894,375,000,-
Coupon-2	26 May 2020	Rp3,894,375,000,-
Coupon-3	26 August 2020	Rp3,894,375,000,-
Coupon-4	26 November 2020	Rp3,894,375,000,-
Coupon-5	26 February 2021	Rp3,894,375,000,-
Coupon-6	26 May 2021	Rp3,894,375,000,-
Coupon-7	26 August 2021	Rp3,894,375,000,-
Coupon-8	26 November 2021	Rp3,894,375,000,-
Coupon-9	26 February 2022	Rp3,894,375,000,-
Coupon-10	26 May 2022	Rp3,894,375,000,-
Coupon-11	26 August 2022	Rp3,894,375,000,-
Coupon-12	26 November 2022	Rp3,894,375,000,-
Coupon-13	26 February 2023	Rp3,894,375,000,-
Coupon-14	26 May 2023	Rp3,894,375,000,-
Coupon-15	26 August 2023	Rp3,894,375,000,-
Coupon-16	26 November 2023	Rp3,894,375,000,-
Coupon-17	26 February 2024	Rp3,894,375,000,-
Coupon-18	26 May 2024	Rp3,894,375,000,-
Coupon-19	26 August 2024	Rp3,894,375,000,-
Coupon-20	26 November 2024	Rp204,894,375,000,-

Medium Term Notes (MTN) II of 2017
PT Bank Sumitomo Mitsui Indonesia

Description	Payment Date	Payment Amount (Net)
Coupon-1	14 September 2017	Rp26,853,750,000,-
Coupon-2	14 December 2017	Rp26,853,750,000,-
Coupon-3	14 March 2018	Rp26,853,750,000,-
Coupon-4	14 June 2018	Rp26,853,750,000,-
Coupon-5	14 September 2018	Rp26,853,750,000,-
Coupon-6	14 December 2018	Rp26,853,750,000,-
Coupon-7	14 March 2019	Rp26,853,750,000,-
Coupon-8	14 June 2019	Rp26,853,750,000,-
Coupon-9	14 September 2019	Rp26,853,750,000,-
Coupon-10	14 December 2019	Rp26,853,750,000,-
Coupon-11	14 March 2020	Rp26,853,750,000,-
Coupon-12	14 June 2020	Rp1,328,853,750,000,-

Event Highlights in 2020

23 April



The Annual General Meeting of Shareholders (AGMS) of PT Bank BTPN Tbk granted the approval of the financial statements of fiscal year 2019. The AGMS also agreed not to conduct the distribution of dividend to the shareholders as a reflection of its long-term commitment for BTPN's sustainable growth.

25 June



Jenius launched its new innovative feature named Moneytory. The feature helps the digital savvy to manage cash flow in a more simplified manner through the automatic logging of expense and income through Jenius application. With Moneytory, Jenius users may have access to the summary of their financial condition, beginning from the amount of income or expense and the difference between them, as well as to easily see the graphic of expense based on particular dates and its nominal.

2 July



Sumitomo Mitsui Banking Corporation Group (SMBC Group) donated 100 million yen (equivalent to Rp13.2 billion) to UNICEF Indonesia to help lighten the burden of the people of Indonesia impacted by the COVID-19 pandemic.

24 July



BTPN launched Sinaya Prioritas, banking services for affluent customers with a total portfolio of at least Rp500 million. Integrated with Jenius application, Sinaya Prioritas allows affluent customers to monitor their savings and investment funds, and perform transactions from anywhere and at anytime through their devices.

27 July



Jenius launched a new feature, Jenius QR, to facilitate the digital savvy in transactions without hard cash or debit card as it automatically deducts in Active Balance without having to shift to another application. Jenius QR also supports Bank Indonesia's program to increase non-cash financing.

11 August



Jenius celebrates its 4th anniversary. Up until June 2020, more than 2.7 million people gave joined to become Jenius users, with savings balance (Third-Party Fund) of more than Rp10 trillion. In all of its four years of presence, Jenius has launched some 20 revolutionary innovations and features.



11 September



Sumitomo Mitsui Banking Corporation Group (SMBC Group) donated Rp1.3 billion (equivalent to 10 million yen) to the Indonesian General Practitioners Association (PDUI) as one of its global initiatives to help prevent the spread and the impact of COVID-19 in Indonesia. PDUI was selected as one of the organizations to receive funds from SMBC Group because the organization has since 2010 worked together with Bank BTPN, a subsidiary of SMBC Group, through the public financing program known as Daya.

16 September



Jenius launched its Jenius for Business, a starter kit for the digital savvy who wishes to start and develop their business. Jenius for Business has two services, namely Jenius Business Account and Bisniskit from Jenius.

2 November



Jenius held its annual co-creation and collaboration event known as the 2020 Co.Creation Week, virtually on 2-6 November 2020 carrying the theme Reshape, with the aim to ask the digital savvy communities to make friends with the big change that is happening in various aspects of the daily life as impacted by the COVID-19 pandemic. A series of programs of the 2020 Jenius Co.Creation consisted of competition, conference, and talks on the three pillars of technology, creativity and finance.

24 September



In collaboration with PT Bank Negara Indonesia Tbk (BNI), Jenius introduced its BNI TapCash top-up service through the Jenius application by benefiting the NFC (Near-Field Communication) feature. In addition, the collaboration also introduced BNI TapCash Card Jenius edition with a unique Jenius-trait design and characteristics.

18 November



The Extraordinary General Meeting of Shareholders (EGMS) of PT Bank BTPN Tbk approved the change in the members of the Board of Directors and the Board of Commissioners. The shareholders approved the resignation of Kazuhisa Miyagawa from the position of Deputy President Director, and approved the appointment of Kaoru Furuya as the new Deputy President Director to replace Miyagawa. The Meeting also approved the appointment of Chow Ying Hoong as the new President Commissioner and Edmund Tondobala as the new Independent Commissioner.

23 December



BTPN took part in the financing of medium-term working capital of the State Electricity Company (PT Perusahaan Listrik Negara (Persero)) for a total amount of US\$500 million guaranteed by MIGA (World Bank Group) in a joint consortium with 7 (seven) foreign banks.

Awards & Certification

AWARDS

Date	Name of Award	Category	Organizer
March 2020	Mortgage Awards	Best BUKU 3 Bank	Infobank
March 2020	Top SME Lender 2020	Best BUKU 3 Bank	Infobank
April 2020	Public Relations Indonesia Award 2020	<ul style="list-style-type: none"> Gold Winner - Social Media Gold Winner – Digital PR #temanjenius 	PR Indonesia Magazine
May 2020	Digital Brand Awards	Savings in Commercial Banks Category	Infobank
June 2020	World's Best Banks	Ranking 4 – of all banks in Indonesia Ranking 2 – of all local banks in Indonesia	Forbes
August 2020	Investor Awards	The Best BUKU III Bank	Investor Magazine
September 2020	Indonesian Innovation Award 2020	Sustainability Category	IDX Channel
September 2020	Indonesia Content Marketing Awards 2020	<ul style="list-style-type: none"> Best Content in Owned Channel in Banking Category Best Use of Brand Website Content Marketing The Content Marketing Implementation of The Year 	Kompas Gramedia
September 2020	Infobank Awards 2020	<ul style="list-style-type: none"> Diamond Trophy for “Excellence” for 20 years in a row to achieve “The Best Performance Bank”. The Best BUKU III 	Infobank
September 2020	Corporate Social Intrapreneur of the Year 2020	-	Schwab Foundation (affiliated with the World Economic Forum)
October 2020	Best Companies to Work for in Asia	-	HR Asia
December 2020	The Best Contact Center Indonesia 2020	<ul style="list-style-type: none"> Top 10 of The Best Contact Center Indonesia 2020 Platinum Medal for The Best Operations Contact Center Gold Medal for The Best Employee Engagement 2 Platinum Medals, 1 Gold Medal, 4 Silver Medals and 1 Bronze Medal (Individual Category) 	Indonesia Contact Center Association
December 2020	Bankers of The Year 2020 (Awarded to Ongki Wanadjati Dana, President Director of Bank BTPN Tbk)	-	Infobank
December 2020	Best Performing Bank 2020	BUKU III Category	Infobank
December 2020	The Asia Sustainability Reporting Rating 2020	Gold	National Center For Sustainability Reporting
December 2020	Indonesia Best Digital Marketing Champion 2020	<ul style="list-style-type: none"> Best Digital Marketing Champion in Banking Category 2020 2nd Rank of Overall Winners Digital Marketing Champion 2020 	SWA
December 2020	BAZNAS Awards	Best Online Collection of Zakat	BAZNAS



IDX Channel Bank BTPN Innovation Award



The Asia Sustainability Reporting Rating 2020

Category Gold

National Center for Sustainability
Reporting



The Best Bank 2020

Category of Commercial Banks with
Core Capital of Rp5 Trillion - Rp30
Trillion

Investor Magazine



Infobank Awards

Financial Performance Full Year 2019
Predicate Excellent

Infobank

CERTIFICATION

No	Name of Certification	Time of Delivery	Validity Period	Issuer
1	Corporate Procurement Management ISO 9001:2015	28 October 2019	28 October 2022	SGS





MANAGEMENT REPORT

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With strong commitment from the Board of Directors and direction from the Board of Commissioners, BTPN successfully navigated its journey through a challenging year resulted from the COVID-19 pandemic.



The Bank's risk management in 2020 is quite challenging. The economy is affected by the COVID-19 pandemic and prompted the Bank to swift its focus to come up with policies related to restructuring and handling of affected customers. The Board of Commissioners fully supports the implementation of this policy which has successfully managed the existing risks and produced a composite risk profile rating of 2 ("low to moderate").

Chow Ying Hoong

President Commissioner



Report from The Board of Commissioners

Dear Distinguished Shareholders and Stakeholders,

Allow us to present our report on the implementation of the Board of Commissioners' main duties, namely in monitoring and advising the Board of Directors on the management of the business activities of PT Bank BTPN Tbk (here onwards referred to as "BTPN" or "Bank"). This report is also part of the Bank's disclosure of information.

The regulatory basis of this report, among others, is a mandate by the Law No. 40 of 2007 on Limited Liability Companies. In addition, it refers to the Financial Services Authority Regulation (POJK) No. 33/POJK.04/2014 on the Board of Directors and the Board of Commissioners of Issuers or Public Companies.

MACRO CONDITIONS

The Board of Commissioners acknowledges that the fiscal year 2020 was a period filled with challenges. Economic conditions throughout the year was marred highlighted by the adverse impact of the spread of the corona virus disease (COVID-19). Nations around the world were kept busy with efforts to suppress the spread of the virus. The impact was the deceleration of economic activities were decelerated.

For the above reason, the International Monetary Fund (IMF) in its report "World Economic Outlook Update" issued in June 2020, predicted the world economic growth will experience a contractions or a negative growth rate of 4.9%. The reason behind The reason behind the large contraction was the severe impact from COVID-19 pandemic was larger than expected.

The World Bank, in the same month, estimated that global economic growth would be negative 5.2%. The fast and massive impact of the COVID-19 pandemic have kept the global economy was under pressure throughout the entire year.

Indonesia was among the countries which economy was deeply affected by the COVID-19 pandemic. In Quarter III-2020, the Central Bureau of Statistics (BPS) confirmed that the Indonesia's economy was experiencing a recession following negative growth of 5.32% and 3.49% in Quarter II and III-2020 respectively (yoy).

By the end of the year 2020, economic growth suffered a contraction of 2.07%. This condition adversely affected the banking industry, which was an intermediary, as most part of the business world was experiencing negative performance.

This was the circumstances that confronted by the management throughout the whole year of 2020. For this reason, the Board of Commissioners paid special attention to this condition as well.

PERFORMANCE ASSESSMENT OF THE BOARD OF DIRECTORS AND THE BASIS OF ASSESSMENT

Basis of Assessment

FY 2020 Performance were assessed from the perspective of implementing sustainable business strategies and initiatives. The implementation of new initiatives and strategies enabled the Bank to strengthen its business fundamentals and achieve sound financial performance.

Performance Assessment

Considering the external conditions as well as the basis of assessment as reference, the Board of Commissioners concluded that the Board of Directors has generally succeeded in establishing Bank BTPN's performance with good marks, although confronted with the difficult situation from the impact of the COVID-19 pandemic.

The management adopted a defensive position in mitigating the impact of COVID-19 in the year 2020. Among others, mitigated the impact and risks by selective disbursement of loans, proactively managed non-performing loan (NPL), cost of credit and carry out loan restructuring as well as significantly reduced cost of funds.

Aside from focusing on the loans, the Board of Commissioners also witnessed the management's effort to actively manage liquidity and financing as well as to increase sustainable operational effectiveness. At the same time, the Bank's management continued to execute initiatives necessary to support the Bank's future growth by constantly paying attention to the current situation.

Results of the management's assessment are also noticeable from the good condition of the credit liquidity and the adequacy of reserves. During the fiscal year, the Bank recorded the NPL ratio at only 1.21% (gross) and 0.5% (net), higher than the industry's average. The Bank also continued with strict monitoring of the mentioned portfolio.

The management's attention was accurately focused on the micro, small and medium enterprises (MSME), commercial as well as consumer financing and shariah, considering that these sectors were the most impacted segments. The Board of Commissioners impacted segments. The management's efforts were on the right track in line with POJK No. 11/POJK.03/2020 concerning "the National Economic Stimulus as the Countercyclical Policy on the Impact of the Spread of 2019 Corona Virus Disease" and its amendment POJK No. 48/POJK.03/2020 regarding the policy on the extension of the relaxation period until 31 March 2020 for debtors impacted by COVID-19.

Moreover, up until the end of fiscal year 2020, Bank BTPN managed to achieve a net profit after tax (NPAT) attributable to the owner of the parent entity of a total amount Rp1.7 trillion. Even though it was lower than the previous year, it was still regarded as a good performance considering the crisis situation..

MONITORING OF POLICY IMPLEMENTATION

The Board of Directors' policy on mitigating the impact of the COVID-19 pandemic was the main concern to the Board of Commissioners, as the pandemic had adversely impacted the activities of the business sector. Banking's main activity, namely the credit disbursement, decreased, while risks faced by the Bank increased.

For this reason, administering the Bank's risk management in the year 2020 was a big challenge. The economic conditions impacted by the COVID-19 pandemic have made policies related to restructuring and handling of customers, who were impacted by the pandemic, a main concern of the Bank. The Board of Commissioners fully supported the policies implemented by the Management which succeeded in managing existing risks and maintained the Bank's risk profile composite index at level 2 ("low to moderate").

The Board of Commissioners also concluded that the Management's strategic crisis action plans to cope with the impact of COVID-19 pandemic was effective. The applied strategy, among others, included anticipative efforts on the changes and dynamics of the market as well as developed scenarios and stress tests to simulate potential impacts on the Bank's business, which included credit, liquidity and market risks.

Regarding the implementation of the weekly loan restructuring, the Bank submitted its report to OJK in accordance with prevailing OJK Regulation. The Management established necessary steps to monitor the customers under restructuring to ensure suitability between the customers' credit quality and the established Allowance for Impairment Loss (CKPN).



Internally, the Bank also took important steps in the operational area, such as the split operations and work from home procedures, supply of masks, vitamins and other supports to the staff. The Board of Commissioners gave its full support to the management in the steps undertaken such as the external policies on credit restructuring and internally in the operational areas.

All the management's applied policies were within the 3 (three) core framework of policies in establishing the Bank's priorities and 8 (eight) strategic focuses completed with the 3 (three) stages of implementation: Stabilize, Synergize and Scale Up.

This framework policy was excellent that its implementation was accurately directed. In addition, it allowed the management to have easier monitoring and evaluation. Hence Board of Commissioners appreciated the implementation of this framework.

Aside from the COVID-19 related issues, the Board of Commissioners also paid special attention to the strategic policies concerning follow-up actions post-merger. In the first year, 2019, the Bank focused on Stability, the integrated management in operation, staff culture and adoption of the global standards of governance, compliance, risk management and SMBC internal control.

The Bank also developed mid-term plans of 3 (three) years. In the second year, 2020, the Bank focused on Synergy, which involved the adoption of SMBC global standards, integrated information technology (IT) system, and building synergy within the Bank and other companies of the SMBC group in Indonesia. To date, the Bank is developing its plans to transform its operation model to effectively and efficiently reach its targets.

However, considering the ongoing COVID-19 situation, the Bank had to adapt to the conditions by applying new strategy or re-prioritizing strategy in order to steer the performance of the Bank to what is regarded as a good performance. Through such a strategy, the Bank hoped to continue to operate smoothly and become the trigger to economic growth.

VIEWS ON BUSINESS PROSPECTS

Business prospects prepared by the Board of Directors were not only set for the year 2021, covered the period of 2021-2023. The Board of Commissioners accepted the sufficient explanation on the subject, discussed and understood the Bank's Business Plan for the period of 2021-2023.

The Board of Commissioners acknowledged that the conditions of 2021 will remain challenging from the impact of the COVID-19 pandemic. To deal with this condition, Bank BTPN will continue to focus on proactively managing loan restructuring and customers impacted by the pandemic. The Bank will also adopt a more conservative risk appetite for the year 2021 and plan to increase loans in stages in the following years.

In the current economic recovery situation, BTPN would need to rely on the Corporate segment, given the Bank risk appetite, core capability and the support of SMBC global network to achieve faster income growth. In the Corporate and Commercial segments, the Bank will conduct selective lending to maintain loan quality, and the Bank will also increase fee-based income along with the increase in Transaction Banking and Treasury businesses. At the same time, the Bank would build synergy and continue to increase developing business such as Jenius as well as developing new businesses.

The management had decided to continue to invest in Jenius in order to maintain leadership in Indonesia's digital banking segment. Implementing digital strategies will remain the Bank's priority in all segments. This hopefully can support retail banking growth in the future.

To support business growth, in addition to information technology development, the Bank will also strengthen its human resources and operations. The same thing was also implemented in risk management, compliance and GCG which will continue to be improved to maintain business sustainability.

Another strategy to be implemented in the year 2021 is optimizing the portfolio of the pension business and realigning resources to existing mature business. Business transformation and optimization of the operation model shall also be enhanced.

The Bank also increased the availability of low-cost funds or the Current Account Saving Account (CASA), balance, among others, through trade, cash management, treasury, and retail, which became the focus of the Bank. To maintain balance in business, the Bank will increase its fee-based income and efficiency in operational expenses.

The above strategies prepared by the management have assured the Board of Commissioners that the Bank's business prospects ahead, specifically for the year 2021, will be very good. Foremost, the management's ability to respond to COVID-19 pressures have shown good results.

MECHANISM AND FREQUENCY IN PROVIDING ADVICE

In carrying out its duties, namely to monitor the Bank's business activities and provide advices to the Board of Directors, the Board of Commissioners had 4 (four) assisting committees: Audit Committee, Risk Monitoring Committee, Remuneration and Nomination Committee and the Integrated Governance Committee.

These committees were included as part of the supervisory and advising mechanism of the Board of Commissioners. Each committee submitted reports and recommendations on a quarterly basis to be discussed in the Board of Commissioners meetings.

Discussions and monitoring of the recommendations were carried out in the Board of Commissioners-Board of Directors joint meetings at least once in 2 (two) months. In the year 2020, 7 (seven) joint meetings were held.

VIEWS ON GCG IMPLEMENTATION

The Board of Commissioners regards the principles of good corporate governance (GCG) as strong fundamentals in maintaining the sustainability of the Bank's business. Banking is a part of financial services that emphasized on the trust of the stakeholders as a fundamental in business.

The Board of Commissioners' monitoring of GCG implementation within the Bank was conducted through periodic assessments every year. In the year 2020, governance implementation performed by the Bank's management was satisfactory, as reflected in the governance self-assessment result of composite level 2 ("Good") rating.

Considering that business in the financial sector was very dynamic, the Board of Commissioners reminded the management to be ready to make necessary adjustments and development in GCG. The Board of Commissioners will monitor this matter, while jointly with the Board of Directors ensure good business sustainability.

Views on WBS Implementation and the Board of Commissioners Involvement

Implementation of the whistleblowing system (WBS) is an important part of GCG implementation. The Board of Commissioners viewed that the implementation of WBS within the Bank's environment was appropriately executed and would continue to be improved.

As a form of support, the Board of Commissioners was fully committed to implement and improve the overall sustainability of the Bank's internal control. This was aimed at prevention, detection, investigation, reporting and evaluation by means of the Anti-Fraud Strategy Policy in BTPN. Fraud related matters was also one of the main focuses of the Risk Monitoring Committee.

Within this context, the Board of Commissioners' involvement was namely in the aspect of prevention and compliance. The Board of Commissioners will continuously monitor the implementation of WBS as well as its follow-up.

VIEWS ON THE IMPLEMENTATION OF CORPORATE SOCIAL RESPONSIBILITY

The Board of Commissioners viewed the implementation of corporate social responsibility (CSR) as one of the important parts of good corporate governance implementation in the Bank. Moreover, this was contained in Law No. 40 of 2007 on Limited Liability Companies and Government Regulation No.47 of 2012 on Social and Environmental Responsibilities of Public Companies.

Implementation of CSR in BTPN was performed by a special business unit, namely Daya. This arrangement showed the management's commitment and seriousness in implementing its CSR obligations, at the same time realizing the importance of maintaining balance between business goals, environmental preservation as well as the empowerment of the communities. Thus, there was an integration of business mission and social mission or corporate share value.



The CSR implementation refers to 4 (four) pillars: customer competency development, financial management, sustainable life, and capacity to grow. The Board of Commissioners believed that such principles have become an important foundation in carrying out activities in the fields of social and environmental responsibilities.

CSR implementation which was also directed at creating Sustainable Development Goals (SDGs), according to the Board of Commissioners was a very good initiative. SDGs were global commitments ratified by Indonesia. Therefore, Bank BTPN had become a part of the efforts to achieving the set of 17 SDGs.

CHANGE IN THE COMPOSITION OF THE BOARD OF COMMISSIONERS

In the year 2020, a change in the composition of the Board of Commissioners was ratified through 2 (two) General Meeting of Shareholders (GMS). The first, GMS in April 2020 that ratified the resignation of Mari Elka Pangestu as the President Commissioner (Independent). Second, the Extraordinary GMS in November 2020 which ratified the appointment of Chow Ying Hoong as the President Commissioner from his previous position as Vice President Commissioner and the appointment of Edmund Tondobala as Independent Commissioner.

Thus, the composition of the Board of Commissioners by the end of fiscal year 2020 is as follows:

President Commissioner: Chow Ying Hoong

Commissioner : Takeshi Kimoto

Independent

Commissioner : Ninik Herlani Masli Ridhwan

Independent

Commissioner : Irwan Mahjudin Habsjah

Independent

Commissioner : Edmund Tondobala

APPRECIATION AND CLOSING

The Board of Commissioners hereby extends its gratitude to the shareholders for the opportunity to be a part of the business journey of Bank BTPN until the end of fiscal year 2020. The gratitude was also extended for the directives and guidance conveyed by the shareholders.

The Board of Commissioners also extends its appreciation to the Board of Directors and all staff for the performance achieved during Fiscal Year 2020. To the regulators, the Board of Commissioners expresses its gratitude for the guidance and supervision conveyed that enabled the company's business to operate appropriately in accordance with prevailing regulations and business best practices during such difficult challenges.

To all stakeholders, the Board of Commissioners thank you for the ongoing cooperation to date. With the support of all the stakeholders, the management was able to achieve good business performance for the Fiscal Year 2020.

Jakarta, March 2021

On behalf of the Board of Commissioners,

Chow Ying Hoong

President Commissioner

The Board of Commissioners



1. **Chow Ying Hoong**
President Commissioner
2. **Takeshi Kimoto**
Commissioner



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- 3. Edmund Tondobala**
Independent Commissioner
- 4. Ninik Herlani Masli Ridhwan**
Independent Commissioner
- 5. Irwan Mahjudin Habsjah**
Independent Commissioner



The activities throughout the challenging and dynamic year of 2020 has been successfully passed by BTPN. We are always at the side of our customers and support the national economic recovery. The health of employees and customers is a priority in the midst of a pandemic. With changes in the external environment due to COVID-19, we have adjusted our strategies to prepare for a post-pandemic rebound. We also continue to accelerate digital banking capabilities to provide banking services that are not only relevant but respond to the pandemic challenge for our customers.

We are grateful that all of this is made possible thanks to the support of stakeholders, both from the direction of the regulator and the supervision of the board of commissioners, as well as the full trust of shareholders.

Ongki Wanadjati Dana

President Director



Report from The Board of Directors

Dear distinguished Shareholders and Stakeholders,

Greetings, may peace be upon us and may the Almighty God bless and protect us always. In this occasion, allow us to present the annual report of PT Bank BTPN Tbk for the fiscal year which ended on 31 December 2020. This report is part of the management's accountability to manage the Company's business for a period of one year.

The entire content of this report is aligned with the report audited by independent auditors and submitted to the regulators, both periodically as in the financial statements as well as in the one-off or ad-hoc reports related to specific corporate actions and other fulfillment of mandatory requirements. For this purpose, this report is part of the disclosure of information and compliance implemented by the Bank.

ECONOMIC CONDITIONS AND BANKING INDUSTRY IN 2020

Pressure on the Economy

The year 2020 was highlighted by the spread of the COVID-19 pandemic which has adversely impacted economic activities. Until the end of the year, for example, the Central Bureau of Statistics (BPS) recorded that the national economy's performance experienced contractions, namely a negative growth of minus 2.07%. The majority of business sectors experienced such negative growth.

Meanwhile household consumptions, the biggest component of the national economic structure, also suffered a contraction of 2.63%. Such a condition resulted in the decline in demand level for goods and services which then caused in the weakening of production activities.

As a response to support economic movement, throughout the year Bank Indonesia reduced the benchmark interest rate of BI 7-day reverse repo rate as many as 5 (five) times. From 5.00% in January 2020 to 3.75% in December.

The position of the BI interest rate was historically the lowest ever. The expansive policy is part of the efforts to boost economic activities through financing disbursements in order for business activities to sustain.

Moreover, BI also reduced the Statutory Reserve (Giro Wajib Minimum/GWM). With the flowing banking liquidity, interest rates continued to decline and encouraged economic financing.

The Dynamics of the Banking Industry

In the midst of crisis triggered by the COVID-19 pandemic, the financial system's resilience remained well maintained. Nevertheless, banking was confronted with rising financing risk, namely the Non-Performing Loan (NPL).

The Financial Services Authority (OJK) responded to such a condition with the credit restructuring regulation for customers impacted by COVID-19. The policy is contained in the OJK Regulation No. 11/POJK-3/2020 and its amendment OJK Regulation No. 48/POJK-3/2020 on the National Economy Stimulus as the Countercyclical Policy to the Impact of the Spread of the 2019 Corona Virus Disease.

The above credit restructuring policy aims to cease the NPL's increasing surge and to provide relaxation to borrowers affected by COVID-19 in paying their installment obligations to the bank during the pandemic time. It is hoped that implementation of the stimulus policy can provide the banking sector wider room for liquidity and capital so that stability of the financial sector can be well maintained in the midst of the pandemic.

THE BANK'S CONDITION DURING THE FISCAL YEAR

Important Changes, Main Activities and Target Market of the Bank

In the beginning of 2020, the Bank has taken important steps in dealing with COVID-19, both in terms of operations such as implementing split operations and work from home, providing supplies of masks and vitamins and other support to staff, and also in handling credit restructuring that is required.

With changes in the external environment due to COVID-19, the bank has reviewed its strategies in certain areas as well as the bank's operating model. The bank also conducts an assessment of the way of working (new way of working) in the new normal period.

Meanwhile main activities of BTPN during the fiscal year 2020 did not experience any change. All remained in operation in accordance with the Company Articles of Association, namely collecting funds from the public and channel them in the forms of financing, both under conventional system as well as syariah. Furthermore, the Bank performed other activities related to banking services.

As for the target market, in the midst of occurring circumstances, the Bank focused on maintaining relationships with customers from all segment, focuses primarily on affected MSME debtors, provides financial solutions suitable to debtors' conditions and handle potential loan restructuring. This was carried out as a direction for the Bank's business strategy to respond to the COVID-19 pandemic situation. Thus the Bank can handle the situations and mitigate the impact and risk of COVID-19 throughout 2020.

Business Partner and Office Network

In executing its main activities, the Bank has reached most of the regions of Indonesia to service customers and the public at large, supported by 536 office network. Bank services are also supported by 225 automated teller machines (ATM).

BUSINESS PERFORMANCE IN 2020

Constraints and Challenges in the Year of the Pandemic

In conjunction with the COVID-19 pandemic, among the challenges faced by BTPN was the policy on the Large-Scale Social Restrictions as the government's response to press the spread of the virus. This condition did not only drastically slow down the economy, the Bank's activities were also impacted.

The reduced in economic activities have resulted in the decline in financing distribution. At the same time loan expenses, on the other hand, increased. In such condition, in line with the regulator's policy, BTPN focused on the loan restructuring management as well as on customers impacted by the COVID-19 pandemic, and altogether adopted a more conservative risk appetite. Such risk management policy is especially aimed for the segments that are mostly impacted.

Bank Indonesia's policy responded to the slowing down of economic activities by reducing the benchmark interest rate. The policy, on the one hand caused the Bank to succeed in reducing the interest expense. However, on the other hand, the policy has pressed the Bank's Net Interest Margin (NIM).

For that reason, the Bank has had to constantly monitor customers under restructuring to ensure suitability between the customer credit quality and the Reserve for Impairment Loss established to avoid additional expenses.

The COVID-19 pandemic did not only affect the business world, including the Bank, but also generated a variety of changes in behavior. For that reason, the Bank's operational performance has had to adapt through the work from home provision as the new way to work under the new normal conditions.



Changes also occurred in the customers' behaviors, which increasingly became active in using digital banking in their transactions. This caused positive impact for BTPN, as the use of the Bank's featured product, Jenius, escalated. Until the end of the year 2020, the total number of users of Jenius increased by 26.92% (year on year) to 3.1 million and the total transaction grew by 70.19%.

Strategic Policy Response

In response to the challenges of COVID-19 pandemic in the year 2020, BTPN implemented its strategic crisis action plans to mitigate the impact and risks arising from the spread of the virus. In financing, the Bank was more selective in disbursing its credit and proactively managed NPL, loan restructuring and loan expenses.

In relation to the loan restructuring, the Bank, among others, adjusted its provisions and procedures of implementing relaxation and restructuring for borrowers impacted by COVID-19. This included provisions related to the criteria of borrowers' who opted for restructuring, as well as provisions on the restructuring schemes and mapping of the impacted economic sectors in accordance with the business segments and cooperation partners. Although such analysis and mapping were conducted, the Bank remained prudence in its implementation of loan restructuring.

Various adjustments carried out by the Bank refers to the reserve calculation method of the borrowers under restructuring in accordance with OJK Letter No. S-7/D.03/2020 on the Implementation of the Financial Accounting Standard (PSAK) 71 and PSAK 68 during the COVID-19 pandemic conditions. Monitoring of the loan restructuring implementation was carried out periodically from the segment level up to the management level.

The reserve calculation model is among the items closely monitored and continuously reviewed as part of the effort to anticipate the potential worsening of the macro economic conditions as well as the impact on the cost of credit. The Bank also established a mechanism to monitor borrowers who received loan restructuring.

As of December 31, 2020, the outstanding balance of restructured loan due to COVID-19 was Rp8.75 trillion. This amount is equivalent to 6.42% of the total consolidated loan portfolio.

In conjunction with that, the Bank also managed to reduce cost of funds as well as actively managed liquidity and financing. Operational expenses were also of special concern, because the Bank was more vigilant towards operational risks and continued to improve the effectiveness of the operations.

In the meantime, regarding the implementation of the Strategy and Initiative Post-Merger with Bank Sumitomo Mitsui Indonesia (SMBCI) on 1 February 2019, in the year 2020 the Bank focused on improving the synergy. Among others, by adopting the SMBC global standards and integrated it with the information technology (IT) system and developed a business synergy. The Bank was also developing plans to transform its operation model in order to effectively and efficiently achieve its goals.

Innovation Through Digital Development

An obvious phenomenon resulted from the COVID-19 pandemic, is the changes in activities and services of the business world, including the financial sector, moving towards digitalization. Moreover, almost all the banks in Indonesia, especially the large banks focus on digitalization to transform into digital banks.

Bearing in mind that BTPN has implemented its digitalization since the year 2016, as a strategic step to remain as leader in digital banking services, the Bank continues to expand its digital services for other retail banking products. The Bank takes advantage of Jenius as a fundamental platform so that BTPN's digital banking services are becoming more comprehensive and integrated.

In addition to complementing the services, the Bank expands its scope of digital transaction acceptance through the cooperation development with various e-commerce partners and other business partners in line with our digital bank's goal to become the customers' financial ecosystem providers (Life Finance).

The ongoing digital development, including in the fiscal year 2020, is especially set to maintain BTPN's leadership in Indonesia's digital banking that supports the future growth of the retail banking. This process of digitalization is aligned with the Bank's vision "To become the first choice bank in Indonesia that can provide meaningful change in the lives of millions of people, especially with the support of digital technology."

Digital development has improved the Bank's business efficiency, among others through efficiency in time and cost. The Bank also became faster in responding to market changes. In the end, digitalization has increased customers' satisfaction.

In the year 2020, the Bank also specifically supported digitalization for cooperatives and the Micro, Small and Medium Enterprises (MSME). Such digital literacy can become the solution for its development and competitive edge, especially considering that COVID-19 has generate new behaviors in transactions, namely minimized physical contact.

The Bank's Performance Achievement

Until the end of fiscal year 2020, BTPN posted a net profit after tax (NPAT) attributable to the owner of the parent a total of Rp1.7 trillion, 32.0% lower than the Rp2.6 trillion posted in the year 2019. The decline in net interest income and the increase in Allowance for Impairment Losses as an impact of the COVID-19 pandemic were among the causes of the decrease in profit.

From the loan aspect, the amount disbursed by the end of the fiscal year totaled Rp136.2 trillion, slightly lower than the previous year. The decline in loan was caused by the weakening of the business activities and higher loan repayment compared to the provision of new loan facilities. Even the banking industry also experienced loan contraction of 2.41% by the end of the year 2020.

Nevertheless, the Bank continued to adequately maintain credit quality as visible through the level of Non-Performing Loan (NPL). During the fiscal year, the Bank recorded NPL ratio at 1.21% (gross) and 0.50% (net). Such an achievement exceeded the industry's average.

From the Third-Party Funds (TPF) aspect, an increase of 15.93% was posted, mostly due to Jenius and Corporate banking. The increase in TPF was balanced by the decrease in deposits from other banks and borrowings that overall total liabilities was stable if compared to the previous year.

Target and Realization Comparison

A big challenge faced by the national economy has pressed the business sector, including banking. Similarly, as experienced by Bank BTPN, several business targets were not achieved.

The impact faced by the Bank was mainly felt in the micro, small and medium-scale enterprises (SME), as well as in the commercial, consumer financing and the shariah segments. Nevertheless, overall the Bank managed to record quite a satisfactory financial performance, with a sound growth and strong fundamentals.

In disbursing loans, for example, from the expected increase target of 5-7%, the actual disbursement dropped by 3.9%. This was due to the COVID-19 pandemic that business performance was hampered and affect loans. The business segment which managed to post growth was the Corporate and Shariah Financing segments, each posted growth of 3.9% and 5.8% respectively.

With the Bank's application of various strategies, BTPN succeeded in logging a net profit above target by 71.71% from the target set in the Bank's revised Business Plan. Such achievement occurred especially due to the operational and loan reserve expenses which were lower than target. In addition, Bank BTPN also booked higher revenue in Syariah as more activities could be performed during 4th Quarter vs. earlier anticipated due to COVID-19, as well as booked lower interest expense (lower cost of fund) from reduction in benchmark rate. Several of the target and realization indicators are presented in the table below.

Target and Realization Comparison

Description	2020 Target	2020 Realization
Loan Growth	5-7%	-3.9%
Deposit Growth	16-18%	15.9%
Capital Adequacy Ratio	>22%	25.6%
ROA	<1%	1.4%
ROE	>3%	6.1%
NPL (gross)	<2%	1.2%



Syariah Subsidiary Performance

In the midst of a situation full of challenges, PT Bank BTPN Syariah Tbk (“BTPN Syariah”) yet managed to record its financing disbursement of Rp9.5 trillion, a growth of 5.81% compared to the Rp9.0 trillion in the previous year. A sound growth in the financing segment was also complemented with a sound financing quality, as reflected through the low position of the Non-Performing Finance (NPF) at 1.91%.

BTPN Syariah also noted a strong capital adequacy ratio (CAR) of 49.44%, far above the industry’s average. Total asset growth was 6.49% (yoy) to Rp16.4 trillion, from the previous year’s Rp15.4 trillion. TPF grew by 4.26% from Rp9.4 trillion to Rp9.8 trillion. While net profit after tax (NPAT) reached Rp855 billion.

This achievement was possible because of the strategy implemented by BTPN Syariah. In servicing the productive poor it focused on, for example, the Bank also continuously empowered customers. Team #bankirpemberdaya (#empoweringbanker) out in the field also known as “community officer” maintained intensive and measureable relations, that a feeling of trust flourished from the customers that they believe they can cope and face the challenges with optimism and resilience together in these times of the pandemic.

Loans Disbursement to MSME

BTPN has long maintained a big commitment on the development of the MSME sector. For the year 2020, in line with the government’s concern over the empowerment of the sector, the Bank has disbursed credit for a total amount of Rp7.0 trillion, or equivalent to 5.52% of the Bank’s credit portfolio.

The financing was allocated for three business groups: micro-scale at the amount of Rp218 billion, small-scale at Rp595 billion and middle-scale at Rp6.2 trillion.

BTPN’s Daya program, in the year 2020 has also focused on the capacity development of MSME customers to operating their business with a more innovative modern approach and market access. From the Bank’s analysis, the impact of the COVID-19 pandemic has pressured and cut MSME’s turnover by half. For that purpose, as the Bank’s support, Daya developed a sustainable training program that aims at providing motivation and alternative solutions in maintaining and improving their business.

The training programs were held through webinars in cooperation with competent and experienced experts in the field. The MSME entrepreneurs received tips and opportunity to ask questions on business issues directly to the experts available at Daya.id. Users of Daya.id were also able to conduct assessment on their business conditions and on steps necessary to take to improve their business.

Yield Percentage of Funds Collection and Disbursement

In accordance with the Financial Services Authority Regulation No. 37/POJK.03/2019 on the Transparency and Publication of Banks’ Reports, all commercial banks are required to report and publish the Prime Lending Rate (PLR). This publication, among others, is to provide clarity and easier means for customers to weigh the benefits, costs and risks involved in the loan offered.

In the year 2020, BTPN’s PLR for corporate loans was 6.08%. While for retail and micro were 9.92% and 15.87% respectively. In the meantime, consumer loans, except for house ownership credit, was at 10.34%.

Meanwhile, yields for third-party funds collected by the Bank was based on collateral interest rate set-forth by the Deposit Insurance Agency.

The loan yield decreased to 7.63% in 2020 from 9.43% in 2019. The decrement was caused by the decline in the benchmark rate, pressure in the declining of high yield businesses and impact of restructuring. Despite that, The Bank succeeded in reducing the cost of funds to 3.71% in 2020 from 5.27% in 2019.

2021 BUSINESS PROSPECT ANALYSIS AND IMPORTANT EVENTS ESTIMATED TO OCCUR IN THE FUTURE

Business Prospects

BTPN predicts the economy in the year 2021 will begin to enter the recovery phase. This is in line with the government's target for economic growth of 5.00% as disclosed in the 2021 State Budget. Such confidence must surely be complemented with the assumption that vaccination efforts will run according to plans and targets, which are to press the rapidity of the spread of COVID-19.

Thus, in the year 2021 there will remain uncertainties that must be seriously attended to. For that reason, the Bank shall balance the short-term objectives with the long-term ones in order to create good business prospects as we all hope for. A number of strategies prepared include the following:

- Maintain and prepare for a rebound: Continue with loan restructuring, improve system and capability, governance, operation model and operational excellence.
- Improve/Accelerate and maintain digital banking growth momentum: Take advantage of the strength to generate faster income growth (Corporate, Transaction Banking, Treasury and Wealth Management) and strengthen other businesses for growth (SME, Consumer Financing and Jenius).
- Pursue sustainable growth: Continue growth in Corporate, Transaction Banking, Treasury and Wealth Management segments as well as nurturing the SME segment and Consumer Financing, expand customer and income base through collaboration with digital ecosystem and explore new businesses.

Simultaneously, BTPN will continue to focus on proactively manage the loan restructuring of customers impacted by the pandemic. While for loans,, the Bank will adopt a more comprehensive risk appetite for the MSME segment, Consumer Financing and "Mitra Usaha Rakyat/Mikro" (the "People's Business Partner/Micro").

The Bank also relies on the Corporate segment, as the Bank has risk appetite, core capability and support of SMBC global network to generate faster income growth. In the Corporate and Commercial segments,

the Bank will conduct selective lending to maintain the loan quality, and the Bank will also increase fee-based income along with the increase in Transaction Banking and Treasury businesses. The Bank will invest and manage the needs of these areas in order to generate additional income to support business growth paths in times ahead as well as rebuilding the Small Medium Enterprise business and Consumer Financing as well as to improve operation efficiency.

In addition, BTPN will continue to invest in Jenius to maintain leadership in Indonesia's digital banking, so that it can sustain retail banking growth in the future. The Bank will also optimize portfolio the pension business segment and align the Bank's resources in Mature Business, as well as continue to conduct business transformation and optimize its operation model.

Digital strategy will continue to be the Bank's priority in all segments. For this, strengthening the information technology, the human resources, compliance and GCG are necessary to support business growth and become the Bank's central attention and focus into the future.

Important Matters Estimated to Occur in the Future

The Bank views that the future trend in the banking industry will be in the direction towards digitalization, of which its presence is now becoming more realized. Other future challenges of the banking industry are the excess of the COVID-19 pandemic which are not fully recovered.

From the global aspect, uncertainties will remain to exist and will effect domestic economy during the period of 2021-2023. Potential uncertainties will be triggered by the progress in the implementation of COVID-19 vaccine to end the pandemic, how fast the global economic recovery will take, and the potential rise in trading tensions between the United States and China altogether with other geopolitical risks.

In facing potential challenges in the future, mid and long-term strategies are prepared by the Bank, among others, enhance/accelerate and Maintain digital banking growth momentum, pursue sustainable growth.



CORPORATE GOVERNANCE IMPLEMENTATION

Reflecting on the importance of GCG implementation, BTPN continuously ensures that the principles or norms of GCG are applied in every aspect of business throughout the Bank's organizational structure. In line with regulations, implementation is conducted at the Board of Commissioners and Board of Directors levels down to the lowest level unit of the organization and in relations with stakeholders.

In accordance with the Financial Services Authority Regulation (POJK) No. 21/POJK.04/2015 and the Financial Services Authority Circular Letter (SEOJK) No. 32/SEOJK.04/2015 on the Governance Guidelines for Public Companies, the Bank has implemented the aspects and principles of good corporate governance based on "comply or explain" approach.

In the year 2020, the Bank has conducted several changes related to GCG implementation. Among them was the periodic review on the policies/ procedures on the procurement of goods and services as well as on anti-fraud.

The Bank also conducted periodic assessment on GCG implementation, in line with OJK Regulation No. 55/POJK.03/2016 and OJK Circular Letter No. 13/SEOJK.03/2017 on Governance Implementation for Commercial Banks. For this reason, in the year 2020 the Bank carried out self-assessment on GCG implementation. Results of the assessment by the Bank is an inseparable part of the governance implementation report.

Composition of Shareholders and Ownership of the Board of Directors and the Board of Commissioners on the Business Group Shares

As part of GCG implementation, all members of the Board of Commissioners and the Board of Directors of BTPN have no ownership of the Bank's shares. This is a supportive condition to the independency of the Bank's management members, and at the same time avoids conflict of interests within the management of the Bank.

INFORMATION TECHNOLOGY DEVELOPMENT

Development in information technology (IT) has long been a concern of BTPN, at least since the year 2016. The presence of Jenius is one of the indicators proving that digitalization practices within the Bank's environment have been operating, and moreover with the fact that the Bank has become a leader in field of digital banking.

Part of the sustainable development in the year 2020 was focused on preparation of the new IT Strategic Planning (ITSP) for the period of 2020-2022. This was a response on the Bank's merger as well as an effort to be prepared to face future conditions.

The focus of IT activities during the fiscal year, among others, was the Bank's consolidated core application which comprised of the core banking system, supporting application of the corporate banking function and other non-core banking applications. The objective was to simplify the application architecture post-merger.

The Bank also continued to empower the digital platform on various products and channels as part of creating a variety of digital platform architectures. Thus, the Bank was able to present the customers' experience consistently and accurately.

Furthermore, the Bank also developed the credit card system to add to the types of services to be offered to customers. For the security of users of the digital application, the Bank continued its implementation of the customers' authentication with the use of biometric technology.

HUMAN RESOURCE MANAGEMENT

By the end of the fiscal year 2020, the total number of employees of BTPN reached 7,482 persons. For the Bank, the employees are a very important part and inseparable of the Bank's business journey.

For this reason, the Bank always strive to provide the best in administering the management related to employees, including competency development and career. In line with the digitalization initiative and efforts to overcome the COVID-19 pandemic, the Bank changed its talent development program and training to fully digital.

Organizing training programs is not only focused on developing competency that supports business, but it is also designed to prepare employees in facing new habits, including the new way of working. Among others is through the 493-hour training related to leadership and information technology.

The culture and leadership alignment programs in all levels of the organization are also conducted through a communication program of the corporate vision, mission and values to all employees. The head office management, including the Board of Directors for example, takes on visits to branch offices, as well as the formation of change agents and program implementation to increase employee engagement.

CORPORATE SOCIAL RESPONSIBILITY IMPLEMENTATION

Implementation of the Corporate Social Responsibility (CSR) in BTPN's environment is carried out by Daya. In the year 2020, Daya has actualized 5 (five) main pillars in the effort to improve the program quality and expand its scope of service.

First, the improvement of Daya's program impact through daya.id. In this respect, Daya strives to increase the number of users as indicator of the scope of impact. This is done through the improvement of the quality and relevance of the material. Up to the end of the year 2020, the number of visitors of Daya.id reached 833.926 visitors.

Second, the development of relevant program and empowering customers. For example, during year 2020, BTPN through Sinaya business unit developed a program through an online seminar in the effort to enhance knowledge and capacity of customers. The program was carried out in 7 (seven) cities followed by 1.149 customers.

Third, to strengthen collaboration with partners and customers. In the year 2020, Daya worked together with some 17 partners in the fields of health, business and education that were actively involved in the development and implementation of Daya's programs.

Fourth, to become an empowerment inspiration for Indonesia. Among its realization was the cooperation with the University of Trisakti and the Business School of IPB University, where Daya performed a volunteer program followed by some 207 students from the two campuses.

Fifth, to support the implementation of the Sustainable Finance initiative in accordance with OJK Regulation No. 51/POJK.3/2017 on the Implementation of Sustainable Finance for Financial Services Institutions, Issuers and Public Companies. To support the initiative, BTPN has carried out various things such as increasing the sustainable finance portfolio for corporate customer, training related to sustainable finance for employees and developing procedures related to sustainable finance.

CHANGE IN THE COMPOSITION OF THE BOARD OF DIRECTORS

In the year 2020, there was a change in the composition of the Board of Directors of BTPN. Through the Extraordinary General Meeting of Shareholders (EGMS), it was agreed on the change in the position of Deputy President Director from Kazuhisa Miyagawa to Kaoru Furuya.

BTPN expresses its gratitude for the great contribution provided by Kazuhisa Miyagawa during his service with the Bank up to his participation in the implementation of the business merger of SMBC Indonesia into Bank BTPN in the year 2019.

To Kaoru Furuya, the management wishes to welcome him in joining BTPN. His experience with SMBC since 1989 will surely present great advantage to development of the Bank.

The composition of the Board of Directors of Bank BTPN as of the end of fiscal year 2020 is as follows:

President Director	: Ongki Wanadjati Dana
Deputy President Director	: Darmadi Sutanto
Deputy President Director	: Kaoru Furuya *
Compliance Director	: Dini Herdini
Director	: Yasuhiro Daikoku
Director	: Henocho Munandar
Director	: Adrianus Dani Prabawa
Director	: Hiromichi Kubo
Director	: Merisa Darwis
Director	: Hanna Tantani

* Kaoru Furuya was appointed by the EGMS dated 18 November 2020 and effectively served as Deputy President Director on 4 January 2021 after obtaining a complete Work Permit from the Ministry of Manpower of the Republic of Indonesia.



APPRECIATION TO STAKEHOLDERS

A journey of activities filled with challenges throughout the year 2020 was well traversed by BTPN. We realize that everything was managed well because of the support of the stakeholders, through the directives received from regulators or guidance from the shareholders. For this reason, that we extend our countless appreciation for all that have been carried out.

Likewise, to the employees who we believe have contributed all resources, we extend our highest appreciation. This include such other stakeholders as our business partners who have worked with us for the past years, thank you for your support.

We truly hope that next year and the future will be better for us all. For this purpose, that cooperation with stakeholders, both internal and external, are very important.

Jakarta, March 2021
On behalf of the Board of Directors,

Ongki Wanadjati Dana
President Director

The Board of Directors



1. **Adrianus Dani Prabawa**
Director
2. **Henoch Munandar**
Director
3. **Dini Herdini**
Compliance Director
4. **Ongki W. Dana**
President Director
5. **Darmadi Sutanto**
Deputy President Director



6



7



8



9



10

- 6. **Kazuhisa Miyagawa**
Deputy President Director
- 7. **Merisa Darwis**
Director
- 8. **Yasuhiro Daikoku**
Director
- 9. **Hanna Tantani**
Director
- 10. **Hiromichi Kubo**
Director

Board of Management



1. **Nathan Christianto**
Head of Wholesale Banking
2. **Mira Fitria**
Head of Human Capital
3. **Helena**
Head of Wealth Management Business
4. **Irwan Sutjipto Tisnabudi**
Head of Digital Banking



5. **Jeffrey C. Tjoeng**
Head of Business Banking
6. **Nurhajati Soerjo Hadi**
Head of Internal Audit
7. **Jeny Mustopha**
Head of Information Technology
8. **Vincentius Hidayat**
Head of Retail Lending Business

Executive Officers





Statement of Member of the Board of Commissioners and Member of the Board of Directors

We, the undersigned, declare that all information contained in the 2020 Annual Report of PT Bank BTPN Tbk has been presented in their entirety, and that we assume full responsibility for the accuracy of the contents of the Annual Report of PT Bank BTPN Tbk.

This statement is made truthfully.

Jakarta, April 2021

Board of Commissioners



Chow Ying Hoong
President Commissioner



Ninik Herlani Masli Ridhwan
Independent Commissioner



Takeshi Kimoto
Commissioner



Irwan Mahjudin Habsjah
Independent Commissioner



Edmund Tondobala
Independent Commissioner



Board of Directors

Ongki Wanadjati Dana
President Director

Kazuhisa Miyagawa *
Deputy President Director

Darmadi Sutanto
Deputy President Director

Dini Herdini
Compliance Director

Yasuhiro Daikoku
Director

Henoch Munandar
Director

Adrianus Dahi Prabawa
Director

Hiromichi Kubo
Director

Merisa Darwis
Director

Hanna Tantani
Director

* note: Kazuhisa Miyagawa has resigned as Deputy President Director effective after the closing of the Extraordinary General Meeting of Shareholders on 18 November 2020 (EGMS). EGMS accordingly agreed the appointment of Kaoru Furuya as Deputy President Director who effectively assumes the office as of 4 January 2021 after obtaining the completed working permit from the Ministry of Manpower of the Republic of Indonesia





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BTPN is a universal bank that has a complete business products and services to serve a wider range of customers, ranging from the retail to corporate segments.

General Information

Name of Company

PT Bank BTPN Tbk



Name of Stock Exchange and Date of Listing

Indonesia Stock Exchange (12 March 2008)

Share Code

BTPN

ISIN Code

101000118508

Information on Name Changes

- 1958: Established under the name of Bank for Army Retirees, or Bank Pegawai Pensiunan Militer (Bapemil)
- 1986: Bapemil changed its name to PT Bank Tabungan Pensiunan Nasional
- 2019: PT Bank Tabungan Pensiunan Nasional Tbk changed its name into PT Bank BTPN Tbk ("BTPN")

Date of Establishment

1958

Line of Business

Banking Services

Legal Basis of Establishment

PT Bank Tabungan Pensiunan Nasional Tbk ("Bank"), established under Notarial Deed No. 21 dated 6 October 1959 by Notary Noezar S.H.

The deed was amended under Notarial Deed No. 203 dated 31 Mei 1960 and Notarial Deed No. 53 dated 7 November 1960 by Notary Noezar S.H., published in the State Journal of the Republic of Indonesia No. 13 and Supplement No. 5 dated 14 February 1961

Authorized Capital

Rp300,000,000,000

Issued and Paid Up Capital

Rp162.978.637.380

Shareholder Composition

Sumitomo Mitsui Banking Corporation (92.43%)
PT Bank Central Asia Tbk (1.02%)
PT Bank Negara Indonesia (Persero) Tbk (0.15%)
Public (5.23%)
Treasury Stock (1.17%)

Head Office Address

Menara BTPN
CBD Mega Kuningan
Jl. Dr. Ide Anak Agung Gde Agung, Kav 5.5-5.6
Jakarta Selatan 12950, Indonesia

Website and E-mail

www.btpn.com

corporate.communication@btpn.com

Rating (Fitch)

Rating by PT Fitch Rating Indonesia AAA(idn),
Outlook Stabil Peringkat oleh PEFINDO idAAA
(Triple A, Stable Outlook)



Brief History of The Company

PT Bank BTPN Tbk was established in 1958 in Bandung, West Java, which initially provided services take on savings and extend loans to members. In 1986, the Bank transformed to become PT Bank Tabungan Pensiunan Nasional (PT BTPN).

In 1993, it became a commercial bank pursuant to the Decree of the Minister of Finance of the Republic of Indonesia No. 055/KM.17/1993 dated 22 March 1993. This change is in line with the enforcement of Legislation No. 7 of the Year 1992 regarding Banking (which was further altered into Legislation No. 10 of the Year 1998).

After 50 years in business, PT BTPN goes go public in 2008, by divesting the shares owned by government and listed itself in the Jakarta Stock Exchange (Bursa Efek Jakarta/BEJ) (now referred to as Indonesia Stock Exchange or Bursa Efek Indonesia/BEI). The year 2008 also marked the PT BTPN's milestone following the acquisition of 71.61% shares of BTPN by TPG Nusantara S.A.R.L. The Bank expanded its focus by venturing into Micro, Small and Middle-Scale (MSM) business sector.

BTPN undertaken further transformation following its merger with PT Bank Sumitomo Mitsui Indonesia (SMBCI) on 19 December 2018. Approval from the Japan Financial Services Authority was officially released in 2019.

Since that year, BTPN officially began operations as a new bank as a result of merged businesses. Business-wise, the Bank became a universal bank with a more

comprehensive business and servicing its customers more extensively, starting from the retail to corporate segments.

INFORMATION ON THE CHANGES IN THE COMPANY'S NAME

Established in 1958 under the name of Bank Pegawai Pensiunan Militer (Bapemil), then transformed to become PT Bank Tabungan Pensiunan Nasional (PT BTPN), with the business permit as a Savings Bank to accommodate the provisions of Legislation No. 14 of Year 1967 regarding Banking General Provisions.

Following the merger with PT Bank Sumitomo Mitsui Indonesia (SMBCI) on 1 February 2019, PT Bank Tabungan Pensiunan Nasional Tbk changed its name to become PT Bank BTPN Tbk. This change in the name was officially in effect following the decisions set forth as described below:

1. The Approval of the Minister of Law and Human Rights of the Republic of Indonesia through the Decree Letter of the Minister of Law and Human Rights of the Republic of Indonesia No. AHU-0006169. AH.01.10.YEAR 2019 on the Approval of the Change in the Limited Company's Articles of Association dated 22 January 2019;
2. The Decision of the Deputy Commissioner for Banking Supervisory of the Financial Services Authority No. KEP-9/PB.1/2019 on the Business Permit Confirmation on behalf of PT Bank Tabungan Pensiunan Nasional Tbk to become PT Bank BTPN Tbk as of 28 January 2019.



Milestones



- Established in Bandung, West Java, under the name Bank Pegawai Pensiunan Militer (Bapemil).
- In 1960, acquired a commercial bank license.
- In 1986, changed its name to PT Bank Tabungan Pensiunan Nasional.



In 2008, TPG Nusantara S.ä.r.l. acquired a majority stake (71.6%) in BTPN through a public listing on the Indonesia Stock Exchange. At this time, BTPN became a publicly listed company with assets of Rp13.7 trillion.



- BTPN launched its micro - small business unit, namely BTPN Mitra Usaha Rakyat, by rolling out 539 branches and increasing the unit's loans to Rp2.3 trillion.
- The Bank issued its first Rupiah long term bond, which carried an A+ national scale Fitch Rating, and received a long-term Rupiah facility from the International Finance Corporation, a subsidiary of The World Bank.



BTPN increased its assets to Rp34.5 trillion from Rp13.7 trillion two years prior. The Bank ranked 10th in market capitalization, ranked 5th in the size of its branch network, and ranked 6th in the number of employees.

58

1958-1986

2008

2009

2010



2020

2019

2018

In 2020, BTPN launched SINAYA PRIORITAS and collaborated with Jenius to launch Sinaya Prioritas Apps.

The merger of Bank BTPN with SMBCI was officially effective on 1 February. The business collaboration will strengthen the Bank's capacity to provide a more comprehensive banking services for its wider customer base. We became a universal bank at this time.

BTPN succeeded to complete two important corporate actions. The first, Initial Public Offering (IPO) of BTPN Syariah, a subsidiary with the majority share ownership. Second, the merger process of BTPN with SMBC and subsidization of BTPN into SMBC.





- BTPN launched Daya, a sustainable mass market empowerment program that is an integral part of BTPN's business activities. The Funding Business launched its Sinaya brand, which links up with the Daya initiative.
- Completed the pilot of the Sharia Community Banking business (BTPN Syariah – Tunas Usaha Rakyat).
- BTPN expanded its ATM network through its ATM Prima network, in addition to its existing ATM Bersama network. This brings the Bank's ATM linked network to more than 57,331 ATMs across Indonesia.



- BTPN Syariah - Tunas Usaha Rakyat grew significantly with 28,927 community centers in Banten, and West and East Java, by the end of the year, empowering over 444,000 customers in the grass-root community.
- BTPN completed the piloting of its new mobile phone banking platform called BTPN Wow!, which was rolled out in 2015.



- The financing of BTPN Syariah – Tunas Usaha Rakyat more than doubled in size to about Rp1.4 trillion, accounting for approximately 3.0% of the Bank's total loans. The sharia unit had 69,500 community groups (sentra) across the country, empowering over 931,500 customers in village communities.
- BTPN acquired PT Bank Sahabat Purba Danarta (Bank Sahabat) and converted it into a sharia bank before spinning off its sharia unit into the newly acquired entity in 2014.
- Sumitomo Mitsui Banking Corporation (SMBC) from Japan acquired a 24.3% ownership in BTPN through the purchase of shares owned by TPG Nusantara S.a r.l. and other shareholders.

2011

2012

2013



2017

BTPN expanded the features of its BTPN Wow! and Jenius mobile banking applications to expand the Bank's customer base and increase the number of its banking transactions. The customer-centric focus of these two mobile banking services has led to significant improvements in customer experience and impacted the way the Bank's supporting units operate. This transformation, which is called 'Gemilang,' covers the Bank's organizational structure, technology, human resources, and risk controls. The Bank's branch network has undergone a major transformation, where all branches can provide banking services to all customer segments.



2016

- In February 2016, BTPN began operating as a foreign exchange Bank. The Bank received its foreign exchange license in December 2015, which enabled it to conduct foreign currency transactions and gave it the flexibility to start offering liability deposit products in foreign currencies.
- Jenius, the Bank's second mobile phone platform was launched. The Jenius cellular phone service allows users to use their smartphones to connect with the Bank and conduct banking transactions. Up to December 2016, Jeniusit had 70,000 followers on social media sites and over 3 million YouTube views.



2015

BTPN formally launched BTPN Wow!, a digital mobile banking platform for the mass market that can be accessed with a simple mobile phone and is enabled by agents to widen its network reach in order to serve the previously unbanked communities. Banking transactions that can be carried out on the platform include deposits, cash withdrawals, fund transfers, bill payments, and applying for micro loans as well as the purchase of micro insurance products.



2014

SMBC expanded its share ownership in BTPN to become the controlling shareholder with 40.0%. SMBC is Japan's second largest bank with a market value of USD1.3 trillion in assets.



Line of Business

LINE OF BUSINESS IN ACCORDANCE WITH THE ARTICLES OF ASSOCIATION

A. Main Business Activities

1. Collect funds from the public in the forms of current accounts, time-deposits, deposit certificates, savings and/or others of similar forms;
2. Provide long-term, mid-term as well as short-term credit lines, or other forms of loan appropriately provided by banks.

B. Supporting Business Activities:

1. Issue acknowledgement of debt;
2. Purchase, sell or guarantee for its own-risk or for the interests and upon the request of the customer:
 - a. Money orders/drafts, including those accepted by the Bank with validity period not longer than usually applicable in normal trade of such drafts;
 - b. Acknowledgement of debt and other trade documents with validity period not longer than usually applicable in normal trade of such instruments;
 - c. State treasury notes and Government guarantee letters;
 - d. Certificate of Bank Indonesia (SBI);
 - e. Bonds;
 - f. Trade and/or promissory notes with validity period up to 1 (one) year;
 - g. Instruments of other futures securities with validity period up to 1 (one) year;
3. Transfer money for its own interest or for the interest of customers;
4. Place funds at, borrow funds from, or lend funds to other Banks, by means of letters, telecommunication facilities or drafts, cheque and other means;
5. Receive payments securities collection and carry out settlements with or among third parties;
6. Provide space for safe deposit boxes to store valuables and securities;
7. Provide depository services for the interest of other parties pursuant to contract and/or agreement;

8. Provide placement of funds from customers to other customers in the forms of securities, both listed and non-listed at the Stock Exchange;
9. Purchase collaterals through public sale or other means, in whole or partial, in the event debtors fail to perform their obligations to the Bank, provided that the purchased collaterals are to be liquidated immediately;
10. Conduct factoring activities, credit card business and trusteeship;
11. Conduct equity capital in banks carrying out sharia-based business, in accordance with regulations set forth by authorized agencies in the banking sector;
12. Conduct activities in foreign currencies by complying to regulations set forth by authorities;
13. Conduct equity capital in banks (including sharia banks) or other companies in such financial sector as in lease business, venture capital, securities companies, insurance, as well as in clearing, guarantee, settlement and depository institution, subject to compliance to regulations set forth by authorities;
14. Conduct temporary capital investment to manage non-performing loan and/or failure in other financing, provided such investments must be withdrawn as stipulated in accordance with regulations set forth by the Financial Service Authority;
15. Take action as founder of pension funds and care-taker of pension funds in accordance with prevailing laws and regulations;
16. Issue various forms of letter of credit and bank guarantees;
17. Conduct other activities normally performed by banks, provided they are not in violation of prevailing laws and regulations.

LINE OF BUSINESS CARRIED OUT DURING FISCAL YEAR

The lines of business undertaken during the fiscal year are in accordance with those listed in the latest Articles of Association.



Products and Services

CORPORATE/WHOLESALE BANKING

- **Hedging Products**
IRS/CCS dan transaksi valas
- **Loan Products**
 - Bilateral dan Syndication Loans (IDR, USD dan, JPY)
 - Kredit Modal Kerja
 - Kredit Investasi
 - Project/Structured Finance
 - ECA
 - Kredit Lainnya
- **Cash Management Products**
 - Current account dan Term Deposits
 - Payment (ACH, RTGS, Payroll, Wires)
 - E-Tax Payment (pajak non-impor dan impor)
 - Collections (ACH, RTGS, Payroll, Wires, Cheque/Cash Deposit, Giro)
 - Virtual Account
 - Internet Banking/ Host to Host
 - Liquidity Management (domestic cash polling)
- **Domestic, Trade of Export and Import Products**
 - Import LC Issuance/Import Bill Negotiation
 - Export LC Advising/ Confirmation/Export Bill Collection
 - Documentary Collection (DP, DA)
 - Trust Receipt/Trade Loan
 - Structured Trade Finance
 - Receivable Purchase
 - Bank Guarantees/SBLC
 - Avalization

BTPN WOW!

- Funding Wow!
- Produktif dan Konsumtif
- Student Loan
- Supply Chain

JENIUS

- Aplikasi Jenius
- Tabungan (Flexi Saver, Dream Saver & Valtua Asing)
- Deposito (Maxi Saver)
- Pembayaran Tagihan
- ATM Card/Debit Jenius
- Transfer (RTOL, SKN & RTGS)
- Top-up e-Wallet
- Pinjaman (Flexi Cash)
- Jenius Pay
- Jenius QRIS
- Jenius Keyboard
- Jenius for Business
- Bisniskit by Jenius
- Moneytory
- Sinaya Prioritas di Aplikasi Jenius

TREASURY & FI

- Foreign Exchange
- Derivative
- Pasar Uang

WEALTH MANAGEMENT BUSINESS

- Taseto Premium
- Taseto Bisnis
- Tabungan Pasti
- Giro Sinaya
- Deposito Berjangka
- Deposito Fleksi
- Reksadana
- Bancassurance
- Kartu ATM/Debit Sinaya
- Safe Deposit Box
- Layanan Syariah Bank
- Weekend Banking
- Sinaya Prioritas

UMK/MIKRO

- Kredit Angsuran Berjangka
- Kredit Usaha Rakyat
- Tabungan Mitra Usaha
- Tabungan Setara Deposito
- Pembiayaan Petani Kelapa Sawit
- Upper Micro

RETAIL LENDING BUSINESS

- Kredit Pensiun
- Kredit Pegawai Aktif
- Kredit Cross Over

BUSINESS BANKING

- Cash Management
- CPP Mitra Bisnis
- BPR Financing
- ABF

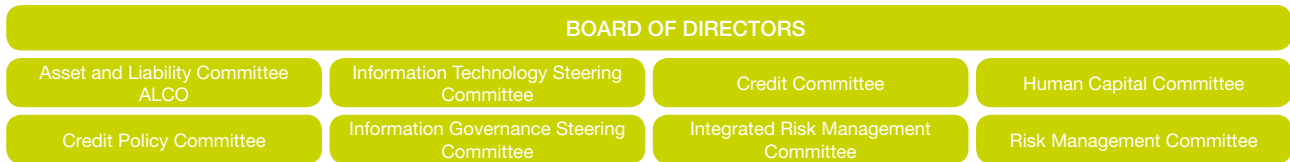
SUPPLY CHAIN AND STRUCTURED PROGRAM

- Supply Chain
- Lending Program

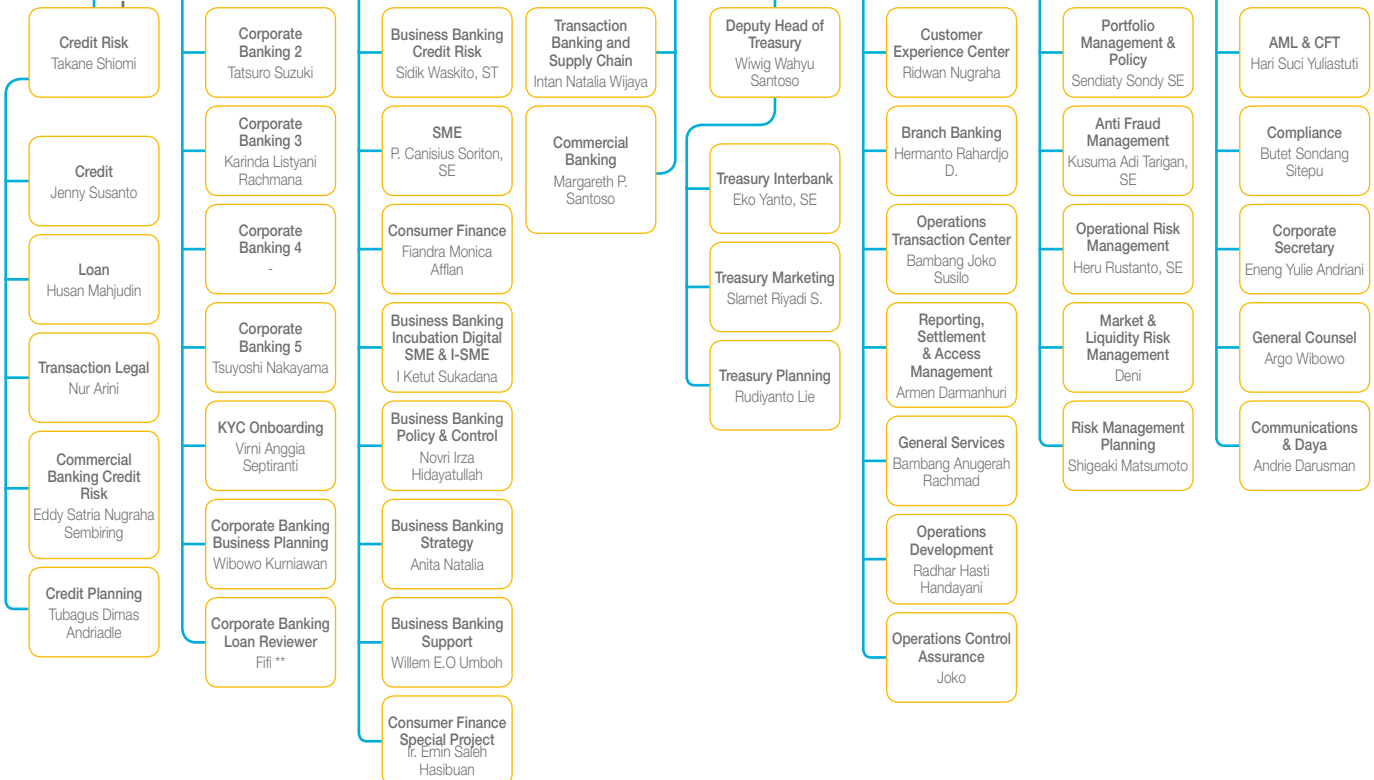
CONSUMER FINANCE

- Asset Based Financing (A/R Financing)
- Fintech
- Pembiayaan dengan MF

Organizational Structure



**DEPUTY PRESIDENT
DIRECTOR**
Kaoru Furuya*

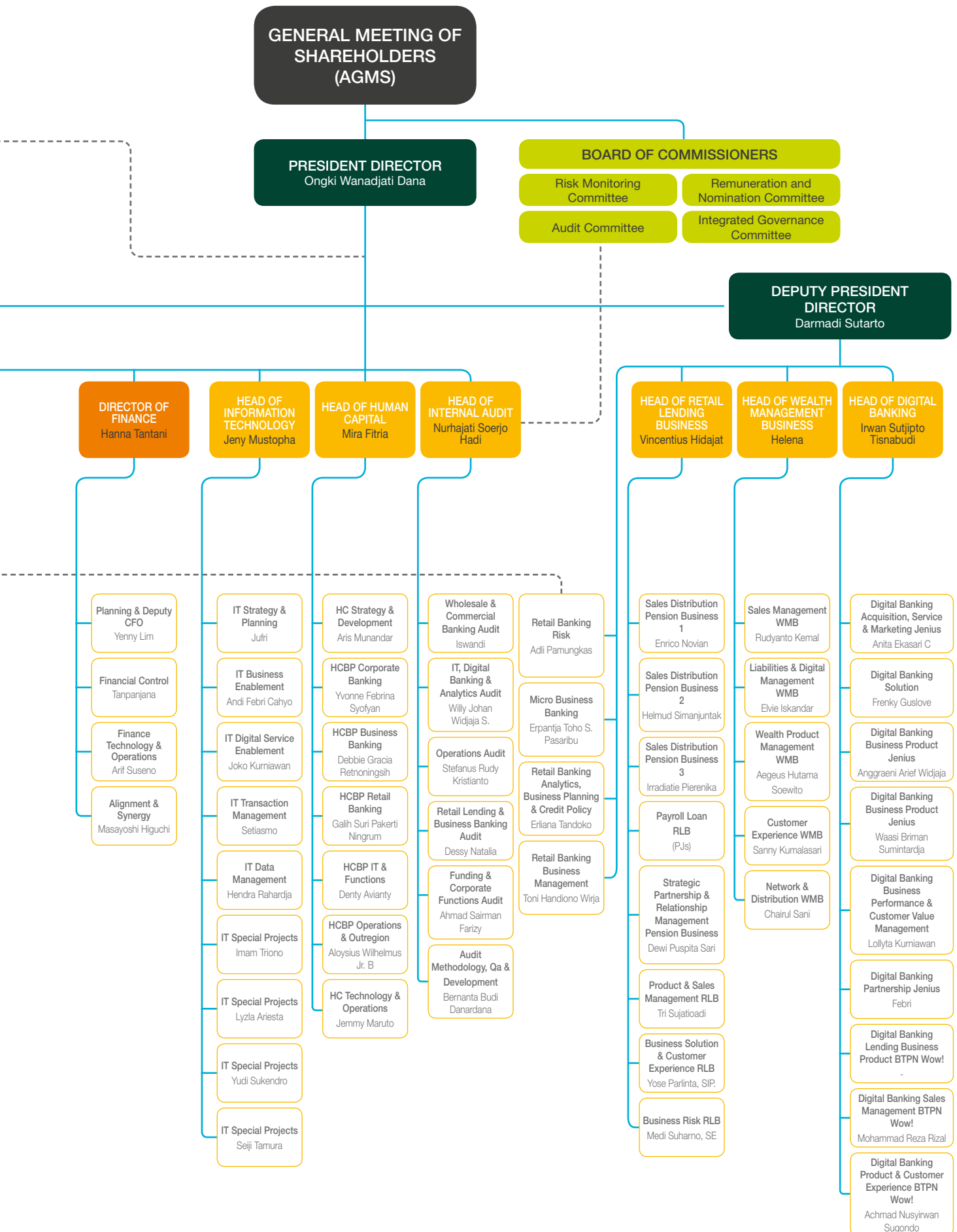


* Appointed through EGMS dated 18 November 2020 and effective assume the office on 4 January 2021
** Effective as of 27 December 2020

Board of Management

Board of Directors

Committee of the Board of Commissioner & Committee of the Board of Directors



Vision

To become the first choice bank in Indonesia, that provides significant change in the life of millions of people, mainly with the support of digital technology.



Mission

- To offer complete financial solution and service to various segments of retail, micro, SME and corporate business in Indonesia, and for Indonesian Nation and Country as a whole;
- To provide valuable opportunity for the professional growth of the Bank BTPN employees;
- To create significant and sustainable values for the stakeholders, including for Indonesian society;
- To use technology innovation as the main differentiator to provide the best quality and experience in its class to the Bank BTPN clients and partners.



Main Values

The 5 (five) values the Bank adopted as guidelines for conducting business activities are as follows:

As a professional, always act with sincerity and a high ethical standard

Step up and relentlessly innovate

Collaborate as one team



On Vision and Mission, the basic foundation of integration is to provide services for the customers of SMBCI and BTPN in order to achieve their objectives and aspirations in the best possible means, and expect a positive impact on the people of Indonesia. For that reason, the Bank will be the reliable and trusted partner, capable of understanding and effectively fulfill the continuously evolving financial needs of the customers.

The set Vision and Mission are in line with the joint business design as reflected in the summarized joint-business plan. The Vision and Mission have also been reviewed by the Board of Commissioners and the Board of Directors.

Profile of The Board of Commissioners

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Chow Ying Hoong
President Commissioner

Citizenship

Singaporean

Domicile

Singapore

Age

60 years at the end of Fiscal Year 2020

Educational Background

Business Administration in Finance from the National University of Singapore (1984)

History of Position and Legal Basis Appointment

As President Commissioner of BTPN as per resolutions of the Extraordinary General Meeting of Shareholders (EGMS) on 18 November 2020

Concurrent Positions

- Member of the Remuneration and Nomination Committee of BTPN
- Managing Executive Officer, Co-Head of Asia Pacific Division and Head of Asia Growing Markets Division of SMBC

Work Experience

- Managing Executive Officer, Co-Head of Asia Pacific Division and Head of Asia Growing Markets Division of SMBC, Singapore (2013-2020)
- General Manager of Planning Department Asia Pacific Division of SMBC (2011-2013)
- General Manager, Debt Capital Market Department and Joint General Manager of SMBC Singapore (2005-2010)
- Head of Syndication S.E. Asia of Sumitomo Bank Singapore Branch (2000-2005)
- Branch Manager/Managing Director of Societe Generale Bank (1997-2000)
- Head of Syndication for Asia of ABN Amro Bank Asia HQ (1996-1997)
- Bank Officer, United Overseas Bank (1984-1987)

Affiliation

Management relationship with Controlling Shareholders



Ninik Herlani Masli Ridhwan
Independent Commissioner

Citizenship

Indonesian

Domicile

Jakarta

Age

63 years at the end of Fiscal Year 2020

Educational Background

- Bachelor's Degree in Economics from the University of Trisakti (1983)
- Master's Degree in Finance from the University of Indonesia (2008)

History of Position and Legal Basis of Appointment

As Independent Commissioner of BTPN since the Merger Effective Date of 1 February 2019 and reappointed through the AGMS on 15 February 2019

Concurrent Positions

- Chairman of the Audit Committee of BTPN
- Chairman of the Remuneration and Nomination Committee of BTPN
- Member of the Integrated Governance Committee of the SMBC Financial Conglomerate until 18 November 2020

Work Experience

- Senior Auditor at Utomo Accounting Office (SGV – Utomo) (1981-1985)
- Last position as Head of Audit Development and Quality Control of PT Bank Central Asia Tbk (1985-2012)

Affiliation

No affiliate relationship with the Board of Directors, the Board of Commissioners and Controlling Shareholders



Takeshi Kimoto
Commissioner

Citizenship

Japanese

Domicile

Singapore

Age

50 years at the end of Fiscal Year 2020

Educational Background

Bachelor of Arts in Business and Commerce from KEIO University

History of Position and Legal Basis of Appointment

As Commissioner of BTPN since the Merger Effective Date of 1 February 2019 and reappointed through the AGMS on 15 February 2019

Concurrent Positions

- Member of the Risk Monitoring Committee of BTPN
- General Manager of Asia Growing Markets Department of SMBC
- Commissioner of PT Summit Oto Finance

Work Experience

- Vice President, International Finance Department, Sumitomo Bank Ltd (2000-2001).
- Vice President for Global Institutional Banking Department (“GIBD”) of SMBC, Vice President for GIBD Singapore, Group Head & Senior Vice President for Global Trade Finance Department Singapore (2002-2013),
- Senior Vice President for Emerging Markets Business Division (“EMBD”) Singapore, Joint General Manager for EMBD Tokyo and Joint General Manager for Business Development Department at the International Banking Unit of SMBC (2013-2018).

Affiliation

Management relationship with the Controlling Shareholders



Irwan Mahjudin Habsjah
Independent Commissioner

Citizenship

Indonesian

Domicile

Jakarta

Age

73 years at the end of Fiscal Year 2020

Educational Background

- Bachelor's Degree in Economics from Erasmus University Rotterdam, Netherlands (1974)
- Master's Degree in Monetary & International Economics from the University of Amsterdam (1978)

History of Position and Legal Basis of Appointment

As Independent Commissioner of BTPN as per resolutions of the Extraordinary General Meeting of Shareholders (EGMS) on 11 September 2019.

Concurrent Positions

- Chairman of the Risk Monitoring Committee of BTPN
- Chairman of Integrated Governance Committee of the SMBC Financial Conglomerate
- President Commissioner of PT Sriboga Marugame Indonesia

Work Experience

- Commissioner of PT Sari Melati Kencana/Pizza Hut (2013-2016)
- Member of the People's Consultative Assembly (MPR) from the Group Delegation Fraction representing Indonesian Financial Executives Association (IFEA) (2000-2004)
- President Director of PT ING Indonesia Bank (2000-2004)
- Independent Commissioner of PT Bank Universal (1999-2000)
- President Director of PT BT Securities Indonesia (1996-1999)

Affiliation

No affiliate relationship with the Board of Directors, the Board of Commissioners and the Controlling Shareholders



Edmund Tondobala
Independent Commissioner

Citizenship

Indonesian

Domicile

Jakarta

Age

55 years at the end of Fiscal Year 2020

Educational Background

- Bachelor's Degree in Economics from Drake University, Des Moines, Iowa, USA (1987)
- Master's Degree in International Management from American Graduate School of International Management / Thunderbird, Glendale, Arizona (1990)

History of Position and Legal Basis of Appointment

As Independent Commissioner of BTPN as per resolutions of the Extraordinary General Meeting of Shareholders (EGMS) on 18 November 2020

Concurrent Positions

- Member of the Audit Committee of BTPN
- Member of the Integrated Governance Committee of the SMBC Financial Conglomerate

Work Experience

- Head of Division of PT BCA Indonesia (2011- April 2020)
- Director of BCA Finance Hongkong (2011-November, 2021)
- Director of BCA Remittance Sdn Bhd Malaysia (2009-2011)

Affiliation

No affiliate relationship with the Board of Directors, the Board of Commissioners and Controlling Shareholders



Profile of The Board of Directors



Ongki Wanadjati Dana
President Director

Citizenship

Indonesian

Domicile

Jakarta

Age

63 years at the end of Fiscal Year 2020

Educational Background

Bachelor's Degree in Mechanical Engineering from the Institut of Teknologi Bandung (ITB) (1981)

History of Position and Legal Basis of Appointment

As President Director of BTPN since the Merger Effective Date of 1 February 2019 and reappointed through the AGMS on 15 February 2019

Concurrent Positions

None

Work Experience

- Vice President Director of PT Bank Tabungan Pensiunan Nasional Tbk (2008-January 2019)
- Director of Wholesale Banking of Bank Permata (2002-2008)
- Vice President Director of Bank Universal (2000-2002)
- President Director of Bank Subentra (1993-1998)
- Senior Advisor of Bank Universal (1999-2000)
- Credit Cycle Manager – Consumer Banking of Citibank, N.A (1987-1990)

Affiliation

No affiliate relationship with the Board of Directors, the Board of Commissioners and Controlling Shareholders



Kazuhisa Miyagawa

Deputy President Director

Citizenship

Japanese

Domicile

Jakarta

Age

55 years at the end of Fiscal Year 2020

Educational Background

Bachelor of Law from Gakushuin University, Jepang (1988)

History of Position and Legal Basis of Appointment

Served as Deputy President Director of BTPN since the Effective Date of the Merger, which is February 1, 2019 and was reappointed at the AGMS on February 15, 2019

Concurrent Positions

None

Work Experience

- President Director of PT Bank Sumitomo Mitsui Indonesia (2014-January 2019)
- Seoul Branch, Joint General Manager, Korea of SMBC (2009-2013)
- Tokyo Corporate Business Office 1 and Global Corporate Banking Dept. after merger, Staff (and Group Head later on) in Corporate Business, Japan in SMBC (2000-2009)
- Seoul Branch, Head of Planning Group, Korea of Sakura Bank (1998-1999)

Affiliation

No affiliate relationship with the Board of Directors, the Board of Commissioners and the Controlling Shareholders



Darmadi Sutanto
Deputy President Director

Citizenship

Indonesian

Domicile

Jakarta

Age

56 years at the end of Fiscal Year 2020

Educational Background

- Bachelor's Degree in Civil Engineering from the University of Trisakti, Jakarta (1988)
- Master Degree in Business Administration from University of Western Illinois, Macomb (1991)

History of Position and Legal Basis of Appointment

As Deputy President Director of BTPN based on the Annual General Meeting of Shareholders (AGMS) on 23 April 2020 and effective from 14 May 2020

Concurrent Positions

None

Work Experience

- Commissioner of PT Metro Retailmart (2015-2018)
- Commissioner of PT Trans Ice (2015-2018)
- Commissioner of PT Bank Mega Tbk (2015-2018)
- Group Director of PT CT Corpora Bank Mega (2015-2018)
- Consumer Banking Director of PT Bank Negara Indonesia (Persero) Tbk (2010-2015)
- Consumer Banking Director of ABN Amro/RBS (2007-2010)
- SVP Distribution of Bank Permata (2007)
- EVP Sales & Distribution of Standard Chartered Bank (2000-2006)
- National Sales Manager of Citibank (1991-2000)

Affiliation

No affiliate relationship with the Board of Directors, the Board of Commissioners and the Controlling Shareholders



Dini Herdini
Compliance Director

Citizenship

Indonesian

Domicile

Jakarta

Age

55 years at the end of Fiscal Year 2020

Educational Background

Bachelor's Degree in Law from the University of Trisakti, Jakarta (1987)

History of Position and Legal Basis of Appointment

As Director of Compliance since the Merger Effective Date of 1 February 2019 and reappointed through the AGMS on 15 February 2019

Concurrent Positions

None

Work Experience

- Director overseeing Compliance Function of PT Bank Sumitomo Mitsui Indonesia (2014-January 2019)
- General Counsel & Corporate Secretary of PT Bank Danamon Indonesia Tbk (2004- 2014)
- Partner/Consultant in Law at Herdini & Partners Law Firm (2000-2004)
- Head of the Legal Division of PT Bank PDCCI Tbk (1996-1999)
- Legal Manager of PT ING Bank (1993-1996)
- Legal Officer of PT Bank Sumitomo Niaga (1989-1993)

Affiliation

No affiliate relationship with the Board of Directors, the Board of Commissioners and the Controlling Shareholders



Yasuhiro Daikoku
Director

Citizenship

Japanese

Domicile

Jakarta

Age

51 years at end of Fiscal Year 2020

Educational Background

Bachelor of Law from Keio University, Japan (1992)

History of Position and Legal Basis of Appointment

As Director since the Merger Effective Date of 1 February 2019 and reappointed through the AGMS on 15 February 2019

Concurrent Positions

None

Work Experience

- Deputy President Director of PT Bank Sumitomo Mitsui Indonesia (2015-January 2019)
- Senior Vice President of Sumitomo Mitsui Banking Corporation, Japan (2011-2015)
- Section Head, Senior Vice President of SMBC Bangkok Branch (2006-2008)
- Vice President of Sumitomo Bank (1999-2001)

Affiliation

No affiliate relationship with the Board of Directors, the Board of Commissioners, and the Controlling Shareholders



Henoeh Munandar
Director

Citizenship

Indonesian

Domicile

Jakarta

Age

54 years at the end of Fiscal Year 2020

Educational Background

Bachelor's Degree in Economics from the University of Atma Jaya, Jakarta (1989)

History of Position and Legal Basis of Appointment

As Director since the Merger Effective Date of 1 February 2019 and reappointed through the AGMS on 15 February 2019

Concurrent Positions

None

Work Experience

- Director of PT Bank Sumitomo Mitsui Indonesia (2014-January 2019)
- Deputy Head of Credit/Head of Credit Risk Management of SMEC Bank DBS Indonesia (2010-2013)
- Deputy SMEC Risk + Remedial Head of PT Bank Danamon Indonesia Tbk (2006-2010)
- Co-Dept Head of Corporate Banking, Bank of Tokyo Mitsubishi UFJ (2006-2006)
- Local Corporate Head-Senior Manager of Sanwa Bank Indonesia/ Bank United Financial of Japan (UFJ) (1995-2006)
- Account Manager of PT Bogor Multifinance (1995-1995)
- Account Manager of Panin Bank (1993-1995)
- Sub-Branch Manager Bank Susila Bakti (1991-1993)

Affiliation

No affiliate relationship with the Board of Directors, the Board of Commissioners, and the Controlling Shareholders



Adrianus Dani Prabawa
Director

Citizenship

Indonesian

Domicile

Jakarta

Age

53 years at the end of Fiscal Year 2020

Educational Background

Bachelors Degree in Financial Administration from University of New England, Armidale, Australia (1989)

History of Position and Legal Basis of Appointment

As Director since the Merger Effective Date of 1 February 2019 and reappointed through the AGMS on 15 February 2019

Concurrent Positions

None

Work Experience

- Deputy President Director of PT Bank Sumitomo Mitsui Indonesia (2014-Jan 2019)
- Managing Director of PT Bank DBS Indonesia (2006-2014)
- Vice President of ING Bank (1996-2003)
- Senior Marketing Manager of PT BII Lend Lease (1995-1996)
- Account Relationship Manager of Standard Chartered Bank (1992-1995)
- Account Officer of PT Bank Dagang Nasional Indonesia (BDNI) (1990-1992)

Affiliation

No affiliate relationship with the Board of Directors, the Board of Commissioners, and the Controlling Shareholders



Hiromichi Kubo
Director

Citizenship

Japanese

Domicile

Jakarta

Age

50 years at the end of Fiscal Year 2020

Educational Background

Bachelor of Commercial Science from Kobe University, Hyogo, Japan (1992)

History of Position and Legal Basis of Appointment

As Director since the Merger Effective Date of 1 February 2019 and reappointed through the AGMS on 15 February 2019

Concurrent Positions

None

Work Experience

- Treasury Director of PT Bank Sumitomo Mitsui Indonesia (15-April 2016)
- Joint General Manager, Planning Department, Treasury Unit of SMBC, Tokyo (2015-2016)
- Deputy General Manager, Head of Treasury of Sumitomo Mitsui Banking Corporation (SMBC) Sydney Branch Office (2014-2015)
- Head of Treasury, Treasury Department of SMBC Sydney Branch Office (2011-2104)
- Senior Vice President, Trading Group, Treasury Department of SMBC New York Branch Office, (2006-2009)
- Manager of Foreign Exchange Group Trading Department of Sakura Bank (1999-2001)

Affiliation

No affiliate relationship with the Board of Directors, the Board of Commissioners, and the Controlling Shareholders



Hanna Tantani
Director

Citizenship

Indonesian

Domicile

Jakarta

Age

53 years at the end of Fiscal Year 2020

Educational Background

- Bachelor's Degree in Economics (Accounting major) from the University of Airlangga (1990)
- Master of Business Administration from the Australian Graduate School of Management, the University of New South Wales, Australia (1993)

History of Position and Legal Basis of Appointment

As Director of BTPN based on the Extraordinary General Meeting of Shareholders (EGMS) on 11 September 2019

Concurrent Positions

None

Work Experience

- Chief Financial Officer of PT Bank BTPN Tbk (2018-2019)
- Finance Director of PT Bank HSBC Indonesia (2014-2018)
- SVP MI Planning & Analysis of KCBA HSBC Indonesia (2009-2014)
- Financial Controller of Standard Chartered Bank (2008-2009)
- Market Controller of American Express Bank (2004-2008)
- Staff, Credit Operations & Trade Services, Management Accountant, Manager Treasury Operations, AVP Treasury Services, VP Global Payment & Cash Management, VP Credit Operation VP Area Finance of HSBC (1990-2004)

Affiliation

No affiliate relationship with the Board of Directors, the Board of Commissioners, and the Controlling Shareholders



Merisa Darwis
Director

Citizenship

Indonesian

Domicile

Jakarta

Age

53 years at the end of Fiscal Year 2020

Educational Background

Bachelor's Degree in Information Technology from Institut Teknologi Bandung/ITB (1991)

History of Position and Legal Basis of Appointment

As Director since the Merger effective date of 1 February 2019 and reappointed through the AGMS on 15 February 2019

Concurrent Positions

None

Work Experience

- Head of Operations of PT Bank Tabungan Pensiunan Nasional Tbk (2017-January 2019)
- Head of the Internal Audit of PT Bank Tabungan Pensiunan Nasional Tbk (2011-2016)
- HR & Internal Control Director of Bank Barclays Indonesia (2010-2011)
- Operations - Head of Internal Control, Bank Barclays Indonesia (2009-2010)
- Operations – Head of Control & Reporting, Head of Transaction Services, Head of Control & Support, Head of Consumer IT & Country IT Finance, and Head of IT QA, Privacy Officer and BISO (Business Information Security Officer) of Citibank, N.A., Indonesia (1996-2009)
- Programmer/Analyst of USI/IBM Jakarta (1992-1993).

Affiliation

No affiliate relationship with the Board of Directors, the Board of Commissioners, and the Controlling Shareholders.



Audit Committee



Ivan Purnama Sanoesi

Member (Independent Party)
of Audit Committee

Citizenship

Indonesian

Domicile

Jakarta

Age

59 years at the end of Fiscal Year 2020

Educational Background

- Bachelor's Degree in Economics (accounting Major) from Tarumanegara University.
- Master's Degree in Financial Management from PPM (2004)

History of Position and Legal Basis of Appointment

Member (Independent Party) of the Audit Committee since 1 February 2019

Concurrent Positions

None

Work Experience

- Audit Staff at PT Bank BCA Tbk (1986)
- Deputy Head of the Audit Division at PT Bank BCA Tbk (2016)

Citizenship

No affiliate relationship with the Board of Directors, the Board of Commissioners and Controlling Shareholders



Kanaka Puradireja

Member (Independent Party) of Audit Committee

Citizenship

Indonesian

Domicile

Bogor, West Java

Age

77 years at the end of Fiscal Year 2020

Educational Background

Bachelor's Degree in Economics (Accounting major), University of Padjadjaran (1971)

History of Professional Position and Legal Basis of Appointment & Term of Office

As Member (Independent Party) of the Risk Monitoring Committee since 1 February 2019

Concurrent Positions

- Member (Independent Party) of the BTPN Risk Monitoring Committee until 18 November 2020
- Member of the Professional Honors Board at the Risk Management Association (PRIMA)
- Chairman of the Certification Board of the Indonesian Audit Committee Institute.

Work Experience

- Managing Partner and Chairman of KPMG Indonesia (1978-1999)
- Founder and Senior Partner of KAP Kanaka Puradiredja, Suhartono (2000-2007)
- Head of the Honorary Board of IAI (2002-2010)
- Head of the Management Board of the Indonesian Institute of the Audit Committees (2004-2010)
- Concurrently remains as Chairman of the Certification Board of the Indonesian Institute of the Audit Committee
- Concurrently remains as Honorary Member of Professionals in Risk Management Association (PRIMA)

Affiliation

No affiliate relationship with the Board of Directors, the Board of Commissioners, and the Controlling Shareholders

Risk Monitoring Committee



Sofyan Rambey

Member (Independent Party) Risk Monitoring Committee

Citizenship

Indonesian

Domicile

Jakarta

Age

62 years at the end of Fiscal Year 2020

Educational Background

- MBA I Finance from John. M. Olin School of Business, Washington University, St. Louis, USA (1993)
- Financial Risk Manager (FRM®) from Global Association of Risk Professional ("GARP")

History of Position and Legal Basis of Appointment

As Member (Independent Party) of the Risk Monitoring Committee since 1 February 2019

Concurrent Positions

None

Work Experience

He started his career in 1984 as an Account Officer at PT Bank Exim, then continued as a Bureau Head, a Commissioner at PT Exim Securities and Group Head at PT Bak Mandiri. He was also GARP's Regional Director (2005), Deputy Head of IRPA (2006) and CEO & President Director of the Risk Forum School of Finance since 2007 until present

Affiliation

No affiliate relationship with the Board of Directors, the Board of Commissioners, and the Controlling Shareholders



**Yosef Antonius Boliona
Badilangoe**

Member (Independent
Party) Risk Monitoring
Committee and Integrated
Governance Committee

Citizenship

Indonesian

Domicile

Jakarta

Age

61 years at the end of Fiscal Year 2020

Educational Background

Bachelor of Accounting from University of Gadjah Mada in 1983.

History of Position, Legal Basis & Term of Office

- As Member of Risk Monitoring Committee since 18 November 2020
- Member (Independent Party) of the Integrated Governance Committee since February 1, 2019.

Concurrent Positions

None

Work Experience

- Executive Vice President-Head of Network & Services (2004-2005) and Executive Vice President - Head of Subsidiaries & Special Asset Management (2002-2003)
- Executive Vice President - Head of Retail Sales & Services (2006-2007)
- Executive Director-Compliance & Human Resources of PT Bank Niaga Tbk (2007-2008).
- Executive Director - Compliance & Human Resources of PT Bank Bumiputera Indonesia Tbk (2009-2011)
- Advisor, Asset Restructuring and Recovery of PT Bank CIMB Niaga Tbk (2011-2016)
- 2016-2019 Audit Committee & Risk Monitoring Committee PT Bank BTPN Tbk

Affiliation

No affiliate relationship with the Board of Directors, the Board of Commissioners, and the Controlling Shareholders



Remuneration and Nomination Committee



Mira Fitria

Member (HC Executive Officer) Remuneration and Nomination Committee

Citizenship

Indonesian

Domicile

Jakarta

Age

43 years at the end of Fiscal Year 2020

Educational Background

- The London School of Economics and Political Science (LSE), UK. Post Graduate Research, Organisational Psychology (2004 - 2006)
- Lancaster University, UK. Master of Arts (MA) in Organisational Analysis and Behaviour (2000 - 2001)
- University of Indonesia, Bachelor of Arts (BA), Psychology (1996 - 2000)

History of Position, Legal Basis of Appointment & Term of Office

As a member of Remuneration & Nomination Committee since 1 July 2020

Concurrent Positions

None

Work Experience

- Head of Human Capital, PT Bank BTPN Tbk (2020-Present)
- VP of Human Resources Danone Waters Indonesia (2019-2020)
- CHRO - Corporate Affairs & Sustainability, Human Resources, Technology, and Strategy Management The Body Shop Indonesia (2017-2019)
- Human Resources Director Microsoft Indonesia (2014-2016)
- Senior HR Business Partner Microsoft Indonesia (2013-2014)
- HR Generalist for Retail Bank, Consumer Finance, Risk Management and Financial Control CITI Indonesia (2008-2013)
- Leadership, Talent and Performance Management Head CITI Indonesia (2006-2008)
- Regional Management Associate: Consumer Bank Training & Development Manager Citibank Asia Pacific Consumer Bank, Singapore (2003-2004)
- Citibank Indonesia
 - Investment, Treasury and Insurance Compliance Manager Citibank Indonesia (2002-2003)
 - Management Associate Citibank Indonesia (2001-2002)

Affiliation

No affiliate relationship with the Board of Directors, the Board of Commissioners, and Controlling Shareholders

Integrated Governance Committee

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Dewie Pelitawati

Member of Integrated Governance Committee (Independent Commissioner of BTPN Syariah)

Citizenship

Indonesian

Domicile

Jakarta

Age

61 years at the end of Fiscal Year 2020

Educational Background

Bachelor's and Master's Degrees in Law, in 1984 and 2005 respectively, from the Faculty of Law at University of Padjadjaran; participated in various training programs including those conducted by LSPP, Indonesian Advocates Association, Dubai International Finance Center, Corporate Leadership Development Institute and Training Social Innovation in Action organized by The Economist

History of Position, Legal Basis of Appointment & Term of Office

As Member of the Integrated Governance Committee since 1 February 2019

Concurrent Positions

Independent Commissioner of BTPN Syariah.

Work Experience

- PT Indosat (1985-1999)
- Head of Chairman Office at the Indonesia Bank Restructuring Agency (1999-2000)
- Secretary to Junior Minister of the Ministry for National Economic Restructuring-RI (2001)
- Commissioner of PT Indosat Mega Media Mobile
- Commissioner of PT Satelindo (2002-2003)
- Chief of Legal and Compliance of PT Indosat (2009-2010)
- Partners in Bahar and Partners Attorney At Law (2010-2013)
- Senior GM of Corporate Legal, Governance and Compliance and Advisor to CEO at XL-Axiata Tbk (2013 - November 2018).

Affiliation

No affiliate relationship with the Board of Directors. The Board of Commissioners, and the Controlling Shareholders



Muhammad Faiz

Member of Integrated Governance Committee (BTPN Syariah Supervisory Board)

Citizenship

Indonesian

Domicile

Jakarta

Age

46 year at the end of Fiscal Year 2020

Educational Background

Bachelor's Degree in Sharia from University of Islam Madinah in 1997 and Postgraduate Degree in Daarul Ulum from University of Kairo in 2013. Certified DPS Sharia Banking level I (2008) and level II (2013) from DSN-MUI and BI, as well as Pra Ijtima Sanawi Workshop for improvement of DPS Banking Competence, Financing and Sharia Venture Capital (2016)

History of Position, Legal Basis of Appointment & Term of Office

As Member of the Integrated Governance Committee since 1 February 2019

Concurrent Positions

None

Work Experience

- Sharia Supervisory Board of BTPN Syariah
- Chairman of the Sharia Supervisory Board at UUS PT Bank Permata, Tbk (2008-present)
- Chairman of the Sharia Supervisory Board at PT IMFI Syariah (2012-present)
- Deputy Lecturer of PP Darul Rohman (2008-present)
- Deputy Secretary of MUI Fatwa Commission (2010-present)
- Deputy Chairman of Bahtsul Masail Institute at PBNU (2015-present)

Affiliation

No affiliate relationship with the Board of Directors, the Board of Commissioners, and the Controlling Shareholders

Profile of Executive Officers

No.	Name	Education Level	University	Joined BTPN	Position
1	Tatsuro Suzuki	Bachelor Degree	Aoyama Gakuin University	2019	Corporate Banking 2 Head
2	Karinda Listyani Rachmana	Bachelor Degree	Ritsumeikan Asia Pacific University	2019	Corporate Banking 3 Head
3	Hiroaki Seguchi	Bachelor Degree	Tokyo University of Science	2020	Corporate Banking 4 Head
4	Tsuyoshi Nakayama	Bachelor Degree	Kobe University	2019	Corporate Banking 5 Head
5	Virni Anggia Septiranti	Bachelor Degree	Institut Ilmu Sosial Ilmu Politik Jakarta	2019	KYC Onboarding Manager
6	Wibowo Kurniawan	Bachelor Degree	Universitas Bina Nusantara	2019	Corporate Banking Business Planning Head
7	Fifi	Bachelor Degree	Tokyo International University	2019	Corporate Banking Loan Reviewer Head
8	Nathan Christianto	Master Degree	University of Tokyo	2019	Head of Wholesale Banking
9	Intan Natalia Wijaya	Bachelor Degree	Sanata Dharma - Jogjakarta	2019	Transaction Banking & Supply Chain Head
10	Margareth P. Santosa	Master Degree	Universitas Indonesia	2019	Commercial Banking Head
11	Wiwig Wahyu Santoso	Bachelor Degree	CSU Fullerton	2019	Deputy Head of Treasury
12	Eko Yanto SE	Master Degree	Universitas Padjadjaran, Bandung	2019	Treasury Interbank Head
13	Slamet Riyadi S.	Bachelor Degree	Perbanas Institute	2019	Treasury Marketing Head
14	Rudiyanto Lie	Master Degree	Tokyo Institute of Technology	2019	Treasury Planning Head
15	Jeffrey Cheanandro Tjoeng	Bachelor Degree	Oklahoma State University	2020	Head of Business Banking
16	I Ketut Sukadana	Bachelor Degree	Univ Brawijaya, Financial Management, Business Administration Faculty	2008	Business Incubation Digital SME & I-SME Head
17	Willem E.O Umboh	Bachelor Degree	Universitas Sam Ratulangi Manado	2015	Business Banking Support Head
18	Sidik Waskito,ST	Bachelor Degree	Universitas Sebelas Maret	2012	Business Banking Credit Risk Head
19	Novri Irza Hidayattullah	Bachelor Degree	Universitas Gadjah Mada	2019	Business Banking Policy & Control Head
20	P Canisius Soriton, SE	Bachelor Degree	Universitas Sam Ratulangi Manado	2013	SME Head
21	Anita Natalia	Bachelor Degree	Universitas Trisakti	2013	Business Banking Strategy Head
22	Fiandra Monica Affian	Bachelor Degree	Universitas Trisakti	2019	Consumer Finance Head
23	Erpantja Toho S. Pasaribu	Bachelor Degree	Universitas Sumatera Utara	2019	Micro Business Banking Head
24	Yenny Lim	Bachelor Degree	Oregon State University	2019	Planning & Deputy CFO
25	Arif Suseno	Bachelor Degree	Universitas Indonesia	2019	Finance Technology & Operations Head
26	Tanpanjana	Bachelor Degree	Stie Widya Wiwaha	2008	Financial Control Head
27	Masayoshi Higuchi	Master Degree	University of Rochester	2019	Alignment & Synergy Head
28	Jeny Mustopha	Master Degree	Emeritus Institute of Management	2020	Head of Information Technology
29	Jufri	Bachelor Degree	Alexander Collage - Perth, Western Australia	2013	IT Strategy & Planning Head
30	Andi Febri Cahyo	Master Degree	Others	2008	IT Business Enablement Head
31	Hendra Rahardja	Bachelor Degree	Universitas Gunadarma	2019	IT Data Management Head
32	Setiasmo	Master Degree	Swiss German University	2017	IT Transaction Management Head
33	Joko Kurniawan	Bachelor Degree	Binus Business School	2010	IT Digital Service Enablement Head
34	Iman Triono	Master Degree	Others	2019	IT Special Projects 1
35	Lyzia Ariesta	Bachelor Degree	Universitas Padjadjaran	2009	IT Special Projects 2
36	Yudi Sukendro	Master Degree	Tu Delft, Netherland	2020	IT Special Projects 3



No.	Name	Education Level	University	Joined BTPN	Position
37	Seiji Tamura	Bachelor Degree	Tokyo Institute of Technology	2020	IT Special Projects 4
38	Sendiaty Sondy SE	Bachelor Degree	Universitas Trisakti	2012	Portfolio Management & Policy Head
39	Kusuma Adi Tarigan, SE	Bachelor Degree	Universitas Sebelas Maret	2016	Anti Fraud Management Head
40	Heru Rustanto, SE	Master Degree	Universitas Tarumanagara	2014	Operational Risk Management Head
41	Deni	Master Degree	Universitas Indonesia	2019	Market & Liquidity Risk Management Head
42	Shigeaki Matsumoto	Bachelor Degree	The University of Electro-Communications (Japan)	2019	Risk Management Planning
43	Takane Shiomi	Bachelor Degree	Waseda University	2019	Credit Risk Head
44	Husan Mahjudin	Bachelor Degree	Universitas Trisakti	2019	Loan Head
45	Jenny Susanto	Bachelor Degree	Monash University, Australia	2019	Credit Head
46	Nur Arini	Bachelor Degree	Universitas Indonesia	2019	Transaction Legal Head
47	Eddy Satria Nugraha Sembiring	Master Degree	Sekolah Tinggi Manajemen Prasetiya Mulya (Jakarta)	2019	Commercial Banking Credit Risk Head
48	Tubagus Dimas Andriadie	Master Degree	Magister Management Agribisnis - Institut Pertanian Bogor	2019	Credit Planning Head
49	Hari Suci Yulastuti	Bachelor Degree	Universitas Gadjah Mada	2019	Anti Money Laundering & CFT Head
50	Butet Sondang Sitepu	Master Degree	Universitas Gadjah Mada	2009	Compliance Head
51	Eneng Yulie Andriani	Master Degree	Universitas Indonesia	2019	Corporate Secretary Head
52	Argo Wibowo	Master Degree	Universitas Indonesia	2011	General Counsel
53	Andrie Darusman	Bachelor Degree	Universitas Indonesia	2015	Communications & Daya Head
54	Bambang Joko Susilo	Bachelor Degree	Universitas Trisakti	2014	Operations Transaction Center Head
55	Radhar Hasti Handayani	Bachelor Degree	Universitas Katolik Parahyangan	2008	Operations Development Head
56	Hermanto Rahardjo D.	Bachelor Degree	Universitas Padjadjaran	2014	Branch Banking Head
57	Ridwan Nugraha	Master Degree	Universitas Katolik Indonesia Atma Jaya Jakarta	2011	Customer Experience Center Head
58	Joko	Bachelor Degree	Universitas Katolik Indonesia Atmajaya	2015	Operations Control Assurance Head
59	Armen Damanhuri	Bachelor Degree	Universitas Indonesia	2019	Reporting, Settlement & Access Management Head
60	Bambang Anugerah Rachmad	Bachelor Degree	Universitas Trisakti - Jakarta	2019	General Services Head
61	Mira Fitria	Master Degree	Lancaster University, UK	2020	Head of Human Capital
62	Yvonne Febrina Syofyan	Master Degree	Golden Gate University	2019	HCBP Head Corporate Banking
63	Aris Munandar	Master Degree	Loughborough University	2017	HC Strategy & Development Head
64	Aloysius Wilhelmus Jr. B	Master Degree	Others	2019	HCBP Head Operations & Outregion
65	Jemmy Maruto	Bachelor Degree	Universitas Bina Nusantara	2020	HC Technology & Operations Head
66	Debbie Gracia Retnoningsih	Master Degree	Thunderbir, Graduate School of International Management	2015	Hcbp Head Business Banking
67	Galih Suri Pakerti Ningrum	Bachelor Degree	Belum Ada Data	2008	HCBP Head Retail Banking
68	Denty Avianty	Master Degree	Universitas Indonesia	2015	HCBP Head IT & Functions
69	Nurhajati Soerjo Hadi	Bachelor Degree	Oregon State University, Or - USA	2015	Head of Internal Audit
70	Willy Johan Widjaja S.	Master Degree	Bina Nusantara	2016	IT, Digital Banking & Analytics Audit Head
71	Bernanta Budi Danardana	Bachelor Degree	Universitas Indonesia	2019	Audit Methodology, Qa & Development Head
72	Dessy Natalia	Bachelor Degree	Stie Malangkucecwara	2012	Retail Lending & Business Banking Audit Head
73	Stefanus Rudy Kristianto	Bachelor Degree	Institut Pertanian Bogor	2013	Operations Audit Head

No.	Name	Education Level	University	Joined BTPN	Position
74	Ahmad Salman Farizy	Master Degree	Indonesia Banking School	2015	Funding & Corporate Functions Audit Head
75	Iswandi	Bachelor Degree	Universitas Lampung	2019	Wholesale & Commercial Banking Audit Head
76	Vincentius Hidayat	Bachelor Degree	Universitas Brawijaya Malang	2019	Head of Retail Lending Business
77	Yose Parlinta, Sip.	Bachelor Degree	Universitas Gadjah Mada	2011	Business Solution & Customer Experience Head RLB
78	Medi Suharno, SE	Master Degree	Universitas Narotama Surabaya	2017	Business Risk Head RLB
79	Enrico Novian	Bachelor Degree	Universitas Indonesia	2008	Sales Distribution Head Pension Business 1
80	Helmut Simanjuntak	Master Degree	Stie Ibek Jakarta	2020	Sales Distribution Head Pension Business 2
81	Irradiatie Pierenika	Bachelor Degree	Universitas Gajah Mada	2010	Sales Distribution Head Pension Business 3
82	Dewi Puspita Sari	Bachelor Degree	Universitas	2017	Strategic Partnership & Relationship Management Head Pension Business
83	Tri Sujatioadi	Bachelor Degree	Institut Teknologi Bandung	2010	Product & Sales Management Head RLB
84	Helena	Bachelor Degree	Intstitut Pertanian Bogor	2008	Head of Wealth Management Business
85	Rudyanto Kemal	Bachelor Degree	Universitas Gajah Mada	2009	Sales Management Head WMB
86	Aegeus Hutama Soewito	Master Degree	Universitas Indonesia	2020	Wealth Product Management Head WMB
87	Chairul Sani	Bachelor Degree	Universitas Islam Sumatera Utara	2009	Network & Distribution Head WMB
88	Elvie Iskandar	Bachelor Degree	Others	2008	Liabilities & Digital Management Head Wmb
89	Sanny Kumalasari	Master Degree	Unika Atma Jaya	2019	Customer Experience Head WMB
90	Anggraeni Arief Widjaja	Master Degree	University of California	2016	Digital Banking Consumer Product Head Jenius
91	Frenky Guslove	Bachelor Degree	President University	2015	Digital Banking Solution Head
92	Irwan Sutjipto Tisnabudi	Bachelor Degree	The University of New South Wales	2016	Head of Digital Banking
93	Febri	Master Degree	Prasetiya Mulya	2015	Digital Banking Partnership Head Jenius
94	Lollyta Kurniawan	Master Degree	The American Graduate School of International Management	2017	Digital Banking Business Performance & Customer Valuemangement Head
95	Anita Ekasari. C	Bachelor Degree	Universitas Katolik Parahyangan	2016	Digital Banking Acquisition, Service & Marketing Head Jenius
96	Waasi Briman Sumintardja	Bachelor Degree	Universitas Padjadjaran	2010	Digital Banking Business Product Head Jenius
97	Achmad Nusyirwan Sugondo	Bachelor Degree	University of Toledo	2011	Digital Banking Product & Customer Experience Head Btpn Wow!
98	Mohammad Reza Rizal	Bachelor Degree	Universitas Indonesia	2011	Digital Banking Sales Management Head Btpn Wow!
99	Adil Pamungkas	Bachelor Degree	Upn Veteran Yogyakarta	2020	Retail Banking Risk Head
100	Toni Handiono Wirja	Master Degree	Saint Louis University	2010	Retail Banking Business Management Head
101	Erliana Tandoko	Bachelor Degree	IPB	2015	Retail Banking Analytics, Business Planning & Credit Policy Head



Employee Statistics

As of 31 December 2020, the number of BTPN's employees was recorded at 7,482, with details as follows:

NUMBER OF EMPLOYEES BASED ON EMPLOYMENT STATUS

Employment Status	2020	2019	2018
Permanent	6,908	6,948	6,437
Contract	574	792	1,365
TOTAL	7,482	7,740	7,802

NUMBER OF EMPLOYEES BASED ON GENDER

Gender	2020	2019	2018
Male	4,392	4,584	4,751
Female	3,090	3,156	3,051
TOTAL	7,482	7,740	7,802

NUMBER OF EMPLOYEES BASED ON EDUCATION LEVEL

Education	2020	2019	2018
< D1-D3/Academy	1,287	1,485	1,513
S1/Bachelor's Degree	5,899	5,970	6,025
S2-S3/Master's Degree	296	285	264
TOTAL	7,482	7,740	7,802

NUMBER OF EMPLOYEES BASED ON DIRECTORATE

Directorate	2020	2019	2018
Analytics & Decision Science		16	15
Branchless Banking		232	249
Business Banking	789	1,831	1,998
Business Incubation			6
Corporate Banking - Japanese	96	85	
Credit Risk	47	42	219
Digital Banking	506	290	
Executive Secretary to Retail Banking Director	1		
Human Capital	92	102	95
Internal Audit	56	57	52
Kepatuhan & Legal	100	98	
Kepatuhan & Manajemen Risiko			127
Kuangan	67	59	70
Manajemen Risiko	50	51	
Micro Business Banking	758		
Operations	2,251	2,311	2,371
Retail Banking Analytics, Business Planning & Credit Policy	28		
Retail Banking		2	
Retail Banking Business Management	2	2	
Retail Banking Risk	620		
Retail Credit Risk		434	

NUMBER OF EMPLOYEES BASED ON DIRECTORATE

Directorate	2020	2019	2018
Retail Risk			483
Retail Funding Business		682	706
Retail Lending Business	736	895	974
Strategy Implementation			1
Supply Chain & Structure Program Business			15
Secretary To Deputy President Director	1	1	
Teknologi Informasi	459	405	356
Treasury	35	33	
Wealth Management Business	642		
Wholesale Banking	144	112	65
Grand Total	7,482	7,740	7,802

NUMBER OF EMPLOYEES BASED ON GRADE OF POSITION

Grade of Position	2020	2019	2018
Grade 2-7 (Clerical)	2,073	2,266	2,024
Grade 8-9 (Officer/Supervisor)	1,720	1,909	2,586
Grade 10-13 (Management)	2,809	2,692	2,418
Grade 14-15 (Senior Management)	708	706	649
Grade 16-17 (Top Management)	161	154	115
Grade 17 ke atas (Board Management)	11	13	10
TOTAL	7,482	7,740	7,802

NUMBER OF EMPLOYEES BASED ON AGE

Age	2020	2019	2018
< 25 Years	278	384	447
25-29 Years	1,308	1,533	1,472
30-34 Years	2,005	2,139	2,373
35-39 Years	1,924	1,870	1,841
40-44 Years	1,026	902	827
45-49 Years	545	550	520
50-54 Years	378	347	311
55-59 Years	18	14	11
> 60 Years	-	1	-
TOTAL	7,482	7,740	7,802

NUMBER OF EMPLOYEES BASED ON YEARS OF SERVICE

Years of Services	2020	2019	2018
0 - < 1 Year	1,909	2,271	2,137
> 1 - < 3 Years	735	850	1,410
> 3 - < 5 Years	1,084	1,232	1,456
> 5 - < 10 Years	2,488	2,531	2,117
> 10 - < 20 Years	970	538	338
> 20 Years	296	318	344
TOTAL	7,482	7,740	7,802



EMPLOYEE COMPETENCY DEVELOPMENT

Cost of Competency Development

Throughout the year 2020, Bank BTPN has invested some Rp71.07 billion in training costs, a much lower amount compared to the Rp110.6 billion spent in 2019. Meanwhile for the year 2021, the Bank allocated a budget of 5% of the employees' expense.

Description	2020 Realization
Number of Training Programs	281
Number of Participants	87,970
Total Man-days	30,038
Total Investment in Training (Rp million)	71,070
Average Investment in Training per Employee (Rp million)	9,6
Total Training Hours	240,305

SUMMARY OF TRAINING IMPLEMENTATION

	2020	2019	2018	2017
Number of Training Programs	281	279	207	360
Number of Participants	87,970	77,743	26,263	16,928
Total Man-Days	30,038	28,267	18,734	16,291
Total Training Hours	240,305	226,137	221,655	130,326

TRAINING BASED ON POSITION LEVEL

Position Level	Number of Participants	Type of Training	Training Objective	Organizer
Unit head	91	Leadership Development Program (LDP) P1	Building leadership competencies, especially for first time leaders	Dynargie
Departement Head	47	Leadership Development Program (LDP) P2	Building leadership competencies, especially for leading a team	Dynargie
Based on the PBI	372	SMR Level 1	Regulatory SMR Certification (PBI)	RDS / BSL
Based on the PBI	158	SMR Level 2	Regulatory SMR Certification (PBI)	RDS / BSL
Based on the PBI	39	SMR Level 3	Regulatory SMR Certification (PBI)	RDS / BSL
Based on the PBI	7	SMR Level 4	Regulatory SMR Certification (PBI)	RDS / BSL / GPS
Based on the PBI	1	SMR Level 5	Regulatory SMR Certification (PBI)	RDS / BSL / GPS
Based on the PBI	383	Refreshment SMR Level 1	Regulatory SMR Certification (PBI)	RDS
Based on the PBI	182	Refreshment SMR Level 2	Regulatory SMR Certification (PBI)	RDS
Based on the PBI	138	Refreshment SMR Level 3	Regulatory SMR Certification (PBI)	RDS
Based on the PBI	61	Refreshment SMR Level 4	Regulatory SMR Certification (PBI)	RDS
Based on the PBI	13	Refreshment SMR Level 5	Regulatory SMR Certification (PBI)	RDS

COMPETENCY DEVELOPMENT OF THE BOARD OF COMMISSIONERS

No	Name	Training	Date
1	Chow Ying Hoong President Commissioner	<ol style="list-style-type: none"> 1. Analysis of Economic Condition Impact from COVID-19 2. Senior Officer Briefing on Financial Highlights of 2019 and Managing the Bank through COVID-19 3. BTPN Leadership Workshop as part of the BTPN Operating Model 4. Impact Analysis of Economic Conditions due to COVID-19 5. Session I - Leadership Alignment Workshop 6. Session II - Leadership Alignment Workshop 7. Session III - Leadership Alignment Workshop 8. BTPN : Refreshment Risk Certification (Mandatory) for all BOC Members 9. Economic Outlook Seminar dari Creco Consultant Group 10. BTPN : Leadership Series: COVID-19 : Opportunities for MSMEs and Digitization of Financial Services 11. PwC Future of Banking Event 	<ol style="list-style-type: none"> 1. 31 March 2020 2. 8 April 2020 3. 5 June 2020 4. 9 June 2020 5. 16 June 2020 6. 18 June 2020 7. 22 June 2020 8. 1 September 2020 9. 20 October 2020 10. 10 December 2020 11. 11 December 2020
2	Takeshi Kimoto Commissioner	<ol style="list-style-type: none"> 1. Bahasa Indonesia 5 days course 2. Analysis of Economic Condition Impact from COVID-19 3. APPI Seminar 4. AGMD Socialization by Commissioner Office Unit 5. Impact Analysis of Economic Conditions due to COVID -19 6. Session I - Leadership Alignment Workshop 7. Session II - Leadership Alignment Workshop 8. Session III - Leadership Alignment Workshop 9. SMBC Compliance Training - Insider Dealings and Conflicts of Interest 10. Risk Certification Refreshment (Mandatory) for all BOC members 11. SMBC Compliance Training - Banking Secrecy, PDPA, Firewall 12. Economic Outlook Seminar dari Creco Consultant Group 13. Leadership Series Training - Opportunities for MSMEs and Digitization of Financial Services by Graham Wright (Microsave Consulting) 	<ol style="list-style-type: none"> 1. 10-14 February 2020 2. 31 March 2020 3. 28 May 2020 4. 4 June 2020 5. 9 June 2020 6. 16 June 2020 7. 18 June 2020 8. 22 June 2020 9. 26 August 2020 10. 1 September 2020 11. 28 September 2020 12. 20 October 2020 13. 10 December 2020
3	Ninik Herlani Masli Ridhwan Independent Commissioner	<ol style="list-style-type: none"> 1. Analysis of Economic Condition Impact from COVID-19 2. Impact Analysis of Economic Conditions due to COVID 19 3. Risk Certification Refreshment (Mandatory) for all BOC members 4. Economic Outlook Seminar dari Creco Consultant Group 5. Leadership Series Training - Opportunities for MSMEs and Digitization of Financial Services by Graham Wright (Microsave Consulting) 	<ol style="list-style-type: none"> 1. 31 March 2020 2. 9 June 2020 3. 1 September 2020 4. 20 October 2020 5. 10 December 2020
4	Irwan Mahjudin Habsjah Independent Commissioner	<ol style="list-style-type: none"> 1. Analysis of Economic Condition Impact from COVID-19 2. Impact Analysis of Economic Conditions due to COVID-19 3. Program Pemeliharaan Sertifikasi BNSP 4. Regulasi dan Peran Pengurus (Dewan Komisaris dan Direksi) terkait Kesehatan Bank 5. Etika Integritas dan Tata kelola di Industri Finansial 6. Risk Certification Refreshment (Mandatory) for all BOC members 7. Economic Outlook Seminar dari Creco Consultant Group 8. The Age of Digital Transformation : Enabling Organizations with Artificial Intelligence During Market Transitions 9. Leadership Series Training - Opportunities for MSMEs and Digitization of Financial Services by Graham Wright (Microsave Consulting) 	<ol style="list-style-type: none"> 1. 31 March 2020 2. 9 June 2020 3. 30 June 2020 4. 12 August 2020 5. 25 August 2020 6. 1 September 2020 7. 20 October 2020 8. 19 November 2020 9. 10 December 2020
5	Edmund Tondobala Independent Commissioner	<ol style="list-style-type: none"> 1. Refreshment Manajemen Risiko Level 4 2. Leadership Series Training - Opportunities for MSMEs and Digitization of Financial Services by Graham Wright (Microsave Consulting) 	<ol style="list-style-type: none"> 1. 6 April 2020 2. 10 December 2020



COMPETENCY DEVELOPMENT OF THE BOARD OF DIRECTORS

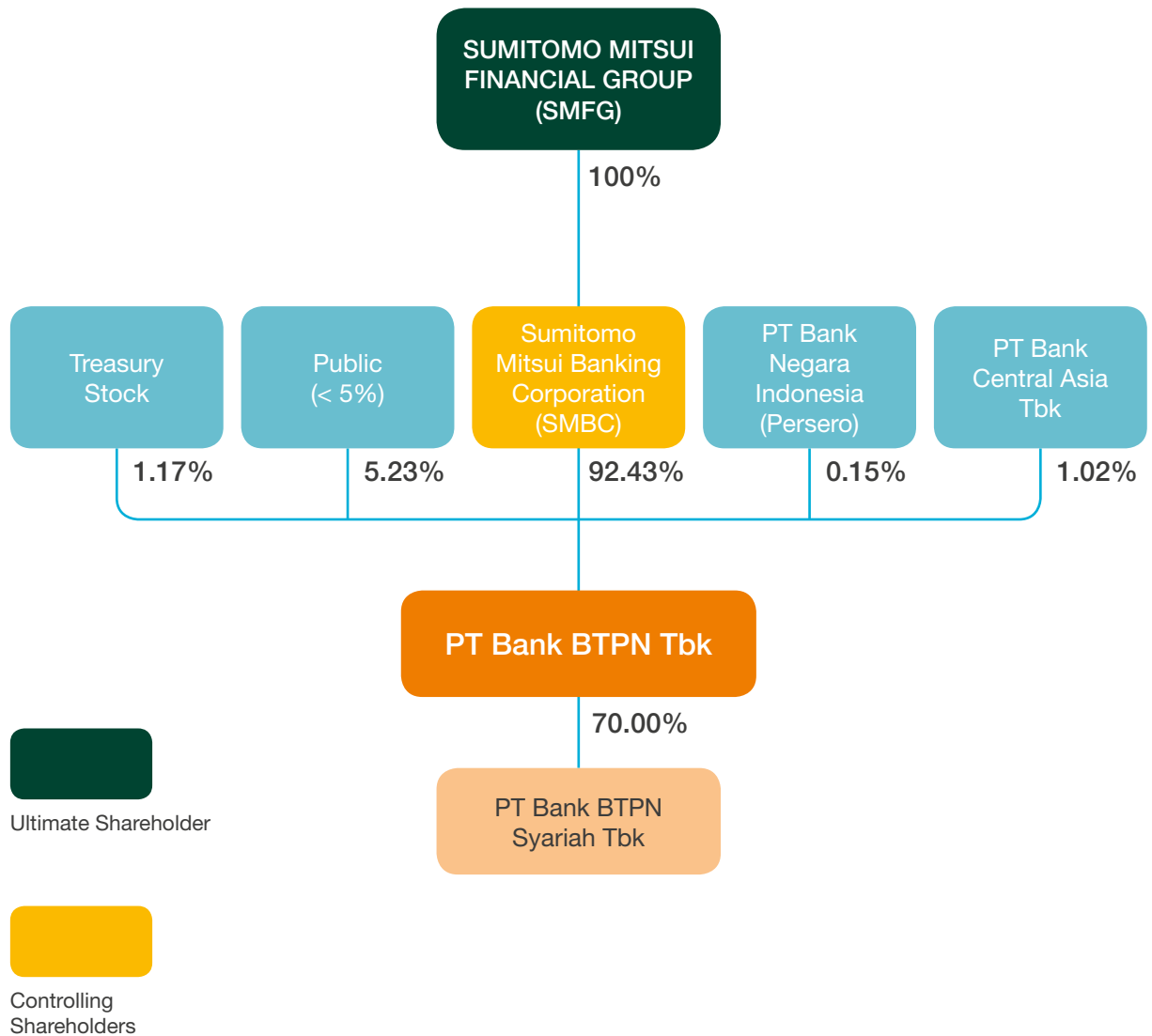
No	Name	Training	Date
1	Ongki Wanadjati Dana – President Director	<ol style="list-style-type: none"> 1. Analysis of Economic Condition Impact from COVID-19 2. Impact Analysis of Economic Conditions due to COVID-19 3. Session I - Leadership Alignment Workshop 4. Session II - Leadership Alignment Workshop 5. Session III - Leadership Alignment Workshop 6. Executive Risk Management Certification Refresher 2020 7. Economic Outlook Seminar dari Creco Consultant Group 8. Egon Zehnder Talent Development Program 9. Leadership Series Training - Opportunities for MSMEs and Digitization of Financial Services by Graham Wright (Microsave Consulting) 	<ol style="list-style-type: none"> 1. 31 March 2020 2. 9 June 2020 3. 16 June 2020 4. 18 June 2020 5. 22 June 2020 6. 1 September 2020 7. 20 October 2020 8. 4 December 2020 9. 10 December 2020
2	Kazuhisa Miyagawa - Deputy President Director	<ol style="list-style-type: none"> 1. Analysis of Economic Condition Impact from COVID-19 (CreCo Consulting) 2. Impact Analysis of Economic Conditions due to COVID-19 3. MURAL Training for Leadership Workshop (PWC) 4. Session I - Leadership Alignment Workshop 5. Session II - Leadership Alignment Workshop 6. Session III - Leadership Alignment Workshop 7. Executive Risk Management Certification Refresher 2020 8. Economic Outlook Seminar dari Creco Consultant Group 	<ol style="list-style-type: none"> 1. 31 March 2020 2. 9 June 2020 3. 12 June 2020 4. 16 June 2020 5. 18 June 2020 6. 22 June 2020 7. 1 September 2020 8. 20 October 2020
3	Darmadi Sutanto – Deputy President Director	<ol style="list-style-type: none"> 1. Analysis of Economic Condition Impact from COVID-19 2. Impact Analysis of Economic Conditions due to COVID -19 3. Session I - Leadership Alignment Workshop 4. Session II - Leadership Alignment Workshop 5. Session III - Leadership Alignment Workshop 6. Executive Risk Management Certification Refresher 2020 7. Economic Outlook Seminar dari Creco Consultant Group 	<ol style="list-style-type: none"> 1. 31 March 2020 2. 9 June 2020 3. 16 June 2020 4. 18 June 2020 5. 22 June 2020 6. 1 September 2020 7. 20 October 2020
4	Dini Herdini – Compliance Director	<ol style="list-style-type: none"> 1. Analysis of Economic Condition Impact from COVID-19 2. Impact Analysis of Economic Conditions due to COVID -19 3. Session I - Leadership Alignment Workshop 4. Session II - Leadership Alignment Workshop 5. Session III - Leadership Alignment Workshop 6. Executive Risk Management Certification, Risk Refreshment 2020 7. Refreshment Training APUPPT 2020 8. Economic Outlook Seminar dari Creco Consultant Group 9. Economic & Political Outlook 2021 10. FGD bersama Deputi Gubernur Senior Bank Indonesia terkait Formulasi Kebijakan Makroprudensial dalam Mendorong Pembiayaan Inklusif 11. Egon Zehnder Talent Development Program 	<ol style="list-style-type: none"> 1. 31 Maret 2020 2. 9 Juni 2020 3. 16 Juni 2020 4. 18 Juni 2020 5. 22 Juni 2020 6. 1 September 2020 7. 5 Oktober 2020 8. 20 Oktober 2020 9. 1 Desember 2020 10. 11 Desember 2020 11. 23 Desember 2020
5	Yasuhiro Daikoku – Director	<ol style="list-style-type: none"> 1. ALPS Masterclass: Leadership in a Digital Age 2. Analysis of Economic Condition Impact from COVID-19 3. Impact Analysis of Economic Conditions due to COVID -19 4. Session I - Leadership Alignment Workshop 5. Session II - Leadership Alignment Workshop 6. Session III - Leadership Alignment Workshop 7. Executive Risk Management Certification Refresher 2020 8. Economic Outlook Seminar dari Creco Consultant Group 	<ol style="list-style-type: none"> 1. 20 February 2020 2. 31 March 2020 3. 9 June 2020 4. 16 June 2020 5. 18 June 2020 6. 22 June 2020 7. 01 September 2020 8. 20 October 2020
6	Henoch Munandar – Director	<ol style="list-style-type: none"> 1. Analysis of Economic Condition Impact from COVID-19 2. Impact Analysis of Economic Conditions due to COVID- 19 3. Session I - Leadership Alignment Workshop 4. Session II - Leadership Alignment Workshop 5. Session III - Leadership Alignment Workshop 6. Executive Risk Management Certification Refresher 2020 7. Economic Outlook Seminar dari Creco Consultant Group 	<ol style="list-style-type: none"> 1. 31 March 2020 2. 9 June 2020 3. 16 June 2020 4. 18 June 2020 5. 22 June 2020 6. 1 September 2020 7. 20 October 2020
7	Adrianus Dani Prabawa – Director	<ol style="list-style-type: none"> 1. ALPS Masterclass: Leadership in a Digital Age 2. Analysis of Economic Condition Impact from COVID-19 3. Impact Analysis of Economic Conditions due to COVID 19 4. Session I - Leadership Alignment Workshop 5. Session II - Leadership Alignment Workshop 6. Session III - Leadership Alignment Workshop 7. Executive Risk Management Certification Refresher 8. Indonesia Supply Chain Finance by IFC 9. Economic Outlook Seminar dari Creco Consultant Group 10. Ekonomi Nasional Outlook 2021: Year of Opportunity 11. OJK Institute Research Webinar 2020: The New Path on Digital Talent, Holistic Leadership, and Social Fintech 12. Economic & Political Outlook 2021 	<ol style="list-style-type: none"> 1. 20 February 2020 2. 31 March 2020 3. 9 June 2020 4. 16 June 2020 5. 18 June 2020 6. 22 June 2020 7. 1 September 2020 8. 12 October 2020 9. 20 October 2020 10. 21 October 2020 11. 27 October 2020 12. 1 December 2020

COMPETENCY DEVELOPMENT OF THE BOARD OF DIRECTORS

No	Name	Training	Date
8	Merisa Darwis - Director	<ol style="list-style-type: none"> 1. Analysis of Economic Condition Impact from COVID-19 2. Delivering Engaging Customer Experience 3. Accelerating Corporate Banking Digitalization 4. Impact Analysis of Economic Conditions due to COVID-19 5. Session I - Leadership Alignment Workshop 6. Session II - Leadership Alignment Workshop 7. Session III - Leadership Alignment Workshop 8. Leadership Alignment Workshop 9. Executive Risk Management Certification Refresher 2020 10. Webinar Asia Banking Roundtable – Reinventing Banking Distribution 11. Webinar Reimagining the next normal for Asia and the world 12. Economic Outlook Seminar dari Creco Consultant Group 13. Economic & Political Outlook 2021 	<ol style="list-style-type: none"> 1. 31 March 2020 2. 21 May 2020 3. 28 May 2020 4. 4 June 2020 5. 16 June 2020 6. 18 June 2020 7. 22 June 2020 8. 9 July 2020 9. 1 September 2020 10. 10 September 2020 11. 12 October 2020 12. 20 October 2020 13. 1 December 2020
9	Hirromichi Kubo - Director	<ol style="list-style-type: none"> 1. Analysis of Economic Condition Impact from COVID-19 2. Impact Analysis of Economic Conditions due to COVID 19 3. Session I - Leadership Alignment Workshop 4. Session II - Leadership Alignment Workshop 5. Session III - Leadership Alignment Workshop 6. Executive Risk Management Certification Refresher 7. Economic Outlook Seminar dari Creco Consultant Group 	<ol style="list-style-type: none"> 1. 31 March 2020 2. 9 June 2020 3. 16 June 2020 4. 18 June 2020 5. 22 June 2020 6. 1 September 2020 7. 20 October 2020
9	Hanna Tantani - Director	<ol style="list-style-type: none"> 1. Analysis of Economic Condition Impact from COVID-19 2. Accounting Impact of COVID-19 for Financial Services 3. Impact Analysis of Economic Conditions due to COVID-19 4. Session I - Leadership Alignment Workshop 5. Session II - Leadership Alignment Workshop 6. Session III - Leadership Alignment Workshop 7. Key Audit Matters in the Context of The New Audit Regulation 8. SMBC APD Town Hall & BOD Meeting I in July 2020 9. Leadership Alignment Workshop - Sponsor Meeting 10. PWC Webinar - robotic in finance 11. Discuss Lembaga Komisaris dan Direktur Indonesia (LKDI) Online 12. Townhall Meeting of Mr Oshima with BTPN's Management 13. Risk Management Certification Refresher 2020 14. Sharing Session Work Flexible Arrangement @Microsoft 15. Sharing Session of Sustainable Finance 16. Exclusive - Indonesia Supply Chain Finance Webinar 17. Economic Outlook Seminar dari Creco Consultant Group 18. UNDANGAN CFO Forum Perbanas- Banking Update: Post Implementasi PSAK 71 dan Isu-Isu Penerapannya 19. IBM Confirmation - Banking Executive Symposium: Extending the Banking Ecosystem for the Platform Economy 20. KPMG Webinar Omnibus Law on Job Creation Webinar Series - Manpower 21. 2020 Annual Technical Update - Financial Services Accounting & Tax 22. Egon Zehnder Talent Development Program 23. Economic & Political Outlook 2021 24. Leadership Series: COVID-19: Opportunities for MSMEs and Digitization of Financial Services) 25. [Webinar] ASIFMA Virtual Event - IBOR Transition Series: A Local Market Perspective - Indonesia IBOR 	<ol style="list-style-type: none"> 1. 31 March 2020 2. 2 June 2020 3. 9 June 2020 4. 16 June 2020 5. 18 June 2020 6. 22 June 2020 7. 30 June 2020 8. 7 July 2020 9. 9 July 2020 10. 6 August 2020 11. 12 August 2020 12. 26 August 2020 13. 1 September 2020 14. 18 September 2020 15. 06 October 2020 16. 12 October 2020 17. 20 October 2020 18. 23 October 2020 19. 17 November 2020 20. 18 November 2020 21. 20 November 2020 22. 1 December 2020 23. 1 December 2020 24. 10 December 2020 25. 16 December 2020



Ownership Structure



Position as of 31 December 2020

Composition and Profile of the Shareholders

Sumitomo Mitsui Banking Corporation (SMBC) is part of Sumitomo Mitsui Financial Group, Inc. (SMFG) as one of the three largest financial groups in Japan. As of 30 September 2020, SMBC records its total asset worths JPY 177.9 trillion, its total third-party funds at some JPY 113.3 trillion as well as its total loans and receivables amounting to JPY 76.2 billion. SMBC's head office is located at 1-1-2, Marunouchi, Chiyoda-ku, Tokyo, Japan.

SMBC was established in April 2001 through the merger of two leading banks, namely The Sakura Bank, Limited and The Sumitomo Bank, Limited. SMFG was established in December 2002 through the shares transfer as a holding company, and SMBC became a subsidiary fully-owned by SMFG.

Sumitomo Mitsui Banking Corporation (SMBC) and its business group offer various financial services centralized in the banking business. SMBC is also engaged in the business of leasing, securities, credit cards, investments, house ownership credit securities, venture capital and other credit facilities.

Information on Ultimate Parent Entity

SUMITOMO MITSUI FINANCIAL GROUP

Sumitomo Mitsui Financial Group, Inc. ("SMFG"), established on 2 December 2002, is the holding company of Sumitomo Mitsui Banking Corporation ("SMBC"), the Bank's Controlling Shareholder. SMFG shares are listed on the Tokyo Stock Exchange (First Section) and Nagoya Stock Exchange (First Section). SMFG business mission is to grow and prosper together with the customers by providing them services of higher values; to maximize the values of the shareholders through sustainable business growth; as well as to create a working environment that supports and values hard-working employees with high motivation.

With the Head Office in Tokyo, Japan, SMFG is engaged in the management of banking subsidiaries and other companies requiring the treatment as subsidiaries based on the Japanese Banking Regulations, as well as to conduct ancillary functions and other functions holding companies are allowed to extend under the Japanese Banking Regulations. Companies incorporated under the business group of SMFG are mostly engaged in commercial banking through such financial services as : leasing, securities, consumer financing, finance, system development data process, and asset management.

For further information, please visit www.smfg.co.jp.



Information on Majority Shareholders

SUMITOMO MITSUI BANKING CORPORATION

Sumitomo Mitsui Banking Corporation ("SMBC"), established in April 2001 through the merger of two leading banks, The Sakura Bank, Limited and The Sumitomo Bank, Limited. Sumitomo Mitsui Financial Group, Inc. was established on December 2002 as a bank holding company through the shares transfer, and SMBC becomes a subsidiary fully-owned by SMFG. In March 2003, SMBC merged with The Wakashio Bank, Ltd.

With the headquarter in Tokyo, Japan, SMBC is currently one of the biggest banks in Japan, with its business network spreading across the world, such as in Australia, Europe, Canada, Brazil and Indonesia. SMBC and its group of companies offer various banking-concentrated financial services. SMBC owns banking businesses in 16 countries outside of Japan. They are also engaged in such other businesses as leasing, securities, credit cards, investment, home-ownership credit securities, venture capital and other related credit facility businesses.

In Indonesia, aside from the Bank, SMBC also has several other subsidiaries, namely PT Sumitomo Mitsui Finance and Leasing Indonesia, PT Nikko Securities Indonesia, PT SBCS Indonesia, and PT Bank BTPN Syariah Tbk.

For further information, please visit www.smbc.co.jp.

SHARE OWNERSHIP COMPOSITION AS OF 31 DECEMBER 2020

Shareholders	Number of Shares	Percentage
Sumitomo Mitsui Banking Corporation	7,532,311,297	92.43
PT Bank Central Asia Tbk	83,052,408	1.02
PT Bank Negara Indonesia (Persero) Tbk	12,007,137	0.15
Treasury Shares	95,198,900	1.17
Public	426,362,127	5.23
Total	8,148,931,869	100

COMPOSITION OF THE 20 LARGEST SHAREHOLDERS

Shareholders	Number of Shares	Percentage
SUMITOMO MITSUI BANKING CORPORATION - EQ	7,532,311,297	92.43
UBS AG LONDON-2140724000	400,000,063	4.91
PT BANK BTPN TBK	95,198,900	1.17
BANK CENTRAL ASIA TBK. PT	83,052,408	1.02
BANK NEGARA INDONESIA (PERSERO) TBK. PT	12,007,137	0.15
SIX SIS LTD	2,984,700	0.04
PT. TIMUR NUSA NIAGAJAYA	1,189,000	0.01
CAYUGA PACIFIC GROUP LIMITED	1,177,500	0.01
LINDA SULISTYANINGSIH. BCS	755,000	0.01
CHRISTIAN SANTOSO	720,000	0.01
ANG PHEK TUAN	649,900	0.01
KAMAJAYA	649,600	0.01
REKSA DANA MANDIRI INVESTA EQUITY ASEAN	601,900	0.01
BANK BTPN TBK. PT	577,500	0.01
CHRISTIAN SANTOSO	544,900	0.01
YANSEN LOKANATA	427,700	0.01
DJOKO SUSANTO	417,500	0.01
NIKOLAS JUSUF	363,300	0.00
ROBINSON SITEPU	350,800	0.00
CACEIS BANK. LUXEMBOURG BRANCH/EDR EUROP	345,400	0.00

NUMBER OF SHAREHOLDERS AND 5% OR HIGHER PERCENTAGE BASED ON CLASSIFICATION

Shareholders	Number of Shares	Percentage
Indonesian individuals	18,358,385	0.23
Pension fund	117,500	0.00
Insurance	132,100	0.00
Bank	190,835,945	2.34
Limited Company	1,316,234	0.02
Mutual Funds	604,700	0.00
Foreign individuals	161,200	0.00
Foreign corporation	7,937,405,805	97.40
Total	8,148,931,869	100



SHARE OWNERSHIP OF THE BOARD OF COMMISSIONERS AND THE BOARD OF DIRECTORS

Name	Number of Shares	Percentage	Position
Board of Commissioners			
Chow Ying Hoong	0	0.00	President Commissioner
Ninik Herlani Masli Ridhwan	0	0.00	Independent Commissioner
Takeshi Kimoto	0	0.00	Commissioner
Irwan Mahjudin Habsjah	0	0.00	Independent Commissioner
Edmund Tondobala	0	0.00	Independent Commissioner
Board of Directors			
Ongki Wanadjati Dana	0	0.00	President Director
Kazuhisa Miyagawa	0	0.00	Deputy President Director
Darmadi Sutanto	0	0.00	Deputy President Director
Dini Herdini	0	0.00	Compliance Director
Yasuhiro Daikoku	0	0.00	Director
Henoch Munandar	0	0.00	Director
Adrianus Dani Prabawa	0	0.00	Director
Hiromichi Kubo	0	0.00	Director
Merisa Darwis	0	0.00	Director
Hanna Tantani	0	0.00	Director

List of Subsidiaries

Branch Offices

Name of Company

PT Bank BTPN Syariah Tbk

Line of Business

Sharia Banking

Head Office Address

Menara BTPN
CBD Mega Kuningan
Jl. Dr. Ide Anak Agung Gde Agung, Kav 5.5-5.6
Jakarta Selatan 12950

Ownership

70%

Type of Legal Entity

Limited Liability Company (PT)

Total Asset

Rp 16,435,005 (*in million rupiah)

Operational Status

In operation

Description	Total
Head Office of Operations	1
Regional Office, Non-Operations	9
Branch Office	61
• Universal	55
• Sinaya	6
Sub-Branch Office	264
• Universal	234
• Sinaya	29
• Jenius	1
Function Office	1
• Operational Function Office	1
• Non-Operational Function Office	-
Cash Office	-
Payment Point	141
Total Office Network	477
ATM	216
TCR	2
Total Office & ATM Network	695



Chronology of Share Listing

Following is description of BTPN's shares listing chronology in Indonesia Stock Exchange

Date of Listing	Corporate Action	Nominal/Share (Rp)	Exercise Price	Additional Shares	Total Shares
12 March 2008	Initial Public Offering	100	2,850	267,960,220	943,936,190
10 December 2010	Public Offering with Right Issue I	100	-	188,787,238	1,132,723,428
28 March 2011	Stock Split	20	-	-	5,663,617,140
14 March 2012	Additional Shares from IFC Loan Conversion	20	-	176,670,117	5,840,287,257
23 May 2016	Buy Back	20	-	-	5,840,287,257
1 February 2019	Additional shares from SMBCI Shareholders	20	-	-	8,148,916,869
12 August 2019	Transfer of SMBC Shares	20	-	12,000	8,148,916,869
31 December 2019	MESOP 2015:		-	-	
	Phase I	20	-	-	
	Phase II	20	-	-	
	Phase III	20	-	-	
	Phase IV	20	-	-	
	Phase V	20	-	-	
	Phase VI	20	-	-	
31 December 2019	ESOP 2016:				
	Phase I	20	2,617	10,670,600	
	Phase II	20	2,617	1,112,900	
	Phase III	20	2,617	12,000	
	Phase IV	20	2,617	3,000	
	Phase V	20	-	-	

Chronology of Other Securities Listing

Name of Bonds	Date of Issue	Principal Amount	Interest (%)	Currency	Maturity Date	Rating		Rating Period
						2020	2019	
Medium Term Notes (MTN) II 2017 PT Bank Sumitomo Mitsui Indonesia	14 June 2017	1,302,000,000,000	8.25	IDR	14 June 2020	idAAA	idAAA	9 May 2017 - 14 June 2020
Public Offering of Shelf Registry Bond Bank BTPN III with Fixed Coupon Rate Phase II Year 2017 Series B	18 October 2017	900,000,000,000	7.50	IDR	17 October 2020	AAA (idn)	AAA (idn)	26 September 2017 - 17 October 2020
Public Offering of Shelf Registry Bond Bank BTPN IV with Fixed Coupon Rate Phase I Year 2019 Series A	27 November 2019	799,000,000,000	7.55	IDR	26 November 2022	AAA (idn)	AAA (idn)	6 September 2019 - 26 November 2022
Public Offering of Shelf Registry Bond Bank BTPN IV with Fixed Coupon Rate Phase I Year 2019 Series B	27 November 2019	201,000,000,000	7.75	IDR	26 November 2024	AAA (idn)	AAA (idn)	6 September 2019 - 26 November 2024



Names and Addresses of Capital Market Institutions and/or Supporting Institutions

INDEPENDENT AUDITOR

Siddharta Widjaja & Rekan
Wisma GKBI Lantai 33
Jl. Jend. Sudirman No. 28
Jakarta 10210

Services Provided
Audit

Cost
IDR 8,500,000,000 (based on
Engagement Letter - exclude VAT
& OPE)

Period of Assignment
Audit Financial Statement
31 December 2020

RATING AGENCY

PT Fitch Rating Indonesia
DBS Bank Tower, 24th Floor,
Suite 2403
Jl. Prof. Dr. Satrio Kav 3-5
Jakarta 12940 – Indonesia
Tel. +62 21 2988 6800
Fax. +62 21 2988 6822

Services Provided
Corporate Rating and Securities
Issuance Rating

Cost
Annual Rating Fee Rp130million
(before VAT)

Period of Assignment
s/d 3 July 2021
(Latest Rating : AAA (idn); Outlook
Outlook released on 18 November
2020)

**PT Pemeringkat Efek Indonesia
(PEFINDO)**
Panin Tower Senayan City,
Lantai 17
Jl. Asia Afrika Lot. 19
Jakarta 10270 – Indonesia
Tel. +62 21 7278 2380
Fax. +62 21 7278 2370

Services Provided
Corporate Rating and Securities
Issuance Rating

Cost
2020 Annual Rating Fee
Rp100million (before VAT)

Period of Assignment
s/d 1 May 2021
(Latest Rating : idAAA; Outlook
released on 8 May 2020)

TRUSTEES

PT Bank Permata Tbk
Gedung WTC II, Lantai 21-30
Jl. Jenderal Sudirman Kav. 29-31
Jakarta 12920 – Indonesia
Tel. +62 21 772 89928
Fax. +62 21 772 89928

PT Bank Mega Tbk
Menara Bank Mega
Jl. Kapten P Tendean No. 12-14A
Jakarta 12790 – Indonesia
Tel. +62 21 791 75000
Fax. +62 21 799 0720

SECURITIES ADMINISTRATION OFFICE

PT Datindo Entrycom
Jl. Hayam Wuruk No. 28
Jakarta 10120 – Indonesia
Tel. +62 21 350 8077
Fax. +62 21 350 8078

NOTARY

Ashoya Ratam, SH, MKn
Notaris & PPAT Kota Administrasi
Jakarta Selatan
Jl. Surya No. 54
Jakarta 12180 – Indonesia
Telp. +62 21 2923 6060
Fax. +62 21 2923 6070

Information on The Corporate Website

Information contained in Bank BTPN's website refers to provisions set forth by the Financial Services Authority Regulations No. 8/POJK.04/2015 regarding Issuers' or Public Companies' Websites. All information may be accessed by the public through the website www.btpn.com.

Available information includes the following:

Information	Link
CORPORATE PROFILE	https://www.btpn.com/
General Information: Name, Address, Head Office Contact, Representative	https://www.btpn.com/en/hubungi-kami
Brief History	https://www.btpn.com/en/tentang-kami
Organizational Structure	https://www.btpn.com/en/tentang-kami/manajemen
Ownership Structure	https://www.btpn.com/en/hubungan-investor/komposisi-pemegang-saham-dan-struktur-organisasi-grup
Group Structure	https://www.btpn.com/en/hubungan-investor/komposisi-pemegang-saham-dan-struktur-organisasi-grup
INVESTOR RELATIONS	https://www.btpn.com/en/hubungan-investor
Public Offering Prospectus	https://www.btpn.com/en/hubungan-investor/aksi-korporasi/prospektus
Annual Reports (5 years)	https://www.btpn.com/en/hubungan-investor/laporan-tahunan-dan-keberlanjutan/laporan-tahunan
Code of Ethics	https://www.btpn.com/en/hubungan-investor/tata-kelola-perusahaan/dokumen-tata-kelola
Profile of the Board of Commissioners	https://www.btpn.com/en/tentang-kami/manajemen
Profile of the Board of Directors	https://www.btpn.com/en/tentang-kami/manajemen
PERFORMANCE	https://www.btpn.com/en/hubungan-investor/laporan-keuangan/laporan-keuangan-publikasi
Annual Financial Statements	https://www.btpn.com/en/hubungan-investor/ikhtisar-keuangan
CORPORATE GOVERNANCE	https://www.btpn.com/en/hubungan-investor/tata-kelola-perusahaan/komite
Charter of the Board of Commissioners	https://www.btpn.com/en/tentang-kami/manajemen
Charter of the Board of Directors	https://www.btpn.com/en/tentang-kami/manajemen
Charter of the Audit Committee	https://www.btpn.com/en/hubungan-investor/tata-kelola-perusahaan/komite
Charter of the Remuneration and Nomination Committee	https://www.btpn.com/en/hubungan-investor/tata-kelola-perusahaan/komite
Charter of the Internal Audit	https://www.btpn.com/en/hubungan-investor/tata-kelola-perusahaan/dokumen-tata-kelola
CORPORATE SOCIAL RESPONSIBILITY	https://www.btpn.com/en/tentang-kami/daya







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BTPN maintains a solid foundation during the challenging pandemic conditions, ready to resume growth post-pandemic.

Economic and Banking Industry Review



GDP

-2.07%

Gross Domestic Product (GDP) contracted by -2.7% yoy



Assets and Customer Deposits grew by

7.18% and 11.11%

Loans declined by

2.41%

Banking industry stability is still maintained. Assets and deposits grew by 7.18% and 11.11%, while credit contracted by 2.41%, amid perceptions of high credit risk in line with the impact of the COVID-19 pandemic. NIM decreased to 4.45%. CAR remains strong at 23.89%.

Although lower than the original estimate, the development of a number of indicators in December 2020 indicates ongoing improvement in domestic economic growth.

DEVELOPMENTS IN THE ECONOMY

The coronavirus (COVID-19) pandemic has put the global economy into recession in 2020 due to restrictions on economic activity in an effort to curb the spread of COVID-19. Nevertheless, global economic performance continues to show improvement and is predicted to recover in 2021. Global economic activity will continue to increase as various countries rollout COVID-19 vaccinations, coupled with ongoing fiscal and monetary policy stimuli. The global economic recovery will primarily be driven by China and the United States, several advanced economies, such as Europe and Japan, as well as developing economies, including India and ASEAN. Several early indicators in December 2020 pointed to ongoing global economic improvements. The Manufacturing and Services PMI in the US, China and India remain in an expansionary phase. In addition, consumer confidence, particularly in China and Europe, continues to grow along with business confidence in various jurisdictions. Recent global economic gains have increased world trade

volume and international commodity prices. Meanwhile, global financial market uncertainty is expected to subside in line with expectations of global economic improvements, including the fiscal policy direction pursued by new US Administration, against a backdrop of abundant global liquidity and persistently low interest rates. In response, an influx of capital has flowed to developing economies, leading to currency appreciation in various countries, including Indonesia.

Domestic economic growth has gradually improved through to the end of 2020 and it is expected to gradually gain momentum in 2021. Although lower than previously projected, several indicators in December 2020 revealed ongoing improvements, including export and import activity, the Manufacturing PMI as well as sales and consumer expectations. The national vaccination program, which began in earnest in January 2021, coupled with discipline in terms of implementing COVID-19 protocols, will accelerate the domestic economic recovery process.



Positive current account performance persisted in the fourth quarter of 2020, primarily supported by a larger goods trade surplus. In the fourth quarter of 2020, the trade balance recorded an USD8.3 billion surplus, up from USD8.0 billion in the previous quarter. For the year, therefore, the current account deficit is projected at approximately 0.5% of GDP in 2020. Meanwhile, foreign capital inflows to domestic financial markets have been maintained, as reflected by a net inflow of portfolio investment totalling USD2.1 billion in the fourth quarter of 2020, thus reversing the USD1.7 billion net outflow recorded in the previous period. Entering 2021, foreign capital inflows to domestic financial markets have been maintained, totalling USD5.1 billion on 19th January 2021, including global bond issuances by the Government. Consequently, the position of reserve assets remained high towards the end of December 2020 at USD135.9 billion.

Development of Several Economic Indicators

Indicator	2020	2019	2018
National GDP Growth (% YoY)	-2.1	5.0	5.2
GDP Per Capita (USD) – Nominal	3,912	4,175	4,050
External Current Account Balance (% of GDP)	-1.3	-2.7	-3.3
Central Government Debts (% of GDP)	38.1	30.2	30.3
Forex Reserves - IRFCL (USD Billion)	135.9	129.2	120.7
Forex Reserves Capacity – (number of months of imports and external debts)	10.2	7.3	7.7
BI Interest Rate Policy (% year end)	3.75	5.00	6.00
Consumer Price Index (% year end)	1.68	2.72	3.13
Fiscal Balance (% of GDP; Fiscal Year)	-6.1	-2.2	-1.8
S&P Rating – Foreign Exchange	BBB	BBB	BBB+

Source: BTPN Research

DEVELOPMENTS IN THE INDUSTRY

Pressure caused by the COVID-19 pandemic towards macro-economic condition has also impacted the banking industry. Such a condition especially occurred due to the contractions experienced by almost all of Indonesia's business sectors.

As a response towards the circumstances, the Financial Service Authority (OJK) issued the loan restructuring policy for the banking industry as a countercyclical policy on the impact of the spread of COVID-19. This is contained in the OJK Regulation No. 11/POJK-3/2020 concerning the National Economic Stimulus as the Countercyclical Policy on the Impact of the Spread of 2019 Corona Virus Disease.

The loan restructuring policy was initially set to end by March 31 2021, however it was extended for one year until 31 March 2022, namely with the enactment of OJK Regulation No. 48/POJK-3/2020 concerning Amendment to OJK Regulation No. 11/POJK-3/2020 concerning the National Economic Stimulus as the Countercyclical Policy on the Impact of the Spread of 2019 Corona Virus Disease.

The loan restructuring policy aims to restrain the rate of increase in NPL and also provide relaxation for debtors affected by COVID-19 in paying installments of their obligations to banks during the pandemic. With the implementation of this stimulus policy it is expected to provide more ample liquidity and capital for banks as to maintaining financial sector stability in the midst of the pandemic.

Bank Indonesia has also responded, among others through the reduction of benchmark interest rate, namely the 7-day (reverse) repo rate. Throughout the year, BI has reduced the interest rate for 5 (four) times, from 5.00% in January 2020 to 3.75% in November. Both the deposit facility and the lending facility also fell to 3.00% and 4.50% respectively. This decision is in line with the need to boost economic growth, amidst low inflation and relatively stable rupiah exchange rate. This Bank Indonesia's policy rate is the lowest level in the history.

In addition, Bank Indonesia has also reduced the Mandatory Minimum Reserve requirement for the banking industry as denoted in the Regulation of Members of the Board of Governors No. 22/2/PADG/2020 on the Fourth Amendment of Regulation

of Members of the Board of Governors No. 20/10/PADG/2018 on Rupiah and Foreign Currency Mandatory Minimum Reserve in Commercial Banks, Shariah Banks and Shariah Business Units. This makes liquidity loose, keeps interest rates down and supports financing to the economy.

Financial system resilience has been maintained, although risks from the ongoing impact of COVID-19 on financial system stability continue to be closely monitored. The capital adequacy ratio (CAR) of banks in December 2020 remained high at 23.89%, and the ratio of non-performing loans (NPL) remained low at 3.06% (gross) and 0.98% (net). The intermediation function of the financial sector remained weak as reflected by the contracted credit growth of 2.41% (yoy) in December 2020 amidst high liquidity in line with the high deposit growth of 11.11% (yoy). Bank Indonesia considers that the low loan growth is more due to the weak demand of the business sector, in addition to the perception of risk in terms of banking supply. Bank Indonesia will continue its policy of accommodative macroprudential, as well as strengthening synergy and policy coordination with the Government, KSSK, banks and businesses to maintain optimism and overcome demand and supply side problems in lending/financing from banks to the business sector, in order to boost national economic recovery.

Payment System transactions, both cash and non-cash, showed improvement in line with economic improvement, accompanied by accelerated economic and financial digitalization. The value of payment transactions using ATMs, Debit Cards, and Credit Cards in December 2020 was recorded at Rp 695.5 trillion, growing 1.36% (yoy), after contraction in November 2020 of 1.93% (yoy). Digital economic and financial transactions continue to grow strongly in line with the use of e-commerce platforms and digital instruments during the pandemic, as well as the strong public preference and acceptance of digital transactions. This can be seen from the value of Electronic Money transactions (EU) in December 2020 amounting to Rp 22.1 trillion, or growing 30.44% (yoy). Furthermore, digital banking transaction volume in December 2020 reached 513.7 million transactions, or grew 41.53% (yoy) and the value of digital banking transactions amounted to Rp 2,774.5 trillion, growing 13.91% (yoy). Bank Indonesia predicts that the digitalization trend will continue to grow rapidly, supported by the expansion of an increasingly inclusive digital economic and financial ecosystem. Bank Indonesia continues to accelerate



payment system digitization policy to establish an inclusive and efficient digital economic and financial ecosystem, as well as to support the acceleration of national economic recovery. This was done among others through the expansion of QRIS 12 million merchants, the expansion of QRIS transfer, withdrawal, and deposit features, establishing an Electronic Money Discount Rate (EU MDR) Chip Based effective March 1, 2021, and the implementation of the Indonesia Payment System Blueprint 2025.

In 2021, in order to support the national economic recovery, the banking industry can encourage lending in productive and safe sectors. This is in line with the Government's priority in opening productive and safe sectors according to the COVID-19 transmission risk map from the National Disaster Management Agency

(BNPB), namely the sector with the lowest risk of transmission while the medium or high risk sector needs to implement the COVID-19 protocol according to its level. Furthermore, priority preparation based on economic impact can take precedence over sectors that have the highest contribution to GDP and/or exports. Based on the mapping results, the first priorities are 6 (six) sectors that are safe and contribute significantly to both GDP and exports, including: food and beverage industry, chemical industry, pharmaceutical and traditional medicine, forestry and logging, horticultural crops, plantation crops, and metal ore mining. The second priority is 15 (fifteen) sectors of the economy that are safe and contribute significantly to GDP or exports, including the basic metals industry, information and communication, the metal goods industry, the non-metallic excavation industry and the machinery and equipment industries.

Performance of Commercial Banks

Indicator	Up to 31 December 2020	Up to 31 December 2019	Up to 31 December 2018
Capital Adequacy Ratio (CAR)	23.9%	23.4%	23.0%
Net Interest Margin (NIM)	4.4%	4.9%	5.1%
Loan to Deposit Ratio (LDR)	82.5%	94.4%	94.8%
Non-Performing Loan (NPL)	3.1%	2.5%	2.4%
Special Mention (SM)	4.4%	5.1%	4.5%
Loan Growth	-2.4%	6.1%	11.8%
Customer Deposits Growth	11.1%	6.5%	6.4%
Net Profit After Tax	Rp 104.7 trillion	Rp156.5 trillion	Rp150.0 trillion

Source: OJK



Industry's Loan Growth

-2.41%

Banking Industry's Loan growth in 2020 experienced contraction of 2.41 percent (yoy), amidst its liquidity still high in line with the growth of the TPF remains high which was 11.11% (yoy).



Business and Operations Review



Total Loans

Rp **136.2** trillion

Total loans disbursed in 2020 amounted to Rp136.2 trillion while maintaining quality, with NPL at a low level of 1.21%, below the average industry of 3.06%.



Total Assets and Customer Deposits grew by

0.84% and **15.93%**

Funding and liquidity remain solid, with LCR and NSFR of 282% and 115%, respectively, supported by a loan facility from Parent Entity as buffer. CAR remained strong at 25.55%.

The digital strategy will continue to be a priority for the Bank in all segments. The Bank will continue to invest in Jenius, to maintain leadership in Indonesian Digital Banking so as to sustain the growth of retail banking in the future.

BUSINESS PERFORMANCE BY BUSINESS SEGMENT

In executing its business activities, BTPN divides its business segments into 5 (five) lines: Retail Banking, Business Banking, Corporate Banking, Treasury and Shariah Banking. This segmentation is in line with the change in Bank BTPN's organizational structure which occurred in the year 2019 following the merger with PT Bank Sumitomo Mitsui Indonesia (SMBCI).

Specifically referring to the shariah banking business, its operation is managed by subsidiary PT Bank BTPN Syariah. Thus, the business performance report per business segment is covered under a consolidated report.

Explanation on the performance of each of the business segment is denoted in the description below.

RETAIL BANKING

BTPN's Retail Banking business segment consists of four main business segments: Wealth Management Business, Retail Lending Business, Digital Banking Business (BTPN Wow! and Jenius) and Micro Business (serving the micro business segment and their communities). The overall business segment is the Bank's comprehensive service provided to customers for its retail segment.

In the year 2020, the Bank, as it is also true for the banking industry, faces the same challenges, especially as a result of the COVID-19 pandemic. This condition has caused sales productivity to drop. Operational performance has had to adjust to occurring conditions.

Another challenge faced by the Bank has been the portfolios which have reached maturity. This is faced by the Retail Banking segment.



DIGITAL BANKING – JENIUS

Jenius is BTPN's digital banking platform which is accessed through the mobile application downloaded to smartphones. The product is among the services provided in the Retail Banking segment.

Through Jenius' services that offer a variety of features, customers can digitally manage their financial activities, accessible from any where at any time. Jenius offers a revolutionary banking experience for customers.

Initiatives & Strategy

2020 has been a year full of challenges for the economy as a whole, both domestically and internationally, with the outbreak of the COVID-19 pandemic starting in early 2020, many businesses have collapsed, lost jobs and limited mobility. With the enactment of the social distancing order, Indonesians are required to move to the digital world to meet the needs of work, business, school and financial needs. So far, Jenius has continued

to support customers through the pandemic by providing digital solutions and refining existing solutions according to relevant needs during the pandemic, along with the growing need for access to digital banking services.

Throughout the year 2020, Jenius launched a number of new products to support customers' needs in the midst of COVID-19 pandemic. These products include the following:

1. Jenius QR (in accordance with QRIS issued by Bank Indonesia)

A digital payment feature which can be used by customers in contactless mode, as a support to the government's initiative to expand "Cashless Society" or where people use non-cash payments.

2. Moneytory
A Personal Financial Management (PFM) feature that helps customers to record and manage their personal finances, especially during the COVID-19 pandemic. Through such services, customers can better monitor their expenses and income and can carry out more precise categorization in analyzing their financial needs
3. Electronic Money Top-Up
Electronic money top-up and Tapcash balance update, in cooperation with BNI. This feature allows customers to top-up and update Tapcash electronic cash balance from their Jenius application on their cellular phones without having to visit the branch office nor the ATM. Available for users of android-based phone with NFC feature.
4. Jenius Bisnis Account
Bank account for business purposes which can help them manage their personal and business accounts separately in a simple manner through one application.
5. Jenius Bisniskit
A device for small-scale business or businessmen to manage their operational activities, such as sales, expenses, inventory, payments and receivables, directly connected with the customer's "Jenius Bisnis" account.

In 2020, the strategic focus actualized by Jenius, firstly was to continue the development of a relevant innovative feature as a financial solution to customers specifically during the pandemic. Secondly, to increase the online acquisition of customers with the support of Video Call KYC feature. Thirdly, to expand Jenius' digital payment ecosystem through a collaboration with major entrepreneurs, both online and offline. Fourthly, to increase transactions and customer engagement with Jenius in supporting customers' day-to-day Life Finance activities

Surely it is not easy to materialize such a focus, considering the great challenge of the year 2020, namely COVID-19 pandemic. Under such circumstances, Jenius present itself with a digital solution for customers and continue to improvise its existing services. Several of its development strategies which materialized, for example include the following:

1. Development of digital services to help customers adapt to the pandemic situation. This is done, among others, through:
 - a. Video call on the enhancement of Know Your Customer (KYC) provided digitally to customers. In addition, provide comprehensive digital service for customers during the pandemic, especially when Jenius' physical booths were forced to close during the large-scale social restrictions and customers having to limit their external activities.
 - b. Expansion of partnership between Jenius Pay and major e-commerce such as Blibli, Tokopedia and JD.ID and others to capture the behavioral change in the customers from offline to online shopping during the pandemic.
2. Implementation of stricter risk criteria in order to prevent non-payment of loans.

Concerning Flexicash, the Bank implemented stricter risk appetite since March 2020 in order to prevent non-performing loan payments impacted by COVID-19. Learning from the implementation of the new policy from March to October of 2020, the policy has been gradually loosened up beginning in October 2020. The tighter risk appetite policy includes:

1. Reduction of loan limits to customers.
2. Block access to Flexicash use for certain customers.
3. Discontinue the acquisition of new customers for Flexicash.



2021 Strategic Plans

- Continue to develop innovative features through the concept of co-creation and collaboration, providing a broader set of financial products and services, such as Credit Card, Insurance and Investment
- Introduce a newly revamped Jenius UI/UX to provide a fresher look and a more seamless experience and to support the addition of new features
- Improve app performance, reliability and stability to adapt and support the growing number of users and features while maintain high level of security
- Continue to expand Jenius presence in the digital finance ecosystem both domestic and international, in collaboration with major players through open API
- Increase customer engagement and active rate to drive loyalty by utilizing AI-driven personalization coupled with marketing automation for more insightful offering with the right/most effective method of delivery at the right time
- Increase brand presence
- Explore partnership approach for Flexicash acquisition to get better portfolio

Performance Achievement

In the midst of such a challenge of the external condition during the year 2020, Jenius' performance, if compared to the previous year, is considered relatively well managed. The number of customers increased by 27% compared to the year 2019.

Jenius is continuously developing innovative features through co-creation and collaboration concepts, providing a wider range of financial products and services to support and provide Life Finance digital solutions that are increasingly relevant to its users. Along with continuously improving the performance, reliability and stability of the application to adapt and support the growing number of users and existing features and provide a high level of security.

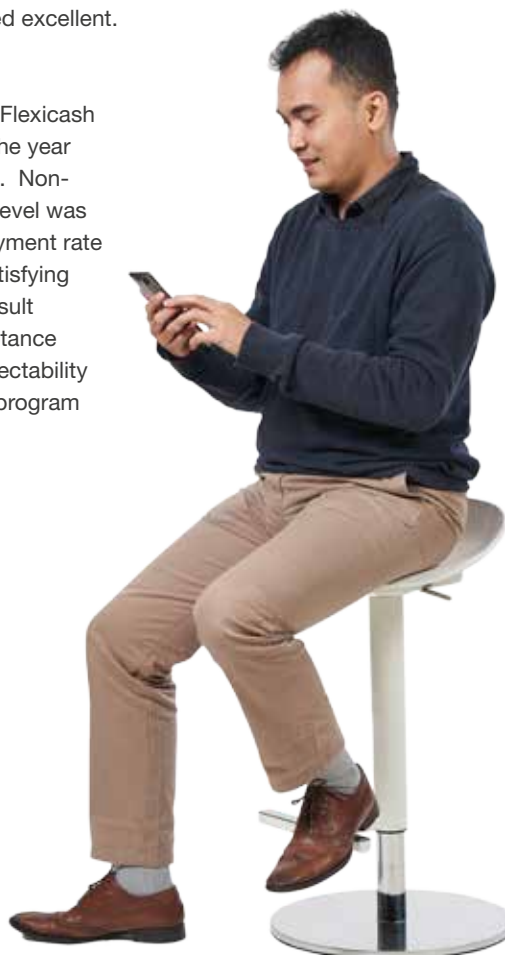
Jenius Performance in 2020

Description	Unit	2020	2019
Customers	Unit	3,056,319	2,407,977
Funding	Rp Million	13,281,099	6,634,884

While for Flexicash, since the implementation of the restriction policy on credit disbursement as an impact of the COVID-19 pandemic, Flexicash's performance dropped by 19.2%. Nevertheless, the portfolio quality remained excellent.

Credit Quality

Moreover, the quality in Flexicash funds disbursement in the year 2020 was also excellent. Non-Performing Loan (NPL) level was only 1.7% and the repayment rate reached 95.6%. This satisfying achievement was the result of applying "Risk Acceptance Criteria", pro-active collectability and the loan relaxation program related to COVID-19.



DIGITAL BANKING - BTPN WOW!

BTPN Wow! is a banking service unit of the Retail Banking segment that utilizes the mobile telephone technology. The service is supported by Laku Pandai Agent as the extension of the Bank, namely BTPN Wow! agent.

BTPN Wow! service is the Bank's contribution to open access for financial services to the public who have not been serviced by the banking industry. In the year 2020, the Bank focused on strengthening the agent's capacity in providing services to customers so that productivity increases and income rises.

BTPN Wow! also continues to develop products and service features that are relevant in supporting transaction conveniences for customers. Among others that concerns with cellular data package, small-denomination mobile telephone e-voucher, electronic wallet top-up including GoPay and OVO, and others. Through these development and innovation, it is hoped to increase the agent's and customers' transactions and grow the fee based income.

BTPN Wow! establishes cooperation with partners with many shops/booths to support the agent's liquidity management in fulfilling its daily cashflow. The Bank has also launched cash in and cash out jointly with the biggest retail company in Indonesia, Alfamart and Indomaret, in April 2020 to support the agent's requirements. Through such services, customers can make cash in and cash out transactions at more than 35 thousand retail networks throughout Indonesia.

Cost Management has also become a focus of BTPN Wow! Several new initiatives, such as sales productivity management and improvement, as well as reduction in production cost have resulted in fee based income to continuously increased.

The Bank plans to alter the USSD channel in the near future. This is conducted to enhance the engagement pattern between BTPN Wow! agent and the customers, and the Bank has prepared BTPN Wow! application that provides better user-friendly and interface applications.

For fiscal year 2021, BTPN Wow! will continue to focus on cash management, improvement of agent's productivity and introduce BTPN Wow! application to replace the USSD-based channel currently used. The smartphone-based application is hoped to be able to enhance experience and is more user-friendly. Through the application, customers can take advantage of the various functions that can accommodate their daily needs in financial transactions.

The Bank has also made changes in the sales management to increase productivity of BTPN Wow! agent. In altering the management, the incentive model will be applied in sales in order to achieve business goals.

Increasing the number of transactions through BTPN Wow agents and customers is an important focus in increasing transactions for both BTPN Wow agents and businesses, thereby increasing revenue for both agents and BTPN.

Initiatives & Strategy

Focusing BTPN Wow agents in Java is a strategy for cost efficiency and increasing service activities for agents and customers. The development of cooperation between agents and customers will also be emphasized in the community so that the services provided by agents can capture customers around the agent in fulfilling their needs for products and services to support daily transactions.

2021 Strategic Plans

The launch of BTPN Wow application is a strategic plan in 2021 to further improve service that will be more "user friendly" to customers in conducting their transactions. This application launch also anticipates the digital developments that occur in 'laku pandai' where smartphone ownership continues to increase, especially in supporting the existing digital transactions today.



Performance Achievement

BTPN Wow! Lending has 2 (two) different products. The first is the Student Loan, a joint loan product in cooperation with a financial technology company (Fintech), PT Pinduit Teknologi (Pintek). Loan is offered to customers of Pintek for educational purposes.

In the year 2020, total loans reached Rp10.6 billion.

The second loan product, the Supply Chain Loan (SCL), is targeted at the retail segment, working together with distributors in selling cellular telephone vouchers (data and internet package) as well as the retailer of consumer goods or Fast Moving Consumer Goods (FMCG).

In the year 2020, the total loans for SCL reached Rp8.5 billion. Compared to the previous year with Rp4.6 billion, this is an increase of 84.8%. This weekly-term loan serves as a working capital loan for selected retailer customers.

Entering COVID-19 pandemic situation until the end of 2020, the two loan products above are currently suspended due to indications of a decreased portfolio quality. This decision was made at the same time to review the processes that occurred and the need for adaptation to several processes related to the pandemic conditions that occurred. These two products, until a later date, will no longer be offered to customers in 2021.

The total number of customers of BTPN Wow! by the end of the fiscal year reached 4.8 million, a growth of 1.4% compared to the year 2019 with 4.7 million customers. While the total number of agents was 167 thousand spread throughout many cities in Indonesia.

Regarding transactions, the amount of third party liability was recorded at Rp140 billion. While fee based income was recorded at Rp9.4 billion.

Kinerja BTPN Wow! Tahun 2020

Description	Unit	2020	2019	2018
Total Customers	unit	4,813,637	4,745,054	4,016,482
Total Agents	unit	167,633	194,943	155,741
Fee-Based Income	Rp billion	9.44	3.62	6.84
NPL	%	n/a	0.05%	n/a

RETAIL LENDING BUSINESS

In this fiscal year, the Retail Lending Business ("RLB") segment focused on providing loans to retirees and pre-retirees. With regard to this, the Bank promotes the growth of loans to retirees from Taspen, Asabri and Other Pension Funds, and members of the Indonesian Military/Police Forces who are reaching their retirement.

RLB is a business unit of the Retail Banking segment that provides banking services to retirees or pensioners, such as with payment of pension funds through savings products. Loan offers are not limited to only pensioners

but also for employees who remain actively working, with a tenor as needed.

Several ongoing strategic programs during the year 2020 are as follows:

1. Nationally expand BTPN's credit business with offering credit products which are more competitive in cooperation with private companies.
2. Focus on acquisition of customers from Taspen, Asabri, Armed Forces/Police and Pension Funds owned by the State-Owned Enterprises (BUMN).

3. Digitalization of credit processing for easier and faster processing of request proposals to disbursement of credits which may be conducted in the customer's house.
4. Utilize telemarketing to increase productivity in selling credit lines.
5. Develop a payment point network jointly with PT Pos Indonesia in order to the service level to Bank BTPN's customers receiving pension. Provide chip based ATM Card with special design.

In the year 2020, in the midst of COVID-19 pandemic which became the banking industry's heavy challenge, including Bank BTPN, loan performance has also slowed down. Not only from the volume aspect, but also in the number of account. Another cause was products which have entered their maturity category.

Initiatives and Strategies

In line with the growing challenges faced by the Bank, especially related to the COVID-19 pandemic situation, initiatives and strategies were accordingly adjusted. The primary objective was to maintain sales productivity's stability. Several strategies were applied, including the following:

- Develop credit processing by minimizing face-to-face meetings with customers.
- Provide web based monitoring tools to supervisors for easier monitoring of their sales team's activities.

2021 Strategic Plans

To maintain and improve the performance of the RLB segment, the Bank prepared several strategic plans, including the following:

- Expanding the acquisition model and collaboration model with 3rd party
- Continuing focus on Taspen, Asabri and other Pension Funds
- Developing loan products for consumptive and productive purposes as well as savings product to increase our service to customers, including in synergy with corporate business to fulfill corporate customer' needs
- Stabilizing the new credit process
- Efficiency in managing operational expenses and credit process

Performance Achievement

In the end of 2020, Retail Lending Business managed a total portfolio of Rp32.1 trillion, a decline of 9.8% compared to 2019 portfolio of Rp35.6 trillion. The tight competition in the pension business led to the decline in number of new customer acquisition, which will eventually led to declining portfolio.

From the quality aspect, Non Performing Loan in pension credit is among those in the low category, with an NPL rate of 0.72% in 2020, a slight improvement from 0.73% in 2019. This is due to the source of payment in the form of pension funds that are actually disbursed monthly through BTPN. For borrowers whose pensions are paid through PT Pos Indonesia, the Bank jointly conduct installment cuts with PT Pos Indonesia and the installment funds are transferred monthly to the Bank.

WEALTH MANAGEMENT BUSINESS

Wealth Management Business ("WMB") is one of the Retail Banking business units, established to provide affluent customer segment with personalized services. For that, the Bank's saving and investment products are personally offered through the 59 branch offices spread in 34 cities as well as through digital platforms which provide services to the customers with the flexibility to conduct transactions at any time from any where.

Align with Digitalizing Your Priority Concept in 2020, WMB proudly launched Sinaya Prioritas Services by offering personalized service through dedicated Relationship Manager and Digital Self Services Features.

Consistently WMB focus on investment product enhancement and continuously develop digital application to fulfill holistic wealth management solution



Initiatives & Strategy 2020

Throughout the year 2020, in line with the Bank's business plan, WMB actualized a number of initiatives namely as follows:

- Launching of Prima/Sinaya Priority Customers
- Development of saving and investment product (Wealth Management) with the following:
 - Savings in four foreign currencies (EUR, GBP, HKD, AUD);
 - Bancassurance product : Guardia Signature and Guardia Pasti;
 - Protected mutual funds, namely Mandiri 206 and 224 series.
- Development of digital platform for Prima Customers, with Jenius application
- Review the distribution network strategy of all BTPN branch offices (including Sinaya branch offices) by closing 5 (five) assisting branch offices (KCP Gajah Mada Jakarta, KCP Wisma Kalla Makassar, KCP Roxy Jakarta, KCP Banda Aceh, KCP Tomang Jakarta) and relocating 2 (two) assisting branch offices in Surabaya.
Thus, currently there are 59 branches that provide Sinaya Prioritas services.
- The Bank also conducted some changes in the cooperation system with BTPN Syariah to become of referral system. Through the new system, if a customer/prospective customer is interested in a shariah product, then a bank officer from the Syariah Bank Services (LSB) branch office will extend a reference officer from the Syariah Bank.

Performance Achievement

From the operational point of view, in the development of BTPN Sinaya, Jenius became a main savings product being marketed. As a result, growth in the number of account reached 334.9% at a total of 56,580 accounts and growth in the funds reaching 397.5% with a total amount of Rp3.4 trillion.

Up until the end of the fiscal year, the number of Sinaya Priority customers totaled 9,216.

In the year 2020, BTPN Sinaya managed to book Third Party Funds (Dana Pihak Ketiga/DPK) totaling Rp27.2 trillion, an increase of 3.3% compared to the previous year. In line with the focus on developing investment products, the DPK above shifted from a savings product to an investment product. The Bank's funds from savings products dropped by 3.1% or an amount of Rp683 billion to a total of Rp20.9 trillion and funds from investment products increased by 32.4% or an amount of Rp1.5 trillion to a total of Rp6.3 trillion.

2021 Strategic Plans

- Continuous development of digital services for Priority Banking but not limited to
 - Development in the Jenius application to give information and transaction for investment product.
 - Application development for staff as a tool to assist staff in the sales process and to improve service quality.
 - Application development as a digital media to deliver customer appreciation and to increase customer loyalty.
- Wealth Management product development, including but not limited to the addition of investment manager partners and mutual fund products, the addition of bancassurance products, secondary market government bonds, and listed as distribution partner of state securities initial offerings for retail investors.
- Asses the distribution network strategy of all BTPN Sinaya branches and ATM, including but not limited to open new branch.

Product Performance

	Unit	2020	2019
Total Customers	Item	120,973	92,695
Total Third Party Funds	Rp billion	27,175	26,311
Deposit fund	Rp billion	20,856	21,538
Investment fund	Rp billion	6,319	4,772

The number of customers grew, followed by growth in third party funds, especially in investment products

WMB Performance Indicator in 2020

	Unit	2020	2019
Cost of Fund	%	5.38%	6.84%
Net Interest Income	Rp billion	124	148
Fee Income	Rp billion	116	119
Direct Cost	Rp billion	(227)	(234)

The adjustment of interest rate in saving products, which is aligned with the interest rate cut by the regulator, is made to obtain a reduction in cost of fund.

Even though there was a pandemic in 2020, bank income through investment products could still be maintained and operational cost still be streamlined.

MICRO BUSINESS

The Micro Business segment focused on providing loans to Micro & Small Enterprises.

Micro Business is a business unit in the Retail Banking segment that provides banking services for productive economic players with their community.

A number of strategic programs that have been implemented throughout 2020 are:

1. Implement smooth transformation process of new Micro Business into targeted MSME locations
2. Build good relationships with customers through partnerships and micro business ecosystems
3. Build a complete digital channel and platform to create differentiation to the market through partnershi

In the 2020 financial year, along with the COVID-19 pandemic which has become a serious challenge for the banking industry including BTPN, loan performance is also experiencing a slowdown in terms of volume and number of accounts. The Micro Business unit delayed the growth of its business and focused instead on existing customers that need support especially during pandemic situation.

Initiatives and Strategies

In line with the challenges faced by the Bank, especially related to the COVID-19 pandemic, the initiatives and strategies that have been implemented have undergone adjustments.

The primary goal is to maintain good credit quality. To achieve this, a number of strategies were implemented, including:

1. Focus on ecosystem through supply chain business platform and strategy
2. Build automation and digitalization to create differences, capture opportunity (partnership led model) and enabling large scale mass acquisitions
3. Provide credit relaxation program for debtors who have experienced a decline in income due to COVID-19 pandemic impact.
4. Provide good service to debtors unaffected by COVID-19 pandemic by carrying out continuous communication.



Details of the initiatives and targets to be achieved are presented in the table below:

Objective	Key Initiative
Managing Runoff	<ol style="list-style-type: none"> 1 Manage portfolio quality with a relaxation model for micro borrowers in accordance with the government program such as stimulus to micro customers who deserve to be given a relaxation 2 Carry out financing for micro customers using the PEN system (Pemulihan Ekonomi Nasional) which is a stimulus for banks from the government program
Continue Process & Coverage Optimization	<ol style="list-style-type: none"> 3 To continue financing productive economic entrepreneur for the economic sector such as; trading, industry, manufacturing, services and agribusiness 4 implementing micro business model by promoting good business processes and maintain quality of portfolio 5 Implementing micro business model with digital micro credit financing
Optimization of Daya	<ol style="list-style-type: none"> 6 Provide BTPN's Daya program to develop micro customer business 7 Webinar program for micro business customers with competent informants
Strengthening the Capability and Effectiveness of the Organization through Adjustments in line with the Market Changes	<ol style="list-style-type: none"> 8 Implementing new financing model for micro customers with a digital model (un-secured loan) 9 Improvement of human resources through online training programs
Strengthen Strategic Partnership with Business Partner	<ol style="list-style-type: none"> 10 Build collaboration programs with several business units to finance micro sector

Strategic Plan for 2021

In order to improve the performance of the Micro Business segment, the unit undertake a number of strategies:

1. Continuing with the transformation of Micro Business.
2. Continuing with branch consolidation, alignment of distribution model/micro business channel and adjust to existing distribution model
3. Continuing with the strategy related to human resources, opportunities to move to other businesses and share resources for support units to manage the effectiveness of micro business organizations.
4. Continuing with roll-out process for new model of micro business with secured loan
5. Developing the digital platform for micro business model (non-collateral loan)
6. Managing the KUR business model with Partnership and avalist model

Performance Achievement

The Micro Business segment was one of the business segments most affected by the COVID-19 pandemic. BTPN cooperated with affected customers, as well as supported their business continuity by relaxing credit according to the provisions of the Financial Services Authority (OJK). Micro Business intensively conducted the restructuring process.

In line with budget projections and strategies for 2020 in which Micro businesses were undergoing a business transformation process, especially in terms of seeing new micro business opportunities and adjusting them to the needs and patterns of micro-entrepreneurs in running their businesses, Micro loans were projected to decline. At the end of December 2020, the loan balance was recorded at Rp905 billion, a decrease of 43.8% yoy.

Micro loan quality reflected in the declining of NPL ratio to 1.76% from 2.82% in the previous year. The decline was mainly caused by loan restructuring of customers affected by COVID-19.

BUSINESS BANKING

The Business Banking Units of BTPN has two business segments, namely BTPN Mitra Bisnis (SME) and Consumer Finance. Both segments provide comprehensive services, from credit to other banking services and training.

The business priority of Mitra Bisnis are speed and working capital loans, access to market, continuous relationship with suppliers and the need to increase the businesses' competencies and information.

Business development of Consumer Finance is carried out through financing for end-users, companies or financial institutions, both by means of direct and indirect financing schemes. Consumer Finance business also takes on efforts to improve the synergy and collaboration with affiliated companies as part of the objective to enlarge customer network.

Initiatives and Strategies

2020 is a challenging year as the economic conditions impacted by the COVID-19 pandemic, among others have caused the decline in YoY lending volume, both in Mitra Bisnis and Consumer Finance YoY by 10.7% and 60.8%, respectively.

A number of initiatives and strategies developed during the fiscal year to improve the performance of the Business Banking segment are including the following:

1. Internal collaboration through the supply chain scheme.
2. Cooperation through cross-selling with Jenius for financing and payroll account.
3. Transactional services through "AksesBisnis@BTPN" digital platform.
4. Optimization of the loan restructuring process for debtors impacted by COVID-19.
5. Application development to improve the quality and speed of services to customers.

2021 Strategic Plans

- Focus to proactively managing the restructured accounts who impacted by the pandemic.
- Adopting more conservative risk appetite in loans growth.
- Mitra Bisnis will focus to existing customers and acquire new customers through Supply Chain approach as part of synergy with Corporate business segment.

- Continue to develop digital SME which targeting small SMEs who are more digital savvy.
- Continue to develop Consumer Finance business through financing for end-users, multifinance companies and fintechs.

Performance Achievement

The performance of the Business Banking segment is described based on the line of business: Mitra Bisnis and Consumer Finance with details as follows:

Mitra Bisnis

Until the end of year 2020, the total customer accounts serviced by BTPN Mitra Bisnis reached more than 2,800 customers. The number slightly declined compared to the previous year which logged 3,100 customers.

From the above number of customers, loans disbursed reached Rp11.5 trillion. This amount dropped by 10.7% compared to the previous year which amounted to Rp12.8 trillion.

Consumer Finance

Loans to end-users, companies or financing institutions both through direct and indirect financing up until the end of year 2020 totaled Rp2.0 trillion. This amount declined from the Rp5.6 trillion of the previous year. In disbursing credit lines, BTPN refers to the principles of providing sound and prudent loans.

Credit Quality

From the quality aspect, Business Banking Non-Performing Loan (NPL) was recorded at 4.70%, higher than previous year.

CORPORATE BANKING

The Corporate Banking business segment of BTPN has two business segment, namely corporate segment consisting of Japanese corporate customer and the Non-Japanese corporate segment (Wholesale Banking).

The Corporate Banking segment serves Japanese corporate, Indonesian corporate customers in the Tier 1, Tier 2, Commercial Banking segments and Multinational Corporation (MNC).



In general, services provided were in the forms of bilateral, structured nor trade financing/lending, funds collection, as well as cash management. In financing, Bank BTPN is not limited to providing only short-term working capital financing, but also medium and long-term rupiah as well as foreign currency investment loans. In addition, there is also financing for accredited Export Credit Agency (ECA).

In the field of corporate funds collection, BTPN provides Corporate Account services in the form of Checking Account. Checking Account services may be accessed through digital technology which does not limit the customers' space and time.

For transactional convenience, BTPN provides accounts with 12 currencies. While for funds withdrawal, four types of currencies are available, namely Rupiah, US Dollar, Japanese Yen and Euro.

BTPN also assists with remittance services, considering the Bank is a member of the national clearing as well as the SWIFT systems, linked with diverse network of local and overseas correspondent banks. Activities related to remittance may be carried out through internet banking as well as manually at the Bank. Other facilities provided by Corporate Banking are trade financing (including export and import) and payment of taxes. Support for customer's operational performance is also provided through cash management.

Initiatives and Strategies

Throughout the year 2020, the challenge faced by the Corporate Banking business segment was the risk of declining customers' transaction volume as part of the global impact of the COVID-19 pandemic. The impact did not only occur in the loan growth but also in the quality of the credit portfolio. From the loan growth aspect in general, the need for working capital and investment for the corporation segment declined in line with the slowing-down of the economy.

In the condition downward trend of the benchmark interest rate, corporate banking relatively able to maintain Net Interest Margin. This contributed to the achievement of interest income of 102.8% against the 2020 target

Under such circumstances, the Corporate Banking focuses more on major corporate customers as the forefront players in several sectors. For example automotive, Fast Moving Consumer Goods (FMCG), telecommunication, health and medicine/pharmacy, energy resilience project, food and infrastructure resilience, as well as export-oriented industries in line with the Indonesian government's development program.

Bank also encourages special policies, among others to focus on maintaining the quality of loan portfolio. In line with Government and OJK policies in restructuring policies and the National Economic Recovery Program (PEN). Corporate Banking is proactively working together with debtors who are impacted by the COVID-19 conditions that restructuring/relief program is offered to help them through the difficult time and ensure that the quality of the loan portfolio is maintained.

The Corporate Banking business segment has also materialized a number of other initiatives and strategies as response to the market conditions. This encourages the achievement of the set targets, including the following:

1. Enforce financing so that customers receive financial support in facing the pandemic time this year.
2. Provide integrated services to customers through collaborations with such other business units as Jenius, Sinaya and Supply Chain Financing that offer customers with end-to-end services.
3. Implement a new online-based marketing strategy to customers, such as in the form of web meeting to grasp every financial need required by customers quickly and accurately. In addition, conducting online seminars on various themes that morally support the customers.
4. Increase the portion of fee-based income from trade finance and foreign exchange transactions as well as cash management.
5. Create the ecosystem and connectivity both for end-to-end financing as well as cash management.
6. Strengthen the synergy with other business lines, namely the Business Banking and Retail Banking.
7. Expand corporate services by utilizing Bank BTPN's existing branch offices.
8. Commit to continuously provide loans with the principle of sustainability to increase support for the public's interests.
9. Improve the interconnection of information sytem to support cash management services.

2021 Strategic Plans

For the coming year, the Corporate Banking business has prepared a number of strategic plans, among others including the following:

1. Strengthen the ecosystem and connectivity for end-to-end financing and cash management through strengthening the synergy with other business units. This is carried out, among others, through expansion of network at such strategic locations as industrial estates so that services provided can be comprehensive and penetrate the market. For example, opening a corporate branch at Cikarang area, expanding corporate services in Bandung branch by utilizing Bank BTPN's existing office network and also install ATM units in several of customers' offices, collaborating with other work units such as Jenius and Sinaya.
2. Strengthening the collection service for customers as an initiative to improve third parties' funds collection.
3. Increasing fee-based transactions among others through Trade, Supply Chain Financing, Structured Finance (Project Finance, Syndication and ECA) transactions, and derivative products.
4. Increase the provision of loans with the principle of sustainability to increase the public's interests.
5. From the aspect of credit disbursement, Corporate Banking will focus on industries that are surviving during the COVID-19 pandemic and industries that are potential to grow faster in line with the government's prioritized programs, among others are as follows: positive effect from the Omnibus Law, mineral downstream program, energy resilience, food and infrastructure resilience.

Performance Achievement

The sluggish national economic condition due to the COVID-19 pandemic, seemingly as if an automotive factory suddenly stopped operation and effected the supply chain, effecting the performance of the customers' transaction volume. This is also occurring in other industries. Nevertheless, the performance of Corporate Banking throughout the fiscal year 2020 remained well maintained.

Until the end of the fiscal year, BTPN's Corporate segment together with SMBC were entrusted to be the Mandated Lead Arranger and Bookrunner (MLAB) / Mandated Lead Arranger (MLA) on 13 syndicated agreements. This made the Bank to continue to be ranked as the "Top 3" Indonesian Mandated Lead Arranger and Bookrunner (MLAB).

In 2020 the corporate segment focus to increase the corporate credit by remaining to be prudent, and control expense on operational costs.

Referring to the Revised 2020 RBB, as of 31 December 2020, the achievement of corporate loans is 83.3% of the target. In the midst of a pandemic, determining the right target market by providing loans that focus on several industry leaders in strategic sectors accompanied by proactive credit portfolio management are the two main keys to success. The sectors that are the focus of BTPN include FMCG, telecommunications, health and pharmaceuticals, automotive, energy security projects, food security and infrastructure, and export-oriented industries.

Product Performance of Corporate Banking in 2020

Loan

On loan performance, some Rp78.6 trillion was successfully disbursed up until the end of fiscal year 2020, an increase of 3.9% compared to the year 2019's Rp75.7 trillion. Corporate Banking loans accounted for 57.7% of BTPN's total loans.

In terms of loan quality, Corporate Banking managed to maintain a low level of Non-Performing Loan (NPL) at 0.73%. While this represents a slight increase compared to the previous year, the NPL was still relatively low if compared to the NPL of the banking industry which recorded 3.1%.

Up until the end of 2020, the Japanese Corporate Banking loan portfolio increased by 4.3%, while Loan Average Balance increased by 15.5% compared to year 2019. Such growth was caused by a significant increase in Rupiah loans which reached 42%, as the impact of increasing needs of local customers in facing the COVID-19 situation.



Trade Finance

The trade finance product of BTPN is becoming more complete with the combination between trade finance and global connectivity required for export and import transactions as well as for local value-chain financing needed by corporate customers. The Bank provides facilities for suppliers and distributors. This is possible due to the synergy with the Business Banking line of business in BTPN.

Up until the end of 2020, trade finance assets reached Rp14.3 trillion, a growth of 47.1% compared to Rp9.7 trillion in the previous year.

Cash Management

BTPN has long been known as leader of digital banking with the several electronic banking platforms, such as the SMAR&TS, AksesBisnis, Jenius digital banking and BTPN Wow! which all complement each other and support the needs of corporate bank customers. This will very much help corporate customers in conducting better liquidity management on all of the value chain customers and provide digital experience of high standards.

Until the end of 2020, the total funds of cash management grew by 103.6%, from Rp28.8 trillion in 2019 to Rp58.6 trillion in 2020.

Foreign Exchange

BTPN provides comprehensive hedging services that may be utilized by corporate customers to protect their asset, obligations and cashflows from the negative impact of financial market movements in terms of interest rate, foreign exchange currency exchange or others.

Until the end of fiscal year 2020, the number of Foreign Exchange transactions reached 11.9 million, a growth of 10.3% compared to 10.8 million in 2019.

TREASURY

The Treasury unit of BTPN serves the needs of customers for treasury products, such as foreign currency and derivative. The Treasury segment continuously optimizing its portfolio at an efficient level and proactive in managing the Bank's liquidity. The Treasury also takes an active role in risk management and fulfilling the ratios mandated by regulator.

In the year 2020, as in other business segments or banking in general, the COVID-19 pandemic has detrimentally impacted the Treasury Segment. For that reason, a specific policy implemented during the pandemic times is the split operation policy in order to maintain the continuity of Treasury activities during the enforcement of the Large-Scale Social Restrictions (PSBB).

Initiatives and Strategies

In the midst of COVID-19 pandemic that has affected the economy in the year 2020, the biggest challenge faced by the Treasury Segment is the weakening of the growth in credit. For this reason, the Treasury places funds in other instruments, such as the State Securities/ Government Debt Securities (SBN/SUN).

For maintaining liquidity at a safe level, BTPN implements several strategies, including the following:

1. Monitoring liquidity indicators to remain in safe condition, namely higher than the required specification. As of 31 December 2020, Liquidity Coverage Ratio (LCR) was at 282% and Net Stable Funding Ratio (NSFR) at 115%.
2. Conduct diversification of funding source by developing funding from such sectors as wholesale, retail and public sector/financial institutions.
3. Continuously developing long-term funding by issuing rupiah obligation and attaining long-term standby loan facility in Rupiah currency as well as foreign currencies from local banks and foreign banks/international financial institutions.

4. Optimizing structured funding for liquidity requirements.

Bank BTPN's adequacy in policy and liquidity management (ALMA) is relatively sufficient and always updated with supporting indicators as follows:

1. Availability of contingency plan in accessing back-up liquidity.
2. Availability of relatively sound policy in line with the assets and liabilities structures.
3. Availability of provisions and procedures of authority limits on liquidity management.
4. Accountability and the path to delegation of authority is applied in accordance with the needs of the Bank.

Strategic Plans in 2021

For fiscal year 2021, the Treasury Business Segment continue to maintain liquidity as required. Moreover, it will continue to take into account the credit growth which is estimated to recover. Thus, the Bank's performance will improve.

Performance Achievement

Up to end of 2020, placements with Bank Indonesia and with other banks amounted to Rp17.0 trillion, up by 91.8% from Rp8.8 trillion recorded in 2019. The largest increase came from placements in time deposits that increased by Rp9.3 trillion. Marketable securities at the end of 2020 amounted to Rp14.8 trillion, an increase of 39.0% from Rp10.7 trillion in 2019.

Meanwhile, foreign exchange transaction with customers increased by 10.3%. Income from fee margin declined by about 9.6% compared to the year 2019.

In 2020, bonds payable amounted to Rp993 billion, while borrowings received amounted to Rp31.2 trillion.

Interbank loan was recorded at Rp6.5 trillion. As interbank loan bears lower interest rate, efficiency in interest expenses was achieved in line with the direction of the management.

In terms of liquidity, the Bank's performance is sufficiently good, as shown by several indicators below:

1. The loan to deposit ratio (LDR) is relatively moderate 134%. For US Dollar-denominated borrowings, in addition to funding from customer deposits, the Bank also rely on offshore borrowing from SMBC.
2. Liquidity indicators, such as Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR) were at safe levels: 282% for LCR and 115% for NSFR.
3. Dependency on concentration risk as visible from the ratio of total 50 main depositors to total customer deposits position as of 31 December 2020 that reached 34.45%. In line with the growth of third-party funds, BTPN will continue to take efforts to reduce the concentration risk level.
4. Funding was relatively stable even though it experienced a slight decrease, namely 0.2% up to December 2020. Customer deposits growth reached 15.9% and balanced with a decline in borrowings at 15.7%.

Description	Unit	2020	2019	2018
Number of Customers	Unit	1,252	837	-
Volume Foreign Exchange	Million USD	11,414	10,240	7,322
Volume Derivatives	Million USD	455	524	432



SHARIAH BANKING

The shariah banking business of BTPN is managed by a subsidiary, namely PT Bank Tabungan Pensiunan Nasional Syariah Tbk (BTPN Syariah). The entity became a public company with its shares registered in the Indonesia Stock Exchange since the year 2018.

In line with the vision and mission, the Bank's shariah business remained focused on the mass market segment or the low-income communities. This policy was undertaken as the market potential is very vast, however there was no conventional nor shariah banks that focus on this market. For BTPN Syariah, this was altogether an opportunity as well as a calling.

For that reason, in the midst of COVID-19 calamity that occurred in the year 2020, the Bank remained consistent and focused with the direction and policy set forth since the year 2017, namely to form the "Shariah Digital Ecosystem" for the productive poor segment. The 4 (four) pillars of its focus are to develop operational excellence, increase the bank's asset, explore fee-based income and strengthen the organization.

BTPN Syariah will also continue to support the regulator's or the government's programs, such as the following:

1. Financial relief options for impacted customers in accordance with POJK No. 11 POJK.04/2020 on the National Economic Stimulus as the Countercyclical Policy on the Impact of the Spread of the 2019 Coronavirus Disease.
2. Regulation of the Minister of Finance of the Republic of Indonesia No. 71/PMK.08/2020 on the Procedures of the Government's Guarantee through a Guarantee Business Entity appointed for the Implementation of the National Economic Recovery Program.
3. Qanun Aceh No. 11 of the Year 2018 on Shariah Financial Institution
4. Regulation of the Financial Service Authority (OJK) No. 51 of the Year 2017 on Sustainable Financial Action.

In addition, together with Bank Indonesia that reduced the benchmark interest rate, BTPN Syariah also responded to the policy. The Bank periodically reduced the rate indication of Third Party Funds (DPK) by referring to Bank Indonesia's interest rate.

Initiatives and Strategies

The COVID-19 pandemic has led many countries to adjust their policies related to health protocols, such as with lockdown and social distancing for the public. The impact of such policies has caused the economic wheel to slow down. Almost every country in the world, including Indonesia has responded with the reduction of benchmark interest rate by the Central Bank, expansive fiscal policy and extension of financial stimulus by the government.

In such circumstances, a number of initiatives and strategies implemented by the Bank throughout the year 2020 have included the following:

1. Actively take part in supporting the national economic recovery set-forth by the government, especially for the Micro, Small and Middle Scale Business (UMKM).
2. The Bank remains consistent to implement vigilant and focused principles towards the productive poor segments with discipline as well as to support with inclusive financial initiatives so that the mentioned segments are able to obtain banking access, services and products that provide the feeling of security and convenience with the principles of Shariah.
3. Continue to safeguard financial performance and grow in line with the principle of "Do Good, Do Well." BTPN Syariah continuously ensure that good financial performance will always be balanced with meaningful and measurable social impact. BTPN Syariah will not only acquire financial advantage but also will always ensure to keep generating positive impact on the lives of the productive poor customers, that would make their life better.

4. From the financing side, the Bank has also such initiatives and strategies as follows:
 - a. Bundling of saving products with financing to Tunas Usaha Rakyat (TUR) customers.
 - b. Selling of Basic Saving Account (BSA) and Regular Saving Account (RSA) from the “Mitra Tepat” (meaning the right partner) services to the mass market segment.
 - c. Developing shariah financial products by establishing savings or deposit products in accordance with Shariah principles. (Tepat Tabungan, Tepat Tabungan Platinum, Tepat Deposito, Tepat Tabungan Rencana, and Tepat Giro products).
 - d. The Hajj Pilgrimage Savings Account product with the permission from SISKOHAT.
 - e. Branch offices with the main focus on financing services proven successful at BTPN Conventional/Commercial Banks.
 - f. Internet banking services to provide simpler accessibility and transactional convenience for customers to be able to manage anytime and anywhere without having to go the branch office.
 - g. Conduct cooperation with BTPN Conventional, both at the Wholesale, Public Sector as well as Retail Funding business units to offer shariah financial products through the Commercial Bank Shariah Services concept.
 - h. Manage shariah funding liquidity efficiently and effectively through the money market desk at the Treasury, among others: interbank facilities with BTPN conventional/commercial and other shariah banks.
 - i. Automated Teller Machine (ATM) covering ATM cards and ATM machine services itself to increase financing.

2021 Strategic Plans

For next year, the Bank will continue with the 4 (four) major strategic steps pioneered since the last 3 (three) years, namely as follows:

1. Develop Operational Excellence to ensure effectiveness and efficiency of services.
2. Increase Bank's Assets.
3. Explore fee-based income.
4. Strengthen the Bank's organizational capabilities, in terms of capital, technology as well as human resources and the organization so that the Bank's risk management and good corporate governance (GCG) can be thoroughly implemented, with the predicate of risk composite at position 2 maintained and continue to safeguard capital stability as a BUKU 3 bank.

Performance Achievement

By the end of fiscal year 2020, the total asset of BTPN Syariah amounted to Rp16.435 trillion. Compared to the year 2019 of Rp15.383 trillion, this was an increase of 7%.

In general, the performance of BTPN Syariah during the fiscal year was well maintained, as shown by several financial ratios which were steadily sustained, such as with BOPO and NPF gross ratios at the 72.4% and 1.9%, respectively. For CAR that calculates financing risk and operational risk was noted to reach 49.4%, far beyond the minimum stipulation set by regulator.

On financing, the total amount disbursed by BTPN Syariah throughout the year 2020 reached Rp9.523 trillion. Compared to the Rp 9.000 trillion in year 2019, this was an increase of 6%. Growth remains dominated by financing to the mass market segment that grew by 6% (year on year).

The quality of disbursed financing has also been well maintained,. On a net basis, NPF in the year 2020 reached 0.0%, while in the year 2019 it was noted at 0.2%. This was one of the best achievement compared to industry average. Meanwhile, performance in funds collection, the total Third Party Funds (TPF) accumulated by the Bank totaled Rp9.780 trillion. The amount increased by 4% if compared to Rp9.446 trillion in the previous year.

The growth rate of DPK was directly correlated with Financing to Deposit Ratio (FDR) of which until the end of the fiscal year reached 97.4%. According to the Bank's policy, third party funds' acquisition must be harmonized with the growth rate in funds disbursement so that FDR level can be well maintained in line with the target.



PROFITABILITY BY BUSINESS SEGMENT

(Rp Million)

Indicator	Retail Banking			Corporate Banking		
	2020	2019	2018	2020	2019	2018
Net Interest Income/(Expenses)	3,024,241	3,390,763	3,542,223	1,971,878	1,519,206	-
Net Operating Income/(Expenses)	(2,019,912)	(2,039,224)	(1,931,192)	(426,443)	(37,965)	-
Income/(Loss) Before Tax	1,004,524	1,345,484	1,610,745	1,545,359	1,481,241	-
Net Income/(Loss)	799,360	1,001,118	1,155,818	1,229,733	1,102,129	-

(Rp Million)

Indicator	UMKM			Funding & Treasury		
	2020	2019	2018	2020	2019	2018
Net Interest Income/(Expenses)	716,642	785,909	1,042,545	1,371,704	1,362,052	1,936,046
Net Operating Income/(Expenses)	(1,778,897)	(1,303,368)	(1,309,200)	(1,105,672)	(1,525,919)	(1,635,215)
Income/(Loss) Before Tax	(1,060,641)	(517,556)	(266,778)	262,205	(168,496)	276,442
Net Income/(Loss)	(844,015)	(385,092)	(191,431)	208,652	(125,370)	198,366

(Rp Million)

Indicator	Sharia Banking		
	2020	2019	2018
Net Interest Income/(Expenses)	3,539,963	3,933,765	3,079,594
Net Operating Income/(Expenses)	(2,420,323)	(2,052,701)	(1,777,045)
Income/(Loss) Before Tax	1,124,296	1,878,249	1,299,019
Net Income/(Loss)	854,614	1,399,633	965,311

Financial Performance Review



Customer Deposits

Rp **100.8** trillion

The increase in Customer Deposits were accompanied by efforts to reduce the cost of funds in line with the reduction of Bank Indonesia benchmark interest rates.



Total Equity

Rp **33** trillion

Total Equity increased by 4.74% to reach Rp33 trillion, reflecting the increase in retained earnings. The Bank maintained a solid CAR of 25.55%, higher than industry average.

By the end of the fiscal year 2020, the Bank recorded total Customer Deposits of Rp100.8 trillion, increasing 15.93% over the amount in 2019 of Rp86.9 trillion. The balance of CASA funds also increased by 13.81% from the corresponding period the previous year. The increase in Customer Deposits reflects positively on customer confidence as well as the solid business foundation of BTPN.

Depiction of BTPN's financial performance is prepared in line with the consolidated financial statements reported in accordance with the Financial Accounting Standards (FAS/SAK) for the year ended 31 December 2020. The report is also part of the 2020 Annual Report.

BTPN's performance in the year 2020, the same as the banking industry, is impacted by the COVID-19 pandemic. All the more so as a response to such a condition, Bank Indonesia has 5 (five) times lowered the benchmark interest rate, BI 7-day (reverse) Repo Rate. From 5.00% at the beginning of the year, to 3.75% by mid December. Financial Service Authority (OJK) also issued the loan restructuring policy for the banking industry as a countercyclical policy on the impact of the spread of COVID-19. This is contained in the OJK Regulation No. 11/POJK-3/2020 concerning "the National Economic Stimulus as the Countercyclical Policy on the Impact of the Spread of 2019 Corona Virus Disease", which was amended by the enactment

of OJK Regulation No. 48/POJK-3/2020 concerning "Amendment of OJK Regulation No. 11/POJK-3/2020". With this amendment, the loan restructuring policy, which was initially set to end by 31 March 2021, was then extended for another one year until 31 March 2022.

Nevertheless, BTPN managed to maintain strong fundamentals in 2020 amidst global and domestic economic uncertainty due to the COVID-19 pandemic. BTPN focuses on ensuring the health of customers and employees, working with impacted debtor customers, and supporting their business continuity by relaxing credit according to OJK regulations and at the same time also realizing the facilities of the National Economic Recovery (PEN) program.



BTPN mitigates impacts and risks by selective lending, restructuring and managing credit costs, proactively managing NPLs, reducing funding costs, actively managing liquidity and funding and improving operational effectiveness on an ongoing basis. In addition, it also continues to accelerate digital banking capabilities to provide banking services that are not only relevant but answer pandemic challenges for customers.

The following is the financial performance review for 2020 and 2019. BTPN has merged with SMBCI since 1 February 2019.

BALANCE SHEET

ASSETS

As of the end of fiscal year 2020, total assets posted by BTPN reached Rp183.2 trillion. Compared to the Rp181.6 trillion in 2019, an increase of 0.8% was posted. The increment was contributed mainly from

the placement with Bank Indonesia and other banks and securities along with the quite significant growth in third-party funds.

Loans disbursed declined in line with the slowdown of lending in the banking industry due to weakening economic activity as a result of the COVID-19 pandemic.

The decline in loans by BTPN was mostly evident in the Consumer Financing and the MSME segments. The decline in lending is also attributable to weakening business activities as well as higher loan repayments compared to new credit facilities. Nevertheless, loans in the Corporate and Sharia segments still recorded positive growth of 3.9% and 5.8% (yoy), respectively, to Rp78.6 trillion and Rp9.5 trillion, respectively.

Asset Performance

(Rp Million)

Description	2020	2019	2018
Cash	2,433,196	2,299,062	1,838,136
Current Accounts with Bank Indonesia	5,616,968	8,987,079	5,248,644
Current Accounts with other banks	896,568	1,056,904	841,464
Placements with Bank Indonesia and other banks	16,954,868	8,839,876	11,720,619
Securities	14,804,656	10,654,624	6,806,407
Securities purchased under resale agreement	-	-	1,591,672
Loans and Sharia financing/receivables	136,212,619	141,760,183	68,136,780
Fixed Asset – Net	2,357,987	1,893,746	1,786,727
Intangible Assets – Net	1,040,599	1,068,542	940,830
Other Assets	2,848,517	5,071,369	2,429,945
Total Assets	183,165,978	181,631,385	101,341,224

The cash position of BTPN in the year 2020 reached Rp2.4 trillion, an increase of 5.8% if compared to the previous year at Rp2.3 trillion.

Current accounts with Bank Indonesia dropped by 37.5%, from Rp9.0 trillion to Rp5.6 trillion.

Financial Assets

BTPN's financial assets consist of current accounts with Bank Indonesia, current accounts with other banks, placements with Bank Indonesia and other banks, securities, derivative receivables, acceptance receivables, and loans. Most of the financial assets are in the form of loans that amounted to Rp136.2 trillion or 77.0% of the total financial assets.

By the end of fiscal year 2020, the financial assets owned by BTPN totaled Rp176.9 trillion. Compared to the year 2019, an increase of 1.7% was recorded. The increase was mainly due to placements with Bank Indonesia and other banks. Financial assets measured at acquisition cost are in the form of Bank Indonesia Sukuk, Sovereign Shariah Securities, Government Bonds, Export Bills and others, worth a total of Rp5.0 trillion.

While financial assets measured at fair value through other comprehensive income in the forms of Government Bonds and Sharia Mutual Funds are worth a total of Rp 9.8 trillion.

Loans

The total amount of loans disbursed during fiscal year 2020 amounted to Rp136.2 trillion. Compared to the Rp141.8 trillion in 2019, loans disbursed declined by 3.9%. The decline was mostly caused by the COVID-19 pandemic which became a tough challenge for the banking industry. The slowdown in lending was also caused by weakening business activity and higher loan repayments compared to new credit facilities.

The business segment which was mostly impacted by the COVID-19 pandemic in the year 2020 was the Consumer Financing and MSME (UMKM) segments. The business segment which managed to post growth was the Corporate and Shariah Financing segments, each posted growth of 3.9% and 5.8%, respectively. While the Pension business segment decreased more due to Pension business reached maturity.

The year 2020 was full of challenges with the uncertainties and pressures due to the impact of COVID-19 pandemic. The Bank was proactive in supporting its debtors, and especially those debtors most impacted by the pandemic, by providing financial solutions adjusted to debtors' condition and a loan restructuring policy in accordance with related government regulations. As of December 31, 2020, the outstanding balance of restructured loan due to COVID-19 was Rp8.75 trillion. This amount is equivalent to 6.42% of the total consolidated loans portfolio.



Loans by Segment

(Rp Million)

Segment	2020	2019	2018
Growing Business			
Corporate	78,642,664	75,713,860	-
Small and Middle-Scale Business	12,545,170	13,883,980	12,898,289
Consumer Financing	2,181,035	5,561,484	5,634,680
Shariah Financing/Receivables	9,522,866	8,999,574	7,277,162
Others	307,548	378,871	823,006
Mature Business			
Retail Lending	32,107,874	35,611,265	38,459,840
Micro	905,462	1,611,149	3,043,802
Total	136,212,619	141,760,183	68,136,780

Loans based on utilization is marked by the biggest portion for working capital, at the amount of Rp72.3 trillion or a slight decrease of 0.5% compared to the year 2019.

While disbursed investment loans amounted to Rp30.7 trillion, an increase of 2.1%. Meanwhile for other uses, such as consumer loans at the amount of Rp33.2 trillion was a decline of 14.9% if compared to the year 2019.

Loans based on Utilization

(Rp Million)

Utilization	2020	2019	2018
Working Capital	72,263,707	72,622,684	23,208,258
Investment	30,715,053	30,084,752	3,234,863
Consumer	33,233,859	39,052,746	41,693,660
Jumlah	136,212,619	141,760,183	68,136,780

BTPN's credit quality was maintained well, as reflected by NPL gross (Consolidation) 1.21% at the end of December 2020. This figure was relatively low compared to the banking industry NPL which at the end of December 2020 was recorded at 3.06%.

BTPN's capability to maintain the non-performing loan at a very low level was attributed to the results from the continuous development efforts in risk management implementation. Risk management also ensures that risk level is aligned to the Bank's capability to absorb risks.

Loans by Collectibility

(Rp Million, unless noted otherwise)

Utilization	2020	2019	2018
Current	130,019,658	136,164,728	65,838,753
Special Mention	4,550,761	4,442,850	1,453,471
Total Performing Loan	134,570,419	140,607,578	67,292,224
Substandard	700,012	326,913	193,589
Doubtful	138,451	280,541	281,207
Loss	803,737	545,151	369,760
NPL	1,642,200	1,152,605	844,556
Total Loans	136,212,619	141,760,183	68,136,780
NPL-Gross	1.2%	0.8%	1.2%
NPL-Net	0.5%	0.4%	0.5%
LLP/NPL	208.4%	127.3%	134.3%

LIABILITIES

Liabilities of BTPN are mainly derived from customer deposits, including temporary syirkah funds, which in 2020 reached 67.1% of total liabilities. Compared to 2019, the total third-party funds and temporary syirkah funds increased by 9.2%.

The increase in customer deposits was mostly contributed by Jenius and Corporate banking services. Such increase of funds was offset by the decrease in deposits from other banks as well as in borrowings, thus the overall total liabilities was stable if compared to the previous year.

Liabilities Growth

(Rp Million)

Description	2020	2019	2018
Deposit from Customers	92,865,540	79,388,815	64,851,852
Temporary Syirkah Fund	7,923,366	7,550,664	5,992,860
Deposit from Other Banks	6,549,336	11,633,474	14,394
Securities Issued	993,045	3,190,628	1,197,442
Borrowings	31,064,289	38,047,455	8,442,765
Others	10,805,649	10,348,421	2,055,581
Total Liabilities	150,201,225	150,159,457	82,554,894

Customer Deposits

Total customer deposits including temporary syirkah funds booked by BTPN up until the end of fiscal year 2020 amounted to Rp100.8 trillion, a 15.9% increase if compared to the Rp86.9 trillion in 2019.

CASA balance increased by 13.3% compared to the same period last year. Efforts to raise third party funds are carried out in line with efforts to reduce the cost of funds in line with the downward trend in Bank Indonesia's benchmark interest rate. The growth of the Bank's third party funds cannot be separated from the high level of customer confidence as well as the strong business foundation of BTPN. The CASA ratio slightly dropped to 27.5% compared to 28.1% in 2019, reflectin the higher rate of increase of total customer deposits compared with the rate of increase of CASA funds.

Details of Customer Deposits (Including Temporary Syirkah Fund)

(Rp Million)

Description	2020	2019	2018
Current Account	15,760,708	14,374,226	1,118,905
Saving Deposits	11,929,298	10,060,583	7,843,220
Time Deposits	73,098,900	62,504,670	61,882,587
Total	100,788,906	86,939,479	70,844,712

From the currency aspect, most of the deposits were in rupiah denomination, which amounted to Rp90.4 trillion or 89.7% of the total customer deposits. While deposits in foreign currency amounted to Rp10.4 trillion or 10.3% of the total customer deposits. Compared to the previous years, rupiah proportion was increased by 3.6%.

Customer Deposits by Currency (Including Temporary Syirkah Fund)

(Rp Million)

Description	2020	2019	2018
Rupiah	90,430,613	74,867,803	66,620,481
Foreign Currency	10,358,293	12,071,676	4,224,231
Total	100,788,906	86,939,479	70,844,712



EQUITY

By the end of fiscal year 2020, BTPN's total equity was recorded at Rp33.0 trillion, which consisted of share capital, additional paid-in capital, reserves on revaluation of fixed assets and others. Compared to the amount of Rp31.5 trillion in 2019, the increase was 4.7%, mainly from the increment of retained earnings balance.

Equity Growth		(Rp Million)		
Description	2020	2019	2018	
Share Capital	162,979	162,979	117,033	
Additional paid-in capital	11,158,710	11,158,702	1,458,886	
Reserve on revaluation of fixed assets	801,553	801,553	801,553	
Reserve on share-based payment	-	244,012	281,748	
Reserve on fair value – net	101,255	12,176	3,527	
Returns not realized on marketable securities available for sale, after tax	-	-	-	
Transaction with non-controlling interest	(24,267)	(24,267)	(24,267)	
Retained earnings (appropriated and non-appropriated)	19,017,089	17,775,292	15,228,584	
Treasury shares	(262,404)	(262,404)	(262,404)	
Non-controlling Interest	1,749,037	1,603,885	1,181,670	
Other equity components	260,801	-	-	
Total Equity	32,964,753	31,471,928	18,786,330	

PROFIT AND LOSS PERFORMANCE

Until the end of fiscal year 2020, Bank BTPN managed to post net profit after tax (NPAT) of Rp2.0 trillion, and NPAT attributable to owner of parent entity of Rp1.7 trillion, lower by 32.0% compared to the Rp2.6 trillion in 2019.

The pressure due to COVID-19 pandemic to macro economic conditions also impacted on the banking sector, mostly as the result of restrictions on economic activities to arrest the spread of COVID-19. The Bank also faces restrictions in its business activities, including its subsidiary BTPN Syariah (BTPNS), where the implementation of PSBB have restricted financing and revenue generating activities at BTPNS. In accordance with the provisions of the Financial Services Authority (OJK), Bank BTPN collaborates with affected customers, and supports their business continuity by conducting credit relaxation, either in the form of lowering interest rates or postponing loan interest payments. The Consumer Financing and MSME segments are the segments most affected. Meanwhile, in the Corporate segment, interest rates were very

competitive in line with the decline in benchmark interest rates, so that the Bank experienced a decrease in yields in this segment. This situation caused pressure on interest income, especially when the Bank also experienced pressure on high-yield businesses, namely the Consumer Financing and MSME segments due to credit restructuring. On the other hand, the Bank can reduce the cost of funds, which is down from 5.3% to 3.7%, so that the Bank's interest expense can be reduced. However, overall, net interest income (NII) decreased by 3.3% to Rp10.6 trillion.

Meanwhile, BTPN experienced an increase in fee income by 4.5% mainly from the increase in gain from foreign exchange transaction and from derivative transactions.

Operating expenses were recorded at Rp6.9 trillion, or 3.5% lower than the previous year, mainly due to restrictions in some operational activities with reduced activities such as travel and marketing during the pandemic.

The weakening of the economic sector due to COVID-19 and its impact on bank debtors has caused Bank BTPN to set aside additional allowance for impairment losses of Rp2.8 trillion in 2020.

Details of the profit and loss performance for 2020 are presented in the table below.

Profit-Loss Performance

(Rp Million)

Description	2020	2019*	2018
Interest Income	16,403,483	18,680,979	14,126,651
Interest Expense	(5,779,055)	(7,689,284)	(4,526,243)
Net Interest Income	10,624,428	10,991,695	9,600,408
Other Operating Income	1,688,837	1,616,578	600,139
Other Operating Expense	(9,682,751)	(8,575,754)	(7,252,791)
Profit Before Income Tax	2,633,076	4,018,922	2,919,428
Net Profit For the Year	2,005,677	2,992,418	2,128,064
Net Profit Attributable to Owners of the Parent	1,749,293	2,572,528	1,838,471

* Certain accounts in the comparative information have been reclassified to conform with the presentation of the consolidated statements of profit or loss and other comprehensive income for the year ended 31 December 2020.

Operating Revenues

BTPN's operating revenues in the year 2020 declined by 2.3% compared to the year 2019. This was mainly due to the reduction in the interest income as the result of lower loans, loan restructuring in addition to the lowered loan yield triggered by the reduction in BI's 7-day Reverse Repo interest rate. Part of the impact of this decrease can be offset by a decrease in interest expenses.

Operating Expense

The COVID-19 pandemic has pressured on business activities which impacted on financing disbursed by BTPN. This condition contributed to the increase in operating expenses, especially in the allowance for impairment losses. The weakening of the economic sector due to COVID-19 and its impact on the debtors caused BTPN to set aside an allowance for impairment losses of Rp2.8 trillion. Meanwhile, other Operating Expense (other than allowance for impairment losses) were lower by 3.5% compared to the year 2019, mainly due to less expenses for travel and marketing as the impact of mobility restriction amid the pandemic.

CASH FLOWS

BTPN logged its cash and cash equivalent by the end of the year 2020 at the amount of Rp25.2 trillion, a 27.1% increase compared to the year 2019 with Rp19.8 trillion. Growth in the cash flow performance was mainly contributed by the net cash obtained from operation activities that accounted for 74.0% of the total cash and cash equivalent.

Cash Flow Performance

(Rp Million)

Description	2020	2019	2018
Net cash flows provided from (used in) operating activities	18,663,821	(11,970,920)	4,585,807
Net cash flows (used in) provided from investing activities	(3,805,233)	11,301,087	(573,678)
Net cash flows (used in) provided from financing activities	(9,462,054)	122,307	1,505,543
Net increase (decrease) in cash and cash equivalent	5,396,534	(547,526)	5,517,672
Effect of exchange rate changes on cash and cash equivalent	(10,562)	(35,026)	(10,878)
Cash and cash equivalents at the beginning of year	19,841,659	20,424,211	14,917,417
Cash and cash equivalent at the end of year	25,227,631	19,841,659	20,424,211



Cash Flow for Operating Activities

Net cash obtained from operating activities during the year 2020 reached Rp18.7 trillion, the opposite condition with the contractions that occurred in the previous year. This condition was derived by higher of third party funds and lower loan to customers, which the opposite of previous year.

Cash Flow from Investment Activities

Net cash obtained from investment activities during the year 2020 was recorded negative. This condition was caused by increased of net securities purchase during 2020, while in 2019 the increment was due to cash and cash equivalents transfer due to merger.

Cash Flow from Financing Activities

Net cash obtained from financing activities was similar to the investment cash flow, changed from positive to negative. This condition was caused by payment of securities issued and installment payments and settlement of borrowings.

CAPABILITY TO PAY DEBT

Capability to Pay Short and Long-Term Debt

BTPN has good liquidity and solvability levels. This is reflected in its ability to meet maturing obligations on time, for the payment of both debt principal and interest expenses.

The capability to fulfill the short and long-term obligations was also assessed as very good, as endorsed by the statement of an external rating institution. PT Fitch Rating Indonesia maintained the National Rating for long-term and short-term with AAA(idn), Stable Outlook and F1+(idn) respectively. Meanwhile PT Pemeringkat Efek Indonesia/PEFINDO (the Indonesian Securities Rating company) presented the company's rating as idAAA (Triple A, Stable Outlook).

Liquidity Ratio

Ratios used to measure sound liquidity level, among others, are Loan to Deposit Ratio (LDR), Macroprudential Intermediation Ratio (MIR), Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR).

The Bank's LDR and MIR as of 31 December 2020 were at 134% and 106%, respectively. In addition to customer deposits, the Bank also rely on loans from parent entity, borrowing from other banks, and issuance of securities, as sources of funding. The LCR and NSFR ratios as of 31 December 2020 were 282% and 115% respectively, or far beyond the stipulated limit of 100% set by OJK. Thus, overall liquidity level of Bank BTPN remained very sound.

Solvability Ratio

Another parameter related to the capability to pay debt is the capital ratio measured through solvability ratio. BTPN always maintain its sound capital, among others by fulfilling the Capital Adequacy Ratio (CAR) in line with the provisions set by regulator.

BTPN's solvability or capability to pay debt is also reflected in the level of capital adequacy to cover credit, market and operational risks. The capital adequacy ratio (CAR) as of 31 December 2020 reached 25.6%, an achievement beyond the provision set forth by Bank Indonesia and this reflects ample room for future growth.

Loan Collectibility

BTPN continuously maintain its productive asset quality for sustainable quality business performance. This is shown, among others, through the loan collectibility level.

Details of Loan Collectibility

(Rp Million, unless stated otherwise)

Description	2020	2019	2018
Current	130,019,658	136,164,728	65,838,753
Arrears 1-90 days	4,550,761	4,442,850	1,453,471
Arrears >90 days	1,642,200	1,152,605	844,556
Total loan in arrear	6,192,961	5,595,455	2,298,027
Total loans – gross	136,212,619	141,760,183	68,136,780
% of total in arrear to total loans – gross	4.55%	3.95%	3.37%

In 2020, BTPN's total loan in arrears (gross) amounted to Rp6.2 trillion, representing 4.55% of the total loan. This was an increase from the 3.95% in the year 2019. The increase resulted from increased credit risk due to the COVID-19 pandemic. BTPN continues with efforts to control credit risk so that collectibility of disbursed loan can be well maintained.

Credit quality can also be viewed from the level of non-performing loan (NPL). As of 31 December 2020, the NPL-gross was at 1.21% and NPL-net at 0.50%, which represented an increase from 0.81% and 0.43%, respectively, in 2019. However, such an achievement remains better than the industry's average.

PRIME LENDING RATE

According to the Financial Services Authority Regulation No. 32/POJK.03/2016 on Transparency and Publication of Bank Reports and Financial Services Authority Circular Letter No. 9/POJK.03/2020 on Transparency and Publication of Conventional Commercial Bank Reports, all commercial banks are required to report and publish the Prime Lending Rate (PLR). This publication, among others, is to provide clarity and convenience for customers to contemplate on the benefit, costs and risks of the credit offered.

In addition, PLR also signifies efforts to improve good corporate governance as well as encourage sound competition in the banking industry. Banks categorized PLR based on credit segmentation into 4 groups, namely Corporate, Retail, Micro and Consumer. Details on this are provided in the table below.

Prime Lending Rate (Period 31 December 2020)

	Rupiah Prime Lending Rate Based on Credit Segment				
	Corporate Loan	Retail Loan	Micro Loan	Consumer Loan	
				Mortgage	Non-Mortgage
Prime Lending Rate (PLR)	6.08%	9.92%	15.87%	-	10.34%

During 2020, adjustments to the Prime Lending Rate made by BTPN reach at over 1% ((for the Corporate, Retail and Non-Mortgage Consumption segments). These changes are in line with BI's 7 days reverse repo interest rate, which fell by 1.25%.

CAPITAL STRUCTURE

Basis and Policy on Capital Structure

BTPN continues to maintain capital adequacy to support business growth and protect the Bank from market volatility. In its management, the Bank continues to sustain balance between capital efficiency and return of shareholders' investment, by retaining the availability of additional capital to adequately cover potential risks.

The Bank has submitted its report to OJK on the process conducted to establish its Internal Capital Adequacy Assessment Process (ICAAP), in line with prevailing regulations. The Bank also continues to ensure its capital is adequate in line with its risk profile.

In managing its capital on credit risks, the Bank uses the standard approach which calculates the risk-weighted assets (RWA) based on Bank Indonesia's guidelines and rating by rating agencies.

BTPN measures its capital adequacy for operational risks based on the Basic Indicator Approach Method in line with prevailing regulations from Bank Indonesia and the Financial Services Authority. The method allows the Bank to allocate capital for operational risks based on historical data, equivalent to the average gross income in the last 3 years, multiplied by prevailing coefficient factor of 15%.

In accordance with Financial Services Authority Regulation (POJK) No. 11/POJK.03/2016 on Minimum Capital Requirements for Commercial Banks and Financial Services Authority Regulation No. 34/POJK.03/2016 on the amendment to POJK No. 11/POJK.03/2016, the Bank is required to provide a minimum capital in accordance with its risk profile.



The minimum capital requirement for banks with a risk profile rating of 2 is 9% up to less than 10% of the Risk Weighted Assets (RWA).

In addition to the requirement to meet minimum capital based on a risk profile, the Bank is also required to provide additional buffer capital with details as follows: (i) Capital Conservation Buffer, (ii) Countercyclical Buffer, and (iii) Capital Surcharge for Domestic Systemically Important Banks (D-SIB).

For the year 2020, due to pandemic situation, the additional buffer capital applicable to the Bank is the Capital Conservation Buffer at 0% (from 2.5% in 2019), Countercyclical Buffer at 0% and the Capital Surcharge for D-SIB at 1.00%. The Countercyclical buffer and Capital Surcharge for D-SIB requirements will be reviewed by regulator twice every year. All buffer capital requirements must be fulfilled with Common Equity Tier 1 (CET 1).

Details of Capital Structure

The Bank's total capital as of 31 December 2020 was Rp36.3 trillion, an increase compared to the total capital at the end of 2019. This was due to the reduction in the deficiency between the Provision for Asset Quality Assessment (PPKA) and the allowance for impairment losses (CKPN) for productive assets in the core capital (Tier 1) component, so that the core capital balance increases. Meanwhile, the supplementary capital (Tier 2) has decreased mainly due to a decrease in capital instruments in the form of shares or others that meet Tier 2 requirements, namely subordinated loans, which have begun to be amortized in 2020.

Details of BTPN's capital structure are described in the table below.

Capital Structure Growth

(Rp Million, unless stated otherwise)

Capital Structure	2020	2019	2018
Capital Tier 1	29,426,916	27,259,773	15,898,538
Capital Tier 2	6,920,396	7,543,294	622,526
Total Capital	36,347,312	34,803,067	16,521,064
Risk Weighted Assets:			
Credit Risk	118,425,350	124,368,632	49,742,514
Credit and Operational Risk	141,752,434	142,780,626	67,077,208
Credit, Operational and Market Risk	142,253,917	143,582,952	67,131,441
Capital Adequacy Ratio:			
Credit Risk	30.7%	28.0%	33.2%
Credit and Operational Risk	25.6%	24.4%	24.6%
Credit, Operational and Market Risk	25.6%	24.2%	24.6%

Material Commitments Related To Capital Goods Investment

Up to the end of the year 2020, BTPN has no material commitment related to capital goods investment.

Realization Of Capital Goods Investment

Until the end of the 2020 financial year, the composition of investment in capital goods in the form of fixed assets and intangible assets as a whole increased by Rp13.1 billion, or 1.9%. Acquisition of fixed assets in 2020 decreased slightly by Rp3.3 billion, or 1.0%, compared to the acquisition in 2019, which was due to adjustments to the Bank's needs. However, this decrease was offset by an increase in intangible assets of Rp16.4 billion, or 4.3%.

Realization of Capital Goods Investment

(Rp Million)

Type of Capital Goods	2020	2019	2018
Fixed Assets	321,383	324,700	382,971
Intangible Assets	396,680	380,234	392,940
Total	718,063	704,934	775,911

MATERIAL INFORMATION AND FACTS ON SUBSEQUENT EVENTS

There is no material information and facts on subsequent events.

TARGET, REALIZATION AND PROJECTION

In 2020, conditions in the business world, including the banking sector, were full of challenges. Likewise with what happened to BTPN, so that the Bank has to revise the business targets that had been previously set.

COVID-19 has affected the banking industry, including BTPN, starting in the second quarter of 2020. In the first semester of 2020, BTPN conducted a study of the potential impact of COVID-19. The Bank need to make revisions to the Bank Business Plan (RBB). The Bank revised the RBB for the financial year ending December 2020, in the Revised RBB proposed at the end of June 2020. However, by the end of 2020, Bank

BTPN managed to record a Net Profit exceeding the target. BTPN posted higher revenue in Sharia due to more activities that could be carried out during the 4th Quarter than previously anticipated due to COVID-19, while posting a lower interest expense (lower cost of funds) as a result of the rate cuts in the benchmark interest rate.

In credit disbursement, the expected increase of 5-7% actually declined by 3.9%, as a result of slower lending activities. The business segment which was most impacted was the Consumer Financing and MSME (UMKM) segments. The business segment which managed to post growth was the Corporate and Shariah Financing segments, each posted growth of 3.9% and 5.8%, respectively.

Details of comparison between target and realization of the Bank's performance in the year 2020 is presented in the table below.

Comparison of Target and Realization

Description	Target 2020	Realization 2020
Loan Growth	5-7%	-3.9%
Customer Deposit Growth	16-18%	15.9%
Capital Adequacy Ratio	>22%	25.6%
ROA	<1%	1.4%
ROE	>3%	6.1%
NPL (gross)	<2%	1.2%

2021 Projection

The projection for 2021 is built with the assumption that COVID-19 will still have an impact on the economy and business activities during the year.

2021 Projection

Description	Target 2021
Loan Growth	5-7%
Customer Deposits Growth	5-7%
Capital Adequacy Ratio	>22%
ROA	>1%
ROE	>5%
NPL (gross)	<2%



PROSPEK USAHA

Preparing BTPN's business prospects includes consideration of the external conditions such as the national economic performance target set forth by the government. For the year 2021, the government's optimistic target for economic growth is set at 4.5-5.5%.

One of the important indications in the 2021 business prospects, BTPN and also the government, among others, refer to the availability of the COVID-19 vaccine which is expected to improve the control of the spread of the virus. The Ministry of Finance in the 2021 State Budget stated that the availability of COVID-19 vaccine will boost the confidence of the public and the business world in the acceleration of economic recovery.

Along with that, BTPN will continue to focus on proactively manage loan restructuring of customers impacted by the pandemic. The Bank adopts a more conservative risk appetite for the Small and Medium-Scale Enterprise (SME), Consumer and Business Partners of the People/Micro Financing segments during the year 2021 in its loans which gradually rising.

In 2021, BTPN will continue to rely on the Corporate segment, as the Bank has the risk appetite, core capabilities, and support from the global SMBC network to generate faster revenue growth in the segment. In the Corporate and Commercial segments, the Bank will channel loans selectively to maintain credit quality, and the Bank will also increase fee-based income along with an increase in the Transaction Banking and Treasury businesses. The Bank will also invest in and address the needs of these areas to generate additional revenue to support its future growth trajectory, to finance its investment and to sustain future growth while rebuilding its SME and Consumer Finance businesses and increasing the efficiency of its operations.

BTPN will continue with efforts to increase CASA and reduce the cost of funds, while maintaining healthy funding and liquidity. In terms of operational costs, the Bank will continue with effective cost management, which is expected to achieve a more optimum cost to income ratio.

BTPN will continue to invest in Jenius, which is digital banking for retail, to maintain its leadership position in Indonesian Digital Banking, thus supporting the growth of retail banking in the future. The Bank will

also optimize its pension and retail lending business portfolios and realign the Bank's resources in Mature Business, continue to transform its business and optimize its operating model.

The digital strategy will also continue to be a priority for the Bank in all segments. To that end, the Bank continue to strengthen Information Technology, Human Resources, Operations, Risk Management, Compliance and GCG to support business growth.

DIVIDEND

Dividend Policy

BTPN's policy on dividend distribution is established in the Annual GMS with consideration of the sufficiency of the retained earnings balance, prevailing laws and regulations such as the long-term and short-term capital requirements as well as expectancy in the Bank's growth and market condition. Recommendations on dividend distribution are proposed by the Board of Directors to the President Director and approved by the Board of Commissioners. The recommendations will then be submitted to the Annual GMS for approval by the Shareholders.

To support further business growth, BTPN does not have plans for dividend distribution in the next three years.

MANAGEMENT AND EMPLOYEE STOCK OPTION PROGRAM

Year 2015

BTPN exercised the Management & Employee Stock Options Program (MESOP) by issuing the rights option to purchase new shares from portfolio ("Rights Option") without Preemptive Rights to shareholders of the Company for the period from 2015 to 2020 ("Rights Option Program"). The exercise price to be set based on the Decree of Board of Directors of the Indonesian Stock Exchange No.Kep-00001/BEI/01-2014 dated 20 January 2014 on the Amendment to Regulation Number I-A on Listing of Shares (stock) and Equity-Type Securities Other Than Stock Issued by the Listed Company ("Regulation No. I-A").

The Company's Rights Option Program refers to the Financial Services Authority Regulation No. 38/POJK.04/2014 dated 29 December 2014 on Capital Increase of Public Companies Without Preemptive Rights.

Based on the Deed of Minutes of the Extraordinary General Meeting of Shareholders No. 50 dated 26 March 2015 made before Hadijah, SH, Notary in Jakarta, the Shareholders approved the Company's plan to conduct the Management and Employee Stock Option Program (2015 MESOP Program).

The benefits of the Rights Option Program for Bank BTPN are as follows:

1. The Rights Option Program is established to enhance the sense of ownership to the Company which in turn will improve the performance of each Participant of the Rights Option Program and eventually improve the performance of the Company.
2. The granting of the Rights Option to purchase shares, under the management and employees stock ownership program, is expected to generate coherence between the interests of the Company and the interests of the Program Participants.
3. Provision of rewards and incentives for Program Participants' contribution may enhance the performance of the Company's management and key personnels.
4. The granting of the Rights Option is expected to increase the Program Participants' loyalty and improve the Company's performance in the future by developing a program that is transparent, measurable and assures of its implementation.

Rights Option issued at each stage shall expire on 26 March 2020, namely within 5 (five) years effective since the date of approval of the BTPN General Meeting of Shareholders which approved the Rights Option Program.

Details of the 2015 Rights Option

Date of Rights Option	Exercise Price per Share (in Rupiah)	Number of Share (in thousands)
15 April 2015	4,000	141,575
10 July 2015	4,000	-
9 October 2015	4,000	-
8 January 2016	4,000	-
11 April 2016	4,000	-
11 July 2016	4,000	-
10 October 2016	4,000	10,500

Pelaksanaan seluruh hak opsi yang diterbitkan dibagi menjadi 6 (enam) periode yaitu:

1. Period I began since 1 May 2017

2. Period II began since 6 November 2017
3. Period III began since 7 May 2018
4. Period IV began since 5 November 2018
5. Period V began since 6 May 2019
6. Period VI began since 2 December 2019

The entire program to be conducted in 30 stock exchange days.

The Exercise Price of the Rights Option shall refer to the Decision of the Board of Directors of PT Bursa Efek Indonesia No. Kep-00001/BEI/01-2014 dated 30 January 2014 on the Amendment to Rule Number I-A on the Listing of Shares (Stock) and Equity Type Securities Other Than Stocks Issued by the Listed Company at minimum 90% of the average of closing price of the Company at the Indonesia Stock Exchange during 25 (twenty-five) consecutive stock exchange days prior to the date of the report on the Implementation Plan of the Rights Option Program.

The Company decided the exercise price for all the right option which will be issued amounted to Rp4,000 per share. The number of shares that can be issued within the Rights Option Program is maximum 233,611,491 shares or 4% from the issued and fully paid up capital in the Company.

Implementation Period of the 2015 MESOP Program

Phase	Number of Options	Number of Stock Options Offered	Number of Stock Options Executed	Number of Stock Options Forfeited	Exercise Price
I	131,445,000	39,433,500	-	240,000	-
II	129,235,000	38,770,500	-	1,350,000	-
III	119,180,000	71,508,000	-	1,620,000	-
IV	108,140,000	64,884,000	-	-	-
V	92,840,000	92,840,000	-	160,000	-
VI	91,260,000	91,260,000	-	-	-



Year 2016

Based on the Deed of Minutes of the Extraordinary General Meeting of Shareholders No. 60 dated 29 April 2016 made before Notary Hadijah, SH, in Jakarta, the shareholders approved to carry out the Company's plan for the Employee Stock Option Program (ESOP), or the Rights Option Stock Program to Employees of the Company and Employees of the Controlling Company (ESOP Program 2016).

As the program implementation aims to retain employees with high performance, in the effort to enhance a sense of ownership of the company that would support a harmony between the interests of the Company and the interests of the Employees, in addition to the MESOP Program 2015, the Board of Commissioners has also established an incentive program for employees of the Company and the Controlling Company to be granted the rights option to preemptive buy new shares to be issued by the Company for a special price referred to as Exercise Price (ESOP Program 2016).

The Right Option issued in each phase shall expire on 29 April 2021, meaning within 5 years since the date of approval of the BTPN Extraordinary General Meeting of Shareholders that approved the Option Rights Program.

Year 2017

Details of the rights option during the year 2017 are presented in table below.

Details of the 2017 Rights Option Program

Date of the Rights Option	Exercise Price Per Share (in Rp)	Number of Share
15 June 2016	2,617	56,645,000
9 September 2016	2,617	-
9 December 2016	2,617	-
10 March 2017	2,617	-
12 June 2017	2,617	-
11 September 2017	2,617	-
11 December 2017	2,617	-

The implementation period will be divided into 6 periods:

1. Period I starts on 28 May 2018
2. Period II starts on 17 December 2018
3. Period III starts on 28 May 2019
4. Period IV starts on 19 December 2019
5. Period V starts on 1 June 2020
6. Period VI starts on 17 December 2020

All above schedules will be conducted in 30 stock exchange days.

Specific conditions that may effect the rights and participation in the Rights Option Programs are as follows:

Condition	Consequences
Reaching retirement age/ early retirement/ expiration and non-extended contract/ termination due to health reasons/ manpower cut/ company takeover	Fully entitled to Rights Option allocated under the name of the participant
Death	Heirs of participant is fully entitled to Rights Option allocated under the name of the participant
Resignation/ discharged in dishonor due to act of violation/ Company or Controlling Company in bankruptcy/ in confiscation	Not entitled to Rights Option allocated under the name of the participant

The exercise price of Rights Option is applied with reference to the Decision Letter of the Board of Directors of PT Bursa Efek Indonesia No.: Kep-00001/BEI/01-2014 dated 30 January 2014 on the Amendment of Regulation No. I-A on the Listing of Shares (Stock) and Equity Type Securities Other Than Shares Issued by a Listed Company at the least 90% of the the average price of the Company's closing stock trading at the Indonesia Stock Exchange for 25 stock exchange days prior to the date of the Indonesia Stock Exchange report related to the implementation plans of the Rights Option Program. The Company sets the exercise price of all rights option to be issued at the amount of Rp2,617 per share. The number of shares that may be issued for the Rights Option Program at maximum of 116,805,746 shares or 2% of the paid-up capital and fully deposited in the Company.

Implementation Period of ESOP Program 2016

Period	Number of Option	Number of Stock Option Offered	Number of Stock Option Executed	Number of Stock Option Forfeited	Exercise Price (Rp)
I	52,690,000	15,807,000	10,670,600	54,000	2,617
II	39,072,400	5,073,400	1,112,900	-	2,617
III	21,000	90,000	12,000	-	2,617
IV	198,000	78,000	3,000	-	2,617
V	195,000	195,000	-	-	2,617
VI	195,000	195,000	-	-	2,617

REALIZATION OF USE OF PROCEEDS FROM PUBLIC OFFERING

Details of issued bonds as a result of Bank BTPN's public offering and the realization of the use of the proceeds are shown in the tables below.

Issued Bonds in Fiscal Year

Name of Bonds	Nominal (Rp)	Date of Issuance	Maturity Date
Shelf Registry Bonds III Bank BTPN Phase I Year 2016 B Series	300,000,000,000	11 July 2016	1 July 2019
Shelf Registry Bonds III Bank BTPN Phase II Year 2017 B Series	900,000,000,000	18 October 2017	17 October 2020
Shelf Registry Bonds IV Bank BTPN Phase I Year 2019 A Series	799,000,000,000	27 November 2019	26 November 2022
Shelf Registry Bonds IV Bank BTPN Phase I Year 2019 B Series	201,000,000,000	27 November 2019	26 November 2024
Medium Term Notes (MTN) II Year 2017 PT Bank Sumitomo Mitsui Indonesia	1,302,000,000,000	14 June 2017	14 June 2020

Realization of the Use of Proceeds from Public Offering

(Rp Million)

No.	Type of Public Offering	Effective Date	Value of Realized Public Offering Proceeds			Realization of Use of Proceeds		Remaining Proceeds from Public Offering
			Total Proceeds from Public Offering	Expenses of Public Offering	Net Proceeds	Plans for Use Proceeds	Realization of Use of Proceeds	
1	Bank BTPN Bonds I Year 2009	29 September 2009	750,000	8,699	741,301	741,301	741,301	0
2	Bank BTPN Bonds II Year 2010	18 May 2010	1,300,000	8,116	1,291,884	1,291,884	1,291,884	0
3	Bank BTPN Bonds III Year 2010	14 December 2010	1,100,000	6,476	1,093,524	1,093,524	1,093,524	0



No.	Type of Public Offering	Effective Date	Value of Realized Public Offering Proceeds			Realization of Use of Proceeds		Remaining Proceeds from Public Offering
			Total Proceeds from Public Offering	Expenses of Public Offering	Net Proceeds	Plans for Use Proceeds	Realization of Use of Proceeds	
4	Shelf Registry Bonds I Bank BTPN Phase I Year 2011	20 June 2011	500,000	5,057	494,943	494,943	494,943	0
5	Shelf Registry Bonds I Bank BTPN Phase II Year 2012	20 June 2011	1,250,000	6,069	1,243,931	1,243,931	1,243,931	0
6	Shelf Registry Bonds I Bank BTPN Phase II Year 2013	20 June 2011	750,000	3,668	746,332	746,332	746,332	0
7	Shelf Registry Bonds II Bank BTPN Phase I Year 2013	26 June 2013	5,800,000	5,292	794,708	794,708	794,708	0
8	Shelf Registry Bonds III Bank BTPN Phase I Year 2016	27 June 2016	1,000,000	6,483	993,517	993,517	993,517	0
9	Shelf Registry Bonds III Bank BTPN Phase II Year 2017	27 June 2016	1,500,000	5,871	1,494,129	1,494,129	1,494,129	0
10	Shelf Registry Bonds IV Bank BTPN Phase I Year 2019	27 November 2019	1,000,000 A series: 799,000 B series: 201,000	10,220	989,780	989,780	989,780	0

MATERIAL TRANSACTIONS CONTAINING CONFLICT OF INTEREST AND/OR TRANSACTIONS WITH AFFILIATED/RELATED PARTIES

Material Transactions Containing Conflict of Interest

Throughout the year 2020, there were no Material Transaction between COVID-19 BTPN and members of the Board of Commissioners, members of the Board of Directors that contain Conflict of Interest.

Transactions with Affiliated or Related Parties

During 2020, the Company recorded 1 (one) Affiliated Transaction which was carried out by (1) using the services of an Independent Appraiser, (2) announcing Information Disclosure regarding the Affiliated Transaction to the public, and (3) submitting Information Disclosure to OJK, but this Transaction was not requires approval from Independent shareholders.

The Affiliated Transaction in question is a Transaction with SMBC in the form of utilization and payment for information technology services, including development and maintenance costs for information technology, which includes:

- FOX application
- OBS application
- SMAR & TS application
- GBR application
- Online Circuit Application
- eKYC application
- SWIFT application, and
- Application for Bankers Almanac, submitted to the public and OJK on 18 May 2020.

Furthermore, in order to comply with Article 8 and Article 9 POJK 42/2020, related to Affiliated Transactions, which are the Company's business activities that are carried out in order to generate business income and are carried out regularly, repeatedly, and / or continuously. has been disclosed in the audited financial statements for the 2020 financial year, in a general note entitled Information Regarding Related Parties pages 175-178.

The Board of Directors of the Company in this case has stated that the Affiliated Transaction which is a business activity and is carried out after the enactment of POJK 42/2020 is carried out by complying with applicable procedures including Management of Legal Lending Limits and Affiliated Transactions.

Realization of Transactions with Affiliated/Related Parties

Related Party	Nature of Relationship	Nature of Transaction
Sumitomo Mitsui Banking Corporation, Bangkok	Affiliated Company	Current accounts with other banks; deposits from other banks
Sumitomo Mitsui Banking Corporation, Dusseldorf	Affiliated Company	Current accounts with other banks
Sumitomo Mitsui Banking Corporation, Europe Ltd	Affiliated Company	Current accounts with other banks
Sumitomo Mitsui Banking Corporation, Hongkong	Affiliated Company	Current accounts with other banks; deposits from other banks; derivative transactions
Sumitomo Mitsui Banking Corporation, Korea	Affiliated Company	Acceptance payable
Sumitomo Mitsui Banking Corporation, Malaysia Berhad	Affiliated Company	Deposits from other banks; derivative transactions
Sumitomo Mitsui Banking Corporation, New Delhi	Affiliated Company	Current accounts with other banks
Sumitomo Mitsui Banking Corporation, New York	Affiliated Company	Current accounts with other banks
Sumitomo Mitsui Banking Corporation Seoul	Affiliated Company	Securities
Sumitomo Mitsui Banking Corporation, Singapore	Affiliated Company	Current accounts with other banks; deposits from other banks; borrowings; subordinated loans; derivative transactions; Acceptance payable
Sumitomo Mitsui Banking Corporation, Tokyo	Controlling shareholders	Current accounts with other banks; deposits from other banks; derivative transactions
SMFL Leasing	Affiliated Company	Deposits from customers; loans; derivative transactions
Summit Oto Finance	Affiliated Company	Deposits from customers; loans; derivative transactions
Oto Multiartha	Affiliated Company	Deposits from customers; loans; derivative transactions
PT SBCS Indonesia	Affiliated Company	Deposits from customers
Nikko Securities Indonesia	Affiliated Company	Deposits from customers

Value of Transactions with Related Parties

Details of transaction balance with related parties are disclosed in Note 37 to the Consolidated Financial Statements as of 31 December 2020 that forms part of this Annual Report.

Fairness, Review Mechanism and Fulfillment of the Regulation on Transactions with Affiliated Parties

In performing its business activities, BTPN has the policies for granting approvals on transactions with related parties in fairness and appropriateness in accordance with prevailing laws and regulations. The Bank conducts certain transactions with related parties with the same requirements and conditions applicable with third parties.

BTPN performs transactions with related parties due to ownership and/or management relations. All transactions with related parties are carried out based on the policies and requirements mutually agreed upon.



INFORMATION ON TRANSACTIONS RELATED TO INVESTMENT, EXPANSION, DIVESTMENT, ACQUISITION AND RESTRUCTURING

During 2020, BTPN did not engage in any material corporate action.

CHANGE IN REGULATIONS WITH SIGNIFICANT IMPACT TO THE BANK

In 2020, several new regulations have been issued which may have an impact on the business activities of the Bank and its subsidiaries. The regulations include, among others:

- Financial Services Authority Regulation No.11 / POJK.03 / 2020 dated 13 March 2020 concerning National Economic Stimulus as a Countercyclical Policy on the Impact of Coronavirus Disease 2019, which came into effect since 16 March 2020. This policy regulates the quality of credit affected by COVID-19 and restructured is classified as current since the restructuring was carried out until 31 March 2021. This policy aims to encourage the optimization of the banking intermediary function, maintain financial system stability, and support economic growth. The policy is extended until 31 March 2022 with reference to POJK No. 48 / POJK.03 / 2020 dated 1 December 2020 which came into effect since 3 December 2020.
- Bank Indonesia Regulation No. 22/7 / PBI / 2020 concerning Adjustments to the Implementation of Several Bank Indonesia Provisions as the Impact of the 2019 Corona Virus Disease Pandemic (COVID-19). In order to support the implementation of government policies regarding large-scale social restrictions and to maintain the implementation of various BI regulations in accordance with its objectives.
- Regulation of Members of the Board of Governors No.22 / 10 / PADG / 2020 dated 29 April 2020 regarding Statutory Reserves (GWM) in Rupiah for Conventional Commercial Banks (BUK), Sharia Commercial Banks (BUS) and Sharia Business Units (UUS) regarding reduction Rupiah GWM of 2% from 5.5% to 3.5% for BUK and a decrease of 0.5% from 4% to 3.5% for BUS and UUS. This is an effort to maintain the availability of banking liquidity and mitigate risks from the impact of the domestic economic slowdown.

- Bank Indonesia Regulation No.22 / 4 / PBI / 2020 dated 26 March 2020, which came into effect on 1 April 2020 concerning Incentives for Banks Providing Provision of Funds for Certain Economic Activities to Support Handling the Economic Impacts of the Corona Virus Outbreak, regarding providing incentives in the form of relaxed GWM Daily rupiah of 0.5% for banks providing funds for certain economic activities to encourage banking intermediation during a certain period.
- Financial Services Authority Regulation No. 63 / POJK.03 / 2020 concerning Commercial Bank Reporting Through the Financial Services Authority Reporting System and SEOJK No. 26 / SEOJK.03 / 2020 concerning Conventional Commercial Bank Reporting Through the Financial Services Authority Reporting System. This policy contains technology-based supervision through digitizing reports to OJK, as part of the OJK, BI, and LPS reporting integration program and in line with technological developments.

CHANGES IN ACCOUNTING POLICIES IMPLEMENTED BY THE COMPANY IN THE LAST FISCAL YEAR, REASONS AND IMPACT OF CHANGES ON THE FINANCIAL STATEMENTS

Details of changes in accounting policies and the impact of such changes on the Financial Statements are disclosed in Note 2d and 47 to the Consolidated Financial Statements as of 31 December 2020 that forms part of this Annual Report. Reasons of changes on the financial statements were referring to implementation of accounting policies set by IAI.

COMPLIANCE AS TAX PAYER

BTPN continues to perform its responsibilities as a business entity, such as in paying tax. Details of such compliance implementation is presented in the table below.

Realization of Tax Payment

(Rp Million)

Tax Payment	2020	2019	2018
Corporate Income Tax	541,834	545,060	521,559
Employee Income Tax	306,888	318,760	229,246

INFORMATION ON BUSINESS CONTINUITY

Conditions in Fiscal Year 2020

In the fiscal year 2020, the condition which was most influential to BTPN as well as to the banking industry was the COVID-19 pandemic. The spread of the virus has ensued the national economy to enter recession. The majority of the business sectors' performance were heavily burdened that subsequently affect banking.

Such a condition has reduced BTPN's baseline. The SME segment, Consumer Financing and the lower segments (Micro and Shariah) was negatively impacted which caused the decline in volume, income, and increase in credit expenses significantly.

Nevertheless, BTPN remains capable of handling the negative impact of the the COVID-19 pandemic. For that reason, the situation will not influence the Bank's business continuity in times ahead.

The Use of Results from Reviews and Assumptions

In this COVID-19 pandemic circumstances, BTPN has performed a review, among which refers to the risk management framework. The Bank measured the risk level by adopting risk appetite set by the Bank.

From such consideration, up until the end of fiscal year 2020, the Bank discovered that the impact of the COVID-19 pandemic remained well managed. However, the Bank continues to closely monitor upcoming developments, that early warning signs will surface should risks that require the Bank to respond emerge.

One manifestation of the Bank's ability to manage the situation is seen in the level of non-performing loans (NPL) that can be maintained. Gross NPL increased from 0.81% in 2019 to 1.21% in 2020, but was still below the industry average.

Up to the publication of this 2020 annual report, BTPN did not find any findings of material uncertainty that may raise significant doubts regarding the Bank's ability to achieve the targets and continue business continuity.

Strategy Implementation

Given the situation related to COVID-19 that is still in existence, BTPN will continue to focus on proactively managing credit restructuring and customers affected by the pandemic. The Bank will also adopt a more conservative risk appetite for some of the business segments it serves. The Bank will always maintain the quality of the loan portfolio.

In addition, generally, BTPN always considers several other strategic factors in order to maintain the continuity of the Bank's business. Anticipated factors include macroeconomic and banking conditions, business segment performance, financial performance, capital, liquidity and solvency levels in conducting assessments related to the Bank's business continuity. Through these strategic considerations, the Bank will be able to anticipate through the application of the appropriate risk management. Thus, the results achieved will be maximum and sustainable, ultimately maintaining the continuity of the Bank's business in the future.



Marketing Aspect

BTPN views marketing activities as a very important part in operational activities to achieve its business goals. Especially with the competition in the financial industry, specifically in banking that is increasingly tight year after year, of which among others is encouraged by the customers' expectancy that continues to develop.

This condition is a challenge that must be attended to by the Bank so that it can continue to adapt to any changes that occur. For this reason, the Bank is continually improving its service quality and effective marketing strategy in facing the growth in the customers' needs that is becoming increasingly varied.

For BTPN, maintaining while also increasing market share becomes very important in order to uphold sustainable business growth.

MARKETING STRATEGY

In the year 2020, BTPN has set and implemented a marketing strategy to increase product and service performance. This is carried out not merely to improve the Company's business performance, but also to provide maximum satisfaction to customers.

In line with information technology development in the financial industry including banking, the Bank has also implemented online-based marketing strategy to customers, such as in the form of web meeting in order to grasp the customers' every financial needs

accurately and promptly. In addition, conduct seminars on various themes to morally support customers.

The Bank also uses telemarketing to increase credit sales productivity. At the same time, the Bank expands the Jenius Pay program with such prominent e-commerce partners as Blibli, Tokopedia and JD.ID in order to grasp the changes in behavior of the customers from offline to online shopping during the COVID-19 pandemic.

The Bank has even provided monitoring tools for supervisors to easily process monitoring of activities by their sales teams as well as to improve the capacity of the sales force in line with the new process. Aside from that, the Bank also conducts a change in cooperation system with BTPN Syariah to become a referral system. Through such new system, if a customer/potential customer is interested in shariah products, the Bank's staff at the Syariah Bank Services (LSB) branch will provide a reference to staffs at BTPN Syariah.

To support maximum services to the customers, the Bank continuously measures its Service Level Agreement (SLA). The Bank properly handles customers' complaints, especially to respond immediately and accurately.

MARKET SHARE

Explanation on BTPN's market share in the year 2020 is presented in the table below.

(Rp Billion, unless stated otherwise)

Criteria	Note	2020	2019
Asset	Commercial Banks	9,177,894	8,562,974
	Bank BTPN	183,166	181,631
	Market Share	2.0%	2.1%
Total Third-Party Funds	Commercial Banks	6,665,390	5,998,648
	Bank BTPN	100,789	86,939
	Market Share	1.5%	1.4%
Total Disbursed Loans	Commercial Banks	5,481,560	5,616,992
	Bank BTPN	136,213	141,760
	Market Share	2.5%	2.5%





RISK MANAGEMENT

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PT Bank BTPN Tbk always adheres to the prudential principle in carrying out its business activities and based on the prevailing laws and regulations.

PT Bank BTPN Tbk (“BTPN”, “Bank”) unceasingly apply the prudential principle in carrying out its business activities. Development of external and internal conditions has caused higher risk complexity in the banking business activities, as also implemented by the Bank.

For that reason, risk management process is designed for the Bank to be able to identify, measure, monitor and control the risks faced by Bank BTPN and its subsidiary, namely BTPN Syariah. Improvement in such capacity especially aims for the Bank’s business activities to avoid causing loss beyond the Bank’s capability, or even distracts the Bank’s business continuity.

The Bank has implemented the Integrated Risk Management which covers all kinds of risks for the sake of business continuity of the Bank as well as its subsidiary. All related obligations were also carried out in accordance with the laws and regulations, including the periodical reports to regulator.

RISK MANAGEMENT POLICIES

The risk management policies applied by the Bank are consistently in line with the Bank’s vision, mission and strategic plans. The policies are established to ensure that the Bank’s risk exposure is consistent with internal policies and procedures as well as prevailing laws and regulations.

Several concerns are taken into account in implementing risk management policies, namely as follows:

1. Types of business and product are in line with the Bank’s vision, mission and business strategies.
2. Clear and controlled identification and mitigation of risks, specifically which relate to the Bank’s products and transactions.
3. Clear line of responsibility and accountability in managing each type of risk.
4. Methodology and system of management information used can measure risks and support business.
5. The implementation of authority and the amount level of the limit show the maximum risk of loss that may arise in line with the Bank’s tolerance and risk appetite.
6. Business Continuity Management.
7. Policies that regulate new products and activities.
8. Credit policies that serve as credit guidelines that regulate sound credit provision, analysis, approval and authority limit to excise credit, recording/register, limit setting and report.

9. Measuring and determining the Bank’s risk level to be disclosed in the form of risk profile.
10. Treasury policies which cover liquidity risk management and ALMA policy.

Reference of laws and regulations serving as the Bank’s basis of risk management implementation are including the following:

- OJK Regulation No. 18/POJK.03/2016 on the Implementation of Risk Management for Commercial Banks.
- OJK Circular Letter No. 34/SEOJK.03/2016 on the Implementation of Risk Management for Commercial Banks.
- OJK Regulation No.13/POJK.03/ 2020 on the Implementation of Risk Management in the Use of Information Technology by Commercial Banks.
- OJK Circular Letter No. 21/SEOJK.03/2017 on the Implementation of Risk Management in the Use of Information Technology by Commercial Banks.
- OJK Regulation No. 38/POJK.03/2017 on the Consolidated Implementation of Risk Management on Banks’ Control Over Subsidiaries.
- OJK Regulation No.17/POJK.03/ 2014 dated 18 November 2014 and OJK Circular Letter No. 14/SEOJK.03/2015 dated 25 May 2015 on the Implementation of Integrated Risk Management for Financial Conglomerates.
- OJK Regulation No. 55/POJK.03/2016 dated 7 December 2016 and OJK Circular Letter No.13/SEOJK.03/2017 dated 17 March 2017 on Governance Implementation for Commercial Banks.
- OJK Circular Letter No. 35/SEOJK.03/2017 dated 7 July 2017 on the Guidelines for Internal Control System Standards for Commercial Banks.
- OJK Regulation No. 1/POJK.03/2019 dated 28 January 2019 on the Implementation of Internal Audit Function in Commercial Banks.
- OJK Regulation No. 46/POJK.03/2017 dated 12 July 2017 on the Implementation of Compliance Function in Commercial Banks.
- OJK Regulation No. 39/POJK.03/2019 on Implementation of Anti-Fraud Strategy for Commercial Banks.
- OJK Regulation No. 34/POJK.03/2016 on the the Amendment of OJK Regulation No. 11/POJK.03/2016 dated 29 January 2016 on the Minimum Capital Adequacy Requirement.
- Basel Committee on Banking Supervision (BCBS).

In addition, the Bank has also several internal provisions related to risk management implementation, which among others include the following:

- Risk Management Policy
- Compliance Policy



- Corporate Governance Policy
- Internal Audit Policy and Internal Audit Charter
- Operational Risk Management Policy
- Management and Security of Information Policy
- Business Continuity Management Policy

RISK MANAGEMENT GOVERNANCE

Implementation of risk governance in Bank BTPN refers to OJK Regulation No.18/POJK.03/2016 and Circular Letter No. 34/SEOJK.03/2016 on the Implementation of Risk Management for Commercial Banks as well as OJK Regulation No.38/POJK.03/2017 on Implementation of Consolidated Risk Management for Banks that Conduct Control over Subsidiaries. The Bank delivers risk profile report every quarter, both individually and in consolidation.

In addition, in line with OJK Regulation No. 17/POJK.03/2014 dated 19 November 2014 on the Implementation of Integrated Risk Management for Financial Conglomerates, Bank BTPN as the Main Entity delivers the integrated risk profile report every semester to OJK.

Risk governance in BTPN is managed by the Directorate of Risk Management, independent from the business units. At the Board of Directors' level, the Risk Management Committee convenes meeting regularly at least 8 times a year (in accordance with

the Risk Management Committee charter) to provide recommendations for improving the implementation of the Bank's risk management, including holding a discussion on potential risks faced by the Bank which might have significant impact. The Risk Management Directorate regularly reviews policies and procedures, including socialization of existing risks faced by the Bank.

RISK MANAGEMENT ORGANIZATION

In executing its duties related to risk management implementation, the Board of Commissioners and the Board of Directors are assisted by a number of work units, namely as follows:

1. Risk Monitoring Committee
2. Risk Management Committee
3. Risk Management Unit
4. Assets and Liabilities Committee (ALCO)
5. Audit Committee
6. Information Technology Steering Committee
7. Internal Audit
8. Risk Taking Unit
9. Compliance Unit

RISK MANAGEMENT IMPLEMENTATION

In implementing risk management, the Bank refers to the processes set forth in the Bank's Risk Management Policy, as described below:

No	Risk Management Process	Description
1	Risk Identification	All types of risk inherent in every product and business activities must be identified. This is carried out in order to acknowledge the potential risks and impact so that the Bank may be prepared with control mechanism. Identification is mandatory for each Risk Taking Unit as the first defense layer and strengthened by the identification of risks by the Risk Management Unit as the second defense layer, by taking into account some matters noted as follows: <ol style="list-style-type: none"> a. Identify all risks periodically. b. Establish method or system to identify risks on all of the Bank's products and business activities. c. Identification process is carried out by analyzing all sources of risk from the Bank's products and activities as well as ensuring that such risks are processed through adequate risk management process prior to approval for implementation.
2	Risk Measurement	All identified risks must be weighed as one of the materials to evaluate results of the execution of risk management implementation and as basis to determining steps for improvement. One of the ways to measure risk exposure is by determining the risk parameter which must be adjusted if material changes occur in the product processing, or the risk factor.
3	Risk Monitoring	Risk Taking Unit and Risk Management Unit are required to conduct monitoring of risk exposure and risk limit, as well as to periodically report to the Management and/or the Risk Management Committee.
4	Risk Controlling	Risk control is mandatory to be implemented on the Bank's products and activities. Such control refers to the principle of three lines of defense, where Risk Taking Unit and Business Risk as the first line of defense, Risk Management and Compliance as the second line of defense and the Internal Audit (SKAI) as the last line of defense.
5	Management Information System	Management Information System can accommodate risk management strategy, to provide accurate, informative of the financial condition, functional performance and risk exposure, up to date, secured, consistent, and available on on-time basis as well as equipped with audit footprint.
6	Integrated Risk Management Implementation	Consolidated/integrated risk management monitoring is limited to financial subsidiaries. This is in accordance with the provisions of Bank Indonesia and OJK which include: <ol style="list-style-type: none"> a. Supervision by the Board of Directors and the Board of Commissioners of the Main Entity. b. Adequacy in the policies, procedures and limitsetting of Integrated Risk Management. c. Adequacy in the processes of integrated risk identification, measurement, monitoring and control as well as the Integrated Risk Management Information. d. Comprehensive Internal Control System in the implementation of Integrated Risk Management.

FOCUS IN 2020

In 2020, the Bank established its focus related to the implementation of risk management, which among others are described in the following:

1. The Bank has prepared Credit Risk Appetite, Market and Liquidity Risk Appetite and Operational Risk Appetite document to ensure that the Bank can accommodate risks that may arise from the implemented business strategy and ensure that the risk level is in accordance with the Bank's ability to absorb risks.
2. The Bank strives to always comply with the provisions related to market and liquidity risk by maintaining business growth which can cause an increase risk exposure and maintain the Bank's capital growth.
3. The Bank continues to maintain the Bank's risk profile in line with the Bank's risk appetite with an inherent composite risk value and the quality of risk management implementation of level 2.
4. The Bank has conducted an assessment of the methodology for calculating CKPN based on PSAK 71 and is currently conducting ongoing development and monitoring of this methodology.
5. As the Bank that is classified into the D-SIB category, Bank has prepared a 2020 recovery plan document in accordance with the provisions in the OJK Regulations and implemented the provisions related to the Designation of Systemic Banks based on the determination of the OJK.
6. Continue coordination for Business Risk / ICR readiness as a PIC (Person in Charge) who assists in the first line of defense regarding operational risk management in each work unit through the implementation of the Business Risk Forum every quarter related to new initiatives or methodologies that need to be implemented in work units each.
7. Developing an ORMS (Operational Risk Management System) to assist the Bank in managing operational risk through the development of the KORl (Key Operational Risk Indicator) module.
8. Development of ORM work tools, namely:
 - Implementation of RGM (Risk Grading Matrix), PRC (Process Risk Control), KCSA (Key Control Self Assessment), and KORl in all business work units and support functions.
 - Development of the ORM work tool methodology related to Operational Risk Gain, Risk Acceptance, KORl, and ORA (Operational Risk Appetite).
 - Development of QA Maturity Self Assessment for all work units
 - Development of ORM and information security e-learning as well
 - Implementing programs to increase user awareness of information security by conducting phishing simulations every quarter
 - Development of information security programs such as restricting employee access to sending emails outside BTPN, implementing Data Leakage Protection for email and encryption for removable media
9. Testing the calculation and reporting of Operational Risk RWA using the Standardized Approach (SA) approach.
10. To minimize fraud risk, the Bank has implemented a risk awareness, anti-fraud awareness and The signing of the integrity pact by the Board of Directors, Board of Commissioners, and employee. Adjustment to policies and operation risk management SOPs including anti-fraud strategies to remain in accordance with the current conditions, and assess each proposed initiative, product and activities risk, both new and in development. Risk awareness and anti-fraud awareness socialization is done through several media, namely through e-newsletter broadcasts, email broadcasts ,PC/ laptop desktop wallpapers, standing acrylics, comic strips on B-Connect, BTPN Info, anti-fraud animated video broadcasts, additional information on whistleblowing services on the Bank BTPN website that can be used to reporting fraud incidents, conducting mandatory anti-fraud assessments through e-learning, implementing anti-fraud declarations through e-learning and anti-fraud awareness delivered in in-class training and online training to employees. In line with the prevailing anti-fraud strategy, the Bank also continues to continuously disseminate reports on fraud indication events through whistleblowing that applies in BTPN.



11. The Bank has developed a new data infrastructure to accommodate the development needs of the Financial Analytic Framework, which is divided into several phases, one of which is the development of a financial simulation model implementation mechanism.
12. Bank has conducted training alongside with the division of tasks and authorities related to the implementation of the internal grading model for the SME, Commercial and Enterprise segments.

In responding to the impact of the COVID-19 pandemic, the Bank has made the following efforts:

1. Made adjustments to the provisions or procedures at the bank-wide or business level for the implementation of relaxation and restructuring for affected debtors by establishing debtor criteria and a restructuring scheme for debtors, debtors and affected economic sectors according to business segments and cooperation partners while still paying attention to the principle of prudence.
2. Made adjustments to the provisions and methods in the method of calculating the restructured reserves for debtors in accordance with letter number S-7 / D.03 / 2020 regarding the Application of PSAK 71 and PSAK 68 in COVID-19 Pandemic Conditions
3. Supervised the implementation of restructuring of debtors affected by COVID-19 from the segment level to the management level on the implementation of restructuring in each segment on a regular basis
4. Established a restructured monitoring mechanism for debtors affected by COVID-19 and reviewing and monitoring the performance of the reserve calculation model in anticipating worsening macroeconomic conditions and the impact on the cost of credit.
5. Created a work protocol at BTPN that must be implemented in order to protect employees and customers in order to minimize the possibility of spreading the virus
6. Implemented several new work models at BTPN, especially with the implementation of WFH (work from home) such as the use of VPN, approval of internal documents via email, and others
7. Implemented a risk control mechanism for delivering customer instructions through electronic channels
8. Ensures adequate liquidity for normal operations and stress scenarios due to the impact of the COVID-19 pandemic. The Bank always strives to comply with all regulatory requirements related to liquidity, such as GWM, LCR and NSFR.
9. Monitors daily the movement of third party funds and other liquidity positions, as well as early warning indicators to inform ALCO and management for faster and more accurate decision making.
10. Maintained positions in foreign currencies to ensure that banks can meet their needs in foreign currencies when there is a need for transactions and payments/settlement without causing risk of loss for the Bank.
11. Manages interest rate risk optimally and flexibly in accordance with market conditions in the conditions of the COVID-19 pandemic to stay in line with related internal policies and strategies.

RESULT OF RISK MANAGEMENT IMPLEMENTATION REVIEW

Bank BTPN conducts annual reviews on the adequacy of risk management policies, contingency funding plan, sustainable business plan, as well as other important policies. At the Board of Directors' level, the Risk Management Committee monitors and manage risks at all areas of the Bank. The Risk Monitoring Committee at the Board of Commissioners level periodically supervise risk management implementation.

In line with OJK Regulation No.18/ POJK.03/2016 and Circular Letter No. 34/SEOJK.03/2016 on the Implementation of Risk Management for Commercial Banks, as well as OJK Regulation No. 38/ POJK.03/2017 on the Consolidated Implementation of Risk Management for Banks that Control Over Subsidiaries, the Bank delivers its risk profile report on quarterly basis, both on individual basis as well as in consolidation.

In addition, referring to OJK Regulation No.17/ POJK.03/2014 dated 19 November 2014 on the Implementation of Integrated Risk Management for Financial Conglomeration, Bank as Main Entity prepare and submit risk profile reports integrated and integrated KPMM periodically in accordance with OJK regulations.

In accordance with the regulations of Bank Indonesia and OJK, assessment on the risk profile is assessment on inherent risks as well as the quality of the Risk Management implementation. Assessment is conducted on 8 types of risks, namely credit risk, market risk, liquidity risk, operational risk, strategic risk, legal risk, compliance risk and reputation risk. For the period as of December 2020 and December 2019, the Bank's individual and consolidated risk profile was at level 2 (low to moderate).

INTERNAL CONTROL SYSTEM

The framework of BTPN's internal control applies the Three Lines of Defense approach, which each works independently as follows:

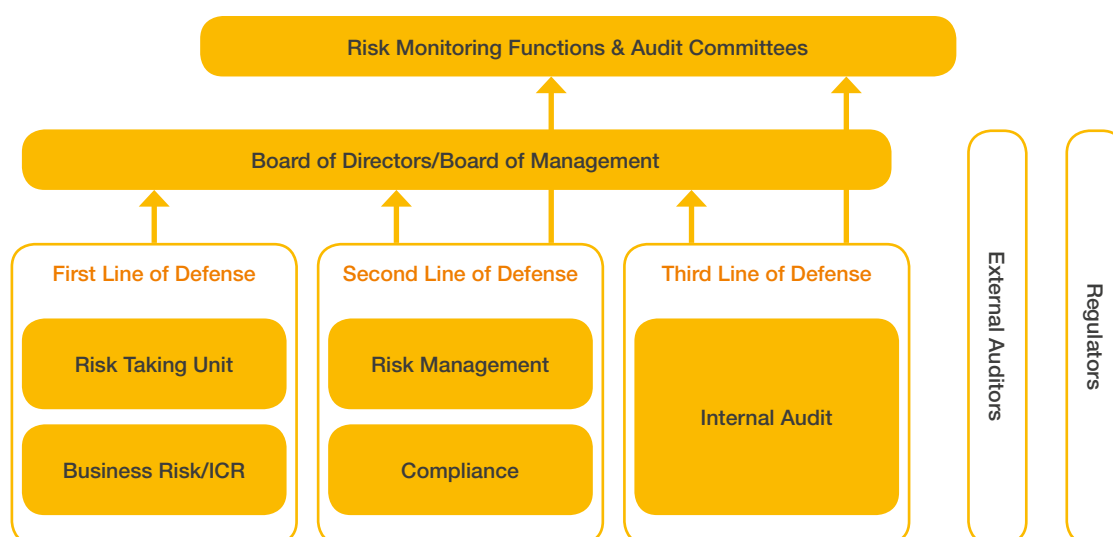
- First Line of Defense, Risk Taking Unit (RTU) is assisted by Internal Control & Risk (ICR) Function, sustaining disciplined operational risk management practices on the daily basis.

- Second Line of Defense, the Risk Management Directorate together with the Compliance Unit define, improve and ensure risk management implementation through the processes of identification, measurement, adequate monitoring and control as well as the complementing appropriate policies and procedures, and coordinate/facilitate overall risk management activities.
- Third Line of Defense, the Internal Audit independently ensures that all inherent risks are managed so that residual risks are in line with risk tolerance agreed upon and risk appetite set forth by the Bank.

As the second line of defense, the Risk Management Directorate, in coordination with the first line of defense ICR Function, ensures risk management implementation is effective. As the third line of defense in the internal control system, the Internal Audit has the supervision function to assess risk management, internal control effectiveness, and the governance of all aspects of the Bank's activities in utilizing the risk-based approach. Thus, the supervisory function is implemented on the first line of defense (Risk Taking Unit and ICR) and the second line of defense (Risk Management Directorate and Compliance Unit).

Assessment conducted by the Internal Audit on the effectiveness of internal control also pays attention to the organization and human resources, customer service, the bank's infrastructure as well as the implementation quality of the main processes that pose risks for the Bank.

For each finding, the Internal Audit conducts monitoring of the status of improvements carried out regularly and report them to the President Director, the Board of Directors as well as the Audit Committee. Implementation of the supervisory function by the Internal Audit is based on the POJK No. 1/ POJK.03/2019 regarding the Implementation of Internal Audit Function in Commercial Banks applied by the Financial Services Authority and International Practices Professional Framework (IPPF). Every three years an audit is conducted by an independent party on the supervisory function of the Internal Audit to see the suitability of the implementation to prevailing standards.



CAPITAL DISCLOSURE

A. Capital Structure

The objective of the Bank's capital management is to maintain strong capital position to support business growth and maintain the trust of investors, depositors, creditors, customers and the market.

In managing the capital, the Bank takes into account such factors as: optimal capital returns to shareholders, balance between higher profit with gearing ratio as well as security provided by a sound capital position. The Bank's capital position as of 31 December 2020, based on OJK prevailing regulations, is as follows:

GENERAL – CONSOLIDATED KEY METRICS REPORT

No	Description	T	T-1	T-2	T-3	T-4
Available capital (amounts)						
1	Common Equity Tier 1 (CET1)	29,426,916	29,083,754	28,405,557	27,624,194	27,220,728
2	Tier 1	29,426,916	29,083,754	28,405,557	27,624,194	27,220,728
3	Total capital	36,347,312	36,755,597	36,007,862	36,396,011	34,764,023
Risk-weighted assets (amounts)						
4	Total risk-weighted assets (RWA)	142,253,917	147,537,590	155,976,978	161,912,996	143,582,952
Risk-based capital ratios as a percentage of RWA						
5	CET1 ratio (%)	20.69%	19.71%	18.21%	17.06%	18.96%
6	Tier 1 ratio (%)	20.69%	19.71%	18.21%	17.06%	18.96%
7	Total capital ratio (%)	25.55%	24.91%	23.09%	22.48%	24.24%

No	Description	T	T-1	T-2	T-3	T-4
Additional CET1 buffer requirements as a percentage of RWA						
8	Capital conservation buffer requirement (2.5% from RWA) (%)	0.00%	0.00%	0.00%	2.50%	2.50%
9	Countercyclical buffer requirement (0-2.5% from RWA) (%)	0.00%	0.00%	0.00%	0.00%	0.00%
10	Capital Surcharge for Bank Systemic (1%-2.5%) (%)	1.00%	1.00%	1.00%	1.00%	1.00%
11	Total CET1 specific buffer (row 8 + row 9 + row 10)	1.00%	1.00%	1.00%	3.50%	3.50%
12	CET1 Component for buffer	14.69%	13.71%	12.21%	11.06%	12.96%
Basel III leverage ratio						
13	Total Exposure	205,390,509	208,191,497	206,092,200	222,479,923	-
14	Leverage Ratio, including the impact from the adjustment of the temporary exemption from account with Bank Indonesia in regards with the fulfill of stipulated Minimum Reserve Requirement (if any)	14.33%	13.97%	13.78%	12.42%	0.00%
14b	Leverage Ratio, excluding the impact from the adjustment of the temporary exemption from account with Bank Indonesia in regards with the fulfill of stipulated Minimum Reserve Requirement (if any)	14.33%	13.97%	13.78%	12.42%	0.00%
14c	Leverage Ratio, including the impact of adjustment of the temporary exemption from account with Bank Indonesia in regards with the fulfill of stipulated Minimum Reserve Requirement (if any), which already included the average from gross asset carrying value Securities Financing Transaction (SFT)	0.00%	0.00%	0.00%	0.00%	0.00%
14d	Leverage Ratio, excluding the impact of adjustment of the temporary exemption from account with Bank Indonesia in regards with the fulfill of stipulated Minimum Reserve Requirement (if any), which already included the average from gross asset carrying value Securities Financing Transaction (SFT)	0.00%	0.00%	0.00%	0.00%	0.00%
Liquidity Coverage Ratio (LCR)						
15	Total High-Quality Liquid Assets	33,572,779	27,239,795	30,965,420	27,096,106	27,494,460
16	Total Net Cash Outflow	11,917,913	11,052,879	13,951,187	12,753,912	11,998,920
17	LCR (%)	281.70%	246.45%	221.96%	212.45%	229.14%
Net Stable Funding Ratio (NSFR)						
18	Total Available Stable Funding	121,006,657	126,229,004	130,895,925	138,079,389	125,059,410
19	Total Required Stable Funding	104,909,759	111,582,330	112,296,931	119,179,782	110,629,973
20	NSFR (%)	115.34%	113.13%	116.56%	115.86%	113.04%

The Bank's core capital as of 31 December 2020 was IDR 29.4 trillion, a slight increase compared to Core Capital in the previous period. This was mainly due to the increase in net profit for the current period.

The Bank's total capital as of 31 December 2020 was IDR 36.3 trillion, a slight decrease compared to the total capital in the previous period. This is due to the decrease in capital instruments in the form of shares or others that meet Tier 2 requirements (due to the impact of foreign exchange and amortization) and a reduction in the differences between required provision and allowance for impairment losses of earning assets (the highest is Credit Risk RWA at 1.25%).

Total RWA decreased in December 2020 to Rp 142.3 trillion in line with the decrease in credit risk RWA. The decrease in Total RWA and the increase in Core Capital caused the CET1 Ratio, Tier 1 Ratio & Capital Adequacy Ratio to increase. In December 2020 the Total Capital Ratio was at 25.55%.

T is quarterly period, T-1 is 1 quarterly previous period



GENERAL - Differences between Consolidation Coverage and Mapping of Financial Statement based on Financial Accounting Standard with the Risk Category in-line with Stipulated Financial Service Authority Risk Category (LI1)

	a	b	c	d	e	f	g
	Carrying values of items						
	Carrying values as reported in published financial statements	Carrying values based on the precautionary principle	Subject to credit risk framework	Subject to counterparty credit risk framework	Subject to the securitisation framework	Subject to the market risk framework	Not subject to capital requirements or subject to deduction from capital
ASSET							
Cash	2,433,196	2,433,196	-	-	-	-	2,433,196
Placements with Bank Indonesia	22,571,836	22,571,836	-	-	-	22,571,836	22,571,836
Placements with other banks	896,568	896,568	-	-	-	896,568	896,568
Spot and derivative / forward receivables	917,082	917,082	-	-	-	917,082	917,082
Securities	14,804,656	14,804,656	-	-	-	14,804,656	14,804,656
Securities sold under repurchase agreements (repo)	-	-	-	-	-	-	-
Claims from securities purchased under resale agreements (reverse repo)	-	-	-	-	-	-	-
Acceptance receivables	1,490,634	1,490,634		-	-		1,490,634
Loans	126,689,753	126,689,753	126,689,753	-	-	126,689,753	126,689,753
Sharia financing/receivables	9,522,866	9,522,866	9,522,866	-	-	9,522,866	9,522,866
Equity Investments	22,522	22,522	-	-	-	22,522	22,522
Other financial asset	961,550	961,550	-	-	-	-	961,550
Impairment on financial assets -/-	(3,428,808)	(3,428,808)	-	-	-	-	(3,428,808)
a. Securities	(291)	(291)	-	-	-	(291)	(291)
b. Loans and Sharia financing	(3,422,325)	(3,422,325)	(3,422,325)	-	-	(3,422,325)	(3,422,325)
c. Others	(6,192)	(6,192)	-	-	-	(6,192)	(6,192)
Intangible assets	2,528,427	2,528,427	-	-	-	-	-
Accumulated amortization of intangible assets -/-	(1,487,828)	(1,487,828)	-	-	-	-	-
Fixed assets and equipment	4,883,148	4,883,148	-	-	-	-	4,883,148
Accumulated depreciation on fixed assets and equipment -/-	(2,525,161)	(2,525,161)	-	-	-	-	(2,525,161)
Non-productive assets	19,202	19,202	-	-	-	-	19,202
a. Abandoned properties	-	-	-	-	-	-	-
b. Foreclosed assets	19,190	19,190	19,190	-	-	-	19,190
c. Suspense accounts	12	12		-	-	-	12
d. Interbranch assets	-	-		-	-	-	-
Other assets	2,866,335	2,866,335		-	-	-	2,398,450
TOTAL ASSET	183,165,978	183,165,978	132,809,484	-	-	171,996,475	181,657,494
LIABILITIES AND EQUITY							
LIABILITIES							
Demand deposits	15,760,708	15,760,708	-	-	-	15,760,708	15,760,708
Saving deposits	11,929,298	11,929,298	-	-	-	11,929,298	11,929,298
Time deposits	73,098,900	73,098,900	-	-	-	73,098,900	73,098,900
Electronic money	-	-	-	-	-	-	-
Liabilities to Bank Indonesia	-	-	-	-	-	-	-

	a	b	c	d	e	f	g
	Carrying values of items						
	Carrying values as reported in published financial statements	Carrying values based on the precautionary principle	Subject to credit risk framework	Subject to counterparty credit risk framework	Subject to the securitisation framework	Subject to the market risk framework	Not subject to capital requirements or subject to deduction from capital
Liabilities to other banks	6,549,336	6,549,336	-	-	-	6,549,336	6,549,336
Spot and derivative / forward liabilities	887,157	887,157	-	-	-	887,157	887,157
Securities sold under repurchase agreements (repo)	-	-	-	-	-	-	-
Acceptance liabilities	767,282	767,282	-	-	-	-	767,282
Securities issued	993,045	993,045	-	-	-	993,045	993,045
Borrowings	37,176,039	37,176,039	-	-	-	37,176,039	31,653,218
Margin deposits	-	-	-	-	-	-	-
Interbranch liabilities	-	-	-	-	-	-	-
Other liabilities	3,039,460	3,039,460	-	-	-	-	3,039,460
Minority Interest	1,749,037	1,749,037	-	-	-	-	1,749,037
TOTAL LIABILITIES	151,950,262	151,950,262	-	-	-	146,394,483	146,427,441
EQUITY							
Issued and fully paid-in capital	161,075	161,075	-	-	-	-	-
a. Authorized capital	300,000	300,000	-	-	-	-	-
b. Unpaid capital -/-	(137,021)	(137,021)	-	-	-	-	-
c. Treasury stock -/-	(1,904)	(1,904)	-	-	-	-	-
Additional paid-in capital	11,134,744	11,134,744	-	-	-	-	236,534
a. Agio	10,898,210	10,898,210	-	-	-	-	-
b. Disagio -/-	-	-	-	-	-	-	-
c. Fund for paid up capital	-	-	-	-	-	-	-
d. Others	236,534	236,534	-	-	-	-	236,534
Other comprehensive income	946,589	946,589	-	-	-	-	43,782
a. Profit	946,589	946,589	-	-	-	-	43,782
b. Loss -/-	-	-	-	-	-	-	-
Reserves	67,596	67,596	-	-	-	-	-
a. General reserves	67,596	67,596	-	-	-	-	-
b. Appropriate reserves	-	-	-	-	-	-	-
Profit/loss	18,905,712	18,905,712	-	-	-	-	-
a. Previous years	17,156,419	17,156,419	-	-	-	-	-
b. Current year	1,749,293	1,749,293	-	-	-	-	-
c. Dividends paid -/-	-	-	-	-	-	-	-
TOTAL EQUITY ATTRIBUTABLE TO THE OWNERS OF PARENT	31,215,716	31,215,716	-	-	-	-	280,316
TOTAL EQUITY	31,215,716	31,215,716	-	-	-	-	280,316
TOTAL LIABILITIES AND EQUITY	183,165,978	183,165,978	-	-	-	146,394,483	146,707,757

Qualitative Analysis

The financial assets of lending and sharia financing are the assets with the biggest exposure and are subject to credit risk and market risk. Related to credit risk, the provision for such exposure has been calculated according to the applicable regulations. Meanwhile for market risk, the Bank has established a risk measurement method and monitors interest rate risk in the Banking Book which is reported regularly at ALCO committee meetings.



GENERAL - Main Difference between Carrying Value based on Financial Accounting Standards and Exposures based on the Stipulated Financial Service Authority (LI2)

	a	b	c	d	e
	Items according to:				
	Total	Credit Risk Framework	Counterparty Credit Risk Framework	Securitisation Framework	Market Risk Framework
Asset carrying value in accordance with the scope of consolidated prudential requirements (as reported in the template LI1)	183,165,978	132,809,484	-	-	171,996,475
Liabilities carrying value in accordance with the scope of consolidated prudential requirements (as reported in the template LI1)	183,165,978	-	-	-	146,394,483
Total net amount in accordance with the scope of consolidated prudential requirements.	-	132,809,484	-	-	25,601,992
Off-balance sheet amounts	107,509,308	107,509,308	-	-	-
Differences in valuations	-	-	-	-	-
Differences due to different netting rules, other than those already included in row 2	-	-	-	-	-
Differences due to consideration of provisions	-	-	-	-	-
Differences due to prudential filters	-	-	-	-	-
Exposure amounts considered, in accordance with the scope of consolidated prudential requirements.	-	-	-	-	-

Capital Disclosures - (CC1)

(in million Rupiah)

No	Component	Individual	Consolidated
Common Equity Tier 1 capital: Instruments and Additional paid-in Capital			
1	Common stock (including surplus stock)	11,068,798	11,059,285
2	Retained earnings	16,019,421	18,905,712
3	Accumulated other comprehensive income (and other reserves)	931,693	970,403
4	Capital that is included in the phase out of CET1	N/A	N/A
5	Non-controlling interests to be taken into account	-	-
6	CET 1 capital before regulatory adjustments	28,019,912	30,935,400
Common Equity Tier 1: Regulatory Adjustment			
7	The difference in the amount less than the fair value adjustment of financial instruments in the trading book.	-	-
8	Goodwill	-	(61,116)
9	Other intangibles other than mortgage-servicing rights	(877,175)	(979,483)
10	Deferred tax assets that rely on future profitability	N/A	N/A
11	Cash-flow hedge reserve	N/A	N/A
12	Shortfall on provisions to expected losses	N/A	N/A
13	Securitisation gain on sale	-	-
14	Increase/decrease in fair value of financial liabilities (DVA)	-	-
15	Defined-benefit pension assets	N/A	N/A

(in million Rupiah)

No	Component	Individual	Consolidated
16	Investments in own shares (if not already netted off paid-in capital on reported balance sheet)	N/A	N/A
17	Reciprocal cross-holdings in common equity	-	-
18	Investments in the capital of Banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the Bank does not own more than 10% of the issued share capital (amount above 10% threshold)	N/A	N/A
19	Significant investments in the common stock of Banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions (amount above 10% threshold)	N/A	N/A
20	Mortgage servicing rights	-	-
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	N/A	N/A
22	Amount exceeding the 15% threshold	N/A	N/A
23	of which: significant investments in the common stock of financials	N/A	N/A
24	of which: mortgage servicing rights	N/A	N/A
25	of which: deferred tax assets arising from temporary differences	N/A	N/A
26	National specific regulatory adjustments	(1,554,360)	(467,885)
26.a	Difference between PPA and CKPN	-	-
26.b	PPA from non-productive assets	-	-
26.c	Deferred tax assets	(271,398)	(467,885)
26.d	Investments	(1,282,962)	-
26.e	Capital shortfall in insurance subsidiary	-	-
26.f	Securitisation exposure	-	-
26.g	Others	-	-
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	-	-
28	Total regulatory adjustments to Common equity Tier 1	(2,431,535)	(1,508,484)
29	Common Equity Tier 1 Common Equity Tier 1 after Regulatory Adjustment	25,588,377	29,426,916
Additional Tier 1 Capital: Regulatory Adjustment			
30	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus	-	-
31	of which: classified as equity under applicable accounting standards	-	-
32	of which: classified as liabilities under applicable accounting standards	-	-
33	Directly issued capital instruments subject to phase out from Additional Tier 1	N/A	N/A
34	Additional Tier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group AT1)	-	-
35	of which: instruments issued by subsidiaries subject to phase out	N/A	N/A
36	Additional Tier 1 capital before regulatory adjustments	-	-
Additional Tier 1 capital: regulatory adjustments			
37	Investments in own Additional Tier 1 instruments	N/A	N/A
38	Reciprocal cross-holdings in Additional Tier 1 instruments	-	-
39	Investments in the capital of Banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the Bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold)	N/A	N/A
40	Significant investments in the capital of Banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	N/A	N/A
41	National specific regulatory adjustments	-	-
41.a	Investments in AT1 instruments in other banks	-	-
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-	-



(in million Rupiah)

No	Component	Individual	Consolidated
43	Total regulatory adjustments to Additional Tier 1 capital	-	-
44	Additional Tier 1 capital (AT1) Jumlah AT 1 after regulatory adjustments	-	-
45	Tier 1 capital (T1 = CET1 + AT1)	25,588,377	29,426,916
Tier 2 Capital : Instruments and Provisions			
46	Directly issued qualifying Tier 2 instruments plus related stock surplus	-	-
47	Directly issued capital instruments subject to phase out from Tier 2	N/A	N/A
48	Tier 2 instruments issued by subsidiaries are recognized in the calculation of consolidated CAR.	5,522,821	5,522,821
49	of which: instruments issued by subsidiaries subject to phase out	N/A	N/A
50	PPKA's general reserve for earning assets that must be calculated is a maximum amount of 1.25% of the RWA for Credit Risk	1,340,025	1,397,575
51	Tier 2 capital before regulatory adjustments	6,862,846	6,920,396
Tier 2 Capital : Regulatory Adjustments			
52	Investments in own Tier 2 instruments	N/A	N/A
53	Reciprocal cross-holdings in Tier 2 instruments	-	-
54	Investments in the capital of Banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the Bank does not own more than 10% of the issued common share capital of the entity (amount above the 10% threshold)	N/A	N/A
55	Significant investments in the capital Banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	N/A	N/A
56	National specific regulatory adjustments	-	-
56.a	Sinking fund	-	-
56.b	Investments in Tier 2 instruments in other banks	-	-
57	Total regulatory adjustments to Tier 2 capital	-	-
58	Tier 2 capital (T2) after regulatory adjustment	6,862,846	6,920,396
59	Total capital (TC = T1 + T2)	32,451,223	36,347,312
60	Total Risk Weighted Assets	128,849,595	142,253,917
Capital Adequacy Ratios and Capital Buffer			
61	Common Equity Tier 1 (as a percentage of RWA)	19.86%	20.69%
62	Tier 1 (as a percentage of RWA)	19.86%	20.69%
63	Total capital (as a percentage of RWA)	25.19%	25.55%
64	Institution specific buffer requirement (minimum CET1 requirement plus capital conservation buffer plus countercyclical buffer requirements plus G-SIB buffer requirement, expressed as a percentage of risk weighted assets)	5.50%	5.50%
65	of which: Capital Conservation Buffer	0.00%	0.00%
66	of which: Countercyclical Buffer	0.00%	0.00%
67	of which: Capital Surcharge for Bank Systemic	1.00%	1.00%
68	Common Equity Tier 1 available to meet buffer (as a percentage of RWA)	13.86%	14.69%
National minimal (if different from Basel 3)			
69	National Common Equity Tier 1 minimum ratio (if different from Basel 3 minimum)	N/A	N/A
70	National Tier 1 minimum ratio (if different from Basel 3 minimum)	N/A	N/A
71	National total capital minimum ratio (if different from Basel 3 minimum)	N/A	N/A
Amounts below the thresholds for deduction (before risk weighting)			
72	Non-significant investments in the capital and other TLAC liabilities of other financial entities	N/A	N/A
73	Significant investments in the common stock of financial entities	N/A	N/A
74	Mortgage servicing rights (net of related tax liability)	N/A	N/A
75	Deferred tax assets arising from temporary differences (net of related tax liability)	N/A	N/A

(in million Rupiah)

No	Component	Individual	Consolidated
Applicable caps on the inclusion of provisions in Tier 2			
76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)	N/A	N/A
77	Cap on inclusion of provisions in Tier 2 under standardised approach	N/A	N/A
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	N/A	N/A
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	N/A	N/A
Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2018 until 1 Jan 2022)			
80	Current cap on CET1 instruments subject to phase out arrangements	N/A	N/A
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	N/A	N/A
82	Current cap on AT1 instruments subject to phase out arrangements	N/A	N/A
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	N/A	N/A
84	Current cap on T2 instruments subject to phase out arrangements	N/A	N/A
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	N/A	N/A

Capital Disclosures - Capital Reconciliation (CC2)

(in million Rupiah)

No	Accounts	31 December 2020 Individual	Consolidated
ASET			
1	Cash	1,323,222	2,433,196
2	Placements with Bank Indonesia	19,592,514	22,571,836
3	Placements with other banks	894,072	896,568
4	Spot and derivative / forward receivables	917,082	917,082
5	Securities	12,201,417	14,804,656
6	Securities sold under repurchase agreements (repo)	-	-
7	Claims from securities purchased under resale agreements (reverse repo)	-	-
8	Acceptance receivables	1,490,634	1,490,634
9	Loans	126,689,753	126,689,753
10	Sharia financing/receivables	-	9,522,866
11	Equity Investments	1,305,484	22,522
12	Other financial asset	803,827	961,550
13	Impairment on financial assets -/-	(2,579,318)	(3,428,808)
	a. Securities	(291)	(291)
	b. Loans and Sharia financing	(2,572,835)	(3,422,325)
	c. Others	(6,192)	(6,192)
14	Intangible assets	2,281,920	2,528,427
	Accumulated amortization of intangible assets -/-	(1,404,745)	(1,487,828)
15	Fixed assets and equipment	4,068,493	4,883,148
	Accumulated depreciation on fixed assets and equipment -/-	(2,042,622)	(2,525,161)
16	Non-productive assets	19,202	19,202
	a. Abandoned properties	-	-
	b. Foreclosed assets	19,190	19,190
	c. Suspense accounts	12	12
	d. Interbranch assets	-	-



(in million Rupiah)

No	Accounts	31 December 2020	
		Individual	Consolidated
17	Other assets	2,617,109	2,866,335
	TOTAL ASSET	168,178,044	183,165,978
LIABILITIES AND EQUITY			
	LIABILITIES		
1	Demand deposits	15,709,755	15,760,708
2	Saving deposits	9,955,853	11,929,298
3	Time deposits	65,342,817	73,098,900
4	Electronic money	-	-
5	Liabilities to Bank Indonesia	-	-
6	Liabilities to other banks	6,575,274	6,549,336
7	Spot and derivative / forward liabilities	887,157	887,157
8	Securities sold under repurchase agreements (repo)	-	-
9	Acceptance liabilities	767,282	767,282
10	Securities issued	993,045	993,045
11	Borrowings	37,176,039	37,176,039
12	Margin deposits	-	-
13	Interbranch liabilities	-	-
14	Other liabilities	2,462,971	3,039,460
15	Minority Interest	-	1,749,037
	TOTAL LIABILITIES	139,870,193	151,950,262
	EQUITY		
16	Issued and fully paid-in capital	161,075	161,075
	a. Authorized capital	300,000	300,000
	b. Unpaid capital -/-	(137,021)	(137,021)
	c. Treasury stock -/-	(1,904)	(1,904)
17	Additional paid-in capital	11,168,524	11,134,744
	a. Agio	10,907,723	10,898,210
	b. Disagio -/-	-	-
	c. Fund for paid up capital	-	-
	d. Others	260,801	236,534
18	Other comprehensive income	926,235	946,589
	a. Profit	926,235	946,589
	b. Loss -/-	-	-
19	Reserves	32,596	67,596
	a. General reserves	32,596	67,596
	b. Appropriate reserves	-	-
20	Profit/loss	16,019,421	18,905,712
	a. Previous years	14,625,691	17,156,419
	b. Current year	1,393,730	1,749,293
	c. Dividends paid -/-	-	-
	TOTAL EQUITY ATTRIBUTABLE TO THE OWNERS OF PARENT	28,307,851	31,215,716
	TOTAL EQUITY	28,307,851	31,215,716
	TOTAL LIABILITIES AND EQUITY	168,178,044	183,165,978

Capita Disclosures - Disclosure of Capital Instruments Features (CCA)

No.	Questions	Disclosure of Capital Instruments Features			
		Individual		Consolidate	
		Capital	Subordinated Loan	Capital	Subordinated Loan
1	Publisher	PT Bank BTPN Tbk	SMBC	PT Bank BTPN Tbk	SMBC
2	Identification Number	ISIN: 101000118508	N/A	ISIN: 101000118508	N/A
3	Law	Indonesian Law	Indonesian Law	Indonesian Law	Indonesian Law
3.a	Instruments that reliable having liability to held on section 13 from TLAC term sheet achieved				
	Instruments treatment based on KPMM				
4	During the period	N/A	N/A	N/A	N/A
5	After the period	CET1	T2	CET1	T2
6	Is it eligible to Individual/Consolidation or Consolidation and Individual	Individual	Individual	Individual	Individual
7	Type of Instrument	Common Stock	Subordinated Loan	Common Stock	Subordinated Loan
8	Amount recognized in KPMM calculation	11,068,798	5,522,821	11,059,285	5,522,821
9	Par value from the instrument	162,979	-	162,979	-
10	Classification based on Financial Accounting Standards	Equity	Liabilities – Amortised Cost	Equity	Liabilities – Amortised Cost
11	Published date	-	27 Mar 2003 (USD 50 mio), 5 Sep 2008 (USD 35 mio), 24 Dec 2013 (USD 150 mio), 26 Sep 2018 (USD 100 mio), & 23 Nov 2018 (USD 100 mio)	-	27 Mar 2003 (USD 50 mio), 5 Sep 2008 (USD 35 mio), 24 Dec 2013 (USD 150 mio), 26 Sep 2018 (USD 100 mio), & 23 Nov 2018 (USD 100 mio)
12	Without maturity date (perpetual) or with maturity date	Perpetual	With Maturity Date	Perpetual	With Maturity Date
13	Maturity date	-	27 Mar 2025, 26 Sep 2025, & 21 Nov 2025	-	27 Mar 2025, 26 Sep 2025, & 21 Nov 2025
14	Call Option execution from the approval of Financial Service Authority	No	No	No	No
15	Call option date, disbursed amount and other call option requirements (if any)	-	N/A	-	N/A
16	Subsequent call option	-	N/A	-	N/A
	Coupon/dividend				
17	Dividend / Coupon with Fixed Interest or floating	-	N/A	-	N/A
18	The level of the coupon rate or other index be the reference	-	N/A	-	N/A
19	Whether or not the dividend stopper	-	N/A	-	N/A
20	Fully discretionary; partial or mandatory	-	N/A	-	N/A
21	Is there a step-up feature or other incentives	-	N/A	-	N/A
22	Non-cumulative or cumulative	-	N/A	-	N/A
23	Convertible or non-convertible	Non Convertible	In the Subordinated Loan, there is an option to do a Conversion/Write Down, which will be proposed to the Creditors through an Action Plan when the trigger event occurs and will be submitted to the OJK	Non Convertible	In the Subordinated Loan, there is an option to do a Conversion/Write Down, which will be proposed to the Creditors through an Action Plan when the trigger event occurs and will be submitted to the OJK
24	If converted, specify a trigger point.	-	The CET1 ratio is lower or equal to 5.125% of RWA	-	The CET1 ratio is lower or equal to 5.125% of RWA



No.	Questions	Disclosure of Capital Instruments Features			
		Individual		Consolidate	
		Capital	Subordinated Loan	Capital	Subordinated Loan
25	If converted, full or partial	-	N/A	-	N/A
26	If converted, how the conversion rate	-	N/A	-	N/A
27	If converted, whether mandatory or optional	-	N/A	-	N/A
28	If converted, specify the type of instrument conversion	-	N/A	-	N/A
29	If converted, specify the issuer of the instrument converts it into	-	N/A	-	N/A
30	Write-down Features	No	In the Subordinated Loan, there is an option to do a Conversion / Write Down, which will be proposed to the Creditors through an Action Plan when the trigger event occurs and will be submitted to the OJK	No	In the Subordinated Loan, there is an option to do a Conversion / Write Down, which will be proposed to the Creditors through an Action Plan when the trigger event occurs and will be submitted to the OJK
31	If write-down happens, specify a trigger point	-	The CET1 ratio is lower or equal to 5.125% of RWA	-	The CET1 ratio is lower or equal to 5.125% of RWA
32	If write-down happens, full or partial	-	N/A	-	N/A
33	If write-down happens, permanent or temporary	-	N/A	-	N/A
34	If write-down happens, explain write-up mechanism	-	N/A	-	N/A
35	Instruments Hierarchy at the time of liquidation.	-	After the debt being paid to the creditor	-	After the debt being paid to the creditor
36	Are there any non-complaint features	No	N/A	No	N/A
37	If yes, explain the features of non-complaint	-	N/A	-	N/A

REPORT OF TOTAL EXPOSURE IN LEVERAGE RATIO

(in million Rupiah)

No	Description	Total	
		Individual	Consolidated
1	Total assets in published financial statements. (gross amont before deduction of Allowance for impairment losses)	170,757,362	186,594,786
	Adjustment:		
2	Adjustment for investment in banking, financial institution, insurance company and/or other entities that are consolidated for accounting purposes but outside the scope of Financial Service Financial Service Authority Regulation	-	-
3	Adjustment for collecting amount of financial asset or syariah asset as the underlying which have been divert into the asset securitization to meet the qualification for sale of without recourse of prudendce during the securitization asset activity for commercial bank.	-	-
4	Adjustment for temporary exception in regards with the placement with Bank Indonesia to meet the minimum reserve requirements stipulations (if any)		
5	Adjustment for fiduciary asset that recognized as the balance sheet component based on the financial accounting standard however not included in Leverage Ratio calculation		
6	Adjustment for regular-way purchases and sales of financial assets subject to trade date	-	-
7	Adjustment for eligible cash pooling transactions that fulfill the requirement as stipulated in Financial Service Authority regulation.	-	-
8	Adjustment for exposure amount of derivative transaction	1,703,505	1,703,505
9	Adjustment for exposure amount of Securities Financing Transaction (SFT) exposure for example Reverse Repo transactions	-	-

(in million Rupiah)

No	Description	Total	
		Individual	Consolidated
10	Adjustment for exposure amount of Off Balance Transaction converts with Credit Conversions Factor	21,584,147	21,584,147
11	Prudent valuation adjustments as the deduction of capital and impairment	(4,761,977)	(4,491,929)
12	Other Adjustments	-	-
Total Exposure in Leverage Ratio Calculation (Sum of row 1 + row 2 until row 12)		189,283,037	205,390,509

LEVERAGE RATIO CALCULATION REPORT

(in million Rupiah)

No	Description	Individual		Consolidated	
		T	T-1	T	T-1
Asset Exposure in Financial Statement					
1	Asset Exposure in the Financial Statement including the guarantee, but not including the exposure of Derivative Transaction and exposure of SFT (Gross amount before deduction of Allowance for Impairment Losses)	169,840,280	174,078,668	185,677,704	188,952,101
2	Revaluation for derivative collateral which given to other party which impacted decrement of total exposure in Balance Sheet because due to implementation of Financial Accounting Standard	-	-	-	-
3	(Deduction of receivables related with Cash Variation Margin which provided in derivatives transactions)	-	-	-	-
4	(Adjustment for securities received under exposure of SFT that are recognised as an asset)	-	-	-	-
5	Allowance for Impairment Losses of these assets in accordance with Financial Accounting Standard	(2,579,318)	(2,062,659)	(3,428,808)	(2,909,213)
6	(Asset that has been calculated as a deduction factor of Core Capital as stated on Financial Service Authority regulation regarding the obligation of minimum capital reserve for commercial bank)	(2,182,659)	(2,169,990)	(1,063,121)	(1,065,375)
7	Total asset Exposure in Financial Statement Sum of rows 1 to 6	165,078,303	169,846,019	181,185,775	184,977,513
Derivative Transaction Exposure					
8	Replacement cost associated with all derivatives transaction in where has a vatiation margin that applicable or has an agreement for netting in fulfill the certain condition.	1,283,527	1,197,767	1,283,527	1,197,767
9	Add-on amounts for PFE associated with all derivatives transactions	1,337,060	1,468,686	1,337,060	1,468,686
10	(Exempted of exposure of Derivative transaction which settled through central counterparty (CCP))	-	-	-	-
11	Adjustment of effective notional amount from credit derivatives	-	-	-	-
12	(Adjustment for notional amount tha effectively done with netting and deduction of add-on for selling of derivative credit transaction)	-	-	-	-
13	Total Derivatives Exposures Sum of rows 8 to 12	2,620,587	2,666,453	2,620,587	2,666,453
Securities Financing Transaction (SFT) Exposure					
14	The gross carrying value of SFT's assets	-	-	-	-
15	(Net value of cash liabilities and cash receivables)	-	-	-	-
16	Credit Risk due to failure from the other party related with SFT Asset which refer to calculation of current exposure in accordance with the attachment of this Financial Service Authority regulation.	-	-	-	-
17	Exposure as an SFT agent	-	-	-	-
18	Total SFT Exposure Sum of rows 14 to 17	-	-	-	-
Other Off-Balance Sheet Transactions Exposure					



(in million Rupiah)

No	Description	Individual		Consolidated	
		T	T-1	T	T-1
19	All of Commitment amount or Contingency amount, Gross amount before Allowance for Impairment Losses deduction	107,509,309	99,979,195	107,509,309	99,979,195
20	(Adjustment with the result of multipliation amount between Commitment and Contingency and CCF then deducted with Allowance for Impairment Losses)	(85,887,131)	(79,396,840)	(85,887,131)	(79,396,840)
21	(Allowance for Impairment Losses from Off Balance Sheet Transaction in accordance with Financial Accounting Standard)	(38,031)	(34,824)	(38,031)	(34,824)
22	Total Other Off-Balance Sheet Transactions Exposures Sum of rows 19 to 21	21,584,147	20,547,531	21,584,147	20,547,531
Capital and Total Exposure					
23	Core Capital	25,588,377	24,841,573	29,426,916	29,083,754
24	Total Exposure (7+ 13+ 18 +22)	189,283,037	193,060,003	205,390,509	208,191,497
Leverage Ratio					
25	Leverage Ratio includes the effect from adjustment of temporarily exception from placement in Bank Indonesia in regards with the fulfillment of Minimum Reserve Requirements (if any)	13.52%	12.87%	14.33%	13.97%
25a	Leverage Ratio not includes the effect from adjustment of temporarily exception from placement with Bank Indonesia to meet Minimum Reserve Requirements provisions (if there is)	13.52%	12.87%	14.33%	13.97%
26	Minimum value of Leverage Ratio	3.00%	3.00%	3.00%	3.00%
27	Bearing to Leverage Ratio value	N/A	N/A	N/A	N/A
Disclosure of Average Value					
28	Average value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash				
29	Quarter-end value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables				
30	Total exposures (including the impact of any applicable temporary exemption of central bank reserves) average values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)				
30a	Total exposures (excluding the impact of any applicable temporary exemption of central bank reserves) average values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)				
31	Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves) average values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)				
31a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) average values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)				

In general, the capital component is dominated by permanent capital. The core capital is the largest element of the Bank's capital. In December 2020, the ratio of total capital against RWA was at 25.55% (consolidated). This ratio stands far above the minimum CAR requirement set by the Financial Services Authority for Banks with a risk profile rating 2, namely 9% to less than 10%. The Bank will continue to strive to maintain CAR at a healthy level.

The Bank's consolidated capital structure is dominated by the core capital (81.0% of Bank BTPN's total consolidated capital). This capital consists of paid-up capital, additional paid-up capital, and retained earnings.

The Bank continues to conduct assessment to strengthen the level of capital according to needs if market conditions are conducive.

The sources of capital that are expected to be pursued by the Bank to realize the capital plan or meet the Bank's capital needs are from Retained Earnings and additional capital from shareholders, either through a right issue or a public offering. The accumulation of Retained Earnings is affected by the amount of dividends paid by the Bank to shareholders which is decided in the General Meeting of Shareholders. In determining dividend payments, the Bank always considers capital adequacy, both in terms of fulfillment of CAR and fulfillment of LLL in accordance with plans for future credit growth. Bank capital is projected to increase in line with accumulated earnings.

B. Capital Adequacy

The management uses the capital ratio standards to monitor capital adequacy in accordance with the industry standards. OJK's approach to capital measurement is mainly based on the monitoring of the level of required capital (measured at 8.0% of the risk-weighted assets) against available capital and the Bank also continuously apply the Internal Capital Adequacy Assessment Process (ICAAP) in accordance with prevailing regulations.

This relates to the determination of capital adequacy in accordance with the Bank's risk profile. This process is carried out to increase the effectiveness of the Bank in risk management.

The Bank uses the Standardized Approach in capital management of credit risk. The calculation of the Risk-Weighted Asset (RWA) is generally performed by referring to the risk weight in accordance with OJK regulations and the rating published by rating agencies designated by regulator.

In line with currently prevailing BI and OJK regulations, the Bank measures its capital adequacy for operational risk by using the Basic Indicator Approach method. Based on this method, the Bank allocates a minimum capital for operational risk based on historical data, which is the same as the average amount of annual gross income for the last 3 years (positive) multiplied by the current applicable alpha coefficient of 15%.

In managing market risk, the Bank uses the standardized method in calculating RWA for Market Risk.

The Bank's Management has a good understanding of managing its capital and views the capital planning as an important element to establishing the Bank's strategic objectives by analyzing the Bank's present and future capital adequacy through strategic planning process. This is shown by maintaining the Bank's performance through continuous monitoring on the quality of risk management, periodical audit by the Internal Audit Unit, adequate policy on dividend disbursement as well as the management's commitment on the Bank's strategies and targets as disclosed in the Bank's Business Plan.

The Bank's capital ratio is rated as very good, namely above the requirements set forth by Bank Indonesia. The trend in capital growth based on the Bank's Business Plan (BBP) also shows its capability to support the Bank's future business expansion.

Likewise, if associated with the incentive for the Statutory Reserve Requirements for Macropprudential Intermediation Ratio. The Bank's Capital Adequacy Ratio (CAR) level meets the minimum OJK requirement of 8.0%-14.0%. In accordance with the self-assessment result of the Bank's risk profile, the CAR position required according to the Bank's Consolidated Risk Profile as of December 2020 is 9.25%.



RISK EXPOSURE DISCLOSURE

A. Credit Risk

Credit Risk in BTPN is a prudential principal to avoid risks that arise as a result of other parties' failure to meet their obligations to the Bank, including credit risk due to debtors' failure, credit concentration risk, counterparty credit risk and settlement risk.

1. Credit Risk Management Framework

Calculating credit risk is done based on portfolio and transactional. The calculation may use both quantitative and qualitative methods in accordance with the standards of BI, OJK and/or adopted best practices or internal model developed by the Bank.

Credit risk measurement is carried out, among others, through: risk ratings and stress tests.

2. Adequacy of Policy, Procedures and Limit

The credit policy of Bank BTPN refers to the Regulation of the Financial Services Authority No. 42/POJK.03/2017 on the Requirement to Prepare and Implement Credit or Financing Policy for Commercial Banks. The credit policy is the guidelines to implementing credit processing by the Bank. The Bank periodically reviews policies and procedures, especially if and when occur changes in the economic conditions, changes in the regulations and/or business approaches.

This policy aims to establish credit risk management in accordance with global standards as an internationally active Bank and carries out appropriate credit programs in an organize manner for the Bank's better credit culture.

The Bank is categorized as one of the systemically important banks in Indonesia. For this reason, the Bank has established the Recovery Plan Document which includes its asset quality aspect. The recovery plan identifies the options to recover the financial strength and viability if the Bank faces burdensome pressures, especially in terms of the asset quality.

The Bank remains active in managing and supervising the risk management implementation and effectively improves the policies, procedures and risk management system development.

Aside from establishing policies and procedures, the Bank also sets the limit to maintain credit risk exposure in line with the Bank's risk appetite. The limit, among others, consists of limit in decision making authority in accordance with the competency of the decision-maker and the risk level as well as assurance that there is no conflict of interest in the credit processing provided to customers. Meanwhile, determining the Legal Lending Limit is done accordance with OJK Regulation No. 32/POJK.03/2018 and its amendment POJK No. 38/POJK/.03/2019 by taking into account the last updated regulation.

The Bank manages, and controls credit risk concentration wherever such risk is identified - specifically towards individual and group debtors and industries as well as geographic sectors.

The available Management Information System covers detailed levels to detect unfavorable development at the earliest possible so that accurate actions may be taken in time in order to correct the declining credit quality or to minimize credit loss.

The Bank carefully monitors development of credit portfolio which allows the Bank to take preventive action in time should a decline in credit quality occurs, by early detection of problems and tight monitoring.

- #### 3. Adequacy of Processes in Risk Identification, Measurement, Monitoring, and Control, and Risk Management Information Systems
- Bank BTPN's Credit Risk framework is implemented through an integrated process and consists of risk identification, measurement, monitoring, and control/mitigation processes.

The process of credit risk identification, among others, is implemented starting from determining the industrial sector or customer segment to be funded, through analysis of customers' credit requests as well as analysis of products and activities that may potentially cause credit risks by conducting risk assessment on Product Programs. Based on the process of identifying such credit risks, the Bank takes measurement of the credit risks by utilizing the main indicators that show the customers' credit quality, such as the Non-Performing Loan and periodically measures the quality of the low-quality assets as well as monitor customers who are included in the watchlist account.

As part of the credit risk measurement, stress testing is conducted in order to evaluate the resilience of the Bank in facing extreme conditions.

The system of measuring credit risk must take into account product characteristics, tenors, collateral aspects, default potential, and the Bank's capability to absorb potential defaults and conduct quantification of, among others the composition of asset portfolio including the type, exposure feature, credit growth, adequacy of reserves, concentration level and the quality of fund provision, incorporating level of problem assets and foreclosed assets, as well as the mark to market specific credit risk transactions. The Bank monitors actual credit risk exposure compared to the credit risk limit, the management of instead of troubled should be use problem asset terminology credit as well as monitors the conformity between policies and implementation of credit risk management.

Development of management information system is carried out in continuity in order to present credit risk information on regular basis.

4. Internal Control System for Credit Risk
The Internal Control System is implemented to manage risks that pose threats to the Bank's business continuity. For example, the implementation of effective handling procedures on credit in non performing by separating the function of settling non performing loans and the function of credit approvals.

Results from handling non performing credits must be documented to be used as materials for consideration in channeling or restructuring loans.

Credit risk can also be controlled through risk mitigation, active management of position and risk portfolio as well as determining the targets of concentration risk limit.

5. Credit Concentration Risk Management Policy
The Bank manages credit concentration risk by monitoring among others, the industry sector exposure, particularly the types of loan, as well as individuals and business groups exposure.
6. Definition of Past-Due Claim
Claims that are past-due are all receivables in arrear for more than 90 (ninety) days, both on principal and/or interest payments.
7. Definition of Impaired Claim
The Bank conducts evaluation on financial assets/ financial asset groups with diminishing value in each balance sheet date. Any receivables with impairment are determined based on financial assets/ financial asset groups if objectively proven that the impairment occurs as a result of one or more events occurring subsequent to the initial recognition of the asset (loss event). Such loss event affects the estimated future cash flow of the financial assets or financial asset groups that can be accurately estimated.



8. In regards to estimation of loan provision

In regards to estimation of loan loss provision of financial assets, the Bank has applied PSAK 71 since 1 January 2020. PSAK 71 requires impairment loss to be recognized at the amount of the expected credit loss (12 months ECL) or lifetime expected credit loss (lifetime ECL) of financial assets. Lifetime ECL is expected loss originating from all possible expected lifetime default of financial instruments, while 12 months ECL is a portion of the expected credit loss from possible defaults within 12 months upon submission of report.

Expected credit loss is a weighted probability estimate of credit loss (namely current value of overall cash shortfall) during the estimated life span of a financial instrument. Cash shortfall is the difference in the cash flow which the entity expects to receive. Since expected credit loss takes into account the amount and the time of payment, credit loss will remain to persist although the entity expects to be paid in full even after maturity.

Expected Credit Loss ("ECL") is recognized for all financial debt instruments, loan commitments and financial guarantees classified as "hold to collect" or "hold to collect and sell" and has an SPPI cash flow. ECL is not recognized for financial instruments defined as FVTPL and equity instruments defined as FVOCI.

Credit exposure estimation for risk management purposes is complex and requires the use of models, due to varying exposures related to changes in market conditions, expected cash flow as well as course of time. Credit risk assessment

of asset portfolio requires further estimation of possible default, from the ratio of related loss and correlation of default between parties. The Bank measures credit loss by use of Probability of Default (PD), Exposure at Default (EAD), Loss Given Default (LGD) and macroeconomic variables for forward looking estimation.

In accordance with PSAK 71, the Bank applies the "Three-Phase" model for value changes based on the change in the credit quality since its initial recognition as summarized below:

- Financial instruments which do not experience a decrease in credit value since its initial recognition are classified in "Phase 1".
- If a significant increase in credit risk ("SICR") since its initial recognition is identified, the financial instrument is moved to "Phase 2" but is not yet considered to have experienced impaired in the credit value.
- If the financial instrument is experiencing a decrease in the credit value, the financial instrument is then moved to "Phase 3".

PSAK 71 is not applicable for Subsidiaries which is Shariah entity.

9. Quantitative Credit Risk Disclosure

Net Claims Disclosures based on Geographic Area - Bank Stand Alone

No	Portfolio Category	31 December 2020						
		Net claims based on geographic area						
		Java	Bali & Nusa Tenggara	Sumatera	Kalimantan & Sulawesi	Overseas	Total	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
1	Claims on sovereign	30,515,454	-	-	-	-	30,515,454	
2	Claims on Public Sector Entity	12,531,332	-	2,588,101	-	2,767	15,122,200	
3	Claims on Multilateral Development Banks and International Institute	-	-	-	-	-	-	
4	Claims on Bank	2,848,661	-	-	-	940,816	3,789,477	
5	Secured by Residential Property	99	117	-	128	-	344	
6	Secured by Commercial Real Estate	-	-	-	-	-	-	
7	Pensioners/Other institutions' employees loans	15,311,937	1,856,571	7,691,761	7,298,647	-	32,158,916	
8	Claims on Micro, Small and Retail Portfolio	1,334,555	47,654	417,547	183,268	-	1,983,024	
9	Claims on Corporate	80,533,772	219,133	6,125,104	4,923,565	282,435	92,084,009	
10	Past due claims	204,258	7,632	110,837	52,107	-	374,834	
11	Other assets	5,736,530	-	-	-	-	5,736,530	
	Total	149,016,598	2,131,107	16,933,350	12,457,715	1,226,018	181,764,788	

Net Claims Disclosures based on Geographic Area - Consolidated Bank and Subsidiary

No	Portfolio Category	31 December 2020						
		Net claims based on geographic area						
		Jawa	Bali & Nusa Tenggara	Sumatera	Kalimantan & Sulawesi	Overseas	Total	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
1	Claims on sovereign	35,969,438	-	-	-	-	35,969,438	
2	Claims on Public Sector Entity	12,709,545	-	2,588,101	-	2,767	15,300,413	
3	Claims on Multilateral Development Banks and International Institute	-	-	-	-	-	-	
4	Claims on Bank	3,096,720	-	-	-	940,816	4,037,536	
5	Secured by Residential Property	99	117	-	128	-	344	
6	Secured by Commercial Real Estate	-	-	-	-	-	-	
7	Pensioners/Other institutions' employees loans	15,311,937	1,856,571	7,691,761	7,298,647	-	32,158,916	
8	Claims on Micro, Small and Retail Portfolio	7,428,796	361,046	2,406,560	537,170	-	10,733,572	
9	Claims on Corporate	80,542,004	219,133	6,125,104	4,923,565	282,435	92,092,241	
10	Past due claims	206,037	7,751	111,184	52,206	-	377,178	
11	Other assets	6,785,044	42,549	334,912	68,856	-	7,231,361	
	Total	162,049,620	2,487,167	19,257,622	12,880,572	1,226,018	197,900,999	



	31 December 2019					
	Net claims based on geographic area					
	Java	Bali & Nusa Tenggara	Sumatera	Kalimantan & Sulawesi	Overseas	Total
	(9)	(10)	(11)	(12)	(13)	(14)
	21,963,565	-	-	-	-	21,963,565
	9,157,858	-	998,700	-	61,966	10,218,524
	-	-	-	-	-	-
	2,023,573	-	-	-	925,895	2,949,469
	105	264	-	-	-	369
	-	-	-	-	-	-
	18,202,810	2,449,881	7,284,261	7,731,183	-	35,668,135
	3,453,269	137,660	917,016	446,301	-	4,954,246
	74,027,155	7,995,466	9,436,228	5,260,281	452,940	97,172,070
	292,362	9,732	107,243	64,651	-	473,988
	6,036,467	-	-	-	-	6,036,467
	135,157,164	10,593,003	18,743,448	13,502,416	1,440,801	179,436,832

	31 December 2019					
	Net claims based on geographic area					
	Java	Bali & Nusa Tenggara	Sumatera	Kalimantan & Sulawesi	Overseas	Total
	(9)	(10)	(11)	(12)	(13)	(14)
	26,980,247	-	-	-	-	26,980,247
	9,281,177	-	998,700	-	61,966	10,341,843
	-	-	-	-	-	-
	2,190,440	-	-	-	925,895	3,116,336
	105	264	-	-	-	369
	-	-	-	-	-	-
	18,202,810	2,449,881	7,284,261	7,731,183	-	35,668,135
	9,580,392	420,844	2,919,084	778,931	-	13,699,251
	74,055,992	7,995,466	9,436,228	5,260,281	452,940	97,200,907
	309,297	10,848	110,782	66,274	-	497,201
	6,860,325	33,424	164,542	45,622	-	7,103,913
	147,460,785	10,910,727	20,913,597	13,882,291	1,440,801	194,608,201

Net Claims Disclosure Based on Residual Contractual Maturity - Bank Stand Alone

No	Portfolio Category	31 Desember 2020						
		Net Claims Disclosure Based on Residual Contractual Maturity						
		<1 Year	1-3 Year	3-5 Year	>5 Year	Non Contractual	Total	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
1	Claims on sovereign	30,515,454	-	-	-	-	30,515,454	
2	Claims on Public Sector Entity	2,974,568	4,549,720	7,273,431	324,481	-	15,122,200	
3	Claims on Multilateral Development Banks and International Institute	-	-	-	-	-	-	
4	Claims on Bank	1,692,431	1,000,483	636,217	40,842	419,504	3,789,477	
5	Secured by Residential Property	117	227	-	-	-	344	
6	Secured by Commercial Real Estate	-	-	-	-	-	-	
7	Pensioners/Other institutions' employees loans	23,034,449	9,124,467	-	-	-	32,158,916	
8	Claims on Micro, Small and Retail Portfolio	1,981,670	1,354	-	-	-	1,983,024	
9	Claims on Corporate	32,075,501	32,257,635	15,132,929	12,617,944	-	92,084,009	
10	Past due claims	323,969	50,865	-	-	-	374,834	
11	Other assets	5,736,530	-	-	-	-	5,736,530	
	Total	98,334,689	46,984,751	23,042,577	12,983,267	419,504	181,764,788	

Net Claims Disclosure Based on Residual Contractual Maturity - Consolidated Bank and Subsidiary

No	Portfolio Category	31 Desember 2020						
		Net Claims Disclosure Based on Residual Contractual Maturity						
		<1 Year	1-3 Year	3-5 Year	>5 Year	Non Contractual	Total	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
1	Claims on sovereign	34,523,281	688,968	378,718	-	378,471	35,969,438	
2	Claims on Public Sector Entity	3,152,781	4,549,720	7,273,431	324,481	-	15,300,413	
3	Claims on Multilateral Development Banks and International Institute	-	-	-	-	-	-	
4	Claims on Bank	1,692,431	1,000,483	636,217	40,842	667,563	4,037,536	
5	Secured by Residential Property	117	227	-	-	-	344	
6	Secured by Commercial Real Estate	-	-	-	-	-	-	
7	Pensioners/Other institutions' employees loans	23,034,449	9,124,467	-	-	-	32,158,916	
8	Claims on Micro, Small and Retail Portfolio	8,256,826	2,476,746	-	-	-	10,733,572	
9	Claims on Corporate	32,078,108	32,263,260	15,132,929	12,617,944	-	92,092,241	
10	Past due claims	326,206	50,972	-	-	-	377,178	
11	Other assets	5,736,530	-	-	-	1,494,831	7,231,361	
	Total	108,800,729	50,154,843	23,421,295	12,983,267	2,540,865	197,900,999	



	31 Desember 2019					
	Net Claims Disclosure Based on Residual Contractual Maturity					
	<1 Year	1-3 Year	3-5 Year	>5 Year	Non Contractual	Total
	(9)	(10)	(11)	(12)	(13)	(14)
	21,963,565	-	-	-	-	21,963,565
	1,894,538	2,571,810	5,349,945	402,231	-	10,218,524
	-	-	-	-	-	-
	1,649,934	408,388	134,587	4,796	751,764	2,949,469
	129	240	-	-	-	369
	-	-	-	-	-	-
	24,686,079	10,982,057	-	-	-	35,668,136
	4,922,424	31,822	-	-	-	4,954,246
	22,675,815	41,901,690	19,228,307	13,366,257	-	97,172,070
	426,417	47,571	-	-	-	473,988
	6,036,466	-	-	-	-	6,036,466
	84,255,367	55,943,578	24,712,839	13,773,284	751,764	179,436,832

	31 Desember 2019					
	Net Claims Disclosure Based on Residual Contractual Maturity					
	<1 Year	1-3 Year	3-5 Year	>5 Year	Non Contractual	Total
	(9)	(10)	(11)	(12)	(13)	(14)
	25,825,934	429,779	266,132	458,402	-	26,980,247
	2,017,857	2,571,810	5,349,945	402,231	-	10,341,843
	-	-	-	-	-	-
	1,649,934	408,388	134,587	171,663	751,764	3,116,336
	129	240	-	-	-	369
	-	-	-	-	-	-
	24,686,079	10,982,057	-	-	-	35,668,136
	11,390,546	2,308,705	-	-	-	13,699,251
	22,699,702	41,906,640	19,228,307	13,366,257	-	97,200,907
	449,050	48,151	-	-	-	497,201
	6,036,467	-	-	1,067,445	-	7,103,912
	94,755,698	58,655,770	24,978,971	15,465,998	751,764	194,608,201

Net Claims Disclosure based on Economic Sector - Bank Stand Alone

No	Economic Sector	Claims on Sovereign	Claims on Public Sector Entity	Claims on Multilateral Development Banks and International Institute	Claims on Bank	
(1)	(2)	(3)	(4)	(5)	(6)	
December 2020						
1	Agriculture, forestry and fisheries	-	1,232,597	-	-	
2	Mining and excavation	-	-	-	-	
3	Manufacturing	-	2,183,074	-	-	
4	Procurement of Electricity, Gas, Steam / Hot Water and Cold Air	-	6,005,363	-	-	
5	Water Management, WasteWater Management, Waste Management and Recycling	-	-	-	-	
6	Construction	-	4,780,186	-	-	
7	Wholesale and retail trading; Repair and Maintenance of Cars and Motorcycles	-	-	-	-	
8	Transportation and Warehousing	-	750,000	-	-	
9	Provision of Accommodation and Provision of Drinking Food	-	-	-	-	
10	Information and Communication	-	-	-	-	
11	Financial and Insurance Activities	19,604,666	170,956	-	3,389,752	
12	Real Estate	-	24	-	-	
13	Professional, Scientific, and Technical Activities	-	-	-	-	
14	Rental and Rental Activities Without Option Rights, Employment, Travel Agents, and Other Business Support	-	-	-	-	
15	Government, Defense and Compulsory Social Security Administration	-	-	-	-	
16	Education	-	-	-	-	
17	Human Health Activities and Social Activities	-	-	-	-	
18	Arts, Entertainment and Recreation	-	-	-	-	
19	Other Service Activities	-	-	-	-	
20	Household Activities as An Employer	-	-	-	-	
21	Activities of the International Agency and Other Extra International Agency	-	-	-	-	
22	Not a Business Field	-	-	-	-	
23	Others	10,910,788	-	-	399,725	
	Total	30,515,454	15,122,200	-	3,789,477	
December 2019						
1	Agriculture, forestry and fisheries	-	-	-	-	
2	Mining and excavation	-	499,364	-	-	
3	Manufacturing	-	1,246,636	-	-	
4	Procurement of Electricity, Gas, Steam / Hot Water and Cold Air	-	3,548,021	-	-	
5	Water Management, WasteWater Management, Waste Management and Recycling	-	-	-	-	
6	Construction	-	4,895,253	-	-	
7	Wholesale and retail trading; Repair and Maintenance of Cars and Motorcycles	-	-	-	-	
8	Transportation and Warehousing	-	29,250	-	-	
9	Provision of Accommodation and Provision of Drinking Food	-	-	-	-	
10	Information and Communication	-	-	-	-	
11	Financial and Insurance Activities	20,141,722	-	-	2,750,265	
12	Real Estate	-	-	-	-	
13	Professional, Scientific, and Technical Activities	-	-	-	-	
14	Rental and Rental Activities Without Option Rights, Employment, Travel Agents, and Other Business Support	-	-	-	-	
15	Government, Defense and Compulsory Social Security Administration	-	-	-	-	
16	Education	-	-	-	-	
17	Human Health Activities and Social Activities	-	-	-	-	
18	Arts, Entertainment and Recreation	-	-	-	-	
19	Other Service Activities	-	-	-	-	
20	Household Activities as An Employer	-	-	-	-	
21	Activities of the International Agency and Other Extra International Agency	-	-	-	-	
22	Not a Business Field	-	-	-	-	
23	Others	1,821,843	-	-	199,204	
	Total	21,963,565	10,218,524	-	2,949,469	



(in million Rupiah)

	Claims secured by Residential Property	Claims secured by Commercial Real Estate	Pensioners/ Other institutions' employees loans	Claims on Micro, Small and Retail Portfolio	Claims on Corporate	Past due claims	Other assets
	(7)	(8)	(9)	(10)	(11)	(12)	(13)
	-	-	46,018	74,371	2,924,782	515	-
	-	-	-	887	2,651,773	-	-
	-	-	6,378	108,874	31,838,494	58,659	-
	-	-	99	473	1,393,051	-	-
	-	-	-	-	-	-	-
	-	-	-	5,674	1,492,116	19,968	-
	-	-	45,521	416,703	16,190,596	134,167	-
	-	-	-	-	9,072,486	-	-
	-	-	16,244	53,927	132,076	695	-
	-	-	-	-	-	-	-
	-	-	12,180	2,632	19,216,855	1,122	-
	-	-	-	-	6,452,398	-	-
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	-	-	-	999	74	-	-
	-	-	81	14,966	1,433	366	-
	-	-	-	155,413	86,013	7,135	-
	-	-	-	-	56,058	-	-
	-	-	-	-	-	-	-
	344	-	32,031,041	964,032	5,344	144,784	-
	-	-	1,207	3,134	560,010	3,475	-
	-	-	147	180,389	-	3,948	-
	-	-	-	550	10,450	-	5,736,530
	344	-	32,158,916	1,983,024	92,084,009	374,834	5,736,530
	-	-	58,026	120,665	3,285,647	1,562	-
	-	-	-	750	2,311,375	-	-
	-	-	8,453	184,926	34,670,391	83,048	-
	-	-	109	605	1,948,789	-	-
	-	-	-	-	-	-	-
	-	-	116	3,628	1,829,492	18,069	-
	-	-	56,863	759,407	14,739,302	158,017	-
	-	-	-	-	7,782,362	-	-
	-	-	20,374	90,737	137,316	1,630	-
	-	-	-	-	-	-	-
	-	-	-	-	20,778,076	-	-
	-	-	15,504	4,391	8,878,235	2,421	-
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	-	-	-	1,485	812	-	-
	-	-	96	29,362	2,895	185	-
	-	-	21	259,200	142,357	4,830	-
	-	-	-	-	-	-	-
	369	-	35,507,171	2,494,193	5,966	167,754	-
	-	-	1,403	-	-	-	-
	-	-	-	1,000,067	-	19,878	-
	-	-	-	4,830	659,055	16,594	6,036,466
	369	-	35,668,136	4,954,246	97,172,070	473,988	6,036,466

Net Claims Disclosure based on Economic Sector - Consolidated Bank and Subsidiary

No	Economic Sector	Claims on sovereign	Claims on Public Sector Entity	Claims on Multilateral Development Banks and International Institute	Claims on Bank	
(1)	(2)	(3)	(4)	(5)	(6)	
December 2020						
1	Agriculture, forestry and fisheries	-	1,232,597	-	-	
2	Mining and excavation	-	-	-	-	
3	Manufacturing	-	2,183,074	-	-	
4	Procurement of Electricity, Gas, Steam / Hot Water and Cold Air	-	6,005,363	-	-	
5	Water Management, WasteWater Management, Waste Management and Recycling	-	-	-	-	
6	Construction	-	4,780,186	-	-	
7	Wholesale and retail trading; Repair and Maintenance of Cars and Motorcycles	-	-	-	-	
8	Transportation and Warehousing	-	750,000	-	-	
9	Provision of Accommodation and Provision of Drinking Food	-	-	-	-	
10	Information and Communication	-	-	-	-	
11	Financial and Insurance Activities	19,604,666	170,956	-	3,389,752	
12	Real Estate	-	24	-	-	
13	Professional, Scientific, and Technical Activities	-	-	-	-	
14	Rental and Rental Activities Without Option Rights, Employment, Travel Agents, and Other Business Support	-	-	-	-	
15	Government, Defense and Compulsory Social Security Administration	-	-	-	-	
16	Education	-	-	-	-	
17	Human Health Activities and Social Activities	-	-	-	-	
18	Arts, Entertainment and Recreation	-	-	-	-	
19	Other Service Activities	-	-	-	-	
20	Household Activities as An Employer	-	-	-	-	
21	Activities of the International Agency and Other Extra International Agency	-	-	-	-	
22	Not a Business Field	-	-	-	-	
23	Others	16,364,772	178,213	-	647,784	
	Total	35,969,438	15,300,413	-	4,037,536	
December 2019						
1	Agriculture, forestry and fisheries	-	-	-	-	
2	Mining and excavation	-	499,364	-	-	
3	Manufacturing	-	1,246,636	-	-	
4	Procurement of Electricity, Gas, Steam / Hot Water and Cold Air	-	3,548,021	-	-	
5	Water Management, WasteWater Management, Waste Management and Recycling	-	-	-	-	
6	Construction	-	4,895,253	-	-	
7	Wholesale and retail trading; Repair and Maintenance of Cars and Motorcycles	-	-	-	-	
8	Transportation and Warehousing	-	29,250	-	-	
9	Provision of Accommodation and Provision of Drinking Food	-	-	-	-	
10	Information and Communication	-	-	-	-	
11	Financial and Insurance Activities	20,141,722	-	-	2,750,265	
12	Real Estate	-	-	-	-	
13	Professional, Scientific, and Technical Activities	-	-	-	-	
14	Rental and Rental Activities Without Option Rights, Employment, Travel Agents, and Other Business Support	-	-	-	-	
15	Government, Defense and Compulsory Social Security Administration	-	-	-	-	
16	Education	-	-	-	-	
17	Human Health Activities and Social Activities	-	-	-	-	
18	Arts, Entertainment and Recreation	-	-	-	-	
19	Other Service Activities	-	-	-	-	
20	Household Activities as An Employer	-	-	-	-	
21	Activities of the International Agency and Other Extra International Agency	-	-	-	-	
22	Not a Business Field	-	-	-	-	
23	Others	6,838,525	123,319	-	366,071	
	Total	26,980,247	10,341,843	-	3,116,336	



Claims and Allowances Disclosure based on Geographic Area - Bank Stand Alone

No	Category Portfolio	31 December 2020						
		Geographic Area						
		Java	Bali & Nusa Tenggara	Sumatera	Kalimantan & Sulawesi	Overseas	Total	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
1	Gross claims	135,570,932	2,139,866	16,328,283	12,519,933	849,388	167,408,402	
2	Impaired claims							
	a. Not yet matured	731,635	15,665	222,929	101,993	-	1,072,222	
	b. Matured	157,535	8	5,425	8,376	-	171,344	
3	Allowance for impairment losses - Stage 1	433,631	45,224	87,947	111,793	50	678,645	
4	Allowance for impairment losses - Stage 2	498,933	83,697	216,105	41,808	-	840,603	
5	Allowance for impairment losses - Stage 3	844,946	65,142	136,156	51,857	-	1,098,101	
6	Amounts written-off	3,161,546	277,531	1,152,052	354,082	-	4,945,211	

Claims and Allowances Disclosure based on Geographic Area - Consolidated Bank and Subsidiary

No	Category Portfolio	31 December 2020						
		Geographic Area						
		Java	Bali & Nusa Tenggara	Sumatera	Kalimantan & Sulawesi	Overseas	Total	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
1	Gross claims	149,254,810	2,523,628	18,792,133	12,974,144	849,388	184,394,103	
2	Impaired claims	-	-	-	-	-	-	
	a. Not yet matured	731,635	15,665	222,929	101,993	-	1,072,222	
	b. Matured	291,461	6,897	39,319	15,752	-	353,429	
3	Allowance for impairment losses - Stage 1	1,084,487	72,927	227,525	143,146	50	1,528,135	
4	Allowance for impairment losses - Stage 2	498,993	83,697	216,105	41,808	-	840,603	
5	Allowance for impairment losses - Stage 3	844,946	65,142	136,156	51,857	-	1,098,101	
6	Amounts written-off	3,837,698	327,298	1,330,794	433,998	-	5,929,788	



	31 December 2019					
	Geographic Area					
	Java	Bali & Nusa Tenggara	Sumatera	Kalimantan & Sulawesi	Overseas	Total
	(8)	(9)	(10)	(11)	(12)	(13)
	129,514,518	2,876,028	18,775,197	13,568,928	870,726	165,605,396
	759,895	20,421	183,322	132,860	-	1,096,498
	21,094	26	15	100	-	21,235
	2,495,551	260,944	1,136,619	333,482	-	4,226,596

	31 December 2019					
	Geographic Area					
	Java	Bali & Nusa Tenggara	Sumatera	Kalimantan & Sulawesi	Overseas	Total
	(3)	(4)	(5)	(6)	(7)	
	142,024,112	3,206,552	21,002,664	13,964,832	870,726	181,068,885
	-	-	-	-	-	-
	759,895	20,421	183,322	132,860	-	1,096,498
	108,890	5,244	20,706	9,065	-	143,905
	2,970,130	292,799	1,270,365	395,672	-	4,928,966

Claims and Allowances Disclosure based on Economic Sector - Bank Stand Alone

(in million Rupiah)

No	Economic Sector	Claims	Impaired claims		Allowance for impairment losses - Stage 1	Allowance for impairment losses - Stage 2	Allowance for impairment losses - Stage 3	Amounts Written-Off
			Not yet matured	Matured				
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
December 2020								
1	Agriculture, forestry and fisheries	4,278,244	821	-	11,045	2,080	898	21,333
2	Mining and excavation	1,909,472	-	-	1,864	8,145	-	5,814
3	Manufacturing	28,768,586	116,932	55,363	122,015	123,946	154,466	385,163
4	Procurement of Electricity, Gas, Steam / Hot Water and Cold Air	6,065,418	-	-	1,701	-	-	2,195
5	Water Management, WasteWater Management, Waste Management and Recycling	-	-	-	-	-	-	-
6	Construction	6,196,394	28,937	3,000	14,578	182,361	16,925	77,314
7	Wholesale and retail trading; Repair and Maintenance of Cars and Motorcycles	15,875,335	325,177	86,836	291,702	272,021	372,902	739,245
8	Transportation and Warehousing	8,069,801	2,761	25,977	19,375	15,398	40,057	60,576
9	Provision of Accommodation and Provision of Drinking Food	210,015	1,054	-	5,810	10,419	8,154	21,382
10	Information and Communication	-	-	-	-	-	-	-
11	Financial and Insurance Activities	40,063,085	60,295	-	11,389	82,525	113,038	124,179
12	Real Estate	4,492,743	168,308	-	16,095	27,305	170,943	49,194
13	Professional, Scientific, and Technical Activities	-	-	-	-	-	-	-
14	Rental and Rental Activities Without Option Rights, Employment, Travel Agents, and Other Business Support	-	-	-	-	-	-	-
15	Government, Defense and Compulsory Social Security Administration	1,073	-	-	-	-	-	-
16	Education	16,846	-	-	19	8	183	109
17	Human Health Activities and Social Activities	248,742	547	-	758	914	574	1,734
18	Arts, Entertainment and Recreation	60,590	11,667	-	7,313	7,463	7,098	25,768
19	Other Service Activities	-	-	-	-	-	-	-
20	Household Activities as An Employer	33,352,703	326,175	168	174,981	108,018	212,863	3,393,759
21	Activities of the International Agency and Other Extra International Agency	567,826	-	-	-	-	-	-
22	Not a Business Field	184,484	29,548	-	-	-	-	37,447
23	Others	17,047,045	-	-	-	-	-	-
	Total	167,408,402	1,072,222	171,344	678,645	840,603	1,098,101	4,945,211
December 2019								
1	Agriculture, forestry and fisheries	3,062,071	2,357	-	-	-	-	20,429
2	Mining and excavation	2,071,157	-	-	-	-	-	8,093
3	Manufacturing	31,077,983	135,518	8,059	-	-	-	297,714
4	Procurement of Electricity, Gas, Steam / Hot Water and Cold Air	4,450,519	-	-	-	-	-	2,523
5	Water Management, WasteWater Management, Waste Management and Recycling	-	-	-	-	-	-	-
6	Construction	6,502,458	39,819	-	-	-	-	61,585
7	Wholesale and retail trading; Repair and Maintenance of Cars and Motorcycles	15,268,553	254,353	8,002	-	-	-	623,329
8	Transportation and Warehousing	7,262,381	36,852	-	-	-	-	51,862
9	Provision of Accommodation and Provision of Drinking Food	269,815	8,926	5,000	-	-	-	19,832
10	Information and Communication	-	-	-	-	-	-	-
11	Financial and Insurance Activities	41,241,045	-	-	-	-	-	168,518
12	Real Estate	5,807,520	210,329	-	-	-	-	45,268
13	Professional, Scientific, and Technical Activities	-	-	-	-	-	-	-
14	Rental and Rental Activities Without Option Rights, Employment, Travel Agents, and Other Business Support	-	-	-	-	-	-	-
15	Government, Defense and Compulsory Social Security Administration	-	-	-	-	-	-	-
16	Education	2,297	-	-	-	-	-	169
17	Human Health Activities and Social Activities	32,613	260	-	-	-	-	2,397
18	Arts, Entertainment and Recreation	408,654	7,075	-	-	-	-	27,288
19	Other Service Activities	1,403	-	-	-	-	-	-
20	Household Activities as An Employer	38,388,989	351,033	174	-	-	-	2,820,411
21	Activities of the International Agency and Other Extra International Agency	-	-	-	-	-	-	-
22	Not a Business Field	1,019,944	49,976	-	-	-	-	77,179
23	Others	8,737,993	-	-	-	-	-	-
	Total	165,605,396	1,096,498	21,235	-	-	-	4,226,596



Claims and Allowances Disclosure based on Economic Sector - Consolidated Bank and Subsidiary

(in million Rupiah)

No	Economic Sector	Claims	Impaired claims		Allowance for impairment losses - Stage 1	Allowance for impairment losses - Stage 2	Allowance for impairment losses - Stage 3	Amounts Written-Off
			Not yet matured	Matured				
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
December 2020								
1	Agriculture, forestry and fisheries	4,978,969	821	11,482	68,676	2,080	898	53,784
2	Mining and excavation	1,912,015	-	60	2,147	8,145	-	6,086
3	Manufacturing	29,028,114	116,932	61,934	148,439	123,946	154,466	422,061
4	Procurement of Electricity, Gas, Steam / Hot Water and Cold Air	6,065,418	-	-	1,701	-	-	2,195
5	Water Management, WasteWater Management, Waste Management and Recycling	-	-	-	-	-	-	-
6	Construction	6,196,394	28,937	3,000	14,578	182,361	16,925	77,314
7	Wholesale and retail trading; Repair and Maintenance of Cars and Motorcycles	23,851,094	325,177	229,284	981,396	272,021	372,902	1,562,033
8	Transportation and Warehousing	8,082,109	2,761	26,418	20,972	15,398	40,057	62,629
9	Provision of Accommodation and Provision of Drinking Food	356,608	1,054	4,828	23,039	10,419	8,154	51,162
10	Information and Communication	-	-	-	-	-	-	-
11	Financial and Insurance Activities	40,071,691	60,295	-	11,483	82,525	113,038	124,179
12	Real Estate	4,497,274	168,308	105	16,669	27,305	170,943	50,146
13	Professional, Scientific, and Technical Activities	-	-	-	-	-	-	-
14	Rental and Rental Activities Without Option Rights, Employment, Travel Agents, and Other Business Support	-	-	-	-	-	-	-
15	Government, Defense and Compulsory Social Security Administration	1,073	-	-	-	-	-	-
16	Education	16,846	-	-	19	8	183	109
17	Human Health Activities and Social Activities	251,307	547	45	1,022	914	574	2,012
18	Arts, Entertainment and Recreation	99,824	11,667	1,002	11,657	7,463	7,098	29,042
19	Other Service Activities	-	-	-	-	-	-	55
20	Household Activities as An Employer	33,809,064	326,175	15,133	225,871	108,018	212,863	3,448,929
21	Activities of the International Agency and Other Extra International Agency	567,826	-	-	-	-	-	-
22	Not a Business Field	184,548	29,548	-	-	-	-	38,053
23	Others	24,423,929	-	138	466	-	-	-
	Total	184,394,103	1,072,222	353,429	1,528,135	840,603	1,098,101	5,929,788
December 2019								
1	Agriculture, forestry and fisheries	3,753,394	2,357	5,610	-	-	-	40,639
2	Mining and excavation	2,075,474	-	19	-	-	-	8,223
3	Manufacturing	31,421,213	135,518	12,474	-	-	-	322,808
4	Procurement of Electricity, Gas, Steam / Hot Water and Cold Air	4,450,519	-	-	-	-	-	2,523
5	Water Management, WasteWater Management, Waste Management and Recycling	-	-	-	-	-	-	-
6	Construction	6,502,458	39,819	-	-	-	-	61,585
7	Wholesale and retail trading; Repair and Maintenance of Cars and Motorcycles	22,195,996	254,353	107,878	-	-	-	1,225,771
8	Transportation and Warehousing	7,289,780	36,852	293	-	-	-	53,188
9	Provision of Accommodation and Provision of Drinking Food	453,999	8,926	8,231	-	-	-	42,135
10	Information and Communication	-	-	-	-	-	-	-
11	Financial and Insurance Activities	41,270,984	-	-	-	-	-	168,518
12	Real Estate	5,813,923	210,329	96	-	-	-	45,963
13	Professional, Scientific, and Technical Activities	-	-	-	-	-	-	-
14	Rental and Rental Activities Without Option Rights, Employment, Travel Agents, and Other Business Support	-	-	-	-	-	-	-
15	Government, Defense and Compulsory Social Security Administration	-	-	-	-	-	-	-
16	Education	2,297	-	-	-	-	-	169
17	Human Health Activities and Social Activities	36,002	260	72	-	-	-	2,539
18	Arts, Entertainment and Recreation	453,332	7,075	690	-	-	-	29,020
19	Other Service Activities	1,403	-	-	-	-	-	56
20	Household Activities as An Employer	39,208,779	351,033	8,340	-	-	-	2,848,580
21	Activities of the International Agency and Other Extra International Agency	-	-	-	-	-	-	-
22	Not a Business Field	1,020,014	49,976	-	-	-	-	77,179
23	Others	15,119,317	-	202	-	-	-	70
	Total	181,068,885	1,096,498	143,905	-	-	-	4,928,966

Allowance for Impairment Losses Movement - Bank Stand Alone

(in million Rupiah)

No	Description	31 December 2020			31 December 2019		
		CKPN Stage 1	CKPN Stage 2	CKPN Stage 3	CKPN Stage 1	CKPN Stage 2	CKPN Stage 3
(1)	(2)	(3)	(4)	(5)			
1	Beginning balance	(742,764)	(299,069)	(630,487)			
2	Provision (recovery) for the period						
	a. Provision for the period	(2,506)	(541,534)	(1,562,458)			
	b. Recovery for the period	66,625	-	-			
3	Write-offs for the period	-	-	1,205,498			
4	Other provision (recovery) for the period	-	-	(110,654)			
	Ending balance	(678,645)	(840,603)	(1,098,101)			

Allowance for Impairment Losses Movement - Consolidated Bank and Subsidiary

(in million Rupiah)

No	Description	31 December 2020			31 December 2019		
		CKPN Stage 1	CKPN Stage 2	CKPN Stage 3	CKPN Stage 1	CKPN Stage 2	CKPN Stage 3
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Beginning balance	(1,034,883)	(299,069)	(630,487)			
2	Provision (recovery) for the period						
	2.a. Provision for the period	(794,200)	(541,534)	(1,562,458)			
	2.b. Recovery for the period	4,176	-	-			
3	Write-offs for the period	296,772	-	1,205,498			
4	Other provision (recovery) for the period	-	-	(110,654)			
	Ending balance	(1,528,135)	(840,603)	(1,098,101)			



10. Credit Risk Disclosure with Standardized Approach

In calculating the Risk Weighted Assets (RWA) for credit risk, the Bank uses a standardized approach that complies with prevailing OJK regulation, namely the SE OJK No.42/SEOJK.03/2016 on the Guidelines for the Calculation of Credit Risk Weighted Assets with Standardized Approach.

With using standardized approach, the risk weight is determined based on the rating of the debtor or the counterparty, in accordance with the portfolio category or a certain percentage for certain type of claim. The portfolio category is divided into claims on the government, claims on the public sector entities, claims on the banks, claims on the

employees and pensioners, claims on micro, small, and retail portfolio, claims on corporations and on past-due claims.

The risk weight is determined based on the provisions stipulated by the Regulator. If claims are rated, the Bank will then use rating agency recognized by Regulator.

Net Claims Disclosure based on Portfolio Category and Rating Scale - Bank Stand Alone

No	Portfolio Category	Rating Agencies			
		Standard and Poor's	AAA	AA+ s.d AA-	A+ s.d A-
		Fitch Rating	AAA	AA+ s.d AA-	A+ s.d A-
		Moody's	Aaa	Aa1 s.d Aa3	A1 s.d A3
		PT Fitch Ratings Indonesia	AAA (idn)	AA+(idn) s.d AA-(idn)	A+(idn) s.d A-(idn)
		PT Pemeringkat Efek Indonesia	idAAA	idAA+ s.d idAA-	idA+ s.d id A-
(1)	(2)	(3)	(4)	(5)	(6)
1	Claims on sovereign		9,165	-	-
2	Claims on Public Sector Entity		852,031	222,450	4,719,004
3	Claims on Multilateral Development Banks and International Institute		-	-	-
4	Claims on Bank		413,523	356,160	774,242
5	Secured by Residential Property				
6	Secured by Commercial Real Estate				
7	Pensioners/Other institutions' employees loans				
8	Claims on Micro, Small and Retail Portfolio				
9	Claims on Corporate		1,600,180	6,105,882	3,494,516
10	Past due claims				
11	Other assets				
Total			2,874,899	6,684,492	8,987,762

No	Portfolio Category	Rating Agencies			
		Standard and Poor's	AAA	AA+ s.d AA-	A+ s.d A-
		Fitch Rating	AAA	AA+ s.d AA-	A+ s.d A-
		Moody's	Aaa	Aa1 s.d Aa3	A1 s.d A3
		PT Fitch Ratings Indonesia	AAA (idn)	AA+(idn) s.d AA-(idn)	A+(idn) s.d A-(idn)
		PT Pemeringkat Efek Indonesia	idAAA	idAA+ s.d idAA-	idA+ s.d id A-
(1)	(2)	(3)	(4)	(5)	(6)
1	Claims on sovereign		56,557	-	-
2	Claims on Public Sector Entity		102,667	299,564	4,629,828
3	Claims on Multilateral Development Banks and International Institute		-	-	-
4	Claims on Bank		216,116	812,153	1,077,154
5	Secured by Residential Property				
6	Secured by Commercial Real Estate				
7	Pensioners/Other institutions' employees loans				
8	Claims on Micro, Small and Retail Portfolio				
9	Claims on Corporate		275,000	7,233,430	1,762,879
10	Past due claims				
11	Other assets				
Total			650,341	8,345,147	7,469,861



31 December 2020									
Net Claims									
Long Term Rating					Short Term Rating				Unrated
	BBB+ s.d BBB-	BB+ s.d BB-	B+ s.d B-	Kurang dari B-	A-1	A-2	A-3	Kurang dari A-3	
	BBB+ s.d BBB-	BB+ s.d BB-	B+ s.d B-	Kurang dari B-	F1+ s.d F1	F2	F3	Kurang dari F3	
	Baa1 s.d Baa3	Ba1 s.d Ba3	B1 s.d B3	Kurang dari B3	P-1	P-2	P-3	Kurang dari P-3	
	BBB+(idn) s.d BBB-(idn)	BB+(idn) s.d BB-(idn)	B+(idn) s.d B-(idn)	Kurang dari B-(idn)	F1+(idn) s.d F1(idn)	F2(idn)	F3(idn)	Kurang dari F3(idn)	
	id BBB+ s.d id BBB-	id BB+ s.d id BB-	id B+ s.d id B-	Kurang dari idB-	idA1	idA2	idA3 s.d id A4	Kurang dari idA4	
	(7)	(8)	(9)	(10)	(11)	(12)	(14)	(15)	(16)
	-	-	-	-	-	-	-	-	30,506,289
	5,903,331	-	-	2,722,047	-	-	-	-	703,337
	-	-	-	-	-	-	-	-	-
	1,365,950	497,666	-	-	-	-	-	-	381,936
									344
									-
									32,158,916
									1,983,024
	1,612,766	298,563	591,824	36,163	-	-	-	-	78,344,115
									374,834
									5,736,530
	8,882,047	796,229	591,824	2,758,210	-	-	-	-	150,189,325

31 December 2019									
Net Claims									
Long Term Rating					Short Term Rating				Unrated
	BBB+ s.d BBB-	BB+ s.d BB-	B+ s.d B-	Kurang dari B-	A-1	A-2	A-3	Kurang dari A-3	
	BBB+ s.d BBB-	BB+ s.d BB-	B+ s.d B-	Kurang dari B-	F1+ s.d F1	F2	F3	Kurang dari F3	
	Baa1 s.d Baa3	Ba1 s.d Ba3	B1 s.d B3	Kurang dari B3	P-1	P-2	P-3	Kurang dari P-3	
	BBB+(idn) s.d BBB-(idn)	BB+(idn) s.d BB-(idn)	B+(idn) s.d B-(idn)	Kurang dari B-(idn)	F1+(idn) s.d F1(idn)	F2(idn)	F3(idn)	Kurang dari F3(idn)	
	id BBB+ s.d id BBB-	id BB+ s.d id BB-	id B+ s.d id B-	Kurang dari idB-	idA1	idA2	idA3 s.d id A4	Kurang dari idA4	
	(7)	(8)	(9)	(10)	(11)	(12)	(14)	(15)	(16)
	-	-	-	-	-	-	-	-	21,907,008
	-	499,364	-	-	-	-	-	-	4,687,101
	-	-	-	-	-	-	-	-	-
	92,383	144,499	-	-	-	-	-	-	607,163
									369
									-
									35,668,135
									4,954,246
	1,129,489	634,239	194,314	-	-	-	-	-	85,942,719
									473,988
									6,036,467
	1,221,872	1,278,102	194,314	-	-	-	-	-	160,277,195

Net Claims Disclosure based on Portfolio Category and Rating Scale - Consolidated Bank and Subsidiary

No	Portfolio Category	Rating Agencies			
		Standard and Poor's	AAA	AA+ s.d AA-	A+ s.d A-
		Fitch Rating	AAA	AA+ s.d AA-	A+ s.d A-
		Moody's	Aaa	Aa1 s.d Aa3	A1 s.d A3
		PT Fitch Ratings Indonesia	AAA (idn)	AA+(idn) s.d AA-(idn)	A+(idn) s.d A-(idn)
		PT Pemeringkat Efek Indonesia	idAAA	idAA+ s.d idAA-	idA+ s.d id A-
(1)	(2)	(3)	(4)	(5)	(6)
1	Claims on sovereign		9,165	-	-
2	Claims on Public Sector Entity		852,031	222,450	4,897,217
3	Claims on Multilateral Development Banks and International Institute		-	-	-
4	Claims on Bank		582,577	356,160	774,242
5	Secured by Residential Property				
6	Secured by Commercial Real Estate				
7	Pensioners/Other institutions' employees loans				
8	Claims on Micro, Small and Retail Portfolio				
9	Claims on Corporate		1,600,180	6,105,882	3,494,516
10	Past due claims				
11	Other assets				
	Total		3,043,953	6,684,492	9,165,975

No	Kategori Portofolio	Lembaga Pemeringkat			
		Standard and Poor's	AAA	AA+ s.d AA-	A+ s.d A-
		Fitch Rating	AAA	AA+ s.d AA-	A+ s.d A-
		Moody's	Aaa	Aa1 s.d Aa3	A1 s.d A3
		PT Fitch Ratings Indonesia	AAA (idn)	AA+(idn) s.d AA-(idn)	A+(idn) s.d A-(idn)
		PT Pemeringkat Efek Indonesia	idAAA	idAA+ s.d idAA-	idA+ s.d id A-
(1)	(2)	(3)	(4)	(5)	(6)
1	Claims on sovereign		56,557	-	-
2	Claims on Public Sector Entity		102,667	299,564	4,753,147
3	Claims on Multilateral Development Banks and International Institute		-	-	-
4	Claims on Bank		303,878	812,153	1,077,154
5	Secured by Residential Property				
6	Secured by Commercial Real Estate				
7	Pensioners/Other institutions' employees loans				
8	Claims on Micro, Small and Retail Portfolio				
9	Claims on Corporate		275,000	7,233,430	1,762,879
10	Past due claims				
11	Other assets				
	Total		738,103	8,345,147	7,593,180



31 December 2020									
Net Claims									
Long Term Rating					Short Term Rating				Unrated
	BBB+ s.d BBB-	BB+ s.d BB-	B+ s.d B-	Kurang dari B-	A-1	A-2	A-3	Kurang dari A-3	
	BBB+ s.d BBB-	BB+ s.d BB-	B+ s.d B-	Kurang dari B-	F1+ s.d F1	F2	F3	Kurang dari F3	
	Baa1 s.d Baa3	Ba1 s.d Ba3	B1 s.d B3	Kurang dari B3	P-1	P-2	P-3	Kurang dari P-3	
	BBB+(idn) s.d BBB-(idn)	BB+(idn) s.d BB-(idn)	B+(idn) s.d B-(idn)	Kurang dari B-(idn)	F1+(idn) s.d F1(idn)	F2(idn)	F3(idn)	Kurang dari F3(idn)	
	id BBB+ s.d id BBB-	id BB+ s.d id BB-	id B+ s.d id B-	Kurang dari idB-	idA1	idA2	idA3 s.d id A4	Kurang dari idA4	
	(7)	(8)	(9)	(10)	(11)	(12)	(14)	(15)	(16)
	-	-	-	-	-	-	-	-	35,960,273
	5,903,331	-	-	2,722,047	-	-	-	-	703,337
	-	-	-	-	-	-	-	-	-
	1,365,950	497,666	-	-	5	-	-	-	460,936
									344
									-
									32,158,916
									10,733,572
	1,612,766	298,563	591,824	36,163	-	-	-	-	78,352,347
									377,178
									7,231,361
	8,882,047	796,229	591,824	2,758,210	5	-	-	-	165,978,264

31 December 2019									
Net Claims									
Long Term Rating					Short Term Rating				Unrated
	BBB+ s.d BBB-	BB+ s.d BB-	B+ s.d B-	Kurang dari B-	A-1	A-2	A-3	Kurang dari A-3	
	BBB+ s.d BBB-	BB+ s.d BB-	B+ s.d B-	Kurang dari B-	F1+ s.d F1	F2	F3	Kurang dari F3	
	Baa1 s.d Baa3	Ba1 s.d Ba3	B1 s.d B3	Kurang dari B3	P-1	P-2	P-3	Kurang dari P-3	
	BBB+(idn) s.d BBB-(idn)	BB+(idn) s.d BB-(idn)	B+(idn) s.d B-(idn)	Kurang dari B-(idn)	F1+(idn) s.d F1(idn)	F2(idn)	F3(idn)	Kurang dari F3(idn)	
	id BBB+ s.d id BBB-	id BB+ s.d id BB-	id B+ s.d id B-	Kurang dari idB-	idA1	idA2	idA3 s.d id A4	Kurang dari idA4	
	(7)	(8)	(9)	(10)	(11)	(12)	(14)	(15)	(16)
	-	-	-	-	-	-	-	-	26,923,690
	-	499,364	-	-	-	-	-	-	4,687,101
	-	-	-	-	-	-	-	-	-
	92,383	144,499	-	-	105	-	-	-	686,163
									369
									-
									35,668,135
									13,699,251
	1,129,489	634,239	194,314	-	-	-	-	-	85,971,556
									497,201
									7,103,913
	1,221,872	1,278,102	194,314	-	105	-	-	-	175,237,378

11. Counterparty Credit Risk Disclosure

For the Bank, counterparty credit risk is risk arising from non-performing credit payment by a counterparty on a contract with the Bank, causing a potential loss for the Bank to replace the contract.

Counterparty credit risk generally emerge in FX swap and repo/reverse repo transactions. Mitigation of counterparty credit risk is implemented in accordance with SEOJK No.42/SEOJK.03 /2016, with recognizing the collateral, guarantee, pledge, or credit insurance, and complemented by the Bank's policies on the management of counterparty credit risk.

The Bank's counterparty credit risk exposure as of 31 December 2020 is as follows:

Table Exposure Analysis of Counterparty Credit Risk (CCR1)

No		Replacement Cost (RC)	Potential Future Exposure (PFE)	EEPE	Alpha Digunakan untuk Perhitungan Regulatory EAD	Net Receivables	RWA
1	SA-CCR (for derivative)	916,804,655,741	955,042,811,627		1.4	2,620,586,454,315	
2	Internal model method (for derivative and SFTs)					N/A	N/A
3	Simple approach for credit risk mitigation (for SFTs)					N/A	N/A
4	Comprehensive approach for credit risk mitigation (for SFTs)						
5	VaR for SFTs					N/A	N/A
Total							

Table CCR2: Credit valuation adjustment (CVA) Capital Charge

No		Net Receivables	RWA
1	Total portfolio based on Advanced CVA capital charge	N/A	N/A
2	(i) VaR component (include 3x multiplier)		N/A
3	(ii) Stressed VaR component (include 3x multiplier)		N/A
4	All Portfolio based on Standardised CVA Capital Charge	902,512,479,573	
Total based on CVA Capital Charge		902,512,479,573	



Table CCR Exposure Based on Portfolio Category and Weighted Risk (CCR3)

Portfolio Category	0%	10%	20%	50%	75%	100%	150%	Lainnya	Total Net receivables
Claims on sovereign			292,850,722,031	351,186,702,249		1,303,565,967			645,340,990,247
Claims on Public Sector Entity									
Claims on Multilateral Development Banks and International Institute									
Claims on Bank									
Tagihan kepada perusahaan sekuritas									
Claims on Corporate			37,459,836,411	12,989,310,784		1,924,796,316,873			1,975,245,464,068
Claims on Micro, Small and Retail Portfolio									
Other Assets									
Total			330,310,558,442	364,176,013,033		1,926,099,882,840			2,620,586,454,315

Table Net Claims Credit Derivative (CCR6)

	Protection Bought	Protection Sold
Notional value	-	-
Single-name credit default swaps		
Index credit default swaps		
Total return swaps		
Credit options		
Other Credit Derivatives		
Notional value	-	-
Fair Value	-	-
Positive Fair Value (Asset)		
Negative Fair Value (Liabilities)		

The Bank currently does not have asset securitization exposure.

12. Credit Risk Mitigation Disclosure

The Bank implements a range of policies and practices to mitigate credit risk. The Bank has the guidelines on the accepted types of collateral to mitigate credit risk. The types of collateral accepted are as follows:

- Land/or building
- Vehicles
- Equipment (including machines and heavy equipment)
- Cash collateral
- SBLC
- Account receivable
- Inventory

Net Claims based on Risk Weight post Credit Risk Mitigation - Bank Stand Alone

No.	Portfolio Category	31 December 2020											RWA	Capital Charge	
		Net Claims post Credit Risk Mitigation													
		0%	20%	35%	40%	45%	50%	75%	100%	150%	Others				
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)		
A Balance Sheet Exposures															
1	Claims on sovereign	30,515,454	-	-	-	-	-	-	-	-	-	-	-	-	
2	Claims on Public Sector Entity	-	324,482	-	-	-	9,769,142	-	-	2,722,047	-	9,032,538	722,603		
3	Claims on Multilateral Development Banks and International Institute	-	-	-	-	-	-	-	-	-	-	-	-		
4	Claims on Bank	-	1,543,273	-	-	-	1,493,660	-	107,204	-	-	1,162,689	93,015		
5	Secured by Residential Property	-	-	344	-	-	-	-	-	-	-	120	10		
6	Secured by Commercial Real Estate	-	-	-	-	-	-	-	-	-	-	-	-		
7	Pensioners/Other institutions' employees loans	-	-	-	-	-	32,158,917	-	-	-	-	16,079,459	1,286,357		
8	Claims on Micro, Small and Retail Portfolio	-	21,525	-	-	-	-	1,959,248	-	-	-	1,473,741	117,899		
9	Claims on Corporate	188,107	7,133,602	-	-	-	12,782,269	-	58,634,216	627,987	-	67,394,051	5,391,524		
10	Past due claims	-	108	-	-	-	-	-	-	374,725	-	562,109	44,969		
11	Other assets	1,323,222	-	-	-	-	-	-	4,371,596	41,712	-	4,434,164	354,733		
	Total Balance Sheet Exposures	32,026,783	9,022,990	344	-	-	56,203,988	1,959,248	63,113,016	3,766,471	-	100,138,871	8,011,110		
B. Off-Balance Sheet Exposures															
1	Claims on sovereign	-	-	-	-	-	-	-	-	-	-	-	-		
2	Claims on Public Sector Entity	-	750,000	-	-	-	1,556,529	-	-	-	-	928,265	74,261		
3	Claims on Multilateral Development Banks and International Institute	-	-	-	-	-	-	-	-	-	-	-	-		
4	Claims on Bank	-	-	-	-	-	-	-	-	-	-	-	-		
5	Secured by Residential Property	-	-	-	-	-	-	-	-	-	-	-	-		
6	Secured by Commercial Real Estate	-	-	-	-	-	-	-	-	-	-	-	-		
7	Pensioners/Other institutions' employees loans	-	-	-	-	-	-	-	-	-	-	-	-		
8	Claims on Micro, Small and Retail Portfolio	-	-	-	-	-	-	2,250	-	-	-	1,688	135		
9	Claims on Corporate	19,418	535,000	-	-	-	4,175,812	-	5,713,791	298,562	-	8,356,540	668,523		
10	Past due claims	-	-	-	-	-	-	-	-	-	-	-	-		
	Total Off-Balance Sheet Exposures	19,418	1,285,000	-	-	-	5,732,341	2,250	5,713,791	298,562	-	9,286,492	742,919		
C. Counterparty Credit Risk															
1	Claim on Sovereignw	-	-	-	-	-	-	-	-	-	-	-	-		
2	Claims on Public Sector Entity	-	-	-	-	-	-	-	-	-	-	-	-		
3	Claims on Multilateral Development Banks and International Institute	-	-	-	-	-	-	-	-	-	-	-	-		
4	Claims on Bank	-	292,851	-	-	-	351,187	-	1,304	-	-	1,137,980	91,038		
5	Claims on Micro, Small and Retail Portfolio	-	-	-	-	-	-	-	-	-	-	-	-		
6	Claims on Corporate	-	37,460	-	-	-	12,989	-	1,924,796	-	-	1,938,783	155,103		
	Total Counterparty Credit Risk Exposures	-	330,311	-	-	-	364,176	-	1,926,100	-	-	3,076,762	246,141		



	31 December2019										ATMR	Capital Charge
	Net Claims post Credit Risk Mitigation											
	0%	20%	35%	40%	45%	50%	75%	100%	150%	Others		
	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)	(25)	(26)
	21,946,714	-	-	-	-	-	-	-	-	-	-	-
	-	402,231	-	-	-	9,420,292	-	109,134	-	-	4,899,726	391,978
	-	-	-	-	-	-	-	-	-	-	-	-
	-	1,431,084	-	-	-	661,442	-	-	-	-	616,938	49,355
	-	-	368	-	-	-	-	-	-	-	129	10
	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	35,668,136	-	-	-	-	17,834,068	1,426,725
	-	33,111	-	-	-	-	4,921,134	-	-	-	3,697,473	295,798
	120,170	6,368,501	-	-	-	10,035,631	-	67,093,813	235,255	-	73,738,211	5,899,057
	-	216	-	-	-	-	-	-	473,773	-	710,703	56,856
	1,587,729	-	-	-	-	-	-	4,426,216	22,522	-	4,459,998	356,800
	23,654,613	8,235,143	368	-	-	55,785,501	4,921,134	71,629,163	731,550	-	105,957,246	8,476,579
	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	286,867	-	-	-	-	143,434	11,475
	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-
	32,473	1,137,500	-	-	-	4,360,307	-	6,108,397	-	-	8,516,049	681,284
	-	-	-	-	-	-	-	-	-	-	-	-
	32,473	1,137,500	-	-	-	4,647,174	-	6,108,397	-	-	8,659,484	692,759
	16,851	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-
	-	530,016	-	-	-	322,986	-	3,940	-	-	1,038,769	83,102
	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	1,680,023	-	-	1,680,022	134,402
	16,851	530,016	-	-	-	322,986	-	1,683,963	-	-	2,718,791	217,504

Net Claims based on Risk Weight post Credit Risk Mitigation - Consolidated Bank and Subsidiary

No.	Portfolio Category	31 December 2020											RWA	Capital Charge	
		Net Claims post Credit Risk Mitigation													
		0%	20%	35%	40%	45%	50%	75%	100%	150%	Others				
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)		
A Balance Sheet Exposures															
1	Claims on sovereign	35,969,438	-	-	-	-	-	-	-	-	-	-	-		
2	Claims on Public Sector Entity	-	324,482	-	-	-	9,947,355	-	-	2,722,047	-	9,121,645	729,732		
3	Claims on Multilateral Development Banks and International Institute	-	-	-	-	-	-	-	-	-	-	-	-		
4	Claims on Bank	-	1,791,332	-	-	-	1,493,660	-	107,204	-	-	1,212,301	96,984		
5	Secured by Residential Property	-	-	344	-	-	-	-	-	-	-	120	10		
6	Secured by Commercial Real Estate	-	-	-	-	-	-	-	-	-	-	-	-		
7	Pensioners/Other institutions' employees loans	-	-	-	-	-	32,158,917	-	-	-	-	16,079,459	1,286,357		
8	Claims on Micro, Small and Retail Portfolio	-	2,140,808	-	-	-	-	8,590,513	-	-	-	6,871,046	549,683		
9	Claims on Corporate	188,107	7,133,602	-	-	-	12,790,501	-	58,634,216	627,987	-	67,394,051	5,391,524		
10	Past due claims	-	108	-	-	-	-	-	2,344	374,725	-	564,453	45,157		
11	Other assets	2,433,196	-	-	-	-	-	-	4,756,453	41,712	-	4,819,021	385,522		
	Total Balance Sheet Exposures	38,590,741	11,390,332	344	-	-	56,390,433	8,590,513	63,500,217	3,766,471	-	106,062,096	8,484,968		
B. Off-Balance Sheet Exposures															
1	Claims on sovereign	-	-	-	-	-	-	-	-	-	-	-	-		
2	Claims on Public Sector Entity	-	750,000	-	-	-	1,556,529	-	-	-	-	928,264	74,261		
3	Claims on Multilateral Development Banks and International Institute	-	-	-	-	-	-	-	-	-	-	-	-		
4	Claims on Bank	-	-	-	-	-	-	-	-	-	-	-	-		
5	Secured by Residential Property	-	-	-	-	-	-	-	-	-	-	-	-		
6	Secured by Commercial Real Estate	-	-	-	-	-	-	-	-	-	-	-	-		
7	Pensioners/Other institutions' employees loans	-	-	-	-	-	-	-	-	-	-	-	-		
8	Claims on Micro, Small and Retail Portfolio	-	-	-	-	-	-	2,250	-	-	-	1,688	135		
9	Claims on Corporate	19,418	535,000	-	-	-	4,175,812	-	5,713,791	298,562	-	8,356,541	668,523		
10	Past due claims	-	-	-	-	-	-	-	-	-	-	-	-		
	Total Off-Balance Sheet Exposures	19,418	1,285,000	-	-	-	5,732,341	2,250	5,713,791	298,562	-	9,286,492	742,919		
C. Counterparty Credit Risk															
1	Claims on sovereign	-	-	-	-	-	-	-	-	-	-	-	-		
2	Claims on Public Sector Entity	-	-	-	-	-	-	-	-	-	-	-	-		
3	Claims on Multilateral Development Banks and International Institute	-	-	-	-	-	-	-	-	-	-	-	-		
4	Claims on Bank	-	292,851	-	-	-	351,187	-	1,304	-	-	1,137,980	91,038		
5	Claims on Micro, Small and Retail Portfolio	-	-	-	-	-	-	-	-	-	-	-	-		
6	Claims on Corporate	-	37,460	-	-	-	12,989	-	1,924,796	-	-	1,938,783	155,103		
	Total Counterparty Credit Risk Exposures	-	330,311	-	-	-	364,176	-	1,926,100	-	-	3,076,762	246,141		



	31 December2019										ATMR	Capital Charge
	Net Claims post Credit Risk Mitigation											
	0%	20%	35%	40%	45%	50%	75%	100%	150%	Others		
	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)	(25)	(26)
	26,963,396	-	-	-	-	-	-	-	-	-	-	-
	-	402,231	-	-	-	9,543,611	-	109,134	-	-	4,961,386	396,911
	-	-	-	-	-	-	-	-	-	-	-	-
	-	1,597,951	-	-	-	661,442	-	-	-	-	650,311	52,025
	-	-	368	-	-	-	-	-	-	-	129	10
	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	35,668,136	-	-	-	-	17,834,068	1,426,725
	-	33,111	-	-	-	-	13,666,139	-	-	-	10,256,227	820,498
	120,170	6,368,501	-	-	-	10,064,469	-	67,093,812	235,255	-	73,738,211	5,899,057
	-	216	-	-	-	-	-	23,213	473,773	-	733,916	58,713
	2,299,062	-	-	-	-	-	-	4,782,329	22,522	-	4,816,110	385,289
	29,382,628	8,402,010	368	-	-	55,937,658	13,666,139	72,008,488	731,550	-	112,990,358	9,039,228
	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	286,867	-	-	-	-	143,433	11,475
	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-
	32,473	1,137,500	-	-	-	4,360,307	-	6,108,397	-	-	8,516,050	681,284
	-	-	-	-	-	-	-	-	-	-	-	-
	32,473	1,137,500	-	-	-	4,647,174	-	6,108,397	-	-	8,659,484	692,759
	16,851	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-
	-	530,016	-	-	-	322,986	-	3,940	-	-	1,038,769	83,102
	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	1,680,023	-	-	1,680,022	134,402
	16,851	530,016	-	-	-	322,986	-	1,683,963	-	-	2,718,791	217,504

Net Claims and Credit Risk Mitigation Techniques - Bank Stand Alone

No.	Portfolio Category	31 December 2020					
		Net Claims	Claims guaranteed by:				
			Collateral	Guarantee letter	Credit Insurance	Others	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	
A	Balance Sheet Exposures						
1	Claims on sovereign	30,515,454		-	-	-	-
2	Claims on Public Sector Entity	12,815,671		-	-	-	-
3	Claims on Multilateral Development Banks and International Institute	-	-	-	-	-	-
4	Claims on Bank	3,144,137		-	-	-	-
5	Secured by Residential Property	344		-	-	-	-
6	Secured by Commercial Real Estate	-	-	-	-	-	-
7	Pensioners/Other institutions' employees loans	32,158,917		-	-	-	-
8	Claims on Micro, Small and Retail Portfolio	1,980,773		-	-	21,525	-
9	Claims on Corporate	79,366,181	10,616,752		-	-	-
10	Past due claims	374,833		-	-	108	-
11	Other assets	5,736,530		-	-	-	-
	Total Balance Sheet Exposures	166,092,840	10,616,752		-	21,633	-
B	Off-Balance Sheet Exposures						
1	Claims on sovereign	-	-	-	-	-	-
2	Claims on Public Sector Entity	2,306,529		-	-	-	-
3	Claims on Multilateral Development Banks and International Institute	-	-	-	-	-	-
4	Claims on Bank	-	-	-		-	-
5	Secured by Residential Property	-	-	-	-	-	-
6	Secured by Commercial Real Estate	-	-	-	-	-	-
7	Pensioners/Other institutions' employees loans	-	-	-	-	-	-
8	Claims on Micro, Small and Retail Portfolio	2,250		-	-	-	-
9	Claims on Corporate	10,742,583	4,195,230		-	-	-
10	Past due claims	-	-	-	-	-	-
	Total Off-Balance Sheet Exposures	13,051,362	4,195,230		-	-	-
C	Counterparty Credit Risk						
1	Claims on sovereign	-	-	-	-	-	-
2	Claims on Public Sector Entity	-	-	-	-	-	-
3	Claims on Multilateral Development Banks and International Institute	-	-	-	-	-	-
4	Claims on Bank	645,341		-	-	-	-
5	Claims on Micro, Small and Retail Portfolio	-	-	-	-	-	-
6	Claims on Corporate	1,975,245		-	-	-	-
	Total Counterparty Credit Risk Exposures	2,620,586		-	-	-	-
Total (A+B+C)		181,764,789	14,811,982		-	21,633	-



	31 December 2019						Claims not guaranteed
	Claims not guaranteed	Net Claims	Claims guaranteed by:				
			Collateral	Guarantee letter	Credit Insurance	Others	
	(8)=(3)-(4)+(5)+(6)+(7)	(9)	(10)	(11)	(12)	(13)	(14)=(9)- (10)+(11)+(12)+(13)
	30,515,454	21,946,714	-	-	-	-	21,946,714
	12,815,671	9,931,657	390,230	-	-	-	9,541,427
	-	-	-	-	-	-	-
	3,144,137	2,092,526	-	-	-	-	2,092,526
	344	368	-	-	-	-	368
	-	-	-	-	-	-	-
	32,158,917	35,668,136	-	-	-	-	35,668,136
	1,959,248	4,954,245	-	-	33,111	-	4,921,134
	68,749,429	83,853,370	8,392,930	-	-	-	75,460,440
	374,725	473,989	-	-	216	-	473,773
	5,736,530	6,036,467	-	-	-	-	6,036,467
	155,454,455	164,957,472	8,783,160	-	33,327	-	156,140,985
	-	-	-	-	-	-	-
	2,306,529	286,867	-	-	-	-	286,867
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	2,250	-	-	-	-	-	-
	6,547,353	11,638,677	4,392,780	-	-	-	7,245,897
	-	-	-	-	-	-	-
	8,856,132	11,925,544	4,392,780	-	-	-	7,532,764
	-	16,851	-	-	-	-	16,851
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	645,341	856,943	-	-	-	-	856,943
	-	-	-	-	-	-	-
	1,975,245	1,680,023	-	-	-	-	1,680,023
	2,620,586	2,553,816	-	-	-	-	2,553,816
	166,931,174	179,436,832	13,175,940	-	33,327	-	166,227,565

Net Claims and Credit Risk Mitigation Techniques - Consolidated Bank and Subsidiary

No.	Portfolio Category	31 December 2020					
		Net Claims	Claims guaranteed by:				
			Collateral	Guarantee letter	Credit Insurance	Others	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	
A	Balance Sheet Exposures						
1	Claims on sovereign	35,969,438	-	-	-	-	
2	Claims on Public Sector Entity	12,993,884	-	-	-	-	
3	Claims on Multilateral Development Banks and International Institute	-	-	-	-	-	
4	Claims on Bank	3,392,196	-	-	-	-	
5	Secured by Residential Property	344	-	-	-	-	
6	Secured by Commercial Real Estate	-	-	-	-	-	
7	Pensioners/Other institutions' employees loans	32,158,917	-	-	-	-	
8	Claims on Micro, Small and Retail Portfolio	10,731,321	2,119,283	-	21,525	-	
9	Claims on Corporate	79,374,413	10,624,984	-	-	-	
10	Past due claims	377,177	-	-	108	-	
11	Other assets	7,231,361	-	-	-	-	
	Total Balance Sheet Exposures	182,229,051	12,744,267	-	21,633	-	
B	Off-Balance Sheet Exposures						
1	Claims on sovereign	-	-	-	-	-	
2	Claims on Public Sector Entity	2,306,529	-	-	-	-	
3	Claims on Multilateral Development Banks and International Institute	-	-	-	-	-	
4	Claims on Bank	-	-	-	-	-	
5	Secured by Residential Property	-	-	-	-	-	
6	Secured by Commercial Real Estate	-	-	-	-	-	
7	Pensioners/Other institutions' employees loans	-	-	-	-	-	
8	Claims on Micro, Small and Retail Portfolio	2,250	-	-	-	-	
9	Claims on Corporate	10,742,583	4,195,230	-	-	-	
10	Past due claims	-	-	-	-	-	
	Total Off-Balance Sheet Exposures	13,051,362	4,195,230	-	-	-	
C	Counterparty Credit Risk						
1	Claims on sovereign	-	-	-	-	-	
2	Claims on Public Sector Entity	-	-	-	-	-	
3	Claims on Multilateral Development Banks and International Institute	-	-	-	-	-	
4	Claims on Bank	645,341	-	-	-	-	
5	Claims on Micro, Small and Retail Portfolio	-	-	-	-	-	
6	Claims on Corporate	1,975,245	-	-	-	-	
	Total Counterparty Credit Risk Exposures	2,620,586	-	-	-	-	
Total (A+B+C)		197,901,000	16,939,497	-	21,633	-	



	31 December 2019						Claims not guaranteed
	Claims not guaranteed	Net Claims	Claims guaranteed by:				
			Collateral	Guarantee letter	Credit Insurance	Others	
	(8)=(3)-(4)+(5)+(6)+(7)	(9)	(10)	(11)	(12)	(13)	(14)=(9)- (10)+(11)+(12)+(13)
	35,969,438	26,963,396	-	-	-	-	26,963,396
	12,993,884	10,054,976	390,230	-	-	-	9,664,746
	-	-	-	-	-	-	-
	3,392,196	2,259,393	-	-	-	-	2,259,393
	344	368	-	-	-	-	368
	-	-	-	-	-	-	-
	32,158,917	35,668,136	-	-	-	-	35,668,136
	8,590,513	13,699,250	-	-	33,111	-	13,666,139
	68,749,429	83,882,207	8,421,768	-	-	-	75,460,440
	377,069	497,202	-	-	216	-	496,986
	7,231,361	7,103,913	-	-	-	-	7,103,913
	169,463,151	180,128,841	8,811,998	-	33,327	-	171,283,517
	-	-	-	-	-	-	-
	2,306,529	286,867	-	-	-	-	286,867
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	2,250	-	-	-	-	-	-
	6,547,353	11,638,677	4,392,780	-	-	-	7,245,897
	-	-	-	-	-	-	-
	8,856,132	11,925,544	4,392,780	-	-	-	7,532,764
	-	16,851	-	-	-	-	16,851
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	645,341	856,943	-	-	-	-	856,943
	-	-	-	-	-	-	-
	1,975,245	1,680,023	-	-	-	-	1,680,023
	2,620,586	2,553,816	-	-	-	-	2,553,816
	180,939,870	194,608,201	13,204,778	-	33,327	-	181,370,097

Disclosure of Credit Risk Calculation of Risk Weighted Assets using Standardized Approach- Bank Stand Alone

Asset Exposures in Balance Sheets, except securitization exposure

(in million Rupiah)

No	Portfolio Category	31 December 2020			31 Desember 2019		
		Net Claims	RWA pre CRM	RWA post CRM	Net Claims	RWA pre CRM	RWA post CRM
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Claims on sovereign	30,515,454	-	-	21,946,714	-	-
	a. Claims on Indonesian sovereign	30,515,454	-	-	21,946,714	-	-
	b. Claims on Other sovereign	-	-	-	-	-	-
2	Claims on Public Sector Entity	12,815,671	9,032,538	9,032,538	9,931,657	5,094,841	4,899,726
3	Claims on Multilateral Development Banks and International Institute	-	-	-	-	-	-
4	Claims on Bank	3,144,137	1,162,689	1,162,689	2,092,526	616,938	616,938
	a. Short Term	1,921,612	501,070	501,070	1,548,552	346,256	346,256
	b. Long Term	1,222,525	661,618	661,618	543,974	270,682	270,682
5	Secured by Residential Property	344	120	120	368	129	129
6	Secured by Commercial Real Estate	-	-	-	-	-	-
7	Pensioners/Other institutions' employees loans	32,158,917	16,079,459	16,079,459	35,668,136	17,834,068	17,834,068
8	Claims on Micro, Small and Retail Portfolio	1,980,773	1,485,580	1,473,741	4,954,246	3,715,684	3,697,473
9	Claims on Corporate	79,366,181	72,243,622	67,394,051	83,853,370	77,994,761	73,738,211
10	Past due claims	374,833	562,250	562,109	473,988	710,984	710,703
	a. Credit with Residential House Collateral	-	-	-	-	-	-
	b. Other than Credit with Residential House Collateral	374,833	562,250	562,109	473,988	710,984	710,703
11	Other Assets	5,736,530	-	4,434,164	6,036,467	-	4,459,999
	a. Cash, gold, and commemorative coin	1,323,222	-	-	1,587,729	-	-
	a. Investment (other than the capital reduction factor)	22,522	-	33,783	22,522	-	33,783
	1) Temporary capital investment in the framework of credit restructuring	-	-	-	-	-	-
	2) Participation in financial companies not listed on the exchange	22,522	-	33,783	22,522	-	33,783
	3) Participation in financial companies listed on the exchange	-	-	-	-	-	-
	c. Fixed assets and net inventory	2,025,871	-	2,025,871	1,684,196	-	1,684,196
	d. Foreclosed Collateral (AYDA)	19,190	-	28,785	-	-	-
	e. Inter Office Assets	-	-	-	-	-	-
	f. Others	2,345,725	-	2,345,725	2,742,020	-	2,742,020
	Total	166,092,840	100,566,257	100,138,871	164,957,472	105,967,404	105,957,246

Off Balance Sheet Exposures, except securitization exposure

(in million Rupiah)

No	Portfolio Category	31 December 2020			31 Desember 2019		
		Net Claims	RWA pre CRM	RWA post CRM	Net Claims	RWA pre CRM	RWA post CRM
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Claims on sovereign	-	-	-	-	-	-
2	Claims on Public Sector Entity	2,306,529	928,265	928,265	286,867	143,433	143,433
3	Claims on Multilateral Development Banks and International Institute	-	-	-	-	-	-
4	Claims on Bank	-	-	-	-	-	-
5	Secured by Residential Property	-	-	-	-	-	-
6	Secured by Commercial Real Estate	-	-	-	-	-	-
7	Pensioners/Other institutions' employees loans	-	-	-	-	-	-
8	Claims on Micro, Small and Retail Portfolio	2,250	1,688	1,688	-	-	-
9	Claims on Corporate	10,742,583	10,452,772	8,356,540	11,638,677	10,728,672	8,516,050
10	Past due claims	-	-	-	-	-	-
	Total	13,051,362	11,382,724	9,286,492	11,925,544	10,872,105	8,659,483



Exposures That Caused Credit Risk due to Settlement Failure of The Opposing Party

(in million Rupiah)

No	Portfolio Category	31 December 2020			31 Desember 2019		
		Net Claims	RWA pre CRM	RWA post CRM	Net Claims	RWA pre CRM	RWA post CRM
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Claims on sovereign	-	-	-	-	-	-
	a. Claims on Indonesian sovereign						
	b. Claims on Other sovereign						
2	Claims on Public Sector Entity	-	-	-	-	-	-
3	Claims on Multilateral Development Banks and International Institute	-	-	-	-	-	-
4	Claims on Bank	-	-	-	-	-	-
	a. Short Term						
	b. Long Term						
5	Claims on Micro, Small and Retail Portfolio	-	-	-	-	-	-
6	Claims on Corporate	-	-	-	-	-	-
	Total	-	-	-	-	-	-

Exposures That Caused Credit Risk due to Settlement Failure

(in million Rupiah)

No	Transaction Type	31 December 2020			31 December 2019		
		Exposure	Capital Deduction Factor	RWA	Exposure	Capital Deduction Factor	RWA
1	Delivery versus payment	-		-	-		-
	a. 8% capital charge (5-15 days)	-		-	-		-
	b. 50% capital charge (16-30 days)	-		-	-		-
	c. 75% capital charge (31-45 days)	-		-	-		-
	d. 100% capital charge (more than 45 days)	-		-	-		-
2	Non delivery versus payment	-	-		-	-	
	Total	-	-	-	-	-	-

Securitisation Exposures

(in million Rupiah)

No	Transaction Type	31 December 2020		31 December 2019	
		Capital Deduction Factor	RWA	Capital Deduction Factor	RWA
1	RWA on Securitization Exposure calculated by External Rating Base Approach (ERBA) Method		-		-
2	RWA on Securitization Exposure calculated by Standardized Approach (SA) Method Requirements		-		-
3	Securitization Exposure which is a Core Capital Reduction Factor	-		-	
	Total	-	-	-	-

Derivatives Exposures

(in million Rupiah)

No	Category	31 December 2020		31 December 2019	
		Net Claims	RWA	Net Claims	RWA
1	Claims on sovereign		-	16,851	-
	a. Claims on Indonesian sovereign	-	-	16,851	-
	b. Claims on Other sovereign	-	-	-	-
2	Claims on Public Sector Entity	-	-	-	-
3	Claims on Multilateral Development Banks and International Institute	-	-	-	-
4	Claims on Bank	645,341	235,467	856,943	271,437
	a. Short Term	23,688	4,738	37,295	13,081
	b. Long Term	621,653	230,729	819,647	258,355
5	Claims on Micro, Small and Retail Portfolio	-	-	-	-
6	Claims on Corporate	1,975,245	1,938,783	1,680,022	1,680,022
7	Weighted exposure of Credit Valuation Adjustment (CVA risk weighted assets)		902,512		767,332
	Total	2,620,586	3,076,762	2,553,816	2,718,791

Total Credit Risk Measurement (1+2+3+4+5+6)

(in million Rupiah)

Category	31 December 2020	31 December 2020	31 December 2019
		31 December 2013	31 December 2013
TOTAL CREDIT RISK RWA	(A)	112,502,125	117,335,520
RWA CREDIT RISK DEDUCTION FACTOR:	(B)		
The difference between PPKA's general reserves on productive assets that must be calculated and 1.25% RWA for Credit Risk			
TOTAL CREDIT RISK RWA (A) - (B)	(C)	112,502,125	117,335,520
TOTAL CAPITAL DEDUCTION FACTOR	(D)	-	-

Disclosure of Credit Risk of Risk Weighted Assets Calculation using Standardized Approach - Consolidated Bank and Subsidiary

Asset Exposures in Balance Sheets, except securitization exposure

(in million Rupiah)

No	Portfolio Category	31 December 2020			31 Desember 2019		
		Net Claims	RWA pre CRM	RWA post CRM	Net Claims	RWA pre CRM	RWA post CRM
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Claims on sovereign	35,969,438	-	-	26,963,396	-	-
	a. Claims on Indonesian sovereign	35,969,438	-	-	26,963,396	-	-
	b. Claims on Other sovereign	-	-	-	-	-	-
2	Claims on Public Sector Entity	12,993,884	9,121,645	9,121,645	10,054,976	5,156,501	4,961,386
3	Claims on Multilateral Development Banks and International Institute	-	-	-	-	-	-
4	Claims on Bank	3,392,196	1,212,300	1,212,300	2,259,393	650,311	650,311
	a. Short Term	2,028,333	522,415	522,415	1,665,419	369,629	369,629
	b. Long Term	1,363,863	689,886	689,886	593,974	280,682	280,682
5	Secured by Residential Property	344	120	120	368	129	129
6	Secured by Commercial Real Estate	-	-	-	-	-	-
7	Pensioners/Other institutions' employees loans	32,158,917	16,079,459	16,079,459	35,668,136	17,834,068	17,834,068
8	Claims on Micro, Small and Retail Portfolio	10,731,321	8,048,491	6,871,046	13,699,251	10,274,438	10,256,227
9	Claims on Corporate	79,374,413	72,247,738	67,394,051	83,882,207	78,009,180	73,738,212
10	Past due claims	377,177	564,594	564,453	497,201	734,197	733,916
	a. Credit with Residential House Collateral	-	-	-	-	-	-
	b. Other than Credit with Residential House Collateral	377,177	564,594	564,453	497,201	734,197	733,916
11	Other Assets	7,231,360		4,819,020	7,103,913		4,816,110
	a. Cash, gold, and commemorative coin	2,433,196		-	2,299,062		-
	a. Investment (other than the capital reduction factor)	22,522	-	33,783	22,522	-	33,783
	1) Temporary capital investment in the framework of credit restructuring	-		-	-		-
	2) Participation in financial companies not listed on the exchange	22,522		33,783	22,522		33,783
	3) Participation in financial companies listed on the exchange	-		-	-		-
	c. Fixed assets and net inventory	2,357,987		2,357,987	1,893,746		1,893,746
	d. Foreclosed Collateral (AYDA)	19,190		28,785	-		-
	e. Inter Office Assets	-		-	-		-
	f. Others	2,398,465		2,398,465	2,888,583		2,888,581
	Total	182,229,051	107,274,347	106,062,096	180,128,841	112,658,823	112,990,358



Off Balance Sheet Exposures, except securitization exposure

(in million Rupiah)

No	Portfolio Category	31 December 2020			31 Desember 2019		
		Net Claims	RWA pre CRM	RWA post CRM	Net Claims	RWA pre CRM	RWA post CRM
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Claims on sovereign	-	-	-	-	-	-
2	Claims on Public Sector Entity	2,306,529	928,265	928,265	286,867	143,433	143,433
3	Claims on Multilateral Development Banks and International Institute	-	-	-	-	-	-
4	Claims on Bank	-	-	-	-	-	-
5	Secured by Residential Property	-	-	-	-	-	-
6	Secured by Commercial Real Estate	-	-	-	-	-	-
7	Pensioners/Other institutions' employees loans	-	-	-	-	-	-
8	Claims on Micro, Small and Retail Portfolio	2,250	1,688	1,688	-	-	-
9	Claims on Corporate	10,742,583	10,452,772	8,356,540	11,638,677	10,728,672	8,516,050
10	Past due claims	-	-	-	-	-	-
	Total	13,051,362	11,382,724	9,286,492	11,925,544	10,872,105	8,659,483

Exposures That Caused Credit Risk due to Failure of The Opposing Party

(in million Rupiah)

No	Portfolio Category	31 December 2020			31 Desember 2019		
		Net Claims	RWA pre CRM	RWA post CRM	Net Claims	RWA pre CRM	RWA post CRM
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Claims on sovereign	-	-	-	-	-	-
	a. Claims on Indonesian sovereign						
	b. Claims on Other sovereign						
2	Claims on Public Sector Entity	-	-	-	-	-	-
3	Claims on Multilateral Development Banks and International Institute	-	-	-	-	-	-
4	Claims on Bank	-	-	-	-	-	-
	a. Short Term						
	b. Long Term						
5	Claims on Micro, Small and Retail Portfolio	-	-	-	-	-	-
6	Claims on Corporate	-	-	-	-	-	-
	Total	-	-	-	-	-	-

Exposures That Caused Credit Risk due to Settlement Failure

(in million Rupiah)

No	Transaction Type	31 December 2020			31 December 2019		
		Exposure	Capital Deduction Factor	RWA	Exposure	Capital Deduction Factor	RWA
1	Delivery versus payment	-		-	-		-
	a. 8% capital charge (5-15 days)	-		-	-		-
	b. 50% capital charge (16-30 days)	-		-	-		-
	c. 75% capital charge (31-45 days)	-		-	-		-
	d. 100% capital charge (more than 45 days)	-		-	-		-
2	Non delivery versus payment	-	-		-	-	
	Total	-	-	-	-	-	-

Securitisation Exposures

(in million Rupiah)

No	Transaction Type	31 December 2020		31 December 2019	
		Capital Deduction Factor	RWA	Capital Deduction Factor	RWA
1	RWA on Securitization Exposure calculated by External Rating Base Approach (ERBA) Method		-		-
2	RWA on Securitization Exposure calculated by Standardized Approach (SA) Method Requirements		-		-
3	Securitization Exposure which is a Core Capital Reduction Factor	-		-	
Total		-	-	-	-

Derivative Exposures

(in million Rupiah)

No	Category	31 December 2020		31 December 2019	
		Net Claims	RWA	Net Claims	RWA
1	Claims on sovereign		-	16,851	-
	a. Claims on Indonesian sovereign	-	-	16,851	-
	b. Claims on Other sovereign	-	-	-	-
2	Claims on Public Sector Entity	-	-	-	-
3	Claims on Multilateral Development Banks and International Institute	-	-	-	-
4	Claims on Bank	645,341	235,467	856,943	271,437
	a. Short Term	23,688	4,738	37,295	13,081
	b. Long Term	621,653	230,729	819,647	258,355
5	Claims on Micro, Small and Retail Portfolio	-	-	-	-
6	Claims on Corporate	1,975,245	1,938,783	1,680,022	1,680,022
7	Weighted exposure of Credit Valuation Adjustment (CVA risk weighted assets)		902,512		767,332
Total		2,620,586	3,076,762	2,553,816	2,718,791

Total Credit Risk Measurement (1+2+3+4+5+6)

(in million Rupiah)

Category		31 December 2020	31 December 2019
TOTAL CREDIT RISK RWA	(A)	118,425,350	124,368,632
RWA CREDIT RISK DEDUCTION FACTOR:	(B)		
The difference between PPKA's general reserves on productive assets that must be calculated and 1.25% RWA for Credit Risk			
TOTAL CREDIT RISK RWA (A) - (B)	(C)	118,425,350	124,368,632
TOTAL CAPITAL DEDUCTION FACTOR	(D)	-	-

B. Market Risk

Market risk is risk inherent in the balance sheet positions and administrative accounts, including derivative transactions occurring due to an overall change in market conditions, such as the risk in option price change. The main objective of the market risk management is to minimize the negative impact from the change in market conditions towards asset value and the Bank's capital.

1. Market Risk Management Framework

The Bank uses the control framework as clear and strict guidelines on the limitation of risk taking. Three key components in this risk control framework are as follows:

- Policies and Procedures:** Establish clear provisions and standards on all business activities, control, operational strategies and organization in the Bank related to market risk management.
- Exposure Limit:** Provide clear limitations related to market risk. Market risk limit/ tolerance is set in line with related regulations, global policies and local policies in the Bank.
- Delegation of Risk Authority:** Ensure that decision making on major risks is only in the hands of the designated individual or work unit approved by the Bank's management committee.



2. Adequacy of Policies, Procedures and Limit
The Bank periodically reviews the adequacy of policies, procedures, and limit setting in managing the market risk, so to be aligned with external regulations, such as OJK Regulation No. 18/POJK.03.2016 and OJK Circular Letter No. 34/SEOJK.03/2016 on the Implementation of Risk Management. In addition, this policy is also established in line with global market risk and liquidity risk of Sumitomo Mitsui Banking Corporation (SMBC) as BTPN is part of SMBC group.

The Bank's market risk policies and procedures set clear rules and standards on all of the Bank's business activities, control, operational strategies and organization related to market risk. The Bank has the methodology with its clear and measurable steps to identify, measure and monitor market risk.

To ensure proper risk control, the Bank also checks and balances as well as segregates between the front office, middle office and back office, and the implementation of Three Lines of Defense framework, namely as follows:

- Head of Work Unit (first line of defense),
- Market and Liquidity Risk Management Department and Compliance Unit (second line of defense)
- Internal Audit Unit (third line of defense)

Setting market risk limits is reviewed periodically to ensure compliance with business development as well as the current economic and market conditions based on the risk factors of exchange rate and interest rate.

3. Adequacy of Processes in Risk Identification, Measurement, Monitoring, and Control, and Risk Management Information Systems

Identification of market risk is continuously conducted through analysis of each product, transaction or service offered by the Bank by means of product program up until product, transaction or service become market risk exposure that is measured, monitored and controlled on a daily basis.

For every feature development and significant growth, market risk is continuously re-identified and discussed between the Risk Management Unit, in this case the Market & Liquidity Risk Management work unit, and the relevant business units.

BTPN's internal policy stipulates that the Bank should not have trading book exposure in securities. All securities owned by the Bank are categorized as banking book, with the objective to maintain them as liquid assets to be readily used at any time deemed necessary.

Foreign exchange exposures conducted by the Treasury were mostly from FX swap transactions on funds obtained in foreign currencies.

The measurement of exchange rate risk exposure is performed on the Bank's net position. The Bank's average net open position was below 1.0% of the capital, or far below Bank Indonesia's maximum threshold of 20.0% of capital.

The Bank performs mark to market process based on the market price at the end of each day and observe the market risk exposure on a daily basis as part of its risk mitigation, and ensures that the exposure does not exceed the limit set by the Assets & Liabilities Committee (ALCO).

The calculation of risk-weighted assets for market risk and capital requirement on market risk exposure is carried out based on the standard approach in accordance with prevailing regulations.

The table below shows the Market Risk Disclosure using Standardized Method.

Market Risk Disclosure using Standardized Approach

(in million Rupiah)

No	Risk Type	31 December 2020				31 December 2019			
		Stand Alone		Consolidated		Stand Alone		Consolidated	
		Capital Charge	RWA	Capital Charge	RWA	Capital Charge	RWA	Capital Charge	RWA
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	Interest Rate Risk								
	a. Specific Risk	-	-	-	-	-	-	-	-
	b. General Risk	31,159	389,489	31,159	389,489	61,250	765,623	61,250	765,623
2	Foreign Exchange Risk	8,960	111,994	8,960	111,994	2,936	36,702	2,936	36,702
3	Equity Risk			-	-			-	-
4	Commodity Risk			-	-			-	-
5	Option Risk	-	-	-	-	-	-	-	-
	Total	40,119	501,483	40,119	501,483	64,186	802,326	64,186	802,326

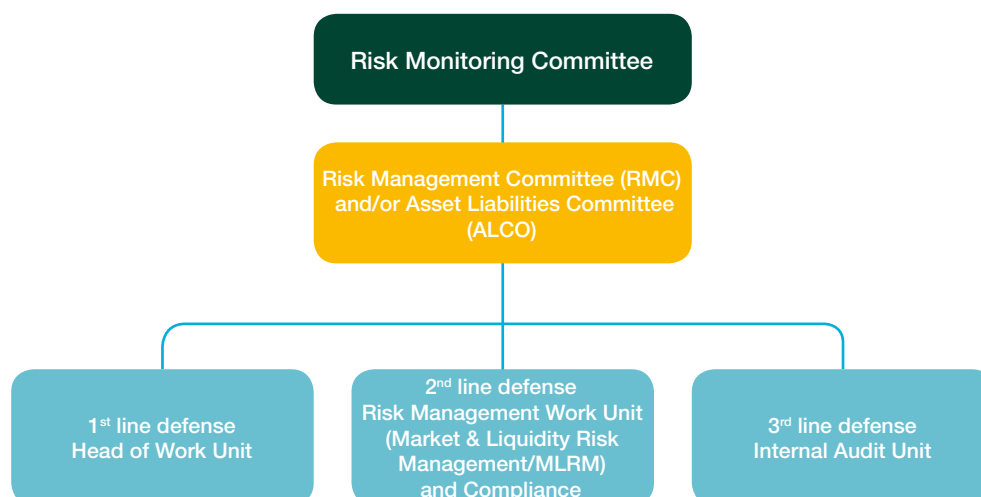
Market risk management is carried out by reporting results of the daily monitoring and measurement of the market risk limit set by ALCO. The Bank also routinely performs projection simulation of net interest income and earning at risk in the ALCO and Risk Management Committee meetings.

Every year, or in the case a new feature or product emerge, the Bank validates the existing system measurement. The current information system can facilitate revaluation process (mark to market), provide up-to-date information on the Bank's market risk exposure, and monitor the Bank's market risk factor movement.

4. Internal Control System on Market Risk

Monitoring on Market Risk is conducted by ALCO and Risk Management Committee. The internal control system has been effective in supporting the implementation of Market Risk Management. The Internal Audit has conducted regular audits on the adequacy of policies, procedures, limits, as well as the tolerance and compliance of every party related to the implementation of market risk management as per the Bank's set audit plan.

Following is the organization structure of the market risk management:





5. Disclosure of Interest Rate Risk in Banking Book
The banking book exposure on the Bank's assets and liabilities are measured using a sensitivity analysis based on the interest rate repricing gap profile to calculate the impact of changes in interest rate on the Bank's net income using the Net Interest Income (NII) approach, and the impact of interest rate change on the Bank's capital, or by using the Economic Value of Equity (EVE) approach.

Interest Rate Risk in the Banking Book
Name of Bank : PT Bank BTPN Tbk (individual)
Report Position : December 2020

Qualitative Analysis

IRRBB measurements are carried out using standard methods in accordance with applicable regulations.

In managing IRRBB, the Bank has set a risk appetite which is manifested in the form of an internal buffer above the maximum Δ EVE that must be maintained. If the IRRBB level has approached or exceeds the buffer figure, ALCO will decide on the business strategy as well as the hedging strategy that must be carried out to return the IRRBB figure to the desired level.

Risk Management is responsible for measuring and monitoring IRRBB on a regular basis to be reported to the Board of Directors and ALCO / KMR. Meanwhile, the business unit and Treasury are responsible for implementing the formulated business strategy and hedging.

Quantitative Analysis

Based on the IRRBB measurement results for the position of December 2020, it can be seen that the Bank's highest Δ EVE occurs in the Parallel Shock Up scenario, which is IDR 1.93 trillion (7.59% of CET1). Meanwhile, from the Δ NII perspective, in the Parallel Shock Up scenario, the Bank's NII is projected to decline by IDR 0.22 trillion. This 4.67% of the Bank's NII projection in the baseline condition.

IRRBB Calculation Report

Name of Bank : PT Bank BTPN Tbk (individual)
Report Position December 2020
Currency : Total in Rupiah

Table of IRRBB Calculation Report

(in million Rupiah)

	Δ EVE		Δ NII	
	Dec 2020	Dec 2019	Dec 2020	Dec 2019
Parallel up	-1,933,645,94	-2,210,846,30	-222,349,16	-329,180,67
Parallel down	1,719,818,96	2,003,276,83	149,765,59	256,428,97
Steepener	989,200,22	1,026,579,26		
Flattener	-1,439,994,25	-1,517,149,16		
Short rate up	-1,264,738,28	-1,460,321,70		
Short rate down	1,201,801,82	1,455,309,01		
Absolute Negative Maximum Value	1,933,645,94	2,210,846,30	222,349,16	329,180,67
Tier 1 Capital (for Δ EVE) or Projected Income (for Δ NII)	25,482,799,26	24,077,577,85	4,757,533,05	5,251,085,89
Maximum amount divided by Tier 1 capital (for Δ EVE) or Projected Income (for Δ NII)	7.59%	9.18%	4.67%	6.27%

C. Liquidity Risk

Liquidity risk is risk that may occur as a result from the Bank's inability to fulfill its maturing obligations using its cash flow and/or its high quality liquid assets that may be placed as collateral, without disrupting the Bank's activities and financial condition.

Liquidity risk is also related to the optimization of the balance sheet structure and the structural risk of dependency on certain funding sources. The management of the Bank's liquidity risk works towards managing liquidity risk in the perspective of both short-term and structural.

In the short-term perspective, liquidity risk is managed by optimizing cash flow based on contract and behavior, and by simulating Liquidity Coverage Ratio (LCR) through stress testing. In the long-term perspective, liquidity risk is managed through Net Stable Funding Ratio (NSFR).

Liquidity risk is managed structurally using indicators stipulated by regulator, and internally managed based on ALCO's decision as reflected in the balance sheet structure and the maturity profile.

1. Liquidity Risk Management Framework

The Bank uses control framework as clear and firm guidelines on the limitation in risk taking. Three key components in this risk control framework are as follows:

- a. Policies and Procedures: Establish clear rules and standards on all of the Bank's business activities, control, operational strategies and organization related to liquidity risk management.
- b. Limit Exposure: Provide clear limit related to liquidity risk. Limit/Tolerance of liquidity risk is to be aligned with related regulations, global policies and local policies in the Bank.
- c. Delegation of Risk Authority: Ensure that decision making on major risks is only to be taken by the individual or certain work unit with the approval from the Bank's management committee.

2. Adequacy of Policies, Procedures, and Limit

The Bank periodically reviews the adequacy of policies, procedures and limits of liquidity risk and their suitability with risk appetite and business strategy in line with business growth, transaction complexity, as well as economic and market conditions.



To effectively implement policies and procedures and set limits on liquidity risk, the Bank established clear division of duties, responsibilities, and well-defined authority among the units responsible for liquidity risk management, which are work units with activities that are exposed to liquidity risk. The Risk Management Directorate provides independent and objective input and analysis for liquidity risk identification, measurement, monitoring, and management processes.

The policies and procedures currently applicable also regulate liquidity risk management in time of crisis by activating the contingency funding plan (CFP) and its implementation until the conditions return to business as usual (BAU).

3. Adequacy of Processes in Risk Identification, Measurement, Monitoring, and Control, and Risk Management Information System
Liquidity risk identification is performed on all sources, including new banking products and activities, as well as significant growth in certain funding sources and proceeds, be it in the form of assets, liabilities, or administrative accounts.

Identification is also performed each time potential risk increase arises, including interest rate risk, credit risk, operational risk, legal risk, and risks due to new regulations of Bank Indonesia.

The Bank measures and monitors indicators of liquidity risk to identify potential liquidity issues through the Early Warning Indicators (EWI) that monitor the roll-over rate, replacement rate of outgoing funds, interest rate applied to customers, interest rate payable to customers and the money market, and secondary reserve ratio. The Bank also structurally measures liquidity risk, using such ratio as the loan to deposit ratio (LDR), Macro-prudential Intermediation Ratio (RIM), as well as calculating outgoing funds and conducting stress testing.

Internal policies stipulate that the Bank shall always comply with such prevailing laws or regulations as the Statutory Reserve and the Liquidity Coverage Ratio (LCR). The Bank has also implemented the Net Stable Funding Ratio (NSFR) since the year 2018.

Laporan *Liquidity Coverage Ratio* (LCR) per 31 December 2020:

Table Liquidity Coverage Ratio (LCR) Disclosure (LCR)

No	Components	INDIVIDUAL			
		Report Date Position (December 2020)		Report Date Position (December 2019)	
		Outstanding commitment and liabilities / contractual receivables	HQLA after haircut, outstanding commitment and liabilities times run-off rate or contractual receivables times inflow rate	Outstanding commitment and liabilities / contractual receivables	HQLA after haircut, outstanding commitment and liabilities times run- off rate or contractual receivables times inflow rate
1	Total data used in LCR calculation		59 days		64 days
HIGH QUALITY LIQUID ASSET (HQLA)					
2	Total High Quality Liquid Asset (HQLA)		27,584,910		22,351,479
CASH OUTFLOW					
3	Retail deposits and deposits from Micro and Small Business customers, consist of:	24,183,313	1,524,049	19,856,836	1,406,249
	a. Stable Deposit / Funding	17,885,641	894,282	11,588,699	579,435
	b. Less stable deposit/funding	6,297,672	629,767	8,268,137	826,814
4	Wholesale Funding, consist of:	45,965,974	22,777,278	49,036,096	23,498,122
	a. Operational deposit	-	-	-	-
	b. Non operational deposit and/or Other Non Operational liabilities	45,965,974	22,777,278	49,027,285	23,489,311
	c. Marketable securities issued by bank	-	-	8,811	8,811
5	Secured funding		-		-
6	Other cash outflow (additional requirement), consist of:	117,122,610	3,260,869	104,511,556	3,878,358
	a. cash outflow from derivative transaction	637,075	637,075	897,742	897,742
	b. cash outflow from additional liquidity requirement	-	-	-	-
	c. cash outflow from liquidation of funding	-	-	-	-
	d. cash outflow from disbursement of loan commitment and liquidity facilities	14,023,897	2,073,385	10,431,686	1,838,166
	e. cash outflow from other contractual liabilities related to placement of funds	-	-	-	-
	f. cash outflow from other funding related contingencies liabilities	102,285,304	374,075	92,562,427	522,748
	g. other contractual cash outflow	176,334	176,334	619,702	619,702
7	TOTAL CASH OUTFLOW		27,562,196		28,782,729
CASH INFLOW					
8	Secured lending	-	-	-	-
9	Inflows from fully performing exposures	29,309,759	16,636,329	30,466,723	17,413,369
10	Other Cash Inflow	1,525,259	1,146,845	2,083,584	1,484,486
11	TOTAL CASH INFLOW	30,835,019	17,783,174	32,550,307	18,897,854
			TOTAL ADJUSTED VALUE1		TOTAL ADJUSTED VALUE1
12	TOTAL HQLA		27,584,910		22,351,479
13	TOTAL NET CASH OUTFLOWS		9,779,022		9,884,874
14	LCR (%)		282.08%		226.12%

Information:

¹ Adjusted value is calculated after haircut, run-off rate, inflow rate, and HQLA components maximum limit, for example, the maximum limit of HQLA is Level 2B and HQLA is Level 2, and the determined maximum limit of cash inflow that can be calculated in LCR.



	CONSOLIDATED			
	Report Date Position (DeCember 2020)		Report Date Position (Desember 2019)	
	Outstanding commitment and liabilities / contractual receivables	HQLA after haircut, outstanding commitment and liabilities times run-off rate or contractual receivables times inflow rate	Outstanding commitment and liabilities / contractual receivables	HQLA after haircut, outstanding commitment and liabilities times run- off rate or contractual receivables times inflow rate
		59 days		64 days
		33,572,778		27,494,459
	28,084,454	1,765,552	23,416,171	1,621,832
	20,857,871	1,042,894	14,395,693	719,785
	7,226,583	722,658	9,020,478	902,048
	49,211,489	24,865,211	52,471,071	25,625,876
	-	-	-	-
	49,211,489	24,865,211	52,462,260	25,617,064
	-	-	8,811	8,811
		-		-
	117,122,610	3,260,869	104,511,947	3,878,514
	637,075	637,075	897,742	897,742
	-	-	-	-
	-	-	-	-
	14,023,897	2,073,385	10,432,076	1,838,322
	-	-	-	-
	102,285,304	374,075	92,562,427	522,748
	176,334	176,334	619,702	619,702
		29,891,632		31,126,223
	-	-	-	-
	29,520,434	16,826,874	30,772,787	17,642,818
	1,525,259	1,146,845	2,083,584	1,484,486
	31,045,693	17,973,720	32,856,371	19,127,303
	TOTAL ADJUSTED VALUE1		TOTAL ADJUSTED VALUE1	
	33,572,778		27,494,459	
	11,917,912		11,998,919	
	281.70%		229.14%	

ANALYSIS OF LIABILITY CALCULATION ON LIQUIDITY COVERAGE RATIO

Individual Analysis

The Individual Liquidity Coverage Ratio (LCR) of Bank BTPN in Quarter IV of 2020 was 282.08%. The LCR value in this quarter increased by 55.97% compared to Quarter IV of 2019 which noted 226.12%. This increase was due to the increase in the high quality liquid assets (HQLA) and the decline in the net cash outflow.

The Bank's entire HQLA is HQLA level 1, consisting of cash and cash equivalent, placement in Bank Indonesia and securities issued by the Government of the Republic of Indonesia or Bank Indonesia. While cash outflow projection is mainly from corporate customers, followed by individual customers as well as micro and small scale enterprises.

The Bank continuously maintain the LCR ratio above the applicable provisions to maintain liquidity resilience.

Consolidated Analysis

Bank BTPN's Liquidity Coverage Ratio (LCR) in consolidation with subsidiaries in Quarter IV of 2020 increased by 52.55%, at 281.70%. This increase was also due to the increase in high quality liquid assets (HQLA) and the decline in net cash outflow).

Both the Bank and the subsidiaries fulfill the LCR provision to ensure liquidity resilience.

Table Individual Net Stable Funding Ratio (NSFR) Disclosure

No	ASF Component	Position of Report (December 2020)				
		Carrying Value By Residual Maturity				Weighted Value
		No Specified Maturity ¹	< 6 Months	≥ 6 Months - < 1 year	≥ 1 year	
1	Capital:	29,359,936	-	-	5,522,821	34,882,757
2	Regulatory Capital as per POJK KPMM	29,359,936	-	-	5,522,821	34,882,757
3	Other capital instruments	-	-	-	-	-
4	Retail deposits and deposits from micro and small business customers:	10,729,631	22,317,371	563,903	23,972	31,433,407
5	Stable Deposits	10,270,376	12,588,663	333,379	3,358	22,036,154
6	Less Stable Deposits	459,255	9,728,708	230,524	20,614	9,397,253
7	Wholesale Funding:	14,978,002	54,829,695	305,995	25,892,710	42,867,177
8	Operational deposits	-	-	-	-	-
9	Other wholesale funding	14,978,002	54,829,695	305,995	25,892,710	42,867,177
10	Liabilities with matching interdependent assets	-	-	-	-	-
11	Other liabilities and equity:	2,766,853	5,059,214	83	-	-
12	NSFR derivative liabilities		-	-	-	
13	All other liabilities and equity not included in the above categories	2,766,853	5,059,214	83	-	-
14	Total ASF					109,183,341

¹ Components that shall be reported under termless category are components that do not have a contractual period, including: Perpetual capital instruments, short position, open maturity position, current accounts, and equities that do not fall under HQLA and commodity categories

No	ASF Component	Position of Report (December 2020)				
		Carrying Value By Residual Maturity				Weighted Value
		No Specified Maturity ¹	< 6 Months	≥ 6 Months - < 1 year	≥ 1 year	
15	Total NSFR HQLA					536,061
16	Deposits held at other financial institutions for operational purposes	894,072	-	-	-	447,036
17	Performing loans and securities	-	46,640,772	7,211,111	70,310,376	85,619,668
18	to financial institutions secured by Level 1 HQLA	-	-	-	-	-



No	ASF Component	Position of Report (December 2020)				
		Carrying Value By Residual Maturity				
		No Specified Maturity ¹	< 6 Months	≥ 6 Months - < 1 year	≥ 1 year	Weighted Value
19	to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	-	5,842,042	1,967,589	9,882,596	11,742,697
20	to non- financial corporate clients, retail and small business customers, government of Indonesia, other sovereigns, Bank Indonesia, other central banks and public service entities, of which:	-	37,813,165	4,926,687	57,888,937	70,575,523
21	meet a risk weight of less than or equal to 35% under SE OJK ATMR for credit risk	-	1,822,198	-	2,538,843	2,561,347
22	Unpledged residential mortgages, of which:	-	-	-	-	-
23	meet a risk weight of less than or equal to 35% under SE OJK ATMR for credit risk	-	-	-	-	-
24	Securities that are unpledged, not in default and do not qualify as HQLA, including exchange-traded equities	-	1,163,367	316,835	-	740,101
25	Assets with matching interdependent liabilities	-	-	-	-	-
26	Other assets:	4,484,081	4,592,555	179,165	5,867,526	10,775,036
27	Physical traded commodities, including gold	-	-	-	-	-
28	Cash, securities and other assets posted as initial margin for derivative contracts or contributions to default funds of central counterparty (CCPs)	-	-	-	-	-
29	NSFR derivative assets	-	29,925	29,925	29,925	29,925
30	20% NSFR derivative liabilities before deduction of variation margin posted	-	177,431	177,431	177,431	177,431
31	All other assets not included in the above categories	4,484,081	4,385,199	179,165	5,867,526	10,567,680
32	Off-balance sheet items	-	121,521,707	121,521,707	121,521,707	1,090,189
33	Total RSF	-	-	-	-	98,467,989
34	Net Stable Funding Ratio (%)	-	-	-	-	110.88%

¹ Components that shall be reported under termless category are components that do not have a contractual period, including: Perpetual capital instruments, short position, open maturity position, current accounts, and equities that do not fall under HQLA and commodity categories.

ANALYSIS OF INDIVIDUAL NSFR

Name of Bank : Bank BTPN, Tbk (Individual)

Report Position : December 2020

Individual Analysis (Audited)

The Bank's Individual Obligation to Fulfill the Ratio of Net Stable Funding Ratio (NSFR) during the month of December 2020 was 110.88% in line with POJK No. 50/POJK.03/2017 on the Obligation to Fulfill the Net Stable Funding Ratio (NSFR) for Commercial Banks.

The Asset Stable Funding (ASF) value during the month of December was IDR 109.18 trillion, while the Required Stable Funding (RSF) value during the month of December was Rp98.47 trillion. The increase in NSFR if compared to the previous period was mainly due to the decrease in the value of the Required Stable Funding (RSF) which was higher than the decrease in the value of the Available Stable Funding (ASF).

Bank BTPN continuously monitors and maintains the position of complying to NSFR related provisions and in its funding strategy has considered the portfolio in terms of funding sources as well as the tenor based on its impact on NSFR.

Table Consolidated Net Stable Funding Ratio (NSFR) Disclosure

No	ASF Component	Position of Report (December 2020)				
		Carrying Value By Residual Maturity				
		No Specified Maturity ¹	< 6 Months	≥ 6 Months - < 1 year	≥ 1 year	Weighted Value
1	Capital:	35,277,495	-	-	5,522,821	40,800,316
2	Regulatory Capital as per POJK KPMM	35,277,495	-	-	5,522,821	40,800,316
3	Other capital instruments	-	-	-	-	-
4	Retail deposits and deposits from micro and small business customers:	12,726,824	25,219,001	576,418	23,992	36,042,445
5	Stable Deposits	12,186,842	14,440,950	340,893	3,378	25,623,629
6	Less Stable Deposits	539,983	10,778,051	235,524	20,614	10,418,816
7	Wholesale Funding:	15,005,207	59,864,463	313,145	25,892,710	44,163,896
8	Operational deposits	-	-	-	-	-
9	Other wholesale funding	15,005,207	59,864,463	313,145	25,892,710	44,163,896
10	Liabilities with matching interdependent assets	-	-	-	-	-
11	Other liabilities and equity:	3,556,471	5,059,214	83	-	-
12	NSFR derivative liabilities		-	-	-	
13	All other liabilities and equity not included in the above categories	3,556,471	5,059,214	83	-	-
14	Total ASF					109,183,341

¹ Components that shall be reported under termless category are components that do not have a contractual period, including: Perpetual capital instruments, short position, open maturity position, current accounts, and equities that do not fall under HQLA and commodity categories

No	ASF Component	Position of Report (December 2020)				
		Carrying Value By Residual Maturity				
		No Specified Maturity ¹	< 6 Months	≥ 6 Months - < 1 year	≥ 1 year	Weighted Value
15	Total NSFR HQLA					654,072
16	Deposits held at other financial institutions for operational purposes	921,793	-	-	-	460,896
17	Performing loans and securities	-	49,337,560	12,360,468	73,087,048	91,420,543
18	to financial institutions secured by Level 1 HQLA	-	-	-	-	-
19	to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	-	5,842,042	1,970,223	9,888,195	11,749,612
20	to non- financial corporate clients, retail and small business customers, government of Indonesia, other sovereigns, Bank Indonesia, other central banks and public service entities, of which:	-	40,288,851	10,073,411	60,483,095	76,108,553
21	meet a risk weight of less than or equal to 35% under SE OJK ATMR for credit risk	-	1,822,198	-	2,538,843	2,561,347
22	Unpledged residential mortgages, of which:	-	-	-	-	-
23	meet a risk weight of less than or equal to 35% under SE OJK ATMR for credit risk	-	-	-	-	-
24	Securities that are unpledged, not in default and do not qualify as HQLA, including exchange-traded equities	-	1,384,469	316,835	176,916	1,001,030
25	Assets with matching interdependent liabilities	-	-	-	-	-



No	ASF Component	Position of Report (December 2020)				
		Carrying Value By Residual Maturity				
		No Specified Maturity ¹	< 6 Months	≥ 6 Months - < 1 year	≥ 1 year	Weighted Value
26	Other assets:	4,484,081	4,592,555	179,165	6,376,548	11,284,058
27	Physical traded commodities, including gold	-				-
28	Cash, securities and other assets posted as initial margin for derivative contracts or contributions to default funds of central counterparty (CCPs)		-	-	-	-
29	NSFR derivative assets		29,925	29,925	29,925	29,925
30	20% NSFR derivative liabilities before deduction of variation margin posted		177,431	177,431	177,431	177,431
31	All other assets not included in the above categories	4,484,081	4,385,199	179,165	6,376,548	11,076,702
32	Off-balance sheet items		121,521,707	121,521,707	121,521,707	1,090,189
33	Total RSF					104,909,758
34	Net Stable Funding Ratio (%)					115.34%

¹ Components that shall be reported under termless category are components that do not have a contractual period, including: Perpetual capital instruments, short position, open maturity position, current accounts, and equities that do not fall under HQLA and commodity categories

ANALYSIS OF CONSOLIDATED NSFR

Name of Bank : Bank BTPN, Tbk (Konsolidasi)

Report Position : Quarter IV 2020

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Individual Analysis (Audited)

The Bank's Consolidated Net Stable Funding Ratio (NSFR) by the end of the year 2020 was 115.34% in line with POJK No.50/POJK.03/2017 on the Obligation to Fulfill the Net Stable Funding Ratio for Commercial Banks.

The Asset Stable Funding (ASF) value during the month of December was IDR 121.01 trillion, while the Required Stable Funding (RSF) value during the month of December was Rp104.91 trillion. The increase in NSFR compared to the previous period was mainly due to the decrease in the value of Required Stable Funding (RSF) which was higher than the decrease in the value of Available Stable Funding (ASF).

Bank BTPN continuously monitors and maintains the position of complying to NSFR related provisions and in its funding strategy has considered the portfolio in terms of funding sources as well as the tenor based on its impact on NSFR.

The management of liquidity risk is carried out by reporting the results of monitoring on the Early Warning Indicators (EWI) and Liquidity Risk Limit on a daily basis. The Bank also periodically reports the conditions and developments of liquidity key risk indicators at the ALCO and Risk Management Committee meetings.

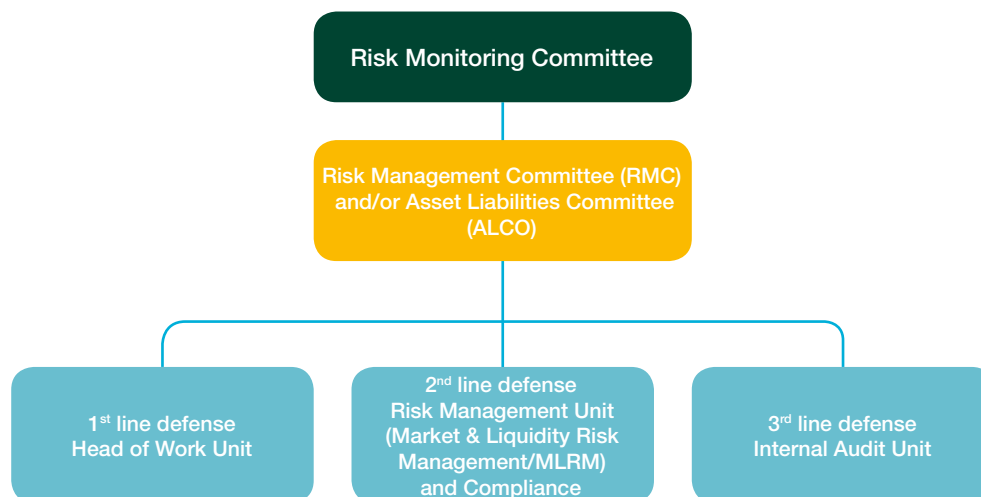
The Risk Management Directorate, through the Market & Liquidity Risk Management Unit, monitors liquidity risk indicators, funding sources and proceeds, and liquidity positions which cover interest rate setting strategies, changes in customers' behavior, including changes in funding source structure and volatility.

For every certain exceeding or risk event, the Risk Management Unit communicates with and requests or a follow-up from the relevant business units, including by forwarding the issue to higher management level.

The information system currently in use can present information on liquidity condition on a daily basis for the purpose of liquidity risk measurement, monitoring and control.

4. Internal Control System of Liquidity Risk
Monitoring of liquidity risk is conducted by ALCO and the Risk Management Committee. Liquidity risk management is also carried out by preparing contingency funding plan to anticipate unfavorable liquidity situations occurring. The internal control system has been effective in supporting the

implementation of liquidity risk management. The Internal Audit has performed routine audits on the adequacy of policies, procedures, limits, and applied tolerance and compliance of every related party in accordance with the Bank's set audit plan.



D. Operational Risk

Operational risk is defined as the risks of loss resulting from inadequate or failed internal processes, people, systems failure or external events that impacted to the bank's operational activities.

1. Operational Risk Management Governance

The Board of Commissioners and the Board of Directors actively supervise operational risk management through various committees such as the Risk Monitoring Committee and the Risk Management Committee which are carried out periodically according to their respective terms of reference to discuss operational risks and its implementation, authority and responsibilities.

ORM (Operational Risk Management) unit, which has a direct reporting line to the Risk Management Director, is responsible for operational risk management. The Bank has formulated and determined the level of operational risk sufficiently in line with the objectives and business strategy of the Bank as a whole. The level of operational risk is translated into the operational risk appetite which is documented in the Operational Risk Management Framework.

2. Adequacy of Policies, Procedures, and Determination of Limits

Operational Risk Management unit is responsible in making and developing Operational Risk Management policies and procedures. These policies and procedures are reviewed periodically, taking into account any significant changes, both internally and externally. Each working unit must comply to operational risk management policies and procedures in carrying out its day-to-day operational activities. The Bank also has a system and limits to support general and specific controls, such as segregation of duties and responsibilities, mandatory annual leave, reconciliation and others.

3. Adequacy of the Identification, Measurement, Monitoring and Risk Control Processes as well as Risk Management Information System

Operational risk identification is carried out for all activities / processes, products, systems and organizations. A part from being carried out on the Bank's new initiatives, risk assessments are also carried out on developments or changes. The operational risk identification process is also equipped with operational risk management tools including Risk Grading Matrix, Risk Registration, KOR (Key Operational Risk Indicator) and Risk Acceptance.



The risk measurement process includes periodic self-assessment through KCSA (Key Control Self Assessment), analysis of operational events and losses, implementation of inspection activities by ICR, measurement of Key Operational Risk Indicators (KORI), preparation of operational risk appetite which is reported periodically in meetings in Risk Management Committee (RMC) meeting.

Operational risk monitoring is carried out through reporting to senior management and regulators, either regularly or ad-hoc, including reporting of significant incidents through SINP (Significant Incident Notification Protocol). SINP implemented so that any problems that occur can be immediately followed up.

Operational risk control is also carried out by implementing effective prevention, detection and correction control mechanisms and / or providing adequate insurance to minimize the impact of operational losses for the Bank. As one of the control measures, Bank already has a comprehensive guidelines for Business Continuity Management which refer to the industry standard ISO-22301 which is tested regularly.

Operational Risk Management System (ORMS) is provided to presents accurate, timely and up-to-date information needs to facilitate analysis and decision making.

4. Internal Control System for Operational Risk
Internal control over operational risk is carried out through three lines of defense model. In the first line of defense, the Risk Taking Unit (RTU) assisted by Business Risk / ICR carries out day-to-day operational risk management. In the second line of defense, the ORM unit is tasked with identifying and measuring inherent risks and ensuring the adequacy of the control mechanisms that have been implemented.

In the third line of defense, Internal Audit is independently responsible for ensuring that the residual risks are still within the limits that can be tolerated by the Bank.

Alignment process between the parties responsible for the Bank's internal control practices is carried out on a sustainable basis through a standardize ICR Maturity Self-Assessment and forums which organized by ORM unit to facilitate ICR function.

5. Fraud Risk Management

The Bank has adequate policies and procedures of anti-fraud strategies which which continues to be refined. Fraud risk management is systematically handled through a number of processes/strategies.

Regarding of the process of fraud risk prevention, the Bank has implemented a risk awareness, anti-fraud awareness and The signing of the integrity pact by the Board of Directors, Board of Commissioners, and all employee. Adjustment made to the policies and procedures related to anti-fraud strategies so that it remains in accordance with the latest conditions including anti-fraud strategies to remain in accordance with the current conditions, and do risk assessment each proposed initiative, product and Bank activities, both new and in development. Anti fraud awareness socialization is done through several media, namely through e-newsletter broadcasts, email broadcasts ,PC/ laptop desktop wallpapers, standing acrylics, comic strips on B-Connect, BTPN Info, anti-fraud animated video broadcasts, additional information on whistleblowing services on the Bank BTPN website that can be used to reporting fraud incidents, conducting mandatory anti-fraud assessments through e-learning, implementing anti-fraud declarations through e-learning and anti-fraud awareness delivered in in-class training and online training to employees.

In line with the prevailing anti-fraud strategy, Bank also continues to continuously disseminate reports on fraud indication events through whistleblowing channel as one of media used for detecting fraud incidents, which is periodically communicated to all employees through the Bank's various internal media. Through whistleblowing channel as one of media used for detecting fraud incidents: e-mail channel (Speak Your Mind, Ayo Laapor), Whatsapps, Phone, Letter and face to face an employee may also uncover and report any misconduct.

Bank also has adequate policies related to investigation and reporting process of fraud incidents. For every proven fraud case, the process of passing a sanction is decided by the Fraud Committee involving the relevant work units, related Business Risk/ICR Functions, Human Capital unit and the Anti-Fraud Management (AFM). Implementation of the Fraud Committee's decision is regularly monitored and evaluated to determine future improvements.

Quantitative Operational Risk Disclosure - Bank Stand Alone

(in million Rupiah)

No	Approach	31 December 2020			31 December 2019		
		Gross Income (average 3 years)	Capital Charge	RWA	Gross Income (average 3 years)	Capital Charge	RWA
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Basic Indicator Approach	8,451,193	1,267,679	15,845,987	7,293,907	1,094,086	13,676,076
	Total	8,451,193	1,267,679	15,845,987	7,293,907	1,094,086	13,676,076

Quantitative Operational Risk Disclosure - Consolidated Bank and Subsidiary

(in million Rupiah)

No	Approach	31 December 2020			31 December 2019		
		Gross Income (average 3 years)	Capital Charge	RWA	Gross Income (average 3 years)	Capital Charge	RWA
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Basic Indicator Approach	12,441,111	1,866,167	23,327,084	9,819,730	1,472,960	18,411,994
	Total	12,441,111	1,866,167	23,327,084	9,819,730	1,472,960	18,411,994

E. Legal Risk

Legal risk is risk resulting from legal claim and/or weakness in judicial aspect and aims to ensure that legal risk management process can minimize potential negative impact from such weakness in judicial aspect, in the absence and/or changes in the laws and regulations as well as the litigation process.

1. Legal Risk Management Framework

The Compliance & Legal Director is an independent director, who is not supervising over the business and operation units, nor such other units as the treasury, finance, internal audit. For that reason, the Legal and Litigation Division independently provides legal opinion by putting attention on prevailing laws and regulations in Indonesia without being influenced by other work units.

The Legal and Litigation Division also provides legal services, in writing or verbal in the form of legal opinion, legal document examination, drafting of legal document, legal information research, legal accompaniment. In addition, provide legal assistance on litigation and/or legal dispute handling with Alternative Dispute Resolution (ADR) mechanism.

2. Adequacy in Policies, Procedures and Limit

The Legal & Litigation Division has the policies, procedures and limitation of authority over its work function. There is Legal Risk Review on transactions that are material in nature conducted by the Legal & Litigation Division, so that potential legal risk may be anticipated and mitigated from the beginning of the transaction, for example, the requirement of using standard draft agreement.

3. Adequacy of Processes in Risk Identification, Measurement, Monitoring, and Control, and Risk Management Information Systems

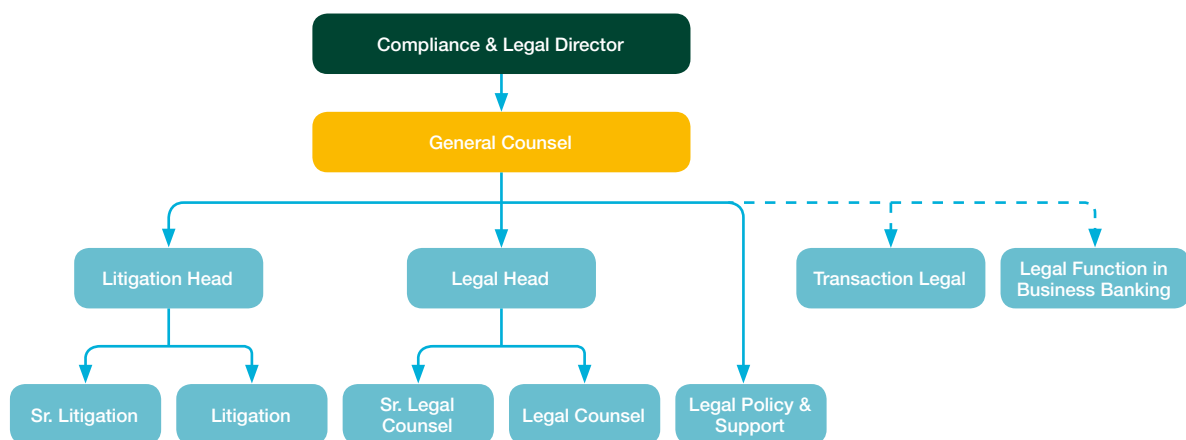
The Board of Directors and the Board of Commissioners unceasingly supervise all of the Bank's matters/cases, through such mechanisms as follows:

- Legal Weekly Report to the Compliance & Legal Director
- Legal Monthly Report to the General Council, Compliance & Legal Director and the Board of Commissioners
- Legal Quarterly Report to the Board of Commissioners
- Ad Hoc Report to the Board of Commissioners (if any).

Although such regular reports are managed, however, the General Council may readily provide report or verbal opinion at any time required, for an emergency decision making by initially coordinating with the Compliance & Legal Director.



The organization of the legal risk management is as follows:



F. Strategic Risk

Strategic Risk is risk resulting from the inaccuracy of decision making and/or implementation of a strategic decision as well as from the failure in anticipating changes in the business environment.

1. Strategic Risk Management Framework

The Strategic Risk Work Unit plays a role in strategic risk management and is under the active supervision of the Board of Commissioners and the Board of Directors. The strategic risk working group includes all business lines and support units that work closely with the Investor Relations Division of the Finance Directorate in analyzing and monitoring strategic risk.

The Bank continuously conduct reviews of strategic issues that emerge as a result from changes occurring in the operation areas and in the business environment that cause negative impact on the Bank's business or financial conditions. All of the strategic implementation is developed periodically following evaluations and adjustments.

2. Adequacy in Policies, Procedures and Limit

The Bank has policies and procedures that regulate the processes of formulating and preparing the Bank's Business Plan which includes reviews on strategic directives and key activities to support the implementation of the set strategies.

The Strategic Risk Management Policy covers the following:

- Policies related to strategic risks as guidelines for strategic control function.
- Strategic risk management includes mitigation of possible negative impact resulting from the inaccuracy of strategic decision making and failure in anticipating changes in the business environment.

- General Audit policies as guidelines for the Bank's Internal Audit.

While strategic risk procedures related to the setting of procedures and limits are referred to the guidelines set forth under applied policies. The set strategic risk limit may cover risks resulting from deviation of the strategic plans due to deviation of the budget and the target time of completion.

- Adequacy of Processes in Risk Identification, Measurement, Monitoring, and Control, and Risk Management Information Systems
Identification of strategic risk is the result from review of the risk characteristics. In identification process, the Bank always record and organize the efforts of each strategic risk data and potential loss resulting from non-actualized or implementation ineffectiveness of the set business strategies and plans, especially that cause significant impact on the Bank's capital.

The Bank's strategic risk management information system covers the following activities:

- Present the need for accurate, on-time and updated information.
- Support the management function for easier process of planning and decision making.
- Fulfill the availability of data in accordance with the Bank's business plan.
- Support the implementation of audit footprints on strategic risk events data in managing and reporting as well as documenting each strategic risk event for potential loss projection of certain period

4. Internal Control System for Strategic Risk
The Bank has an internal control system for strategic risk management by periodically monitoring the Bank's performance, both in terms of quantitative as well as qualitative.

G. Compliance Risk

Compliance risk is a risk that is caused by the Bank's in carrying out its business activities do not comply and/or do not implement the prevailing laws and regulations

1. Compliance Risk Management Framework
Bank has the Compliance Policies and Procedures as the base infrastructure in conducting Compliance Function. Review and refinement of the Bank's Compliance Policies are performed sustainably, among others, in line with the issuance of new regulations from Financial Services Authority (OJK), Bank Indonesia (BI) as well as other laws and regulations and provisions of Sumitomo Mitsui Banking Corporation (SMBC) as the Bank's majority and Controlling Shareholder.

The Board of Directors continues to supervise the implementation of the Compliance Function, which among others are conducted through the following mechanisms:

- Report (monthly) to the Compliance & Legal Director on the implementation of duties and responsibilities of the Compliance Unit
- Report (quarterly) to the President Director and the Board of Commissioners on the implementation of duties and responsibilities of the Compliance & Legal Director
- Report (periodically) on results of monitoring of compliance risk to the Board of Directors (BoD) at the BoD meeting forum and to the BoC at the BoD and BoC meeting forum, as well as at the Audit Committee meeting.

In addition, the Board of Directors has approved the Compliance Policies and Procedures as base infrastructure in the implementation of Compliance Function which will be used as guidelines for the Bank's Compliance Function.

In fulfillment to OJK Regulation No. 46/POJK.03/2017 on the Implementation of Compliance Function of Commercial Banks, the Board of Commissioners has conducted

assessment on the implementation of the Bank's Compliance Function at least 2 (two) times in a year (semester).

The Bank continuously assures the implementation of Compliance Function and governance in subsidiary, BTPN Syariah, is adequately executed in line with OJK regulations related to the Application of the Integrated Governance for Financial Conglomerates.

2. Adequacy of Policies, Procedures, and Limit
The Bank has policies and procedures, including the APU PPT Policy and Procedure as basic infrastructure in the implementation of compliance function management used as guidelines in the implementation of the Bank's compliance function. Review and refinement are sustainably conducted on the concerned policies and procedures in order to ensure compliance to prevailing regulations, including the refinement of forms used in the implementation of APU & PPT.
3. Adequacy of Processes in Risk Identification, Measurement, Monitoring, and Control, and Risk Management Information Systems
Compliance Risk Management is sustainably implemented through the processes of risk identification, measurement, monitoring and control to ensure the Bank's compliance to prevailing laws and regulations as follows:
 - Compliance Risk identification process, among others is carried out through assessment on the policies, procedures as well as new products/activities and their development as well as corporate actions to be taken, including transactions that must be approved by the Credit Committee.
 - Compliance Risk Measurement process is carried out through the self-assessment on Compliance Risk as part of the Bank's risk profile that periodically performed

As a subsidiary of the SMBC Group, compliance risk measurement process is carried out through the implementation of a Compliance Risk Assessment (CRA) and Compliance Self Review (CSR) based on the provisions of SMBC as the majority shareholder as well as the Controlling Shareholder of the Bank as well as other relevant laws and regulations.



- Process of Monitoring Compliance Risk is done through reviewing the suitability Bank policy with applicable regulations, fulfillment of Prudential Parameters, submission of regulatory reporting to OJK/BI and other relevant authorities, follow up OJK/BI Findings
- The process of Compliance Risk Control is carried out through, among others, periodic review of Compliance Policy and Procedure, follow up on external/internal audit results.
- Implementation of the Bank's compliance function is periodically and sustainably reported to the Compliance & Legal Director and the President Director with a copy to the Board of Commissioners as well as to the Meeting forum of the Bank's BoD, BoD and BoC meeting forum as well as at the Audit Committee meeting.

4. Internal Control System for Compliance Risk

The Bank has an adequate internal control system to ensure compliance with OJK and BI as well as other regulations. Report on compliance implementation is periodically submitted to the Board of Directors and the Board of Commissioners.

The Bank continuously ensures Compliance Function and governance of the subsidiary, BTPN Syariah, is adequately implemented in line with OJK regulation related to the Implementation of the Integrated Governance for Financial Conglomerates.

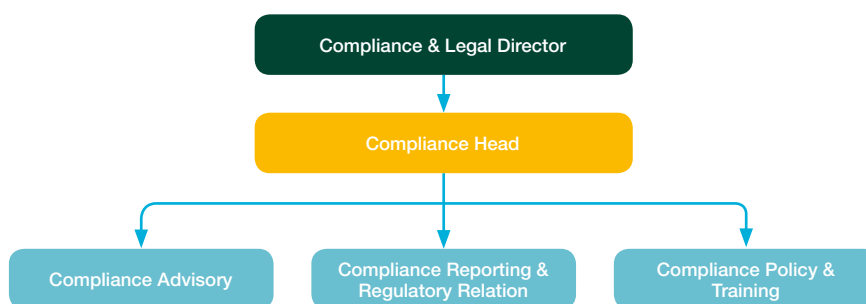
The organization of the Compliance Risk Management is as follows.

5. Disclosure of risk exposure and implementation of risk management in the year 2020:

Assessment on compliance to regulations

During the year 2020, the Bank maintained compliance fulfillment to OJK, BI and other prevailing regulations, among others with achieving the following:

- The Bank's Soundness Rating based on Risk Based Bank Rating/RBBR for the position of December 2020 was ranked 2 (Healthy).
- Fulfillment of Regulatory Parameter includes the following:
 - Minimum Capital Adequacy Ratio (CAR), including Leverage Ratio above prevailing stipulation.
 - No violation or exceeding Legal Lending Limit (LLL)
 - Net NPL below 1%
 - Statutory Reserve (GWM) in both Rupiah and Foreign Currency at above prevailing stipulation.
 - Fulfillment of Net Foreign Exchange Position (PDN) is in line with prevailing provision.
 - Fulfillment of Net Stable Funding Ratio and Liquidity Coverage Ratio is above prevailing provision
- Establishing capital surcharge in accordance with OJK regulation in line with Bank BTPN's provisions as a Systemic Bank.
- Majority in fulfillment of follow-up commitment on OJK audit result is fulfilled according to the predetermined target settlement time.



H. Reputation Risk

Bank BTPN's reputation is a very important asset for the continuity of the business. For that reason, every activity of conveying message to external parties, either involving the mass media or not, which may affect the reputation of the company must be coordinated with Corporate Communications within the Communications & Daya Division.

Referring to SOP.01/CCOM/03/2018, Corporate Communications, a unit under the Directorate of Legal, Compliance & Corporate Secretary, has the main function to manage the company's reputation, by means of conducting communication activities (delivering information) to internal and external parties.

The main duty and function of the Corporate Communications is to manage the company's reputation through effective and efficient communication activities in line with the company's strategy, vision, mission and values. Related to the main function to manage company's reputation, Corporate Communications is responsible and plays the role as the main party in conveying interenal and external information. Corporate Communications also perform control and monitoring functions of Bank BTPN overall communication activities in general, and in specifics which are performed by every business units and support function units.

1. Adequacy of Policies, Procedures and Limit
The Bank's risk profile, Individual and Consolidated, as of Quarter 3 - 2020, is at level 2 (Satisfactory).
2. Adequacy in the Processes of Risk Identification, Measurement, Monitoring and Control, as well as Risk Management Information System
Referring to Crisis Communication Manual, the Communications & Daya Division is responsible for reputation crisis communication at the head office and assigns the person/party in charge of the regional reputation crisis communication. Communications & Daya division provide support for all aspects of external and internal communication, starting from planning to implementation, monitoring and evaluation of the communication process at time of reputation crisis.

The main tasks during a situation of reputation crisis, include the following:

- Prepare communication strategy and tactics;
- Design and prepare main messages;
- Consider the communication channels to use;
- Determine the spokesperson and the person in charge of communication;
- Conduct coordination with the designated person in charge of communication and spokesperson;
- Conduct intensive communication function to external and internal parties;
- Manage requests for information or interviews with the media;
- Conduct monitoring and assessment of communication effectiveness.



3. Internal Control System of Reputation Risk
Referring to SOP.01/CCOM/03 /2018, Corporate Communications bears the main duty and function to manage the Bank's reputation, by means of effective and quality communication programs, to support the Bank's activities, so that the Bank's vision and mission are achieved. Corporate Communication SOP becomes the guidelines in managing the Bank's reputation through communication programs and activities conducted by Corporate Communications.

To optimize the function and role of Corporate Communications, all programs and activities of delivering information conducted by Corporate Communications must refer to prevailing regulations. Among others are the laws and regulations of related government institutions, policies and regulations of Bank BTPN, Standard Operating Procedures of Corporate Communications, other related regulations and provisions, as well as the principles of Good Corporate Governance.

Corporate Communications is a unit under the supervision of the Directorate of Legal, Compliance & Corporate Secretary which consists of the following functions:

1. External Communication;
2. Internal Communication;
3. Corporate Brand & Activation





BUSINESS SUPPORT REVIEW

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234	Information Technology
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”

Three lines of business support: Human Resources, Technology and Information as well as Operations, provide maximum support in achieving BTPN's performance in all business segments. Therefore, in 2020, the Bank's performance remained maximum even in the midst of the COVID-19 pandemic.

Human Resources



Number of HR Training Hours

240,305

In the 2020 financial year, BTPN has implemented training and competency development for employees.

This activity is carried out periodically every year, so that the human resources who are the supporting or important organs in achieving the Bank's goals are able to provide maximum contribution to the Company.

HUMAN RESOURCE POLICY IN 2020

Several primary initiatives have been implemented by Human Capital function in year 2020 as follows:

1. Continuous effort on stabilizing organization and optimization the organization functions post-merger
 - a. Human capital function in collaboration with other related functions ensure that cultural integration program is well in placed through the implementation of work procedure assessment in Human Capital function and following the stipulated rules
 - b. The execution of cultural integration and leadership programs in all areas of the organization through vision mission and values program being well communicated to all staff through several management visits to branches, formation of change agents and the implementation of programs that will elevate employee engagement program. Due to COVID-19 pandemic all programs activities are carried-out virtually and online inline with the digitalization plan of Human Capital function.
 - c. The optimization of organization function becomes one of the efforts to support the fluency of integration process post-merger. Initiatives that focus on excellence process, automation process and digitalization that impacted towards the merger of several functions have been in-placed.
 - d. In line with digitalization initiatives and in response towards COVID-19 Pandemic, the Bank has changed some of the talent programs and training program from conventional to digital, virtually at large.



2. Recruitment and staff competency development through soft and hard competency continues to be done especially on the new business area that is focused to be developed in line with Bank's strategy and also in technology areas
 - a. Recruitment process to fulfill human resources in the Bank whether it is for business needs or for replacement continues to be done throughout the year 2020.
 - b. Training realization is focus on the development of competency to support business. In this pandemic situation, the training for employees is designed to prepare staff to face the new normal habit including new way of working.
 - a. Management Trainee program that is designed to prepare future leaders of BTPN which called Corporate Acceleration Program (CAP) batch 4.
 - b. Management Trainee Program that is designed specifically to develop talents in certain business areas among others in IT area called Creative Hacknology Intensive Program (CHIP) Batch 5 and 6 and in Retail Banking area through Relationship Manager Development Program (RMDP) batch 3.
 - c. Aside from management trainee program and in line with the implementation of Employee Value Proposition (EVP) program to elevate the collaboration with SMBC Group, currently the bank is preparing a collaboration program with SMBC APAC to give International exposure for selected talents of the Bank through training, global project or job placement in several units in SMBC overseas branches.
3. Bank continues to focus on the management process of Talent Management. Several programs is designed in such a way to give birth to future leaders in several layers of the organization. The programs among others:



STRATEGIC PLAN IN 2021

Referring to company initiative strategies to continuously uphold stability of the organization and to create synergy between the current functions and businesses, Human Capital of BTPN focus on optimizing the utilization of the available human resources and to continuously develop Human Capital functions on an ongoing basis and to continuously support the growth of the organization in the future. The Human Capital strategies focus will be cascaded down into 4 main strategies such as:

1. Strengthen the current initiative to support the organization. Besides starting the initiatives of program implementation, Human capital will also collaborate with other related functions to strengthen the synergy in the whole organization
2. In the area of Talent Management and Development, Human Capital function will focus on the effort to preserve key talents (employees that hold key performance function) and also to focus on the preparation of future talents
3. To support business synergy and to reach growth level in the future, innovation in Human capital related to product, service and initiatives will be done. These covers strengthen EVP (Employee Value Propositions), Assessing employee's benefit, Assessing the implementation of the new Way of Working, Assessment on competency model and career path, and the implementation of Employee Engagement program
4. To support the achievement Human capital initiatives, the process, technology and supporting tools, especially technology in Human Capital must be renewed and enhanced.



RECRUITMENT

In 2020 we have recruited 634 employees to join BTPN. The recruitment process has gone through several channels including the BTPN career website, job search sites, and collaboration with several universities to get the best talents and provide equal and broad opportunities for prospective employees. However, certain positions is intended for internal employees, with the intention of providing BTPN employee development opportunities.

COMPETENCY DEVELOPMENT

In the year 2020, BTPN has actualized training and competency development programs for employees. Such activities are held periodically each year, consequently human resource becomes an important support or organ of the Bank in achieving its goals and is capable of maximally contribute to the Company.

Such competency development program is joined by employees from the highest to the lowest level of the organization. The average total investment actualized by the Bank for each employee in this respect reached Rp8 million per person.

Details of realization of the training programs is disclosed in the section on “Company Profile” of this Annual Report. While the total accumulated amount is displayed in the table below.

REALIZATION OF THE COMPETENCY DEVELOPMENT PROGRAM

Description	Unit	2020 Realization
Number of Training Programs	Full unit	281
Number of Participants	Person	87,970
Total Man-days	Day	30,038
Total Training Investment	Rp million	71,070
Average Training Investment per Employee	Rp million	9,6
Total Training Hours	Hours	240,305

Information Technology and Operations

In 2020, BTPN's information technology development, among others, was focused on consolidating the Bank's core applications following the merger. At the same time, the Bank also improves customer user experience in using the Bank's digital services. This is in line with the focus of the Operations functions which emphasizes activities on improving branchless services.

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Bank BTPN realizes that information technology (IT) currently plays a very important role in support of the Bank's operational activities and business growth.

For this reason, the Bank's primary product of digital banking continues to be developed.

In the year 2020, BTPN's IT Directorate focused on the new IT Strategic Planning (ITSP) set for the years 2020-2022. This was a response to the Bank's business merger. Details of activities during the fiscal year include the following:

1. The Bank's core consolidated application which covers the core banking system, support application to the corporate banking function and other non-core banking applications in the effort to simplify the application architecture of post-merger.
2. Empowerment of the digital platform on the various products and channels in the framework of creating a uniform digital platform architecture that maintains dependable services providing consistent and impeccable customers' experience.
3. Expanding the use of the Bank's API and Micro-services, including developing the capability to manage and control the construction and use of API in order to collaborate with various partners.
4. Develop the digital servicing hub that produces all information related to customers' profiles, transaction history, and interaction history of each relation between customers and the bank accessible bank-wide and in real-time allowing the integrated servicing strategy (CRM, marketing and sales) between business lines. The Bank is currently in the phase of selecting the solution.
5. Continue the improvement of data management and data management capabilities on existing data lake as well as the data warehouse infrastructure to ensure the quality and data consistency in providing on-time and accurate information.



6. Conduct expansion of infrastructure modernization and possessing the monitoring system to maintain the reliability and availability of IT services. Development of automation infrastructure will also take place to obtain higher speed and efficiency in providing the infrastructure for computation, storage and network.
7. Conduct development and update systems related to regulation (including reporting to regulator) in accordance with the needs required by regulator.
8. Conduct development of a new system related to credit card services to customers in order to increase the types of services to be offered to customers.
9. Continue the implementation of customers' verification by utilizing biometric technology.

In addition, the Bank also ensures services related to compliance, such as with AML (Anti Money Laundering) and E-KYC (Electronic Know your Client), can be implemented consistently and steadily. All of Bank BTPN's service channels also adopt such provisions related to such compliance.

Nevertheless, throughout the year 2020, some challenges were faced by the Bank's IT management. Firstly, those related to the COVID-19 pandemic. Improvements in the collaboration among the teams as well as with the stakeholders and customers have been constrained.

In facing the challenges in this respect, the IT Team maintained good communication that helped reduces inaccurate interpretations or assumptions. In addition, the daily standup and daily checkout programs as well as information transparency have supported efforts to manage COVID-19 challenges and Work From Home were able to be extended.

The next challenge was in providing explanation and transparency of information to the Bank's new management after the merger, regarding the IT transformation Especially with regard to work methods, investment and support, this is done so that IT development is in line with BTPN's tactical goals and strategic objectives.

VISION AND MISSION OF THE INFORMATION TECHNOLOGY DIRECTORATE

Vision

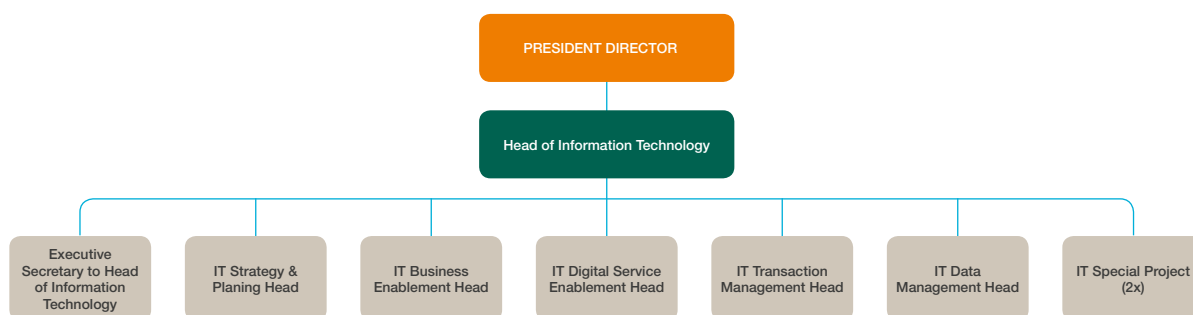
To be the best innovative solutions provider, delivering distinct experience.

Mission

To make life easier for all stakeholders through the creation of valuable services.

IT MANAGEMENT ORGANIZATION

The execution of information technology activities within the Bank's environment is managed by the Information Technology Directorate that reports directly to the President Director. Below is the organization structure effective up to the year 2020.



HUMAN RESOURCES (HR)

Becoming the first bank with digital capabilities and providing digital banking solutions, Bank BTPN must prepare its human resource of quality. Nevertheless, in this respect, one of the challenges faced is the number of human resource in the IT department within the Bank's environment are becoming the professionals more and more sought-after by the financial and information technology industries.

To manage this, the IT and the Human Capital Directorates jointly conduct the CHIP (Creative Hacknology Intensive Program) so that IT talents can sustainably enhanced. Included in the program, is the development of digital talents for other areas so that transformation may be carried out continuously. For example, on such areas as DevOps, Data Engineer, Agile Leadership, and others.

Until the end of year 2020, the number of employees in the Information Technology Directorate totaled 426 personnel within 6 (six) organization:

Organization	Responsibility	Total (Employees)
IT Business Enablement	IT solutions for users (Line of Businesses)	55
IT Digital Service Enablement	IT solutions that may be shared bank-wide and focused on providing digital assets (APIs/Microservices)	202
IT Transaction Management	Infrastructure operations and provide IT services to users	130
IT Strategy & Planning	IT strategy and planning, governance, risks, vendor management and IT budget management	39
IT Data Management	Bank's data availability and management and operation	27
IT Special Project	Implementation of the bank's initiative top priorities, including the Core Banking Consolidation, AML/KYC and Digital SME.	3



To support the performance of the Bank's Information Technology human resources, the IT Directorate also conduct competency development. In the year 2020, the policy in this area is to optimize the use of UDEMY, Coursera and other online e-learning media.

Several sharing and internal learning programs actualized during the 2020 fiscal year.

IT CERTIFICATION

To ensure quality standard information technology development in BTPN, some of the Bank's employees hold IT related certifications. Among others including employees in the following departments:

- Risk Management
- Fraud Awareness
- Entertainment & Gift
- Complain Handling
- APU PPT
- Code of conduct

INFORMATION TECHNOLOGY GOVERNANCE

Implementation of information technology (IT) governance in BTPN must be in line with the Bank's and the parent company's (SMBC Group) plans. Surely also by taking into account the compliance to prevailing regulations of the regulator of both the financial sector as well as the government.

Implementation of such governance policy is conveyed in the IT Strategic Planning (ITSP – IT Road Map) formulated upon taking into account of the following:

- BTPN Vision and Mission
- BTPN's Strategic Goals
- Aspirations and strategies upon merger
- Industry and Information Technology trends, such as in Open Source, Cloud, Open API, and others.
- Key points and main challenges.
- IT Strategic Initiative conducted in the previous term.

Evaluation System

Annually, the IT Directorate conducts evaluation on the performance achievements of the IT development. By the end of fiscal year 2020, IT performance was noted on the scale of 95.5% from the minimum indicator of 93.0%.

Performance is measured by evaluating the performance of each IT services as explained in the following table.

No.	Indicator	Description of Evaluation
1	Business Enablement	Measurement of IT performance in providing IT services, both through agile and waterfall. Elements to measure at this time are cost, quality, time to deliver, and feedback from stakeholders.
2	Branch End User Experience	Measurement of IT services in providing guarantee of data network services availability at branches (universal/non-universal), ATM as well as payment point.
3	Operation Excellence	Measurement of IT services in providing guarantee of services availability related to application and system at Bank BTPN head office and data center. In this case, measurement is on the uptime and availability of all systems, be it from database, application server or other devices. The accuracy of the end-of-day and end-of-month processes are also part of measurable factors.
4	Customer Experience	Measurement of IT services from the customers' perspective. On this category, IT measures if BTPN's banking services may be accessed by customers and how long the processes take. By periodically measuring such services, in every 15 minutes for example, the Bank determine customers' satisfaction index on IT services, especially services directly used by customers (Digital Banking, Internet Banking, USSD Banking).

ROADMAP

BTPN has completed its 2017-2019 IT Strategic Plan (ITSP) project. Actualized ITSP phase has provided a strong foundation for the next phase and therefore pose continuity in its strategic plans. The next phase is the Bank's new ITSP effective for the period of 2020-2022.

2020 ACHIEVEMENTS

BTPN continues to develop its up-to-date information technology system in line with the Bank's business. Such development is aimed at providing easy access, transaction security, back-office services assistance and operational cost efficiency that support the Bank's business.

Post-merger, the IT Directorate conducted several crucial steps related to information. From consolidating the system to improving the IT governance so that they are in line with SMBC regulations as the parent company and the Global Systemic Bank.

As actualized, the IT Directorate in its initial stage has formed the Audit Task Force and strengthen the IT Governance work unit. This work unit is focused on ensuring and reporting directly to the Head of IT. Recommendations of the Audit Task Force and the

new work unit are hoped to continuously improve good governance in the Bank's surroundings and ensure that IT implementation complies with regulations post-merger.

In addition, the IT Directorate also actualized some 240 projects of which 119 projects are completed and the other 121 are still in process.

The IT Directorate implements work standards which have actually started since the year 2017. The theme of these standards is referred to as "New Way of Working". In the year 2020, the standards continue to be improved in their maturity and adoption.

Few of the points explained in the table below are part of the abovementioned "New Way of Working":

No.	Program	Description of Actualization
1	Agile (Scrum)	Development of application by means of iteration and time boxing.
2	DevOps	Automation process for testing and deployment so that the process remains consistent.
3	Adopsi native cloud architecture	Implementation of Microservices and Containerization (Platform as a Service), so that application may be easily scaled-up and handled for maintenance.
4	Peningkatan Engineering Practices	Learning facilities and standard practices so that IT products are of quality, continuous and managed well for maintenance.

For work units related to infrastructure, aside from adopting the "New Way of Working", they also adjusted to carry the theme of "excel@ITTM (Innovate, Team Up, Take It On and Make It Happen)" as well as implement several new work methods. Explanation on this is elaborated in the table below:

No.	Program	Description of Actualization
1	DevSecOps	Implement automation, including on security aspect
2	Application & Dashboard Monitoring	Monitoring not only on application and server, but also on the customers' perspective (customer journey monitoring).
3	Automation	Provide faster infrastructure services due to the automation process.
4	Kanban	Provide transparency of activities or tasks so that IT team has the same visibility as well as optimum space for collaboration.
5	TGIF	Session to share plans, progress, knowledge or introduction to new innovations.

IT EXCELLENCE OF BTPN

The Bank has a number of IT capabilities known for their excellence in the banking industries that they become the Bank's strengths, and therefore must be well maintained continuously. Such excellent capabilities have become the strengths, especially regarding the local digital capability which became the Unique Value Proposition (UVP).

Among others, this is related to employees handling IT in the Bank's environment who are mostly Indonesian. They adopt the technology as well as apply the work method to implement digital product development constantly. From Design Thinking (Co-Creation), Agile Development Methodology, automation process through DevOps practices, User Journey Monitoring and other capabilities.



In addition, BTPN has the intention to maintain and continuously improve digital capabilities through the long-term strategy of CHIP program, internship as well as other management trainee programs. These programs generate the continuity of talents availability and digital product development.

This help widens the Bank's opportunity to excel in IT innovation. Furthermore, it helps provide relevant solutions to existing customers as well as new digital banking segments.

TECHNOLOGY INVESTMENT

In the year 2020, the Bank's total investment in IT development reached Rp 465 billion. Compared to the Rp425 billion in 2019, an increase 9%.

2021 STRATEGIC PLANS

BTPN's IT Directorate had identified a number of challenges they expect to face in the year 2021. Issues anticipated and plans for mitigation are listed below:

No.	Potential Challenge	Plans for Mitigation
1	Funding Level	Several initiatives which are unplanned or are set for improvement will be selective if to be continued for implementation.
2	Decision over priorities	IT Directorate will discuss priorities together with stakeholders.
3	Capacity	The Bank has determined the maximum capacity of personal IT, so that utilization of talents is optimal and is capable of achieving the completion target as planned.
4	Lack Depth in Technical	IT Directorate will form a special unit which focuses on R&D and also training (internal) in order to improve in mastering the technology and implementation can be expanded so that optimum benefits are achieved.
5	Complexity of System	Consolidate the various systems, especially the core banking and other systems in order to reduce complexity, easier for maintenance and more manageable to master the existing systems.
6	COVID-19	Develop consistent communication in various forms, such as the IT Townhall, 1 on 1 Meeting, Coffee Corner with CIO or Leadership, and other sharing mechanisms and forums.
7	Raising cost	External factor can influence IT plans, such as the increase in exchange rates and in maintenance costs as well as the new license model from the principle product. This may be anticipated by setting aside reserves and also by negotiating and applying the tender system as well as IT devices.
7	Cybersecurity	Implement advanced capabilities from the cybersecurity (Next General Security Operation Center) and also continue with the existing cybersecurity program, especially in increasing awareness of all stakeholders, including customers.
8	Talent Competition	The scarcity of digital talents must be anticipated in the long run for the CHIP program and formalized in the IT Academy work unit.

While for strategic plans, details are noted in the 2021 RPTI (IT Development Plan). On this matter, there are 73 initiatives hoped to be implemented to support the Bank with an allocated budget of Rp 300 billion.

Aside from continuing the strategic plan of 2020 and support the strategic business initiative related to technology implementation for the year 2021, the IT Directorate will also improve the security system and process concerning the development of application and infrastructure. Furthermore, to continue to improve data management and data governance capabilities, especially in monitoring service operations and data standardization.

In addition, the initiative to be implemented is to continue the development of digital innovation and talents to support strategic business plans. At the same time, the Bank will optimize device operational management at the end user.

The reference standards used as the basis of IT management is the ITSP 2020-2022. Nevertheless, the actualization must remain to take into account the prevailing economic conditions, especially which currently relate to the COVID-19 pandemic.

Operations

The Operations Directorate of PT Bank BTPN Tbk (“BTPN”, “Bank”) retains the policy and vision as a competent partner to support the performance and acceleration of the Bank’s business development through the excellent operational services. In principle, The Operations Directorate aims to support the Bank’s business achievement.

In the context of supporting performance development, The Operations Directorate has implemented the 3 (three)-pillar strategy to improve operational quality, details are as follows:

1. In line with BTPN’s strategy to continuously transform by taking advantage of technological advances, the Operations Directorate has expanded branchless services through the opening of the new Contact Center in Semarang. The Contact Center operates daily for 24 hours in 1 (one) full week in 1 (one) year by providing main services for non-voice Digital Jenius, such as live chat, email and twitter.
2. Consistently optimizing the branch service point by leveraging other service point. With the increasing optimization of the branch service point, BTPN is expected to provide more optimized services to customers through alternative service points (such as the ATM, Post Office and others) as well as in benefiting the resources.
3. Continuously enhance process efficiency and improve internal control by carrying out several initiatives including the following:
 - a. Develop in stages the back-end system that is integrated with satellite applications.
 - b. Develop in stages the Collateral Management System which is a consolidation of 5 (five) applications on the administration of collateral documents. Currently this is done through the migration of collateral data from 4 (four) applications on the administration of collateral documents.
 - c. Develop in stages the Bankwide Reconciliation System in order to strengthen the internal control process. The first module that has been launched was the reconciliation process for ATM Bersama, Prima and NPG.

Another significant move is the continuation of the robotic application for the accelerated Purna Bakti loan processing. The Operations Directorate also performed the system parameter maintenance for changing the limit, user alternate, and enabling user ID.

INITIATIVES AND STRATEGIES IN 2020

Throughout the year 2020, the main focus of the Operations Directorate continues to enhance the quality of the Bank’s operations and services with special focus on branchless services. Related to this focus, a number of initiatives and strategies implemented include the following:

1. Develop branchless services by leveraging on and taking benefit of technology advancement
2. Optimizing customer service point
3. Process efficiency and improvement of internal control including optimizing resources

ACHIEVEMENTS IN 2020

The COVID-19 pandemic contributes to generate bigger challenges on operational performance challenges on operational performance, especially in relation to the large-scale social restriction policy (PSBB). Nevertheless, the operational work environment in BTPN continued to run satisfactorily.

This achievement was especially a result from the implementation of the comprehensive and integrated Business Continuity Management. The Operations Directorate managed to maintain the continuity of good services and performance despite of closure of some working floors and branches that have to be carried out repeatedly in order to prevent the spread of COVID-19 virus.

The Operations Directorate is also directly involved in the task force formed to manage the COVID-19 pandemic in BTPN. Furthermore, the Operations Directorate was also taking an active role in handling and taking anticipative measures for customers, employees and the society.



In the year 2020, BTPN's Contact Center services received the acknowledgement as one of the best contact centers in Indonesia in the "2020 Indonesia's Best Contact Center" competition. Participants in the event included big banks and companies from non-financial industries, including government institutions.

The year 2020 was the first time for BTPN to participate.

Awards received for corporate category are as follows:

1. Winner of Platinum prize in category "The Best Contact Center".
2. Winner of Gold prize in category "The Best Contact Center of Employee Engagement".

In addition, BTPN also received several awards for category of individual Contact Center employee, as follows:

1. Winner of Platinum award for category "The Best Supervisor"
2. Winner of Platinum award for category "The Best Quality Assurance"
3. Winner of Gold award for category "The Best Manager"
4. Winner of 4 Silver award for categories "The Best Trainer, The Best Quality Assurance, The Best Desk Control and The Best Team Leader"
5. Winner of Bronze award for category "The Best Team Leader"

Overall, BTPN Contact Center is recognized as one of the "Top 6" in Indonesia for the year 2020, namely as the "5th Runner Up".

2021 STRATEGIC PLAN

For the year 2021, The Operations Directorate has prepared its strategic plan, namely to implement the 5 (five)-pillar strategy to be carried out within the next 3 (three) years (2021-2023). The objective of the pillar strategy is to enhance quality to build an efficient Operations focusing on services and compliance through the followings:

1. Enhance branchless services by leveraging on and taking benefit of technology advancement
2. In line with the Bank's strategy, BTPN will continue to optimize customer service point which includes expansion of corporate services through the opening of new branches as well as leveraging on existing service points.
3. Enhance infrastructure to facilitate flexible operating model by establishing digital workspace that supports remote working and flexi office initiatives for employees as well as contact center services
4. Fulfillment of the Aceh Qanun regulation by accomplishing activities as per plan
5. Enhance infrastructure to support process efficiency and strengthen internal control





GOOD CORPORATE GOVERNANCE

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In 2020, in implementing GCG, BTPN made several changes, such as policies/procedures regarding the procurement of goods and services and anti-fraud policies.

PT Bank BTPN Tbk (“BTPN” or the “Bank”) will always improve the implementation of Good Corporate Governance (“GCG”) in accordance with GCG principles.

The implementation of GCG principles is a continuing effort of the Bank since the Bank believes that the implementation of GCG principles has essential means in supporting the sustainable growth and stability of performance.

Given the importance of implementing the GCG principles, the Bank continuously ensure that GCG principles are applied in every aspect of the business throughout the Bank’s organization structure. In line with the prevailing regulations and provisions, the implementation is carried out from the levels of the Board of Commissioners and the Board of Directors down to the lowest level of the organization as well as in relations to the stakeholders.

The Principles In GCG Implementation

With reference to prevailing provisions and regulations, GCG principles to be applied by the Bank are described as follows:

PRINCIPLE	BASIC CONCEPT	IMPLEMENTATION AT BANK BTPN
Transparency	In order to maintain the objectivity in undertaking business, the Bank must provide material and relevant information in a manner accessible and understandable to the stakeholders. The Bank must take the initiative to reveal not only the matters required by laws and regulations, but also the matters that are important for decision-making by shareholders, creditors and other stakeholders.	The Bank’s transparent information which includes explanation on performance through the website: http://www.btpn.com . In addition, the Bank also discloses transparent information on regular basis and on certain matters to regulator.
Accountability	The Bank must be able to account for its performance in a transparent and reasonable manner. Therefore, the Bank must be managed in an appropriate and measurable manner in accordance with the Bank’s interest with consistent consideration of the Shareholders and other stakeholders’ interests. Accountability shall be a prerequisite required to achieve sustainable performance.	The Bank set forth details of tasks and responsibilities of each company organ and all employees clearly and in line with the corporate vision, mission, values and strategy.
Responsibility	The Bank must comply with the laws and regulations as well as implement its responsibilities to the community and the environment so as to maintain long-term business continuity and be recognized as a good citizen.	All of the Bank’s organs strictly embrace the principle with carefulness and ensure that prevailing regulations, the company’s articles of association and by-laws are complied.
Independency	The Bank must be managed independently so as to prevent domination of one organ over another and intervention by other parties.	All organs of the Bank avoid the domination of any party, not effected by any particular interest, free from conflict of interest and from any influence or pressure, so that decision-making may be executed objectively.
Fairness and Equality	The Bank must always observe Shareholders and other stakeholders’ interests based on the fairness principle	The Bank provides the opportunity for stakeholders to extend their feedback and convey their opinion for the interests of the company as well as to open access for information in accordance with the principle of transparency within the scope of each of their position.



LEGAL BASIS OF IMPLEMENTATION

Dalam menerapkan prinsip-prinsip GCG, Bank berpedoman pada peraturan perundang-undangan yang berlaku, antara lain:

1. Law of the Republic of Indonesia No. 40 of 2007 on Limited Liability Company.
2. Law of the Republic of Indonesia No. 10 of 1998 on the amendment of Law No. 7 of 1992 on Banking.
3. Financial Services Authority ("POJK") Regulation No. 55/POJK.03/2016 on the Application of Governance for Commercial Banks ("POJK 55") effective since 7 December 2016.
4. POJK No.21/POJK.04/2015 on the Application of Governance Guidelines for Public Companies.
5. POJK No.17/POJK.03/2014 dated 18 November 2014 on the Application of Integrated Risk Management for Financial Conglomerates.
6. POJK No.18/POJK.03/2014 dated 18 November 2014 on the Application of Integrated Governance for Financial Conglomerates.
7. POJK No. 45/POJK.03/2020 on the Financial Conglomerates.
8. Such other POJKs as those which regulate the Audit Committee, the Nomination and Remuneration Committee, the Board of Commissioners and the Board of Directors, the Implementation of the General Meeting of Shareholders, Internal Audit, Public Accountant and Public Accounting Office, as well as the Director of Compliance and Corporate Secretary.
9. The General Guidelines of Corporate Governance from the National Committee of Governance Policy ("KNKG")
10. The Bank's Articles of Association.
11. The Bank's Policies and Procedures.

The Bank's policies and procedures are grouped in hierarchy of policy consisting of the following:

- **The Bank's Main Policy**
The Bank's Main Policy is the parent or master policy of all of the Bank's policies, which are policies related to governance, as well as other strategic matters that effect the proper management of the Bank, and which are regarded as the basic principles and main guidelines for all existing provisions and are in effect in Bank.

The Bank's Main Policy covers the Corporate Governance the Integrated Corporate Governance Guidelines

- **The Bank's Operational Policy**

Kebijakan Operasional Bank adalah ketentuan The Bank's Operational Policy is the provisions that regulates all activities of the Bank that reflects its risk management strategy including, among others, which generally explains the Bank's risk appetite on such activities.

Guidelines and Code of Conduct of the Committees as well as Procedures applicable bank-wide including the Bank's policy on products and services are also treated as operational policies.

- **Standard Operational Procedures**

Standard Operational Procedures (SOP) are guidelines that regulate a process in detail and explains the phases of an activity in a structured and systematic manner which are compulsory, covering: who, how, where, when was conducted and the control mechanism. Such application must firmly carry out the four-eyes function, sufficient internal control function and which refer to the policy.

- **User Manual/Technical Instruction / Implementation Instruction/ other equivalent documents**

User Manual or Technical Instruction, also referred to as Implementation Instruction is as follows:

- a. Phase/how to use a system/application which explains in detail how to input/fill in data on each screen and field, or
- b. More detailed guidelines of the SOP for user, both operator and supervisor, or
- c. The setting of standard parameters within the system, or
- d. A brief guide used as an instrument to provide explanation to Customers on products and services, and
- e. Formulated by referring to related SOPs.

Approval of the issuance of policies and procedures and/or amendments is carried out by taking into account each hierarchy. Review of the policies and procedures issued by the Bank is conducted periodically, at least once every year or sooner whenever necessary.

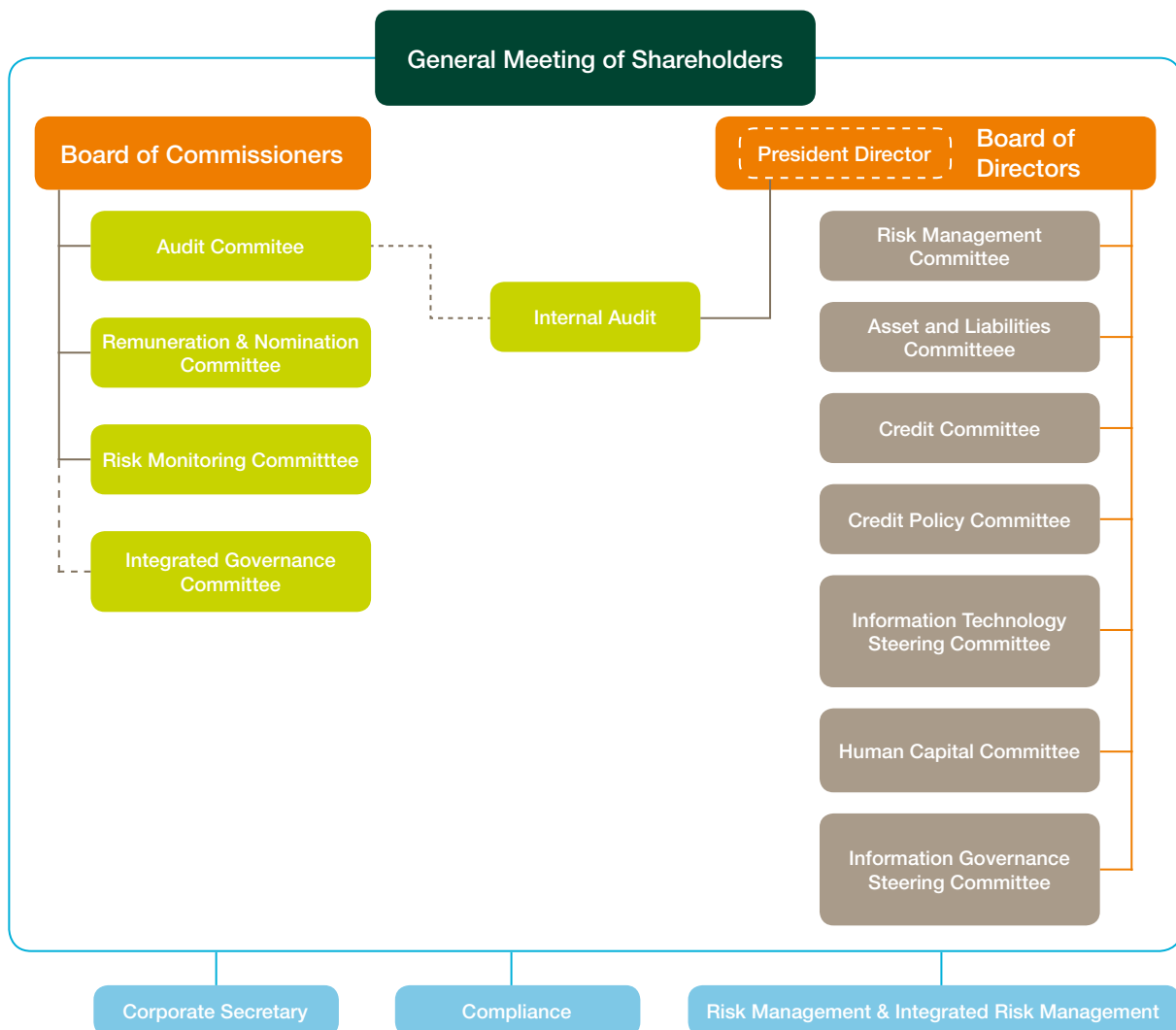
Objectives of GCG Implementation

In general, the objective to implement GCG in Banks is to support the creation and development of a business environment based on the elements of trust, transparency and accountability. This is very much required in flourishing investment, financial stability and

business integrity in the long run, which will eventually nurture strong business growth that is also capable of increasing communities of inclusive financial sector.

GCG Structure

Until the end of Fiscal Year 2020, the GCG structure in effect at Bank is as follows:





GCG Implementation and Commitment

As the measurement of GCG implementation, Bank monitors the GCG implementation from the result of its self assessment and manage to maintain rating 2-good (from the scale 1 to 3) in year 2019 and 2020.

As part of the Bank's seriousness towards GCG implementation, The Bank has appointed one relevant consultant to assess or review the GCG implementation by comparing with the ASEAN guidelines. The overall score of GCG practices obtained by the Bank for fiscal year 2019 (ASEAN CG Scorecard 2020) is 94.49 points. Overall, the assessment result of the GCG implementation on the Bank received the title "Very Good" or Level 4 (90,00 – 100,00), which means the company has fully adopted the international standard as formulated in the ASEAN Corporate Governance Scorecard (ACGS).

REVIEW OF GCG IMPLEMENTATION IN THE YEAR 2020

GCG implementation during 2020 is well conducted, in the middle of challenging situation due to COVID-s19 Pandemic, Bank has been consistently carrying out all liabilities and fulfilling all liabilities as well as requirements, a lot of alternatives to be performed as

solution, for instance, by shifting the meeting format of all level by using Video Conference technologies, in the periodic meeting of Board of Directors or Board of Commissioners, monthly meeting or update by and to executive officers , virtual branch visit, as well as the formula of twice General Meetings of Shareholders during the application of Large Scale Social Restriction. In addition, is the activation of approval, consultation or advise granting from Board of Commissioners or Board of Directors by optimizing the existing technology such as email or electronic memo.

REVIEW OF THE IMPLEMENTATION OF THE GOVERNANCE GUIDELINES OF PUBLIC COMPANY BANK

In accordance with the Financial Services Authority (POJK) Regulation No. 21/POJK.04/2015 and Circular Letter of the Financial Services Authority (SEOJK) No. 32/SEOJK.04/2015 on Governance Guidelines of Public Companies, following is the implementation aspect and the principles of corporate governance based on "comply or explain" approach by the Bank:

Principle	Recommendation	Compliance	Implementation
Principle 1 Improve the Value of GMS Implementation	1.1 Public Company has the technical procedures for open and closed voting which puts forward independency, and the interests of the shareholders	Comply	Technical procedures for voting are stipulated in the Bank's AOA as well as guidelines everytime the Bank planned to have General Meeting of Shareholders. Both documents are published in the Bank's website and in KSEI's e-proxy platform
	1.2 All members of the Board of Directors and the Board of Commissioners of Public Companies are present at the Annual GMS	Comply	The Annual General Meeting of Shareholders held on 23 April 2020 was attended by all incumbent members of the Board of Commissioners and the Board of Directors by physically or virtually.
	1.3 Summary of the GMS Resolutions is available on Website of the Public Company for at least 1-year period.	Comply	Summary of GMS Resolution is available on the Bank's website.
Principle 2 Improve the Quality of Communication of Public Company With its Shareholders or Investors	2.1 Public Company has the policy on communication with its shareholders and or investors	Comply	BTPN has the policies and procedures on communication with its shareholders or investors which include: 1. Strategy 2. Program 3. Time to conduct communication
	2.2 Public Company discloses its communication policy with shareholders or investors on its website	Comply	Communication policy with shareholders is disclosed on the Bank's website. The policy is stipulated in the Corporate Governance Manual.

Principle	Recommendation	Compliance	Implementation
Principle 3 Strengthen the Membership and Composition of the Board of Commissioners	3.1 Determining the number of members of the Board of Commissioners with consideration of the condition of the Public Company	Comply	Determining the number of members of the Board of Commissioners is carried out by considering the need and complexity of the Bank.
	3.2 Determining the composition of members of the Board of Commissioners takes into account the diversity of expertise, knowledge, and experience required.	Comply	The composition of the Board of Commissioners is based on expertise, professional experience, background to support the effectiveness the duties carried out by the Board of Commissioners.
Principle 4 Improve the Quality of the Implementation of Duties and Responsibilities of the Board of Commissioners	4.1 The Board of Commissioners has the policy on self-assessment to evaluate the performance of the Board of Commissioners	Comply	<p>BTPN has the policy on self-assessment to evaluate the performance of the Board of Commissioners, with coverage that includes the following:</p> <ol style="list-style-type: none"> 1. Purpose and objectives of activities with evaluation 2. Time of implementation 3. Benchmark or criteria used in evaluation <p>The Policy is stipulated under the Work Ethics Guidelines of the Remuneration and Nomination Committee.</p>
	4.2 Self-assessment policy to evaluate the performance of the Board of Commissioners, is disclosed through the Annual Report of the Public Company	Comply	The self assessment policy is regulated in the Remuneration and Nomination Committee Charter and disclosed in this 2020 Annual Report in section Performance Review/Assessment of the Board of Commissioners.
	4.3 The Board of Commissioners has the policy related to resignation of members of the Board of Commissioners if involved in financial crime.	Comply	Provisions related to resignation of members of the Board of Commissioners should they be involved in financial crime as regulated in the Board of Commissioners Charter.
	4.4 The Board of Commissioners or the Committees carrying out the Nomination and Remuneration function formulates the succession policy in the nomination process of members of the Board of Directors.	Comply	The succession policy in the process of nomination of members of the Board of Directors as stipulated under the Remuneration and Nomination Committee Charter.
Principle 5 Strengthen the Membership and Composition of the Board of Directors	5.1 Determining the number of members of the Board of Directors with consideration of the condition of the Public Company and the effectiveness of the decision making.	Comply	Determining the number of members of the Board of Directors is carried out by taking into account the needs and complexity of the Bank.
	5.2 Determining the composition of members of the Board of Directors takes into account the diversity of expertise, knowledge, and experience required.	Comply	The composition of the Board of Directors is based on knowledge in banking, expertise, professional experience, background to support the effectiveness of duties implementation by the Board of Directors.
	5.3 Members of the Board of Directors supervising the accounting or finance department have the expertise and/or knowledge in the field of accounting	Comply	The Bank's Director in charge of Finance has the competency in the field of accounting and is disclosed in the 2020 Annual Report in Profile section of the Board of Directors.
Principle 6 Improve the Quality of the Implementation of Duties and Responsibilities of the Board of Directors	6.1 The Board of Directors has the policy on self assessment to evaluate the performance of the Board of Directors.	Comply	<p>BTPN has the self-assessment policy to evaluate the performance of the Board of Directors, which covers the following:</p> <ol style="list-style-type: none"> 1. Purpose and objectives of activities and the assessment 2. Time of implementation 3. Benchmark or criteria used in evaluation <p>The policy is regulated in the Remuneration and Nomination Committee Charter.</p>
	6.2 The policy on self- assessment to evaluate the performance of the Board of Directors is disclosed through the annual report of the Public Company.	Comply	Self-assessment policy is disclosed in the Performance Review of the Board of Directors.



Principle	Recommendation	Compliance	Implementation
	6.3 The Board of Directors has the policy related to the resignation of members of the Board of Directors if involved in financial crime.	Comply	Provisions related to the resignation of members of the Board of Directors if involved in financial crime as regulated in the Manual of the Board of Directors.
Principle 7 Improve the Aspect of Corporate Governance through the Participation of Stakeholders	7.1 The Public Company has the policy to prevent insider trading.	Comply	Provisions on the prevention of insider trading are stipulated by the Compliance Policy and Procedures on Price-Sensitive Information, and Personal Account Investment and Transactions.
	7.2 The Public Company has the policy on anti-corruption and anti-fraud.	Comply	BTPN has the Procedures on Entertainment and Gifts and Procedures on Anti-Fraud.
	7.3 The Public Company has the policy on the selection and improvement of capabilities of suppliers and vendors.	Comply	<p>The policy covers, among others, of the following:</p> <ul style="list-style-type: none"> a. Criteria in selecting vendors; b. Efforts to improve the qualities of vendors; c. Fulfillment of rights related to vendors. <p>Provisions related to the selection and improvement of capabilities of suppliers or vendors are disclosed in the Bank's website.</p>
	7.4 The Public Company has the policy fulfilling the rights of the creditors.	Comply	The policy covers considerations in conducting agreements as well as follow-ups on fulfilling the obligations to creditors. The Policy is disclosed in the Bank's website.
	7.5 The Public Company has the policy on the whistleblowing system.	Comply	<p>The policy on the whistleblowing system covers the following:</p> <ol style="list-style-type: none"> 1. The types of violation that may be reported through the whistleblowing system. 2. Methods of reporting. 3. Protection and confidentiality guarantee of the whistleblower. 4. Handling of complaints. 5. Party that handles complaints. 6. Results of handling complaints and follow-up of reports. <p>Provisions are disclosed on the Bank's website.</p>
	7.6 The Public Company has the policy on providing long-term incentive for the Board of Directors and Employees.	Comply	The policy on long-term incentive for the Board of Directors and Employees is stipulated in the SOP of Management Employee Stock Option Plan (MESOP).
Principle 8 Improvement in the Disclosure of Information	8.1 The Public Company take advantage of expanding the use of information technology in addition to the website as media for information disclosure.	Comply	<p>media accounts as follows:</p> <p>Facebook : @BankBTPNOfficial https://facebook.com/BankBTPNOfficial</p> <p>Twitter: @sahabatBTPN https://twitter.com/sahabatbtpn</p> <p>Instagram: @lifeatbtpn https://www.instagram.com/lifeatbtpn/</p> <p>Youtube: Bank BTPN https://www.youtube.com/user/BTPNBank</p>
	8.2 Annual Report of the Public Company discloses the beneficial owner in the share ownership of the Public Company of at least 5%, in addition to disclosing the beneficiaries in the share ownership of the Public Company through the majority and controlling shareholders.	Comply	The Bank's Annual Report disclosed the beneficial owner in the share ownership of the Public Company of at least 5%. The information is disclosed on the Bank's website.

ASSESSMENT OF GCG IMPLEMENTATION IN THE YEAR 2020

Eventough 2020 is a challenging year, the existing condition did not cause unmanageable disruption, and therefore the Bank determined that GCG Self Assesment score for 2020 is rating 2-Good..

The above mentioned self assessment was conducted in compliance with OJK Regulation No. 55/POJK.03/2016 and OJK Circular Letter No. 13/SEOJK.03/2017 regarding The GCG Implementation for Commercial Banks, as an inseparable part of the governance implementation report.

The Following is the GCG Self Assesment of the Bank

Name of the Bank : PT Bank BTPN Tbk
Position : 31 December 2020

Result on Self-Assessment of Governance Implementation

	Rating	Rating Definition
Individual	2	Good
Consolidated*	2	Good

Analysis

Management of the Bank has implemented the Corporate Governance generally Good. This is reflected from the adequate fulfillment of Corporate Governance's principles. If there is any weakness in the implementation of Corporate Governance's principles, then in general the weakness is less significant and revision can be done by the Bank's Management in a normal course.

Summary of the Bank's governance implementation by considering the comprehensive and structural assessment factors is as follows:

A. Governance Structure

Positive factors of the Bank's governance structure aspect are as follows:

- The membership structure of the Board of Directors (BOD) and the Board of Commissioners (BOC) has complied with prevailing regulation.
- The incumbent members of BOD and BOC who have served have been approved by GMS and passed the fit and proper test of OJK. Both BOD and BOC will maintain of its of integrity, financial reputation and competence.
- Membership of each BOC' Committee has complied with prevailing regulation. Role and responsibilities of each BOC' Committees have been clearly stated in the Charter, in which are reviewed periodically.

- The Bank has established a Policy on conflicts of interest according to each specified area and scope of work.
- The Compliance Unit is supported by qualified human resources and is independent from the operations of other working unit. In addition, the appointment of the Compliance Director has complied with prevailing regulation.
- The internal audit function is supported by qualified human resources and independent from the operations of other working unit. The structure of Internal Audit Working Unit (SKAI) and SKAI Work Guidelines has complied with prevailing regulation.
- The organizational structure to support the implementation of risk management is adequate, supported by policies, an adequate procedures and risk limits
- The assignment of the Public Accountant (AP) and the Public Accountant Office (KAP) as the executors of the external audit function by considering their capacity, legality of the work agreement, the scope of audit, professional accounting standards of public accountants; and communication between OJK with the said KAP has been done properly. This assignment is in accordance with the recommendations of the Audit Committee and approved by the Annual GMS April 23, 2020. Evaluation of such assignment and performance has submitted to OJK in May 2020 through electronic reporting.
- The Bank has adequate written policies, systems and procedures for providing funds to related parties and large exposure, including its monitoring and resolving the problem.
- The Bank has policies and procedures regarding procedures for implementation of transparency in financial and non-financial conditions.
- The Bank has prepared the GCG Implementation report as at the end of each financial year.
- Internal reporting has been carried out in a complete, accurate, and timely manner with the support of adequate resources and procedures.
- The Bank is supported by a reliable information system, supported by competent human resources and adequate information technology (security system).
- The Bank's strategic plan has been formulated in the Corporate Plan and a Business Plan align with the Bank's vision and mission, and is supported by the Bank Owner



Negative factors of the Bank's governance structure aspect are as follows:

There are no negative factors.

However, the Bank always strives to improve the use of technology in its operations, to meet the Bank's vision as the primary choice of banks in Indonesia that can provide meaningful changes in the lives of millions of people, with the support of digital technology.

B. Governance Process

Positive factors of the Bank's governance process aspect are as follows:

- Management of the Bank by BOD as well as the Oversight of BOD actions by BOC have been performed in accordance with its the duties and responsibilities stipulated in the respective Code of Conduct, Bank Policies and Procedures, and the Bank's Articles of Association.
- The GCG implementation has been completely carried out by BOD and assured by BOC.
- The Bank's Shareholders does not intervene in the management of the Bank by BOD. To implement GCG principles, the Bank has established a procedure on Communication Line between majority shareholder of the Bank (Sumitomo Mitsui Banking Corporation/SMBC)
- BOC's Committees has performed its duties and responsibilities in accordance with the Committee's Charter, for the improvement going forward, the Committee has conducted self assessment to the committee's performance and submitted to BOC Meeting.
- BOD and BOC members do not participate in making process which contain a Conflict of Interest. For transparency the List of Related Parties of the Bank can be easily accessed by the respective party.
- The function of the Compliance Director and the compliance working unit have been carried out in accordance with prevailing regulation.

- The duties and responsibilities of the Directors in relation to internal control has complied with prevailing regulation. The audit findings have been followed up with the direction of BOC, and to improve the effectiveness of the Internal Audit works, the Bank has conducted a regular review every three years, most recently in 2019.
- The appointed AP and KAP are able to work independently, meet the professional standards of public accountants and working agreements as well as the specified audit scope. In addition, the audit report and Management Letter has been submitted by AP to OJK.
- The duties of BOD and BOC related to the application of risk management are clearly stated in internal procedures in accordance with prevailing regulation and have been implemented prudently.
- The Bank has periodically evaluated and updated its policies, systems and procedures to comply with the prevailing and regulations. The Bank has also ensured the adequate processes for the provision of funds to related parties and the provision of large amounts of funds (large exposure) to comply with the prudential banking principles, as well as making decisions regarding these matters carried out independently without intervention from related parties and / or other parties.
- The Bank has transparency disclosed the financial and non-financial conditions to the Stakeholders, and submit the reports as required by the prevailing regulation.
- The Bank has prepared Bank Business Plan (RBB) realistically, comprehensive, achievable, considering the prudential principle and responsiveness to internal and external changes. The Bank has also submitted a revision of the RBB in June 2020

Negative factors of the Bank's governance process aspect are as follows:

There are no negative factors.

Nevertheless the Bank sustainably taking the initiative and effort to improve the Governance Process in the Bank.

C. Governance Outcome

Positive factors of the Bank's governance outcome aspect are as follows:

- For fiscal year 2019, BOD and BOC has submitted the report on the implementation of its duties and responsibility to shareholders through the GMS, and has been received and obtained the Acquit et de charge on April 23, 2020.
- For year 2020, with good management and good supervision of BOC, the disruption to the Bank's Operational activities in the midst of the Pandemic COVID19 is generally immaterial.
- BOD and BOC Meeting Resolutions have been well documented and decisions or recommendations resulting from the Meetings have been and in the on going process.
- BOC Committee's performance has been improved, from the subject of discussion, the increased frequency of the Meeting with more relevant Meeting material, so BOC may provide appropriate input.
- Bank's operational activities are free from the intervention of the shareholders / related parties / other parties that may cause a conflict of interest or incur loss to the Bank or reduce the profit of the Bank.
- The Compliance culture continues to be echoed, Compliance takes an active approach, so fines/penalty start to reduced compared to the previous year.
- There is a significant improvement in the performance of the Internal Audit Unit, the Internal Audit Unit is objective in finding problems and keep reminding the Bank to follow up the findings.

- The Bank has implemented risk management effectively, align with the objectives, business policies, size and complexity of the business and the ability of the Bank. The Bank does not conduct business activities that exceed the ability of capital to absorb loss risk.
- Provision of funds to related parties and the large amounts of exposure has complied with the prevailing regulation, and has been reported in a timely manner to OJK.
- The obligation to prepare reports and submit reports to OJK has performed with the content as required by prevailing regulation. The Condition due to COVID-19 pandemic did not cause disruption on submission of report by the Bank.
- The RBB and its Revision have been prepared by BOD and approved by BOC and it has submitted to OJK on 28 November 2019 and 29 June 2020.

Negative factors of the Bank's governance outcome aspect are as follows:

There are increment of penalties charged to the Bank, including which was caused by the current conditions. However, with the Bank's commitment to "Zero Penalties" and the implementation of the Compliance Culture, Bank's penalties are expected to be decrease to zero.

- *) The Bank has subsidiary (PT Bank BTPN Tbk). According to comparison of the subsidiary's assets towards the Bank's assets, the Bank assess that the self assessment result of the subsidiary has no significant impact.



Commitment to GCG Implementation in The Year 2021

For the year 2021, the Bank reaffirms its commitment to continue to carry out and improve the implementation of GCG principles throughout the Bank's organization. Such commitment is materialized by taking into account the GCG Self assessment and the Bank Conditions as follows

1. To review the rights of shareholders.
2. To review equal treatment towards shareholders.
3. The increase of responsibility of Board of Commissioners and Board of Directors, including the review towards independency of the company's structure.
4. The increase of the transparency quality and disclosure of information to shareholders
5. To manage potential penalty related to reports or corporate actions.

GENERAL MEETING OF SHAREHOLDERS (GMS)

Policy

The General Meeting of Shareholders (GMS) is the Company Organ that carries the authority not delegated to the Board of Commissioners and the Board of Directors. Through the GMS, the Shareholders may exercise their decision-making rights.

Based on the Articles of Association, the Bank's GMS were conducted twice, the Annual and Extraordinary. The legal basis of the Bank's GMS implementation refers to the following:

1. Law No. 40 of 2007 on Limited Liability Company
2. Regulation of Indonesia Financial Services Authority No. 15/POJK.04/2020 regarding Planning and Implementing General Meeting of Shareholders of Public Companies.
3. Regulation of Indonesia Financial Services Authority No. 16/POJK.04/2020 regarding Implementing of Electronic General Meeting of Shareholders of Public Companies.
4. BTPN Articles of Association.

Rights and Responsibilities of Shareholders

The rights of the Shareholders, among others, are as follows:

1. The Shareholders have the rights to attend GMS, both in person or represented by proxy, to extend their response to the GMS agenda as well as to participate in the decision-making in accordance with the owned number of shares.

2. The Shareholders have the rights to obtain accurate, sufficient and on-time information on the Company as long as it relates to the GMS agenda and not in conflict with the interests of the Company, so that Shareholders may take accurate decisions in the GMS.
3. The Shareholders have the rights to obtain net profit sharing in the form of dividend and others in accordance with the owned number of shares.

The responsibilities of the Shareholders, among others, are as follows:

1. Each Shareholder is submissive and complies to the Bank's Articles of Association and prevailing laws and regulations.
2. The controlling Shareholder is obligated to take into account the interests of minority Shareholders and other Shareholders in accordance with the prevailing laws and regulations.
3. The minority Shareholders are responsible for using their rights in accordance with prevailing laws and regulations and the Bank's Articles of Association.
4. To disclose the list of related parties, should the Shareholder act as the Bank's controlling Shareholder.

GMS IMPLEMENTATION IN 2020

Bank BTPN held its GMS twice during the year 2020, 1 (one) Annual GMS and 1 (one) Extraordinary GMS.

The GMS are attended by the Notary and the Securities Administration Bureau as the independent parties to calculate the quorum and voting processes.

MECHANISMS OF GMS VOTING AND VOTE COUNT

The mechanisms of decision-making as well as for voting and vote count are regulated by the GMS procedures as disclosed in the Bank's website and notified to the Shareholders.

Each Shareholder or Proxy has the right to question and/or extend an opinion to the meeting Chairman prior to voting for each meeting agenda. In vote count, 1 (one) share provides the right of the holder to extend 1 (one) vote, should a person hold more than 1 (one) share, the person shall have only 1 (one) vote that represent the total number of owned shares.

The decision-making mechanism through a transparent voting conducted by means of the Meeting Chairman requesting the Shareholders and proxies who vote against or abstain on the proposed recommendation shall individually raise their hand. To facilitate an easier process of counting the votes, Shareholders and proxies who do not agree or abstain on a proposed recommendation are requested to submit their names and number of shares extended in the voting card provided by the Securities Administration Bureau.

The officer from the Notary shall collect the filled-out voting cards to be counted. The Notary shall report the result of the count to the Meeting Chairman.

Starting from the Extrordinary GMS, the Bank implemented E-Proxy whereby each shareholders may vote towards the Bank's proposed agenda without having to physically attend to the Venue of GMS. The chance to vote is provided from the date of Invitation to the day when GMS is hold and added to total vote of shareholders who physically attend the GMS.

IMPLEMENTATION OF THE ANNUAL GMS

The Annual GMS, held by the Company on 23 April 2020, was attended by the Shareholders, the Board of Commissioners and the Board of Directors. There were attendants present in person, and those present through the facilitated video conference.

Stages of the Annual GMS

Submission Date of the Meeting Plan	Date of Announcement	Date of Recording of the Shareholders List	Date of Invitation	Meeting Implementation	SubmissionDate of Meeting Resolution
9 March 2020 and 23 March 2020	17 March 2020	31 March 2020	1 April 2020	23 April 2020	24 April 2020 and 26 May 2020

Participants of the Annual GMS

Peserta yang menghadiri rapat secara fisik adalah:

Board of Directors	Board of Commissioners	Shareholders
Ongki Wanadjati Dana, President Director	Ninik Herlani Masli Ridhwan, Independent Commissioner	Sumitomo Mitsui Banking Corporation, holder of the Company's 7,532,311,297 shares, represented by HWMA Law Firm, based on Power of Attorney dated 3 April 2020.
Dini Herdini, Compliance Director		PT Bank Central Asia Tbk, holder of the Company's 83,052,408 shares, represented by HWMA Law Firm, based on Power Attorney dated 17 April 2020.
Hanna Tantani, Director		PT Bank Negara Indonesia (Persero) Tbk, holder of the Company's 12,007,137 shares, represented by HWMA Law Firm, based on Power of Attorney dated 7 April 2020.
		Public with ownership below 5%, a total of 426,362,127 of the Company's shares.



Participants who were present through the video conference facility are as follows:

Board of Directors	Board of Commissioners	Shareholders
Kazuhisa Miyagawa, Deputy President Director	Chow Ying Hoong, Vice President Commissioner	Public Accounting Office of Siddharta Widjaja & Partner.
Yasuhiro Daikoku, Director	Irwan Mahjudin Habsjah, Independent Commissioner	
Adrianus Dani Prabawa, Director	Takeshi Kimoto, Commissioner	
Henoch Munandar, Director		
Merisa Darwis, Director		
Hiromichi Kubo, Director		

Agenda, Resolution and Realization of the Annual GMS

AGENDA	RESOLUTION
Agenda 1: Ratification and Approval of the Financial Statements and the Annual Report of fiscal year 2019, including but not limited to the following: <ol style="list-style-type: none"> Ratification of the audited Financial Statements of fiscal year 2019 including the Restatement of the certain accounts of the Financial Statements of fiscal year 2018; Report of the supervisory duty of the Board of Commissioners of fiscal year 2019; and Granting full release and discharge (Volledig Acquit et Decharge) to the members of the Board of Directors and the Board of Commissioners who served during the fiscal year 2019. 	<ol style="list-style-type: none"> Approved the Annual Report of the Board of Directors of the Company for the year 2019; Approved the Annual Supervisory Report of the Board of Commissioners of the Company for the year 2019; Approved the Ratification of the Company's Consolidated Financial Statements for fiscal year 2019, audited by the Public Accounting Office of Siddharta Widjaja & Partner, member of KPMG International, with unqualified opinion, including a paragraph that explains the restatement of comparative information and that the comparative information prior to the restatement had been audited by another auditor as disclosed in the report No. 00090/2.1005/AU.1/07/0851-1/1/III/2020 dated 23 March 2020; and Granting Full Release and Discharge (volledig acquit et decharge) to the members of the Board of Directors and the Board of Commissioners of the Company who served during fiscal year 2019 for their management and supervisory actions, as long as the actions are reflected in the Company's Annual Report and Financial Statements for fiscal year 2019 and comply with prevailing laws and regulations.
Voting Result: Affirmative : 7.628.613.815 shares or 99,99% Non-Affirmative : 0 shares or 0% Abstain : 340 shares or 0,00%	
Realization/Follow-Up: Conducted in accordance with GMS resolutions	
Agenda 2: Determination on the appropriation of the Company's Profit and/or Loss for the fiscal year which ended on 31 December 2019	Approved the determination on the Appropriation of the Company's Net Profit for fiscal year 2019 amounting to Rp2,572,527,531,652 (two trillion five hundred seventy-two billion five hundred twenty-seven million five hundred thirty one thousand six hundred fifty two rupiah) allocated for the following: <ol style="list-style-type: none"> Compulsory Fund Reserves The amount of Rp9,234,246,916,- (nine billion two hundred thirty four million two hundred forty six thousand nine hundred sixteen rupiah) will be set aside/allocated as Compulsory Fund Reserves to comply with the provision of Article 70 of Limited Liability Companies' Regulation, as additional funds to the Company's reserves of Rp23,361,468,560,- (twenty three billion three hundred sixty one million four hundred sixty eight thousand five hundred sixty rupiah) as of 31 December 2019, therefore the total reserves amount to Rp32,595,715,476,- (thirty two billion five hundred ninety five million seven hundred fifteen thousand four hundred seventy six rupiah), or 20% of the Company's issued capital and paid-up capital as of 31 December 2019; The remaining Net Profit for fiscal year 2019, amounting to Rp2,563,293,284,736 (two trillion five hundred sixty-three billion two hundred ninety-three million two hundred eighty-four thousand seven hundred thirty-six rupiah) is accounted as the Company's Retained Earning.
Voting Result: Affirmative : 7,628,600,215 shares or 99,99% Non-Affirmative : 13,300 shares or 0,00% Abstain : 300 shares or 0,00%	
Realization/Follow-Up: Conducted in accordance with GMS resolutions	

AGENDA	RESOLUTION																														
<p>Agenda 3: Changes to the composition of members of the Board of Directors and/or the Board of Commissioners of the Company</p>	<ol style="list-style-type: none"> Referring to the Decision Letter of the Board of Directors of PT Bursa Efek Indonesia (Indonesia Stock Exchange) No. Kep-00001/BEI/01-2014 dated 20 January 2014 on the Amendment of Regulation No. I-A regarding the Listing of Shares and Equity Securities Other Than Shares Issued by a Registered Company that has been revoked by Decision Letter of the Board of Directors of PT Bursa Efek Indonesia No. Kep-00183/BEI/12-2018 dated 26 December 2018 regarding the Listing of Shares and Equity Securities Other Than Shares Issued by a Registered Company, the Company stated that designating non-affiliated independent director or director is no longer in effect. Accepted the resignation of Mari Elka Pangestu from her position as President Commissioner (Independent) effective as of 1 March 2020, in gratitude for the services contributed during her term of office and disclosed that the position will be temporarily vacant, until the Company's subsequent Extraordinary GMS related to the appointment of the replacing President Commissioner, by fully taking into account the fit and proper test from the Financial Services Authority (OJK). Appointed Darmadi Sutanto as Deputy President Director of the Company which will be effective subject to and on the date of when obtaining approval of Fit and Proper Test from Financial Services Authority. <p>Thus, the complete composition of the members of the Board of Directors and the Board of Commissioners, effective as of the closing of the GMS, is as follows:</p> <p>Board of Directors:</p> <table> <tr> <td>President Director</td><td>: Ongki Wanadjati Dana</td></tr> <tr> <td>Deputy President Director</td><td>: Kazuhisa Miyagawa</td></tr> <tr> <td>Deputy President Director</td><td>: Darmadi Sutanto*)</td></tr> <tr> <td>Director of Compliance</td><td>: Dini Herdini</td></tr> <tr> <td>Director</td><td>: Yasuhiro Daikoku</td></tr> <tr> <td>Director</td><td>: Henocho Munandar</td></tr> <tr> <td>Director</td><td>: Adrianus Dani Prabawa</td></tr> <tr> <td>Director</td><td>: Hiromichi Kubo</td></tr> <tr> <td>Director</td><td>: Merisa Darwis</td></tr> <tr> <td>Director</td><td>: Hanna Tantani</td></tr> </table> <p>Board of Commissioners:</p> <table> <tr> <td>President Commissioners (Independent)</td><td>: Vacant</td></tr> <tr> <td>Vice President Commissioners</td><td>: Chow Ying Hoong</td></tr> <tr> <td>Commissioner</td><td>: Takeshi Kimoto</td></tr> <tr> <td>Commissioner (Independent)</td><td>: Ninik Herlani Mashli Ridhwan</td></tr> <tr> <td>Commissioner (Independent)</td><td>: Irwan Mahjudin Habsjah</td></tr> </table> <p>*) Darmadi Sutanto will be effective subject to and on the date when obtaining approval of Fit and Proper Test from Financial Services Authority</p> <ol style="list-style-type: none"> Granted full power and authority to the Board of Directors of the Company with the right of substitution to restate the decision in this Meeting agenda into a Notarial Deed and submit all relevant documents to the authorized institution including but not limited to the Ministry of Law and Human Rights, and for this reason to take necessary actions in accordance with the Company's Articles of Association, Bank Indonesia's Regulations and the Financial Services Authority's Regulations. 	President Director	: Ongki Wanadjati Dana	Deputy President Director	: Kazuhisa Miyagawa	Deputy President Director	: Darmadi Sutanto*)	Director of Compliance	: Dini Herdini	Director	: Yasuhiro Daikoku	Director	: Henocho Munandar	Director	: Adrianus Dani Prabawa	Director	: Hiromichi Kubo	Director	: Merisa Darwis	Director	: Hanna Tantani	President Commissioners (Independent)	: Vacant	Vice President Commissioners	: Chow Ying Hoong	Commissioner	: Takeshi Kimoto	Commissioner (Independent)	: Ninik Herlani Mashli Ridhwan	Commissioner (Independent)	: Irwan Mahjudin Habsjah
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<p>Voting Result:</p> <table> <tr> <td>Affirmative</td><td>: 7.627.390.315 shares or 99,98%</td></tr> <tr> <td>Non-Affirmative</td><td>: Tidak setuju 1.223.500 shares or 0,02%</td></tr> <tr> <td>Abstain</td><td>: 0 shares or 0,00%</td></tr> </table>	Affirmative	: 7.627.390.315 shares or 99,98%	Non-Affirmative	: Tidak setuju 1.223.500 shares or 0,02%	Abstain	: 0 shares or 0,00%																									
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<p>Realization/Follow-Up: Conducted in accordance with GMS resolutions</p>																															



AGENDA	RESOLUTION
Agenda 4: Determination on the remuneration, allowances, tantiem and/or bonus for the members of the Board of Directors as well as honorarium, allowances, tantiem and/or bonus for the members of the Board of Commissioners of the Company.	<ol style="list-style-type: none"> <ol style="list-style-type: none"> Determined the amount of honorarium and allowances for the Board of Commissioners of the Company for Fiscal Year 2020 as well as the amount of bonus for members of the Board of Commissioners for their contributions during the fiscal year which ended on 31 December 2019, to be disbursed in the year 2020, of which the total amount shall not exceed Rp27,300,000,000,- (twenty seven billion three hundred million rupiah) gross before Income Tax. Granted authority to the Vice President Commissioner of the Company to determine the honorarium and allowances for Fiscal Year 2020 as well as the bonus for Fiscal Year 2019 for each member of the Company's Board of Commissioners: This authority of the Company's Vice President Commissioners shall be carried out in representing the authority of the President Commissioner of the Company which is currently vacant and to be carried out by taking into account recommendations from the Committee of Remuneration and Nomination. Granted authority to the Board of Commissioners of the Company to determine the remuneration and salary as well as other allowances for each member of the Board of Directors for Fiscal Year 2020 as well as bonus or each member of the Board Directors for their contribution during the fiscal year which ended on 31 December 2019, to be disbursed in the year 2020. This authority is carried out by taking into account the recommendations from the Committee of Remuneration and Nomination.
Voting Result: Affirmative : 7.628.613.515 shares or 99,99% Non-Affirmative : 0 shares or 0,00% Abstain : 300 shares or 0,00%	
Realization/Follow-Up: Conducted in accordance with GMS resolutions	
Agenda 5: Appointment of a Public Accountant and/or Public Accounting Office for Fiscal Year 2020.	<ol style="list-style-type: none"> Approved the appointment of Siddharta Widjaja & Partner as the Public Accounting Office (KAP), and Liana Lim as the Public Accountant registered at the Financial Services Authority. KAP Siddharta Widjaja & Partner is from the global KPMG International network and will conduct the Company's financial statement audit for fiscal year which ends in 31 December 2020. Granted authority to the Board of Commissioners of the Company to determine the requirement and stipulation as well as the audit service fee of the Public Accounting Office as denoted in point 1 above by taking into account the recommendations from the Company's Audit Committee. Granted authority to the Board of Commissioners to determine the Substitute Public Accounting Office and/or Substitute Public Accountant in the event the appointed Public Accountant based on the resolution of the General Meeting of Shareholders, for any reason is not able to complete/conduct the audit of the Financial Statements of 31 December 2020, including in determining the amount of honorarium and other requirements related to the appointment of the concerned Substitute Public Accounting Office and/or Public Accountant.
Voting Result: Affirmative : 7.628.613.515 shares or 99,99% Non-Affirmative : 0 shares or 0,00% Abstain : 300 shares or 0,00%	
Realization/Follow-Up: Conducted in accordance with GMS resolutions	

AGENDA	RESOLUTION
Agenda 6: Re-confirm of the resolution on the implementation of the Company's Employee Stock Option (ESOP) Program	Re-confirm the resolution to establish and conduct the ESOP Program 2016, as accepted in the Extraordinary General Meeting of Shareholders on 24 March 2017, the Annual General Meeting of Shareholders of 29 March 2018 and the Annual General Meeting of Shareholders of 15 February 2019. 1. Granted full authority and power to the Board of Commissioners to conduct and implement all and every step, action or any measure required by prevailing laws and regulations or the Company's Articles of Association, or as the Board of Commissioners deem necessary to conduct and implement, for and in the effort to execute or actualize the ESOP Program 2016, among others (but not limited to) on the following: a. From time to time, add or increase the Company's issued capital and paid-up capital with a total addition not exceeding Rp2,336,114,920,- (two billion three hundred thirty six million one hundred fourteen thousand nine hundred twenty rupiah), by means of issuing new shares in the amount of not more than 116,805,746 (one hundred sixteen million eight hundred five thousand seven hundred forty six) shares, each at a nominal value of Rp20,- (twenty rupiah), in accordance with the decision undertaken in the 2017 Extraordinary GMS, 2018 Annual GMS and 2019 Annual GMS. b. Establish, issue and take effect the regulation, provision and policy in any form regarding the implementation of ESOP Program 2016 (without reducing the applicable regulations of the Stock Market), determine the participant with the right to purchase the Company's shares in the ESOP Program 2016 and establish the share price to be purchased by ESOP Program 2016 participants or the Implementation Price, including (but limited to) establishing the changes or adjustments on the requirements and provisions of the ESOP Program 2016 in accordance with the regulations and requirements which may eventually be issued by the authorized institution in the Capital Market, including the Financial Services Authority. c. Granted power and authority to the Board of Directors of the Company to take steps and actions or any measure necessary regarding or related to the implementation of the ESOP Program 2016 on which the Company's Board of Directors has no conflict of interest. 2. Granted authority and power to the Board of Commissioners as aforesaid shall take effect as of the proposal proposed in this agenda has been approved by this Meeting, and it can be revoked, without prejudice to prevailing laws and regulations, including the Company Law and the regulations of the Capital Market.
Voting Result: Affirmative : 7.627.390.015 shares or 99,98% Non-Affirmative : 1.223.500 shares or 0,02% Abstain : 300 shares or 0,00%	
Realization/Follow-Up: Conducted in accordance with the GMS resolutions	
Agenda 7: Approval of the Recovery Plan of the Company	Approved the Policy and Document of the Company's Recovery Plan
Voting Result: Affirmative : 7.628.613.815 shares or 100% Non-Affirmative : 0 shares or 0,00% Abstain : 0 shares or 0,00%	
Realization/Follow-Up: Conducted in accordance with the GMS resolutions	
Agenda 8: Report on the realization of bond utilization	-
Realization/Follow-Up: This Agenda is a Report and therefore it does not require voting.	



AGENDA	RESOLUTION
Agenda 9: Amendment of the Articles of Association	<ol style="list-style-type: none"> Approved the amendment of the Articles of Association of the Company on the Article regarding e-Proxy and e-GMS as follows: <ol style="list-style-type: none"> adjust Article 11 paragraph 2, to be written and read as follows: Shareholders have the right to attend the Company's GMS, both in person or represented by another shareholder or person, with a power of attorney or other forms of verification as stipulated by the laws and regulations prevailing in the capital market. Add-on a new provision in Article 11 as follows: In addition to implementing GMS as denoted in the above stipulation, GMS may also be conducted through a teleconference media, video conference, or other electronic media that allow all participants of the GMS to be able to directly see and hear each other and take part in the GMS, with taking into account all laws and regulations prevailing in the capital market. Granted full power and authority to the Board of Directors of the Company with substitution right to restate the resolution in the Meeting's agenda item 1 into Notarial Deed and submit all related documents to the authorized institution including but not limited to the Ministry of Law and Human Rights, and for this purpose to take necessary actions in accordance with the Company's Articles of Association, Bank Indonesia's Regulations and the Financial Services Authority's Regulations.
Voting Result: Affirmative : 7.628.613.515 shares or 99,99% Non-Affirmative : 0 shares or 0,00% Abstain : 300 shares or 0,00%	
Realization/Follow-Up: Conducted in accordance with the GMS resolutions	

EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS

The Extraordinary GMS held on 18 November 2020 was attended by the Shareholders, the Board of Commissioners and the Board Directors. There were participants who attended in person, some who attended through the facilitated video conference.

Stages of the Extraordinary GMS

Submission Date of the Meeting Plan	Date of Announcement	Date of Recording of the Shareholders List	Date of Invitation	Meeting Implementation	Submission Date of Meeting Resolution
2 October 2020 and 27 October 2020	12 October 2020	26 October 2020	27 October 2020	18 November 2020	19 November 2020 and 8 December 2020

Extraordinary GMS Participants

Participants who attended the meeting in person are as follows:

Board of Directors	Board of Commissioners	Shareholders
Ongki Wanadjati Dana, President Director	Ninik Herlani Masli Ridhwan, Commissioner (Independent)	Sumitomo Mitsui Banking Corporation, holder of 7,532,311,297 of the Company's shares, represented by Tetsushi Tanaka, based on Power of Attorney dated 29 October 2020.
Dini Herdini, Director of Compliance		PT Bank Central Asia Tbk, holder of 83,052,408 of the Company's shares, represented by Soma Muhammad Nur Huda, based on Power of Attorney dated 12 November 2020.
		The Public with ownership of below 5% for a total of 34,500 of the Company's shares.

Participants who attended the meeting through the facilitated media of video conference are as follows:

Board of Directors	Board of Commissioners
Kazuhisa Miyagawa, Deputy President Director	Chow Ying Hoong, Vice President Commissioner
Darmadi Sutanto, Deputy President Director	Irwan Mahjudin Habsjah, Independent Commissioner
Yasuhiro Daikoku, Director	Takeshi Kimoto, Commissioner
Adrianus Dani Prabawa, Director	
Henoch Munandar, Director	
Hiromichi Kubo, Director	
Merisa Darwis, Director	
Hanna Tantani, Director	

Agenda, Resolutions and Realization of the Extraordinary GMS

AGENDA	RESOLUTION
Agenda 1: Amendment of the Articles of Association of the Company	<ol style="list-style-type: none"> 1. Approved the amendment of the Company's Articles of Association with the purpose to adjust to the Regulation of the Financial Services Authority No. 14/POJK.04/2019 regarding the Amendment of the Financial Services Authority Regulation No. 32/POJK.04/2015 on Additional Capital of Public Companies by Providing the Right to Order Securities in Advance, the Financial Services Authority Regulation No. 15/POJK.04/2020 on the Planning and Implementation of the General Meeting of Shareholders of Public Companies, and the Financial Services Regulation No. 16/POJK.04/2020 on the Implementation of Electronic General Meeting of Shareholders of Public Companies, as the main points of changes disclosed at the Meeting. 2. Approved the granting of power to the Board of Directors with the right of substitution to restate into a Notarial Deed of the above resolution including to reform the Company's Articles of Association into a Notarial Deed, followed by a request to notify of the changes in the Company's Articles of Association to the Minister of Law and Human Rights of the Republic of Indonesia as well as to announce it in the State News of the Republic of Indonesia, and for this purpose, compose the changes and/or additions however required by the Minister of Law and Human Rights of the Republic of Indonesia so that the change in the Articles of Association is approved and fulfills all requirements set forth by prevailing laws and regulations.
Voting Result: Affirmative : 7.615.398.105 shares or 99,99% Non-Affirmative : 100 shares or 0,00% Abstain : 0 shares or 0,00%	
Realization/Follow-Up: Conducted in accordance with the GMS resolutions	
Agenda 2: Resignation of a member of the Board of Directors of the Company	<ol style="list-style-type: none"> 1. Approved the resignation of Kazuhisa Miyagawa as the Company's Deputy President Director effective as of the closing of the Meeting. 2. Granted the full release and discharge (volledig acquit et de charge) of all services contributed during his term of office since January 2020 until the effective date of his resignation, as long as the actions of the concerned are reflected in the concerned Annual Report and the Financial Statements and as long as the Annual Report and the Financial Statement of the concerned are approved and ratified by the Annual General Meeting of Shareholders (GMS) of the Company for fiscal year 2020, which will be held in the year 2021.
Voting Result: Affirmative : 7.615.398.105 shares or 99,99% Non-Affirmative : 100 shares or 0,00% Abstain : 0 shares or 0,00%	
Realization/Follow-Up: Conducted in accordance with the GMS resolutions	
Agenda 3: Appointment of a member of the Board of Directors of the Company	<ol style="list-style-type: none"> 1. Approved the appointment of Kaoru Furuya as Deputy President Director of the Company effective as of the closing of the Meeting, by taking into account the prevailing laws and regulations regarding the term of office as the remaining period of the term of office of the incumbent members of the Board of Directors, namely until the closing of the Company's Annual GMS which will be held in the year 2022, without prejudice to the rights of the GMS or prevailing laws and regulations to dismiss a Board member at anytime prior to the completion of the term of office. 2. Granted authority to the Board of Directors of the Company to determine the effective date of the appointment of Kaoru Furuya related to his working permit, without having necessity through the resolution of the GMS.



AGENDA	RESOLUTION																																
Voting Result: Affirmative : 7.615.398.105 shares or 99,99% Non-Affirmative : 100 shares or 0,00% Abstain : 0 shares or 0,00%																																	
Realization/Follow-Up: Conducted in accordance with the GMS resolutions																																	
Agenda 4: Appointment of a member of the Board of Commissioners (President Commissioner) of the Company	Approved the appointment of Chow Ying Hoong as the President Commissioner of the Company, who was previously officiated as the Vice President Commissioner of the Company, effective as of the closing of the Meeting with his remaining term of office until the closing of the Annual GMS which will be held in the year 2022, without prejudice to the rights of the GMS or prevailing laws and regulations to dismiss at anytime prior to the completion of the term of office.																																
Voting Result: Affirmative : 7.615.398.105 shares or 99,99% Non-Affirmative : 100 shares or 0,00% Abstain : 0 shares or 0,00%																																	
Realisasi/Tindak Lanjut: Conducted and to be executed in accordance with the GMS resolutions																																	
Agenda 5: Appointment of a member of the Board of Commissioners (Independent Commissioner) of the Company	<ol style="list-style-type: none"> Approved the appointment of Edmund Tondobala as Independent Commissioner of the Company effective as of the closing of the Meeting with the remaining term of office of incumbent members of the Board of Commissioners, namely until the closing of the Annual GMS of the Company which will be held in the year 2022, without prejudice to the rights of the GMS or prevailing laws and regulations to dismiss members at anytime prior to the completion of the term of office. <p>Thus, the complete composition of the members of the Board of Directors and the Board of Commissioners of the Company effective as of the closing of the Meeting is as follows:</p> <p>Board of Directors:</p> <table> <tr><td>President Director</td><td>: Ongki Wanadjati Dana</td></tr> <tr><td>Deputy President Director</td><td>: Kaoru Furuya*)</td></tr> <tr><td>Deputy President Director</td><td>: Darmadi Sutanto</td></tr> <tr><td>Compliance Director</td><td>: Dini Herdini</td></tr> <tr><td>Director</td><td>: Yasuhiro Daikoku</td></tr> <tr><td>Director</td><td>: Henoch Munandar</td></tr> <tr><td>Director</td><td>: Adrianus Dani Prabawa</td></tr> <tr><td>Director</td><td>: Hiromichi Kubo</td></tr> <tr><td>Director</td><td>: Merisa Darwis</td></tr> <tr><td>Director</td><td>: Hanna Tantani</td></tr> </table> <p>Board of Commissioners:</p> <table> <tr><td>President Commissioner</td><td>: Chow Ying Hoong</td></tr> <tr><td>Vice President Commissioner</td><td>: Eliminated**)</td></tr> <tr><td>Commissioner</td><td>: Takeshi Kimoto</td></tr> <tr><td>Commissioner (Independent)</td><td>: Ninik Herlani Mashli Ridhwan</td></tr> <tr><td>Commissioner (Independent)</td><td>: Irwan Mahjudin Habsjah</td></tr> <tr><td>Commissioner (Independent)</td><td>: Edmund Tondobala</td></tr> </table> <p>*) The appointment of Kaoru Furuya as Deputy President Director of the Company will be effective as of the issuance of the work permit from the Ministry of Manpower of the Republic of Indonesia.</p> <p>**) The position of the Vice President Commissioner is eliminated effective as of the acceptance of the announcement of the change in the Articles of Association of the Company by the Ministry of Law and Human Rights of the Republic of Indonesia.</p> <ol style="list-style-type: none"> Granted power to the Board of Directors of the Company with the right of substitution to restate the resolution of Agenda 2 up to Agenda 5 of the Meeting into a Notarial Deed and submission to the Ministry of Law and Human Rights, as well as to take necessary actions as required in accordance with the Articles of Association of the Company and prevailing laws and regulations. 	President Director	: Ongki Wanadjati Dana	Deputy President Director	: Kaoru Furuya*)	Deputy President Director	: Darmadi Sutanto	Compliance Director	: Dini Herdini	Director	: Yasuhiro Daikoku	Director	: Henoch Munandar	Director	: Adrianus Dani Prabawa	Director	: Hiromichi Kubo	Director	: Merisa Darwis	Director	: Hanna Tantani	President Commissioner	: Chow Ying Hoong	Vice President Commissioner	: Eliminated**)	Commissioner	: Takeshi Kimoto	Commissioner (Independent)	: Ninik Herlani Mashli Ridhwan	Commissioner (Independent)	: Irwan Mahjudin Habsjah	Commissioner (Independent)	: Edmund Tondobala
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Voting Result: Affirmative : 7.615.398.105 shares or 99,99% Non-Affirmative : 100 shares or 0,00% Abstain : 0 shares or 0,00%																																	
Realization/Follow-Up: Conducted and to be executed in accordance with the GMS resolutions																																	

RESOLUTIONS AND REALIZATION OF THE PREVIOUS ANNUAL GMS

Resolutions and Realization of the Annual GMS of 15 February 2019

AGENDA	RESOLUTION
Agenda 1: Approval of the Annual Report and the ratification of the Company's Financial Statements for the fiscal year ended 31 December 2018; granting of a full release and discharge (volledig acquit et decharge) to the members of the Board of Directors and the Board of Commissioners of the Company for the management and supervisory actions carried out during the fiscal year ended 31 December 2018	<ol style="list-style-type: none"> 1. a. Approved the SMBCI Annual Report for the financial year ended 31 December 2018, including the Supervisory Report of the Board of Commissioners of SMBCI. b. Approved the BTPN Annual Report for the fiscal year ended 31 December 2018, including the Supervisory Report of the Board of Commissioners of BTPN. 2. a. Ratified SMBCI's Financial Statements for the fiscal year ended 31 December 2018 as audited by the Public Accounting Office SIDDHARTA WIDJAJA & Rekan with an UNQUALIFIED opinion, and is contained in the 2018 SMBCI Annual Report. b. Ratified BTPN's Financial Statements for the fiscal year ended 31 December 2018 as audited by the Public Accounting Firm TANUDIREDA, WIBISANA, RINTIS & Rekan with an UNQUALIFIED opinion, and is contained in the 2018 BTPN Annual Report. 3. Granted full release and discharge (volledig acquit et decharge) to the members of the Board of Directors and the Board of Commissioners of SMBCI who served during the fiscal year ended 31 December 2018 and the members of the Board of Directors and the Board of Commissioners of BTPN who served during the fiscal year ended 31 December 2018 for all management and/or supervisory actions (including the members of the Board of Directors and the Board of Commissioners of SMBCI and BTPN who resigned at the SMBCI and BTPN Extraordinary General Meeting of Shareholders on 5 October 2018), provided that those actions are reflected in the Annual Report and the Financial Statements of SMBCI and BTPN for the fiscal year ended 31 December 2018, by taking into account of the prevailing laws and regulations.
Voting Result: 1. Affirmative : 4.993.859.772 or 99,99% 2. Non-Affirmative : - 3. Abstain : 644.800 or 0,01% Total Affirmative Votes : 4.994.504.572 or 100,00% Affirmation of Decision : Unanimous Vote	
Realization The Company's Annual Report and financial statements have been approved by the Shareholders and are available on the Company's website.	



AGENDA	RESOLUTION
Agenda 2: Determination on the appropriation of the Company's net profit for the fiscal year ended at 31 December 2018	<ol style="list-style-type: none"> Confirmed that in accordance with the Profit and Loss Statement of SMBCI for the fiscal year ended on 31 December 2018, the total net profit acquired by SMBCI during the fiscal year amounted to Rp989,673,000,000 (nine hundred eighty-nine billion six hundred seventy-three million Rupiah). Confirmed that in accordance with the Profit and Loss Statement of BTPN for the fiscal year ended on 31 December 2018, the total net profit earned by BTPN in the fiscal year amounted to Rp1,968,290,937,818 (one trillion nine hundred sixty-eight billion two hundred ninety million nine hundred thirty-seven thousand eight hundred eighteen rupiah) Approved the use of SMBCI's total net profit in the amount of Rp989,673,000,000 (nine hundred eighty-nine billion six hundred seventy-three million Rupiah) as follows: <ol style="list-style-type: none"> For the fiscal year ended 31 December 2018, SMBCI will not distribute dividends to shareholders; The total comprehensive net income after income tax obtained by SMBCI during the fiscal year ended 31 December 2018, amounting to Rp989,673,000,000 (nine hundred eighty-nine billion six hundred seventy three million Rupiah) shall be booked as retained earnings. Approved the use of the total net profit obtained by the Company in the amount of Rp1,968,290,937,818 (one trillion nine hundred sixty-eight billion two hundred ninety million nine hundred thirty seven thousand eight hundred eighteen Rupiah) as follows: <ol style="list-style-type: none"> For the fiscal year ended 31 December 2018, the Company will not distribute dividends to shareholders; The total comprehensive net income after income tax obtained by the Company during the financial year ended 31 December 2018, amounting to Rp1,968,290,937,818 (one trillion nine hundred sixty-eight billion two hundred ninety million nine hundred thirty-seven thousand eight hundred eighteen Rupiah) shall be booked as retained earnings.
Voting Result: 1. Affirmative : 4,994,504,572 or 100% 2. Non-Affirmative : - 3. Abstain : Total Affirmative Votes : Affirmation of Decision : Unanimous Vote	
Realization The resolution has been realized and followed up	

AGENDA	RESOLUTION
Agenda 3: Changes to the composition of the members of the Board of Directors and the Board of Commissioners of the Company.	<p>1. Approved to reappoint:</p> <p>Board Of Directors</p> <p>President Director : Ongki Wanadjati Dana Deputy President Director : Kazuhisa Miyagawa Compliance Director (Independent) : Dini Herdini Director : Yasuhiro Daikoku Director : Henoeh Munandar Director : Adrianus Dani Prabawa Director : Hiromichi Kubo Director : Merisa Darwis</p> <p>BOARD OF COMMISSIONERS</p> <p>President Commissioner (Independent) : Mari Elka Pangestu Vice President Commissioner : Chow Ying Hoong Commissioner : Takeshi Kimoto Commissioner (Independent) : Ninik Herlani Masli Ridhwan Commissioner (Independent) : Vacant (Position Previously Held By Toni Prasetyantono)</p> <p>Effective at the closing of the Meeting and up to the closing of the Annual General Meeting of Shareholders in 2022 without prejudice to any changes that may occur prior to the end of the term of office.</p> <p>2. Granted full power and authority to the Board of Directors of the Company with the right of substitution to restate the decision in item 1 in the agenda of the Meeting into a Notarial deed and submit all relevant documents to the authorized institution, including but not limited to the Ministry of Law and Human Rights, and take any necessary actions to do so in accordance with the Company's Articles of Association, the Bank Indonesia Regulations and the Financial Services Authority Regulations.</p>
Votes: 1. Affirmative : 4.963.942.865 or 99,3880933% 2. Non-Affirmative : 30.561.707 or 0,6119067% 3. Abstain : - Affirmation of Decision : Majority Vote	
Realization: The resolution has been realized and followed up. Deed of Resolution of the Annual General Meeting of Shareholders of PT Bank BTPN Tbk No.14 dated 15 February 2019 made by Notary Ashoya Ratam, SH, MKn., Notary in South Jakarta Administrative City.	



AGENDA	RESOLUTION						
<p>Agenda 4: Determination on the remuneration, allowances, tantiem and/or bonus to the for the members of the Board of Directors as well as honorarium, allowances, tantiem and/or bonus to the Board of Commissioners of the Company. for the members of the Board of Commissioners for the fiscal year ended 31 December 2019; for services rendered to the Company during the financial year ended 31 December 2018, which shall be paid in the 2019 fiscal year.</p>	<ol style="list-style-type: none"> 1. Granted full power and authority to the Company's Board of Commissioners to determine the total amount of salary and allowances to be paid to members of the Board of Directors for the year ended 31 December 2019 and the amount of bonuses to be paid to the members of the Board of Directors for the services provided in the fiscal year ended 31 December 2018, which shall be paid in 2019. Determined the distribution of the salaries, allowances and bonuses among the members of the Board of Directors with due consideration of the recommendations of the Company's Remuneration and Nomination Committee. 2. In accordance with the recommendations of the Remuneration and Nomination Committee contained in the Minutes of the Company's Remuneration and Nomination Committee Meeting No. MOM/RNC/002/II/2019 dated 8 February 2019, which were approved by the Board of Commissioners in the Circular Decision of the Board of Commissioners No. PS/BOC/005/II/2019 8 dated February 2019, the total amount of honorarium and allowances for the members of the Board of Commissioners for the fiscal year ended 31 December 2019 and the amount of bonuses for the members of the Board of Commissioners for services in the fiscal year ended 31 in December 2018, which shall be paid in 2019, is to be no more than Rp27.3 billion (twenty-seven point three billion Rupiah) gross, before income tax. Granted the authority to the Board of Commissioners to determine the distribution of the total honorarium, allowances, and bonuses among the members of the Board of Commissioners with due consideration of the recommendations of the Company's Remuneration and Nomination Committee. 3. The amount of bonuses for the members of the Board of Directors and the Board of Commissioners will reduce the amount of tantiem reserves posted in the Company's Balance Sheet or Financial Position Report for the year ended 31 December 2018, provided that there is a residual amount in the tantieme reserves after the deduction of the amount of bonuses paid to the members of the Board of Directors and the Board of Commissioners, the remaining amount will be posted as other income from the Company in the fiscal year ended 31 December 2019. 4. The amount of salary and allowances, including bonuses, to be paid by the Company to the members of the Board of Directors, as well as the amount of honorarium and allowances, including bonuses, to be paid by the Company to the members of the Board of Commissioners, in 2019 (two thousand and nineteen) will be outlined in The Annual Report for the fiscal year ended 31 December 2019 and will be submitted to the Financial Services Authority. 5. The power and authority granted shall be effective as of the date the proposal submitted in this agenda is approved by this Meeting and cannot be cancelled 						
<p>Votes:</p> <table> <tr> <td>1. Affirmative</td> <td>: 4.994.378.572 or 99,9974772%</td> </tr> <tr> <td>2. Non-Affirmative</td> <td>: 126.000 or 0,0025228%</td> </tr> <tr> <td>3. Abstain</td> <td>: -</td> </tr> </table> <p>Affirmation of Decision : Majority Vote</p>	1. Affirmative	: 4.994.378.572 or 99,9974772%	2. Non-Affirmative	: 126.000 or 0,0025228%	3. Abstain	: -	
1. Affirmative	: 4.994.378.572 or 99,9974772%						
2. Non-Affirmative	: 126.000 or 0,0025228%						
3. Abstain	: -						
<p>Realization: The resolution has been realized and followed up.</p>							

AGENDA	RESOLUTION
Agenda 5: Appointment of a Public Accountant to audit the Company's books for the year ended 31 December 2019, and to determine the honorarium and other terms applicable to the appointment of the Public Accountant.	<ol style="list-style-type: none"> Appointed the Public Accounting Office SIDDHARTA WIDJAJA & Rekan and Public Accountant Liana Lim to examine or audit the Company's books and records for the Fiscal Year ended 31 December 2019. Approved the honorarium of the Public Accounting Office for the fiscal year ended 31 December 2019, namely the Company's annual audit fee, in the amount of Rp8,000,000,000 (eight billion Rupiah) (excluding tax & out-of-pocket expenses). Authorized the Board of Commissioners to appoint a Substitute Public Accounting Office and/or a Substitute Public Accountant in the event the Public Accounting Office and/or Public Accountant who has been appointed by the resolution the General Meeting of Shareholders for whatsoever reason unable to finalize the audit of the financial statements for the year ended 31 December 2019. This includes the determination of the conditions, including the amount of honorarium, of the appointment of the Substitute Public Accounting Office and/or Public Accountant.
Votes: <ol style="list-style-type: none"> Affirmative : 4.974.378.572 or 99,5970371% Non-Affirmative : 20.126.000 or 0,4029629% Abstain : - Affirmation of Decision : Majority Vote	
Realization: The resolution has been realized and followed up.	
Agenda 7: Reconfirmation of the resolution about the Company's Employee Stock Option Program (ESOP Program) made at the Extraordinary General Meeting of Shareholders held on 29 April 2016, the Annual General Meeting of Shareholders held on 24 March 2017, and the Annual General Meeting of Shareholders held on 29 March 2018. Submission Date of Meeting Resolution to the Board of Commissioners to take any necessary action to implement the ESOP Program, including increasing the amount of the Company's issued and paid up capital in accordance with the resolution adopted at the abovementioned Extraordinary General Meeting of Shareholders.	<ol style="list-style-type: none"> Reconfirmed the resolution to establish and implement the Company's Employee Stock Option Program (2016 ESOP Program) made at the 2016 EGMS, the 2017 AGMS, and the 2018 AGMS. Granted authorization to the Company's Board of Commissioners to perform any actions that are required by the applicable laws and regulations or the Company's articles of association, or deemed necessary, to realize the 2016 ESOP Program, among others: <ol style="list-style-type: none"> Increasing the Company's issued and paid up capital as long as this amount does not exceed Rp2,336,114,920 (two billion three hundred thirty six million one hundred fourteen thousand nine hundred twenty Rupiah) by issuing new shares in an amount not exceeding 116,805,746 (one hundred and sixteen million eight hundred five thousand seven hundred forty-six), each with a nominal value of Rp20 (twenty Rupiah), in accordance with the resolution of the 2015 EGMS, which was confirmed at the 2016 EGMS, the 2017 AGMS, and the 2018 AGMS. To create, issue, and enforce regulations, provisions, and policies of any kind regarding the implementation of the 2016 ESOP Program (without affecting the regulations applicable in the Capital Market), determine who is entitled to buy new shares issued by the Company in the framework of the 2016 ESOP Program and determine the exercise price. To make changes to the terms and conditions of the 2016 ESOP Program with the regulations and requirements that can later be issued by the authorized institutions in the Capital Market, including the Financial Services Authority. Granted the authorization to the Company's Board of Directors to take actions concerning the implementation of the 2016 ESOP Program, as long as there is no conflict of interests. <p>The granting of authorization to the Board of Commissioners shall be effective when the proposal is accepted and approved by this Meeting. This authorization cannot be withdrawn or revoked, by not reducing the applicable laws and regulations, including the Company Law and legislation in the Capital Market sector.</p> To eliminate doubts, the addition of the issued and paid up capital contained in this resolution does not affect the resolution to increase the Company's issued and paid up capital, which has been made in order to implement the 2015 MESOP Program, as outlined in the 6th (sixth) agenda of the Meeting.
Votes: <ol style="list-style-type: none"> Affirmative : 4.984.152.365 or 99,7927281% Non-Affirmative : 10.352.207 or 0,2072720% Abstain : - Affirmation of Decision : Majority Vote	
Realization: The resolution has been realized and followed up.	



AGENDA	RESOLUTION
<p>Agenda 6: Reconfirmation of the resolution on the Company's Management and Employee Stock Option Program (MESOP) at the General Meeting of Shareholders on 26 March 2015, the Extraordinary General Meeting of Shareholders on 29 April 2016, the Annual General Meeting of Shareholders on 24 March 2017, and the Annual General Meeting of Shareholders on 29 March 2018 and granting authorization to the Board of Commissioners to take any necessary action to implement the MESOP Program, including increasing the amount of the Company's issued and paid up capital in accordance with the resolution adopted at the abovementioned Extraordinary General Meeting of Shareholders.</p>	<ol style="list-style-type: none"> 1. Reconfirmed the resolution about the establishment and implementation of the Company's Management and Employee Stock Option Program (2015 MESOP), which was adopted at the Extraordinary General Meeting of Shareholders on 26 March 2015 (2015 EGMS), the Extraordinary General Meeting of Shareholders on 29 April 2016 (2016 EGMS), the Annual General Meeting of Shareholders on 24 March 2017 (2017 AGMS), and the Annual General Meeting of Shareholders on 29 March 2018 (2018 AGMS). 2. Granted full power and authority to the Company's Board of Commissioners to perform any actions that are required by the applicable laws and regulations or the Company's articles of association, or deemed necessary, to realize the 2015 MESOP Program, among others: <ol style="list-style-type: none"> a. Increasing the Company's issued and paid up capital as long as this amount does not exceed Rp4,672,229,820 (four billion six hundred seventy two million two hundred twenty nine thousand eight hundred twenty Rupiah), by issuing new shares in an amount not exceeding 233,611,491 (two hundred thirty three million six hundred eleven thousand four hundred ninety one), each with a nominal value of Rp20 (twenty Rupiah), in accordance with the resolution of the 2015 EGMS, which was confirmed at the 2016 EGMS, the 2017 AGMS, and the 2018 AGMS. b. To create, issue, and enforce regulations, provisions, and policies of any kind regarding the implementation of the 2015 MESOP Program (without affecting the regulations applicable in the Capital Market), determine who is entitled to buy new shares issued by the Company in the framework of the 2015 MESOP Program and determine the exercise price. To make changes to the terms and conditions of the 2015 MESOP Program with the regulations and requirements that can later be issued by the authorized institutions in the Capital Market, including the Financial Services Authority. c. Granted the authorization to the Company's Board of Directors to take actions concerning the implementation of the 2015 MESOP Program, as long as there is no conflict of interests. <p>The granting of authorization to the Board of Commissioners shall come into force from the time the proposal is accepted and approved by this Meeting. This power and authority cannot be withdrawn or revoked, by not reducing the applicable laws and regulations, including the Company Law and legislation in the Capital Market sector.</p>
<p>Votes:</p> <ol style="list-style-type: none"> 1. Affirmative : 4.984.152.365 or 99,7927281% 2. Non-Affirmative : 10.352.207 or 0,2072721% 3. Abstain : - <p>Affirmation of Decision : Majority Vote</p>	
<p>Realization: The resolution has been realized and followed up.</p>	

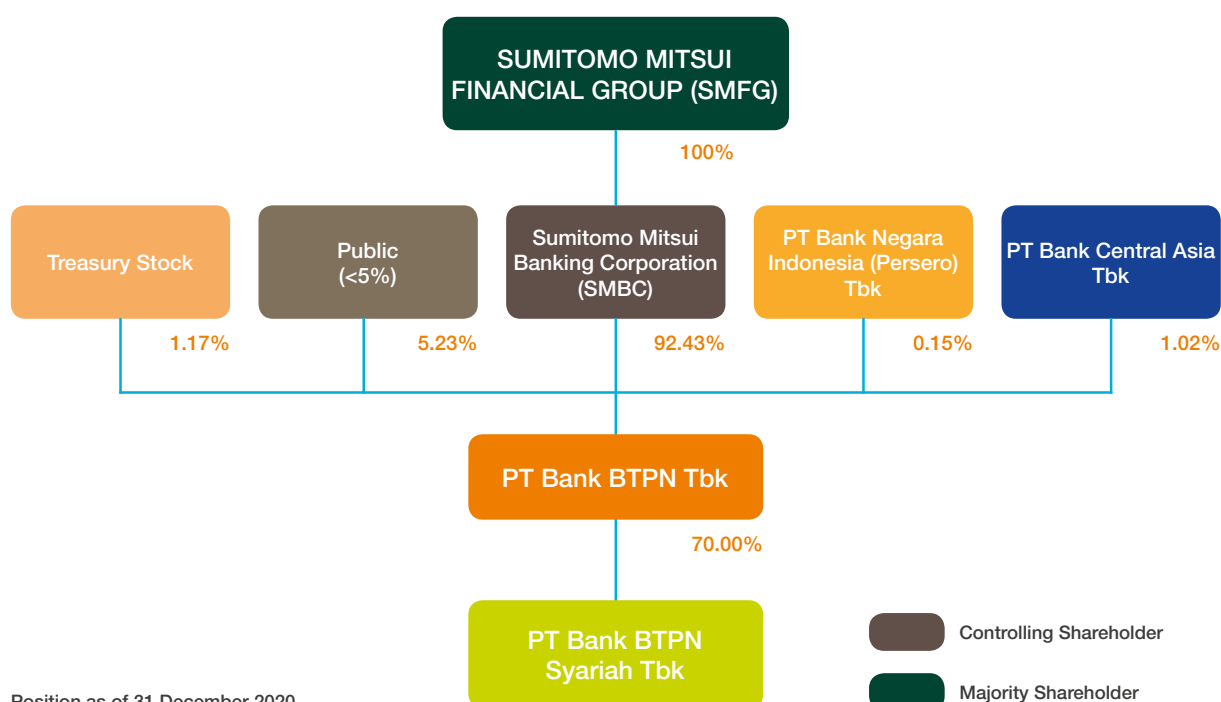
Extraordinary GMS Resolutions and Realization of 11 September 2019

AGENDA	RESOLUTION																		
Agenda 1: Changes in the Composition of the Company's Board of Directors.	<p>Approved the appointment of Ms. HANNA TANTANI as a Director of the Company with the remaining term of office of the incumbent members Board of Directors, which is from the closing of this Meeting until the closing of the Annual General Meeting of Shareholders in 2022. The composition of the Company's Board of Directors is as follows::</p> <p>BOARD OF DIRECTORS</p> <table> <tr> <td>President Director</td><td>: Ongki Wanadjati Dana</td></tr> <tr> <td>Deputy President Director</td><td>: Kazuhisa Miyagawa</td></tr> <tr> <td>Compliance Director (Independent)</td><td>: Dini Herdini</td></tr> <tr> <td>Director</td><td>: Yasuhiro Daikoku</td></tr> <tr> <td>Director</td><td>: Henoch Munandar</td></tr> <tr> <td>Director</td><td>: Adrianus Dani Prabawa</td></tr> <tr> <td>Director</td><td>: Merisa Darwis</td></tr> <tr> <td>Director</td><td>: Hiromichi Kubo</td></tr> <tr> <td>Director</td><td>: Hanna Tantani</td></tr> </table> <p>The term of office of all members of the Board of Directors is effective until the closing of the Annual General Meeting of Shareholders in 2022, without prejudice to the right of the General Meeting of Shareholders and other prevailing regulations to terminate their term of office at any time before the expiration of his/her term of office.</p>	President Director	: Ongki Wanadjati Dana	Deputy President Director	: Kazuhisa Miyagawa	Compliance Director (Independent)	: Dini Herdini	Director	: Yasuhiro Daikoku	Director	: Henoch Munandar	Director	: Adrianus Dani Prabawa	Director	: Merisa Darwis	Director	: Hiromichi Kubo	Director	: Hanna Tantani
President Director	: Ongki Wanadjati Dana																		
Deputy President Director	: Kazuhisa Miyagawa																		
Compliance Director (Independent)	: Dini Herdini																		
Director	: Yasuhiro Daikoku																		
Director	: Henoch Munandar																		
Director	: Adrianus Dani Prabawa																		
Director	: Merisa Darwis																		
Director	: Hiromichi Kubo																		
Director	: Hanna Tantani																		
Votes: 1. Affirmative : 7.933.621.769 (100%) 2. Non-Affirmative : - 3. Abstain : - Basis of Decision : Unanimous Vote																			
Realization: The resolution has been realized and followed up. Deed of Resolution of the Extraordinary General Meeting of Shareholders of PT Bank BTPN Tbk No.16 dated 11 September 2019 made by Notary Ashoya Ratam, SH, MKn., Notary in South Jakarta Administrative City.																			

AGENDA	RESOLUTION												
Agenda 2: Changes in the Composition of the Company's Board of Commissioners.	<p>Approved the appointment of Mr. IRWAN MAHJUDIN HABSJAH as an Independent Commissioner of the Company with the remaining term of office of the incumbent members Board of Commissioners, which is from the closing of this Meeting until the closing of the Annual General Meeting of Shareholders in 2022. The composition of the Company's Board of Commissioners is as follows:</p> <p>BOARD OF COMMISSIONERS</p> <table> <tr> <td>President Commissioner (Independent)</td><td>: Mari Elka Pangestu</td></tr> <tr> <td>Vice President Commissioner</td><td>: Chow Ying Hoong</td></tr> <tr> <td>Commissioner</td><td>: Takeshi Kimoto</td></tr> <tr> <td>Commissioner (Independent)</td><td>: Ninik Herlani Masli</td></tr> <tr> <td></td><td>Ridhwan</td></tr> <tr> <td>Commissioner (Independent)</td><td>: Irwan Mahjudin Habsjah</td></tr> </table> <p>The term of office of all members of the Board of Commissioners is effective until the closing of the Annual General Meeting of Shareholders in 2022, without prejudice to the rights of the General Meeting of Shareholders and other prevailing regulations to terminate their term of office at any time, or other applicable laws and regulations before the expiration of his/her term of office.</p>	President Commissioner (Independent)	: Mari Elka Pangestu	Vice President Commissioner	: Chow Ying Hoong	Commissioner	: Takeshi Kimoto	Commissioner (Independent)	: Ninik Herlani Masli		Ridhwan	Commissioner (Independent)	: Irwan Mahjudin Habsjah
President Commissioner (Independent)	: Mari Elka Pangestu												
Vice President Commissioner	: Chow Ying Hoong												
Commissioner	: Takeshi Kimoto												
Commissioner (Independent)	: Ninik Herlani Masli												
	Ridhwan												
Commissioner (Independent)	: Irwan Mahjudin Habsjah												
Votes: 1. Affirmative : 7.933.621.769 (100%) 2. Non-Affirmative : - 3. Abstain : - Basis of Decision : Unanimous Vote													
Realization: The resolution has been realized and followed up. Deed of Resolution of the Extraordinary General Meeting of Shareholders of PT Bank BTPN Tbk No.16 dated 11 September 2019 made by Notary Ashoya Ratam, SH, MKn., Notary in South Jakarta Administrative City.													



Majority and Controlling Shareholders



BOARD OF COMMISSIONERS

The Board of Commissioners is the Company's main organ responsible for the monitoring of the Company's policy as well as for providing advice to the Board of Directors. The duties, responsibilities, and other authority retained by the Board of Commissioners are regulated by the prevailing laws and regulations, among others through the Law No. 40 of the year 2007 on Limited Liability Company.

The Board of Commissioners is appointed and dismissed by the General Meeting of Shareholders (GMS) based on the recommendation of the Remuneration and Nomination Committee and effective since the date determined by the GMS and ends by the closing of the 3rd (third) GMS following the date of appointment. Determining the composition of the Board of Commissioners is carried out through considering the needs and complexity of the Bank. The composition of the Board of Commissioners is based on expertise, professional experience and background.

Legal Basis

The legal basis of the Board of Commissioners' existence within the Bank, is based on a number of prevailing regulations. Among others, the Law No. 40 of Year 2007 on Limited Liability Companies and the Financial Services Authority Regulation No. 33/POJK.04/2014 on the Board of Directors and the Board of Commissioners of Issuers or Public Companies, including the Company's Articles of Association.

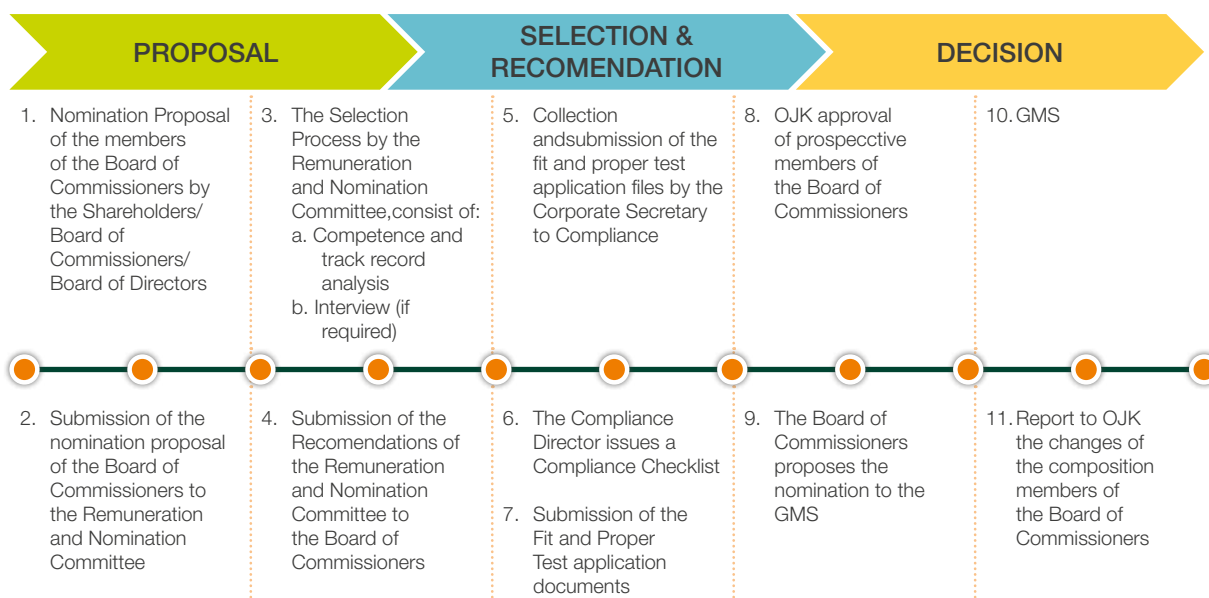
All provisions require that companies within the jurisdiction of the Indonesian law must have a Board of Commissioners. Its main duty is to monitor policy management, the management process in the company while also keep an eye and provide advice/suggestions to the Board of Directors.

Appointment Procedure

The policy on the nomination of members of the Board of Commissioners is conducted in the event of selecting and/or replacing members of the Board of Commissioners which will then be disclosed in the General Meeting of Shareholders. The candidate selection process is carried out by the Remuneration and Nomination Committee. The Committee takes into account the competence, and professional experience, as well as the diversity of the board's composition regardless of the difference in race, ethnicity, gender and religion.

The Remuneration and Nomination Committee proposes the selected candidate to the Board of Commissioners for approval and ratification in the General Meeting of Shareholders.

The following is the nomination process of members of the Board of Commissioners:



Criteria of Members of the Board of Commissioners

In accordance with prevailing provisions, members of the Board of Commissioners are required to take the Fit and Proper Test prior to executing their duties. The Bank's Management must fulfill the requirements of integrity, competence and sound financial reputation. As of 31 December 2020, all members of the Board of Commissioners have met the requirements to pass the evaluation on competence and compliance.

Independence of the Board of Commissioners

Bank BTPN is in compliance with the prevailing laws and regulations related to the independence of the Board of Commissioners:

- The Board of Commissioners of BTPN has met the required number of members, composition, criteria and independence of members who have fulfilled the criteria and independence as regulated by Bank Indonesia,
- The Board of Commissioners consists of 5 members, of which 3 (three) members, or more than 50.0% are Independent Commissioners. The Independent Commissioners have met all the independence criteria stipulated in OJK regulations.
- Replacement and appointment of members of the Board of Commissioners takes into account the recommendations of the Remuneration and Nomination Committee.
- Each member of the Board of Commissioners has no family relations up to second degree with other members of the Board of Commissioners and/or the Board of Directors.
- Members of the Board of Commissioners do not hold any concurrent positions exceeding that permitted

Members of the Company's Board of Commissioners sign a statement related to Corporate Governance when taking up the fit and proper test. This statement is updated on yearly basis, and the latest was done for the position at the end of December 2020.

Manual of the Board of Commissioners (Board Manual)

In executing their duties and responsibilities, members of the Board of Commissioners are guided by the Board Manual of the Board of Commissioners. The Manual is periodically updated and enhanced with reference to prevailing regulations and provisions. The Manual of the Board of Commissioners was last reviewed on 18 December 2020.

Based on the review, the content of the Board Manual of the Board of Commissioners is as follows:

- Organization
- Independence
- Duties, Responsibilities, and Authority
- Establishment of Committees
- Function of the President Commissioner
- Ethical Values of Members of the Board of Commissioners
- Meetings
- Accountability of the Board of Commissioners

Composition of the Board of Commissioners

The Board of Commissioners consists of 5 (five) members and shall not exceed the number of members of the Board of Directors which totals 10 members. As many as 3 (three) of the 5 (five) members or more



than 50% (fifty percent) of the total members of the Board of Commissioners are Independent Commissioners. The majority members of the Board of Commissioners are citizens with domicile in Indonesia.

BEFORE THE ANNUAL GMS ON 23 APRIL 2020

Name	Position	Term of Office
Mari Elka Pangestu	President Commissioner (Independent)	2019-2022
Chow Ying Hoong	Vice President Commissioner	2019-2022
Takeshi Kimoto	Commissioner	2019-2022
Ninik Herlani Masli Ridhwan	Independent Commissioner	2019-2022
Irwan Mahjudin Habsjah	Independent Commissioner	2019-2022

AFTER THE ANNUAL GMS ON 23 APRIL 2020

Name	Position	Term of Office
(vacant)	President Commissioner (Independent)	-
Chow Ying Hoong	Vice President Commissioner	2019-2022
Takeshi Kimoto	Commissioner	2019-2022
Ninik Herlani Masli Ridhwan	Independent Commissioner	2019-2022
Irwan Mahjudin Habsjah	Independent Commissioner	2019-2022

AFTER THE EXTRAORDINARY GMS ON 18 NOVEMBER 2020

Name	Position	Term of Office
Chow Ying Hoong	President Commissioner	2019-2022
Takeshi Kimoto	Commissioner	2019-2022
Ninik Herlani Masli Ridhwan	Independent Commissioner	2019-2022
Irwan Mahjudin Habsjah	Independent Commissioner	2020-2022
Edmund Tondobala	Independent Commissioner	2020-2022

Duties and Responsibilities of Each Member of the Board of Commissioners

In general, the Board of Commissioners has the duties and responsibilities, among others, as follows:

- To ensure the implementation of good corporate governance in each of the Bank's line of business at all levels and paths of the organization.
- To conduct monitoring of the execution of duties and responsibilities of the Board of Directors, and provide advice to the Board of Directors.
- To direct, monitor, and assess the Bank's strategic policy implementation.
- To provide sufficient time to carry out duties and responsibilities at optimum level.
- To ensure that the Board of Directors follow-up audit findings and recommendations from the Bank's internal audit unit, external auditor, and results of monitoring by the Financial Services Authority and/or by other authorities.

Each member of the Board of Commissioners is assigned with specific duties. Details are explained in the table below:

Name	Position	Duties
Chow Ying Hoong	President Commissioner	Duties and responsibilities as Member of the Remuneration and Nomination Committee
Takeshi Kimoto	Commissioner	Duties and responsibilities as member of the Risk Monitoring Committee
Ninik Herlani Masli Ridhwan	Independent Commissioner	Duties and responsibilities as: a. Chairman of the Audit Committee b. Chairman of the Remuneration and Nomination Committee
Irwan Mahjudin Habsjah	Independent Commissioner	Duties and responsibilities as: a. Chairman of the Risk Monitoring Committee b. Chairman of the Integrated Governance Committee
Edmund Tondobala	Independent Commissioner	Duties and responsibilities as : a. member of the Audit Committee b. Member of the Integrated Governance Committee

Plans and Realization of 2020 Work Plan

In 2020, the Board of Commissioners actively supervised the management and operations of the Bank, and provided advice to the Board of Directors.

The Board of Commissioners continued to monitor the implementation of corporate governance in all Bank activities. The board's supervision focused on achieving business targets and took into account prudent risk management and regulatory compliance. Supervision was performed directly through the monitoring of the action plan on the Board of Commissioners recommendations to the Board of Directors, as well as through the established committees.

Throughout 2020, the Board of Commissioners supervised on the strategic aspect of the Bank on the following:

1. Financial performance reviews of the Bank and its Subsidiaries.
2. Through the Risk Monitoring Committee, reviews were carried out of the Bank's risk management, the adequacy of the internal control system, and the implementation of a culture of compliance.
3. Ensuring that the Board of Directors has followed up the findings of the Internal Audit and External Audit, as well as the recommendations of the Internal Audit through the Audit Committee.

4. The Board of Commissioners approved the recommendations of the Nomination and Remuneration Committee in relation to determining the remuneration of the members of the Board of Commissioners and the Board of Directors.
5. Approval of the revision of the Bank's Business Plans (RBB) 2020-2022.
6. Review and approval of the Bank's Business Plans (RBB) 2021-2023 and the Sustainable Finance Action Plan (RAKB).
7. Monitoring of the implementation of Integrated Corporate Governance and Risk Management.
8. Approval of the Board of Commissioners in connection with the Annual Work Plan of the Audit Committee and the Risk Monitoring Committee.
9. The Board of Commissioners monitors the implementation of governance and compliance with the applicable regulations including financial ratios, Bank soundness levels - RBBR, APU PPT implementation, and risk management

Disclosure of Share Ownership

In accordance with the Financial Services Authority Regulations and the Corporate Governance Policy in relation to the Share Ownership Report or any Changes to the Share Ownership of the Board of Commissioners did not conduct any BTPN share purchase transactions in 2020.



The following table shows the share ownership of the members of the Board of Commissioners as of 31 December 2020:

Name	Position	Number of Shares	Percentage
Chow Ying Hoong	President Commissioner	-	0.00
Takeshi Kimoto	Commissioner	-	0.00
Ninik Herlani Masli Ridhwan	Independent Commissioner	-	0.00
Irwan Mahjudin Habsjah	Independent Commissioner	-	0.00
Edmund Tondobala	Independent Commissioner	-	0.00

Orientation for the Board of Commissioners

BTPN ensures that each newly appointed member of the Board of Commissioners will receive the necessary information related to the Company in order to perform his or her duties and responsibilities, and that the Corporate Secretary is assigned to provide the required information to the members of the Board of Commissioners.

Assessment of the Committees Under the Board of Commissioners and the Basis of the Assessment

During 2020, the committees under the supervision of the Board of Commissioners carried out their supervisory duties appropriately through regular meetings with the Board of Commissioners, and visiting branch offices to ensure the implementation of compliance, accountability, and governance.

The performance assessment of the committees under the Board of Commissioners is carried out through a self-assessment by each committee member, which is summarized quantitatively.

INDEPENDENT COMMISSIONERS

Number of Independent Commissioners

In 2020, the number of Independent Commissioners is 3 (three) out of a total of 5 (five) Commissioners. Thus, the number of Independent Commissioners complies to the provision set forth by the Financial Services Authority (OJK), a minimum of 50% of the total number of members of the Board of Commissioners.

Criteria for Independent Commissioners

In performing the duties and responsibilities of the Board of Commissioners, the role of the Independent Commissioners is very important, specifically in their monitoring function over the performance of the Board of Directors, preventing the conflict of interests as well as in enhancing independence and objectivity.

The Independent Commissioners are obligated to fulfill, among others, the following requirements:

1. Has no relations in terms of financial, management and share ownership and/or family relations with members of the Board of Commissioners, the Board of Directors and/or the controlling shareholders, which may affect their ability to act independently.
2. Is not a person who works or has authority and responsibility to plan, lead, control, or monitor the Bank's activities within the last 1 (one) year, unless to be reappointed as Independent Commissioner for the following term of office;
3. Has no share, directly or indirectly with the Bank;
4. Has no affiliation with the Bank, members of the Board of Commissioners, members of the Board of Directors, or major shareholders of the Bank; and
5. Has no business relations, directly or indirectly, associated with business activities of the Bank.

Independency of Independent Commissioners

In accordance with the OJK Regulation No. 33/POJK.04/2014 regarding the Board of Directors and the Board of Commissioners of Issuers or Public Companies, Independent Commissioners are members of the Board of Commissioners from outside of the Issuer or Public Company and meet the requirements to act as Independent Commissioners

Aspect of Independency	Ninik Herlani Masli Ridhwan	Irwan Mahjudin Habsjah	Edmund Tondobala
No ownership of shares, directly or indirectly, of the Bank	✓	✓	✓
No direct or indirect business relations associated with the Bank's business activities	✓	✓	✓
No concurrent positions as: in the Board of Directors or as Executive Officer who conducts supervision	✓	✓	✓
No family ties up to the second degree with other members of the Board of Commissioners and/or the Board of Directors	✓	✓	✓

BOARD OF DIRECTORS

The Board of Directors is an important organ in corporate governance, preserving the full responsibility to manage the Bank, in accordance with the purpose and objectives of the Bank. Such authority is used for the interest and achievement of the Bank's objectives. This is in line with the provisions set forth by the regulation that the Board of Directors may represent the Bank, from inside or outside of the courts as stipulated in the Articles of Association.

Each member of the Board of Directors carries out the duties in accordance with the assigned tasks and authority. The purpose is to obtain effectiveness of the management and achieving maximum results. The Board of Directors of Bank BTPN always highly uphold the importance of professional attitude, objectiveness, strategic thinking and prioritizing the interests of the Bank.

Legal Basis

The legal basis of the presence of a Board of Directors within the company's organization, is based on a number of prevailing regulations. Among others is the Law No. 40 of 2007 on Limited Liability Companies and the Financial Services Authority Regulation No. 33/POJK.04/2014 on the Board of Directors and the Board of Commissioners of Issuers or Public Companies, including the Company's Articles of Association.

In addition, the Bank also refers to OJK Regulation No. 55/POJK.03/2016 on the Implementation of Governance for Commercial Banks. The regulation stipulates that the Board of Directors is responsible for the management of the Bank. For this reason, the Board of Directors is obligated to apply the principles of good governance in each implementation of the Bank's business activity at all levels or paths of the organization.

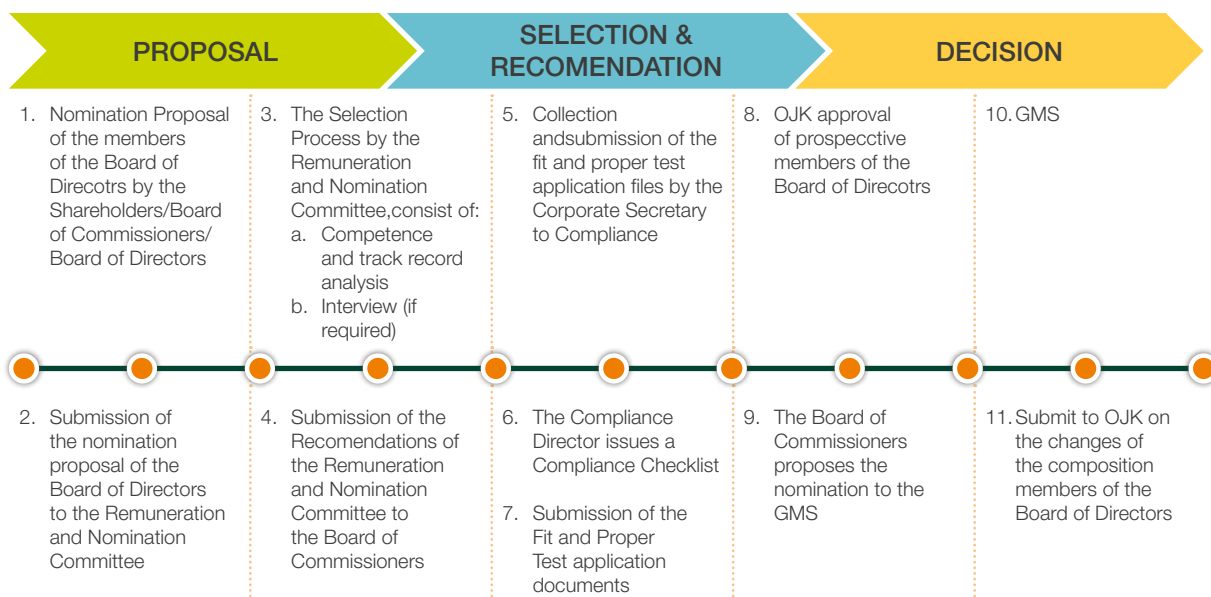
Appointment Procedure

The nomination policy of members of the Board of Directors is executed in the event of selecting and/or replacing members of the Board of Directors which is then disclosed at the General Meeting of Shareholders. The candidate selection process is carried out by the Remuneration and Nomination Committee. The Committee weighs the competency, professional experience as well as the diversity of the composition regardless of race, ethnicity, gender and religion.

The Remuneration and Nomination Committee proposes the selected candidates to the Board of Commissioners for approval and ratification at the General Meeting of Shareholders. Nevertheless, the candidates must pass the Fit and Proper Test prior to begin executing their duties. The Bank Management is obligated to fulfill the requirements of integrity, competency and financial reputation. As of 31 December 2020, all members of the Board of Directors have fulfilled the requirements to pass the fit and proper assessment.



The following diagram outlines the flow of the nomination process of members of the Board of Directors:



Criteria for the Board of Directors

Establishing the criteria for the Board of Directors, among others, refers to the OJK Regulation No. 33/POJK.04/2014 on the Board of Directors and the Board of Commissioners of Issuers or Public Companies.

Upon appointment, the Board of Directors must at least meet several requirements, namely as follows:

1. Good character with high moral values and integrity
2. Competent in legal actions
3. Within the last 5 (five) years prior to the appointment and during the term of office:
 - a. Has not been declared bankrupt
 - b. Has never been a member of the Board of Directors and/or member of the Board of Commissioners charged guilty of actions causing a company to be declared bankrupt
 - c. Has never been convicted and penalized for a crime that caused the state's financial loss and/or that is related to the financial sector
 - d. Has never been a member of the Board of Directors and/or member of the Board of Commissioners while in term of office:
 - did not conduct annual GMS
 - has had his or her accountability as member of the Board of Directors and/or member of the Board of Commissioners not accepted by the GMS or has failed to submit his or her accountability as a member of the Board of Directors and/or member of the Board of Commissioners to the GMS
 - has caused a company, which has received the permit, approval or registration from the Financial Services Authority, yet did not fulfill the obligation to submit annual report and/or financial statements to the Financial Services Authority.

4. Possesses the commitment to comply with the laws and regulations.
5. Possesses the knowledge and/or expertise in the fields required by the Issuer or Public Company.

Fulfilling such requirements is mandatory to be included in a statement letter and disclosed to the Bank. The Bank is then obligated to review further and document it.

Independency of the Board of Directors

Establishing the composition of the Board of Directors is carried out by taking into account the needs and complexity of the Bank. The composition of the Board of Directors is based on banking knowledge, expertise, professional experience, background to enforce the effectiveness of the duties carried out by the Board of Directors regardless of gender, ethnicity, race and religion. The Board of Directors of BTPN consists of 10 members, whereas 3 (three) members are women.

In line with that, Bank BTPN is in compliance with the prevailing laws and regulations related to the independency of the Board of Directors:

- Members of the Board of Directors of Bank BTPN has fulfilled the criteria and independency in accordance with the provisions of the regulator, among which it states the President Director's status as an independent party.
- The replacement and appointment of members of the Board of Directors has taken into account the recommendations of the Remuneration and Nomination Committee.

- Each member of the Board of Directors has no family relations up to second degree with other members of the Board of Directors and/or members of the Board of Commissioners.
- Members of the Board of Directors have no concurrent positions as stipulated in the provisions set forth under OJK Regulation.

Members of the Board of Directors of the Company have signed the statement regarding Corporate Governance at the time the fit and proper test was taken. The statement is always updated annually, and the last was for the position at the end of December 2020.

Board Manual of the Board of Directors

In executing their duties and responsibilities, members of the Board of Directors refers to the Board Manual. The Manual is periodically updated and enhanced in line

with prevailing regulations and provisions. The Manual of the Board of Directors was last reviewed on 18 December 2020 . Based on the the result of review, the content of the Board Manual is as follows:

1. Organization
2. Independency
3. Duties and Responsibilities of the Board of Directors
4. Function of the President Director
5. Director of Compliance
6. Ethical Values of Members of the Board of Directors
7. Meetings
8. Relations with Stakeholders
9. Training

Composition of the Board of Directors

Based on the resolutions of the Annual GMS dated 23 April 2020 and Extraordinary GMS dated 18 November 2020, a change to the composition of the Board of Directors with occurred as follows:

BEFORE ANNUAL GMS 23 APRIL 2020

Name	Position	Term of Office
Ongki Wanadjati Dana	President Director	2019-2022
Kazuhisa Miyagawa	Deputy President Director	2019-2022
Dini Herdini	Compliance Director (Independent)	2019-2022
Yasuhiro Daikoku	Director	2019-2022
Henoch Munandar	Director	2019-2022
Adrianus Dani Prabawa	Director	2019-2022
Hiromichi Kubo	Director	2019-2022
Merisa Darwis	Director	2019-2022
Hanna Tantani	Director	2019-2022

AFTER ANNUAL GMS 23 APRIL 2020

Name	Position	Term of Office
Ongki Wanadjati Dana	President Director	2019-2022
Kazuhisa Miyagawa	Deputy President Director	2019-2022
Darmadi Sutanto	Deputy President Director*	2019-2022
Dini Herdini	Compliance Director	2019-2022
Yasuhiro Daikoku	Director	2019-2022
Henoch Munandar	Director	2019-2022
Adrianus Dani Prabawa	Director	2019-2022
Hiromichi Kubo	Director	2019-2022
Merisa Darwis	Director	2019-2022
Hanna Tantani	Director	2019-2022

*) Darmadi Sutanto has been appointed as Deputy President Director by Annual GMS on 23 April 2020, and effectively assumes the office as of 14 May 2020 after obtaining approval of fit and proper test from the Financial Services Authority



AFTER EXTRAORDINARY GMS 18 NOVEMBER 2020

Name	Position	Term of Office
Ongki Wanadjati Dana	President Director	2019-2022
Kaoru Furuya	Deputy President Director*	2020-2022
Darmadi Sutanto	Deputy President Director	2019-2022
Dini Herdini	Compliance Director	2019-2022
Yosuihiro Daikoku	Director	2019-2022
Hanoch Munandar	Director	2019-2022
Adrianus Dani Prabawa	Director	2019-2022
Hiromichi Kubo	Director	2019-2022
Marisa Darwis	Director	2019-2022
Hanna Tantani	Director	2019-2022

*) Kaoru Furuya has been appointed as Deputy President Director by the Extraordinary GMS on 18 November 2020, and effectively assumes the office as of 4 January 2021 after obtaining the completed working permit from the Ministry of Manpower of the Republic of Indonesia.

Duties and Responsibilities of Each Member of the Board of Directors

In general, the Board of Directors has the duties and responsibilities, among others, as follows:

1. The Board of Directors takes full responsibility for the management of the Bank.
2. The Board of Directors manages the Bank in line with its authority and responsibilities as stipulated in the Articles of Association, and prevailing laws and regulations.
3. The Board of Directors is obligated to implement the principles of corporate governance in each of the Bank's business activity at all levels or paths in the organization.
4. The Board of Directors is obligated to follow up on audit findings and recommendations from the Internal Audit unit, external auditors, supervision results of the Financial Services Authority and/or supervision results of other authorities.

Specifically, each member of the Board of Directors is assigned with duties, details are explained in the table below:

Title	Roles and Responsibilities
President Director	<p>To coordinate and generally supervise roles & responsibilities of all members of the Board of Directors.</p> <p>To specifically supervise:</p> <ol style="list-style-type: none"> a. Deputy President Directors supervising Corporate Banking b. Deputy President Directors supervising Retail Banking c. Director supervising Corporate Banking Japanese d. Director supervising Wholesale Banking e. Treasury Director f. Operation Director g. Risk Management Director h. Legal & Compliance Director i. Finance Director j. Head of Human Capital k. Head of Internal Audit l. Head of Information Technology <p>Coordinator of Integrated Governance within Financial Conglomerate of SMBC Group.</p>
Deputy President Director	<p>To coordinate and generally supervise roles & responsibilities of:</p> <ol style="list-style-type: none"> a. Director supervising of Corporate Banking (Japanese) b. Director supervising of Wholesale Banking c. Treasury Director <p>To specifically supervise:</p> <ol style="list-style-type: none"> a. Credit Risk Division: <ul style="list-style-type: none"> • Credit • Loan • Transaction Legal • Commercial Banking Credit Risk • Credit Planning

Title	Roles and Responsibilities
Deputy President Director	<p>To specifically supervise:</p> <ul style="list-style-type: none"> a. Head of Retail Lending Business <ul style="list-style-type: none"> - Sales Distribution Pension Business 1 - Sales Distribution Pension Business 2 - Sales Distribution Pension Business 3 - Payroll Loan RLB - Strategic Partnership & Relationship Management Pension Business - Product & Sales Management RLB - Business Solution & Customer Experience RLB - Business Risk RLB b. Head of Wealth Management Business <ul style="list-style-type: none"> - Sales Management WMB - Liabilities & Digital Management WMB - Wealth Product Management WMB - Customer Experience WMB - Network & Distribution WMB c. Head of Digital Banking <ul style="list-style-type: none"> - Digital Banking Acquisition, Service & Marketing JENIUS - Digital Banking Solution - Digital Banking Consumer Product JENIUS - Digital Banking Business Product JENIUS - Digital Banking Business Performance & Customer Value Management - Digital Banking Partnership JENIUS - Digital Banking Lending Business Product BTPN Wow! - Digital Banking Sales Management BTPN Wow! - Digital Banking Product & Customer Experience BTPN Wow! d. Retail Banking Risk e. Micro Business Banking f. Retail Banking Analytics, Business Planning & Credit Policy g. Retail Banking Business Management
Compliance Director	<p>To specifically supervise:</p> <ul style="list-style-type: none"> a. AML&CFT b. Compliance c. Corporate Secretary d. Legal & Litigation e. Corporate Communication & DAYA <p>Supervise the function of Integrated Governance and Compliance.</p>
Japanese Corporate Banking Director	<p>To specifically supervise:</p> <ul style="list-style-type: none"> a. Corporate Banking 2 b. Corporate Banking 3 c. Corporate Banking 4 d. Corporate Banking 5 e. KYC Onboarding f. Corporate Banking Business Planning
Wholesale Banking Director	<p>To specifically supervise:</p> <ul style="list-style-type: none"> a. Head of Wholesale Banking b. Commercial Banking c. Transaction Banking & Supply Chain
Risk Management Director	<p>To specifically supervise:</p> <ul style="list-style-type: none"> a. Portfolio Management & Policy b. Anti-Fraud Management c. Operational Risk Management d. Market & Liquidity Risk Management e. Risk Management Planning <p>Supervise the function of Integrated Risk Management.</p>
Operations Director	<p>To specifically supervise:</p> <ul style="list-style-type: none"> a. Customer Experience Center b. Branch Banking c. Operations Transaction Center d. Reporting, Settlement & Access Management e. Operations Control Assurance f. Operations Development g. General Services
Treasury Director	To specifically supervise the Deputy Head of Treasury
Finance Director	<p>To specifically supervise:</p> <ul style="list-style-type: none"> a. Planning and Deputy of Chief Financial Officer b. Financial Control c. Finance Technology & Operations d. Alignment & Synergy



Orientation for New Members of the Board of Directors

The President Director ensures that newly appointed members of the Board of Directors shall be provided with information related to the Bank required for them to perform their tasks and responsibilities. While the Corporate Secretary is assigned to provide the necessary information to the Board of Directors.

Plans and Realization of 2020 Work Program

In carrying out its duties, the Board of Directors holds regular meetings to discuss strategic matters that require the consideration and approval of the Board of Directors.

Throughout 2019, the Board of Directors meetings discussed the following:

1. Financial performance monitoring of the Bank and its Subsidiaries.
2. Performance evaluation of the business units against the established targets.
3. Review of information technology (IT) implementation and the Bank's operations, as well as initiatives in IT and operations.

4. Approval of the strategic plans of the Business Units and the Supporting Units.
5. Approval of the realization of promotion and employee salary adjustment in 2020
6. Review of the implementation of risk management, compliance, and internal control, as well as monitoring the implementation of the Anti-Money Laundering and Prevention of Terrorist Funding (APU & PPT) policy, including a review of the rules/regulations of the regulator and their impact on the Bank.
7. Monitoring the follow-ups of audit findings made by Internal and External Audit, as well as supervision of results from OJK and other authorities.
8. Review on internal fraud and the whistleblowing system, and the follow-up efforts.
9. Approval of the Bank Business Plans (RBB) 2021-2023 and the Sustainable Finance Action Plan (RAKB).

Disclosure of Share Ownership

In line with regulator's mandate that the Board of Directors must disclose its ownership of the Bank, thus the following are the details:

Name	Number of Shares	Percentage	Positions
Onghi Wanadjati Dana	0	0.00	President Director
Darmadi Sutanto	0	0.00	Deputy President Director
Kaoru Furuya	0	0.00	Deputy President Director*
Dini Herdini	0	0.00	Compliance Director
Yasuhiro Daikoku	0	0.00	Director
Henoch Munandar	0	0.00	Director
Adrianus Dani Prabawa	0	0.00	Director
Hiromichi Kubo	0	0.00	Director
Merisa Darwis	0	0.00	Director
Hanna Tantani	0	0.00	Director

*) Kaoru Furuya has been appointed as Deputy President Director by the Extraordinary GMS on 18 November 2020, and effectively assumes the office as of 4 January 2021 after obtaining the completed working permit from the Ministry of Manpower of the Republic of Indonesia.

Succession of the Board of Directors

Through the talent management process and succession planning, Human Capital facilitates the policy on the succession of the Board of Directors. In this respect, assessment is conducted on the availability of candidate-members of the Board of Directors and their future development potential. Implementation of succession is carried out through identification of executive officers with the potentials. Each member of the Board of Directors proposes his or her replacement who will then be assessed by the Remuneration and Nomination Committee.

Assessment of Committees Under the Board of Directors and the Basis of Assessment

During 2020, the committees under the supervision of the Board of Directors were actively involved in supporting the implementation of the Board of Directors' duties by ensuring the follow up of all key strategies and initiatives.

DIVERSITY IN THE COMPOSITION OF THE BOARD OF COMMISSIONERS AND THE BOARD OF DIRECTORS

The policy on the diversity in the composition of the Board of Commissioners and the Board of Directors applied at the Bank refers to the Circular Letter of the Financial Services Authority No. 32/ SEOJK.04/2015 on the Integrated Corporate Governance Guidelines. For this reason, the appointment of the Board of Commissioners and the Board of Director takes into account the diversity factor.

The diversity in the Board of Commissioners is reflected in determining the expertise, knowledge, and experience needed for the implementation of monitoring duties and extending advices by the Bank's Board of Commissioners. The composition which has taken into account the needs of a Public Company is a positive significance, specifically which relates to decision-making as part of the supervisory function carried out by considering a wider range of aspects.

As also applicable with the Board of Commissioners, the diversity in the composition of the members of the Board of Directors is a combination of desired characters, both from the aspect of the organ of the Board of Directors as well as the individual member of the Board of Directors, in line with the needs of the Bank. The combination is determined by means of considering the expertise, knowledge and experience appropriate with the assigned duties and job functions of the Board of Directors in achieving the Bank's objectives.

With consideration of the combined characteristics of the Board of Commissioners, this will impact the precision of the candidacy process and appointment of individual member of the Board of Directors or the Directors collegially. This also applies to the Board of Commissioners.

IMPLEMENTATION OF MEETINGS OF THE BOARD OF COMMISSIONERS AND THE BOARD OF DIRECTORS

Meetings of the Board of Commissioners

Policy

Meeting policy is stated in the Board Manual of the Board of Commissioners, among others are as follows:

1. Meetings of the Board of Commissioners are compulsory to be held periodically at least 1 (one) time every 2 (two) months.
2. Meetings of the Board of Commissioners are compulsory to be attended by all members of the Board of Commissioners in person at least 2 (two) times a year.
3. The Board of Commissioners is obligated to organize joint meetings with the Board of Directors periodically at least 1 (one) time every 4 (four) months.
4. The Board of Commissioners must schedule the following year's meetings before the end of the fiscal year.
5. Meetings of the Board of Commissioners are chaired by the President Commissioner or, if not available, by another Commissioner appointed in the meeting.
6. Decision-making in the meetings of the Board of Commissioners is based on deliberation and consensus.
7. In the event that a consensus cannot be reached, the decision is based on a majority vote.
8. Any decision that is legally determined at the meetings of the Board of Commissioners applies to all members of the Board of Commissioners.
9. Dissenting opinions occurring in the meetings of the Board of Commissioners and the reasons behind must be clearly recorded in the minutes of the meeting.

CHARACTERISTICS OF THE COMPOSITION DIVERSITY OF THE BOARD OF COMMISSIONERS AND THE BOARD OF DIRECTORS

Aspect of Diversity	Board of Commissioners	Board of Directors
Citizenship	<ul style="list-style-type: none"> Indonesian Singaporean Japanese 	<ul style="list-style-type: none"> Indonesian Japanese
Education	<ul style="list-style-type: none"> Field of Economics Field of Financial Management Field of Monetary 	<ul style="list-style-type: none"> Field of Economics Field of Financial Management Field of Law
Work Experience	<ul style="list-style-type: none"> Banking Practitioner Auditor 	<ul style="list-style-type: none"> International Banking Risk Management Financial Executive
Gender	<ul style="list-style-type: none"> 1 Female 4 Male 	<ul style="list-style-type: none"> 3 Female 7 Male



FREQUENCY AND ATTENDANCE OF MEETINGS OF THE BOARD OF COMMISSIONERS

Name of Commissioner	Number of Meetings of the Board of Commissioners	Percentage of Attendance	Number of Joint-Meetings of the Board of Commissioners and the Board of Directors	Percentage of Attendance
Mari Elka Pangestu	2	50%	2	50%
Chow Ying Hoong	6	100%	7	100%
Takeshi Kimoto	6	100%	7	100%
Ninik Herlani Masli Ridhwan	6	100%	7	100%
Irwan Mahjudin Habsjah	6	100%	7	100%
Edmund Tondobala	1	0%	1	100%

AGENDA OF THE MEETINGS OF THE BOARD OF COMMISSIONERS

MoM Registration Numbers	Date of Meeting	Agenda
MOM.0001/BOC/I/2020	30-Jan-20	1. Q4/2019 Audit Committee Report 2. Q4/2019 Risk Monitoring Committee Report 3. Q4/2019 Remuneration & Nomination Committee Report 4. 2H/2019 Integrated Governance Committee Report
MOM.0002/BOC/IV/2020	16-Apr-20	1. Q1/2020 Audit Committee Report 2. Q1/2020 Risk Monitoring Committee Report 3. Q1/2020 Remuneration & Nomination Committee Report
MOM.0003/BOC/VI/2020	24-Jun-20	1. Audit Committee Report - Update on the Bank Management Responses towards SMBC IAD overdue ACR 2. Report on Self-Review towards the Performance of Remuneration and Nomination Committee and Audit Committee and Risk Monitoring Committee
MOM.0004/BOC/VII/2020	30-Jul-20	1. Q2/2020 Audit Committee Report 2. Q2/2020 Risk Monitoring Committee Report 3. Q2/2020 Remuneration & Nomination Committee Report 4. 1H2020 Integrated Governance Committee Update
MOM.0005/BOC/X/2020	23-Oct-20	1. Q3/2020 Audit Committee Report 2. Q3/2020 Risk Monitoring Committee Report 3. Q3/2020 Remuneration & Nomination Committee Report
MOM.0006/BOC/XI/2020	23-Nov-20	1. Audit Committee working plan & agenda for year 2021 2. Risk Monitoring Committee working plan & agenda for year 2021

Meetings of the Board of Directors Policy

The meeting policy is stated in the Board Manual of the Board of Directors, among others, are as follows:

1. The Board of Directors is compulsory to hold regular meetings of the Board of Directors, at least 1 (one) time every month.
2. Meetings of the Board of Directors may proceed if attended or represented by the majority of the members of the Board of Directors.
3. The Board of Directors is compulsory to hold a joint-meeting of the Board of Directors with the Board of Commissioners at least 1 (one) time every 4 (four) months.
4. The Board of Directors must schedule the meetings for the following year before the end of the fiscal year.
5. Materials for scheduled meetings shall be delivered to the participants no later than five (5) days prior to each meeting.
6. In the event of a non-scheduled meeting, materials must be delivered at the latest before the meeting is held.
7. Each policy and strategic decision must be determined at the meeting of the Board of Directors by taking into account prevailing regulations.
8. The meetings of the Board of Directors are chaired by the President Director, or in the event that the President Director is not available, another Director is appointed at the meeting.
9. Decisions to be taken at the Board of Directors meetings are carried out through consensus.
10. In the event that deliberation and consensus is not possible, decision-making is done through a majority vote.
11. All decisions made legally at the meetings of the Board of Directors are binding for all members of the Board of Directors.
12. Dissenting opinions occurring at a meeting of the Board of Directors shall be clearly recorded in the minutes of the meeting along with their reasons.

FREQUENCY AND ATTENDANCE OF MEETINGS OF THE BOARD OF DIRECTORS DURING THE YEAR 2020

Name of Members of the Board of Directors	Number of Meetings of the Board of Directors	Percentage of Attendance	Number of Joint-Meetings of the Board of Directors and the Board of Commissioners	Percentage of Attendance
Ongki Wanadjati Dana	49	96	7	100
Kazuhisa Miyagawa	46	98	6	100
Darmadi Sutanto	26	96	4	75
Kaoru Furuya*	3	67	1	0
Dini Herdini	49	100	7	100
Yasuhiro Daikoku	49	100	7	100
Henoch Munandar	49	92	7	100
Adrianus Dani Prabawa	49	94	7	100
Hiromichi Kubo	49	96	7	100
Merisa Darwis	49	100	7	86
Hanna Tantani	49	96	7	100

*) Kaoru Furuya has been appointed as Deputy President Director by the Extraordinary GMS on 18 November 2020, and effectively assumes the office as of 4 January 2021 after obtaining the completed working permit from the Ministry of Manpower of the Republic of Indonesia

AGENDA OF MEETINGS OF THE BOARD OF DIRECTORS

MoM Registration Numbers	Date of Meeting	Agenda
MOM.0001/BOD/I/2020	07-Jan-20	<ol style="list-style-type: none"> 2020 BOD Meeting Standing Agenda Financial Performance YTD December 2019 BDD Insurance Update Governance Update AMDK Usage Evaluation
MOM.0002/BOD/I/2020	14-Jan-20	<ol style="list-style-type: none"> SOX Update Bank Financial Digital Banking Update Business Banking Update Governance Update Cross LOB Collaboration Campaign
MOM.0003/BOD/I/2020	21-Jan-20	<ol style="list-style-type: none"> Retail Lending Business Update Wealth Management Business Update Q4 2019 Operations Update PSAK 73 Impact Q4 2019 Compliance and AML Update Treasury Update
MOM.0004/BOD/I/2020	28-Jan-20	<ol style="list-style-type: none"> HC Update Pending Items GLAO Socialization Update Business Plan Realization Report for position Q4 2019 Segmental Reporting KCP KCU Update Corporate Banking Japanese Group Update Wholesale Banking Group Update Governance Update Sinaya Prioritas Logo Proposal
MOM.0005/BOD/II/2020	10-Feb-20	<ol style="list-style-type: none"> The Composition of BOD and changes in the AoA of BTPN Sharia Mid-Term Plan Update BDD Discussions
MOM.0006/BOD/II/2020	11-Feb-20	<ol style="list-style-type: none"> Pending Items Financial Performance YTD Januari 2020 Internal Audit Update FX Underlying Document Handling EVP and BTPN Anniversary Update & LED FX Evaluation Corona Issue
MOM.0007/BOD/II/2020	18-Feb-20	<ol style="list-style-type: none"> Pending Items Segmentation Reporting Fraud Management Update Treasury Update Governance Update CFT Monthly Report



AGENDA OF MEETINGS OF THE BOARD OF DIRECTORS

MoM Registration Numbers	Date of Meeting	Agenda
MOM.0008/BOD/II/2020	25-Feb-20	1. Group Audit Updates
MOM.0009/BOD/II/2020	25-Feb-20	1. SOX Update 2. Governance Update 3. CFT Monthly Report
MOM.0010/BOD/III/2020	03-Mar-20	1. HC Operating Model 2. KUT and KPKM Update 3. Retail Risk Case Update 4. COVID-19 Handling 5. PMO Handed Over Items
MOM.0011/BOD/III/2020	10-Mar-20	1. Updates on Prepaid Insurance (BDD) 2. BOD discussion on BDD
MOM.0012/BOD/III/2020	10-Mar-20	1. Financial Performance YTD February 2019 2. Governance Update 3. COVID-19 Handling
MOM.0013/BOD/III/2020	16-Mar-20	1. COVID-19 Handling
MOM.0014/BOD/III/2020	17-Mar-20	1. December 2019 Financial Results 2. Updates on BDD
MOM.0015/BOD/III/2020	17-Mar-20	1. COVID-19 Handling
MOM.0016/BOD/III/2020	20-Mar-20	1. Updates on the accounting treatment for Kredit Pintar
MOM.0017/BOD/III/2020	24-Mar-20	1. SOX Update 2. Treasury Update 3. Governance Update 4. COVID-19 Handling
MOM.0018/BOD/IV/2020	07-Apr-20	1. March 2020 Financial Results 2. Internal Audit Update 3. Human Capital Update 4. Governance Update 5. COVID-19 Handling
MOM.0019/BOD/IV/2020	14-Apr-20	1. Financial Performance YTD March 2020 2. Business Banking Update 3. Digital Banking Business Update 4. Governance Update 5. COVID-19 Handling 6. Remediation of Insurance Premium Payment and Amortization
MOM.0020/BOD/IV/2020	21-Apr-20	1. Strategic Cost Management 2. Corporate Banking Japanese Update 3. Wholesale Banking Group Update 4. Q1 2020 Compliance & AML Update 5. CFT Monthly Reporting
MOM.0021/BOD/IV/2020	28-Apr-20	1. Finance Update on SOX and KPMG Audit 2. Treasury Update 3. Q1 2020 Operations Update 4. Retail Lending Business Update 5. Wealth Management Business Update 6. Governance Update 7. COVID-19 Update
MOM.0022/BOD/IV/2020	05-May-20	1. Updates on Organization Structure 2. AML Action Plan Progress Update 3. COVID-19 Update
MOM.0023/BOD/V/2020	12-May-20	1. SOX Update 2. Financial Performance Update YTD April 2020 3. Revision RBB 2020 Bank-wide Key Assumptions 4. Governance Update 5. BTPN COVID-19 Navigator 6. COVID-19 Update
MOM.0024/BOD/V/2020	19-May-20	1. Treasury Update 2. IICD Presentation - Overview of ASEAN CG Scorecard 3. Settlement of PUR Insurance GL's (SP1) 4. Proposal on Core Banking Consolidation Project 5. Strategic Cost Management

AGENDA OF MEETINGS OF THE BOARD OF DIRECTORS

MoM Registration Numbers	Date of Meeting	Agenda
MOM.0025/BOD/VI/2020	02-Jun-20	<ol style="list-style-type: none"> 1. RACI Project (Delegation of Authority) 2. COVID-19 Handling 3. Retail Risk - Mule Account Case Update 4. KPI BOD 2020 5. Project Utara
MOM.0026/BOD/VI/2020	10-Jun-20	<ol style="list-style-type: none"> 1. RBB Second Draft Discussion
MOM.0027/BOD/VI/2020	16-Jun-20	<ol style="list-style-type: none"> 1. Financial Performance YTD May 2020 2. Governance Update 3. PMO Handed Over Items Update 4. TD Transaction to Bank Indonesia Incident 5. COVID-19 Handling
MOM.0028/BOD/VI/2020	23-Jun-20	<ol style="list-style-type: none"> 1. SOX Update Status 2. RBB Revision FY 2020 for BOD Approval 3. Treasury Update 4. Governance Update
MOM.0029/BOD/VI/2020	30-Jun-20	<ol style="list-style-type: none"> 1. Change of Tenor in Health Insurance 2. Review of Business Strategy and Operating Model 3. Updates on RACI Project
MOM.0030/BOD/VII/2020	07-Jul-20	<ol style="list-style-type: none"> 1. GL Control and Governance & SOX Update 2. Governance Update 3. COVID-19 Handling 4. Advice and Approval for Commitment to OJK fulfillment regarding PT Rattancraft Indonesia
MOM.0031/BOD/VII/2020	14-Jul-20	<ol style="list-style-type: none"> 1. Finance Update on SOX and KPMG Audit <ol style="list-style-type: none"> a. Financial Performance YTD June 2020 b. Strategic Cost Management 2. Business Banking Update 3. Internal Audit Update 4. Governance Update 5. COVID-19 Handling
MOM.0032/BOD/VII/2020	21-Jul-20	<ol style="list-style-type: none"> 1. HC Update 2. Governance Update 3. Sinaya Digital Apps
MOM.0033/BOD/VII/2020	28-Jul-20	<ol style="list-style-type: none"> 1. Q2 2020 Operations Update 2. Q2 2020 Compliance, AML & Legal Update 3. Corporate Banking Japanese Group Update 4. Wholesale Banking Group Update 5. Treasury Update 6. Retail Lending Business Update 7. Wealth Management Business Update 8. COVID-19 Handling
MOM.0034/BOD/VII/2020	04-Aug-20	<ol style="list-style-type: none"> 1. Digital Banking Update 2. Governance Update 3. Proposal on Measurement of BTPN Impact to Indonesia 4. DOLFIN Project 5. COVID-19 Handling 6. Review of Business Strategy and Operating Model
MOM.0035/BOD/VIII/2020	11-Aug-20	<ol style="list-style-type: none"> 1. SOX Update 2. Financial Performance YTD July 2020 3. LCS Update 4. COVID-19 Handling 5. Governance Update: D&O Insurance Liabilities
MOM.0036/BOD/VIII/2020	18-Aug-20	<ol style="list-style-type: none"> 1. Treasury Update 2. COVID-19 Handling 3. Project Utara Update
MOM.0037/BOD/VIII/2020	25-Aug-20	<ol style="list-style-type: none"> 1. Governance Update: <ul style="list-style-type: none"> - Intellectual Property Rights of BTPN - Foster BTPN Collaboration with Group Companies in Indonesia 2. SOX Update



AGENDA OF MEETINGS OF THE BOARD OF DIRECTORS

MoM Registration Numbers	Date of Meeting	Agenda
MOM.0038/BOD/IX/2020	08-Sep-20	<ol style="list-style-type: none"> 1. Governance Update 2. Finance Update on SOX and KPMG Audit <ul style="list-style-type: none"> • Financial Performance YTD August 2020 • RBB Macro Assumptions 3. Qanun Project Update 4. Retail Lending Business Update <ul style="list-style-type: none"> • Qanun Project • Active Employee Portfolio 5. COVID-19 Handling
MOM.0039/BOD/IX/2020	15-Sep-20	<ol style="list-style-type: none"> 1. Digital Banking Update* 2. Internal Audit Update 3. Governance Update <ul style="list-style-type: none"> • Liquidity Ratio • LCS Update 4. COVID-19 Handling 5. 2021 - 2023 RBB and MTP Update - LOB and Support Functions Presentation
MOM.0040/BOD/IX/2020	22-Sep-20	<ol style="list-style-type: none"> 1. SOX Update 2. Treasury Update 3. Governance Update
MOM.0041/BOD/IX/2020	29-Sep-20	<ol style="list-style-type: none"> 1. Update on GL 2. Governance Update 3. Update from Jenius : Admin Fee 4. COVID-19 Handling
MOM.0042/BOD/X/2020	06-Oct-20	<ol style="list-style-type: none"> 1. Governance Update 2. Update from Jenius : SGM Program 3. ATM Offsite Initiative 4. Human Capital Update 5. COVID-19 Handling
MOM.0043/BOD/X/2020	13-Oct-20	<ol style="list-style-type: none"> 1. Discussion on Pending Items 2. YTD September 2020 Financial Results & RBB Discussion 3. Business Banking Update 4. Governance Update 5. IT Task Force 6. COVID-19 Handling
MOM.0044/BOD/X/2020	20-Oct-20	<ol style="list-style-type: none"> 1. Discussion on Pending Items 2. Digital Banking Update 3. Wealth Management Business Update 4. Retail Lending Business Update 5. Outsourcing Management Framework 6. Medical Insurance Benefit - Health Insurance Tender
MOM.0045/BOD/XI/2020	03-Nov-20	<ol style="list-style-type: none"> 1. Discussion on Pending Items 2. Project Utara Update - Draft Work In Progress Cost Effectiveness Opportunities 3. Treasury Update 4. Corporate Banking Japanese Group Update 5. Wholesale Banking Group Update 6. Q3 Compliance & AML Update 7. Q3 Operations & GL Operation Update
MOM.0046/BOD/XI/2020	10-Nov-20	<ol style="list-style-type: none"> 1. Discussion on Pending Items 2. Finance: <ol style="list-style-type: none"> i. Financial Performance YTD October 2020 ii. Bank Business Plan ("RBB") 2021 – 2023 for BOD approval 3. Internal Audit Update 4. Governance Update
MOM.0047/BOD/XI/2020	24-Nov-20	<ol style="list-style-type: none"> 1. Discussion on Pending Items 2. SOX Update 3. GL Control and Governance 4. Treasury Update 5. BTPN DIGIFEST 6. H1 & Q3 Progress of Key Initiatives 7. Q3 CFT Update 8. Liquidity Reporting in APOLO
MOM.0048/BOD/XII/2020	08-Dec-20	<ol style="list-style-type: none"> 1. November 2020 Financial Results 2. Updates on DOLFIN Project
MOM.0049/BOD/XI/2020	15-Dec-20	<ol style="list-style-type: none"> 1. SOX Update 2. Treasury Update 3. Market Code of Conduct 4. Revision of AML Action Plans & Exceptional Handling

Implementation of Joint-Meetings of the Board of Commissioners and the Board of Directors

Meeting Schedule and agenda have been set for the joint-meetings of the Board of Commissioners and the Board of Directors. Meeting materials and minutes are distributed to the participants and appropriately documented.

The Board of Commissioners holds regular meeting with the Board of Directors as part of its effective supervisory functions over such aspects as strategy, finance, operations, internal control system, compliance, risk management and governance.

The meetings are attended, in person or via teleconference, by members of the Board of Commissioners. During the year 2020, Joint-Meetings of the Board of Commissioners and the Board of Directors were held 7 times.

The meetings' decision-making is carried out through deliberation and consensus. Throughout the year 2020, no dissenting opinion in the meetings' decisions were recorded.

Agenda of the Joint-Meetings of the Board of Commissioners and the Board of Directors

MoM Registration Numbers	Date	Agenda
MOM.0001/BOC-BOD/I/2020	30-Jan-20	<ol style="list-style-type: none"> 1) Report on GCG Self-Assessment as of December 2019 2) Update on Integrated Risk Management Committee 2H19 3) Financial Performance Report FY2019 4) Q4 2019 Risk Profile & AFM Update 5) Q4 2019 Compliance & AML Update
MOM.0002/BOC-BOD/III/2020	31-Mar-20	<ol style="list-style-type: none"> 1) COVID-19 Handling Update
MOM.0003/BOC-BOD/IV/2020	16-Apr-20	<ol style="list-style-type: none"> 1) Financial Performance Report for position March year 2020 2) COVID-19 Update 3) Report on Fraud Risk Management Update for Q1 2020
MOM.0004/BOC-BOD/VI/2020	24-Jun-20	<ol style="list-style-type: none"> 1) Bank Business Plan Revision FY2020 for BOC Approval 2) Updates on CASA Strategy 3) Management Response on Overdue ACR
MOM.0005/BOC-BOD/VII/2020	30-Jul-20	<ol style="list-style-type: none"> 1) Good Corporate Governance Self-Assessment as of June 2020 2) Financial Conglomeration Integrated Risk Profile and Capital Adequacy Ratio Report for year 2019 3) Report on Financial Performance For the Position as of June 2020 4) March 2020 Risk Profile and December 2019 RBBR and ICAAP Report & Anti Fraud Management Update 5) Report on Compliance and AML for position Q2 2020
MOM.0006/BOC-BOD/XI/2020	04-Nov-20	<ol style="list-style-type: none"> 1) Report on Financial Performance For the Position as of September 2020 2) Report on Compliance and AML for position Q3 2020
MOM.0007/BOC-BOD/XI/2020	23-Nov-20	<ol style="list-style-type: none"> 1) Bank Business Plan for year 2021-2023 for BOC Approval 2) SME Business Strategy Discussion 3) Report on BTPN Risk Profile for the position as of Q3 2020 4) BTPN COVID-19 Management Handling 5) BOD Talent Development and Remuneration Design Framework 6) Monitoring of BOC Committee Recommendation



AFFILIATION OF THE BOARD OF COMMISSIONERS, THE BOARD OF DIRECTORS, AND CONTROLLING SHAREHOLDERS

BOARD OF COMMISSIONERS

Name	Position	Family Relationship with			Financial Relationship with		
		Board of Commissioners	Board of Directors	Controlling Shareholders	Board of Commissioners	Board of Directors	Controlling Shareholders
Chow Ying Hoong	President Commissioner	√	√	√	√	√	√
Takeshi Kimoto	Commissioner	√	√	√	√	√	√
Ninik Herlani Masli Ridhwan	Commissioner (Independent)	√	√	√	√	√	√
Irwan Mahjudin Habsjah	Commissioner (Independent)	√	√	√	√	√	√
Edmund Tondobala	Commissioner (Independent)	√	√	√	√	√	√

BOARD OF DIRECTORS

Name	Position	Family Relationship with			Financial Relationship with		
		Board of Commissioners	Board of Directors	Controlling Shareholders	Board of Commissioners	Board of Directors	Controlling Shareholders
Ongki Wanadjati Dana	President Director	√	√	√	√	√	√
Darmadi Sutanto	Deputy President Director	√	√	√	√	√	√
Kazuhiya Miyagawa*	Deputy President Director	√	√	√	√	√	√
Dini Herdini	Compliance Director	√	√	√	√	√	√
Yasuhiro Daikoku	Director	√	√	√	√	√	√
Henoch Munandar	Director	√	√	√	√	√	√
Adrianus Dani Prabawa	Director	√	√	√	√	√	√
Hiromichi Kubo	Director	√	√	√	√	√	√
Merisa Darwis	Director	√	√	√	√	√	√
Hanna Tantani	Director	√	√	√	√	√	√

*) Kazuhiya Miyagawa has effectively resigned since November 18, 2020 and was replaced by Kaoru Furuya who became effective on January 4, 2021 after obtaining a complete work permit from the Ministry of Manpower of the Republic of Indonesia.

COMMITTEES UNDER THE BOARD OF COMMISSIONERS

Until the end of fiscal year 2020, there are four committees under the Board of Commissioners, namely the Audit Committee, the Remuneration and Nomination committee, the Risk Monitoring Committee and Integrated Governance Committee. Each committee is responsible for reviewing and monitoring based on the duties and responsibilities stipulated in their respective Committee Charter.

AUDIT COMMITTEE

The Audit Committee reports to the Board of Commissioners and established to support the implementation of the Board of Commissioners' duties related to financial information, internal control system, effectiveness of internal and external audits as well as the implementation of the Bank's governance.

Legal Basis

Establishing the Audit Committee in Banks is based on a number of regulations as follows:

1. Financial Services Authority Regulation No. 55/POJK.03/2016 dated 7 December 2016 on the Application of Governance for Commercial Banks and OJK Circular Letter No. 13/SEOJK.03/2017 dated 7 March 2017 on the Application of Governance for Commercial Banks.
2. Financial Services Authority Regulation No. 55/POJK.04/2015 dated 23 December 2015 on the Establishment and Work Implementation Guidelines of the Audit Committee.
3. Financial Services Authority Regulation No. 13/POJK.03/2017 dated 27 March 2017 on the Use of Public Accountant and Public Accountant Office Services in Financial Service Activities.
4. Financial Services Authority Regulation No. 1/POJK.03/2019 dated 28 January 2019 on the Implementation of Internal Audit Function in Commercial Banks.
5. The legal basis used in the establishment of the Audit Committee is the Good Corporate Governance Manual No. K.008/DIR/CCS/05/2019.

The Audit Committee Charter

In carrying out its duties and responsibilities, the Audit Committee has the Charter that assists the Committee to conducting its duties. The Guidelines, among others, regulates the implementation of: the organization, membership, independency, authority, work ethics, meetings, reporting responsibilities and term of office.

The Guidelines is reviewed periodically to ensure its coverage is in line with prevailing provisions and the Bank's business development. The latest review was approved by members of the Audit Committee on date 2 October 2020.

Duties and Responsibilities of the Audit Committee

Details of the duties and responsibilities of the Audit Committee in the Bank are as follows:

1. Prepare the annual work plan for approval by the Board of Commissioners.
2. Review financial information to be issued by the Bank such as financial statements, projections, as well as ensures that the financial statements are in accordance with the applicable accounting standards.
3. Analyze the Bank's compliance with the capital market regulations and other legislation related to Banking activities, including providing advice to the Board of Commissioners regarding potential conflicts of interest.
4. Analyze work plans and implementation of audits by Internal Audit.
5. Analyze the independence and objectivity of the Public Accounting Office ("KAP") and their compliance with the applicable audit standards.
6. Analyze the adequacy of the audits conducted by the KAP to ensure that all important risks are taken into account.
7. Monitor and evaluate the Board of Directors' follow-up of the findings of the Internal Audit and KAP, as well as of the supervision results of the Financial Services Authority, in order to provide recommendations to the Board of Commissioners.
8. Periodically report the results of meetings and activities of the Audit Committee to the Board of Commissioners

Independency of the Audit Committee

Referring to the Audit Committee Charter, members of the Committee must at least consist of 3 (three) independent members, comprising of an Independent Commissioner and an independent party or at the minimum includes the following:

1. An Independent Commissioner
2. An Independent Party with expertise in field of finance or accounting
3. An Independent Party with expertise in the field of law or banking.



Composition of Members of the Audit Committee

Name	Position	Date of Appointment
Ninik Herlani Masli Ridhwan Independent Commissioner	Chairman	1 Februari 2019
Edmund Tondobala Independent Commissioner	Member	18 November 2020
Kanaka Puradiredja Independen Party	Member	1 Februari 2019
Ivan Purnama Sanoesi Independen Party	Member	1 Februari 2019

Term of Office

Members of Audit Committee are appointed and terminated by the Board of Commissioners based on the Meeting resolution of the Board of Commissioners, which in further stipulated into Circular Resolution No PS/BOC/055/XII/2020.

Profile of the Audit Committee

A complete profile is presented in the "Profile of the Board of Commissioners & BOC Committee members" section contained in this Annual Report.

Meetings of the Audit Committee

Provisions related to meetings held by the Audit Committee are set forth for within the Bank as follows

- The Audit Committee holds meetings at least 1 (one) time every 3 (three) months.
- The Audit Committee meetings may only convene if attended by at least 51% of its members.
- Decisions at Committee meetings are based on consensus. In the event that a consensus cannot be reached, decisions are based on majority votes.
- Dissenting opinions, and their reasons, shall be clearly recorded in the minutes of Committee meetings.

FREQUENCY AND ATTENDANCE OF COMMITTEE AUDIT MEETINGS

Name of Members of the Audit Committee	Number of Meetings	Attendance	Percentage
Ninik Herlani Masli Ridhwan	29	29	100
Edmund Tondobala	1	1	100
Kanaka Puradiredja	29	29	100
Ivan Purnama Sanoesi	29	29	100

Implementation of Audit Committee's Activities in 2020

Throughout the year 2020, activities actualized by the Audit Committee are as follows:

- Financial Statement
 - Discuss and evaluate the Bank's 2019 financial statement
 - Monitor and evaluate the conformity of financial report with financial accounting standards
 - Monitor and evaluate the Bank's financial performance on a regular basis and conduct reviews on other financial information.
- External Audit
 - Discuss audit result of the Bank's financial report year 2019
 - Discuss external audit plan for 2020, audit approach, and methodology
 - Provide recommendations for the appointment of an external auditor.
 - Review and assess the adequacy of the audits performed by external auditors.
 - Monitor and evaluate the conformity of audit implementation by public accountant firm with audit standard.

3. Internal Audit

- Monitor and evaluate the implementation of audits by Internal Audit during 2019 and 2020
- Review the effectiveness of Internal audit
- Review audit reports and monitor the follow up on the fulfillment of commitments towards Internal Audit findings
- To analyze, approve and provide approval recommendation to Board of Commissioners on 2020 Annual Audit Plan.

4. Compliance, Legal and Litigation, and Internal Fraud

- Review the Bank's compliance with laws and regulations relating to the Bank's business activities
- Monitor the implementation of Bank's compliance and Anti Money Laundering and Counter-Financing of Terrorism (AML & CFT).
- Monitor the follow-up on the results of supervision by the Financial Services Authority (OJK)

- Monitor and review the Company's Legal and Litigation cases.
- Monitor internal fraud cases and evaluate fraud prevention programs and Bank's internal control.
- Review complaints received through whistleblowing channel and monitor the handling of the complaints.

Audit Committee Work Plan

Prepare Audit Committee work plan and program for 2021 and review the Audit Committee Charter.

Effectiveness of the Internal Control System

The Audit Committee has assessed and confirmed that the internal control system conducted by the Bank is effective and sufficiently covered such areas as financial control, operations, compliance on the laws and regulations.

COMPETENCY DEVELOPMENT OF THE AUDIT COMMITTEE

Name of Participant and Position	Type of Training	Time and Place of Training Implementation	Organizer
Kanaka Puradiredja	<ul style="list-style-type: none"> • Workshop CACP Batch 14 • Workshop CACP Batch 15 • Workshop CACP Batch 16 • Workshop CACP Batch 17 • Workshop CACP Batch 18 • Diskusi Panel "Empowering Board Leadership in Cyber Security: Your Cyber Decision Matters" • Diskusi Online "Peran dan Tanggung Jawab Komisaris Independen" • Diskusi Online "Peranan Komisaris Independen dalam Transformasi Perusahaan menuju New Normal" • Narasumber Modul "Board Function and Obligation" Inhouse Training PT Aneka Tambang • Diskusi Online "Regulasi dan Peran Pengurus (Dewan Komisaris dan Direksi) Terkait Tingkat Kesehatan Bank" • Diskusi Online "Pailit di Masa Pandemi: Strategi Direksi dan Dewan Komisaris" 	<ul style="list-style-type: none"> 11 Agustus 2020, online 22 September 2020, online 22 Oktober 2020, online 16 November 2020, online 15 Desember 2020, online 27 Februari 2020, Financial Club, Jakarta 24 April 2020 24 Juni 2020 4 Agustus 2020 12 Agustus 2020 21 Oktober 2020 	<ul style="list-style-type: none"> Ikatan Komite Audit Indonesia Ikatan Komite Audit Indonesia Ikatan Komite Audit Indonesia Ikatan Komite Audit Indonesia Ikatan Komite Audit Indonesia Lembaga Komisaris dan Direktur Indonesia Lembaga Komisaris dan Direktur Indonesia Lembaga Komisaris dan Direktur Indonesia Lembaga Komisaris dan Direktur Indonesia Lembaga Komisaris dan Direktur Indonesia Lembaga Komisaris dan Direktur Indonesia
Ivan Purnama Sanoesi	<ul style="list-style-type: none"> • Artificial Intelligence Auditing Framework 12 Oct 2020 • The Role of Internal Auditor In Building Business Resilience • Three Lines Sebagai Katalisator Pemulihan Bisnis Era Normal Baru • From Data to Insight : Sharing Experience Generating From Data Analytics and Visual Storytelling 	<ul style="list-style-type: none"> 12 Oktober 2020 20 Nov 2020 25 Juni 2020 13 Juli 2020 	<ul style="list-style-type: none"> The Institute of Internal Auditors Indonesia (IIA-Indonesia) IIA-Indonesia IIA-Indonesia, IRMAPA (Indonesia Risk Management Profesional Association), IKAI (Indonesian Institute of Audit Committee) IIA-Indonesia



REMUNERATION AND NOMINATION COMMITTEE

Legal Basis

The legal basis used in relation to the establishment of the Remuneration and Nomination Committee is the Good Corporate Governance Manual No. K.008/DIR/CCS/06/2020.

The Remuneration and Nomination Committee Charter

Bank BTPN has the Remuneration and Nomination Committee Charter established on 1 February 201 and has been reviewed on 13 March 2020. The document contains provisions on the Organization, Membership Requirements, Independency, Duties and Responsibilities, Remuneration Policy of the Board of Directors and the Board of Commissioners, Policy on Self Assessment for the Board of Directors and the Board of Commissioners, Authority of the Remuneration and Nomination Committee, Work Ethics, Meetings, Minutes of Meeting, Reporting Responsibility, and Term of Office.

Duties and Responsibilities

Details of the Committee's duties and responsibilities are as follows:

Related to the Remuneration Policy

1. Evaluate the remuneration policy; and
2. Provide recommendations to the Board of Commissioners regarding:
 - The policy, structure and amount of remuneration for the Board of Commissioners and the Board of Directors to be submitted to the General Meeting of Shareholders.

- Remuneration policy for the Executive Officers and employees to be submitted to the Board of Directors.

Related to the Nomination Policy

1. Provide recommendations to the Board of Commissioners on the composition of the Board of Directors and/or the Board of Commissioners.
2. Formulate and provide recommendations on the criteria and procedures of appointment and/or replacement of members of the Board of Commissioners and the Board of Directors to the Board of Commissioners for submission to the General Meeting of Shareholders.
3. Provide recommendations on prospective members of the Board of Commissioners and/or the Board of Directors to the Board of Commissioners for submission to the General Meeting of Shareholders.

Independency of the Remuneration and Nomination Committee

The composition, qualification and independency of members of the Remuneration and Nomination committee are in accordance with OJK provisions. The Remuneration and Nomination Committee is chaired by an Independent Commissioner with 1 member of Independent Commissioner, two members of Commissioners and one Executive Officer with the knowledge on remuneration and nomination system as well as on succession plan. The composition of the committee members which has been in placed at the Bank has been in support of independency in conducting their duties.

Composition of Members of the Remuneration and Nomination Committee

The composition of the Remuneration and Nomination Committee members as of 31 December 2020 is as follows:

Name	Position	Date of Appointment
Ninik Herlani Masli Ridhwan	Chairman (Independent Commissioner)	1 March 2020
Chow Ying Hoong	Member (President Commissioner)	1 Februari 2019
Mira Fitria Soejipto	Member (HC Executive Officer/Head of Human Capital)	1 July 2020

Term of Office

Members of Remuneration & Nomination Committee are appointed and terminated by the Board of Commissioners based on the Meeting resolution of the Board of Commissioners, which in further stipulated into Decree of BOD No SK.002/DIR/CCS/VII/2020.

Profile of the Remuneration & Nomination Committee

A complete profile is presented in the “Profile of the Board of Commissioners & BOC Committee members” section contained in this Annual Report.

Mira Fitria	Member of the Remuneration and Nomination Committee
Citizenship	Indonesian
Domicile	Jakarta
Age	43
Educational Background	<ul style="list-style-type: none"> The London School of Economics and Political Science (LSE), UK. Post Graduate Research, Organisational Psychology (2004 - 2006) Lancaster University, UK. Master of Arts (MA) in Organisational Analysis and Behaviour (2000 - 2001) University of Indonesia, Bachelor of Arts (BA), Psychology (1996 - 2000)
Basis of Appointment	1 July 2020
Concurrent Positions	-
Work Experience	<ul style="list-style-type: none"> Head of Human Capital, PT Bank BTPN Tbk (2020 – Present) VP of Human Resources, Danone Waters Indonesia (2019 - 2020) CHRO - Corporate Affairs & Sustainability, Human Resources, Technology, and Strategy Management, The Body Shop Indonesia (2017 - 2019) Microsoft Indonesia: <ul style="list-style-type: none"> Human Resources Director (2014-2016) Senior HR Business Partner (2013-2014) CITI Indonesia <ul style="list-style-type: none"> HR Generalist for Retail Bank, Consumer Finance, Risk Management and Financial Control (2008-2013) Leadership, Talent and Performance Management Head (2006-2008) Regional Management Associate: Consumer Bank Training & Development Manager, Citibank Asia Pacific Consumer Bank, Singapore (2003-2004) Citibank Indonesia <ul style="list-style-type: none"> Investment, Treasury and Insurance Compliance Manager (2002-2003) Management Associate (2001-2002)
Affiliation	Has no affiliate relationships with the Board of Directors, the Board of Commissioners, and the Controlling Shareholders

Meeting Policy

Provisions related to the meetings of the Remuneration and Nomination Committee set forth at the Bank are as follows:

1. The Nomination and Remuneration Committee holds meetings at least 1 (one) time every 4 (four) months.
2. Decisions at the Committee meetings are based on consensus. In the event that a consensus cannot be reached, decisions are based on majority votes.
3. Dissenting opinions, and their reasons, shall be clearly recorded in the minutes of Committee meetings.

Frequency and Attendance of the Meetings of the Remuneration and Nomination Committee

Throughout the year 2020, the Remuneration and Nomination Committee convened in 3 meetings.

Members of the Remuneration and Nomination Committee	Number of Meetings	Attendance	Percentage
Ninik Herlani Masli Ridhwan, Independent Commissioner	3	3	100%
Chow Ying Hoong, President Commissioner	3	3	100%
Mira Fitria, Executive Officer	2	2	100%
Pratomo Soedarsono*, Executive Officer	1	1	100%
Aloysius Wilhelmus*, Executive Officer	-	-	-

* Per 27 May 2020 Pratomo Soedarsono replaced by Aloysius Wilhelmus than 1 July 2020 replaced by Mira Fitria



Implementation of Activities of the Remuneration and Nomination Committee in the Year 2020

During the year 2020, activities actualized by the Remuneration and Nomination Committee are as follows:

Date	Agenda
13 Maret 2020	<ol style="list-style-type: none"> 1. Governance Matters 2. Performance Evaluation of BOD 3. Performance Evaluation of BOC 4. Recommendation of BOC & BOD Members' Remuneration 5. RNC Self Review & RNC Charter 6. RNC working plan for the Year 2020
24 Juli 2020	<ol style="list-style-type: none"> 1. Interview of Candidate of Member of Board of Directors - Furuya Kaoru (FK) 2. Decision of Furuya Kaoru Recommendation
23 November 2020	<ol style="list-style-type: none"> 1. Interview of Candidate of Member of Board of Directors – Kan Funakoshi (“KF”) 2. Decision on Kan Funakoshi Recommendation

COMPETENCY DEVELOPMENT OF THE REMUNERATION AND NOMINATION COMMITTEE

Name of Participant and Position	Type of Training	Time and Place of Training Implementation	Organization
Mira Fitria - Member	Refresher SMR LEVEL 1	1 September 2020 Virtual	BTPN
Mira Fitria - Member	HC Sharing Learning Agility	13 Oktober 2020 Virtual	BTPN
Mira Fitria - Member	Insight Discovery Profile & Workshop	16 Oktober 2020 Virtual	BTPN & TalentBox Indonesia
Mira Fitria - Member	Operational Risk Management	24 November 2020 Virtual	BTPN
Mira Fitria - Member	Ethics, Integrity & Conduct Risk	30 November 2020 Virtual	BTPN
Mira Fitria - Member	Entertainment & Gift 2020	1 Desember 2020 Virtual	BTPN
Mira Fitria - Member	Leadership Series : COVID-19 : Opportunities for MSMEs and Digitization of Financial Services	10 Desember 2020 Virtual	BTPN & Microsave Consulting

RISK MONITORING COMMITTEE

Legal Basis

The legal basis used in establishing the Risk Monitoring Committee is as follows:

1. Financial Services Authority Regulation No. 55/POJK.03/2016 dated 7 December 2016 and Financial Services Authority Circular Letter No. 13/SEOJK.03/2017 on the Governance Implementation for Commercial Banks
2. Financial Services Authority Regulation No. 18/POJK.03/2016 on the Risk Management Implementation for Commercial Banks
3. The legal basis used for the establishment of Risk Monitoring Committee is the Good Corporate Governance Manual No. K.008/ DIR/CCS/06/2020 dated 1 July 2021.

Charter of the Risk Monitoring Committee

In performing its duties and responsibilities, the Risk Monitoring Committee has the charter that serves as Guidelines and Procedures, regulating among others on: the organization, membership, independency, duties and responsibilities, authority, work ethics, meetings, reporting responsibilities and term of office.

The work guidelines are periodically reviewed to ensure the Risk Monitoring Committee's work coverage is in line with prevailing provisions and the Bank's business development. The latest review was approved by members of the Risk Monitoring Committee on 2 October 2020.

Duties and Responsibilities

The Risk Monitoring Committee assists the Board of Commissioners in carrying its supervisory function related to the Bank's risk management in the following ways:

1. Prepare the Committee's annual activity plan to be submitted to the Board of Commissioners for approval.
2. Provide independent professional opinion to the Board of Commissioners on reports or matters concerning risk management to be submitted by the Board of Directors to the Board of Commissioners, and identify issues that need the attention of the Board of Commissioners.
3. Evaluate the Bank's risk appetite and limitations that must be approved by the Board of Commissioners.
4. Analyze the effectiveness of the risk management unit and the Risk Management Committee.
5. Evaluate the conformity of the Bank's risk management policy with its implementation.
6. Monitor and evaluate the performance of the Risk Management Committee and the Risk Management unit for the Committee to provide recommendations to the Board of Commissioners.
7. Evaluate the Bank's risk management policy at least once a year.
8. Evaluate the Board of Directors' implementation of the Bank's Risk Management policy at least once every three months.

Independency of the Risk Monitoring Committee

The composition, qualification and independency of members of the Risk Monitoring Committee are in compliance with prevailing provisions. The Risk Monitoring Committee is chaired by an Independent Commissioner with members consisting of one Commissioner and two Independent Parties with the expertise in the fields of risk management and finance.

Composition of Members of the Risk Monitoring Committee

Name	Position	Date of Appointment
Irwan Mahjudin Habsjah Independent Commissioner	Chairman	11 September 2019
Takeshi Kimoto Commissioner	Member	1 February 2019
Kanaka Puradiredja Independen Party	Member	1 February 2019 s/d 17 November 2020
Sofyan Rambey Independen Party	Member	1 February 2019
Yosef Antonius Boliona Badilangoe Independen Party	Member	18 November 2020



Term of Office

Members of Risk Monitoring Committee are appointed and terminated by the Board of Commissioners based on the Meeting resolution of the Board of Commissioners, which in further stipulated into Circular Resolution No PS/BOC/055/XII/2020 dated 18 November 2020.

Profile of Members of the Risk Monitoring Committee

The complete profile is presented in the “Profile of the Board of Commissioners & BOC Committee members” section as stipulated in this Annual Report.

Meeting Policy

Meeting policies set forth for the Risk Monitoring Committee are as follows:

1. The Risk Monitoring Committee holds meetings at least one (1) time every three (3) months.
2. Risk Monitoring Committee meetings can only be held if attended by at least 51% of its members.
3. Decisions to be made at Committee meetings are based on consensus. In the event that a consensus cannot be reached, decisions are based on majority votes.
4. Dissenting opinions, and their reasons, shall be clearly recorded in the minutes of Committee meetings.

Frequency and Attendance of Risk Monitoring Committee Meetings

During the year 2020, the Risk Monitoring Committee held 12 meetings.

Name	Number of Meetings	Attendance	Attendance Percentage
Irwan Mahjudin Habsjah	12	12	100
Takeshi Kimoto	12	12	100
Sofyan Rambey	12	12	100
Kanaka Puradiredja	12	12	100
Yosef Antonius Boliona Badilangoe	1	1	100

Implementation of Activities of the Risk Monitoring Committee in the Year 2020

Activities conducted throughout the year 2020 are as follows:

- Evaluate and analyze the Bank’s risk profile (individual and consolidated) on quarterly basis.
- Periodic monitoring on the integrated risk profile of PT. Bank BTPN Tbk as the main entity and the integrated Capital Adequacy Report of PT. Bank BTPN Tbk as the main entity per semester
- Evaluation of policies and risk management implementation covering credit risk, operational risk, market and liquidity risk, recovery plan and other risks.
- Monitor and evaluate the duties of the Risk Management Committee and Risk Management unit in relation to the determination and management of credit risk for each business unit, market risk and liquidity and operational risk.
- Periodic monitoring on the Bank’s soundness - Risk Based Bank Rating (RBBR) and Bank compliance
- Monitor internal and external fraud cases and fraud management strategies as well as the Bank’s internal controls.
- To virtually visit 2 branch offices namely Palembang and Surabaya,
- Prepare Risk Monitoring Committee work plan and program for 2020 and review the Risk Monitoring Committee’s Charter

COMPETENCY DEVELOPMENT OF THE RISK MONITORING COMMITTEE

Name of Participant and Position	Type of Training	Time and Place of Training Implementation	Organizer
Yosef A.B. Badilangoe	• Business Disruption	2020 Online Seminar	Business Consultant
	• HR development during pandemic	2020 Online Seminar	HR Consultant

INTEGRATED GOVERNANCE COMMITTEE

Legal Basis

The legal basis used for the Integrated Governance Committee is as follows:

1. Financial Services Authority Regulation No. 18/POJK.03/2014 dated 19 November 2014 and Financial Services Authority Circular Letter No. 15/SEOJK.03/2015 dated 25 May 2015 on the Implementation of Integrated Governance for Financial Conglomerates.
2. Financial Services Authority Regulation No. 55/POJK.03/2016 dated 9 December 2016 on the Application of Governance for Commercial Banks and Financial Services Authority Circular Letter No. 13/SEOJK.03/2017 dated 17 March 2017 on the Application of Governance for Commercial Banks.
3. PBI No. 11/33/PBI/2009 dated 7 December 2009 and SEBI No. 12/13/DPbS on 30 April 2010 on the Implementation of Good Corporate Governance for Sharia Commercial Banks and Sharia Business Units
4. Financial Services Authority Regulation No. 33/POJK.04/2014 dated 8 December 2014 on the Board of Directors and the Board of Commissioners of Issuers or Public Companies.
5. The Indonesian Financial Services Authority Regulation number 28/POJK.03/2019 dated 14 November 2019 regarding the Banking Synergy in Single Ownership for the Sharia Banking Development.

6. The legal basis for the establishment of the Integrated Governance Committee is the Good Corporate Governance Manual No. K.008/DIR/CCS/06/2020

Integrated Governance Committee Charter

Bank BTPN has the board charter that regulates the Guidelines and Procedures of the Integrated Governance Committee. The guidelines were established on 1 February 2019 and has been periodically reviewed on 30 June 2020 which containing: Legal Basis, Objectives, Organization, Duties and Responsibilities and Procedures.

Duties and Responsibilities of the Integrated Governance Committee

The Committee has duties and responsibilities at least on the following:

1. Evaluate the implementation of Integrated Governance by assessing the adequacy of internal control and the implementation of the Bank's integrated compliance function.
2. Provide recommendations to the Board of Commissioners of the Main Entity on how to improve the Integrated Governance Guidelines.
3. Monitor the implementation of Banking Synergy.

Composition of Members of the Integrated Governance Committee

Name	Position	Date of Appointment
Irwan Mahjudin Habsjah, Independent Commissioner BTPN	Chairman	11 September 2019
Ninik Herlani Masli Ridhwan, Independent Commissioner BTPN	Member	1 February 2019 s/d 17 November 2020
Edmund Tondobala, Independent Commissioner BTPN	Member	18 November 2020
Dewie Pelitawati, Independent Commissioner PT Bank BTPN Syariah Tbk	Member	1 February 2019
Muhammad Faiz, Sharia Supervisory Board of PT Bank BTPN Syariah Tbk	Member	1 February 2019
Yosef Antonius Boliona Badilangoe, Independent Party	Member	1 February 2019



Term of Office

The provisions on the tenure or term of office are as follows:

1. The term of office of a Committee member may not be longer than the term of office of a member of the Board of Commissioners, as stipulated in the Articles of Association of each member of the SMBC Group Financial Conglomerate and may be re-appointed for the following period.
2. In the event the Chairman and/or Committee member resigns prior to completion of his/her term of office as an Independent Commissioner, or in the event of a replacement by a member of the SMBC Group Financial Conglomerate, each member of the SMBC Group Financial Conglomerate immediately appoints his/her successor.

Profile of Members of the Integrated Governance Committee

Complete profile is presented in the "Profile of the Board of Commissioner & BOC Committee members" section contained in this Annual Report.

Meeting Policy

The meeting policy as regulated in the guidelines and procedures of the Integrated Governance Committee is as follow:

1. The committee convenes for a meeting at least once every semester.
2. Meeting Invitations are sent through registered mail or electronic mail no later than seven (7) days prior to the Meeting date. The invitation must include the day, date, time, place and Meeting agenda. The meeting materials are sent to the participants of the Committee meeting no later than two (2) days prior to the Meeting.

3. Members of the Committee are allowed to invite parties other than Committee members from the SMBC Group Financial Conglomerate involved or responsible for the topics listed in the Meeting agenda.
4. Committee meetings can only be held if attended in person, or through power of attorney, by more than 50% (fifty percent) of the Committee members, including the Chairman of the Committee.
5. Committee meetings are chaired by the Chairman of the Committee.
In the event that the position of Chairman of the Committee is vacant, the independent commissioner of the Lead Entity may temporarily replace the position of chairman of the committee as the chairperson of the Meeting.
6. Committee meetings can be held via teleconference or other electronic media that allows all Meeting participants to see and hear each other, as well as to participate in the Meeting. Committee members who participate in the Meeting through the media and in the manner mentioned above are regarded as present at the Meeting, and counted in the attendance quorum as well as in the Meeting's decisions.
7. The Committee may take valid decisions without holding a Meeting, provided that all Committee members approve in writing. Decisions made in this method have the same power as lawful decisions taken at Committee Meetings.

Frequency and Attendance of the Integrated Governance Committee Meetings

Throughout the year 2020, the Integrated Governance Committee held 3 (three) meetings. Below are details of the meetings:

Name	Number of Meetings	Attendance	Attendance Percentage
Irwan Mahjudin Habsjah	3	3	100%
Ninik Herlani Masli Ridhwan	3	3	100%
Edmund Tondobala*	0	0	100%
Dewie Pelitawati	3	3	100%
Muhammad Faiz	3	2	67%
Yosef Antonius Boliona Badilangoe	3	3	100%

* No Committee's meetings are conducted since his appointment to 31 December 2020

COMPETENCY DEVELOPMENT OF THE INTEGRATED GOVERNANCE COMMITTEE

Name of Participant and Position	Type of Training	Time and Place of Training Implementation	Organizer
Dewie Pelitawati	<ul style="list-style-type: none"> Online Discussion "Regulation and the Role of the Board of Commissioners and Directors Related to Bank Soundness, which was attended by the Board of Commissioners in Jakarta; Refreshment Risk Awareness attended by the Board of Commissioners in Jakarta; 	12 Agustus 2020 (online) 8 Oktober 2020 (online)	Lembaga Komisaris dan Direktur Indonesia (LKDI) BTPN Syariah
Muhamad Faiz	Webinar Workshop Pra-Ijtima' Sanawi (Annual Meeting) Dewan Pengawas Syariah bidang Perbankan Syariah	12-13 Oktober 2020 (online)	DSN-MUI
Yosef A.B. Badilangoe	<ul style="list-style-type: none"> Business Disruption HR development during pandemic 	2020 Online Seminar 2020 Online Seminar	Business Consultant HR Consultant

COMMITTEES UNDER THE BOARD OF DIRECTORS

To support the execution of duties and responsibilities of the Board of Directors, Bank BTPN establishes committees which report to the Board of Directors. In line with prevailing provisions, the Bank is obliged to have at least 3 (three) committees to assist the tasks of the Board of Directors, namely the Risk Management Committee, the Asset and Liability Committee and the Information Technology Steering Committee.

Looking at the complexity of BTPN's business, the management and improvement of the quality of good corporate governance implementation is necessary. For this purpose, BTPN forms 8 (eight) committees as follows:

1. Asset and Liability Committee
2. Risk Management Committee
3. Information Technology Steering Committee
4. Credit Policy Committee
5. Credit Committee
6. Information Governance Steering Committee
7. Human Capital Committee
8. Integrated Risk Management Committee

ASSET AND LIABILITY COMMITTEE (ALCO)

Structure and Membership

The composition of members of the Asset and Liability Committee (ALCO) as of 31 December 2020 is as follows:

Permanent Members

- Chairman: Treasury Director
- Member:
 1. President Director
 2. Deputy President Director 1
 3. Deputy President Director 2

4. Risk Management Director
 5. Finance Director
- Secretary: Deputy Head of Treasury

Charter

The Asset and Liability Committee (ALCO) has a charter, last updated on 1 July 2020, which among others contains the following:

1. Monitor and manage assets and liabilities
2. Monitor market development and factors that may affect the bank's funding and liquidity
3. Monitor the bank's risk exposure such as risks in interest rate and exchange rate
4. Decide and provide direction in managing interest rates, both in funding and lending
5. And other related matters

Duties and Responsibilities

The Asset and Liability Committee (ALCO) has the duties and responsibilities which include the following:

1. Review, supervise, and approve the Bank's overall balance sheet strategy on liquidity, prices and capital management.
2. Provide an overview of the conditions of the domestic and global economy, as well as analysis of the implications of monetary and fiscal policies which have been or will be applied by the government.

Implementation of Duties in 2020

In 2020, the Asset and Liability Committee (ALCO) held 14 meetings with the following discussion agenda:

- Agreed the cancellation of the IFC loan facility
- Agreed the IRRBB calculation projection
- Agreed CASA initiatives for special customers
- Agreed the increase in the exposure of the AFS Bond as proposed by the Treasury



- Agreed changes to the SOP on the procedure for approval of purchase of government bonds and portfolio switching submitted by the Treasury.
- Agreed new Treasury limits as stated by MLRM
- Agreed the proposal from Corporate Planning & Treasury regarding the additional limit on Long-term Foreign Loans from SMBC Singapore
- Agreed the BPV IDR limit increase for a period of 5-10 years.
- Agreed the proposal from Corporate Planning & Treasury regarding the adjustment of FTP & capital income in the second amendment of the RBB in 2020.
- Agreed the proposal to Utilize the USD Loan Facility from SMBC Singapore with the internal trigger of NSFR
- Agreed the changes of Supplementary liquidity limit
- Agreed on Treasury proposal to shift placement in FASBI to Govt. bonds

Meeting Frequency and Attendance

Throughout the year 2020, the ALCO Committee held 14 meetings, with details of members' attendance listed below:

Name	Position	Number of Meetings	Percentage of Attendance
Ongki Wanadjati Dana	Member	14	100%
Kazuhisa Miyagawa	Member	12	86%
Hiromichi Kubo	Chairman	13	93%
Darmadi Sutanto	Member	14	100%
Hanna Tantani	Member	14	100%
Henoch Munandar	Member	13	93%
Wiwig Santoso	Member	14	100%

RISK MANAGEMENT COMMITTEE

Structure and Membership

The composition of the Risk Management Committee as of 31 December 2020 is as follows:

The Membership of the Committee shall be ex-officio and shall comprise:

Chairman: Risk Management Director

Members

Permanent Voting Members:

1. President Director
2. Deputy President Director 1
3. Deputy President Director 2
4. Compliance & Legal Director
5. Corporate Banking Japanese Director
6. Wholesale Banking Director
7. Treasury Director
8. Operations Director
9. Finance Director
10. Head of Business Banking
11. Head of Information Technology
12. Head of Retail Lending Business
13. Head of Wealth Management Business
14. Head of Digital Banking
15. Head of Human Capital
16. Head of Wholesale Banking

Permanent Non-Voting Members:

1. Head of Internal Audit
2. Executive Officer of Risk Management (Secretary)

Meeting Procedures

The guidelines to the implementation of the Risk Management Committee meeting are as follows:

1. Meetings of the Committee are held at least 8 (eight) times annually in line with the set meeting agenda. If required, a meeting may be held at any time upon the request of one of the Permanent Voting Members.
2. The meeting is chaired by the Chairman of the Committee. In the event the Chairman of the Committee is unable to attend, the meeting is then chaired by one of the committee members who serves as a Director and appointed at the meeting.
3. If deemed necessary, the committee may invite other parties outside of the Committee Members to attend a meeting, including but not limited to Subsidiary Companies.
4. Only Permanent Members have Voting Rights.
5. Permanent Non-Voting Members are not counted in the attendance quorum.

6. Meetings can only be held if attended and/or represented by more than 50% of the committee members with voting rights.
7. Decisions taken at committee meetings must be based on deliberation to reach consensus. In the event a decision cannot be reached, the decision must be taken through a vote of more than 50% of the committee members with voting rights and are present at the meeting.
8. In the event of a conflict of interest, decision making is carried out in accordance with the relevant provisions of the Corporate Policy.
9. Dissenting opinions, and the reasons behind, conveyed at Committee meetings must be clearly noted in the Minutes of Meeting. Reports/materials of the Risk Management Committee are prepared by the Risk Management Unit.
10. The unit must submit the materials/data every month to the appointed (PIC) of the Risk Management Unit no later than 8 working days following the month-end.
11. The Risk Management Unit may request for additional information/data from other units at the Bank to be included in the Risk Management Committee report/ materials.
12. Results of the committee meeting must be stated in the Meeting Minutes and documented accordingly.
13. Decisions taken at the meeting and recorded in the Minutes of Meeting are signed by the Chairman and Secretary of the Meeting, and then circulated to the committee members.
14. The Committee can make valid decisions without holding a meeting by means of the committee circular media as approved by all Permanent Voting Members. This process may be carried out as long as the submitted proposal has been conveyed in the circular to all Permanent Voting Members.

Duties and Responsibilities

The Risk Management Committee has duties and responsibilities which include the following:

1. Formulate risk management policies and frameworks, risk limits as well as updates, amendments and/or improvements.
2. Evaluate the aptness between risk management policies and their implementation.
3. Evaluate and provide recommendations on transactions or activities which deviate from normal procedures.

Implementation of Duties in 2020

During 2020, the Risk Management Committee held 12 (twelve) meetings. The Risk Management Committee Meeting is a means to monitor 8 (eight) types of risk as stipulated in the Risk Management Policy and Bank Indonesia/OJK Regulations.

The Risk Management Committee has discussed in detail various important agendas:

- The credit risk management, as seen from the Bank's Cost of Credit, Credit Risk Appetite, Credit Portfolio, and NPL.
- Updates on the implementation of IFRS 9/PSAK 71 along with the timeline for its implementation.
- Updating of the Bank's participation in the Relaxation program due to the COVID-19 pandemic. Regarding the COVID-19 restructuring portfolio, the Committee decided to add monitoring parameters as follows:
 - a. Post-restructuring performance
 - b. Monitoring of provision for restructured loans for relaxation
- The operational risk management as seen from the Operational Risk Appetite, Operational Loss and Recovery, Key Operational Risk Indicators, Operational Risks inherent in the Bank, including Business Continuity Management especially in the context of adapting after the COVID-19 pandemic.
- The market & liquidity management, the Risk Management Committee discusses as well as a form of management monitoring of Market & Liquidity ratios and the Bank's status on these ratios.
- The other risks management, namely Compliance Risk, Strategic Risk, Reputation Risk and Legal Risk.
- The fraud management, regarding the Number of Fraud Cases along with Losses and Recovery, Fraud Detection Channels, Types of Fraud, and Action Plans carried out by Anti Fraud Management in the context of fraud mitigation and management in accordance with POJK 39 / POJK.03 / 2019 concerning "Penerapan Strategi Anti Fraud bagi Bank Umum". Updating Fraud Committee Decree and Investigation - Threshold were also discussed.
- Signing of the integrity pact and anti-fraud declaration by the Board of Directors, Board of Commissioners, and Bank employees.
- Annual review of the Action Plan and Stress Test.



In the context of monitoring risks with subsidiaries, every quarter is presented a consolidation of the Bank with subsidiaries as well as consolidated reporting of Risk Profile, RBBR, ICAAP, Integrated Risk Profile Assessment and Integrated Minimum Capital Report in accordance with BI/OJK regulations.

Meeting Frequency and Attendance

Throughout the year 2020, the Risk Management Committee conducted 12 meetings, with details of the members' attendance as follows:

No	Name	Position	Meetings	Attendance	% Attendance	Description
CHAIRMAN						
1	Henoch Munandar	Risk Management Director	12	12	100%	
MEMBER						
1	Ongki Wanadjadi Dana	President Director	12	11	92%	
2	Kazuhisa Miyagawa	Deputy President Director 1	12	10	83%	Resigned in November 2020
3	Darmadi Sutanto	Deputy President Director 2	12	12	100%	
4	Yasuhiro Daikoku	Corporate Banking Japanese Director	12	8	67%	
5	Adrianus Dani Prabawa	Wholesale Banking Director	12	11	92%	
6	Hiromichi Kubo	Treasury Director	12	11	92%	
7	Merisa Darwis	Operational Director	12	12	100%	
8	Dini Herdini	Compliance & Legal Director	12	11	92%	
9	Hanna Tantani	Finance Director	12	12	100%	
10	Vincentius Hidayat	Head of Retail Lending Business	12	11	92%	
11	Helena	Head of Wealth Management Business	12	9	75%	
12	Irwan Sutjipto Tisnabudi	Head of Digital Banking	12	10	83%	
13	Nathan Christianto	Head of Wholesale Banking	12	7	58%	Effective March 1, 2020, he serves as a member of the BOM
14	Pratomo Soedarsono	Head of Human Capital	12	4	33%	Resigned on May 26, 2020
	Mira Fitria	Head of Human Capital	12	6	50%	Effective July 1, 2020, he serves as a member of the BOM
	Steffano Ridwan	Head of Business Banking	12	1	8%	Resigned on March 30, 2020
15	Canisius Soriton (Pjs)	Head of Business Banking	12	5	42%	effective from 15 March 2020 to 14 September 2020 Acting BOM member
	Jeffrey Ceanandro Tjoeng	Head of Business Banking	12	4	33%	Effective as of August 28, 2020, he serves as a member of the BOM

No	Name	Position	Meetings	Attendance	% Attendance	Description
	YB Hariantono	Head of Information Technology	12	2	17%	Resigned on 20 February 2020
16	Setiasmo (Pjs)	Head of Information Technology	12	1	8%	Temporary office as member of BOM effective as of 20 February 2020
	Jeny Mustopha	Head of Information Technology	12	4	33%	Effective as member of BOM on August 2020
MEMBERS REMAIN WITHOUT VOTING RIGHTS						
1	Nurhajati Soerjo Hadi	Head of Internal Audit	12	12	100%	
2	Sendiaty Sondy	Pejabat Eksekutif Bidang Manajemen Risiko (Sekretaris)	12	12	100%	

INFORMATION TECHNOLOGY STEERING COMMITTEE

Structure and Membership

The composition of members of the Information Technology Steering Committee as of 31 December 2020 is as follows:

The Membership of the Committee shall be ex-officio and shall comprise minimum:

Chairman: Head of Information Technology

Permanent Voting Members:

1. President Director
2. Deputy President Director 1 and 2
3. Risk Management Director
4. Operations Director
5. Corporate Banking Japanese Director
6. Wholesale Banking Director
7. Treasury Director
8. Finance Director
9. Head of Business Banking
10. Head of Retail Lending Business
11. Head of Wealth Management Business
12. Head of Digital Banking

Permanent Non-Voting Members:

1. Head of Internal Audit
2. Executive Officer of Information Technology (Secretary)

Charter

1. IT Steering Committee Meetings are held at least once every 3 (three) months in accordance with the set meeting agenda. If needed, the meetings can be held at any time upon the request of one permanent voting member.
2. The meetings are chaired by the chairman of the committee. In the event that the chairman of the committee is unable to attend, the meeting is chaired by one of the committee members who serves as a Director and is appointed at the meeting.
3. Only permanent voting members, or their representatives present at the meeting, may vote.
4. Meetings can only be held if attended by 50% of the committee voting-members and/or their representatives, provided that one of them is the chairman of the committee and/or the President Director.
5. Decisions taken at committee meetings are based on deliberation to reach consensus. In the event a decision based on deliberation to reach consensus cannot be reached, the decision must be taken through a vote of more than 50% of the committee voting-members, including the chairman of the committee and/or the President Director.
6. In the event of a conflict of interest, decision-making is conducted in accordance with relevant provisions as per the Corporate Policy.
7. Dissenting opinions and the reasons behind them, expressed at Committee meetings, must be clearly recorded in the Minutes of Meeting.



8. Results of the meeting must be stated in the minutes of the meeting and documented.
9. More than 50% of committee meetings are attended in person by over 70% of committee members.
10. If deemed necessary, the IT Steering Committee may invite parties other than committee members, including Subsidiaries, to attend the meeting.
11. Decisions taken at the meetings and recorded in the Meeting Minutes are signed by the Chairman and the Secretary of the Meeting, and then circulated to the committee members.
12. The Committee can make a valid decision without holding a meeting through the committee's circular media, which is approved by all permanent voting members. This process can be carried out as long as the submitted proposal is conveyed in the circular to all permanent voting members.

Duties and Responsibilities

The duties and responsibilities of the Information Technology Steering Committee are to provide recommendations to the Board of Directors which at the least cover the following:

1. Information Technology (IT) strategic plans in line with the strategic plans of the Bank's business activities.
2. Formulation of key IT policies and procedures, such as IT security policies and risk management related to IT utilization at the Bank.
3. Conformity of approved IT projects with IT Strategic Plan.
4. Conformity of the implementation of IT projects with the project plan (project charter) as agreed in the service level agreement.
5. Conformity of the IT with the needs of the management information system that supports the management of the Bank's business activities.
6. The effectiveness of risk-minimizing measures over the Bank's investment in the IT sector, and that the investment contributes to the achievement of the Bank's business objectives.
7. Evaluation of the performance and utilization of information technology to ensure that the technology supports and meets the Bank's business needs.
8. Efforts to solve various IT-related issues that may not be solved by the user-unit and the organizer-unit.
9. Evaluation of the availability and sufficiency of human resources to perform IT operations, maintenance, and support.
10. Provide feedback on the processes related to IT risk.

Implementation of Duties in 2020

Throughout the year 2020, the Information Technology Steering Committee conducted 4 (four) meetings, on 17 March, 23 June, 22 September and 8 December.

Meeting Frequency and Attendance

During the year 2020, the Information Technology Steering Committee held 4 (four) meetings, with details of frequency and attendants noted below:

Permanent Voting Members:

Chairman: President Director

Member:

Deputy President Directors
 Director and BOM in charge of Business related Credit
 Director in charge of Risk Management
 Director in charge of Compliance

Permanent Non-Voting Members:

Head of Portfolio Management & Policy
 Head of Business Risk (all segment)
 Head of Internal Audit*
 Head of Compliance
 Head of Legal and Litigation
 *) observer

Charter

The Credit Policy Committee has a charter, by the Board of Directors on 1 July 2020, which contains provisions on the following:

1. Meetings
 - Credit Policy Committee meetings is held at least 2 (two) times in one year.
 - The meetings are chaired by the chairman of the committee. In the event that the chairman is unable to attend, the meetings are chaired by one of the permanent voting members of the committee and appointed at the meeting
2. Quorum
 - Credit Policy Committee meetings can only be held if they are attended by more than 50% of the permanent voting-members including the chairman of the committee
 - In the event a committee member is unable to attend, they may appoint a representative to attend on their behalf.

3. Decision-Making

Decisions taken by the Credit Policy Committee are based on deliberations to reach consensus. In the event a decision cannot be reached, the decision must be taken through a vote of more than 50% of the permanent committee voting-members present at the meeting, including the chairman of the committee.

4. Decision-Making Without Formal Meetings

The Credit Policy Committee may take valid decisions without holding formal committee meetings (through the Committee's Circular Decision), provided that all permanent voting-members approve the decision in writing.

Duties and Responsibilities

Duties and responsibilities conducted by the Credit Policy Committee are as follows:

1. Hold meetings to determine the direction of the Bank's loan position and monitor the implementation of the credit policy
2. Provide feedback to the Bank's Board of Directors in formulating the Bank's Credit Policy and conduct periodic reviews of the Bank Credit Policy
3. Oversee the application and implementation of the Bank Credit Policy
4. Evaluate and analyze the quality of the Bank's credit portfolio related to the credit policy
5. Provide periodic reports that cover at least of the following:
 - Summary of results of the supervision over the application and implementation of the Bank's Credit Policy.

- Results/review of monitoring and evaluation of the quality and condition of the credit portfolio.
- Suggestions for policy improvements.

6. Perform review toward credit policy to be in line with the internal policy and prevailing laws and regulation.

Implementation of Duties in 2020

The Credit Policy Committee is held a meeting for first semester on July 28, 2020 and a second semester committee meeting on December 15, 2020.

The Credit Policy Committee has conducted detailed discussions on credit policies applicable in the Bank with the discussion agenda as follows:

- Updating the Credit Policy based on changes in regulatory provisions relating to Asset Quality, Provision based on PSAK 71 and several changes in credit policy in the context of post-merger adjustments and alignment with the group's credit policy.
- Adjusting product and service policies, which, among others, regulate credit and financing products managed by banks.

Several matters related to the handling of credit due to the impact of the COVID-19 pandemic, are also matters of concern for the Bank and the Bank to actively participate in relaxing debtors proclaimed by the Government in the context of National Economic Recovery due to the impact of the COVID 19 pandemic.



Meetings Frequency and Attendance

In the year 2020, the Credit Policy Committee held 2 meetings, with details on the attendance as follows:

Name	Position	Number of Meetings	Attendance	% Attendance
Chairman				
Ongki Wanadjati Dana	President Director	2	2	100%
Members				
Darmadi Sutanto	Deputy President Director	2	2	100 %
Kazuhisa Miyagawa	Deputy President Director	2	1	50 %
Yasuhiro Daikoku	Japanese Corporate Banking Director	2	2	100 %
Dani Prabawa	Wholesale Banking Director	2	2	100 %
Husan Mahjudin	Head of Corporate Credit	2	1	50 %
Nathan Christianto	Head of Wholesale Banking	2	2	100 %
Vincentius Hidayat	Head of Retail Lending Business	2	2	100 %
Irwan Sutjipto Tisnabudi	Head of Digital Banking	2	1	50 %
Henoch Munandar	Risk Management Director	2	1	50 %
Dini Herdini	Compliance Director	2	2	100 %
Members Without Voting Rights				
Sendiaty Sondy	Head of Portfolio Management & Policy	2	2	100 %
Adil Pamungkas	Head of Retail Risk	2	2	100 %
Sidik Warsito	Head of Credit Risk Business Banking	2	2	100 %
Nurhajati Soerjo Hadi	Head of Internal Audit	2	2	100 %
Butet Sondang Sitepu	Head of Compliance	2	1	50 %
Argo Wibowo	Head of General Counsel	2	0	0 %

CREDIT COMMITTEE

Structure and Membership

The composition of the Credit Committee as of 31 December 2020 is as follows:

Chairman : President Director

Member :

- Deputy President Director
- Business Director/Business Head
- Credit Risk Head
- Loan Department Head
- Business Credit Risk Head
- Group or Department Head of Business
- Risk Management Director (Observer)

Charter

The Credit Committee has a charter, approved by the Board of Directors on 1 July 2020, which among others contain provisions on the following:

1. Meetings

The Credit Committee holds its meetings at any time as required.

Credit Committee Meetings are held to generate recommendations for the President Director or Deputy President Director who makes ultimate decisions on loan approvals, including conditions and instructions relating to Loan Approvals.

On recommendation of the Credit Committee, the relevant Business Director/Head of Business signs the recommendation sheet with other committee members.

Credit Committee members who are required to attend committee meetings are determined based on the meeting agenda with the following details:

2. Meeting Quorum

The Credit Committee meetings may be held if attended by at least 51% of the compulsory meeting participants and with a minimum of 1 representative from the Credit Department or Loan Department. Attending observer is not counted in the meeting quorum.

Committee members who are not compulsory meeting participants are allowed to attend, however their attendance may not be counted in the meeting quorum and shall have no voting rights in the meeting's decision-making

Decision-Making in the Committee Meeting

Decision making in the Credit Committee meetings is carried out based on majority votes, namely affirmative votes of at least 51% (fifty-one percent) of the total members attending the meeting, inclusive of the President Director/Deputy President Director.

The vote of the Director of Risk Management as observer shall not be counted in the Committee Meeting's decision-making, however, each of the Committee Meeting's decision must be acknowledged by the Risk Management Director.

Agenda	Compulsory Meeting Participants
1. Credit related to Wholesale, Corporate and Commercial Banking segments	<ul style="list-style-type: none"> • President Director or Deputy President Director • Relevant Director of Wholesale, Corporate and Commercial Banking • Head of Credit Risk • Head of Loan Department • Relevant Group and Department Head of Wholesale, Corporate and Commercial Banking • Risk Management Director (Observer) <p>Note: Meeting is chaired by Chairman of Committee (President Director). In the event the Committee Chairman is unable to attend, the Deputy President Director shall act as Chairman of Committee.</p>
2. Credit related to Business Banking segment	<ul style="list-style-type: none"> • President Director or Deputy President Director • Director/Head of Business Banking • Head of Business Banking Credit Risk • Head of Credit Risk • Risk Management Director (Observer) <p>Note: Meeting is chaired by Chairman of Committee (President Director). In the event the Committee Chairman is unable to attend, the Deputy President Director shall act as Chairman of Committee.</p>



In the event decision-making in the Committee Meeting produce the number of affirmative votes equivalent to the non-affirmative votes, the Committee Chairman may then determine the final decision which the Committee takes.

Duties and Responsibilities

In assisting the Board of Directors with its duties and responsibilities in credit management and planning, the Credit Committee has the responsibilities as follows:

1. Independently analyze and approve loan disbursements in accordance with the stipulated authority limit (decisions taken must be objective, carried out based on prudent analysis and avoiding conflict of interest).
2. Ensure that business is carried out in accordance with the Bank's risk management policies, standards, and practices.

Implementation of Duties in 2020

Throughout the year 2020, the Credit Committee held 30 meetings, with details of attendance as follows:

Meeting Frequency and Attendance

Wholesale, Corporate and Enterprise Banking Credit Committee

Name	Position	Number of Meetings	Attendance	% Attendance
Ongki Wanajati Dana / Kazuhisa Miyagawa	President Director/ Deputy President Director	30	30	100
Dani Prabawa/ Yasuhiro Daikoku	Director of Wholesale/ Director of Japanese Corporate Banking	30	25	83
Takane Shiomi	Head of Business Credit Risk	30	29	97
1. Nathan Christianto, or 2. Tatsuro Suzuki, or 3. Karinda Rachmana, or 4. Kunihiro Shimizu, or 5. Tsuyoshi Nakayama, or Margareth Susanto	Group Head of Wholesale Department, Corporate or Commercial Banking	30	30	100
Husan Mahjudin	Head of Loan Department	30	30	100
Henoch Munandar	Risk Management Director	30	10	33

Commercial and Business Banking Credit Committee

Name	Position	Number of Meetings	Attendance	% Attendance
Ongki Wanajati Dana	President Director			
Darmadi Sutanto / Kazuhisa Miyagawa	Direktur/Kepala Business Banking			
Takane Shiomi	Head of Credit Risk			
Sidik Waskito	Head of Business Banking Credit Risk			
Henoch Munandar	Risk Management Director			
Steffano Ridwan	Head of Business Banking *)			
Jeffrey C. Tjoeng	Head of Business Banking **)			
Canisius Soriton	Pjs Head of Business Banking ***)			

During 2020 credit decisions are made circularly

Note:

*) Resigned on March 30, 2020

**) Effective 28 August 2020

***) Effective 15 March 2020 - 14 September 2020

INFORMATION GOVERNANCE STEERING COMMITTEE

Structure and Membership

The composition of members of the Information Governance Steering Committee as of 31 December 2020 is as follows:

Chairman: Head of Information Technology

Permanent Voting Members:

1. Compliance Director
2. Risk Management Director
3. Operations Director
4. Finance Director

Permanent Non-Voting Members:

1. Head of Internal Audit
2. Executive Officer of Data Management Information Technology (Secretary)

Standing Invitees:

1. Corporate Banking Japanese Director
2. Wholesale Banking Group Director
3. Treasury Director
4. Head of Business Banking
5. Head of Retail Lending Business
6. Head of Wealth Management Business
7. Head of Digital Banking
8. Executive Officer of Analytics, Business Planning & Credit Policy

Charter

The Information Governance Steering Committee has a charter, approved by the Board of Directors on 1 July 2020 which contains such work guidelines and procedures as the following:

1. Information Governance Steering Committee Meetings are held at least 4 (four) times a year with a fixed meeting agenda. If required, the Information Governance Steering Committee meetings can be held at any time upon the request of one permanent voting members.
2. Meetings are chaired by the chairman of the committee. In the event that the chairman is unable to attend, the meeting is chaired by one of the committee members who serves as a Director and is appointed at the meeting.
3. Only permanent voting members, or their representatives present at the meeting have voting rights.
4. Meetings can only be held if attended by 50% of the committee members with voting rights and/or their representatives, provided that one of the members is the chairman of the committee and/or the Compliance Director.

5. Decisions taken at committee meetings must be based on deliberation to reach consensus. In the event a decision cannot be reached, the decision must be taken through a vote of more than 50% of the committee members with voting rights present at the meeting, including the chairman of the committee and/or the Compliance Director.
6. In the event of a conflict of interest, decision making is carried out in accordance with the relevant provisions stipulated in the Corporate Policy.
7. Dissenting opinions, and the reasons behind them, expressed at Committee meetings must be clearly recorded in the Minutes of Meeting.
8. Results of a committee meeting must be stated in the minutes of the meeting and appropriately documented.
9. If deemed necessary, the committee may invite other parties outside of the committee members, including Subsidiaries, to attend the meeting.
10. Decisions taken at a meeting in the form of Meeting Minutes are signed by the Chairman and the Secretary of the Meeting, and then circulated to the committee members.
11. The Committee may make valid lawful decisions without holding a meeting through a committee circular media, approved by all permanent voting members. This process may be carried out as long as the submitted proposal is conveyed in the circular to all permanent voting members.

Duties and Responsibilities

The Committee conforms to the guidelines in performing its duties and functions, namely provide recommendations to the Board of Directors comprising at least as follows:

1. Formulation of main data and information governance policies and procedures such as data quality and risk management policies related to Bank data and information, including the standards intended to be achieved (target-state).
2. Planning and stipulation of the scale of priorities of projects required for applying the stipulated policies and procedures as well as for achieving the determined standards.
3. Conformity of the projects approved to the information governance plan, the data and information governance policies and procedures, as well as the target-state.
4. Conformity of the implementation of the data and information governance projects as well as the data analytics to the agreed project charter.
5. Conformity of the information governance to the Information Technology (TI) Strategic Plan for supporting the Bank business activity management.



6. Monitoring on the Bank data and information governance condition as well as the improvement efforts thereof, for example by detecting data quality issue and measuring the effectiveness and efficiency of the use of data and information assets.
7. The efforts of settlement of various data and information-related issues, which cannot be settled and escalated by the data and information governance forum.
8. The establishment of data and information driven organization culture.

Implementation of Duties in 2020

Throughout the year 2020, the Information Governance Committee conducted 4 (four) meetings in accordance with the set plans in its work manual. The meetings are actualized as the Committee's act of duties.

Meeting Frequency and Attendance

During the year 2020, the Information Technology Governance Steering Committee held 4 (four) meetings, with details of the frequency and attendants as follows:

Name	Position	Number of Meeting	Attendance	% Attendance
Chairman				
Setiasmo (ad interim)	Head of Information Technology	2	2	100%
Jeny Mustopha	Head of Information Technology (start 5-Aug-2020)	3	3	100%
Permanent Members with Voting Rights				
Dini Herdini	Compliance & Legal Director	4	3	75%
Hanna Tantani	Finance Director	4	3	75%
Henoch Munandar	Risk Management Director	4	4	100%
Merisa Darwis	Operations Director	4	4	100%
Permanent Members Without Voting Rights				
Nurhajati Soerjo Hadi	Head of Internal Audit	4	3	75%
Hendra Rahardja	IT Data Management Head (secretary)	4	4	100%
Permanent Invitation				
Yasuhiro Daikoku	Corporate Banking Japanese Director	4	4	100%
Adrianus Dani Prabawa	Wholesale Banking Director	4	3	75%
Hiromichi Kubo	Treasury Director	4	3	75%
Vincentius Hidajat	Head of Retail Lending Business	4	4	100%
Helena	Head of Wealth Management Business	4	4	100%
Irwan Sutjipto Tisnabudi	Head of Digital Banking	4	4	100%
P. Canisius Soriton, SE (pjs)	Head of Business Banking	4	4	100%
Erliana	Retail Banking Analytics, Business Planning & Credit Policy Head	4	3	75%
Nathan Christianto	Head of Wholesale Banking	3	3	100%

HUMAN CAPITAL COMMITTEE

Structure and Membership

Membership of the Committee is ex officio (based on position) and consists of the following:

Chairman: President Director

Permanent Members:

1. Deputy President Director(s)
2. Financial Director
3. Operational Director
4. Risk Management Director

Secretary: Head of Human Capital

Charter

In performing its duties, the Committee adheres to the following provisions:

1. Decisions taken at the Committee meetings are based on deliberation to reach consensus. In the event a decision cannot be reached, the decision must be taken through a vote of more than 50% of the committee members with voting rights, including the President Director.
2. In the event of a conflict of interest, decision-making is performed in accordance with the relevant provisions in the Corporate Policy.
3. Dissenting opinions, and the reasons behind them, expressed at Committee meetings must be clearly recorded in the Meeting Minutes.

Duties and Responsibilities

Details of duties and responsibilities of the Committee are as follows:

1. Evaluate policies, strategies and targets regarding Human Capital and make recommendations to the Board of Directors to be established as policies, especially policies of strategic nature.
2. Evaluate the implementation of Human Capital's remuneration program and make recommendations to be approved by the Board of Directors.
3. Approves the deviations of the Company regulations/procedures that are applicable in Human Capital sector that exceed the authority of the division head and/or Director in charge of Human Capital, by taking into account the Company's hierarchy policy.
4. File the recommendation to the Board of Directors regarding the appointment and assignment (nomination) of members of the Board of Directors or Board of Commissioners or Employee of the Company in the Subsidiary (including as the member of Sharia Supervisory Board in the Subsidiary with Sharia business).

Implementation of Duties in the Year 2020

In 2020, the Human Capital Committee held some meetings and give recommendation to Board of Directors regarding:

1. Operating Model Project
2. Executive Grade Promotion
3. Pay Review 2020
4. Nomination of Board of Management Member
5. Medical Insurance Provider Tender
6. Off-Cycle Grade Promotion Year 2020

Meeting Frequency and Attendance

Throughout the year 2020, the Human Capital Committee held 8 meetings, with details on the attendance as noted in the table below:

Name	Position	Number of Meetings	Attendance	Percentage of Attendance
Ongki Wanadjati Dana	President Director	8	8	100%
Kasuhiza Miyagawa*	Deputy President Director	8	8	100%
Darmadi Sutanto	Deputy President Director	4	4	100%
Merisa Darwis	Director	8	8	100%
Hanna Tantani	Director	8	8	100%
Henoch Munandar	Director	6	5	83%
Pratomo Soedarsono**	Head of Human Capital	4	4	100%
Mira Fitria	Head of Human Capital	4	4	100%

* Resigned on 18 November 2020

** Replaced by Mira Fitria



INTEGRATED RISK MANAGEMENT COMMITTEE

Structure and Membership

The membership structure of the Risk Management Committee is as follows:

Permanent Member

1. Director of Integrated Risk Management from PT Bank BTPN, Tbk as Lead Entity who also act as chairman.
2. Director in charge of risk management of, or a person who represents and appointed by BTPN Syariah
3. Executive Officer in Risk Management Department of BTPN who is in charge of Integrated Risk Management Unit ("IRMU").

Non-Permanent Member

Director and Executive Officers from FSI members of Conglomeration and will be invited depend on the needs of Conglomeration

Charter

Provisions in the Charter of the Integrated Risk Management Committee are as follows:

1. Meetings
 - The committee holds a meeting at least once every semester, or as required.
 - The Committee may invite Non-Permanent Members of the Committee to attend a meeting if required
 - The Committee Meetings discuss the Integrated Risk Profile Assessment Report of the Conglomerate. In addition, the SKMRT also collect additional meeting agendas from Conglomerate members 1 (one) month prior to the Risk Management Committee meeting. This agenda is to be sent together with the invitation to attend the committee meeting.
 - Results of Integrated Risk Management Committee meetings, including dissenting opinions, must be recorded in the meeting minutes, signed by all Permanent Members and appropriately documented. The Meeting Minutes are circulated to all Permanent Members of the committee.
 - The Committee may make valid decisions without holding a meeting through the committee circular media, which is approved by all Members. This process may be carried out as long as the submitted proposal is conveyed to all Members.

2. Quorum

Risk Management Committee meetings can only be held if attended by a minimum of 50% (fifty percent) of the Permanent Members of the committee in addition to the Chairman.

3. Decision-Making

- Decision-making in committee meetings is based on deliberation and consensus.
- In the event that deliberation and consensus cannot be reached, decision-making must be based on the counted majority of votes of the Permanent Members attending the meeting.

4. Review

Review of the charter of the Integrated Risk Management Committee is conducted at least 1 (once) a year and/or sooner if required.

Duties and Responsibilities

The Committee is responsible for providing recommendations to the Board of Directors of the Main Entity on matters pertaining to risk management, particularly on the following:

1. Formulation and review of the Integrated Risk Management policy;
2. Corrections or amendments of the integrated risk management policy, among others, on the improvement of the strategy and risk framework based on the results of the implementation evaluation. Reviews must be conducted periodically as required and take into account any changes in external and internal conditions that may be detrimental to the sufficiency of the Bank's capital, risk profile, and the effectiveness of the implementation of integrated risk management;
3. Other matters related to the implementation of integrated risk management which are of concern to the Committee Members.

Implementation of Duties in the Year 2020

Integrated Risk Management Committee has held meetings 2 (twice) times for the first semester position on 5 August 2020 and for the second semester position on 10 February 2021.

Integrated Risk Management Committee conducts detailed discussions on:

- Consolidated financial achievements - Financial Conglomerate SMBC
- Submission of integrated risk profile reports and integrated KPMM reports from the SMBC Financial Conglomerate for the position of June 2020 and December 2020
- Preparing the Integrated Risk Management Committee Rules and Regulations.
- Creating a schedule and Annual Work Plan for the Integrated Risk Management Committee for 2020.
- Bank and Subsidiary's participation in the National Economic Recovery Program conducted by the Government due to the COVID-19 pandemic.
- Plans to form Bank Synergy Policies in accordance with the direction of regulators and integrates risk profile parameters with subsidiaries. The Bank has accommodated the establishment of the Bank Synergy Policy in Risk Management Policies.

Meeting Frequency and Attendance

During the year 2020, the Integrated Governance Committee held its meetings 2 times, with details of the attendance as follows:

Name	Position	Number of Meetings	Attendance	Percentage of Attendance
Henoch Munandar	Risk Management Director	2	2	100%
Sendiaty Soudy	Portfolio Management & Policy Head	2	2	100%
Arief Ismail	Overseeing Compliance and Risk Management Director	2	2	100%

REMUNERATION OF THE BOARD OF COMMISSIONERS AND THE BOARD OF DIRECTORS

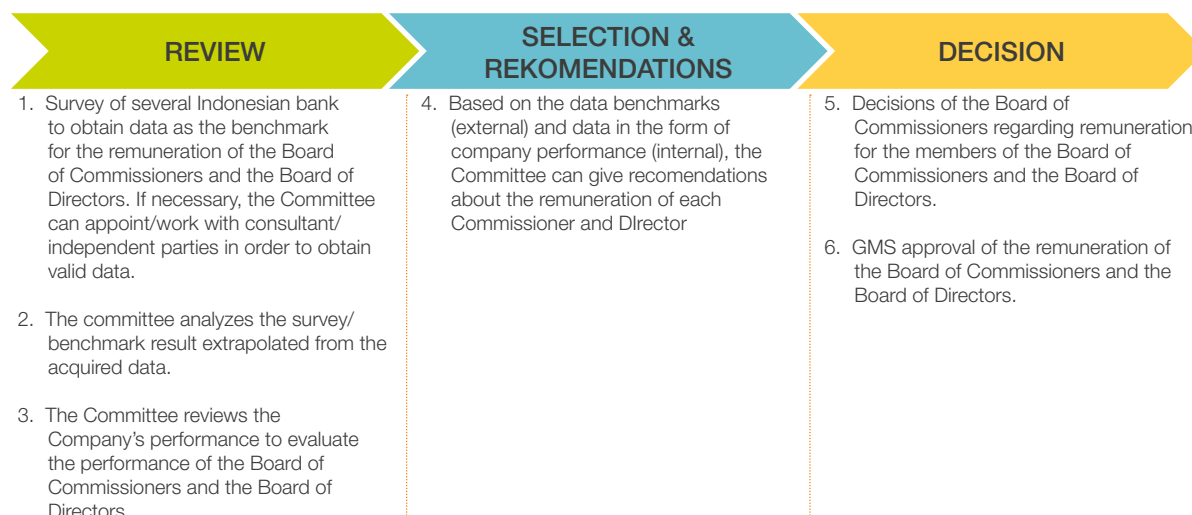
Policy

Establishing the remuneration and other facilities provided to members the Board of Commissioners and the Board of Directors refer to the resolutions of the shareholders as stipulated in the GMS. Such establishment takes into account the recommendations provided by the Remuneration and Nomination Committee.

In determining the remuneration of each member of the Board of Commissioners and the Board of Directors, the Bank takes consideration of the general performance, performance assessment, fairness in comparison to peer groups in banks and banking industry, as well as the Company's capabilities. The Company's performance is one of the factors in determining the remuneration of members of the Board of Commissioners and the Board of Directors among others as portrayed in the price of the company's stock exchange price.

Procedures of Establishing Remuneration

The process of determining the remuneration of the Board of Commissioners and the Board of Directors at the Bank is explained in the flow chart below.





REMUNERATION STRUCTURE OF THE BOARD OF COMMISSIONERS

Type of Remuneration and Other Facilities	Total Amount Received in Rupiah (Gross) in 1 (one) year	
	Board of Commissioners	
	Number of Recipients as of 31 December 2020	Rp Million
Salary, bonus, fixed allowance, tantien, and other facilities in cash.*	5	7.511
Non-Cash Facilities: housing, health insurance, and others, that may be in the forms of the following:		
May be Owned	5	212
May Not be Owned	5	6
Total	5	7.729

Total Amount of Remuneration and Benefits in 1 Year	Number of Commissioners
Above Rp2 Billion	1
Above Rp1 Billion – Rp2 Billion	2
Above Rp500 Million – Rp1 Billion	0
Under Rp500 Million	1

The number of Directors, Commissioners and Employees as the Recipients of Fixed and Variable Remuneration in 1 (One) Year and the Total Amount.

FIXED CATEGORY

Name	2020	2019
Board of Directors	48,374	37,715
Board of Commissioners	6,611	7,450
Employees	1,349,268	1,331,273

VARIABLE CATEGORY

Name	2020		2019	
	Headcount	Total Amount	Headcount	Total Amount
Board of Directors*	15	42,129	7	73,550
Board of Commissioners	1	900	3	3,760
Employee Bonus	-	195,230	-	154,050
Employee Incentive	-	23,311	-	27,378

* included former Directors

SHARES OPTIONS OWNED BY DIRECTORS, COMMISSIONERS, AND EXECUTIVE OFFICERS

Name	2020	2019
Board of Directors	-	6,300,000
Board of Commissioners	-	-
Employees	-	20,140,000

*) Directors, Commissioners and Executive Officers of Conventional BTPN

RATIO OF HIGHEST AND LOWEST SALARIES

Name	2020
Highest of Employee – Lowest of Employee	109,38
Highest of Director – Lowest of Director	4,17
Highest of Commissioner – Lowest of Commissioner	2,7
Highest of Director – Highest of Employee	2,02

TOTAL DEFERRED VARIABLE REMUNERATION

Name	2020		2019	
	Headcount	Total Amount	Headcount	Total Amount
Deferred Bonus (Gross)	10	9,559,601,564	7	16,350,000,000
MESOP 2015-2020	0	0	204	76,360,000
ESOP 2016-2021	3	195,000	3	198,000

*) Performance bonus of previous year

**) Directors and Executive Officers of Conventional BTPN

Performance Review in Relation to Remuneration

The connection between performance and remuneration is explained below:

1. The Bank refers to the meritocracy principle when determining the amount of remuneration for its Directors and employees, both for fixed and variable remuneration. Individual remuneration is reviewed annually and any adjustments are based on individual performance.
2. In terms of Bank Performance Management, each member of the Board of Directors and each employee has individual targets, which form the basis of assessing their individual performance. The individual targets of the Board of Directors, which are also the targets of his/her work unit/directorate, are derived from the Bank's targets, which are divided between work units and individual employees.
3. Unit and individual performance assessments are based on the realization of the targets of each work unit and individual. Unit performance is categorized into – Exceeding the Targets, Achieving the Targets, and Below the Targets. Unit performance also influences the performance of the head of the work unit.

Individual performance is assessed by reviewing the actualization of individual targets, and is categorized into –outstanding, very good, good, needs improvement, and poor. The amount of remuneration adjustment is based on the individual performance assessment. The management provides guidelines on the amount of fixed and variable remuneration adjustments in line with individual performance.

The provision of variable income related to performance and risk is stipulated by the following conditions:

1. 80% of the Variable Income is provided in cash.
2. 20% of the Deferred Variable Income is distributed as follows:
 - 10% is provided in cash and in the first year after 80% of the Variable Income has been delivered.
 - 5% is given in the form of shares in the second year after 80% of the Variable Income has been delivered.
 - 5% is given in the form of shares in the third year after 80% of the Variable Income has been delivered.

Positions and Number of Parties That Become Material Risk Takers

Positions included in the category of risk takers are the 10 Directors. Such number is the number of Material Risk Taker (MRT) during the year 2020.



REMUNERATION STRUCTURE OF THE BOARD OF DIRECTORS

Type of Remuneration and Other Facilities	Total Amount Received in Rupiah (Gross) in 1 Year	
	Board of Directors	
	Total Recipients as of 31 December 2020	Rp Million
Salary, bonus, fixed allowance, tantiem, and other facilities in cash.*	9	88.652
Other facilities; housing, health insurance, and others, in the form of:		
May be Owned	9	5.258
May Not be Owned	9	63
Total	9	93.974

Total Amount of Remuneration and Benefits in 1 Year	Number of Directors
Above Rp2 Billion	11
Above Rp1 Billion – Rp2 Billion	3
Above Rp500 Million – Rp1 Billion	1
Under Rp500 Million	1

Variable Remuneration

Variable remuneration at the Bank consists of Incentives, Performance Bonuses, and MESOP/ESOP. Such incentives are granted based on individual performance of employees serving in sales, services, and collection. Incentives are paid monthly, quarterly, and annually.

Performance bonuses are granted based on the performance of the Company, the performance of the related units, individual performance. They are disbursed on the following year. Performance bonuses are decided at the discretion of the management, and are provided in accordance with the performance and financial condition of the Bank. Performance bonuses are provided annually to employees who do not receive incentives, the Directors and the Commissioners.

MESOP/ESOP (Management and Employee Stock Option Program/Employee Stock Option Program) are optional rights given to Directors and certain levels of employees to purchase shares of the Bank at a certain fixed price. The nominal value of MESOP/ESOP is based on individual performance. This policy is not only a reward on performance but also serves as an incentive to improve individual performance/contribution to the Bank's future performance which hopefully helps boost the bank's share value and serves as a retention measure.

CORPORATE SECRETARY

Profile of the Corporate Secretary

Eneng Yulie Andriani carries over the function as Corporate Secretary as of 10 January 2020 based upon Circular Resolution of Board of Directors No. PS/BOD/001/I/2020 dated 10 January 2020. In performing its roles and responsible as Corporate Secretary, she reports her activity to Board of Directors.

Starting her career in banking since 1997 as the staff of Group Legal of PT Bank Danamon Indonesia Tbk. Up to 2014 with the last position as the Corporate Action & Stakeholder Management Head of Corporate Secretariat Division. She then joined PT Bank Sumitomo Mitsui Indonesia (SMBCI) as Corporate Legal Department Head. Following to the effective merger of SMBCI and T Bank BTPN Tbk at 1 February 2019, she hold position as Corporate Secretariat Division Head of the Bank.

Eneng Yulie Andriani achieved the degree of Bachelor of Law from the Faculty of Law University of Indonesia in 1997, focusing in law sciences in Economy activity and in 2012 achieved master of law from Faculty of Law University of Indonesia.

Eneng Yulie Andriani

Citizenship	Indonesian
Domicile	Jakarta
Age	46 years at the end of Fiscal Year 2020
Educational Background	1997 - Bachelor Degree from University of Indonesia majoring Law Sciences in Economy Activities 2012 - Master Degree of Law from University of Indonesia
Basis of Appointment	Circular Resolution of Board of Directors No. PS/BOD/001/I/2020 dated 10 January 2020
Concurrent Positions	Head of Corporate Secretariat Division
Pengalaman Kerja	<ul style="list-style-type: none"> Corporate Action & Stakeholder Management Head of Corporate Secretariat Division at PT Bank Danamon Indonesia Tbk (1997-2014) Head of Corporate Legal Department at PT Bank Sumitomo Mitsui Indonesia (2014-2019)
Affiliation	No affiliate relationship with the Board of Directors, the Board of Commissioners and Controlling Shareholders

Term of Office

The term of office for the position of Corporate Secretary began on 10 January 2020.

Legal Basis

The position of Bank BTPN's Corporate Secretary refers to the Financial Services Authority Regulation No. No.35/ POJK.04/2014 regarding the Establishment of a Corporate Secretary juncto Securities Listing of PT Bursa Efek Indonesia Regulation No. 1-A Attachment II of the Decision of the Board of Directors of PT Bursa Efek Indonesia No. Kep-00001/BEI/01-2014 dated 30 January 2014. The Bank has a Corporate Secretary, namely Eneng Yulie Andriani as of 10 January 2020, appointed based upon Circular Resolution of Board of Directors No. PS/BOD/001/I/2020 dated 10 January 2020.

Duties and Responsibilities

Details of the duties and responsibilities of the Corporate Secretary of the Bank are as follows:

1. Maintain good relations with the Financial Services Authority, the Indonesian Stock Exchange, and other stakeholders.
2. Responsible for providing important information on the Bank's condition which the public and stakeholders need to know.
3. Keep up with the capital market development, including on regulations prevailing in the capital market.
4. Perform tasks to fulfill the obligations of the Company as a public company based on the principles of Corporate Governance.
5. Provide the Directors and the Board of Commissioners with advice on compliance with the provisions of Law Number 8 of 1995 concerning the Capital Market and its implementing regulations.
6. Responsible for the implementation of GMS.
7. Coordinate the implementation of the meetings of the Board of Directors and the Board of Commissioners.

8. Prepare and document the Minutes of the Meetings of the Board of Directors.
9. Assist the Board of Directors and the Board of Commissioners in carrying out their respective duties and responsibilities.

Concurrent Positions and Organization Structure.

The Function of Corporate Secretary is held by executive officer who lead Corporate Secretary Division, under the supervision/coordination of Compliance Director, and is not concurrently assumed with any other position/title.

In carrying out its roles and responsibility, Corporate Secretary coordinate and manage the functions of Corporate Governance Assurance, Corporate Action & Stakeholder Management, as well the Management of Board of Commissioners and Board of Directors.

Implementation of Duties and Responsibilities of the Corporate Secretary

During the year 2020, the activities of Corporate Secretary to be carried out by taking into account the environment due to the pandemic of COVID-19 outbreak.

With the above limitations, Corporate Secretary has succeeded to complete and conduct roles or activities as follows:

1. To organize and attend the meetings as well as to make minutes from the Meeting of the Board of Directors, Board of Commissioners, Joint Meeting of the Board of Directors and Board of Commissioners and all Committees under the Board of Commissioners except the Nomination and Remuneration Committee.
2. To hold the executive officers's meetings (monthly managers meeting).



3. To hold the annual general meeting of shareholders and extraordinary general meeting of shareholders of the Bank.
4. To facilitate the trainings or seminars for members of the Board of Directors and Board of Commissioners.
5. to handle and fulfill the requirements of fit & proper test for the prospective members of the Board of Directors and Board of Commissioners.
6. to prepare and submit the reports required by the capital market and banking regulations.
7. to prepare and submit disclosure of information with the details as stipulated below.
8. To develop new policies and procedures as well as to conduct periodic reviews of policies and procedures related to corporate governance including both individual and integrated Corporate Governance Manual, Charters, and changes to the Bank's Articles of Association.
9. To review from the side of the law on limited liability companies, capital market and the articles of association towards the Bank's plan as well as to prepare relevant approval from the Shresholders, Board of Commissioners and Board of Directors, if necessary.
10. To strengthen the insights and provide briefings as well as to attend the trainings and related workshops both organized by regulators and professional associations, with the details as stated below.

Disclosure of Information

As part of the responsibility and compliance as public listed company, the following is the submitted disclosure of information during 2020:

Month	Date	Letter Number	Description
January	17-Jan-20	S.002/CCS/I/2020	Payment of Bond Fees
January	30-Jan-20	S.006/CCS/I/2020	Affirmation of the End of BTPN MESOP Program 2015
February	26-Feb-20	S.012/CCS/II/2020	Payment of Bond Fees
March	16-Mar-20	S.018/CCS/III/2020	Payment of 11th MTN II Fees
March	24-Mar-20	S.022/CS/III/2020	FY 2019 performance
March	24-Mar-20	S.023/CS/III/2020	Submission of Advertisement Financial Statements Q4 2019
April	01-Apr-20	S.029/CCS/IV/2020	Submission of Advertisement Invitation of AGMS 2020
April	20-Apr-20	S.034/CCS/IV/2020	Payment of Bond Fees
April	24-Apr-20	S.037/CCS/IV/2020	Submission of Advertisement of AGMS 2020
April	24-Apr-20	S.036/CCS/IV/2020	AGMS 2020
May	14-May-20	S.043/CCS/V/2020	Annual Rating Result
May	15-May-20	S.045/CCS/V/2020	Amendments to the Articles of Association
May	15-May-20	S.046/CCS/V/2020	Changes to the composition of the BOC
May	18-May-20	S.048/CCS/V/2020	Affiliated Transaction Report
May	19-May-20	S.052/CCS/V/2020	Press Release regarding Performance Q1 2020
May	26-May-20	S.055/CCS/V/2020	Payment of 2nd Bond Interest of PUB IV Phase I 2019 series A and B
June	02-Jun-20	S.058/CCS/VI/2020	Changes to the composition of the BOD
June	15-Jun-20	S.062/CCS/VI/2020	Payment of 12th Principal and Interest of MTN II
June	15-Jun-20	S.063/CCS/VI/2020	End of Trustee Duties
July	03-Jul-20	S.070/CCS/VII/2020	Press Release namely: SMBC Group and UNICEF Provided Relief for Indonesian Communities Impacted by COVID-19 Pandemic
July	20-Jul-20	S.073/CCS/VII/2020	Payment of 11th Bond Interest of PUB III Phase II 2017 series B
July	29-Jul-20	S.075/CCS/VII/2020	Press Release namely: Jenius Launched the Jenius QR Feature to Support Non-Cash Payment
July	30-Jul-20	S.079/CCS/VII/2020	Press Release namely: PT Bank BTPN Tbk Q2 Performance Report
August	26-Aug-20	S.089/CCS/VIII/2020	Payment of 3rd Bond Interest of PUB IV Phase I 2019 series A and B
August	28-Aug-20	S.090/CCS/VIII/2020	Press Release regarding Public Expose 2020
August	28-Aug-20	S.091/CCS/VIII/2020	Press Release regarding Fourth Jenius Anniversary
September	14-Sep-20	S.095/CCS/IX/2020	Press Release namely: SMBC Group Donates IDR 1.3 billion to PDUI to Combat COVID-19

Month	Date	Letter Number	Description
September	17-Sep-20	S.096/CCS/IX/2020	Press Release namely: A Reliable Partner for Simpler, Smarter and More Secure Business
September	28-Sep-20	S.104/CCS/IX/2020	Press Release namely: Jenius dan BNI TapCash Collaborate to Support NonCash Payment Movement in Indonesia
October	01-Oct-20	S.108/CCS/X/2020	Press Release namely: Customer Education for Jenius Product user in order to maintain the security in online transaction
October	08-Oct-20	S.111/CCS/X/2020	Press Release namely: BTPN Wow! Recognized by the Schwab Foundation for Social Entrepreneurship
October	16-Oct-20	S.114/CCS/X/2020	Resignation of Kazuhisa Miyagawa
October	19-Oct-20	S.115/CCS/X/2020	Payment of 12th Bond Principal and Interest of PUB III Phase II 2017 series B
October	19-Oct-20	S.116/CCS/X/2020	End of Trustee Duties
Oktober	27-Oct-20	S.121/CCS/X/2020	Submission of Advertisement Invitation of EGMS
October	27-Oct-20	S.123/CCS/X/2020	Press Release namely: BTPN Books 6% Credit Growth at End of September 2020
November	02-Nov-20	S.124/CCS/XI/2020	Press Release namely: Jenius Co.Creation Week 2020, Encourage the Digital Savvy to Embrace the Changes
November	18-Nov-20	S.131/CCS/XI/2020	Press Release namely: Bank BTPN's Extraordinary General Meeting of Shareholders Gives Nod to Changes in Board of Directors, Board of Commissioners
November	19-Nov-20	S.132/CCS/XI/2020	Annual Rating Result
November	20-Nov-20	S.134/CCS/XI/2020	Submission of Advertisement Summary Minutes of EGMS
November	24-Nov-20	S.135/CCS/XI/2020	Amendments to the Articles of Association
November	24-Nov-20	S.136/CCS/XI/2020	Composition of BOD BOC
November	30-Nov-20	S.137/CCS/XI/2020	Payment of 4th Bond Interest of PUB IV Phase I 2019 series A and B
December	04-Dec-20	S.141/CCS/XII/2020	Press Release namely: Jenius Pay, a Jenius Collaboration for Simple, Smart and Safe Online Transaction

Training and Competency Development

In order to improve knowledge and competency as Corporate Secretary, the following is list of training to be participated during 2020:

No	Date	Organizer	Agenda
1	22 January 2020	ICSA Academy	Quantum Leap Your Communication
2	27 January 2020	BTPN	Strategic Direction Briefing 2020
3	5 February 2020	BTPN	Diskusi Terkait COVID19
4	5 February 2020	BTPN	Diskusi Terkait Retensi Dokumen
5	31 March 2020	Creco Consultant Group	Analysis of Economic Condition Impact from COVID-19
6	8 April 2020	ICSA Academy	Relaksasi Aturan OJK
7	15 April 2020	ICSA	Webinar ICSA – E-Proxy
8	28 April 2020	KSEI	Online Course – E-proxy
9	8 May 2020	Webinar HHP	Transaksi Material
10	29 may 2020	BTPN (Operation Risk Management)	Three line of defence model discussion
11	4 June 2020	Lembaga Penjamin Simpanan	Dissemination of the Planned Depositor Confidence Index Survey at Commercial Banks
12	9 June 2020	Creco Consultant Group	Market Update
13	9 June 2020	BEI	Webinar related to the Socialization of Rule Number I-B concerning Registration of Debt Securities
14	11 June 2020	Asosiasi Emiten Indonesia	Invitation to Halal Bi Halal and Webinar “Issuers Welcomes a New Normal, Challenges and Opportunities”



No	Date	Organizer	Agenda
15	18 June 2020	BTPN (Legal & Litigasi)	Awareness on the ABC Implementation
16	9 July 2020	ICSA	Socialization of POJK No.17-POJK.04-2020 regarding Material Transactions and Changes in Business Activities
17	10 July 2020	OJK	Socialization and RDP of POJK Transparency
18	16 July 2020	ICSA	Best Practice POJK No.15/POJK.04/2020 tentang Rencana dan Penyelenggaraan RUPS pada Perusahaan Terbuka dan POJK No. 16/POJK.04/2020 tentang Pelaksanaan RUPS Perusahaan Terbuka secara Elektronik
19	17 July 2020	AEI	Invitation to AEI Webinar with the Minister of Industry with the theme "Opportunities and Challenges of Industry & the Business World in the New Normal Period"
20	19 July 2020	ICSA	Invitation to the ICSA Webinar with the theme RISK MANAGEMENT for CORPORATE SECRETARY
21	4 August 2020	BEI dan Global Reporting Initiative	Preparing Stakeholder Engagement & Sustainability
22	11 August 2020	OJK-BEI	Socialization of POJK 37-POJK.04-2020 and POJK 43-POJK.04-2020
23	11 August 2020	OJK-BEI	Socialization of POJK 17-POJK.04-2020 and POJK 42-POJK.04-2020
24	14 Agustus 2020	ICSA	Deepening of POJK 42/2020 concerning Affiliated Transactions and Conflict of Interest Transactions
25	7 September 2020	BTPN (Compliance)	Socialization of Handling Regulations Issued by Regulators
26	1 September 2020	LSPP	Executive Risk Management Certification Refresher
27	30 September 2020	BTPN (CorpCom)	Workshop RAKB dan SR
28	16 October 2020	BTPN (CorpCom)	"Sharing Session #2: Kisah Melawan COVID-19"
29	16 October 2020	Learning & Development Department, Asia Sumitomo Mitsui Banking Corporation	[Webinar] Lead and Motivate Virtual Teams on 20 Oct (For managers with direct reports)
30	19 October 2020	Learning & Development Department, Asia Sumitomo Mitsui Banking Corporation	Rethinking Your Way To Success
31	20 October 2020	Creco Consultant Group	Economic Outlook Seminar
32	21 October 2020	AEI	Invitation to the National Economy Webinar
33	22 October 2020	ICSA	Challenges of Corporate Secretary in Facing the New Normal
34	26 October 2020	Learning & Development Department, Asia Sumitomo Mitsui Banking Corporation	[Webinar] Practicing Mindfulness
35	11 November 2020	OJK	Webinar Focus Group Discussion (FGD) Hearings of RSEOJK Form and Contents of the EPP Annual Confirmation Report
36	3 December 2020	OJK	Sosialisasi POJK No. 45/POJK.03/2020 tentang Konglomerasi Keuangan
37	10 December 2020	CRECO Consultant Group	Leadership Series : COVID-19 Opportunities for MSMEs and Digitization of Financial Services
38	10 December 2020	BEI-OJK	Invitation to Attend the Webinar "The Basics of Jurisprudence and the Selection Process of Sharia Shares in Indonesia"
39	11 December 2020	BEI	Invitation for Hearings in the context of Rule Making Rules for the Concept of Exchange Rules

BPTN internal e-learning that was followed during 2020

No	Agenda
1	Anti Fraud Awareness
2	Entertainment & Gift
3	Ethic, Conduct, Customer Protection
4	Information Security Awareness
5	LINK & HELP Communication
6	Operational Risk Management
7	Pernyataan Mengenai Anti-Fraud & Pakta Integritas Dan Kode Etik PT Bank Btpn Tbk
8	Refreshment APU PPT 2020
9	Refreshment Compliance 2020
10	Refreshment Fraud Awareness
11	Sustainable Finance (Keuangan Berkelanjutan) 2020

COMPLIANCE FUNCTION

The Banking industry is an industry that obligated to apply highly regulated in compliance implementation if compared with other industries. The level of strict compliance correlates with public missions and responsibilities of public funds.

Therefore, the Bank's compliance risk management becomes highly important, especially with the increasing complexity of the Banks business activities.

For example, information technology development and digitalization may be of potential compliance risk for the Bank.

As stated in the Corporate Governance Manual, compliance to OJK regulations, BI and prevailing laws, is a commitment of BTPN. Likewise, commitment to compliance to provisions on Anti-Money Laundering and Prevention of Terrorist Funding (APU & PPT).

Fulfilling compliance, the Bank comprehensively and structurally take preventive measures in order to ensure that business processes around the Bank are on track with regulator's applicable provisions. Such governance, among others refers to the OJK Regulation No. 46/POJK.03/2017 on the Implementation of Compliance Function of Commercial Banks.

Organizational Structure

For the implementation of Compliance Function to effectively run, the Bank has a Director responsible for Compliance Function of which its duties are assisted by the Compliance Work Unit further referred to as the independent "Compliance Division", in line with OJK's regulation on Compliance Function Implementation.



Legal Basis

In performing its compliance function, the Bank relies, as guidelines, on prevailing laws, OJK Regulation No. 46/POJK.03/2017 on Compliance Function Implementation of Commercial Banks:

- Development in information technology, globalization, and integration of the financial markets will generate increasing complexity of the Bank's business activities that will cause great impact on the risk exposure faced by the Bank, for that reason efforts to mitigate risks of the bank's business activities are necessary, both preventive (ex-ante) efforts as well as curative (ex-post) efforts;
- Preventive (ex-ante) efforts may be undertaken by complying with applicable banking principles in order to reduce or minimized the risks of the bank's business activities.



- In manifesting the objectives to achieve, and this require increasing role and responsibility of compliance at each level of the organization as well as at the Bank's Compliance Work Unit so that risk potentials of the bank's business activities may be anticipated at an early stage.

Function, Duties and Responsibilities

Function, Duties and Responsibilities of the Compliance Department are formulated in line with the policies issued by regulator, among others are as follows:

A. Compliance Function

The functions performed by the Bank refer to the directives provided by regulator in accordance with POJK No. 46/POJK.03/2017 on Compliance Function Implementation of Commercial Banks, which include the following:

1. Actualize the implementation of Compliance Culture at all levels of the Bank's organization and business activities.
2. Manage Compliance Risk faced by the Bank.
3. Ensure that policies, provisions, systems, and procedures, as well as business activities carried out by the Bank, are in accordance with provisions set forth by the Financial Services Authority, and the provisions of laws and regulations.
4. Ensure the Bank's compliance to its own commitments to the Financial Services Authority and/or other supervisory authorities.
5. The consultative (advisory) function related to the application of prevailing regulations through providing suggestions/responses to questions from work units or branches, whether through electronic media, discussions, telephones, or meetings.

B. Duties and Responsibilities

Duties and responsibilities of the Compliance Function, among others, refer to OJK Regulation No. 46/POJK.03/2017 on the Implementation of Compliance Function of Commercial Banks. Based on such provision, the duties and responsibilities of the Director of Compliance are as follows:

1. Formulate the strategy to support the establishment of the Bank Compliance Culture;
2. Recommend compliance policies or principles to be established by the Board of Directors;
3. Establish compliance systems and procedures to be used in formulating the Bank's internal provisions and guidelines;

4. Ensure that all policies, provisions, systems and procedures, as well as the Bank's business activities are in line with the provisions set forth by the Financial Services Authority and prevailing laws and regulations;
5. Minimize the Bank's Compliance Risks;
6. Take preventive actions so that policies and/or decisions taken by the Bank's Board of Directors or the overseas branch offices' management do not deviate from the provisions set forth by the Financial Services Authority and prevailing laws and regulations;

Duties & Responsibilities of the Compliance Unit:

1. Take steps to support the establishment of Compliance Culture throughout the Bank's business activities at all levels of the organization;
2. Identify, measure, monitor and control Compliance Risk by referring to OJK regulation on the Implementation of Risk Management of Commercial Banks;
3. Assess and evaluate the effectiveness, appropriateness and suitability of policies, provisions, systems as well as procedures existing at the Bank with provisions of the laws and regulations;
4. Conduct reviews and/or recommend updates and improvement of policies, provisions, systems as well as procedures existing at the Bank to align with provisions of the Financial Services Authority and of the laws and regulations;
5. Act on efforts to ensure that policies, provisions, systems and procedures, as well as the Bank's business activities are in accordance with provisions of the Financial Services Authority and of the laws and regulations; and
6. Conduct other duties related to the Compliance Function

Supervision of the Board of Directors and the Board of Commissioners

Referring to OJK Regulation No. 46/POJK.03/2017 on the Implementation of Compliance Function of Commercial Banks, the Board of Directors is obligated to take efforts to manifest and foster the implementation of Compliance Culture at all levels of the Bank's organization and business activities as well as responsible for ensuring the execution of the Bank's Compliance Function.

Related to this matter, the Board of Directors always conduct monitoring of the Compliance Function execution, among others through the following mechanisms:

- Report of the implementation of duties and responsibilities of the Compliance Unit to the Compliance Director (monthly).
- Report of the implementation of duties and responsibilities of the Compliance Director to the President Director with copies to the Board of Commissioners (quarterly)
- Report of monitoring result on compliance risks to the Board of Director (BOD) on BOD meeting and to the Board of Commissioners (BOC) on the BOD and BOC meeting forums as well as to the Audit Committee (periodically).

In addition, the Board of Directors has approved the Compliance Policies and Procedures as the basic infrastructure for the implementation of the Compliance Function governance to be applied as guidelines for the implementation of the Bank's Compliance Function.

In compliance with POJK No. 46/POJK.03/2017 on the Implementation of Compliance Function of Commercial Banks, the Board of Commissioners has conducted assessment of the compliance function implementation at least 2 (two) times in a year (biannually).

Focus in 2020

Throughout the year 2020, the Compliance Function has several focus that took the attention of the Bank in executing its business activities. All of the focus have been executed during the fiscal year, including the following:

1. Review all main policies and the Bank's operational policies, including compliance policies as the basic infrastructure serving as guidelines for the implementation of the Bank's Compliance Function.
2. Conduct compliance test against draft of policies, product program, corporate actions as well as transactions which are required to be approved by the Credit Committee in order to ensure appropriateness with prevailing regulations.
3. Socialization of new OJK and BI regulations to the Board of Directors, the Board of Commissioners, related units and employees of branch offices through email, meetings as well as the Bank's other internal media, including disseminating regulations to related units in order to set follow-up actions of the regulations. In addition, re-socialization of already existing regulations, especially those with significant impact on the Bank.
4. Advisory function related to the implementation of prevailing regulations in every product and/or activity issuance as well as policy; new ones, those in development and annual reviews through coordination meetings, electronic media and others.
5. Self-assessment of compliance risks as part of drafting the Bank Risk Profile conducted in every quarter within the Bank's Compliance Risk management.
6. Preparation of the Compliance Self Assessment (CSA) used as tools to measure and ensure the implementation of compliance by work units to OJK and BI regulations as well as to prevailing laws and regulations and regulations of SMBC as the majority shareholder and the Bank's Controlling Shareholder which is also a global SIB Bank.
The CSA also includes the Compliance Self Review of the work unit on the implementation of compliance with OJK, BI, SMBC as well as the prevailing laws and regulations.
7. Implementation of Compliance On-Site Review (Branch Review) conducted by AML Compliance Champion at the Bank's branch office to ensure compliance to OJK, BI and SMBC regulations is implemented at the branch office. At the same time as the implementation of Branch Review, socialization of OJK and SMBC regulations in order to improve branch office employees of the concerned regulations.
8. Monitoring of the Compliance Function implementation and governance of the subsidiaries, namely BTPN Syariah in line with OJK's provisions related to the Integrated Governance Implementation For Financial Conglomerates, including the shariah banking governance synergy.
9. Conduct training programs for all employees to strengthen Compliance Culture at all levels of the Bank's organization and business activities, held through e-learning.
10. Improvement of quality and competency of the human resources in the Compliance & Legal Directorate in the effort to accomplish the Bank's compliance to provisions and prevailing laws and regulations, among others through training and other programs.



Compliance Implementation Strategy

The Bank has established the strategy to generate continuous compliance within the environment of the Bank's organization. Details of the strategy is explained below:

1. Socialization of new regulations from OJK and BI to the Board of Directors, the Board of Commissioners, related units, and employees of branch offices, including re-socialization of existing regulations that have great impact on the Bank.
2. Implementation of compliance test on draft of policies, program products, corporate actions as well as transactions that require the approval of the Credit Committee, including periodic review on policies and program products.
3. The consultative (advisory) function related to the application of prevailing regulations through providing recommendations/ responses in every product and/or activity issuance as well as policy; newly issued, in development and annually reviewed.
4. Preparation of the Compliance Self Assessment (CSA), including continuous review and improvement of CSA working papers in line with the issuance of OJK and BI new regulations, as well as other laws and regulations.
5. Implementation of Compliance Self Review on the implementation of provisions of the OJK, BI and SMBC as well as prevailing laws and regulations.
6. Implementation of Compliance On-Site Review (Branch Review) by AML Compliance Champion to ensure compliance to OJK, BI and SMBC regulations is implemented at the branch office.
7. Ensure the implementation of the Compliance Function and governance at the subsidiary, namely BTPN Syariah has sufficiently conducted in line with OJK provisions regarding the Integrated Governance Implementation For Financial Conglomerates, including the shariah banking governance synergy.

Socialization of Compliance

To support continuous implementation of compliance, the Bank unceasingly carry out socialization programs within the organization's environment. Materials delivered are especially concerned with new regulations issued by OJK and BI to the Board of Directors, the Board of Commissioners and related units including repeated dissemination of existing regulations, especially those with significant impact on the Bank.

Delivery of the information is done through email, face-to-face interaction as well as the Bank's other internal media.

Aside from the above, socialization on OJK, BI and SMBC regulations is also carried out by AML Compliance Champion at branch offices with the objective to improve comprehension of the branch office employees.

Compliance Initiatives in 2020

Throughout the year 2020, the Bank has actualized a number of initiatives related to compliance with details described below:

1. Preparation of the Compliance Self Assessment (CSA) to measure and ensure the implementation of compliance by work units with OJK and BI regulations as well as with prevailing laws and regulations and SMBC regulations.
2. Implementation of Compliance Self Review to ensure their comprehension of Compliance Risks.
3. Implementation of Compliance On-Site Review (Branch Review) by AML Compliance Champion to ensure compliance to OJK, BI as well as SMBC regulations is implemented at the branch office.
4. Conducting training to strengthen Compliance Culture at all levels of the organization and business activities of the Bank for all employees which were carried out through e-learning.

Strategic Plan for the Year 2021

For the coming year, the Bank has established several strategic initiatives to be developed, including the following:

1. Conduct reviews of all of the Bank's major and operational policies, including the policy on compliance as the basic infrastructure of the Bank's Compliance Function implementation in line with the issuance of OJK and BI new regulations as well as of Sumitomo Mitsui Banking Corporation (SMBC) as the Bank's majority and Controlling Shareholder.
2. Ensure that policies, programs, corporate actions as well as transactional decisions that require approval of the Credit Committee are in line with prevailing provisions, laws and regulations through assessing compliance and the advisory function, including periodic reviews of policies and program products.
3. Socialization of OJK and BI new regulations to the Board of Directors, the Board of Commissioners and related units, including the dissemination of new regulations to related units in order to establish follow-up actions of the concerned new regulations. In addition, re-socialization of existing regulation, especially those with significant impact on the Bank.

4. As part of the move to enhance Compliance Culture to employees, specifically employees in branch offices, socialization of OJK and BI as well as SMBC regulations simultaneously with Branch Reviews are carried out with the objective to improve the employees' comprehension of the said regulations.
5. Preparation of the Compliance Self Assessment (CSA), used as a tool to measure and ensure that compliance implementation in work units of OJK and BI provisions as well as prevailing laws and regulations and risk consolidation with SMBC as the majority shareholder as well as the controlling shareholder of the Bank which is also a global SIB Bank.
6. Implementation of Compliance Self Review as one of the steps to improve Compliance Culture of all employees on the implementation of OJK and BI provisions as well as provisions of prevailing laws and regulations and SMBC, including a survey to be conducted on all employees to ensure their comprehension of Compliance Risks.
7. Implementation of Compliance On-Site Review (Branch Review) to ensure compliance to provisions of the OJK, BI as well as SMBC to be conducted by AML Compliance Champion at the Bank's branch offices that will collaborate with the branch offices and related business units within the branch office.
8. Ensure the implementation of GCG, including anti-bribery and corruption as well as conflict of interest in all of the Bank's processes, among others, in the process of vendor appointment for the supply of goods and services, entertainment for third party to make sure it complies with the provisions of OJK, specifically which relates to outsourcing as well as SMBC provisions.
9. Conduct monitoring and control, such as through self assessment by related units on the implementation of the Bank's internal provisions concerning Entertainment & Gift.
10. Ensure the implementation of the Compliance Function and governance at the subsidiary, namely BTPN Syariah has sufficiently conducted in line with OJK provisions regarding the Integrated Governance Implementation For Financial Conglomerates, including the shariah banking governance synergy.
11. Improvement of the compliance process, among others, through the strengthening of the infrastructure supporting the Compliance Function implementation in the form of a monitoring system on follow-ups of regulations of the OJK and/or BI, fulfillment of monitoring results by the Regulator and others.
12. Conduct training programs related to Refreshment Compliance Awareness including Compliance Declaration, anti-bribery and corruption as well as Entertainment & Gift to all employees in order to strengthen compliance culture at all levels of the Bank's organization and business activities through e-learning and the Bank's other internal media. In addition, training programs related to OJK and/or BI regulations with impact on the Bank's products and services are also carried out in related units.
13. Improvement of the quality and competency of the human resources of the Compliance & Legal Directorate in the effort to fulfill the Bank's compliance with the provisions as well as prevailing laws and regulations, such as through training and refreshment programs.

INTERNAL FRAUD

Basis of Internal Fraud Prevention

Internal Fraud is fraud conducted by members of the Board of Directors, the Board of Commissioners, permanent employees, temporary (honorary) employees and/or outsourced workforce with a value of more than Rp100 million. This is in line with Article 64 of the Financial Services Authority Regulation No. 55/POJK/03/2016 regarding Governance Implementation of Commercial Banks and Chapter IX number 5 of the Financial Services Authority Circular Letter No. 13/SEOJK.03/2017 on Governance Implementation in Commercial Banks.

Implementation of Anti-Fraud Strategy

Bank BTPN is fully committed to continuously furnish and improve the implementation of the Bank's internal control thoroughly and sustainably with the aims to prevent, detect, investigate, report and evaluate fraud in line with the Anti-Fraud Strategic Policy of Bank BTPN.

Improvement of Bank BTPN's implementation of Anti-Fraud Strategy is conducted, among others, by means of the following:

1. Continuous alignment among the various business units and work units as well as consistent application of zero tolerance in the implementation of Anti-Fraud Strategy.
2. Continuous efforts to promote Anti-Fraud awareness and Whistleblowing Channel through in-class training, online training and e learning for permanent permanent employee and new employees, and also done through Anti-Fraud campaigns as well as Whistleblowing Channel socialization through the Bank's internal media, e-news letters, emails blast, and desktop wallpapers that contain information



regarding fraud and channels to report potential fraudulent activities. It is expected that the awareness about the Bank's anti-fraud culture will continue to increase.

3. Anti-Fraud Declaration through e-learning as a commitment and awareness-building to avoid action of fraud, to always obey applicable rules, and to be disciplined when carrying out the different stages of the work processes in order to prevent Bank BTPN's loss.

Implementation at the Bank

Explanation related to the occurrences in the past two years is presented in the table below.

INTERNAL FRAUD AT THE BANK

Internal Fraud in 1 year	Number of cases involving the following:					
	Management		Permanent Employees		Non-Permanent Employees	
	2020	2019	2020	2019	2020	2019
Resolved		-	1	2		-
Bank internal process		-	-	-		-
Not finalized		-	-	-		-
Followed-up through legal process		-	3	2		-
Total Fraud		-	4	4		-

Anti-Money Laundering and Prevention of Terrorist Funding (AML & CFT)

The Bank has implemented the policy related to efforts to prevent the occurrence of money laundering and terrorist funding. The policy refers to OJK Regulation No. 23/POJK.01/2019 on the Amendment of OJK Regulation No. 12/POJK.01/2017 on the Implementation of Anti-Money Laundering and Combating of Terrorist Funding Program in the Financial Services Sector.

Socialization

In the effort to enhance compliance implementation, specifically in the field of AML & CFT, the Bank continuously exert socialization activities to all organs of the Bank's surrounding. Such socialization is especially carried out in correlation with the new regulations of OJK and BI to the Board of Directors, the Board of Commissioners and related units.

Socialization is actualized through email, face-to-face method as well as through the Bank's other internal media, including the dissemination of new regulations to related units in order to establish follow-up actions on the new regulations. In addition, re-socialization activities are also carried out for existing/on-going regulations, especially the ones with significant impact on the Bank.

Socialization is not just for employees at the head office, but also at the branch offices. The policy is applied to improve comprehension of the employees at the branch offices on the regulations of OJK, BI and SMBC, conducted by AML Compliance Champion at the branch offices.

Implementation of Activities in 2020

Implementation of compliance on such regulations actualized by the Bank throughout the year 2020, among others include the following:

1. Implementation of "AML Action Plan", set to follow-up on the difference found in the implementation of the AML & CFT Policy prior to the business merger with the Policy that prevails in subsidiaries of the SMBC group, as well as to improve the application of APU & PPT at the Bank. In the year 2020, a number of activities related to "AML Action Plan" conducted include the following:
 - Process the selection of employees to be appointed as "AML Compliance Champion" and assigned at the regional office to monitor the implementation of AML & CFT provision in the regional branch. At this time the Bank has appointed "AML Compliance Champion" for the Central Java, East Java, Sumatera 1, Jakarta and East Indonesia regions as well as to administer the selection process for Regional Sumatera 2.

- Process the facilitation training for “AML Compliance Champion” for Regional Central Java, East Java, Sumatera 1, Jakarta and East Indonesia.
 - Update the SOP for Jenius and BTPN Wow! to add monitoring procedures on agents.
 - Conduct periodic refreshment training for Jenius and Wow! agents.
 - Collect data from related departments to fulfill the need to disseminate the 2020 Bank Wide Risk Assessment.
 - Conduct KYC Self Review by a new sampling methodology as adjusted to the post-merger conditions.
 - Implement the change in the rules for periodic review/customer data update cycle.
 - Implement training and JASF Screening related application.
 - Establish procedures for update and watch-list maintenance.
2. Evaluation on the implementation of the AML & CFT policy with risk development faced by the Bank has been done through the implementation of the AML & CFT Risk Review in order to mitigate AML & CFT risks on new Products/Services as well as on existing ones in the Bank;
 3. Adjustment in the AML & CFT provisions with the regulator's new regulations including by means of accommodating the new policy from the shareholders applicable to subsidiaries of SMBC;
 4. Conduct AML & CFT training programs for new and existing employees, as well as providing training with AML & CFT materials and AML & CFT related thematics for the Branch offices and employees responsible for implementing the AML & CFT program;
 5. Conduct training programs by inviting guest speakers to begin reviews related to AML Trade Base Screening Process;
 6. Implement optimization of system function supporting AML & CFT, including the following:
 - Conduct the process of User Acceptance Test (UAT) front channel and integration testing for the integration of AML system with the front-end application to support the customer screening process and determine the customer risk profile;
 - Develop the system related to data update watch list/sanction list so that data update processing may be carried out at the soonest possible;
 7. Improve compliance culture on the Bank's internal provisions and policies related to AML & CFT program implementation, among others through the following:
 - Complete the UAT process related to result of review parameter and threshold in order to improve the “reliability” of the customer transaction monitoring system in detecting suspicious financial transactions;
 - Process data mapping and system development for the purpose of AML & CFT automation process, related to the new reporting system of Go-AML, to minimize error caused by human error.



- Complete the system development process related to data update watch list/sanction list to ensure data update process to be carried out at the soonest possible;
- Conduct evaluation related to the parameter and threshold of customers' transactions monitoring system as to detect suspicious financial transactions
- Stabilization of the customers' transaction monitoring system;

Finalize the automation process related to AML & CFT, related to the new Go-AML reporting system, to minimize error caused by human error.

DISCLOSURE OF TRANSACTIONS CONTAINING CONFLICT OF INTERESTS

Explanation on this matter is presented in the MDNA Financial Review contained in this Annual Report.

DISCLOSURE OF AFFILIATED TRANSACTIONS

Explanation on this matter is presented in the MDNA Financial Review contained in this Annual Report.

PROVISION OF FUNDS FOR SOCIAL AND POLITICAL ACTIVITIES

Bank BTPN is not involved in political activities and does not extend donations for political interests. On the other hand, through acts of social responsibility, BTPN continue to maintain its business performance.

In this respect, Bank BTPN places its social responsibility programs as a significant and integral part of the Bank's business activities. A more detailed explanation on this matter is presented in the section "Corporate Social Responsibility" in the Annual Report and Sustainability Report.

TRANSPARENCY OF THE BANK'S FINANCIAL AND NON-FINANCIAL CONDITIONS

Referring to OJK Regulation No. 55/POJK.03/2016 on the Governance Implementation for Commercial Banks, Bank BTPN has fulfilled the obligation related to financial and non-financial transparency, disclosed through various media channels, from the Bank's website to direct communication with regulator and other interested parties.

In addition, transparency was also done through publication in national media. Below are some of the details of the Bank's transparency on financial and non-financial issues:

Subject of Transparency	Publication
Monthly Financial Report to regulator	Website
Quarterly Financial Report to regulator	Print media and website
Annual Report to regulator, rating institution, shareholders, and other related parties	Website
Governance Information	Website
Information on the Bank's Products and Services as well as office network	Website
Announcement of GMS	Print media and website
Other information related to disclosure of information	Website and other information channel

BUYBACK OF SHARES OR SUBORDINATED BONDS

Share and bond buyback is an effort to reduce the number of issued shares or bonds by means of buying back the related shares and bonds through the mechanism as regulated by prevailing provisions.

During the year 2020, Bank BTPN did not conduct any share and bond buybacks.

PROVISION OF FUNDS TO RELATED PARTIES AND WITH LARGE EXPOSURE

Bank BTPN consistently takes into account the capital capacity/portfolio diversification in providing loans. During the year 2020, there were no violations related to large exposures considered beyond ordinary or that exceed the Legal Lending Limit (Batas Maksimum Pemberian Kredit/BMPK).

Funds provided to Related Parties are carried out in accordance with prevailing provisions and must receive the approval of the Board of Commissioners. Below is list of Funds Provided to Related Parties and Large Exposures as of 31 December 2020.

REALIZATION OF PROVISION OF FUNDS TO THIRD PARTIES AND SUBSTANTIAL EXPOSURE

	Total	
	Provisions of Funds	Amount
1. To Related Parties	13	2.184.151
2. To Main Debtor	25	57.610.350.49
a. Individual	2	6.383.442.37
b. Group	23	51.226.908.12

EXTERNAL AUDIT

In preparing the audited financial reports for the year 2020, BTPN appointed the Public Accountant and Public Accounting Office (KAP) registered at Bank Indonesia and Bapepam-LK, namely KAP Siddharta Widjaja & Rekan. The appointment of the Public Accountant and KAP was approved by the Annual GMS on 23 April 2020 based on the recommendation of the Audit Committee through the Board of Commissioners.

KAP Siddharta Widjaja & Rekan was appointed as the external auditor since fiscal year 2019. Total amount of fee for the audited Consolidated Financial Statements of fiscal year 2020 was set at Rp 8,5 billion before tax PPN 10%.

The Public Accountant and KAP has completed their task independently in accordance with the professional standard guidelines of public accountants as well as with the audit task and scope of work requirements as stipulated.

Following is list of KAPs that have audited BTPN's Financial Statements in the past 5 (five) years:

PUBLIC ACCOUNTING OFFICE THAT AUDIT BANK BTPN FINANCIAL STATEMENTS

Audited Fiscal Year	Public Accounting Office	Accountant in Charge	Services Rendered	Fees (Rp Million)
2020	KAP Siddharta Widjaja & Rekan	Liana Lim S.E., CPA	Audit of Financial Statements	8.500
2019	KAP Siddharta Widjaja & Rekan	Liana Lim S.E., CPA	Audit of Financial Statements	7.300
2018	Tanudiredja, Wibisana, Rintis & Rekan	Jinny Pangestu	Audit of Financial Statements	5.755
2017	Tanudiredja, Wibisana, Rintis & Rekan	Angelique Dewi Daryanto, S.E., CPA	Audit of Financial Statements	5.555
2016	Tanudiredja, Wibisana, Rintis & Rekan	Angelique Dewi Daryanto, S.E., CPA	Audit of Financial Statements	5.050

Other Services Provided

During the audit period, the appointed KAP did not provide other services than financial audit services.



INTERNAL AUDIT UNIT

The Internal Audit carries the vision to become management strategic partner to support the Bank's growth in order to reach the organization set goals. In performing its duties, the Internal Audit has two functions.

The first is the assurance function. Related to this function, the Internal Audit evaluates the governance process, risk management and the effectiveness of internal control on all aspects of the Bank's activities through risk-based approach.

The second, consultative function, is through which the Internal Audit provides input on internal control to other directorates, such as providing recommendations or suggestions for improvement in various audits conducted, input on policy and procedure drafts, input on Bank's key initiatives and other matters.

Profile of Head of Internal Audit

Nurhajati Soerjo Hadi	
Citizenship	Indonesian
Domicile	Jakarta
Age	52 years as of the end of fiscal year 2020
Educational Background	Bachelor of Arts in Business Administration from Oregon State University, Corvallis – Oregon, USA (1991)
Basis of Appointment	Appointed as President Director upon approval of the Board of Commissioners since 1 January 2017, through Decision Letter No. PS/BOC/009/XII/2016 regarding the Approval of the Board of Commissioners related to the Replacement of the Internal Audit Head of PT Bank Tabungan Pensiunan Nasional Tbk.
Concurrent Positions	Head of Internal Audit
Work Experience	<ul style="list-style-type: none"> • Fraud Management Unit Head, PT Bank BTPN Tbk (2015-2016) • Quality Assurance and Corporate Client Execution Head, PT ANZ Bank Indonesia (2015) • Business Development Director (Business Manager) to International Banking, The Royal Bank of Scotland N.V., Jakarta Branch (2009–2013) • Business Development Director (Business Manager) to Executive Country, ABN AMRO Bank N.V. / The Royal Bank of Scotland N.V., Jakarta Branch (2008–2013) • Director, PT RBS Finance Indonesia (2008–2012) • Credit Portfolio Management Head, ABN AMRO Bank N.V., Jakarta Branch (2005–2008) • Deputy Head Financial Restructuring & Recovery (FRR), ABN AMRO Bank N.V., Jakarta Branch (2003–2005) • Financial Restructuring & Recovery Officer, ABN AMRO Bank N.V., Jakarta Branch (1999–2005) • Relationship Manager for Corporate Banking, ABN AMRO Bank N.V., Jakarta Branch (1996–1998) • Corporate Credit Account Officer di PT IBJ Indonesia Bank, Jakarta (1991–1995)
Affiliation	No affiliate relationship with the Board of Directors, the Board of Commissioners and Controlling Shareholders

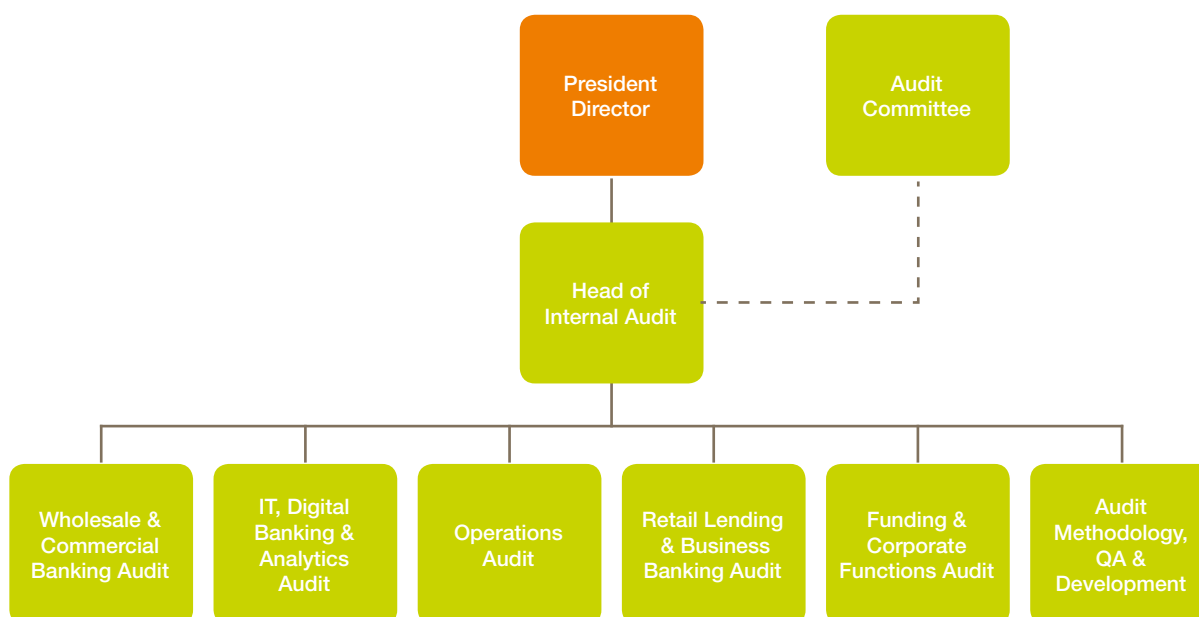
Appointment and Dismissal

The Head of Internal Audit is appointed and dismissed by the President Director with the approval of the Board of Commissioners. The appointment and dismissal of the Head of Internal Audit is reported to the Financial Services Authority (OJK).

Organization and Position of the Internal Audit within the Company's Structure.

The Internal Audit is an independent directorate directly responsible to the President Director and functionally to the Board of Commissioners through the Audit Committee. The Directorate has 6 (six) divisions.

Following is the organizational structure effective since 1 May 2020:



330

- Wholesale and Commercial Banking Audit Division
Responsible for audits of all business activities of Wholesale and Commercial, including Treasury activity as well as Cash Management and Trade Finance service
- IT, Digital Banking and Data Analytics Audit Division
Responsible for audits of Information Technology and Digital Banking directorate (Jenius and BTPN Wow!), as well as support other audit divisions regarding audits of other directorates which utilize technology. Data Analytics is responsible for continuous audit/off-site monitoring and support other audit assignments through data provision
- Operations Audit Division
Responsible for audits of Operations directorate both in Head Office or branch offices
- Retail Lending and Business Banking Audit Division
Responsible for audits of credit activities in Retail Lending business, Micro Business Partner (MUR), Small Medium Enterprises (SME) and Consumer Finance Business
- Funding and Corporate Functions Audit Division
Responsible for audits of Retail Funding directorates as well as support directorates to the Head Office, such as Finance, Compliance, Risk Management, Human Capital, and others

- Audit Methodology, Quality Assurance and Development Division
Responsible for Annual Audit Plan preparation, audit methodology development, review on the conformity of Internal Audit activities with prevailing standards, as well as improve the competency of Internal Audit staffs through mapping of effective training.

Duties and Responsibilities

The Internal Audit reports each result of audit implementation, including recommendations for improvement to the President Director, Audit Committee and the Board of Commissioners with copies to the Director of Compliance and Risk Management. Periodically, the Internal Audit presents its audit result to the Board of Directors and Audit Committee, as well as provide summary of the audit results to the President Director, Board of Directors and the Audit Committee.

Each year, the Internal Audit establishes its Annual Audit Plans based on risks of the Bank's related main activities. Audit Plans are discussed also with the related Director and SMBC Internal Audit Department in relation with audit collaboration plan so that in line with the direction of the overall business development and obtain the approval of the President Director, the Audit Committee and the Board of Commissioners.



Details of the duties and responsibilities of the Internal Audit are as follows:

1. Prepare the annual audit plan and obtain approval from the President Director, the Audit Committee, and the Board of Commissioners.
2. Communicate to President Director and Audit Committee for any potential resource limitation that could affect the Annual Audit Plan.
3. Review and update the Annual Audit Plan if there is significant changes in business, risk, operational, program, system, and internal control. This changes should be re-approved by the President Director, Audit Committee, and Board of Commissioners.
4. Implement the approved annual audit plan by analyzing and evaluating the effectiveness of the Bank's Governance, Risk Management, and Internal Control (GRC) to support the Bank's goals and objectives.
5. Conduct consultative audit/ review of the Bank's new initiatives/products whenever required by the management or the Regulator.
6. Identify all possible alternatives to improve and increase the efficiency of resource utilization.
7. Deliver regular audit reports containing the summary of audit results to the President Director and the Board of Commissioners through the Audit Committee, with copies to the Director of Compliance and the Director of Risk Management.
8. Cooperate with the External Audit to achieve comprehensive audit results.
9. Ensuring that the Internal Audit function at the Bank and its subsidiaries runs effectively.
10. Cooperating with external audits to achieve comprehensive audit results.
11. Formulated and reviewed the Internal Audit Charter, Internal Audit policies and procedures periodically

Internal Audit Charter

Duties, responsibilities, and authority of the Internal Audit in conducting audits as well as the code of ethics of each of the employee are stipulated in the Internal Audit Charter approved by the Audit Committee and the Board of Commissioners. On periodic basis, the Internal Audit has reviewed and aligned its charter, policies and procedure with the prevailing regulation and standard.

Implementation of Internal Audit activities and Charter refer to Financial Service Authority Regulation No. 1/ POJK.03/2019 regarding the Implementation of the Internal Audit Function in Commercial Banks, the International Practices Professional Framework (IPPF), the Internal Audit Charter and the Annual Audit Plan.

Basis of Implementation of Internal Audit

has the standard and methodology to conduct internal audit, as denoted in the 2020 Internal Audit Policy. In general, the Internal Audit policy covers the general policy, examination policy, documentation and administration policy, as well as resources policy. The policy refers to prevailing laws and regulations as well as best practices of the industry, among others including the following:

- Financial Services Authority Regulation No. 1/ POJK.03/2019 on the Implementation of Internal Audit Function in Commercial Banks.
- Financial Services Authority Regulation No. 18/ POJK.03/2014 on the Implementation of the Integrated Governance of Financial Conglomerates.
- Financial Services Authority Regulation No. 13/ POJK.03/2020 on the Amendment of Financial Services Authority Regulation No. 38/POJK.03/2016 regarding the Implementation of Risk Management in the Use of Information Technology in Commercial Banks.
- International Standards for the Professional Practice of Internal Auditing (IPPF)

HUMAN RESOURCES

The Internal Audit continually strengthens its team's capabilities by conducting employee training, both in soft skills and technical skills, as well as certification for risk management, audit, IT, sharing sessions and other aspects. During the year 2020, Internal Audit also performed recruitment process to reinforce the audit team with employees who are experienced in their fields, and prioritize on candidates with knowledge in information technology.

Internal Audit is also committed to continuously take efforts to improve quality through comprehensive audits with competent human resources. Such activities are carried out with audit professional standards that provide added values to the Bank.

By the end of fiscal year 2020, the number of Internal Audit human resources totaled 56 employees.

DETAILS OF DISTRIBUTION OF MANPOWER

Directorate/Division	Number of Employee
Head of Internal Audit	1
Wholesale and Commercial Banking Audit Division	4
IT, Digital Banking and Data Analytics Audit Division	14
Operations Audit Division	11
Retail Lending and Business Banking Audit Division	10
Funding and Corporate Functions Audit Division	11
Audit Methodology, QA and Development Division	5
Total	56

HUMAN RESOURCES STANDARD QUALIFICATION IN INTERNAL AUDIT

Position	Minimum Qualification
Head of Internal Audit	Sertifikasi Manajemen Risiko (SMR) Level 4, Professional Certification related to Internal Audit
Audit Division Head	Sertifikasi Manajemen Risiko (SMR) Level 3, Professional Certification related to Internal Audit
Audit Lead	Sertifikasi Manajemen Risiko (SMR) Level 2
Senior Auditor/Auditor	Sertifikasi Manajemen Risiko (SMR) Level 1



PROFESSIONAL CERTIFICATION

Professional Certification	Number of Employee with Certificates
CIA (Certified Internal Auditor)	1
CISA (Certified Information Systems Auditor)	2
CCNA (Cisco Certified Network Associate)	1
CEH (Certified Ethical Hacker)	1
CISM (Certified Information Security Manager)	1
CSX (Cyber Security Nexus)	1
CBAP (Certified Business Analyst Professional)	1
CPLHI (Certified Professional Life & Health Insurance)	1
QIA (Qualified Internal Auditor)	5
CBIA (Certified Bank Internal Audit)	31
SMR (Sertifikasi Manajemen Risiko)	56

PARTICIPATION IN PROFESSIONAL ASSOCIATIONS

Professional Association	Number of Employee Involved
IIA (Institute of Internal Auditors)	6
ISACA (Information Systems Audit and Control Association)	2
IAIB (Ikatan Auditor Intern Bank)	6

Implementation of Activities in 2020

Up to December 2020, Internal Audit has conducted audits that include business segment and branch network such as Corporate Banking, Business Banking, Retail Banking, Digital and Branchless Banking, as well as support functions, including Operations, Compliance, Legal & Litigation, Treasury and Information Technology. In July 2020, Internal Audit has performed the revision of predetermined 2020 Annual Audit Plan. The revision was performed after considering the condition and impacts of prolonging COVID-19 pandemic such as changes in business strategy, potential vulnerability in particular processes or activities, as well as limitation in business travel. Revision has been approved by the President Director, Audit Committee and Board of Commissioners.

The types of audits that have been conducted are mandatory audit (2), line of business (4), thematic audits (9), work units (9), full branch audits (1), and continuous monitoring (1) with 100% completion rate of approved revised Annual Audit Plan.

Business units and related work units have performed/ have follow-up plans to fix existing weaknesses/issues found that monitored regularly by Internal Audit.

Internal Audit also has performed consultative audit (15) on the pre and post implementation of digital banking services Jenius and BTPN Wow!, as well as continuous monitoring (7) on the transaction analysis of employees and customers accounts especially in Retail Banking segment.

Internal Audit provides regular update on the audit plan implementation, audit result, and business/ working units follow up action related to Internal Audit findings/recommendations to Board of Directors (every 2 months) and Audit Committee (every quarter). To provide an overall overview of the audit result of a certain period (semester/annual), Internal Audit gives an overview report on potential improvement opportunities to strengthen business and support functions internal control, to President Director, Board of Directors and Audit Committee. In addition, Internal Audit holds a

meeting with OJK once a year in accordance with POJK 1/POJK.03/2019. Regarding to the implementation of integrated governance in Financial Conglomeration, Internal Audit periodically conducts communication between Head of Internal Audit BTPN and Head of Internal Audit BTPN Syariah, performing audit to BTPN Syariah, as well as held annual meeting between Head of Internal Audit BTPN, Head of Internal Audit BTPN Syariah and Board of Commissioners BTPN Syariah.

Strategic Plan in 2021

To strengthen Internal Audit team in implementing the Audit Plan and developing employee competencies, and in line with growth and several Banks' main initiatives, a number of things have been planned or implemented in the various areas:

1. Audit knowledge & soft skills
 - Continue to provide sessions to understand Bank processes/activities through training, internal and external certification programs, sharing of business strategies and priorities developments, and updating audit methodologies.
 - Continue to provide training related to soft skills that support field audit implementation such as communication skills and others.
2. Increase the effectiveness of audit process
The Internal Audit has applied Audit Management System (AMS) to support Internal Audit team to become more effective in preparing, conducting and completing the audit, as well as monitoring on the follow up action of audit finding. Going forward, Internal Audit will develop monitoring system of action plan regarding external and regulator audit result.
3. Continuous audit
Going forward, Internal Audit will constantly develop continuous audit to help the Bank implement continuous monitoring that not only focus on a particular line of business, but also for the whole Bank.

4. Increase data analytics quality
The Internal Audit team has applied Audit Command Language (ACL) software as data analytics tools and made Internal Audit Dashboard to generate several informations such as performance of each line of business, data anomalies, macro risk assessment and other information that can be updated regularly. This is aimed to help Internal Audit team in performing data analysis that could improve risk based audit approach and also provide value added input to the Bank.
5. Continuous improvement of Internal Audit quality
Internal Audit will continuously improve the cooperation with leading institution in Banking and Internal Auditing that can provide insights, advice and tools to leverage the quality of Internal Audit.

Internal Audit will perform the reassessment on the conformity of Internal Audit activities with the prevailing standards in 2022 by remains appointing an independent, competent and experienced public accountant.

Training and Competency Development

The Internal Audit Department takes efforts to conduct development programs to continuously improve the competency and upgrade the knowledge and skills of the human resources in order to maintain the professionalism quality and follow through up-to-date developments. Development programs are held internally and externally, including the following:

- Training/Seminar
- Observation
- Duty Rotation
- Sharing/Presentation

In addition, each individual in the Internal Audit organization also has the opportunity to develop individual professional career. The policy on such career development takes consideration the competency of each individual, both technical as well as non-technical, such as in leadership or other softskills.



REALIZATION OF COMPETENCY DEVELOPMENT

Number of Participant	Type of Training	Period of Training Implementation	Organizer
56	Mandatory E-learning	January – December 2020	Internal
41	Banking Knowledge	January – December 2020	Internal & External
35	Online Class (soft skills & technical skills)	January – December 2020	Internal & External

INTERNAL CONTROL SYSTEM

The Bank applies its internal control system as a form of continuous supervision by the Bank's management. The system is aimed at ensuring all Bank activities are conducted in accordance with prevailing provision, laws and regulation, issued by the government, the Financial Services Authority as well as the Bank's internal policies and procedures.

In addition, with available financial information as well as a complete, accurate, appropriate and timely management, the system supports accurate and accountable decision-making; it increases the effectiveness and efficiency of asset and other resource utilization in the effort to protect the Bank from risk of loss; it improves the effectiveness of risk culture and discipline in the Bank's overall organization to help identify weaknesses and detect early deviations. In the end, it is used to review the continuous appropriateness of the Bank's policies and procedures.

An effective internal control system becomes the basis of a trusted financial report, as well as the implementation of sound and safe operational activities. Implementation of a reliable and effective internal control system is the responsibility of all parties involved in Bank's organization, including the following:

1. Board of Commissioners
2. Audit Committee
3. Board of Directors
4. Compliance Work Unit
5. Risk Management Work Unit
6. Finance Work Unit
7. Internal Audit Work Unit (SKAI)
8. Officers and Employees of the Bank
9. External Party

In addition, the Board of Directors and the Board of Commissioners are also responsible for enhancing the effectiveness of risk culture and discipline in the Bank's organization and ensure that this is present at all levels of the organization.

Internal control system applied by the Bank refers to OJK Circular Letter (SEOJK) No. 35/SEOJK.03/2017 on Internal Control System Standard Guidelines for Commercial Banks.

Compliance with COSO (Internal Control Framework)

The Bank's internal control system consists of 5 (five) main components that are interrelated, namely as follows:

1. Management Oversight and Control Culture
Management's supervision is the main foundation of the internal control system. The Board of Directors and the Board of Commissioners are actively responsible to ensure that set strategies, policies and procedures, as well as the organizational structure, are adequate to identify, measure, monitor, and control the risks faced by the Bank. Aside from that, the Board of Directors and the Board of Commissioners also periodically monitor and review the adequacy and effectiveness of the Bank's internal control system implementation.

The Board of Directors and the Board of Commissioners are responsible for improving the work ethics and high integrity of the Bank's employees, as well as creating an organizational culture that emphasizes on the importance of the Bank's internal control.

2. Risk Recognition and Assessment

Risk identification and assessment are a set of actions of the Board of Directors in identifying, analyzing, and assessing the risks faced by the Bank in the effort to achieve the set targets. Risks which affect target achievements must be identified, assessed, monitored, and managed continuously and sustainably. Internal control requires immediate review should there be risks that are not under control.

The review is carried out through continuous evaluation of the effects of any changes in the environment and conditions, as well as the impact of the target achievement or effectiveness of internal control on the Bank's activities and organization.

3. Control Activities and Segregation of Duties

Control activities must involve all Bank employees, including the Board of Directors and the Board of Commissioners. Control activities can be effective if they are planned and implemented appropriately in controlling identified risks. Control activities include the establishment of control policies and procedures and an early verification process to ensure consistent compliance with the Bank's policies and procedures. These activities are inseparable from each function or activity of the Bank. Control activities are applied at all functional levels of the Bank in accordance with the Bank's organizational structure.

The segregation of functions is established to ensure that every person at all levels of the organization does not have the opportunity to make and/or hide mistakes or irregularities in carrying out their roles and responsibilities. The Bank must comply with the principle of the segregation of functions, known as the "Four-Eyes Principle." An effective internal control system requires segregation of functions, and avoids the granting of authority and responsibilities that may lead to various conflicts of interest. All aspects that have a potential to cause a conflict of interests must be identified, managed, and monitored by such independent party as a public accountant.

4. Accountancy, Information and Communication

An adequate accounting, information and communication system aims to identify any problems that may arise and can be used as a means of exchanging information in the context of carrying out roles according to the respective responsibilities.

5. Monitoring Activities and Correcting Deficiencies

The Bank must unceasingly monitor the overall effectiveness of internal control implementation. Prioritize on the monitoring of key risks that it becomes a part of the Bank's activities, including periodic evaluations. The Bank must continuously monitor and evaluate the adequacy of the internal control system in relation to changes in the internal and external conditions, as well as to increase the capacity of the internal control system so that it is always effectively implemented.

Weaknesses in internal control must be reported immediately, and become the responsibility of the authorized officials and/or Directors. Material weaknesses in internal control must be reported to the Board of Commissioners.

The five main components of the Bank's internal control system are in line with the control components stipulated in the Internal Control Integrated Framework developed by The Committee of Sponsoring Organizations of The Treadway Commission (COSO), namely Control Environment (CE); Risk Assessment (RA); Control Activities (CA); Information and Communication (IC); and Monitoring Activities (MA).

Review on the Implementation of the Internal Control System

The Bank has the periodical review mechanism of the internal control system implementation. Such activity is performed by the Internal Audit who conducts analysis and assessment in the financial area, accounting, operational and other activities through direct and indirect examination.

Together with the Audit Committee, the Internal Audit proactively work together and communicate with the External Auditor to generate comprehensive analysis and assessment in the financial and accounting fields. In general, the implementation of the internal control system refers to FSA Circular Letter (SEOJK) No. 35/SEOJK.03/2017 regarding Internal Control System Standard Guidelines for Commercial Banks.



With this guidelines, the Bank improves evaluation of audit results which covers: evaluation of the adequacy and effectiveness of the design and implementation of internal control based on internal control framework approach.

LITIGATION FACED BY THE COMPANY, SUBSIDIARIES, MEMBERS OF THE BOARD OF COMMISSIONERS AND MEMBERS OF THE BOARD OF DIRECTORS

During 2020, there is no litigation faced by the Company, Subsidiaries, members Of The Board Of Commissioners and members Of The Board Of Directors

ADMINISTRATIVE SANCTIONS

- BTPN : Rp 108.167.246,-
- BTPNS : Rp 38.650.000,-
- BOC & BOD : none

ACCESS TO CORPORATE INFORMATION AND DATA

Bank BTPN has provided stakeholders with access and convenience to information on the Bank through various media of communication. Among others are as follows:

CODE OF CONDUCT

The Code of Conduct functions as the Bank's basic guideline to appropriate behavior for members of the Board of Commissioners, the Board of Directors, Independent Parties and employees. The Code of Conduct is reviewed periodically, and the latest amendment was approved by the Board of Directors on 30 September 2020 through Memorandum No. M/2020/EMEMO/SEP/03383

The moral principles underlined within the Code of Conduct are the main elements of BTPN's culture which, among others, contain the following:

Speak Your Mind

This is an access for employees to report and convey their aspirations that is safe and guaranteed of confidentiality, so that employees may raise issues or problems related to misconduct and/or occurrences of fraud, aspirations and/or ideas for improvement.

Access to Information	Address
Website (in Bahasa Indonesia, and English)	www.btpn.com
Call Center	1500300 (BTPN Call), +62 21 2450 5500 (International Call)
E-mail of Corporate Secretary	Corporate.secretary@btpn.com
E-mail of Corporate Communication	corporate.communications@btpn.com
E-mail of Customer Complaint	btpncare@btpn.com
E-mail of Customer Complaint	btpncare@btpn.com
Press Release	www.btpn.com and distribution through the media
Social Media	<ul style="list-style-type: none"> - Facebook: Bank BTPN Official - Twitter : @sahabatBTPN - Youtube: BTPN - LinkedIn: PT Bank BTPN Tbk - Instagram : @lifeatbtpn

Principles of the Code of Conduct

The following are details of the principles of the code of conduct applicable at Bank BTPN:

1. Compliance & Risk Management
2. Conflict of Interest
3. Creating a Favorable Work Environment
 - 3.1 Fair Treatment of All Employees
 - 3.2 Anti-Discrimination and Harassment
 - 3.3 Safety at Work Place
 - 3.4 Use of Company Facilities
 - 3.5 Activities Outside the Company
 - 3.6 Use of Social Media
 - 3.7 Link Communication
4. Information Management & Security
5. Relationship with Customers and Stakeholders
 - 5.1 Relationship with Customers
 - 5.2 Anti-Money Laundering
 - 5.3 Vendors or Business Partner Management
 - 5.4 Regulatory Relationship
 - 5.5 Shareholders and Subsidiary Relationship
 - 5.6 Anti-Bribery and Corruption
 - 5.7 Gift and Entertainment
 - 5.8 Insider Information and Personal Account Dealings and Investment

Enforcement of the Code of conduct

In line with the implementation of GCG and at the same time develop behavior traits that are in line with the Bank's ethical standards, BTPN has an Induction Program for new executives and staff on the Code of Conduct. The Bank also conduct regular Code of Conduct socialization program to improve employees' awareness and enforce sanctions for any violations of the Code of Conduct.

Statement: Code of Conduct is Applicable at All Levels of the Organization

Members of the Board of Directors, members of the Board of Commissioners, Independent Parties under the Board of Commissioners, all employees without exception are obliged to read, learn, and understand the content of the Code of Ethics, and are willing to obey and implement as the Code of Ethics stipulates as appropriately possible. If proven in violation of the Code of Ethics, then the offender shall be sanctioned in accordance with prevailing regulations at Bank BTPN.

Socialization and Dissemination of the Code of Conduct

Socialization of the Code of Ethics is carried out through E-mail Blast and refreshment session through the E-Learning system, applicable to all levels of Bank BTPN's organization, both new recruits or existing employees

GOVERNANCE ON THE PROCUREMENT OF GOODS AND SERVICES

The Bank has the policy on the Procurement of Goods and Services, among others, that regulates the duties and responsibilities of the Goods and Services Procurement Committee, as well as regulates the requirements and management of vendors.

This policy is in form of 'SOP (Standard Operating Procedure) for Procuring Goods and/or Services'. It consist procuring process through tender/bidding and through Direct Appointment. Latest review and update was done in August 2020.



WHISTLEBLOWING SYSTEM/ REPORTING OF VIOLATIONS

Bank BTPN has a system available for reporting violations or known as the Whistleblowing System. The facility is the means provided for all employees to report issues/problems related to misconduct and occurrence of fraud.

Included in this system are indications and suspicions of such misconduct, both which have occurred and which are on-going and/or suspected, and are not supposedly of personnel complaint or based on bad will/slander.

Whistleblowing Channel may be used by employees through e-mail, whatsapp application, hotline and letters and also in person with AFM team. BTPN is committed to guarantee confidentiality of the whistleblower's identity in accordance with prevailing provisions.

Whistleblowers may convey preliminary indication that is accountable of the conduct that is being reported by fulfilling the elements (4W + 1H) as follows:

1. Explains the incident/event (What)
2. The party involved/event (Who)
3. Time of incident/event (When)
4. Location of incident/event (Where)
5. How the incident/event happened (How)

Mechanism of Reporting

The mechanism to Convey and Manage the Whistleblowing Channel is as follows:

Protection for Whistleblowers

The bank provides protection for whistleblowers, namely by keeping their identity and the report content confidential.

Complaint Management

The management of the Whistleblowing channel is conducted by an internal party, namely the Anti-Fraud Management.

Types of Sanctions for Violators

Types of sanctions for fraud perpetrators refer to the provisions stipulated in the applicable Collective Labor Agreement.

Handling and Follow-up of Complaints in the Year 2020

During the year 2020, some 48 complaints were submitted through the Whistleblowing Channel and have been followed-up and resolved.

BTPN encourages employees to voice their aspirations, ideas, as well as any issues relating to misconduct or fraud with reference to the Mechanism Procedures of Whistleblowing Reporting that sustainably maintains BTPN's reputation as a trustworthy Bank with integrity and respect for the society, its employees and the stakeholders.





CORPORATE SOCIAL RESPONSIBILITY

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- 348 | Corporate Social Responsibility in the Field of Fair Operation
- 349 | Corporate Social Responsibility in the Environmental Field
- 351 | Corporate Social Responsibility in the Fields of Labor and Occupational Health & Safety
- 353 | Corporate Social Responsibility to Customers
- 354 | Corporate Social Responsibility in the Field of Community Social Development



In principle, the Bank's corporate social responsibility program integrates business mission with social mission, or corporate shared values.



Rp 2.96 Billion

Realization of the 2020
CSR Budget

With the COVID-19
pandemic and changes in
program implementation,
the realization of the CSR
budget has been adjusted
accordingly.

BTPN's CSR program is also oriented towards creating added value to stakeholders and the surrounding community, as well as supporting programs for sustainable development goals.

Implementation of Corporate Social Responsibility

PT Bank BTPN Tbk ("BTPN", "Bank") implements its Corporate Social Responsibility (CSR) as an effort to bring about meaningful change in the lives of millions of people, more specifically its customers and the communities of Indonesia. For this purpose, CSR activities for the Bank are not merely fulfilling obligation but also a moral responsibility to stakeholders.

In the year 2020 with the COVID-19 pandemic, BTPN adapted the focus of its empowerment activities' with Daya work unit. Empowerment activities come in the form of trainings and seminars which initially carried out through face-to-face, however since the end of the first quarter of the concerned fiscal year it has been adjusted into online trainings and seminars.

Delivering the materials through online information media and seminars, for example, BTPN put attention

on materials that are related to healthy lifestyle in the new normal era. In addition, other materials also touched on ways of managing finance and maintaining business during the pandemic.

Aside from the focus on online trainings and seminars, BTPN also continually take efforts to assist customers and the communities with feeding information around the topics of health, finance, entrepreneurship. Certainly also on matters concerning environmental preservation through the digital platform www.daya.id.

BTPN also feels the calling on trying to help lighten the burden of the community in the midst of the ongoing COVID-19 pandemic. This is done, among others, through disbursement of donation to those in need, from medical workforce as the front-liner in facing the pandemic, to children in remote areas in need of strong internet access signal so that they can continue with their online study.



Corporate Social Responsibility Governance

COMMITMENT TO SOCIAL RESPONSIBILITY

For BTPN, commitment to Corporate Social Responsibility (CSR) refers to the principle of the implementation of compliance and moral responsibility to stakeholders. For just this reason the Bank conducts and maintains its commitment to implement CSR on a continuous basis so that the Bank's presence will increasingly extend immense benefit to the community. Aside from that, it would also maintain the preservation of the environment and minimize the negative impact on all stakeholders.

The basis of the commitment to support corporate social responsibility, among others is through the implementation or application of sustainable finance, as denoted in the Financial Services Authority Regulation No. 51/POJK.03/2017. For BTPN, such effort is an important part of the commitment to ensure the extensiveness of the environment as well as safety, capability, prosperity, and life quality of the present and future generations.

Internally, the commitment to carry out corporate social responsibility is implemented through the presence of a special unit that specifically handles the mission, namely Daya. In principle, the program integrates the BTPN business mission with the social mission or referred to as corporate share value.

EXECUTING ORGANIZATION

BTPN commitment to conduct corporate social responsibility is carried out by a unit specially set up to handle the mission, namely referred to as Daya. All activities of empowerment at BTPN are fully executed under the coordination of the abovementioned work unit.

Structurally, Daya's management is under the direct coordination of between the Communications Department and Daya Division, which is part of the Compliance Directorate.

METHOD AND SCOPE OF DUE DILIGENCE ON THE SOCIAL, ECONOMIC AND ENVIRONMENTAL IMPACT OF THE BANK'S ACTIVITIES

BTPN endlessly carries out studies of the social, economic and environmental impact of its business activities, as part of the efforts to provide added value for all stakeholders. In conducting the impact analysis of the Bank's business activities, the process is done internally with feedback from external parties, both directly and indirectly impacted.

These external parties are diverse. From the feedback received through the contact center, customer satisfaction survey, discussions with customers and employees, as well as from such other parties as investors, the media and academics.

These feedbacks are materials for the Bank's consideration. Subsequently, the action plan to actualize as well as the stakeholders to aim at are determined, in relation to the social, economic and environmental aspects.

IMPORTANT STAKEHOLDERS IMPACTED OR AFFECTED BY THE BANK'S ACTIVITIES

Results from identification conducted by BTPN, there are at least six stakeholders who are most affected or impacted by the Bank's activities: shareholders, customers, employees, business partners, the government and regulator, as well as the general public.

With the result of the stakeholders' mapping, the Bank prepares appropriate programs. Thus, implementation of the corporate social responsibility activities then becomes more appropriate and provide greater, if not optimal, benefit.

IMPORTANT SOCIAL, ECONOMIC AND ENVIRONMENTAL ISSUES RELATED TO THE IMPACT OF THE BANK'S ACTIVITIES

In determining important issues, BTPN, among others, refer to results of the National Financial Literacy Survey (SNLIK) conducted by the Financial Services Authority (OJK) in the year 2019. This is important, partly so that mapping of issues generated by the Bank is in line with the government's programs.

The referred survey shows that financial literacy index was at 38.03% and financial inclusion index at 76.19%. Compared to the survey results of 2016, the numbers increased by 29.7% and 67.8% respectively.

For financial literacy, the 2019 survey used indicators consisting of such parameters as knowledge, skill, belief, attitude and behavior. While financial inclusion index is based on usage parameter on the financial instrument and institution.

Although the percentage of the public that understand and has access to financial services continue to rise on a yearly basis, however, such effort shall not stop here. For that reason, for BTPN, two issues remain important: financial literacy and inclusion.

In addition, such other issues as the occurrence of fraud or crime are also highly important in the financial industry. The impact of fraud is not only on the Bank's internal condition, but it may cause implications on the economy in general as well as the public's trust on the banking industry.

The COVID-19 pandemic that struck the entire world since the beginning of the year 2020 has also became an important issue. This event has caused extraordinary impact on the Bank's activities, including the stakeholders.











SCOPE OF CORPORATE SOCIAL RESPONSIBILITY, BOTH OBLIGATIONS AND EXCEEDING OBLIGATIONS AS WELL AS PROGRAMS THAT EXCEED MINIMUM RESPONSIBILITY AND RELEVANT TO THE BANK'S BUSINESS

The scope of corporate social responsibility, among others, is related to the protection of customers, compliance with regulators, as well as the regulated community and the environment in the sustainable financial bylaws. Within this scope, BTPN implements a number of ongoing programs by the year.

Aside from the above, BTPN also take part in supporting and participating to achieve Sustainable Development Goals (SDGs), both directly and indirectly through the implementation of corporate social responsibility activities and programs. This include, among others, environmental friendly product programs, environmental friendly operations, health, and efforts to support the improvement of community welfare which are part of the 17 objectives of SDGs program.



CSR PROGRAM SUPPORT IN SUSTAINABLE DEVELOPMENT GOALS

No.	Name of Program/Activity	Sustainable Development Goals
1	Training to increase business capacity for customers and the community	   TUJUAN 1 Mengakhiri kemiskinan dalam segala bentuk dimanapun TUJUAN 8 Mendukung pertumbuhan ekonomi yang inklusif dan berkelanjutan, tenaga kerja penuh dan produktif dan pekerjaan yang layak bagi semua TUJUAN 10 Mengurangi ketimpangan didalam dan antar negara
2	Training to increase competence in various fields for customers and society	   TUJUAN 1 Mengakhiri kemiskinan dalam segala bentuk dimanapun TUJUAN 8 Mendukung pertumbuhan ekonomi yang inklusif dan berkelanjutan, tenaga kerja penuh dan produktif dan pekerjaan yang layak bagi semua TUJUAN 10 Mengurangi ketimpangan didalam dan antar negara
3	Training for financial management for customers and the community	   TUJUAN 1 Mengakhiri kemiskinan dalam segala bentuk dimanapun TUJUAN 8 Mendukung pertumbuhan ekonomi yang inklusif dan berkelanjutan, tenaga kerja penuh dan produktif dan pekerjaan yang layak bagi semua TUJUAN 10 Mengurangi ketimpangan didalam dan antar negara
4	Activities in the health sector for customers and the community	 TUJUAN 3 Memastikan kehidupan yang sehat dan mendukung kesejahteraan bagi semua untuk semua usia

BTPN'S STRATEGY AND WORK PROGRAMS IN DEALING WITH SOCIAL, ECONOMIC AND ENVIRONMENTAL ISSUES, STAKEHOLDER ENGAGEMENT EFFORTS AND INCREASING VALUE FOR STAKEHOLDERS AND SHAREHOLDERS

BTPN CSR program is in line with the 3P principles (people, profit, planet), prepared in consideration of the need and sustainability of the program. The program is expected to support the increase in benefits for stakeholders through the implementation of the policy for CSR budget allocation that focuses on the principles of propriety and fairness.

BTPN CSR program is also oriented on creating added value for the Bank's stakeholders and the surrounding community, as well as supporting the sustainable development goals. Equally important, the Company's corporate social responsibility program conducted by Daya is increasingly progressing with the principle of corporate share value.

Based on the abovementioned principle, BTPN breaks it down further into CSR programs which are basically redistributing the value obtained by the BTPN to its stakeholders. One of the programs which BTPN execute to generate added value for its stakeholders as well as the community is the collaboration with several universities in support of the development of the future generation.

SOCIAL RESPONSIBILITY FINANCING AND BUDGET

Throughout the year 2020, the actual total budget allocated for CSR activities amounted to Rp2,96 billion. An decrease of 68% if compared to Rp9.1 billion in 2019.

The CSR funds were intended for activities in the fields of competence development, personal financial health, capacity to grow for business. and sustainable living.

(Rp Million)

Activity	2020	2019	2018
Competence Development	739	814	26
Personal Financial Health	218	1,575	875
Capacity to Grow for Business	575	1,340	1,580
Sustainable Living	1,427	5,389	8,098
Total	2,958	9,119	10,580

Corporate Social Responsibility in the Field of Human Rights

COMMITMENT AND POLICY

BTPN is committed to respect the basic rights that everyone has as human being, such as civil, political, economic, social, and cultural rights. In BTPN's environment, all such aspects are fulfilled through the various policies within the company's organization.

BTPN's policies related to human rights aspect are based on Law No. 39 on Human Rights, which covers the following:

- The Right to live
- The Right to have family and children
- The Right to Self-Development
- The Right to Justice
- The Right to Personal Freedom
- The Right to Security
- The Right to Welfare
- The Right to Participate in the Government
- Women's Rights/Gender Equality
- Children's Rights

FORMULATION OF CSR IN THE FIELD OF HUMAN RIGHTS

In extending the formulation of responsibilities towards the human rights aspect, BTPN identifies the effect of its business activities which bear potential violation of human rights. For this reason, BTPN sets up a contact center where stakeholders can lodge complaints related to the impact of BTPN's business activities.

The complaint mechanism may also utilize BTPN's existing whistleblowing system (WBS), as part of its good corporate governance implementation. The complaints accommodated by BTPN are not only from external stakeholders, but also from internal stakeholders such as the employees.

Furthermore, in extending empowerment programs to customers and the community, BTPN does not take side to any particular gender in offering the program to all customer segments they serve. Basically, BTPN provides the same opportunity and service to all customers.



ACTIVITY PLANS IN THE FIELD OF HUMAN RIGHTS

Throughout the year 2020, BTPN remained focused on the rights of the customers and the community up to employees' self-development, through various information, trainings and seminars provided for free. This is carried out through the digital platform of www.daya.id, as well as routine online face-to-face application.

Aside from implementing the right to self-development, BTPN has also prepared a program that touched on the implementation of other principles as denoted in the Law No. 39 on Human Rights. For example, which relates to the right to welfare and the right to live.

IMPLEMENTATION OF ACTIVITIES AND INITIATIVES IN THE FIELD OF HUMAN RIGHTS

Implementation of CSR activities related to human rights has been carried out as planned. On the personal development program, the total number of participants who received information through the digital platform of www.daya.id during the year 2020 reached as many as 833.926 visitors. While those who joined Daya's online training and seminars totaled 7.179 participants.

Other than to customers and the community, BTPN continued to provide trainings and seminars through online media during the pandemic, as part of the effort to improve its employees' capacity. Throughout the year 2020, as many as 281 training programs with 87,970 participants (employees) were conducted.

BTPN has also conducted other training programs, among which related to child communication for Sinaya customers, empowerment through the online information media for agents of BTPN WOW! as the front-liners so that they can further self-develop their capacity.

Moreover, in facing the COVID-19 pandemic, BTPN has channeled through donations to help medical workforce as the front guard facing the pandemic. While for the children in remote areas throughout the regions, are provided with support related to strong internet signal so they can continue their learning process online.

ACHIEVEMENTS AND RECOGNITIONS IN THE FIELD OF HUMAN RIGHTS

BTPN's efforts to expand its empowerment reach through www.daya.id to fulfill the customers' and the community's rights to self-development, during the year 2020 BTPN has received acknowledgement from various external parties as follows:

- The main award in category "Sustainability" on Innovation of www.daya.id at the "2020 IDX Channel Indonesia Innovation Award" (ICAI) organized by IDX Channel.
- HR Asia Award: "2020 Best Companies to Work For in Asia" organized by HR Asia Award. The awards are extended to companies regarded as having and conducting worthy leadership, high commitment on employees' education and welfare through various initiatives and innovations by the human resources team delivered through unique and interesting means to all employees.

Corporate Social Responsibility in the Field of Fair Operation

CORPORATE SOCIAL RESPONSIBILITY COMMITMENT AND POLICY IN THE FIELD OF FAIR OPERATION

BTPN commitment related to the aspect of social responsibility in the field of fair operations, among others, refers to a number of existing regulations. For example, Law No. 5 of 1999 regarding Prohibition of Monopolistic Practices and Unfair Business Competition.

In addition, the implementation of such commitment also refers to BTPN implementation norms of good corporate governance principles. BTPN is also committed to complying with all regulations related to banking, company management and other provisions relevant to BTPN's business activities.

FORMULATION OF CORPORATE SOCIAL RESPONSIBILITY IN THE FIELD OF FAIR OPERATION

BTPN CSR formulation is defined through various norms, both in the form of regulations as well as best practices prevailing in the industry. Among them are related to the following:

1. Transparency and truthful practices in business transactions

The agenda that is related to truthful practices, among others, is periodically done through the publication of Basic Credit Interest Rate (SBDK). This is in line with Bank Indonesia Circular Letter No. 15/1/DPNP on Transparency of Credit Interest Information issued on 15 January, 2013.

While concerning relations with business partners, BTPN continues to conduct open auctions in procurement and transparently disclosed. This aims to provide opportunities and fair treatment to all partners.

2. Building long-term and continuous relations to achieve positive outcome

Continuing what has been implemented since the year 2019 following the merger between BTPN and SMBCI, Daya program has been developed through the collaboration with customers from all segments, from the micro business to corporations. In its program development and implementation, Daya invited the micro customers up to the corporations from various age groups and gender to empower themselves, their families and the communities in each of their environment.

IMPLEMENTATION PLAN IN THE FIELD OF FAIR OPERATION

To fulfill the principle of fairness, BTPN will continue to try to implement empowerment programs for all customer segments, age groups and gender. In addition, the program is carried out at no cost, as BTPN takes responsibility for all related costs.

The program plan especially refers to the principle of "Building long-term and continuous relations to generate positive outcome". By means of collaboration and equal opportunity, BTPN believes that this will result in harmonious and continuous relations in the long run.

IMPLEMENTATION OF ACTIVITIES AND INITIATIVES IN THE FIELD OF FAIR OPERATION

Development of the Daya program for corporate customers is conducted based on customers' needs. To respond to this, BTPN develops its internal human resources and collaborates with the CSR programs so as to meet the expectation of the customers.

The program development remains to be based on the 4 (four) Daya Pillars:

1. Competence Development;
2. Personal Financial Health;
3. Capacity to Grow for Business;
4. Sustainable Living.



Corporate Social Responsibility in the Environmental Field

Various program plans conducted by Daya work units during the COVID-19 pandemic continue to be implemented through online media to a number of customer segments. Such seminars and training programs as on financial literacy for Jenius' customers, health check for customers of Purnabakti, digital marketing seminar for business customers, up to children communication and parenting training for Sinaya customers remain to be implemented during the pandemic.

All of the program activities above are free. The objective is to maintain long-term business relations in order to provide added value to customers and the community that generate positive impact from such business relations.

ACHIEVEMENT AND ACKNOWLEDGEMENT IN THE FIELD OF FAIR OPERATION

The COVID-19 pandemic has created limited access to direct communication and interaction with customers and the community. For this purpose, the Bank strive to optimize the digital platform www.daya.id to offer comprehensive financial solutions and services to various segments and expand the empowerment reach so that their long-term business relations are maintained.

In the year 2020, BTPN received a major award for category "Sustainability" for the innovation of www.daya.id in the IDX Channel 2020 Indonesia Innovation Awards (ICAI). The event was organized by the IDX Channel.

COMMITMENT AND POLICY

BTPN business activities are not in direct contact with the environment. Nevertheless, the environmental condition is an integral part and also effect BTPN operational activities.

For this reason, BTPN is fully committed to take into account and protect the environment. This commitment is actualized through the policies and initiatives that are environmentally sound, such as reducing the use of electricity and paper in the Bank's operational activities.

TARGET AND ACTIVITY PLANS IN THE ENVIRONMENTAL FIELD

Environmental destruction caused by tree logging for paper production without regarding its sustainability and the use of fossil fuel for electricity plant also without calculating its sustainability, will cause the two natural resources to deplete faster. This condition will produce disorder in the balance and preservation of the environment.

In facing the potential risks that may occur as a result of the diminishing of the two mentioned natural resources needed for the operation of BTPN, therefore regulations and policies on the use of papers, fuel oil and electricity in the Bank's daily operations are established. And that is precisely the plan for BTPN activities in field of the environment is formulated.

Through such plan, it is hoped that the target to encourage and be involved in efforts to preserve the environment may be achieved. This altogether shows that BTPN cares about a better condition of the environment within its business activities.

IMPLEMENTATION OF ACTIVITIES AND INITIATIVES IN THE ENVIRONMENTAL FIELD

Continuing the ongoing activities since the year 2019, BTPN takes efforts to participate in managing CO₂ (carbon-dioxide) emission or the Green House Effect (GHE) originating from direct burning of the fossil fuel used for electrical energy plant and transportation fuel. BTPN also exert efforts to manage GHE by monitoring, recording and manage the frequency of work-related traveling (project visit) as well as other work traveling needs.

Based on the above operational data or energy consumption as well as on the compilation of the official work-travel, the Company calculates the resulted total CO₂ emission.

Through the “Sahabat Daya” (“Daya’s Best Friend”) program, the Bank allows employees to participate in volunteer work related to the environment. From seminars on the environment to tree-planting activities at their own homes during this pandemic time.

Moreover, each year, BTPN performs its CSR activities in the environmental area through a variety of forms, including the following:

EFFICIENT ENERGY USE

To minimize energy use, Menara BTPN utilizes LED lights to reduce electricity consumption and motion sensors to control lighting. In addition, to optimize natural light, the Menara BTPN building is not installed with window blinds, and also minimizes the use of blocking partitions.

EFFICIENT WATER USE

To reduce water consumption and support environmental conservation, BTPN utilizes reverse osmosis technology to produce drinking water supply.

EFFICIENT PAPER USE

BTPN encourages the use of electronic communication to reduce paper usage. For that reason, since the year 2018 BTPN introduced the Front End System (FES) at all the branch networks as a more environmental-friendly platform by reducing paper-based processing.

Moreover, BTPN has also developed two digital platforms, BTPN Wow! and Jenius for those who utilize mobile device technology. Both platforms can reduce the need for customers to visit branch offices, so as to minimize paper consumption for transaction needs.

BTPN also provide the freedom for employees to take part in volunteer activities related to the environment, from environment-themed seminars to tree-planting at home during this pandemic time, through the “Sahabat Daya” program.

MECHANISM ON COMPLAINTS RELATED TO ENVIRONMENTAL ISSUES

BTPN does not provide special channel for complaint mechanisms related to environmental issues. However the complaint handling mechanism is integrated through the existing channels provided by the Bank, such as through BTPN Care for customers and public.

CERTIFICATION IN THE ENVIRONMENTAL FIELD

Up until now, BTPN does not have certification in the environmental sector.



Corporate Social Responsibility in the Fields of Labor and Occupational Health & Safety

COMMITMENT AND POLICY

BTPN believes that human resources (HR) is the Bank's most valuable asset when it comes to achieving success and determining added value for all stakeholders. For this purpose, BTPN is committed to managing its human resources in accordance with prevailing laws and regulations, including by providing competitive remuneration, opportunities for personal and career development, and creating a safe and healthy work environment free from environmental pollution and minimizing potential work-related accidents and diseases.

In actualizing HR management programs, BTPN refers to a number of regulations including the following:

- Law No. 13 of 2003 regarding Employment
- Law No. 24 of 2011 regarding Social Security Organizing Body
- Financial Services Authority No.(OJK) Regulation No.45 / POJK.03 /2015 concerning the Governance Implementation in Providing Remuneration

TARGET AND ACTIVITY PLAN

BTPN will continue to take efforts to create structured and unceasing activity programs related to human resources (HR). That is why providing opportunities for competency development for

all HR at BTPN is periodically carried out with materials that are always adjusted in line with the needs of the Company.

Through such a policy, efforts to achieve the target of attaining synchronization between HR competency and the need for the Bank's business activities to go hand in hand. Thus, training and other programs provided by BTPN present great added value for internal stakeholders.

IMPLEMENTATION OF ACTIVITIES AND INITIATIVES IN THE FIELD OF LABOR FORCE

Up until the year 2020, BTPN has conducted CSR programs related to labor force including the following:

• Fair Treatment

Providing opportunities and fair treatment to all employees: permanent and contract. This relates to promotions, transfers, competency development, facilities and remuneration.

Employee Union: one of the forms of the company's acknowledgement of the commitment in the area of labor workforce. Because employees are not commodities, and for that they need protection.

BTPN also offer the opportunity for college students to take up on-the-job training or internship program at BTPN. Such activity is highly useful for students when they eventually enter the working life.

• Equality in Gender and Employment Opportunity

HR recruitment and career development process has been conducted fairly by providing employment opportunities equally to all candidates, both men and women regardless of ethnicity, religion, race, political views and social ladder as well as other criteria that tend to be discriminative.

In the year 2020, employees of BTPN totaled 7,482 persons., of which 3,090 persons or 41.3% are female employees. This shows that BTPN highly upholds the principle of equality and employment opportunity without differentiating the gender.

In the recruitment process, BTPN also prioritizes local Indonesian workers as a form of providing as much work opportunities as possible for the people of Indonesia. In addition, when BTPN is in need for particular expertise yet rarely found among Indonesians, then foreign workers are recruited with the objective for a transfer of knowledge to local workers.

TOTAL MANPOWER BASED ON GENDER

Gender	2020	2019	2018
Men	4,392	4,584	4,751
Women	3,090	3,156	3,051
Total	7,482	7,740	7,802

• Training and Career Development

BTPN provides equal opportunity for all employees to join educational and training program to develop their competency and assist them in their career development.

Throughout the year 2020, BTPN allocated a total of Rp60.4 billion for training and development activities.

Summary of Training Implementation

Description	Satuan	2020	2019	2018
Number of Training Programs	Full unit	281	279	207
Number of Participants	Person	87,970	77,743	26,263
Total Man-Days	Day	30,038	28,267	18,734
Total Hours of Training	Hour	240,305	226,137	221,655

• Occupational Health and Safety (OHS)

A safe and healthy work environment is main priority for BTPN. This has been implemented through the development of formal policies concerning OHS management, integrated with the policies on environmental management, since the year 2017. BTPN is also committed to complying with all prevailing OHS regulations and relevant standards.

• Industrial Relations

BTPN is committed to establishing harmonious, coordinated and fair relationships with all employees. BTPN also respect the right of its employees to form and participate in labor unions.

For this purpose, BTPN facilitated the formation of the BTPB Tbk Labor Union, established on 27 September 2007, with registration number 256/DPP.SP.BTPN-CTT.22-DISNAKER/2007 at the Office of Manpower and Transmigration.

BTPN is continuously in the effort to maintain mutually supportive relationship with the Labor Union through the concept of partnership and dialogue. To ensure that employees understand their rights and responsibilities, BTPN routinely disseminate information about labor regulations and provisions to all employees.

• Pension Program

For employees who are entering retirement, BTPN offers various support programs to prepare them for life after employment. Employees can take part in a number of selective training programs in the fields of entrepreneurship, financial management, and mental preparation for retirement.

• Employee Turnover Rate

BTPN establishes a safe, harmonious and conducive work environment with one of the objectives to increase loyalty and reduce employee turnover. In the year 2020, the rate of employee turnover was noted at 7.4%, an decrease compared to the year 2019 with 11.1%.

• Mechanism of Complaint Related to Labor Force

BTPN employees are free to discuss the challenges they are facing with their superiors (including direct line manager) as stipulated in the PT Bank BTPN, Tbk Collective Labor Agreement (resolve internally).

In accordance to discuss with superiors and line manager are deemed unable to solve the problems, the employees can be accompanied by the Labor Union to resolve them. And for the next process, it is resolved through the industrial relations dispute settlement institution as regulated in statutory provisions (resolve externally)



Corporate Social Responsibility to Customers

COMMITMENT AND POLICY

BTPN continuously provide the best possible services to its customers. This include services to provide the best products and services that are consistent, trustworthy, safe, comprehensive and attentive of the customers' needs.

BTPN also prioritizes customer protection with the implementation of the principles of transparency, confidentiality and security of customer data/information, as well as fast and easy handling of customers' complaints.

In providing the best services, BTPN refers to regulations set-forth by the Financial Service Authority (OJK), such as POJK No. 1/POJK.07/2012 on Consumer Protection in the Financial Services Sector. Another reference is the POJK No. 76/POJK.07/2016 regarding Increased Financial Literacy and Inclusion in the Financial Services Sector of Consumers and/or the Community.

As part of the Bank's compliance with regulatory requirements, every year BTPN always submits the Bank's Business Plan to the Financial Services Authority (OJK) regarding product and service development to be carried out in the following year.

IMPLEMENTATION AND IMPACT OF ACTIVITIES

The entire series of social responsibility activities for customers is carried out through the Daya.id platform.

PRODUCT INFORMATION

BTPN provides transparent information on products and services which may be easily accessed by stakeholders. Besides through the branch office, the public and customers may browse through the site <http://www.btpn.com>.

All products released by BTPN are assured of their compliance with the provisions of regulator. While internally, BTPN has also tested on the potential risk of each product, so that each product and service of BTPN is safe for customers.

FACILITIES, NUMBER AND HANDLING OF CUSTOMER'S COMPLAINTS

In managing customer complaint, BTPN is represented by Customer Care in Customer Experience Center Division. Every complaint received by the Bank will be resolved within 20 (twenty) Business Days. In the condition where complaint cannot be resolved within the service level agreement set-forth by the Financial Services Authority (OJK), BTPN shall provide notification letter to customer on an extended time period for the completion of handling the concerned complaint.

Throughout the year 2020, the number of complaint received and handled is as follows:

No.	Type	Done		In Process		Not Completed		number of complaints
		Total	Percentage	Total	Percentage	Total	Percentage	
1	ATM	39,166	98%	741	2%	-	-	39,907
2	Bancassurance	2	100%		0%	-	-	2
3	BTPN Wow!	1,505	97%	40	3%	-	-	1,545
4	BTPN Wow! Low	1	100%		0%	-	-	1
5	Dana Pihak Ketiga	304	97%	9	3%	-	-	313
6	E-Statement	11	100%		0%	-	-	11
7	Flexi Cash	1,314	97%	44	3%	-	-	1,358
8	Internet Banking	70	99%	1	1%	-	-	71
9	ISME	4	100%		0%	-	-	4
10	Jenius	84,737	99%	632	1%	-	-	85,369
11	Join Finance	1,714	97%	58	3%	-	-	1,772
12	Kredit Pensiun	217	89%	27	11%	-	-	244
13	Kredit UMK	42	89%	5	11%	-	-	47
14	Mobile Banking	142	99%	2	1%	-	-	144
15	Modal Kerja		0%		0%	-	-	0
16	Reksadana	3	100%		0%	-	-	3
17	Remittance		0%		0%	-	-	0
18	RTGS SKN	47	98%	1	2%	-	-	48
19	Standing Instructiion	2	100%		0%	-	-	5
20	Wow! Link	5	100%		0%	-	-	5
21	Lainnya		0%		0%	-	-	0
Total		129,286	99%	1,560	1%	-	-	130,846

Corporate Social Responsibility in the Field of Community Social Development

COMMITMENT AND RESPONSIBILITY

BTPN commitment to community social development refers to the Financial Services Authority Regulation No. 76/POJK.07/2016 regarding Increasing Financial Literacy and Inclusion in the Financial Services Sector for Consumers and/or the Community.

INFORMATION ON RELEVANT SOCIAL ISSUES

Results of OJK's Financial Literacy National Survey in 2019 became one of the references of BTPN in formulating relevant issues related to BTPN social issues. This is important, among others in order to map the issues established by BTPN to be in line with the government's program.

Results of the survey show that financial literacy index reached 38.03% and financial inclusion index at 76.19%. The number increased by 29.7% and 67.8% respectively if compared to survey results in 2016.

As a support to the government's policy, BTPN develops financial literacy and inclusion programs through BTPN products, services and activities especially set for financial literacy and inclusion.

INFORMATION ON SOCIAL RISK MANAGEMENT

Low financial literacy and inclusion of the public may impact the lack of comprehension of safe banking products and services. One of the forms of real impact is the many people who have been affected by the untrustworthy of illegal investments.

Moreover, there are several other risks related to the impact of low financial literacy and inclusion. For example, how some people do not know how to manage their finances or do not have any objective in financial management, or placing investment instruments in the wrong channels and eventually result in some loss.

DISBURSED EXPENSE

Total donation disbursed for activities related to community social development throughout the year 2020 amounted to some Rp 2,96 billion.

ACTIVITY IMPLEMENTATION

During the year 2020, BTPN took part in assisting various parties impacted by the COVID-19 pandemic through donations. This include donation to medical workforce.

Moreover, the BTPN also encouraged learning for children in remote areas in need of strong internet access signal so that they can continue with their online study

ACTIVITY IMPACT

The impact of activities may be seen from the involvement of the customers and the community in the financial literacy activities conducted by BTPN. In connection to this, the total number of participants who joined the program on increasing financial literacy and inclusion especially for the fulfillment of obligation of BTPN as a Financial Service Business constituent during the year 2020 was 14.976 participants of various circles, from customers to non-customers.



2020 Financial Statements



**PT BANK BTPN Tbk
DAN ENTITAS ANAK/*AND SUBSIDIARY***

**LAPORAN KEUANGAN KONSOLIDASIAN/
*CONSOLIDATED FINANCIAL STATEMENTS***

**TAHUN BERAKHIR 31 DESEMBER 2020 DAN 2019/
*YEARS ENDED 31 DECEMBER 2020 AND 2019***

**SURAT PERNYATAAN DIREKSI
TENTANG TANGGUNG JAWAB ATAS
LAPORAN KEUANGAN KONSOLIDASIAN
TAHUN BERAHIR
31 DESEMBER 2020 DAN 2019
PT BANK BTPN TBK DAN ENTITAS ANAK**

Kami yang bertanda tangan di bawah ini:

1. Nama : Ongki Wanadjati Dana
Alamat Kantor : Menara BTPN
CBD Mega Kuningan
Jl. Dr. Ide Anak Agung Gde Agung Kav.5.5 - 5.6
Jakarta 12950
Alamat Rumah : Jl. Bungur Besar No.97
RT/RW 010/001, Kel. Kemayoran
Kec. Kemayoran, Jakarta Pusat
Nomor Telepon : (021) 30026200
Jabatan : Direktur Utama
2. Nama : Hanna Tantani
Alamat Kantor : Menara BTPN
CBD Mega Kuningan
Jl. Dr. Ide Anak Agung Gde Agung Kav.5.5 - 5.6
Jakarta 12950
Alamat Rumah : Jl. Pegangsaan Indah Barat A1/40
Kel. Pegangsaan Dua Kec. Kelapa Gading
Jakarta Utara
Nomor Telepon : (021) 30026200
Jabatan : Direktur Keuangan

Menyatakan bahwa:

1. Kami bertanggung jawab atas penyusunan dan penyajian laporan keuangan konsolidasian PT Bank BTPN Tbk dan Entitas Anak;
2. Laporan keuangan konsolidasian PT Bank BTPN Tbk dan Entitas Anak telah disusun dan disajikan sesuai dengan Standar Akuntansi Keuangan di Indonesia;
3. a. Semua informasi dalam laporan keuangan konsolidasian PT Bank BTPN Tbk dan Entitas Anak telah dimuat secara lengkap dan benar;
b. Laporan keuangan konsolidasian PT Bank BTPN Tbk dan Entitas Anak tidak mengandung informasi atau fakta material yang tidak benar, dan tidak menghilangkan informasi atau fakta material;
4. Kami bertanggung jawab atas sistem pengendalian internal dalam PT Bank BTPN Tbk dan Entitas Anak.

Demikian pernyataan ini dibuat dengan sebenarnya.

**BOARD OF DIRECTORS' STATEMENTS
REGARDING THE RESPONSIBILITY FOR
THE CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED
31 DECEMBER 2020 AND 2019
PT BANK BTPN TBK AND SUBSIDIARY**

We, the undersigned:

1. Name : Ongki Wanadjati Dana
Office address : Menara BTPN
CBD Mega Kuningan
Jl. Dr. Ide Anak Agung Gde Agung Kav.5.5 - 5.6
Jakarta 12950
Residential address : Jl. Bungur Besar No.97
RT/RW 010/001, Kel. Kemayoran
Kec. Kemayoran, Jakarta Pusat
Telephone : (021) 30026200
Title : President Director
2. Name : Hanna Tantani
Office address : Menara BTPN
CBD Mega Kuningan
Jl. Dr. Ide Anak Agung Gde Agung Kav.5.5 - 5.6
Jakarta 12950
Residential address : Jl. Pegangsaan Indah Barat A1/40
Kel. Pegangsaan Dua Kec. Kelapa Gading
Jakarta Utara
Telephone : (021) 30026200
Title : Finance Director

Declare that:

1. We are responsible for the preparation and presentation of the consolidated financial statements of PT Bank BTPN Tbk and Subsidiary;
2. The consolidated financial statements of PT Bank BTPN Tbk and Subsidiary have been prepared and presented in accordance with Indonesian Financial Accounting Standards;
3. a. All information in the consolidated financial statements of PT Bank BTPN Tbk and Subsidiary has been disclosed in a complete and truthful manner;
b. The consolidated financial statements of PT Bank BTPN Tbk and Subsidiary do not contain any incorrect information or material facts, nor do they omit information or material facts;
4. We are responsible for PT Bank BTPN Tbk and Subsidiary's internal control system.

Thus this statement is made truthfully.

JAKARTA,
26 Februari/February 2021

Atas nama dan mewakili Dewan Direksi/For and on behalf of the Board of Directors



bank
btpn
A MEMBER OF
SMBC GROUP
AdX055851975

Ongki Wanadjati Dana
Direktur Utama/
President Director

Hanna Tantani
Direktur Keuangan/
Finance Director



Siddharta Widjaja & Rekan Registered Public Accountants

33rd Floor Wisma GKBI
28, Jl. Jend. Sudirman
Jakarta 10210
Indonesia
+62 (0) 21 574 2333 / 574 2888

Laporan Auditor Independen

No.: 00034/2.1005/AU.1/07/0851-2/1/II/2021

Para Pemegang Saham,
Dewan Komisaris dan Direksi
PT Bank BTPN Tbk:

Kami telah mengaudit laporan keuangan konsolidasian PT Bank BTPN Tbk dan entitas anaknya terlampir, yang terdiri dari laporan posisi keuangan konsolidasian tanggal 31 Desember 2020, serta laporan laba rugi dan penghasilan komprehensif lain, laporan perubahan ekuitas, dan laporan arus kas konsolidasian 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 konsolidasian

Manajemen bertanggung jawab atas penyusunan dan penyajian wajar laporan keuangan konsolidasian tersebut sesuai dengan Standar Akuntansi Keuangan di Indonesia, dan atas pengendalian internal yang dianggap perlu oleh manajemen untuk memungkinkan penyusunan laporan keuangan konsolidasian 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 konsolidasian 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 konsolidasian tersebut bebas dari kesalahan penyajian material.

Independent Auditors' Report

No.: 00034/2.1005/AU.1/07/0851-2/1/II/2021

The Shareholders,
The Board of Commissioners and Board of Directors
PT Bank BTPN Tbk:

We have audited the accompanying consolidated financial statements of PT Bank BTPN Tbk and its subsidiary, which comprise the consolidated statement of financial position as of 31 December 2020, and the consolidated 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 consolidated financial statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Indonesian Financial Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated 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 consolidated 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 consolidated financial statements are free of material misstatement.



Suatu audit melibatkan pelaksanaan prosedur untuk memperoleh bukti audit tentang angka-angka dan pengungkapan dalam laporan keuangan konsolidasian. Prosedur yang dipilih bergantung pada pertimbangan kami, termasuk penilaian atas risiko kesalahan penyajian material dalam laporan keuangan konsolidasian, 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 keefektifitasan 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 konsolidasian secara keseluruhan.

Kami yakin bahwa bukti audit yang telah kami peroleh adalah cukup dan tepat untuk menyediakan suatu basis bagi opini audit kami.

Opini

Menurut opini kami, laporan keuangan konsolidasian tersebut menyajikan secara wajar, dalam semua hal yang material, posisi keuangan konsolidasian PT Bank BTPN Tbk dan entitas anaknya tanggal 31 Desember 2020, serta kinerja keuangan dan arus kas konsolidasiannya untuk tahun yang berakhir pada tanggal tersebut, sesuai dengan Standar Akuntansi Keuangan di Indonesia.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of PT Bank BTPN Tbk and its subsidiary as of 31 December 2020, and their consolidated financial performance and their consolidated cash flows for the year then ended in accordance with Indonesian Financial Accounting Standards.



Hal lain

Audit kami dilaksanakan dengan tujuan untuk merumuskan suatu opini atas laporan keuangan konsolidasian secara keseluruhan. Informasi tambahan dalam Lampiran I sampai dengan 4, yang terdiri dari laporan posisi keuangan PT Bank BTPN Tbk (entitas induk saja) tanggal 31 Desember 2020, serta laporan laba rugi dan penghasilan komprehensif lain, laporan perubahan ekuitas, dan laporan arus kas untuk tahun yang berakhir pada tanggal tersebut, disajikan untuk tujuan analisis tambahan dan bukan merupakan bagian dari laporan keuangan konsolidasian yang diharuskan menurut Standar Akuntansi Keuangan di Indonesia. Informasi tersebut telah menjadi objek prosedur audit yang diterapkan dalam audit atas laporan keuangan konsolidasian dan menurut opini kami disajikan secara wajar, dalam semua hal yang material, berkaitan dengan laporan keuangan konsolidasian secara keseluruhan.

Other matter

Our audit was performed for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary information included in Appendix I to 4, which comprises the statement of financial position of PT Bank BTPN Tbk (parent entity only) as of 31 December 2020, and the related statements of profit or loss and other comprehensive income, changes in equity, and cash flows for the year then ended, is presented for the purpose of additional analysis and is not a required part of the consolidated financial statements in accordance with Indonesian Financial Accounting Standards. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and in our opinion is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

Kantor Akuntan Publik/Registered Public Accountants
Siddharta Widjaja & Rekan

Liana Lim, S.E., CPA
Izin Akuntan Publik/Public Accountant License No. AP. 0851

26 Februari 2021

26 February 2021





PT BANK BTPN Tbk
DAN ENTITAS ANAK/AND SUBSIDIARY

LAPORAN POSISI KEUANGAN KONSOLIDASIAN
31 DESEMBER 2020 DAN 2019

(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
31 DECEMBER 2020 AND 2019

(Expressed in millions of Rupiah, unless otherwise stated)

	Catatan/ Notes	31 Desember/December		
		2020	2019	
ASET				ASSETS
Kas	2h, 4	2,433,196	2,299,062	Cash
Giro pada Bank Indonesia	2h, 2j, 5	5,616,968	8,987,079	Current accounts with Bank Indonesia
Giro pada bank-bank lain:				Current accounts with other banks
- Pihak ketiga		526,017	331,454	Third parties -
- Pihak berelasi	2g, 37	370,551	725,450	Related parties -
Dikurangi: Cadangan kerugian penurunan nilai	2i	(497)	-	Less: Allowance for impairment losses
	2h, 2j, 6	896,071	1,056,904	
Penempatan pada Bank Indonesia dan bank-bank lain		16,954,868	8,839,876	Placements with Bank Indonesia and other banks
Pendapatan bunga yang masih akan diterima		49,471	74,228	Accrued interest income
	2h, 2k, 7	17,004,339	8,914,104	
Efek-efek				Securities
- Pihak ketiga		14,672,468	10,568,519	Third parties -
- Pihak berelasi	2g, 37	132,188	86,105	Related parties -
Pendapatan bunga/margin yang masih akan diterima		215,898	48,233	Accrued interest/margin income
Dikurangi: Cadangan kerugian penurunan nilai	2i	(291)	(6)	Less: Allowance for impairment losses
	2h, 2l, 8	15,020,263	10,702,851	
Tagihan derivatif				Derivative receivables
- Pihak ketiga		867,154	778,690	Third parties -
- Pihak berelasi	2g, 37	49,928	61,682	Related parties -
	2h, 2m, 9	917,082	840,372	
Tagihan akseptasi				Acceptance receivables
- Pihak ketiga		1,490,634	1,692,460	Third parties -
Dikurangi: Cadangan kerugian penurunan nilai	2i	(5,694)	(69)	Less: Allowance for impairment losses
	2h, 2n, 10	1,484,940	1,692,391	
Pinjaman yang diberikan:				Loans:
- Pihak ketiga		125,482,985	130,627,900	Third parties -
- Pihak berelasi	2g, 37	1,206,768	2,132,709	Related parties -
Pembiayaan/piutang syariah:				Sharia financing/receivables:
- Pihak ketiga		9,522,866	8,999,574	Third parties -
Pendapatan bunga/margin yang masih akan diterima		679,556	827,359	Accrued interest/margin income
Dikurangi: Cadangan kerugian penurunan nilai	2i	(3,422,325)	(1,467,199)	Less: Allowance for impairment losses
	2h, 2o, 11	133,469,850	141,120,343	
Penyertaan saham				Investment in shares
- Pihak ketiga		22	22	Third parties -
- Pihak berelasi	2g	22,500	22,500	Related parties -
	2h, 2p	22,522	22,522	
Beban dibayar dimuka	2q, 2ai, 12	1,881,912	2,234,521	Prepayments
Klaim pengembalian pajak	2ac, 13a	209,055	321,312	Claims for tax refund
Aset pajak tangguhan	2ac, 13f	467,885	144,874	Deferred tax assets
Aset tetap		4,883,148	3,751,845	Fixed assets
Dikurangi: Akumulasi penyusutan		(2,525,161)	(1,858,099)	Less: Accumulated depreciation
	2r, 2ai, 14	2,357,987	1,893,746	
Pindahan		181,782,070	180,230,081	Carried forward

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan

The accompanying notes to the consolidated financial statements form an integral part of these consolidated financial statements

PT BANK BTPN Tbk
DAN ENTITAS ANAK/AND SUBSIDIARY

LAPORAN POSISI KEUANGAN KONSOLIDASIAN
31 DESEMBER 2020 DAN 2019

(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
31 DECEMBER 2020 AND 2019

(Expressed in millions of Rupiah, unless otherwise stated)

	Catatan/ Notes	31 Desember/December 2020	2019	
ASET (lanjutan)				ASSETS (continued)
Pindahan		181,782,070	180,230,081	Carried forward
Aset takberwujud		2,528,427	2,197,397	Intangible assets
Dikurangi: Akumulasi amortisasi		(1,487,828)	(1,128,855)	Less: Accumulated amortization
	2s, 15	1,040,599	1,068,542	
Aset lain-lain		343,479	332,931	Other assets
Dikurangi: Cadangan kerugian penurunan nilai		(170)	(169)	Less: Allowance for impairment losses
	2i	343,309	332,762	
	2h, 2t, 16			
JUMLAH ASET		183,165,978	181,631,385	TOTAL ASSETS
LIABILITAS, DANA SYIRKAH TEMPORER DAN EKUITAS				LIABILITIES, TEMPORARY SYIRKAH FUNDS AND EQUITY
LIABILITAS				LIABILITIES
Liabilitas segera	2h, 17	59,404	18,268	Obligations due immediately
Bagi hasil yang belum dibagikan	2z	18,666	21,861	Undistributed revenue sharing
Simpanan nasabah				Deposits from customers
- Pihak ketiga		88,425,046	78,849,654	Third parties -
- Pihak berelasi	2g, 37	4,440,494	539,161	Related parties -
Beban bunga yang masih harus dibayar		268,383	210,601	Accrued interest expenses
	2h, 2u, 18	93,133,923	79,599,416	
Simpanan dari bank-bank lain				Deposits from other banks
- Pihak ketiga		644,908	4,342,049	Third parties -
- Pihak berelasi	2g, 37	5,904,428	7,291,425	Related parties -
Beban bunga yang masih harus dibayar		370	57,081	Accrued interest expenses
	2h, 2u, 19	6,549,706	11,690,555	
Liabilitas derivatif				Derivative payables
- Pihak ketiga		784,385	840,876	Third parties -
- Pihak berelasi	2g, 37	102,772	54,071	Related parties -
	2h, 2m, 9	887,157	894,947	
Liabilitas akseptasi				Acceptance payables
- Pihak ketiga		605,597	730,936	Third parties -
- Pihak berelasi	2g, 37	161,685	157,523	Related parties -
	2h, 2n, 10	767,282	888,459	
Utang pajak:				Taxes payables:
- Pajak penghasilan badan		287,928	119,060	Corporate income tax -
- Pajak lain-lain		175,075	117,833	Other taxes -
	2ac, 13b	463,003	236,893	
Efek-efek yang diterbitkan:				Securities issued:
- Surat utang jangka menengah	20a	-	1,301,409	Medium term notes -
- Utang obligasi	20b	993,045	1,889,219	Bonds payable -
Beban bunga yang masih harus dibayar		7,379	26,286	Accrued interest expenses
	1d, 2h, 2v	1,000,424	3,216,914	
Pindahan		102,879,565	96,567,313	Carried forward

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan

The accompanying notes to the consolidated financial statements form an integral part of these consolidated financial statements



PT BANK BTPN Tbk
DAN ENTITAS ANAK/AND SUBSIDIARY

LAPORAN POSISI KEUANGAN KONSOLIDASIAN
31 DESEMBER 2020 DAN 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
31 DECEMBER 2020 AND 2019
(Expressed in millions of Rupiah, unless otherwise stated)

	Catatan/ Notes	31 Desember/December		
		2020	2019	
LIABILITAS, DANA SYIRKAH TEMPORER DAN EKUITAS (lanjutan)				LIABILITIES, TEMPORARY SYIRKAH FUNDS AND EQUITY (continued)
LIABILITAS (lanjutan)				LIABILITIES (continued)
Pindahan		102,879,565	96,567,313	Carried forward
Pinjaman yang diterima:				Borrowings:
- Pihak ketiga		8,233,408	6,868,795	Third parties -
- Pihak berelasi	2g, 37	22,852,789	31,193,978	Related parties -
Biaya transaksi yang belum diamortisasi		(21,908)	(15,318)	Unamortised transaction costs
Beban bunga yang masih harus dibayar		119,055	141,471	Accrued interest expenses
	2h, 2w, 21	<u>31,183,344</u>	<u>38,188,926</u>	
Akrual	2h, 22	347,446	451,386	Accruals
Liabilitas imbalan kerja karyawan:				Employee benefits liabilities:
- Imbalan kerja jangka pendek		376,891	560,620	Short-term employee benefits -
- Imbalan pascakerja dan imbalan kerja jangka panjang lainnya		160,042	37,458	Post-employment benefits and -
	2x, 23	<u>536,933</u>	<u>598,078</u>	other long-term employee benefits
Liabilitas pajak tangguhan	2ac, 13f	-	53,052	Deferred tax liabilities
Liabilitas sewa	2ai	589,736	-	Lease liabilities
Liabilitas lain-lain	2h, 2i, 25	624,855	704,845	Other liabilities
Pinjaman subordinasi		6,111,750	6,038,888	Subordinated loans
Beban bunga yang masih harus dibayar		4,230	6,305	Accrued interest expenses
	2g, 2h, 2y, 24, 37	<u>6,115,980</u>	<u>6,045,193</u>	
JUMLAH LIABILITAS		142,277,859	142,608,793	TOTAL LIABILITIES
DANA SYIRKAH TEMPORER				TEMPORARY SYIRKAH FUNDS
Bukan bank				Non-bank
- Pihak ketiga				Third parties -
Tabungan mudharabah		167,171	104,628	Mudharabah savings
Deposito mudharabah		7,717,545	7,428,302	Mudharabah time deposits
- Pihak berelasi	2g, 37			Related parties -
Tabungan mudharabah		112	250	Mudharabah savings
Deposito mudharabah		38,538	17,484	Mudharabah time deposits
JUMLAH DANA SYIRKAH TEMPORER	2z, 26	7,923,366	7,550,664	TOTAL TEMPORARY SYIRKAH FUNDS

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan

The accompanying notes to the consolidated financial statements form an integral part of these consolidated financial statements

PT BANK BTPN Tbk
DAN ENTITAS ANAK/AND SUBSIDIARY

LAPORAN POSISI KEUANGAN KONSOLIDASIAN
31 DESEMBER 2020 DAN 2019
 (Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
31 DECEMBER 2020 AND 2019
 (Expressed in millions of Rupiah, unless otherwise stated)

	Catatan/ Notes	31 Desember/December		
		2020	2019	
LIABILITAS, DANA SYIRKAH TEMPORER DAN EKUITAS (lanjutan)				LIABILITIES, TEMPORARY SYIRKAH FUNDS AND EQUITY (continued)
EKUITAS				SHAREHOLDERS' EQUITY
Ekuitas yang diatribusikan kepada pemilik ekuitas induk				Equity attributable to owners of the parent
Modal saham:				Share capital:
Modal dasar Rp 300.000 terdiri dari: 15.000.000.000 saham dengan nilai nominal Rp 20 (nilai penuh) per saham				Authorised capital of Rp 300,000 consists of: 15,000,000,000 shares with par value of Rp 20 (full amount) per share
Modal ditempatkan dan disetor penuh sebesar 8.148.931.869 saham (31 Desember 2019: 8.148.928.869 saham)	2aa, 27	162,979	162,979	Issued and fully paid-up capital of 8,148,931,869 shares (31 December 2019: 8,148,928,869 shares)
Tambahan modal disetor	1b	11,158,710	11,158,702	Additional paid-in capital
Cadangan revaluasi aset tetap	2r	801,553	801,553	Reserve on revaluation of fixed assets
Cadangan pembayaran berbasis saham	2ab, 28	-	244,012	Share-based payment reserve
Cadangan nilai wajar - bersih	2l	101,255	12,176	Fair value reserve - net
Transaksi dengan kepentingan non-pengendali	1f	(24,267)	(24,267)	Transaction with non-controlling interest
Saldo laba				Retained earnings
- Dicadangkan		67,596	44,361	Appropriated -
- Belum dicadangkan		18,949,493	17,730,931	Unappropriated -
		<u>31,217,319</u>	<u>30,130,447</u>	
Komponen ekuitas lainnya	2ab, 28	260,801	-	Other equity components
Saham treasuri	1c, 2aa	(262,404)	(262,404)	Treasury shares
		<u>31,215,716</u>	<u>29,868,043</u>	
Kepentingan non-pengendali		<u>1,749,037</u>	<u>1,603,885</u>	Non-controlling interest
JUMLAH EKUITAS		<u>32,964,753</u>	<u>31,471,928</u>	TOTAL EQUITY
JUMLAH LIABILITAS, DANA SYIRKAH TEMPORER, DAN EKUITAS		<u>183,165,978</u>	<u>181,631,385</u>	TOTAL LIABILITIES, TEMPORARY SYIRKAH FUNDS, AND EQUITY

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan

The accompanying notes to the consolidated financial statements form an integral part of these consolidated financial statements



PT BANK BTPN Tbk
DAN ENTITAS ANAK/AND SUBSIDIARY

LAPORAN LABA RUGI DAN PENGHASILAN
KOMPREHENSIF LAIN KONSOLIDASIAN
TAHUN BERAKHIR 31 DESEMBER 2020 DAN 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
YEARS ENDED 31 DECEMBER 2020 AND 2019*
(Expressed in millions of Rupiah, unless otherwise stated)

	Catatan/ Notes	2020	2019 ^{a)}	
PENDAPATAN DAN BEBAN OPERASIONAL				OPERATING INCOME AND EXPENSES
Pendapatan bunga	48	12,366,009	14,223,627	Interest income
Pendapatan syariah		4,037,474	4,457,352	Sharia income
	2g, 2ad, 30, 37	16,403,483	18,680,979	
Beban bunga	48	(5,281,544)	(7,165,697)	Interest expenses
Hak pihak ketiga atas bagi hasil dana syirkah temporer		(497,511)	(523,587)	Third parties' shares on return of temporary syirkah funds
	2g, 2ad, 31, 37	(5,779,055)	(7,689,284)	
PENDAPATAN BUNGA DAN SYARIAH BERSIH		10,624,428	10,991,695	NET INTEREST AND SHARIA INCOME
Pendapatan operasional lainnya:				Other operating income:
Pendapatan operasional lainnya	2ae, 2af, 32, 48	959,885	1,032,034	Other operating income
Keuntungan dari selisih kurs dan transaksi derivatif bersih	2e, 2m, 48	728,952	584,544	Net gain on foreign exchange and derivative transactions
		1,688,837	1,616,578	
Beban operasional lainnya:				Other operating expenses:
	2g, 2x, 2ab, 2af, 33, 37, 48	(3,211,395)	(3,338,585)	Personnel expenses
Beban kepegawaian	48	(3,211,395)	(3,338,585)	General and administrative expenses
Beban umum dan administrasi	2af, 34, 48	(3,062,933)	(3,155,976)	Provision for impairment losses
Cadangan kerugian penurunan nilai	2i, 35	(2,799,638)	(1,445,882)	Other operating expenses
Beban operasional lainnya	2af, 36, 48	(608,785)	(635,311)	
		(9,682,751)	(8,575,754)	
PENDAPATAN OPERASIONAL BERSIH		2,630,514	4,032,519	NET OPERATING INCOME
PENDAPATAN (BEBAN) NON-OPERASIONAL				NON-OPERATING INCOME (EXPENSES)
Pendapatan non-operasional		10,750	5,068	Non-operating income
Beban non-operasional		(8,188)	(18,665)	Non-operating expenses
		2,562	(13,597)	
LABA SEBELUM PAJAK PENGHASILAN		2,633,076	4,018,922	PROFIT BEFORE INCOME TAX
BEBAN PAJAK PENGHASILAN	2ac, 13c	(627,399)	(1,026,504)	INCOME TAX EXPENSE
LABA BERSIH TAHUN BERJALAN		2,005,677	2,992,418	NET PROFIT FOR THE YEAR

*Setelah reklasifikasi (Catatan 48)

*After r

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan

The accompanying notes to the consolidated financial statements form an integral part of these consolidated financial statements

PT BANK BTPN Tbk
DAN ENTITAS ANAK/AND SUBSIDIARY

LAPORAN LABA RUGI DAN PENGHASILAN
KOMPREHENSIF LAIN KONSOLIDASIAN
TAHUN BERAKHIR 31 DESEMBER 2020 DAN 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
YEARS ENDED 31 DECEMBER 2020 AND 2019
(Expressed in millions of Rupiah, unless otherwise stated)

	Catatan/ Notes	2020	2019 ^{a)}
PENGHASILAN KOMPREHENSIF LAIN:			
Pos-pos yang tidak akan direklasifikasi ke laba rugi			
Pengukuran kembali liabilitas imbalan kerja karyawan	2x, 23	(89,257)	(30,767)
Pajak penghasilan terkait pos-pos yang tidak akan direklasifikasi ke laba rugi	13f	24,400	7,692
		<u>(64,857)</u>	<u>(23,075)</u>
Pos-pos yang akan direklasifikasi ke laba rugi			
Keuntungan yang belum direalisasi atas perubahan nilai wajar efek-efek dalam kelompok tersedia untuk dijual dan diukur pada nilai wajar melalui penghasilan komprehensif lain	2l	113,547	11,306
Pajak penghasilan terkait pos-pos yang akan direklasifikasi ke laba rugi	13f	(24,492)	(2,827)
		<u>89,055</u>	<u>8,479</u>
PENGHASILAN KOMPREHENSIF LAIN TAHUN BERJALAN, SETELAH PAJAK PENGHASILAN		<u>24,198</u>	<u>(14,596)</u>
JUMLAH LABA KOMPREHENSIF TAHUN BERJALAN, SETELAH PAJAK		<u>2,029,875</u>	<u>2,977,822</u>
LABA BERSIH YANG DIATRIBUSIKAN KEPADA:			
Pemilik entitas induk		1,749,293	2,572,528
Kepentingan non-pengendali		256,384	419,890
		<u>2,005,677</u>	<u>2,992,418</u>
JUMLAH LABA KOMPREHENSIF YANG DIATRIBUSIKAN KEPADA:			
Pemilik entitas induk		1,776,256	2,555,357
Kepentingan non-pengendali		253,619	422,465
		<u>2,029,875</u>	<u>2,977,822</u>
LABA BERSIH PER SAHAM (NILAI PENUH)			
	2ag, 40		
Dasar		<u>217</u>	<u>327</u>
Dilusian		<u>217</u>	<u>324</u>

OTHER COMPREHENSIVE INCOME:

Items that will not be reclassified to profit or loss
Remeasurements of employee benefits liabilities
Income tax relating to items that will not be reclassified to profit or loss

Items that will be reclassified to profit or loss
Unrealised gain on fair value changes of available for sale and measured at fair value through other comprehensive income securities
Income tax relating to items that will be reclassified to profit or loss

OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX

TOTAL COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX

NET PROFIT ATTRIBUTABLE TO:
Owners of the parent
Non-controlling interest

TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:
Owners of the parent
Non-controlling interest

EARNINGS PER SHARE (FULL AMOUNT)

Basic

Diluted

^{a)}Setelah reklasifikasi (Catatan 48)

^{a)}After r

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan

The accompanying notes to the consolidated financial statements form an integral part of these consolidated financial statements

PT BANK BTPN Tbk
DAN ENTITAS ANAK/AND SUBSIDIARY

**LAPORAN PERUBAHAN EKUITAS KONSOLIDASIAN
TAHUN BERAKHIR 31 DESEMBER 2020 DAN 2019**

(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED 31 DECEMBER 2020 AND 2019**

(Expressed in millions of Rupiah, unless otherwise stated)

Distribusikan kepada pemilik entitas induk/attributable to owners of the parent													
Modal ditempatkan dan disetor penuh/Issued and fully paid-up share capital	Tambahan disetor/Additional paid-in capital	Cadangan revaluasi aset tetap/Property revaluation of fixed assets	Cadangan pembayaran berbasis saham/Share-based payment reserve	Cadangan nilai wajar - bersih/ Fair value reserve - net	Transaksi dengan kepentingan non-pengendali/ Transaction with non-controlling interest	Saldo laba yang sudah ditentukan sebelumnya/ Appropriated retained earnings	Saldo laba yang belum ditentukan sebelumnya/ Unappropriated retained earnings	Saham treasuri/ Treasury shares	Komponen ekuitas lainnya/ Other equity components	Jumlah/ Total	Kepentingan non-pengendali/ Non-controlling interest	Jumlah ekuitas/ Total equity	
162.979	11.158.702	801.553	244.012	12.176	(24.267)	44.361	17.730.931	(262.404)	-	29.868.043	1.603.885	31.471.928	
2d, 47	-	-	-	-	-	-	(445.380)	-	-	(445.380)	(4.580)	(449.960)	
Saldo per 1 Januari 2020 setelah penerapan PSAK 71 dan 73	162.979	11.158.702	801.553	244.012	12.176	(24.267)	17.285.551	(262.404)	-	29.422.663	1.599.305	31.021.968	
Laba bersih tahun berjalan	-	-	-	-	-	-	1.749.293	-	-	1.749.293	256.384	2.005.677	
Penghasilan komprehensif lainnya: Perubahan nilai wajar atas aset keuangan diukur pada nilai wajar, termasuk penghasilan komprehensif lain	2i	-	-	-	113.579	-	-	-	-	113.579	(32)	113.547	
Penilaian kembali liabilitas imbalan kerja karyawan	2x	-	-	-	(24.500)	-	(85.185)	-	-	(85.185)	(4.072)	(89.257)	
Efektif pajak terkait		-	-	-	-	-	23.069	-	-	(1.431)	1.339	(92)	
Jumlah laba komprehensif selama tahun berjalan		-	-	-	89.079	-	1.687.177	-	-	1.776.256	253.619	2.029.875	
Cadangan umum Entitas Anak		-	-	-	-	14.000	(14.000)	-	-	-	-	-	
Pembayaran dividen Entitas Anak	1f	-	-	-	-	-	-	-	-	-	(103.887)	(103.887)	
Pembentukan dana cadangan wajib	29	-	-	-	-	9.235	(9.235)	-	-	-	-	-	
Opsis saham: Penerimaan dari pemberian saham Cadangan pembayaran berbasis saham	1c 2ab, 28	-	8	-	-	-	-	-	-	8	-	8	
Reklasifikasi ke komponen ekuitas lainnya	2ab, 28	-	-	-	16.789	-	-	-	-	16.789	-	16.789	
Saldo tanggal 31 Desember 2020	162.979	11.158.710	801.553	-	101.255	(24.267)	18.949.493	(262.404)	260.801	31.215.716	1.749.037	32.964.753	
Share option: Proceed from shares issued Share-based payment reserve Reclassification to other equity components													
Balance as of 1 January 2020													
Effect of initial implementation of PSAK 71 and 73, net													
Balance as of 1 January 2020 after effect of initial implementation of PSAK 71 and 73													
Net profit for the year													
Other comprehensive income: Changes in fair value of financial assets measured at fair value through other comprehensive income													
Remeasurements of defined pension benefits liabilities													
Related tax effect													
Total comprehensive income during the year													
General appropriation of Subsidiary													
Payments of Subsidiary's dividend													
Appropriation for legal reserve													
Share option: Proceed from shares issued Share-based payment reserve Reclassification to other equity components													
Balance as of 31 December 2020													

Other comprehensive income:
Changes in fair value of financial assets measured at fair value through other comprehensive income
Remeasurements of employee benefits liabilities
Related tax effect
Total comprehensive income during the year
General appropriation of Subsidiary
Payments of Subsidiary's dividend
Appropriation for legal reserve
Share option:
Proceed from shares issued
Share-based payment reserve
Reclassification to other equity components

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan

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PT BANK BTPN Tbk
DAN ENTITAS ANAK/AND SUBSIDIARY

LAPORAN PERUBAHAN EKUITAS KONSOLIDASIAN
TAHUN BERAKHIR 31 DESEMBER 2020 DAN 2019

(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED 31 DECEMBER 2020 AND 2019

(Expressed in millions of Rupiah, unless otherwise stated)

Catatan/ Notes	Modal ditempaikan dan disetor penuh/ Issued and fully paid-up share capital	Tambahan modal disetor/ Additional paid-in capital	Cadangan revaluasi aset tetap/ Reserve on revaluation of fixed assets	Cadangan pembayaran berbasis saham/ Share-based payment reserve	Cadangan nilai wajar - bersih/ Fair value reserve - net	Transaksi dengan kepentingan non-pengendali/ Transaction with non-controlling interest	Saldo laba yang sudah ditentukan penggunaan/ Appropriated retained earnings	Saldo laba yang belum ditentukan penggunaan/ Unappropriated retained earnings	Saham treasuri/ Treasury shares	Jumlah/ Total	Kepentingan non- pengendali/ Non- controlling interest	Jumlah ekuitas/ Total equity
	117,033	1,458,886	801,553	281,748	3,527	(24,267)	30,361	15,198,223	(262,404)	17,604,660	1,181,670	18,786,330
Saldo unggul 1 Januari 2019												Balance as of 1 January 2019
Laba bersih tahun berjalan	-	-	-	-	-	-	-	2,572,528	-	2,572,528	419,890	2,992,418
Penghasilan komprehensif lainnya:												Other comprehensive income:
Perubahan nilai wajar atas aset	-	-	-	-	-	-	-	-	-	-	-	Changes in fair value of available for sale
Keuntungan atau kerugian dari penilaian	-	-	-	-	-	-	-	-	-	-	-	and measured at fair value through
diklasifikasi nilai wajar melalui	-	-	-	-	-	-	-	-	-	-	-	other comprehensive income
penghasilan komprehensif lain	-	-	-	-	11,533	-	-	-	-	11,533	(227)	11,306
Pendapatan kembali liabilitas imbalan kerja	-	-	-	-	-	-	-	(34,427)	-	(34,427)	3,660	(30,767)
karyawan	-	-	-	-	(2,884)	-	-	8,607	-	5,723	(858)	4,865
Efektif pajak terkait	-	-	-	-	-	-	-	-	-	-	-	Related tax effect
Jumlah laba komprehensif selama	-	-	-	-	8,649	-	-	2,546,708	-	2,555,357	422,465	2,977,822
tahun berjalan												Total comprehensive income during the year
Cadangan umum Entitas Anak	-	-	-	-	-	-	14,000	(14,000)	-	-	-	-
Transaksi dengan kepentingan non-	-	(9,513)	-	-	-	-	-	-	-	(9,513)	(250)	(9,763)
pengendali												General appropriation of Subsidiary non-controlling interest
Efektif dari penggabungan usaha	45,937	9,708,197	-	-	-	-	-	-	-	9,754,134	-	9,754,134
Opsi saham:												Effect of merger
Penerimaan dari penyetoran saham	9	1,132	-	-	-	-	-	-	-	1,141	-	1,141
Cadangan pembayaran berbasis saham	-	-	-	(37,736)	-	-	-	-	-	(37,736)	-	(37,736)
Saldo unggul 31 Desember 2019	162,979	11,158,702	801,553	244,012	12,176	(24,267)	44,361	17,730,931	(262,404)	29,868,043	1,603,885	31,471,928
												Balance as of 31 December 2019

Net profit for the year

Other comprehensive income:

Changes in fair value of available for sale and measured at fair value through other comprehensive income

Financial assets

Remeasurements of employee benefits liabilities

Related tax effect

Total comprehensive income during the year

General appropriation of Subsidiary non-controlling interest

Transaction with non-controlling interest

Effect of merger

Share option:

Proceed from shares issued

Share-based payment reserve

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan

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PT BANK BTPN Tbk
DAN ENTITAS ANAK/AND SUBSIDIARY

LAPORAN ARUS KAS KONSOLIDASIAN
TAHUN BERAKHIR 31 DESEMBER 2020 DAN 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED 31 DECEMBER 2020 AND 2019
(Expressed in millions of Rupiah, unless otherwise stated)

	Catatan/ Notes	2020	2019	
ARUS KAS DARI AKTIVITAS OPERASI				CASH FLOWS FROM OPERATING ACTIVITIES
Penerimaan bunga		12,369,052	14,287,000	Receipt from interest
Penerimaan dari pendapatan syariah		4,039,326	4,449,890	Receipt from sharia income
Pembayaran beban bunga		(5,320,011)	(7,340,094)	Payments of interest expense
Pembayaran hak pihak ketiga atas bagi hasil dana syirkah temporer		(500,706)	(518,761)	Payments of third parties' shares on return of temporary syirkah funds
Penerimaan pendapatan operasional lainnya		1,772,261	1,612,454	Receipts from other operating income
Penerimaan kembali kredit yang telah dihapusbukukan		99,759	113,243	Recovery from written-off loans
Pembayaran beban kepegawaian		(3,345,008)	(3,313,759)	Payments of personnel expenses
Pembayaran beban operasional lainnya		(2,793,844)	(2,822,148)	Payments of other operating expenses
Pembayaran lain-lain		(4,285)	(10,072)	Other payments
Pembayaran pajak penghasilan badan		(458,531)	(1,262,205)	Payments of corporate income tax
Arus kas sebelum perubahan dalam aset operasi, liabilitas operasi dan dana syirkah temporer		5,858,013	5,195,548	Cash flows before changes in operating assets, operating liabilities and temporary syirkah funds
Perubahan dalam aset operasi, liabilitas operasi, dan dana syirkah temporer :				Changes in operating assets, operating liabilities, and temporary syirkah funds :
(Kenaikan) penurunan aset operasi :				(Increase) decrease in operating assets :
Penempatan pada Bank Indonesia dan bank lain - jatuh tempo lebih dari 3 bulan		(192,551)	(2,280,000)	Placements with Bank Indonesia and other banks - with maturity more than 3 months
Efek-efek yang dibeli dengan janji jual kembali		-	1,591,672	Securities purchased under resale agreement
Tagihan derivatif		(76,710)	(53,974)	Derivative receivables
Tagihan akseptasi		207,451	966,125	Acceptance receivables
Pinjaman yang diberikan		5,010,224	(4,980,410)	Loans
Pembiayaan/piutang syariah		(820,064)	(1,959,320)	Sharia financing/receivables
Kenaikan (penurunan) liabilitas operasi:				Increase (decrease) in operating liabilities:
Liabilitas segera		41,136	2,945	Obligations due immediately
Simpanan nasabah		13,476,725	(15,527,695)	Deposits from customers
Simpanan dari bank-bank lain		(5,084,138)	4,825,097	Deposits from other banks
Liabilitas derivatif		(7,790)	(222,689)	Derivative payables
Liabilitas akseptasi		(121,177)	(1,086,023)	Acceptance payables
Kenaikan dana syirkah temporer		372,702	1,557,804	Increase in temporary syirkah funds
Arus kas diperoleh dari (digunakan untuk) aktivitas operasi		18,663,821	(11,970,920)	Net cash flows provided from (used in) operating activities

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan

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PT BANK BTPN Tbk
DAN ENTITAS ANAK/AND SUBSIDIARY

LAPORAN ARUS KAS KONSOLIDASIAN
TAHUN BERAKHIR 31 DESEMBER 2020 DAN 2019
 (Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED 31 DECEMBER 2020 AND 2019
(Expressed in millions of Rupiah, unless otherwise stated)

	Catatan/ Notes	2020	2019	
ARUS KAS DARI AKTIVITAS INVESTASI				CASH FLOWS FROM INVESTING ACTIVITIES
Pembelian efek-efek		(96,000,594)	(49,875,535)	Purchases of securities
Penerimaan dari pelepasan efek-efek		92,799,958	50,586,393	Proceeds from disposal of securities
Perolehan aset tetap		(194,377)	(324,700)	Purchases of fixed assets
Perolehan aset hak guna		(22,332)	-	Purchases of right-of-use assets
Perolehan aset takberwujud	15	(396,680)	(380,234)	Purchases of intangible assets
Pengalihan kas dan setara kas sehubungan dengan penggabungan usaha		-	11,289,137	Cash and cash equivalents transfer due to merger
Hasil dari penjualan aset tetap		8,792	6,026	Proceeds from sale of fixed assets
Arus kas bersih (digunakan untuk) diperoleh dari aktivitas investasi		(3,805,233)	11,301,087	Net cash flows (used in) provided from investing activities
ARUS KAS DARI AKTIVITAS PENDANAAN				CASH FLOWS FROM FINANCING ACTIVITIES
Pembayaran efek-efek yang diterbitkan		(2,197,583)	(300,000)	Payments of securities issued
Penerimaan dari efek-efek yang diterbitkan		-	1,000,000	Proceeds from securities issued
Penerimaan dari pinjaman yang diterima		29,153,346	172,265,489	Proceeds from borrowings
Pembayaran angsuran dan pelunasan pinjaman yang diterima		(36,129,922)	(172,817,491)	Installment payments and settlement of borrowings
Pembayaran beban emisi obligasi		-	(9,992)	Payments of bonds issuance cost
Pembayaran biaya transaksi atas pinjaman yang diterima		(10,450)	(7,077)	Payments of borrowing transaction costs
Pembayaran dividen	1f	(103,887)	-	Payments of dividend
Hasil penerbitan saham		8	1,141	Proceed from shares issued
Pembayaran pokok liabilitas sewa		(173,566)	-	Payments of principal lease liabilities
Imbalan yang dibayarkan kepada non-pengendali		-	(9,763)	Consideration paid to non-controlling interest
Arus kas bersih (digunakan untuk) diperoleh dari aktivitas pendanaan		(9,462,054)	122,307	Net cash flows (used in) provided from financing activities
KENAIKAN (PENURUNAN) BERSIH KAS DAN SETARA KAS		5,396,534	(547,526)	NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS
DAMPAK PERUBAHAN SELISIH KURS TERHADAP KAS DAN SETARA KAS		(10,562)	(35,026)	EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS
SALDO KAS DAN SETARA KAS AWAL TAHUN		19,841,659	20,424,211	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF YEAR
SALDO KAS DAN SETARA KAS AKHIR TAHUN		25,227,631	19,841,659	CASH AND CASH EQUIVALENTS AT THE END OF YEAR
Kas dan setara kas terdiri dari:				Cash and cash equivalents consist of:
Kas	4	2,433,196	2,299,062	Cash
Giro pada Bank Indonesia	5	5,616,968	8,987,079	Current accounts with Bank Indonesia
Giro pada bank-bank lain	6	896,071	1,056,904	Current accounts with other banks
Penempatan pada Bank Indonesia dan bank-bank lain	7	14,482,317	6,559,876	Placements with Bank Indonesia and other banks
Efek-efek	8	1,799,079	938,738	Securities
		25,227,631	19,841,659	

Catatan atas laporan keuangan konsolidasian terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian secara keseluruhan

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**PT BANK BTPN Tbk
DAN ENTITAS ANAK/AND SUBSIDIARY**

**LAPORAN ARUS KAS KONSOLIDASIAN
TAHUN BERAKHIR 31 DESEMBER 2020 DAN 2019**
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

**CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED 31 DECEMBER 2020 AND 2019**
(Expressed in millions of Rupiah, unless otherwise stated)

	Catatan/ Notes	2020	2019	
INFORMASI TAMBAHAN ARUS KAS				SUPPLEMENTAL CASH FLOWS INFORMATION
AKTIVITAS YANG TIDAK MEMPENGARUHI ARUS KAS				ACTIVITIES NOT AFFECTING CASH FLOWS
Penerbitan modal saham sehubungan dengan penggabungan usaha	1b	-	9,754,134	Issuance of shares in relation with merger
Cadangan pembayaran berbasis saham	2ab, 28	16,789	37,736	Share-based payment reserve
Pembelian aset tetap yang masih terutang		(287)	(1,402)	Acquisition of fixed assets still payable

PT BANK BTPN Tbk
DAN ENTITAS ANAK/AND SUBSIDIARY

**CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
TAHUN BERAKHIR 31 DESEMBER 2020 DAN 2019**
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED 31 DECEMBER 2020 AND 2019**
(Expressed in millions of Rupiah, unless otherwise stated)

1. INFORMASI UMUM

a. Pendirian dan informasi umum

PT Bank BTPN Tbk ("BTPN" atau "Bank") yang berdomisili di Jakarta Selatan sebelumnya bernama PT Bank Tabungan Pensiunan Nasional berdasarkan akta notaris No. 31 tanggal 16 Februari 1985 dari Notaris Komar Andasasmita, S.H. Akta ini telah diubah dengan akta notaris No. 12 tanggal 13 Juli 1985 dari Notaris Dedeh Ramdah Sukarna, S.H. Anggaran Dasar telah disahkan oleh Menteri Kehakiman Republik Indonesia dengan surat No. C2-4583HT01.01TH.85 tanggal 25 Juli 1985, dan diumumkan dalam Tambahan No. 1148 Berita Negara Republik Indonesia No. 76 tanggal 20 September 1985.

Bank diberikan izin untuk melanjutkan usaha bank sebagai kelanjutan usaha dari Perkumpulan Bank Pegawai Pensiunan Militer ("BAPEMIL") yang telah beroperasi secara komersial pada tanggal 16 Februari 1959. Bank memperoleh izin usaha sebagai bank umum berdasarkan Keputusan Menteri Keuangan Republik Indonesia No. Kep-955/KM.17/1993 tanggal 22 Maret 1993 dan surat Bank Indonesia No. 26/5/UPBD/PBD2/Bd tanggal 22 April 1993. Bank juga memperoleh izin untuk menjalankan Unit Usaha Syariah melalui surat Bank Indonesia No. 10/2/DPIP/Prz/Bd tanggal 17 Januari 2008 yang telah dipindahkan ke PT Bank Tabungan Pensiunan Nasional Syariah Tbk (anak perusahaan Bank) setelah pemisahan pada tanggal 14 Juli 2014.

Bank memperoleh izin melakukan kegiatan usaha dalam valuta asing berdasarkan surat Keputusan Otoritas Jasa Keuangan ("OJK") No. 382/PB.12/2015 tanggal 22 Desember 2015 tentang pemberian izin melakukan kegiatan usaha dalam valuta asing. Bank mulai melakukan kegiatan usaha sebagai bank devisa pada tanggal 16 Februari 2016.

Anggaran Dasar Bank telah mengalami beberapa kali perubahan. Perubahan Anggaran Dasar secara lengkap dituangkan dalam Akta Nomor 22 tanggal 21 Januari 2019 yang dibuat oleh Ashoya Ratam, SH, MKn, Notaris di Kota Administrasi Jakarta Selatan dan telah disetujui oleh Menteri Hukum dan Hak Asasi Manusia Republik Indonesia melalui Surat Keputusan Nomor AHU-0006169.AH.01.10. Tahun 2019 tanggal 22 Januari 2019, di mana Bank resmi mengubah namanya menjadi PT Bank BTPN Tbk.

1. GENERAL INFORMATION

a. Establishment and general information

PT Bank BTPN Tbk ("BTPN" or the "Bank") domiciled in South Jakarta formerly under the name of PT Bank Tabungan Pensiunan Nasional based on notarial deed No. 31 dated 16 February 1985 of Notary Komar Andasasmita, S.H. The deed was amended by notarial deed No. 12 dated 13 July 1985 of Notary Dedeh Ramdah Sukarna, S.H. The Articles of Association was approved by the Minister of Justice of the Republic of Indonesia in its decision letter No. C2-4583HT01.01TH.85 dated 25 July 1985 and published in Supplement No. 1148 to State Gazette No. 76 dated 20 September 1985.

The Bank was given permission to carry on the bank business as a continuity from Association of Bank Pegawai Pensiunan Militer ("BAPEMIL") which commenced its commercial operations on 16 February 1959. The Bank obtained license to operate as commercial bank based on Decree of Ministry of Finance of the Republic Indonesia No. Kep-955/KM.17/1993 dated 22 March 1993 and the letter of Bank Indonesia No. 26/5/UPBD/PBD2/Bd dated 22 April 1993. The Bank also obtained a license to operate its Sharia Business Unit by the letter of Bank Indonesia No. 10/2/DPIP/Prz/Bd dated 17 January 2008 which has been transferred to PT Bank Tabungan Pensiunan Nasional Syariah Tbk (the Bank's subsidiary) after a spin-off on 14 July 2014.

The Bank obtained license to conduct foreign exchange activities based on Decree of Otoritas Jasa Keuangan ("OJK") No. 382/PB.12/2015 dated 22 December 2015 regarding approval in conducting foreign exchange activities. The Bank started to operate as a foreign exchange bank on 16 February 2016.

The Bank's Articles of Association have been amended several times. The complete amendment as specified into the Deed Number 22 dated 21 January 2019 made by Ashoya Ratam, SH, MKn, Notary in Administrative City of South Jakarta and has been approved by the Minister of Law and Human Rights of the Republic of Indonesia through Decree Letter Number AHU-0006169.AH.01.10. Tahun 2019 dated 22 January 2019, where the Bank formally changed its name to PT Bank BTPN Tbk.



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1. INFORMASI UMUM (lanjutan)

a. Pendirian dan informasi umum (lanjutan)

Perubahan Anggaran Dasar terakhir Bank dilakukan dalam rangka penyesuaian dengan Peraturan OJK Nomor 14/POJK.04/2019 tentang Perubahan Atas Peraturan OJK Nomor 32/POJK.04/2015 tentang Penambahan Modal Perusahaan Terbuka dengan Memberikan Hak Memesan Efek Terlebih Dahulu, Peraturan OJK Nomor 15/POJK.04/2020 tentang Rencana dan Penyelenggaraan Rapat Umum Pemegang Saham Perusahaan Terbuka, dan Peraturan OJK Nomor 16/POJK.04/2020 tentang Pelaksanaan Rapat Umum Pemegang Saham Perusahaan Terbuka Secara Elektronik, sebagaimana dituangkan dalam Akta Nomor 31 tanggal 18 November 2020 yang dibuat oleh Ashoya Ratam, SH, MKn, Notaris di Kota Administrasi Jakarta Selatan dan telah diterima dan dicatat di dalam Sistem Administrasi Badan Hukum melalui Surat Keputusan Menteri Hukum dan Hak Asasi Manusia Republik Indonesia Nomor AHU-AH.01.03-0410879 tanggal 23 November 2020 perihal Penerimaan Pemberitahuan Perubahan Anggaran Dasar PT Bank BTPN Tbk.

Susunan Direksi dan Dewan Komisaris terakhir Bank sebagaimana dituangkan ke dalam Akta Nomor 32 tanggal 18 November 2020 yang dibuat oleh Ashoya Ratam, SH, MKn, Notaris di Kota Administrasi Jakarta Selatan dan telah diterima dan dicatat di dalam Sistem Administrasi Badan Hukum melalui Surat Keputusan Menteri Hukum dan Hak Asasi Manusia Republik Indonesia Nomor AHU-AH.01.03-0411071 tanggal 24 November 2020 perihal Penerimaan Pemberitahuan Perubahan Data Perseroan PT Bank BTPN Tbk.

Sesuai dengan pasal 3 Anggaran Dasar Bank, maksud dan tujuan serta kegiatan Bank adalah melakukan kegiatan usaha utama dan kegiatan usaha penunjang termasuk melakukan penyertaan modal pada bank yang melaksanakan kegiatan usaha berdasarkan prinsip syariah, sesuai dengan undang-undang dan peraturan yang berlaku di Indonesia.

Pemegang saham terakhir (*ultimate shareholders*) dari Bank adalah Sumitomo Mitsui Financial Group.

1. GENERAL INFORMATION (continued)

a. Establishment and general information (continued)

The latest amendment of Articles of Association was made in order of adjustment with the OJK Regulation Number 14/POJK.04/2019 regarding the Amendments to the OJK Regulation Number 32/POJK.04/2015 regarding Increase Capital of Public Listed Companies by Granting Pre-emptive Rights, OJK Regulation Number 15/POJK.04/2020 regarding Plan and Conducting a General Meeting of Shareholders of Public Listed Companies, and OJK Regulation Number 16/POJK.04/2020 regarding Conducting General Meeting of Shareholders of Public Listed Companies electronically, as specified in the Deed Number 31 dated 18 November 2020 made by Ashoya Ratam, SH, MKn, Notary in Administrative City of South Jakarta and has been received and recorded in Legal Entity Administration System through Decree Letter of Minister of Law and Human Rights of the Republic of Indonesia No. AHU-AH.01.03-0410879 dated 23 November 2020 regarding Acceptance of Notification of Amendment of Articles of Association of PT Bank BTPN Tbk.

The latest composition of the Board of Directors and the Board of Commissioners of the Bank as specified in the Deed Number 32 dated 18 November 2020 made by Ashoya Ratam, SH, MKn, Notary in Administrative City of South Jakarta and has been received and recorded in Legal Entity Administration System through Decree Letter of Minister of Laws and Human Rights of the Republic of Indonesia Number AHU-AH.01.03-0411071 dated 24 November 2020 regarding Acceptance of Notification of the Company's Data Changes of PT Bank BTPN Tbk.

In accordance with Article 3 of the Bank's Articles of Association, the Bank's scope of activities is to engage in general banking services including capital investment in bank conducting business based on sharia principles, in accordance with the prevailing laws and regulations in Indonesia.

The ultimate shareholders of the Bank is Sumitomo Mitsui Financial Group.

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1. INFORMASI UMUM (lanjutan)

a. Pendirian dan informasi umum (lanjutan)

Kantor pusat Bank berlokasi di Menara BTPN, CBD Mega Kuningan, Jl. Dr. Ide Anak Agung Gde Agung Kav 5.5 - 5.6, Jakarta Selatan 12950.

Jaringan distribusi pada tanggal 31 Desember 2020 dan 2019 (tidak diaudit) adalah sebagai berikut:

	31 Desember/ December 2020
Kantor Cabang	84
Kantor Cabang Pembantu	266
ATM dan TCR	227
Payment Points	141
Kantor Fungsional	45
	<u>763</u>

Jumlah karyawan PT Bank BTPN Tbk dan Entitas Anak ("Bank dan Entitas Anak") pada tanggal 31 Desember 2020 dan 2019, masing-masing adalah 19.370 dan 19.235 karyawan (tidak diaudit).

b. Penggabungan usaha dengan PT Bank Sumitomo Mitsui Indonesia

Berdasarkan keputusan Rapat Umum Pemegang Saham Luar Biasa tanggal 5 Oktober 2018 sebagaimana dinyatakan dalam Akta Risalah Rapat Umum Pemegang Saham Luar Biasa No. 09 tertanggal 5 Oktober 2018 yang dibuat oleh Ashoya Ratam, SH, MKn, Notaris di Kota Administrasi Jakarta Selatan, telah disetujui Rencana Penggabungan Usaha PT Bank Sumitomo Mitsui Indonesia ("SMBCI") dengan Bank, dimana SMBCI bertindak sebagai bank yang menggabungkan diri dan Bank bertindak sebagai bank penerima penggabungan, yang berlaku sejak seluruh persetujuan yang disyaratkan diperoleh ("Tanggal Efektif Penggabungan").

Penggabungan menjadi efektif pada tanggal 1 Februari 2019, setelah diperolehnya persetujuan dari (i) OJK melalui surat Keputusan Dewan Komisiner OJK Nomor 35/KDK.03/2018 tanggal 20 Desember 2018 tentang Pemberian Izin Penggabungan Usaha (Merger) SMBCI ke dalam Bank; (ii) Japan Financial Services Agency (JFSA) melalui surat Pengawas Perbankan No. 1788 dan No. 1789 tertanggal 18 Januari 2019 perihal Persetujuan *Subsidiarization*; dan (iii) Menteri Hukum dan Hak Asasi Manusia Republik Indonesia Direktorat Jenderal Administrasi Hukum Umum melalui surat tertanggal 22 Januari 2019 Nomor AHU-0006169.AH.01.10. Tahun 2019 mengenai Persetujuan Perubahan Anggaran Dasar Perseroan Terbatas PT Bank BTPN Tbk dan surat tertanggal 22 Januari 2019 Nomor AHU-AH.01.03-0044411 mengenai Penerimaan Pemberitahuan Perubahan Data Perseroan PT Bank BTPN Tbk serta surat tertanggal 22 Januari 2019 Nomor AHU-AH.01.10-0006176 mengenai Penerimaan Pemberitahuan Penggabungan Perseroan PT Bank BTPN Tbk.

1. GENERAL INFORMATION (continued)

a. Establishment and general information (continued)

The Bank's head office is located at Menara BTPN, CBD Mega Kuningan, Jl. Dr. Ide Anak Agung Gde Agung Kav 5.5 - 5.6, Jakarta Selatan 12950.

Distribution network as of 31 December 2020 and 2019 (unaudited) was as follows:

	31 Desember/ December 2019	
	84	Branches
	285	Sub-Branches
	226	ATM and TCR
	164	Payments Points
	46	Functional Branches
	<u>805</u>	

As of 31 December 2020 and 2019 PT Bank BTPN Tbk and Subsidiary ("Bank and Subsidiary") had 19,370 and 19,235 employees, respectively (unaudited).

b. Merger with PT Bank Sumitomo Mitsui Indonesia

Based on the resolution of Extraordinary General Meeting of Shareholders dated 5 October 2018 as stipulated in the Deed of Minutes of Extraordinary General Meeting of Shareholders No. 09 dated 5 October 2018 made by Ashoya Ratam, SH, MKn, Notary in Administrative City of South Jakarta, it has approved the Proposed Merger of PT Bank Sumitomo Mitsui Indonesia ("SMBCI") and the Bank whereby SMBCI acted as the Merging Bank and the Bank acted as the Merger-Recipient Bank or surviving bank, effective as of all the required approval being obtained ("Effective Merger Date").

The Merger became effective on 1 February 2019, after obtaining the approval from (i) OJK through Decree of Board of Commissioners of OJK Number 35/KDK.03/2018 dated 20 December 2018 regarding the Merger Approval of SMBCI into the Bank; (ii) Japan Financial Services Agency (JFSA) through the Banking Supervisory letter No. 1788 and No. 1789 dated 18 January 2019 regarding the approval of *Subsidiarization*; and (iii) Minister of Law and Human Rights of the Republic of Indonesia Directorate of Administration of General Law by letter dated 22 January 2019 Number AHU-0006169.AH.01.10. Year 2019 regarding the Approval of Amendment of Articles of Association of Limited Liability Company PT Bank BTPN Tbk and letter dated 22 January 2019 Number AHU-AH.01.03-0044411 regarding the Acceptance of Notification of Company Data Submission of PT Bank BTPN Tbk as well as letter dated 22 January 2019 Number AHU-AH.01.10-0006176 regarding Acceptance on Notification of Merger of PT Bank BTPN Tbk.



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1. INFORMASI UMUM (lanjutan)

b. Penggabungan usaha dengan PT Bank Sumitomo Mitsui Indonesia (lanjutan)

Sehubungan dengan penggabungan usaha antara PT Bank Tabungan Pensiunan Nasional Tbk ("BTPN") dan PT Bank Sumitomo Mitsui Indonesia ("SMBCI"), penggabungan usaha dilakukan melalui penerbitan instrumen ekuitas BTPN kepada Sumitomo Mitsui Banking Corporation (pemegang saham BTPN dan SMBCI) sebesar 2.296.846.112 lembar saham biasa disetor penuh dengan nilai nominal sebesar Rp 20 (nilai penuh) per saham.

Nilai wajar saham BTPN pada tanggal 1 Februari 2019 adalah Rp 4.282 (nilai penuh) per lembar saham. Rasio konversi atas konversi saham SMBCI menjadi saham BTPN adalah sebesar 799,1971.

Penggabungan usaha antara BTPN dan SMBCI merupakan transaksi penggabungan usaha entitas sepengendali. Pada tanggal efektif merger, baik BTPN dan SMBCI merupakan entitas sepengendalian dan hubungan sepengendalian tersebut tidak bersifat sementara. Transaksi kombinasi bisnis antara entitas sepengendali dilakukan dalam rangka reorganisasi entitas-entitas yang berada dalam suatu kelompok yang sama dan bukan merupakan perubahan kepemilikan dalam arti substansi ekonomi. Oleh karena itu, transaksi ini diakui pada jumlah tercatat berdasarkan metode penyatuan kepemilikan (*pooling of interest*).

Selisih nilai transfer entitas sepengendali di atas dicatat sebagai tambahan modal disetor. Atas transaksi ini, Bank mencatat tambahan modal disetor dan agio saham masing-masing sebesar Rp 45.937 dan Rp 9.708.197.

Tabel berikut ini merangkum jumlah aset yang diperoleh dan liabilitas yang diambil alih pada tanggal penggabungan usaha:

1 Februari/
February 2019

ASET

Kas	23,195
Giro pada Bank Indonesia	6,793,162
Giro pada bank-bank lain	4,472,780
Efek-efek - bersih	4,390,582
Tagihan derivatif	786,398
Pinjaman yang diberikan - bersih	68,375,817
Tagihan akseptasi	2,658,516
Penyertaan saham	22,500

87,950,823

1. GENERAL INFORMATION (continued)

b. Merger with PT Bank Sumitomo Mitsui Indonesia (continued)

In relation with merger between PT Bank Tabungan Pensiunan Nasional Tbk ("BTPN") and PT Bank Sumitomo Mitsui Indonesia ("SMBCI"), the merger was conducted through the issuance of equity instrument of BTPN to Sumitomo Mitsui Banking Corporation (the shareholder of both BTPN and SMBCI) of 2,296,846,112 fully paid ordinary shares of BTPN with nominal value amounting to Rp 20 (full amount) per share.

The fair value of BTPN's shares as of 1 February 2019 was Rp 4,282 (full amount) per share. Conversion ratio of the conversion of SMBCI's share into BTPN's share was 799.1971.

The merger between BTPN and SMBCI is a business combination under common control transaction. As at the effective date of merger, both BTPN and SMBCI are entites under common control and the common control relationship is not transitory. Business combination transaction between entites under common control is done in the event of reorganisation of entities under the same group which does not constitute change in ownership by economic substance. Therefore, the transaction is recognised at carrying amount under pooling of interest method.

Net transfer under common control entites above was recorded as additional paid-in capital. As a result of this transaction, the Bank recorded additional share capital and paid-in capital amounting to Rp 45,937 and Rp 9,708,197, respectively.

The following table summarized the amounts of the assets acquired and liabilities assumed on merger date:

ASSETS

Cash
Current accounts with Bank Indonesia
Current accounts with other banks
Securities - net
Derivative receivables
Loans - net
Acceptance receivables
Investment in shares

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b. Penggabungan usaha dengan PT Bank Sumitomo Mitsui Indonesia (lanjutan)

LIABILITAS

Simpanan nasabah	30,136,739
Simpanan dari bank lain	6,871,941
Liabilitas akseptasi	1,974,482
Liabilitas derivatif	1,001,115
Utang pajak	111,343
Efek-efek yang diterbitkan	1,314,228
Pinjaman yang diterima	30,221,176
Akrual	30,860
Liabilitas imbalan kerja karyawan	-
Liabilitas pajak tangguhan	174,014
Pinjaman subordinasi	6,108,270
Liabilitas lain-lain	252,521
Jumlah liabilitas	78,196,689
Jumlah aset bersih teridentifikasi	9,754,134

1. GENERAL INFORMATION (continued)

b. Merger with PT Bank Sumitomo Mitsui Indonesia (continued)

LIABILITIES

Deposits from customers
Deposits from other banks
Acceptance payables
Derivative payables
Taxes payable
Securities issued
Borrowings
Accruals
Employee benefits liabilities
Deferred tax liabilities
Subordinated loans
Other liabilities
Total liabilities
Total identifiable net assets

c. Perubahan Modal Karena Aksi Korporasi

Penawaran Umum Perdana Saham

Berdasarkan Rapat Umum Pemegang Saham Luar Biasa (RUPSLB) tanggal 8 Juni 2007, para pemegang saham menyetujui rencana Penawaran Umum Saham Perdana Biasa kepada masyarakat melalui pasar modal serta melakukan pencatatan saham Bank di Bursa Efek Indonesia.

Bank melakukan penawaran umum perdana atas 267.960.220 saham dengan nilai nominal sebesar Rp 100 (nilai penuh) setiap saham dengan harga penawaran setiap saham sebesar Rp 2.850 (nilai penuh) kepada masyarakat di Indonesia. Saham tersebut dicatat di Bursa Efek Indonesia pada tanggal 12 Maret 2008.

Penambahan modal melalui Hak Memesan Efek Terlebih Dahulu ("HMETD")

Berdasarkan Rapat Umum Pemegang Saham Luar Biasa ("RUPSLB") tanggal 25 November 2010, para pemegang saham menyetujui rencana Bank untuk menambah modal sahamnya melalui penerbitan Hak Memesan Efek Terlebih Dahulu I ("HMETD I"), dengan cara mengeluarkan saham dari portepel Bank.

c. Changes in Capital Due to Corporate Action

Initial Public Offering (IPO)

Based on Extraordinary General Meeting of Shareholders (EGMS) dated 8 June 2007, the shareholders approved the Initial Public Offering of Ordinary Shares plan to public through capital market and listing of the Bank's shares at Indonesia Stock Exchange.

The Bank undertook an initial public offering of 267,960,220 shares with a nominal value of Rp 100 (full amount) per share with offering price of Rp 2,850 (full amount) per share to the public in Indonesia. The shares was listed at Indonesia Stock Exchange on 12 March 2008.

Increase of Capital through Pre-Emptive Right ("HMETD")

Based on Extraordinary General Shareholders Meeting ("EGSM") dated 25 November 2010, the shareholders approved the Bank's plan to increase the Bank's share capital through the issuance of Pre-Emptive Right I ("HMETD I"), by issuing shares from the Bank's unissued shares.



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1. INFORMASI UMUM (lanjutan)

c. Perubahan Modal Karena Aksi Korporasi (lanjutan)

Penambahan modal melalui Hak Memesan Efek Terlebih Dahulu ("HMETD") (Lanjutan)

Pada tanggal 10 Desember 2010 telah dicatatkan pada Bursa Efek Indonesia sebanyak 188.787.238 saham baru atas nama dengan nominal Rp 100 (nilai penuh) per saham sehingga jumlah saham yang ditempatkan dan disetor penuh yang semula sebesar 943.936.190 saham menjadi sejumlah 1.132.723.428 saham.

Bank mendapatkan tambahan modal disetor sebesar Rp 18.878 dan agio saham sebesar Rp 1.293.458.

Pemecahan saham

Berdasarkan RUPSLB tanggal 25 Februari 2011, para pemegang saham menyetujui rencana Bank untuk melakukan pemecahan nilai nominal saham dari Rp 100 (nilai penuh) per saham menjadi Rp 20 (nilai penuh) per saham, sehingga jumlah saham yang ditempatkan dan disetor penuh yang semula sebesar 1.132.723.428 saham dengan nilai nominal Rp 100 (nilai penuh) per saham akan menjadi sejumlah 5.663.617.140 saham dengan nilai nominal Rp 20 (nilai penuh) per saham.

Pada tanggal 28 Maret 2011 saham Bank telah dicatatkan pada Bursa Efek Indonesia sebanyak 5.606.980.970 saham dengan nilai nominal Rp 20 (nilai penuh) per saham.

Peningkatan modal melalui Convertible Loan

Pada tanggal 14 Maret 2012, Bank telah mendapatkan persetujuan untuk meningkatkan modal ditempatkan dan modal disetor dengan mengeluarkan 176.670.117 saham baru dari portepel kepada International Finance Corporation ("IFC") sesuai dengan syarat dan ketentuan *Convertible Loan Agreement*. Setelah itu, saham tersebut telah tercatat pada Bursa Efek Indonesia. Total modal disetor dan ditempatkan Bank setelah Penambahan Modal Tanpa Hak Memesan Efek Terlebih Dahulu menjadi 5.840.287.257 saham.

Bank mendapatkan tambahan modal disetor sebesar Rp 3.533 dan agio saham sebesar Rp 135.927.

1. GENERAL INFORMATION (continued)

c. Changes in Capital Due to Corporate Action (continued)

Increase of Capital through Pre-Emptive Right ("HMETD") (Continued)

On 10 December 2010, the Bank's shares were listed at the Indonesia Stock Exchange with 188,787,238 new registered shares with value of Rp 100 (full amount) per share; accordingly, the number of shares issued and fully paid changed from 943,936,190 shares to 1,132,723,428 shares.

The Bank obtained Rp 18,878 additional share capital and Rp 1,293,458 additional paid-in capital.

Stock split

Based on EGSM dated 25 February 2011, the shareholders approved the Bank's plan to split share from nominal value of Rp 100 (full amount) per share to Rp 20 (full amount) per share; accordingly, it changed the number of shares issued and fully paid from 1,132,723,428 shares with nominal value of Rp 100 (full amount) per share to 5,663,617,140 shares with nominal value of Rp 20 (full amount) per share.

On 28 March 2011, the Bank's shares were listed at the Indonesia Stock Exchange for 5,606,980,970 shares with nominal value of Rp 20 (full amount) per share.

Capital increase through Convertible Loan

On 14 March 2012, the Bank obtained an approval to increase issued and paid-up capital by issuing 176,670,117 shares from the Bank's unissued shares to International Finance Corporation ("IFC") in accordance with terms and condition in the *Convertible Loan Agreement*. Afterwards, those Bank's shares were listed at Indonesia Stock Exchange. Total issued and paid-up capital of the Bank after the Capital Increases without Pre-Emptive Rights was 5,840,287,257 shares.

The Bank obtained Rp 3,533 additional share capital and Rp 135,927 additional paid-in capital.

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1. INFORMASI UMUM (lanjutan)

**c. Perubahan Modal Karena Aksi Korporasi
(lanjutan)**

Pembelian kembali saham

Melalui surat OJK No. S-20/PB.31/2016 tanggal 18 Februari 2016, Bank telah memperoleh persetujuan OJK untuk melakukan pembelian kembali (*buyback*) saham. Dalam pelaksanaan pembelian kembali saham yang dikeluarkan oleh Bank, jumlah alokasi dana tidak melebihi Rp 535.500 untuk membeli sebanyak-banyaknya 150.000.000 saham atau 2,57% dari modal ditempatkan dan disetor penuh Bank, yang akan dilakukan dalam periode dari tanggal 23 Februari 2016 sampai dengan 23 Mei 2016. Sampai dengan tanggal 23 Mei 2016, Bank telah membeli kembali saham Bank sebanyak 95.198.900 lembar saham (nilai penuh) dengan total dana pembelian sebesar Rp 262.874.

Tujuan dari pembelian kembali saham adalah untuk memberikan fleksibilitas untuk mencapai struktur permodalan yang efisien dan memungkinkan untuk menurunkan keseluruhan biaya modal, meningkatkan laba per saham (*EPS*), serta *Return on Equity (ROE)* secara berkelanjutan.

Pelaksanaan opsi saham

Seperti yang dijelaskan di Catatan 28, Bank memberikan program pembayaran berbasis saham untuk personel manajemen dan karyawan tertentu ("Program MESOP 2015-2020" dan "Program ESOP 2016-2021").

Sehubungan dengan Periode Pelaksanaan Program MESOP 2015-2020, terdapat 2 periode pelaksanaan yang berlangsung selama tahun 2019, yang setiap periodenya dimulai sejak tanggal 6 Mei 2019 (Periode V) dan 2 Desember 2019 (Periode VI), masing-masing selama 30 hari bursa.

Sehubungan dengan Periode Pelaksanaan Program ESOP 2016-2021, terdapat 2 periode pelaksanaan yang berlangsung selama tahun 2020, yang setiap periodenya dimulai sejak tanggal 1 Juni 2020 (Periode V) dan 17 Desember 2020 (Periode VI), masing-masing selama 30 hari bursa.

Sehubungan dengan Periode Pelaksanaan Program ESOP 2016-2021, terdapat 3 periode pelaksanaan yang berlangsung selama tahun 2019, yang setiap periodenya dimulai sejak tanggal 17 Desember 2018 (Periode II), 28 Mei 2019 (Periode III) dan 19 Desember 2019 (Periode IV), masing-masing selama 30 hari bursa.

1. GENERAL INFORMATION (continued)

**c. Changes in Capital Due to Corporate Action
(continued)**

Shares buyback

The Bank was approved by OJK to conduct shares buyback through its letter No. S-20/PB.31/2016 dated 18 February 2016. In the implementation of shares buyback by the Bank, the allocated fund up to Rp 535,500 to buy up to 150,000,000 shares or 2.57% of the Bank's issued and fully paid-up capital shall be done between 23 February 2016 and 23 May 2016. Up to 23 May 2016, the Bank had repurchased 95,198,900 (full amount) shares using total purchasing fund amounting to Rp 262,874.

The objective of conducting shares buyback is to provide flexibility to achieve an efficient capital structure and enable the Bank to lower the overall cost of capital, increasing the Earnings per Share (*EPS*) and Return on Equity (*ROE*) on an on-going basis.

Share option execution

As explained in Note 28, the Bank provides share-based payment program to certain management personnel and employees ("MESOP 2015-2020 Program" and "ESOP 2016-2021 Program").

In relation to the Exercise Period of MESOP 2015-2020 Program, there were 2 exercise periods during 2019, in which each period commenced from 6 May 2019 (Period V) as well as 2 December 2019 (Period VI), for 30 trading days each.

In relation to the Exercise Period of ESOP 2016-2021 Program, there were 2 exercise periods during 2020, in which each period commenced from 1 June 2020 (Period V) and 17 December 2020 (Period VI), for 30 trading days each.

In relation to the Exercise Period of ESOP 2016-2021 Program, there were 3 exercise periods during 2019, in which each period commenced from 17 December 2018 (Period II), 28 May 2019 (Period III) as well as 19 December 2019 (Period IV), for 30 trading days each.



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1. INFORMASI UMUM (lanjutan)

c. Perubahan Modal Karena Aksi Korporasi (lanjutan)
Pelaksanaan opsi saham (lanjutan)

Total opsi saham yang dieksekusi selama tahun 2020 adalah 3.000 lembar saham. Total opsi saham yang dieksekusi sampai dengan tanggal 31 Desember 2019 atas Program ESOP 2016-2021 adalah 11.795.500 lembar saham yang diterbitkan pada harga sebesar Rp 20 per lembarnya. Harga saham pada saat eksekusi adalah sebesar Rp 2.617 per lembar.

Perubahan modal disetor terkait periode pelaksanaan Program MESOP 2015-2020 dan ESOP 2016-2021 sampai dengan tanggal 31 Desember 2019 sebagaimana disebut di paragraf sebelumnya telah dituangkan ke dalam Akta Pernyataan Keputusan di Luar Rapat Dewan Komisaris PT Bank BTPN Tbk No. 29 tanggal 12 Agustus 2019, yang dibuat oleh Notaris Ashoya Ratam, S.H., M.Kn., Notaris di Kota Administrasi Jakarta Selatan dan telah diterima dan dicatat di dalam Sistem Administrasi Badan Hukum melalui Surat Keputusan Menteri Hukum dan Hak Asasi Manusia Republik Indonesia No. AHU-AH.01.03-0318547 tanggal 23 Agustus 2019 perihal Penerimaan Pemberitahuan Perubahan Anggaran Dasar.

Sampai dengan tanggal 31 Desember 2020 dan 2019, Bank mendapatkan tambahan modal disetor sebesar Rp 236 dan agio saham sebesar Rp 30.633.

d. Efek-efek yang diterbitkan
Surat utang jangka menengah

Nama/Name	Pernyataan efektif/ Effective notification	Persetujuan/ Approval	Jumlah pokok/ Nominal value	Jangka waktu/ Tenor	Tanggal jatuh tempo/ Maturity date	Tingkat bunga/ Interest rate
Medium Term Notes ("MTN") II Bank Sumitomo Mitsui Indonesia	14 Juni/June 2017	Dinyatakan efektif oleh Kustodian Sentral Efek Indonesia sebagaimana dinyatakan dalam Sertifikat Jumbo MTN No. SMBC-I/02/MF3/0617/Became effective by the Indonesia Central Securities Depository as stated in Sertifikat Jumbo MTN No. SMBC-I/02/MF3/0617	1,302,000	3 tahun/years	14 Juni/June 2020	8.25%

MTN tersebut diterbitkan oleh PT Bank Sumitomo Mitsui Indonesia sebelum dilakukan penggabungan usaha dengan Bank.

PT Bank Mega Tbk bertindak sebagai Wali Amanat atas seluruh MTN yang diterbitkan Bank.

1. GENERAL INFORMATION (continued)

c. Changes in Capital Due to Corporate Action (continued)
Share option execution (continued)

Total options exercised during 2020 were 3,000 shares. Options exercised up to 31 December 2019 from ESOP Program 2016-2021 were 11,795,500 shares being issued at price of Rp 20 per share. The share price at execution date amounted to Rp 2,617 per share.

The changes of paid-up capital in connection to exercise period of MESOP Program 2015-2020 and ESOP Program 2016-2021 up to 31 December 2019 as mentioned in the previous paragraph had been stipulated in the Deed of Circular Resolutions of the Board of Commissioners of PT Bank BTPN Tbk No. 29 dated 12 August 2019, made by Ashoya Ratam, S.H., M.Kn., Notary in Administrative City of South Jakarta and had been received and recorded in Legal Entity Administration System through Decree Letter of Minister of Law and Human right of the Republic of Indonesia No. AHU-AH.01.03-0318547 dated 23 August 2019 regarding Acceptance of Notification of Amendment of Articles of Association.

Up to 31 December 2020 and 2019, the Bank obtained Rp 236 additional share capital and Rp 30,633 additional paid-in capital.

d. Securities issued
Medium term notes

This MTN was issued by PT Bank Sumitomo Mitsui Indonesia before merger with the Bank.

PT Bank Mega Tbk acts as the Trustee for all MTN issued by the Bank.

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1. INFORMASI UMUM (lanjutan)

d. Efek-efek yang diterbitkan (lanjutan)

Utang obligasi

Nama/Name	Pernyataan efektif/ Effective registration	Persetujuan/ Approval	Jumlah pokok/ Nominal value	Jangka waktu/ Tenor	Tanggal jatuh tempo/ Maturity date	Tingkat bunga setahun/ Interest rate per annum
Obligasi Berkelanjutan III Bank BTPN Tahap I Tahun 2016 Dengan Tingkat Bunga Tetap ("Obligasi Berkelanjutan III Tahap I")/ Bank BTPN Continuing Bonds III Phase I Year 2016 with a fixed interest rate ("Continuing Bonds III Phase I")	27 Juni/June 2016	Dinyatakan efektif oleh OJK, melalui suratnya No.S-325/D.04/2016/OJK tanggal 27 Juni 2016/ Became effective by OJK by its letter No. S-325/D.04/2016 dated 27 June 2016	Seri/Series B: 300,000	Seri/Series B: 3 tahun/years	1 Juli/July 2019	8.00%
Obligasi Berkelanjutan III Bank BTPN Tahap II Tahun 2017 Dengan Tingkat Bunga Tetap ("Obligasi Berkelanjutan III Tahap II")/ Bank BTPN Continuing Bonds III Phase II Year 2017 with a fixed interest rate ("Continuing Bonds III Phase II")	27 Juni/June 2016	Dinyatakan efektif oleh OJK bersamaan dengan surat efektif Obligasi Berkelanjutan III Tahap I/ Became effective by the OJK in conjunction with effective letter of Continuance Bonds III Phase I	Seri/ Series A: 600,000 Seri/Series B: 900,000	Seri/Series A: 370 hari/days Seri/Series B: 3 tahun/years	27 Oktober/ October 2018 17 Oktober/ October 2020	6.60% 7.50%
Obligasi Berkelanjutan IV Bank BTPN Tahap I Tahun 2019 Dengan Tingkat Bunga Tetap ("Obligasi Berkelanjutan IV Tahap I")/ Bank BTPN Continuing Bonds IV Phase I Year 2019 with a fixed interest rate ("Continuing Bonds IV Phase I")	26 November/ November 2019	Dinyatakan efektif oleh OJK, melalui suratnya No. S-168/D.04/2019 tanggal 15 November 2019/ Became effective by OJK by its letter No. S-168/D.04/2019 dated 15 November 2019	Seri/Series A: 799.000 Seri/Series B: 201.000	Seri/Series A: 3 tahun/years Seri/Series B: 5 tahun/years	26 November/ November 2022 26 November/ November 2024	7.55% 7.75%

Seluruh utang obligasi yang diterbitkan Bank dicatatkan di Bursa Efek Indonesia dan dananya dipergunakan untuk pertumbuhan usaha dalam bentuk ekspansi kredit.

PT Bank Permata Tbk bertindak sebagai Wali Amanat atas Obligasi Berkelanjutan III Tahap I dan Obligasi Berkelanjutan III Tahap II dan PT Bank Mega Tbk bertindak sebagai Wali Amanat atas Obligasi Berkelanjutan IV Tahap I.

1. GENERAL INFORMATION (continued)

d. Securities issued (continued)

Bonds payable

All bonds payable issued by the Bank were listed at the Indonesia Stock Exchange and the funds are used for business growth in form of credit expansion.

PT Bank Permata Tbk acts as the Trustee for Continuing Bonds III Phase I and continuing Bonds III Phase II, and PT Bank Mega Tbk acts as the Trustee for Continuing Bonds IV Phase I.



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1. INFORMASI UMUM (lanjutan)

e. Dewan Komisaris, Dewan Direksi, Komite Audit, Sekretaris Perusahaan dan Satuan Kerja Audit Internal

Pada tanggal 31 Desember 2020 dan 2019 susunan Dewan Komisaris dan Dewan Direksi Bank adalah sebagai berikut:

	31 Desember/ December 2020
Dewan Komisaris	
Komisaris Utama ¹⁾	Chow Ying Hoong
Wakil Komisaris Utama ²⁾	-
Komisaris (Independen)	Takeshi Kimoto
Komisaris (Independen)	Ninik Herlani Masli Ridhwan
Komisaris (Independen)	Irwah Mahjudin Habsjah
Komisaris (Independen)	Edmund Tondobala ³⁾
Direksi	
Direktur Utama	Ongki Wanadjati Dana
Wakil Direktur Utama	Kaoru Furuya ⁴⁾
Direktur Kepatuhan	Darmadi Sutanto ⁵⁾
Direktur	Dini Herdini
Direktur	Yasuhiro Daikoku
Direktur	Henoch Munandar
Direktur	Adrianus Dani Prabawa
Direktur	Hiromichi Kubo
Direktur	Merisa Darwis
Direktur	Hanna Tantani

Chow Ying Hoong semula menjabat sebagai Wakil Komisaris Utama, kemudian diangkat sebagai Komisaris Utama Bank dengan Rapat Umum Pemegang Saham Luar Biasa (RUPSLB) pada dan efektif menjabat pada tanggal 18 November 2020. Dengan demikian, jabatan Komisaris Utama tidak lagi dipegang oleh komisaris independen.

Sesuai perubahan Anggaran Dasar yang disetujui RUPSLB pada tanggal 18 November 2020, jabatan Wakil Komisaris Utama ditiadakan.

³⁾ Edmund Tondobala diangkat sebagai Komisaris Independen Bank dengan RUPSLB pada dan efektif menjabat pada tanggal 18 November 2020.

⁴⁾ Kaoru Furuya diangkat sebagai Wakil Direktur Utama Bank dengan RUPSLB pada tanggal 18 November 2020 dan akan efektif menjabat setelah memperoleh ijin kerja dari Kementerian Tenaga Kerja Republik Indonesia.

⁵⁾ Darmadi Sutanto diangkat sebagai Wakil Direktur Utama Bank dengan RUPSLB pada tanggal 23 April 2020 dan efektif menjabat pada tanggal 14 Mei 2020.

Susunan Komite Audit Bank pada tanggal 31 Desember 2020 dan 2019 terdiri dari:

	31 Desember/ December 2020
Ketua	Ninik Herlani Masli Ridhwan
Anggota	Edmund Tondobala
Anggota	Kanaka Puradiredja
Anggota	Ivan Purnama Sanoesi

1. GENERAL INFORMATION (continued)

e. Board of Commissioners, Board of Directors, Audit Committee, Corporate Secretary and Internal Audit Unit

As of 31 December 2020 and 2019 the composition of Board of Commissioners and Board of Directors was as follows:

	31 Desember/ December 2019	
		Board of Commissioners
Mari Elka Pangestu		President Commissioner
Chow Ying Hoong		Vice President Commissioner ²⁾
Takeshi Kimoto		Commissioner (Independent)
Ninik Herlani Masli Ridhwan		Commissioner (Independent)
Irwah Mahjudin Habsjah		Commissioner (Independent)
-		Commissioner (Independent)
		Board of Directors
Ongki Wanadjati Dana		President Director
Kazuhisa Miyagawa		Deputy President Director
-		Deputy President Director
Dini Herdini		Compliance Director
Yasuhiro Daikoku		Director
Henoch Munandar		Director
Adrianus Dani Prabawa		Director
Hiromichi Kubo		Director
Merisa Darwis		Director
Hanna Tantani		Director

Chow Ying Hoong who was officiated as Vice President Commissioner, appointed as the President Commissioner by Extraordinary General Meeting of Shareholders (EGMS) on and effective as of 18 November 2020. Therefore, the position of President Commissioner is no longer carried by an independent commissioner.

According to the amendment of the Articles of Association as approved by EGMS on 18 November 2020, the position of Vice President Commissioner was removed.

³⁾ Edmund Tondobala was appointed as the Independent Commissioner of the Bank by EGMS on and effective as of 18 November 2020.

⁴⁾ Kaoru Furuya was appointed as Deputy President Director of the Bank by EGMS on 18 November 2020 and will be effective upon obtaining working permit from the Ministry of Manpower of the Republic of Indonesia.

⁵⁾ Darmadi Sutanto was appointed as Deputy President Director of the Bank by EGMS on 23 April 2020 and effective as of 14 May 2020.

The composition of the Audit Committee as of 31 December 2020 and 2019 was as follows:

	31 Desember/ December 2019	
Ninik Herlani Masli Ridhwan		Chairman
-		Member
Kanaka Puradiredja		Member
Ivan Purnama Sanoesi		Member

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1. INFORMASI UMUM (lanjutan)

- e. **Dewan Komisaris, Direksi, Komite Audit, Sekretaris Perusahaan dan Satuan Kerja Audit Internal (lanjutan)**

Sekretaris Perusahaan

Sekretaris Perusahaan pada tanggal 31 Desember 2020 adalah Eneng Yulie Andriani dan pada tanggal 31 Desember 2019 adalah Dini Herdini.

Satuan Kerja Audit Internal

Kepala Satuan Kerja Audit Internal pada tanggal 31 Desember 2020 dan 2019 adalah Noerhajati Soerjo Hadi.

- f. **Entitas Anak**

Bank mempunyai kepemilikan langsung pada Entitas Anak sebagai berikut:

1. GENERAL INFORMATION (continued)

- e. **Board of Commissioners, Board of Directors, Audit Committee, Corporate Secretary and Internal Audit Unit (continued)**

Corporate Secretary

The Corporate Secretary as of 31 December 2020 was Eneng Yulie Andriani and as of 31 December 2019 was Dini Herdini.

Internal Audit Unit

Head of Internal Audit as of 31 December 2020 and 2019 was Noerhajati Soerjo Hadi.

- f. **Subsidiary**

The Bank has direct ownership in the following Subsidiary:

Entitas Anak/ Subsidiary	Domisili/ Domicile	Bidang usaha/ Business activities	Persentase kepemilikan/ Percentage of ownership		Tahun mulai operasi komersial/ year of starting commercial operations	Jumlah aset/ Total assets	
			31 Desember/ December 2020	31 Desember/ December 2019		31 Desember/ December 2020	31 Desember/ December 2019
PT Bank BTPN Syariah Tbk (dahulu/formerly PT Bank Tabungan Pensiunan Nasional Syariah Tbk)	Jakarta	Perbankan/ Banking	70%	70%	2014	16,435,005	15,383,038

Entitas Anak berkantor pusat di Menara BTPN, lantai 12, CBD Mega Kuningan, Jl. Dr. Ide Anak Agung Gde Agung Kav 5.5 - 5.6, Jakarta Selatan 12950.

Pada tanggal 19 Juli 2013, Bank Indonesia menyetujui rencana Bank untuk melakukan akuisisi sebesar 70% saham PT Bank Sahabat Purba Danarta ("BSPD") melalui suratnya No. 15/10/DPBI/PBI-5/Rahasia dengan syarat dilakukan perubahan atas kegiatan usaha dari BSPD yang semula merupakan bank konvensional menjadi bank umum berdasarkan prinsip syariah.

Berdasarkan Akta Notaris No. 26 dan No. 27 tanggal 30 Januari 2014 yang dibuat di hadapan Hadijah S.H., M.Kn, notaris di Jakarta, Bank telah melakukan akuisisi atas Entitas Anak dan menjadi pemegang saham mayoritas. Hal ini telah diketahui oleh Kementerian Hukum dan Hak Asasi Manusia Republik Indonesia melalui surat No. AHU-AH.01.01-04338 tertanggal 12 Februari 2014.

The head office of Subsidiary is located at Menara BTPN 12th floor, CBD Mega Kuningan, Jl. Dr. Ide Anak Agung Gde Agung Kav 5.5 - 5.6, Jakarta Selatan 12950.

On 19 July 2013, Bank Indonesia approved the Bank's plan to acquire 70% shares of PT Bank Sahabat Purba Danarta ("BSPD") through its letter No. 15/10/DPBI/PBI-5/rahasia which is subject to the change of BSPD's business activities from a conventional bank into a commercial bank under sharia principles.

Based on Notarial Deed No. 26 and No. 27 dated 30 January 2014 before Hadijah S.H., M.Kn., notary in Jakarta, the Bank has acquired the Subsidiary and has become the majority shareholder. It was acknowledged by the Ministry of Law and Human Rights of Republic Indonesia through its letter No. AHU-AH.01.10-04338 dated 12 February 2014.



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f. Entitas Anak (lanjutan)

Pemisahan Unit Usaha Syariah

Pada tanggal 20 Januari 2014, Rapat Umum Pemegang Saham Luar Biasa Bank yang diaktakan dengan Akta Notaris No. 8 tanggal 4 Juli 2014 di hadapan Hadijah, S.H., M.Kn., notaris di Jakarta dan telah menyetujui pemisahan Unit Usaha Syariah PT Bank Tabungan Pensiunan Nasional Tbk ("UUS BTPN") dari PT Bank Tabungan Pensiunan Nasional Tbk ("BTPN"). Pemisahan dilakukan dengan mengacu kepada Peraturan Bank Indonesia No. 11/10/PBI/2009 yang telah diubah dengan PBI No. 15/14/PBI/2013 tentang Unit Usaha Syariah. Pendirian tersebut telah disetujui oleh Bank Indonesia melalui dua tahap, yaitu persetujuan izin konversi dan izin pemisahan.

Proses Konversi Ijin Usaha

Pada tanggal 22 Mei 2014, Bank telah mendapatkan izin dari Bank Indonesia untuk melaksanakan konversi BSPD berdasarkan Surat Keputusan Dewan Komisiner Otoritas Jasa Keuangan ("OJK") No.Kep-49/D-03/2014. Izin tersebut mengubah kegiatan usaha Entitas Anak dari bank umum konvensional menjadi bank umum yang melaksanakan kegiatan usaha berdasarkan prinsip syariah.

Pada tanggal 23 Juni 2014, Entitas Anak memperoleh izin pemisahan dari OJK berdasarkan Surat No: S-17/PB.1/2014. Pemisahan UUS BTPN dilakukan dengan Akta Pemisahan No. 8 tanggal 4 Juli 2014 yang dibuat di hadapan Hadijah, S.H., M.Kn., notaris di Jakarta. Selanjutnya, pemisahan terjadi secara efektif pada tanggal 14 Juli 2014 dan Entitas Anak memulai kegiatan usaha berdasarkan prinsip syariah, sebagaimana yang dilaporkan kepada Bank Indonesia dengan surat No. S.031/DIR/LG/VII/2014 tanggal 17 Juli 2014 perihal Laporan Pelaksanaan Pembukaan Bank Umum Syariah Hasil Pemisahan.

Perubahan Nama Entitas Anak

Berdasarkan Akta Notaris No. 25 tanggal 27 Agustus 2013 juncto Akta Notaris No. 30 tanggal 25 September 2013 keduanya dibuat di hadapan Notaris Hadijah, S.H., M.Kn., BSPD mengubah namanya menjadi PT Bank Tabungan Pensiunan Nasional Syariah. Perubahan di atas telah mendapat persetujuan dari Menteri Hukum dan Hak Asasi Manusia Republik Indonesia melalui Surat Keputusan No. AHU-50529.AH.01.02 Tahun 2013 tanggal 1 Oktober 2013 dan telah diumumkan dalam Berita Negara Republik Indonesia Nomor 94 tahun 2013, tambahan Berita Negara Republik Indonesia No. 124084 tanggal 22 November 2013.

1. GENERAL INFORMATION (continued)

f. Subsidiary (continued)

The Spin off of Sharia Business Unit

On 20 January 2014, the Bank's Extraordinary General Meeting of Shareholders which was notarised by Notarial Deed No. 8 dated 4 July 2014 before Hadijah, S.H., M.Kn., notary in Jakarta approved the spin-off of the sharia business unit of PT Bank Tabungan Pensiunan Nasional Tbk ("UUS BTPN") from PT Bank Tabungan Pensiunan Nasional Tbk ("BTPN"). The spin-off was made with reference to Bank Indonesia Regulation No.11/10/PBI/2009 which has been amended by PBI No. 15/14/PBI/2013 regarding Sharia Business Unit. The establishment has been approved by Bank Indonesia in two stages, i.e. the approval of the conversion permit and spin-off permit.

The Conversion of the license of business

On 22 May 2014, the Subsidiary received its permit from Bank Indonesia regarding conversion of BSPD based on the Decision Letter of Board of Commissioner of Otoritas Jasa Keuangan ("OJK") No.Kep-49/D-03/2014. The permit changed the Subsidiary's business activities from conventional commercial bank to commercial bank which conducts business activities based on sharia principles.

On 23 June 2014, the Subsidiary received its spin-off permit from OJK based on the Letter No: S - 17/PB.1/2014. The spin-off of UUS BTPN was made under Spin-off Deed No. 8 dated 4 July 2014 and was notarised by Hadijah, S.H., M.Kn., notary in Jakarta. Furthermore, the spin-off became effective on 14 July 2014 and the Subsidiary started its operational activity based on sharia principles, as reported to Bank Indonesia through its letter No. S.031/DIR/LG/VII/2014 dated 17 July 2014 regarding the Report on the Implementation of the Opening of Sharia Commercial Bank Resulting from the Spin-Off.

The Change of name of the Subsidiary

Pursuant to the Notarial Deed No. 25 dated 27 August 2013 juncto Notarial Deed No. 30 dated 25 September 2013 before Hadijah, S.H., M.Kn., BSPD changed its name to PT Bank Tabungan Pensiunan Nasional Syariah. The above change was approved by the Minister of Law and Human Rights of the Republic of Indonesia through its letter No. AHU-50529.AH.01.02 Year 2013 dated 1 October 2013 and has been published in State Gazette No.94 year 2013, in supplement of the State Gazette No. 124084 dated 22 November 2013.

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f. Entitas Anak (lanjutan)

Perubahan Nama Entitas Anak (lanjutan)

Entitas Anak mengubah kembali namanya menjadi PT Bank BTPN Syariah Tbk sebagaimana didasarkan pada Akta No. 26 tanggal 16 April 2020, yang dibuat di hadapan Ashoya Ratam, S.H., M.Kn., Notaris di Jakarta Selatan, yang telah mendapat persetujuan dari Kementerian Hukum dan Hak Asasi Manusia Republik Indonesia berdasarkan Surat No. AHU-0034666.AH.01.02.TAHUN 2020 tanggal 8 Mei 2020, dan Surat Penerimaan Pemberitahuan Perubahan Anggaran Dasar No. AHU-AH.01.03-0214020 tanggal 8 Mei 2020, dan telah mendapatkan persetujuan Perubahan Nama ini berdasarkan Surat dari Otoritas Jasa Keuangan (OJK) nomor S-66/PB.101/2020 tanggal 4 Juni 2020 perihal Permohonan Penetapan Penggunaan Izin Usaha karena Perubahan Nama PT Bank Tabungan Pensiunan Nasional Syariah Tbk menjadi PT Bank BTPN Syariah Tbk dan Salinan Keputusan Deputy Komisiner Pengawas Perbankan I OJK Nomor KEP-99/PB.1/2020 tanggal 4 Juli 2020.

Anggaran Dasar

Setelah menjadi Bank Umum Syariah, Entitas Anak telah melakukan beberapa kali perubahan Anggaran Dasar. Perubahan terakhir Anggaran Dasar Perseroan sebagaimana tercantum dalam Akta No. 26 tanggal 16 April 2020, yang dibuat di hadapan Ashoya Ratam, S.H., M.Kn., notaris di Jakarta. Akta tersebut telah memperoleh persetujuan Menteri Hukum dan Hak Asasi Manusia Republik Indonesia berdasarkan Keputusan No. AHU-0034666.AH.01.02.Tahun 2020 tanggal 8 Mei 2020 dan Surat Penerimaan Pemberitahuan Perubahan Anggaran Dasar No. AHU-AH.01.03-0214020 tanggal 8 Mei 2020.

Susunan Dewan Direksi, Dewan Komisaris dan Dewan Pengawas Syariah

Susunan Dewan Direksi, Dewan Komisaris dan Dewan Pengawas Syariah terakhir Entitas anak sebagaimana dituangkan ke dalam Akta Nomor 03 tanggal 4 Juni 2020 yang dibuat oleh Ashoya Ratam, SH, MKn, Notaris di Kota Administrasi Jakarta Selatan dan telah diterima dan dicatat di dalam Sistem Administrasi Badan Hukum melalui Surat Keputusan Menteri Hukum dan Hak Asasi Manusia Republik Indonesia Nomor No. AHU-AH.01.03-0236605 tanggal 5 Juni 2020 perihal Penerimaan Pemberitahuan Perubahan Data Perseroan PT Bank BTPN Syariah Tbk.

1. GENERAL INFORMATION (continued)

f. Subsidiary (continued)

The Change of name of the Subsidiary (continued)

The Subsidiary further changed its name to PT Bank BTPN Syariah Tbk pursuant to the Notarial Deed No. 26 dated 16 April 2020, before Ashoya Ratam, SH, MKn, Notary in Administrative City of South Jakarta, which was approved by the Minister of Law and Human Rights of the Republic of Indonesia through its letter No. AHU- 0034666.AH.01.02.TAHUN 2020 dated 8 May 2020 and the Letter of Acceptance of the amendment to the Articles of Association No. No. AHU-AH.01.03-0214020 dated 8 May 2020, The change of name of the BTPNS has been approved based on the letter from the Financial Services Authority (OJK) number S-66/PB.101/2020 dated 4 June 2020 concerning the determination of the use of Business Licence on behalf PT Bank Tabungan Pensiunan Nasional Syariah Tbk into PT Bank BTPN Syariah Tbk and the Copy of Approval of Deputy Komisiner Pengawas Perbankan I OJK Number KEP-99/PB.1/2020 dated 4 July 2020.

The Articles of Association

The Subsidiary's Articles of Association have been amended several times, upon became Sharia Commercial Bank. The latest amendment of the Articles of Association of the Bank was stated in deed No. 26 dated 16 April 2020, which was notarised by Ashoya Ratam, S.H., M.Kn., notary in Jakarta. The deed was approved by Minister of Law and Human Rights of the Republic of Indonesia through its letter No. AHU-0034666.AH.01.02. Year 2020 dated 8 May 2020 and the Letter of Acceptance of the amendment to Articles of Association No. AHU-AH.01.03-0214020 dated 8 May 2020.

The Composition of The Directors, The Board of Commissioners and The Sharia Supervisory Board

The latest composition of the Board of Directors, the Board of Commissioners and the Sharia Supervisory Board of the Subsidiary as specified in the Deed Number 03 dated 4 June 2020 made by Ashoya Ratam, SH, MKn, Notary in Administrative City of South Jakarta and has been received and recorded in Legal Entity Administration System through Decree Letter of Minister of Law and Human Rights of the Republic of Indonesia Number No. AHU-AH.01.03-0236605 dated 5 June 2020 regarding Acceptance of Notification of the Company's Data Changes of PT Bank BTPN Syariah Tbk.



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1. INFORMASI UMUM (lanjutan)

f. Entitas Anak (lanjutan)

Maksud dan Tujuan serta Kegiatan Usaha

Sesuai dengan pasal 3 Anggaran Dasar Entitas Anak, maksud dan tujuan serta kegiatan Entitas Anak adalah melakukan kegiatan usaha di bidang perbankan berdasarkan prinsip syariah.

Penawaran Umum Perdana Saham

Berdasarkan Rapat Umum Pemegang Saham Luar Biasa (RUPSLB) Entitas Anak yang dilakukan melalui surat edaran resolusi pemegang saham pada tanggal 16 November 2017, para pemegang saham menyetujui rencana Penawaran Umum Saham Perdana Biasa kepada masyarakat melalui pasar modal serta melakukan pencatatan saham Bank di Bursa Efek Indonesia. Pada tanggal 25 April 2018, Entitas Anak memperoleh pernyataan efektif dari OJK dengan surat No. S-36/D-04/2018 untuk penawaran umum saham perdana tersebut.

Entitas Anak melakukan penawaran umum perdana atas 770.370.000 saham dengan nilai nominal sebesar Rp 100 (nilai penuh) setiap saham dengan harga penawaran setiap saham sebesar Rp 975 (nilai penuh) kepada masyarakat di Indonesia. Saham tersebut dicatat di Bursa Efek Indonesia pada tanggal 8 Mei 2018. Dana yang diterima oleh Entitas Anak atas penawaran umum perdana adalah sebesar Rp 735.020 (setelah biaya emisi dan pajak).

Atas tambahan saham yang diterbitkan sehubungan dengan penawaran umum perdana Entitas Anak kepada publik, jumlah kepemilikan Bank atas Entitas Anak menurun dari 70% menjadi 63%.

Akuisisi dari kepentingan non-pengendali pada Entitas Anak

Pada tanggal 11 Mei 2018, Bank mengakuisisi 7% saham atas Entitas Anak dengan imbalan pembelian sebesar Rp 550.045. Kepentingan non-pengendali Entitas Anak pada tanggal akuisisi adalah Rp 525.778. Dengan demikian, kepemilikan Bank atas Entitas Anak kembali menjadi 70%. Dampak perubahan atas kepemilikan saham Entitas Anak adalah sebagai berikut:

	2018	
Kepentingan non-pengendali yang diakuisisi	525,778	Non-controlling interest acquired
Imbalan yang dibayarkan kepada kepentingan non-pengendali	(550,045)	Consideration paid to non-controlling interest
Selisih lebih imbalan uang dibayarkan yang diakui pada ekuitas Bank	(24,267)	Excess of consideration paid as recorded in the Bank's equity

1. GENERAL INFORMATION (continued)

f. Subsidiary (continued)

The Objectives and Scope of Activities

In accordance with article 3 of the Subsidiary's Article of Association, the Subsidiary's objective and scope of activities is to engage in banking industry based on sharia principles.

Initial Public Offering

Pursuant to the Subsidiary's Circular Resolution of the Shareholders in lieu of the Extraordinary General Meeting of Shareholders (EGMS) dated 16 November 2017, the shareholders approved the plan to conduct Initial Public Offering of Ordinary Shares to public through capital market and listing of the Subsidiary's shares at the Indonesia Stock Exchange. On 25 April 2018, the Subsidiary obtained the effective notification from OJK through letter No. S-36/D-04/2018 for this initial public offering.

The Subsidiary undertook an initial public offering of 770,370,000 shares with a nominal value of Rp 100 (full amount) per share with offering price of Rp 975 (full amount) per share to the public in Indonesia. The shares were listed at the Indonesia Stock Exchange on 8 May 2018. The funds received by the Subsidiary from the initial public offering amounting to Rp 735,020 (net of issuance costs and tax).

In relation to the additional shares issued in connection with the initial public offering of the Subsidiary to the public, the Bank's ownership in the Subsidiary decreased from 70% to 63%.

Acquisition of non-controlling interest of Subsidiary

On 11 May 2018, the Bank acquired 7% shares of Subsidiary for a purchase consideration of Rp 550,045. The non-controlling interest in Subsidiary on the date of acquisition was Rp 525,778. Therefore, the Bank's ownership in the Subsidiary became 70%. The effect of changes in the ownership interest of Subsidiary was as follows:

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1. INFORMASI UMUM (lanjutan)

f. Entitas Anak (lanjutan)

Akuisisi dari kepentingan non-pengendali pada Entitas Anak (lanjutan)

Dampak transaksi dengan kepentingan non-pengendali pada ekuitas adalah sebagai berikut:

	2018
Perubahan pada ekuitas:	
- Dampak atas penawaran umum perdana	209,242
- Akuisisi saham tambahan pada Entitas Anak	(24,267)
Dampak bersih pada ekuitas	<u>184,975</u>

Pembagian dividen Entitas Anak

Entitas Anak membagikan dividen kepada para pemegang saham sebesar Rp 328.337 atau Rp 45 per lembar saham. Dividen tunai yang dibayarkan senilai Rp 346.554 dengan pajak dividen sebesar Rp 18.217. Pada tanggal 20 Mei 2020, PT Kustodian Sentral Efek Indonesia telah melakukan distribusi dividen tunai kepada daftar pemegang saham pada tanggal 28 April 2020.

2. IKHTISAR KEBIJAKAN AKUNTANSI YANG PENTING

Kebijakan-kebijakan akuntansi yang penting, yang diterapkan dalam penyusunan laporan keuangan konsolidasian Bank tanggal dan tahun yang berakhir pada tanggal 31 Desember 2020 dan 2019, adalah sebagai berikut:

a. Pernyataan Kepatuhan

Laporan keuangan konsolidasian Bank disusun dan disajikan sesuai dengan Standar Akuntansi Keuangan ("SAK") di Indonesia.

Laporan keuangan konsolidasian juga disusun dan disajikan sesuai dengan peraturan Badan Pengawas Pasar Modal dan Lembaga Keuangan ("BAPEPAM-LK" yang fungsinya dialihkan kepada OJK sejak tanggal 1 Januari 2013) No. VIII.G.7 yang merupakan lampiran keputusan ketua BAPEPAM-LK No. KEP 347/BL/2012 tanggal 25 Juni 2012 tentang "Penyajian dan Pengungkapan Laporan Keuangan Emiten atau Perusahaan Publik".

Laporan keuangan konsolidasian ini yang merupakan konsolidasian dari laporan keuangan Bank dan Entitas Anak (secara bersama-sama disebut "Bank dan Entitas Anak" dan Bank secara individu disebut "Bank") telah disetujui untuk diterbitkan oleh direksi pada tanggal 26 Februari 2021.

Laporan keuangan konsolidasi ini disajikan dalam bahasa Indonesia dan Inggris. Dalam hal terdapat perbedaan penafsiran akibat penerjemahan bahasa, maka yang digunakan sebagai acuan adalah dalam Bahasa Indonesia.

1. GENERAL INFORMATION (continued)

f. Subsidiary (continued)

(ii) Acquisition of non-controlling interest of Subsidiary (continued)

Effects of transactions with non-controlling interests on the equity was as follows:

	2018
Changes in equity:	
Effect on initial public offering - Acquisition of additional interest in - Subsidiary	209,242
Net effect in equity	(24,267)
	<u>184,975</u>

Dividend distribution by Subsidiary

The Subsidiary distributed dividend to shareholders amounting Rp 328,337 or Rp 45 per share. Cash dividend was paid at the amount of Rp 346,554 with tax on dividend amounting to Rp 18,217. On 20 May 2020, PT Kustodian Sentral Efek Indonesia distributed the Subsidiary's cash dividend to list of shareholders as of 28 April 2020.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies, applied in the preparation of the Bank's consolidated financial statements as of and for the years ended 31 December 2020 and 2019, are as follows:

a. Statement of Compliance

The Bank's consolidated financial statements have been prepared and presented in accordance with Indonesian Financial Accounting Standards ("SAK").

These consolidated financial statements have also been prepared and presented in accordance with Capital Market and Financial Institutions Supervisory Agency ("BAPEPAM-LK", whose function has been transferred to OJK starting 1 January 2013) rule No. VIII.G.7, Appendix of the Decree of the Chairman of the BAPEPAM-LK No. KEP-347/BL/2012 dated 25 June 2012 regarding "Financial Statements Presentation and Disclosure of the Issuer or Public Company".

These consolidated financial statements which represent the consolidation of the financial statements of the Bank and its subsidiary (together referred to as the "Bank and Subsidiary" and the Bank individually as the "Bank"), were authorized for issuance by the Board of Directors on 26 February 2021.

These consolidated financial statements are presented in Indonesian and English languages. Should there be any difference in interpretation due to translation, the Indonesian version shall prevail.



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**2. IKHTISAR KEBIJAKAN AKUNTANSI YANG
PENTING (lanjutan)**

**b. Dasar Penyusunan Laporan Keuangan
Konsolidasian**

Laporan keuangan konsolidasian ini disajikan dalam Rupiah, yang merupakan mata uang fungsional Bank. Kecuali dinyatakan secara khusus, informasi keuangan yang disajikan telah dibulatkan menjadi jutaan Rupiah terdekat.

Laporan keuangan konsolidasian disusun atas basis akrual dengan menggunakan konsep nilai historis, kecuali jika standar akuntansi mensyaratkan pengukuran nilai wajar.

Laporan arus kas konsolidasian 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, penempatan pada Bank Indonesia dan bank-bank lain, dan efek-efek yang jatuh tempo dalam waktu tiga bulan sejak tanggal perolehan, sepanjang tidak digunakan sebagai jaminan atas pinjaman yang diterima serta tidak dibatasi penggunaannya.

c. Penggunaan pertimbangan dan estimasi

Penyusunan laporan keuangan konsolidasian sesuai dengan SAK di Indonesia mengharuskan manajemen untuk membuat pertimbangan dan estimasi 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 dapat berbeda dari estimasi tersebut.

Estimasi dan asumsi yang digunakan ditelaah secara berkesinambungan. Revisi atas estimasi akuntansi diakui pada periode dimana estimasi tersebut direvisi dan periode-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 memiliki dampak yang signifikan terhadap jumlah yang diakui dalam laporan keuangan konsolidasian dijelaskan di Catatan 3.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

**b. Basis for Preparation of Consolidated
Financial Statements**

Figures in these consolidated financial statements are presented in Rupiah, which is the Bank's functional currency. Unless otherwise stated, financial information presented in Rupiah has been rounded to the nearest million.

The consolidated financial statements have been prepared on the accrual basis using the historical cost concept, except where the accounting standards require fair value measurement.

The consolidated statements of cash flows present the changes in cash and cash equivalents from operating, investing and financing activities. The statements of cash flows are prepared using the direct method. For the purpose of the statements of cash flows, cash and cash equivalents consist of cash, current accounts with Bank Indonesia, current accounts with other banks, placements with Bank Indonesia and other banks, and securities that mature within three months from the date of acquisition, as long as they are not being pledged as collateral for borrowings nor restricted.

c. Use of judgments and estimates

The preparation of consolidated financial statements in conformity with SAK requires management to make judgments and estimates 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 periods in which the estimate is revised and in any future periods affected.

Information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have significant effect on the amount recognized in the consolidated financial statements are described in Note 3.

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**2. IKHTISAR KEBIJAKAN AKUNTANSI YANG
PENTING (lanjutan)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

d. Perubahan kebijakan akuntansi

d. Changes in accounting policies

Berikut ini adalah standar dan interpretasi standar yang berlaku efektif tanggal 1 Januari 2020, memiliki pengaruh atas laporan keuangan konsolidasian Bank, dan mungkin akan membutuhkan penerapan secara retrospektif sebagaimana diatur dalam PSAK 25, "Kebijakan Akuntansi, Perubahan Estimasi Akuntansi, dan Kesalahan":

The following standards and interpretation of standards became effective on 1 January 2020, have an effect on the future consolidated financial statements, and may require retrospective application under PSAK 25, "Accounting Policies, Changes in Accounting Estimates, and Errors":

- Pernyataan Standar Akuntansi Keuangan ("PSAK") No. 71 "Instrumen Keuangan"
- PSAK No. 72 "Pendapatan dari Kontrak dengan Pelanggan"
- PSAK No. 73 "Sewa"
- Amendemen PSAK No. 1 "Penyajian Laporan Keuangan"
- Amendemen PSAK No. 25 "Kebijakan Akuntansi, Perubahan Estimasi Akuntansi, dan Kesalahan"
- PSAK 102 (Revisi 2019) "Akuntansi Murabahah"
- Interpretasi Standar Akuntansi Keuangan ("ISAK") 101 "Pengakuan Pendapatan Murabahah Tangguh Tanpa Risiko Signifikan Terkait Kepemilikan Persediaan"
- ISAK 102 "Penurunan Nilai Piutang Murabahah"
- Amendemen PSAK No. 73 "Konsesi Sewa Terkait Covid-19"

- *Statement of Financial Accounting Standards ("PSAK") No. 71 "Financial Instruments"*
- *PSAK No. 72 "Revenue from Contracts with Customers"*
- *PSAK No. 73 "Leases"*
- *Amendment to PSAK No. 1 "Presentation of Financial Statements"*
- *Amendment to PSAK No. 25 "Accounting Policies, Changes in Accounting Estimates, and Errors"*
- *PSAK 102 (2019 Revision) "Murabahah Accounting"*
- *Interpretation of Financial Accounting Standard ("ISAK") 101 "Recognition of Deferred Murabahah Revenue Without Significant Risk on Ownership of Inventory"*
- *ISAK 102 "Impairment Losses for Murabahah Receivables"*
- *Amendment PSAK No. 73 "Covid19-related Rent Concessions"*

Dampak implementasi PSAK 71 dan PSAK 73 terhadap Bank dan Entitas Anak dijelaskan di bawah ini.

Set out below is the explanation of PSAK 71 and PSAK 73 implementation impacts to the Bank and Subsidiary.

Selain PSAK 71 dan PSAK 73, penerapan standar akuntansi yang disebutkan di atas tidak memiliki dampak yang signifikan terhadap laporan keuangan konsolidasian.

Other than PSAK 71 and PSAK 73, implementation of the above-mentioned accounting standards did not have significant impacts to the consolidated financial statements.

PSAK 71, "Instrumen Keuangan"

PSAK 71, "Financial Instruments"

PSAK No. 71 menggantikan hampir semua ketentuan di PSAK No. 55, "Instrumen Keuangan: Pengakuan dan Pengukuran". Dalam PSAK ini terdapat ketentuan yang direvisi untuk klasifikasi dan pengukuran instrumen keuangan, metode kerugian kredit ekspektasian yang baru untuk menghitung penurunan nilai aset keuangan, persyaratan umum baru untuk akuntansi lindung nilai, dan tambahan pengungkapan. PSAK ini meneruskan ketentuan untuk pengakuan dan penghentian pengakuan instrumen keuangan yang diambil dari PSAK No. 55.

PSAK No. 71 replaces most of the existing requirements in PSAK No. 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, new general hedge accounting requirements, and additional disclosures. It also carries forward the requirements on recognition and derecognition of financial instruments from PSAK No. 55.

Untuk akuntansi lindung nilai, ketentuan secara umum diterapkan secara prospektif, dengan beberapa pengecualian yang terbatas. Bank tidak menerapkan akuntansi lindung nilai.

For hedge accounting, the requirements are generally applied prospectively, with some limited exceptions. The Bank did not apply hedging accounting.

PSAK 71 tidak berlaku terhadap Entitas Anak yang merupakan suatu entitas berbasis Syariah.

PSAK 71 is not applicable on the Subsidiary which is an entity with sharia principles.



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2. IKHTISAR KEBIJAKAN AKUNTANSI YANG
SIGNIFIKAN (lanjutan)

2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)

d. Perubahan kebijakan akuntansi (lanjutan)

d. Changes in accounting policies (continued)

PSAK 71, "Instrumen Keuangan" (lanjutan)

PSAK 71, "Financial Instruments" (continued)

Perubahan utama pada kebijakan akuntansi Bank yang disebabkan oleh penerapan PSAK 71 dirangkum di bawah ini. Seluruh dampak dari penerapan standar akuntansi tersebut diungkapkan pada Catatan 47.

The key changes to the Bank's accounting policies resulting from its adoption of PSAK 71 are summarized below. The full impact of adopting the standard is set out in Note 47.

- (i) Klasifikasi dan pengukuran aset keuangan dan liabilitas

- (i) *Classification and measurement of financial assets and liabilities*

PSAK 71 memiliki tiga kategori klasifikasi untuk aset keuangan: diukur pada biaya perolehan diamortisasi, nilai wajar melalui penghasilan komprehensif lain ("FVOCI") dan nilai wajar melalui laba rugi ("FVTPL"). Klasifikasi PSAK 71 umumnya berdasarkan model bisnis dimana aset keuangan dikelola dan arus kas kontraktualnya. PSAK 71 mengeliminasi kategori instrumen keuangan PSAK 55 sebelumnya, yakni dimiliki hingga jatuh tempo, pinjaman yang diberikan dan piutang dan tersedia untuk dijual. Untuk penjelasan mengenai bagaimana Bank mengklasifikasikan aset keuangan sesuai PSAK 71 pada saat penerapan awal, lihat Catatan 47.

PSAK 71 contains three classification categories for financial assets: measured at amortized cost, fair value through other comprehensive income ("FVOCI") and fair value through profit or loss ("FVTPL"). PSAK 71 classification is generally based on the business model in which a financial asset is managed and its contractual cash flows. The standard eliminates the previous PSAK 55 categories of held-to-maturity, loans and receivables and available-for-sale. For an explanation of how the Bank classifies financial assets under PSAK 71 at initial implementation, see Note 47.

PSAK 71 mempertahankan hampir semua ketentuan klasifikasi liabilitas keuangan PSAK 55. Untuk penjelasan bagaimana Bank mengklasifikasikan liabilitas keuangan berdasarkan PSAK 71 pada saat penerapan awal, lihat Catatan 47.

PSAK 71 largely retains the existing requirements in PSAK 55 for the classification of financial liabilities. For more explanation of how the Bank classifies financial liabilities under PSAK 71 at initial implementation, see Note 47.

Oleh karena penerapan PSAK 71, Bank telah mengubah kebijakan akuntansinya mengenai klasifikasi instrumen keuangan seperti dijelaskan pada Catatan 2h.

As the result of adoption of PSAK 71, the Bank has changed its accounting policy on financial instruments classification as disclosed in Note 2h.

Pada tanggal 31 Desember 2020 dan 2019, Bank tidak memiliki aset keuangan dan liabilitas keuangan yang ditetapkan diukur pada nilai wajar pada pengakuan awal (opsi nilai wajar).

As of 31 December 2020 and 2019, the Bank did not have financial assets and financial liabilities designated at fair value at initial recognition (fair value option).

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**2. IKHTISAR KEBIJAKAN AKUNTANSI YANG
SIGNIFIKAN (lanjutan)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

d. Perubahan kebijakan akuntansi (lanjutan)

d. Changes in accounting policies (continued)

PSAK 71, "Instrumen Keuangan" (lanjutan)

PSAK 71, "Financial Instruments" (continued)

(ii) Penurunan nilai aset keuangan

(ii) Impairment of financial assets

PSAK 71 menggantikan model *incurred loss* pada PSAK 55 dengan kerugian kredit ekspektasian yang bersifat *forward looking* ("ECL"). Hal ini membutuhkan pertimbangan yang memadai tentang bagaimana perubahan faktor ekonomi mempengaruhi ECL yang akan ditentukan berdasarkan probabilitas tertimbang.

PSAK 71 replaces the "incurred loss" model in PSAK 55 with a forward-looking expected credit losses ("ECL"). This will require considerable judgement over how changes in economic factors affect ECLs, which will be determined on a probability-weighted basis.

Model penurunan nilai yang baru ini diterapkan untuk seluruh instrumen keuangan yang tidak diukur pada nilai wajar melalui laba rugi, termasuk komitmen kredit dan kontrak jaminan keuangan yang diterbitkan.

The new impairment model applies to all financial instruments that are not measured at fair value through profit or loss, including loan commitments and financial guarantee contracts issued.

Dalam PSAK 71, tidak ada kerugian penurunan nilai yang diakui untuk instrumen ekuitas.

Under PSAK 71, no impairment loss is recognized on equity investments.

Berdasarkan PSAK 71, kerugian kredit diakui lebih awal dari PSAK 55. Penjelasan bagaimana dampak penerapan awal PSAK 71 terhadap cadangan penurunan nilai aset keuangan, lihat Catatan 47.

Under PSAK 71, credit losses are recognized earlier than under PSAK 55. For an explanation of the impacts to allowance for impairment losses from initial implementation of PSAK 71, see Note 47.

Oleh karena penerapan PSAK 71, Bank telah mengubah kebijakan akuntansinya mengenai penurunan nilai aset keuangan seperti dijelaskan pada Catatan 2i.

As the result of adoption of PSAK 71, the Bank has changed its accounting policy on impairment losses of financial assets as disclosed in Note 2i.

(iii) Transisi

(iii) Transition

Perubahan kebijakan akuntansi sebagai hasil dari penerapan PSAK 71 umumnya akan diterapkan secara retrospektif. Namun, Bank memanfaatkan pengecualian untuk tidak menyajikan kembali informasi komparatif untuk periode sebelumnya. Selisih nilai tercatat atas aset keuangan dan liabilitas keuangan sebagai akibat dari penerapan awal PSAK 71 diakui pada saldo laba tanggal 1 Januari 2020.

Changes in accounting policies resulting from the adoption of PSAK 71 is generally applied retrospectively. However, the Bank applied the exemption allowing it not to restate comparative information for prior period. Differences in the carrying amounts of financial assets and financial liabilities resulting from the initial adoption of PSAK 71 were recognized in retained earnings at 1 January 2020.

Dengan demikian, informasi yang disajikan pada tahun 2019 tidak mencerminkan PSAK 71 dan oleh karena itu tidak dapat dibandingkan dengan informasi yang disajikan pada tahun 2020 berdasarkan PSAK 71.

Accordingly, the information presented for 2019 does not reflect the requirements of PSAK 71 and therefore is not comparable to the information presented for 2020 under PSAK 71.



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2. IKHTISAR KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN (lanjutan)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

d. Perubahan kebijakan akuntansi (lanjutan)

d. Changes in accounting policies (continued)

PSAK 73 “Sewa”

PSAK 73 “Leases”

Tanggal penerapan awal PSAK 73 untuk Bank dan Entitas Anak adalah 1 Januari 2020. Sesuai dengan ketentuan transisi PSAK 73, Bank dan Entitas Anak telah menerapkan PSAK 73 menggunakan pendekatan retrospektif yang dimodifikasi, yaitu dengan mengakui efek kumulatif dari penerapan awal PSAK 73 sebagai penyesuaian atas saldo laba tanggal 1 Januari 2020. Oleh karena itu, informasi komparatif tahun 2019 tidak disajikan kembali, dimana transaksi sewa dilaporkan sesuai dengan PSAK 30, “Sewa”.

The date of initial application of PSAK 73 for the Bank and Subsidiary is 1 January 2020. In accordance with the transitional provisions of PSAK 73, the Bank and Subsidiary have applied PSAK 73 using the modified retrospective approach, i.e. by recognizing the cumulative effect of initially applying PSAK 73 as an adjustment to retained earnings at 1 January 2020. Therefore, the 2019 comparative information has not been restated, for which lease transactions were reported in accordance with PSAK 30 “Leases”.

(i) Definisi sewa

(i) Definition of a lease

PSAK 73 mendefinisikan sewa sebagai kontrak yang memberikan hak untuk mengendalikan penggunaan aset selama jangka waktu tertentu. Menurut standar yang baru ini, kedua model akuntansi terdahulu yang membedakan antara sewa pembiayaan yang dilaporkan di dalam neraca dengan sewa operasi yang ada di luar neraca (rekening administratif), telah dieliminasi.

PSAK 73 defines a lease as a contract that conveys the right to control the use of an asset for a period of time. Under the new standard, the previous dual accounting model for lessees, which distinguished between on-balance sheet finance leases and off-balance sheet operating leases, has been eliminated.

Pada saat transisi, Bank dan Entitas Anak memilih untuk menerapkan panduan praktis PSAK 73 untuk tetap mempertahankan hasil penelaahan sebelumnya apakah suatu transaksi mengandung sewa. Bank dan Entitas Anak hanya menerapkan PSAK 73 atas kontrak yang sebelumnya diidentifikasi sebagai sewa. Kontrak yang sebelumnya tidak diidentifikasi sebagai sewa menurut PSAK 30 dan ISAK 8 tidak ditelaah kembali apakah mengandung sewa. Oleh karena itu, definisi sewa menurut PSAK 73 hanya diterapkan atas kontrak yang terjadi atau dimodifikasi setelah tanggal 1 Januari 2020.

On transition, the Bank and Subsidiary elected to apply the practical expedient in PSAK 73 to grandfather the assessment of which transactions are leases. The Bank and Subsidiary applied PSAK 73 only to contracts that were previously identified as leases. Contracts that previously 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 was applied only to contracts entered into or changed after 1 January 2020.

Sewa yang dimiliki Bank dan Entitas Anak sebelum tanggal 1 Januari 2020 seluruhnya merupakan sewa operasi menurut PSAK 30.

All of the Bank and Subsidiary’s leases prior to 1 January 2020 were operating leases under PSAK 30.

(ii) Dampak pada akuntansi penyewa

(ii) Impact on lessee accounting

Menerapkan PSAK 73, untuk semua sewa (kecuali yang disebutkan di bawah ini), Bank dan Entitas Anak:

Applying PSAK 73, for all leases (except as noted below), the Bank and Subsidiary:

- mengakui aset hak guna dan liabilitas sewa pada laporan posisi keuangan konsolidasian, yang diukur pada nilai kini dari pembayaran sewa masa depan;

- recognises right-of-use assets and lease liabilities in the consolidated statement of financial position, initially measured at the present value of the future lease payments;

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d. Perubahan kebijakan akuntansi (lanjutan)

PSAK 73 "Sewa" (lanjutan)

(ii) Dampak pada akuntansi penyewa (lanjutan)

- mengakui penyusutan aset hak guna dan bunga atas liabilitas sewa pada laba rugi;
- memisahkan jumlah total pembayaran kas ke bagian pokok (disajikan sebagai aktivitas pendanaan) dan bunga (disajikan sebagai aktivitas operasi) pada laporan arus kas konsolidasian.

Untuk sewa jangka pendek (masa sewa 12 bulan atau kurang) dan sewa atas aset bernilai rendah, Bank dan Entitas Anak telah memilih untuk mengakui beban sewa secara garis lurus sebagaimana diijinkan oleh PSAK 73.

(iii) Dampak pada laporan keuangan

Pada saat transisi, liabilitas sewa diukur pada nilai kini dari sisa pembayaran sewa, yang didiskontokan dengan menggunakan suku bunga pinjaman inkremental Bank dan Entitas Anak pada tanggal 1 Januari 2020.

Aset hak-guna terkait sewa gedung diukur pada nilai tercatatnya seolah-olah PSAK 73 telah diterapkan sejak tanggal mulai sewa, didiskontokan dengan menggunakan suku bunga pinjaman inkremental pada tanggal 1 Januari 2020. Aset hak-guna lainnya diukur pada jumlah yang sama dengan liabilitas sewa, disesuaikan dengan jumlah pembayaran dibayar dimuka atau pembayaran sewa yang masih harus dibayar pada tanggal 31 Desember 2019.

Pada saat transisi, Bank dan Entitas Anak menerapkan cara praktis berikut yang diperbolehkan oleh standar:

- menerapkan tingkat diskonto tunggal untuk portofolio sewa dengan karakteristik yang cukup serupa
- sewa operasi yang masa sewanya berakhir dalam 12 bulan dari tanggal 1 Januari 2020 diperlakukan sebagai sewa jangka pendek
- pengecualian biaya langsung awal dari pengukuran aset hak guna pada tanggal penerapan awal
- menggunakan tinjauan ke belakang (*hindsight*) dalam menentukan masa sewa jika kontrak mengandung opsi untuk memperpanjang atau menghentikan sewa

2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)

d. Changes in accounting policies (continued)

PSAK 73 "Leases" (continued)

(ii) Impact on lessee accounting (continued)

- recognises depreciation of right-of-use assets and interest on lease liabilities in profit or loss;
- separates the total amount of cash paid into a principal portion (presented within financing activities) and interest (presented within operating activities) in the consolidated statement of cash flows.

For short-term leases (lease term of 12 months or less) and leases of low-value assets, the Bank and Subsidiary had opted to recognise a lease expense on a straight-line basis as permitted by PSAK 73.

(iii) Impact on financial statements

On transition, lease liabilities were measured at the present value of the remaining lease payments, discounted using the Bank and Subsidiary's incremental borrowing rate at 1 January 2020.

Right-of-use assets related with leases of buildings are measured at their carrying amount as if PSAK 73 has been applied since the lease commencement date, discounted using incremental borrowing rate at 1 January 2020. Other right-of use assets are measured at an amount equal to the lease liabilities, adjusted by the amount of any prepaid or accrued lease payments at 31 December 2019.

On transition, the Bank and Subsidiary used the following practical expedients permitted by the standard:

- the use of a single discount rate to a portfolio of leases with reasonably similar characteristics
- operating leases with a remaining lease term of less than 12 months at 1 January 2020 are treated as short-term lease
- the exclusion of initial direct costs for the measurement of the right-of-use assets at the date of initial application
- the use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease



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2. IKHTISAR KEBIJAKAN AKUNTANSI YANG
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d. Perubahan kebijakan akuntansi (lanjutan)

PSAK 73 "Sewa" (lanjutan)

(iii) Dampak pada laporan keuangan (lanjutan)

- memisahkan komponen nonsewa dari komponen sewa berdasarkan kelas aset pendasar mengandalkan penilaian apakah sewa bersifat memberatkan sesuai PSAK 57, "Provisi, Liabilitas Kontinjensi, dan Aset Kontinjensi" sebagai alternatif untuk melakukan tinjauan penurunan nilai. Tidak ada kontrak sewa yang bersifat memberatkan padatanggal 1 Januari 2020.

Rata-rata tertimbang suku bunga pinjaman inkremental yang digunakan Bank atas liabilitas sewa pada tanggal 1 Januari 2020 adalah sebesar 8,20%. Suku bunga inkremental yang digunakan Entitas Anak pada tanggal 1 Januari 2020 adalah sebesar 4,48% - 9,75%.

Rekonsiliasi antara komitmen sewa operasi berdasarkan PSAK 30 pada tanggal 31 Desember 2019 dan liabilitas sewa yang diakui berdasarkan PSAK 73 pada tanggal 1 Januari 2020 adalah sebagai berikut:

	Jumlah/ Amount
Komitmen sewa operasi pada tanggal 31 Desember 2019 berdasarkan PSAK 30	870,297
Didiskontokan dengan menggunakan suku bunga inkremental	(178,273)
Dikurangi:	
- Sewa jangka pendek yang tidak diakui sebagai liabilitas sewa	(11,325)
- Sewa bernilai rendah yang tidak diakui sebagai liabilitas sewa	(2,965)
- Pembayaran angsuran sewa dimuka dari sewa liabilitas	(19,335)
Liabilitas sewa yang diakui pada tanggal 1 Januari 2020	658,399

Pada saat transisi PSAK 73, Bank dan Entitas Anak mengakui aset hak guna sebesar Rp 774.042 (termasuk reklasifikasi dari beban sewa dibayar dimuka sebesar Rp 213.327 dan setelah dikurangi akumulasi depresiasi sebesar Rp 235.206), sewa liabilitas sebesar Rp 658.399, dan mengakui selisihnya pada saldo laba tanggal 1 Januari 2020 sebesar Rp 77.086 (setelah pajak).

2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)

d. Changes in accounting policies (continued)

PSAK 73 "Leases" (continued)

(iii) Impact on financial statements (continued)

- to separate non-lease components from lease components on lease by class of underlying assets relying on the assessment of whether leases are onerous based on PSAK 57, "Provisions, Contingent Liabilities, and Contingent Assets" as an alternative to perform an impairment review. There were no onerous contracts at 1 January 2020

The weighted average of the Bank incremental borrowing rate applied to the lease liabilities on 1 January 2020 was 8.20%. The Subsidiary's incremental borrowing rate applied to the lease liabilities on 1 January 2020 was 4.48% - 9.75%.

The reconciliation between the operating lease commitments under PSAK 30 as of 31 December 2019 and the lease liabilities recognized under PSAK 73 as at 1 January 2020 is as follows:

	Jumlah/ Amount
Operating lease commitments as of 31 December 2019 under PSAK 30	870,297
Discounted using the incremental borrowing rate	(178,273)
Less:	
Short-term leases not recognized - as lease liabilities	(11,325)
Low-value leases not recognized - as lease liabilities	(2,965)
Upfront installment payments - of lease liabilities	(19,335)
Lease liabilities recognised at 1 January 2020	658,399

On the transition of PSAK 73, the Bank and Subsidiary recognized right-of-use assets amounting to Rp 774,042 (include of reclassification from rental prepayments amounting to Rp 213,327 and after deduction of accumulated depreciation of Rp 235,206), lease liabilities amounted to Rp 658,399, and adjust the difference to retained earnings at 1 January 2020 amounting to Rp 77,086 (net of tax).

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2. IKHTISAR KEBIJAKAN AKUNTANSI YANG
PENTING (lanjutan)

2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)

e. Penjabaran Transaksi dan Saldo dalam
Valuta Asing

e. Foreign Currency Transactions and
Balances Translation

Transaksi-transaksi dalam valuta asing dijabarkan ke dalam Rupiah, yang merupakan mata uang fungsional Bank, dengan menggunakan kurs pada tanggal transaksi.

Transactions in foreign currencies are translated into Rupiah, the Bank and Subsidiary's functional currency, at the exchange rates prevailing at the transaction date.

Saldo akhir tahun aset moneter dan liabilitas moneter dalam valuta asing dijabarkan ke dalam Rupiah dengan menggunakan kurs pada tanggal 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.

Year-end balances monetary assets and liabilities denominated in foreign currencies are translated into Rupiah using exchange rate 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 WIB.

Kurs valuta asing utama yang digunakan pada tanggal pelaporan adalah sebagai berikut (nilai penuh):

The major exchange rates used as of the reporting date were as follows (full amount):

	2020	2019	
1 Dolar Amerika Serikat (USD)	14,050.00	13,882.50	1 United States Dollar (USD)
1 Dolar Australia (AUD)	10,752.47	9,725.39	1 Australian Dollar (AUD)
1 Dolar Singapura (SGD)	10,606.18	10,315.05	1 Singapore Dollar (SGD)
1 Dolar Hong Kong (HKD)	1,812.30	1,782.75	1 Hong Kong Dollar (HKD)
1 Poundsterling Inggris (GBP)	19,012.46	18,238.14	1 British Poundsterling (GBP)
1 Yen Jepang (JPY)	135.97	127.81	1 Japanese Yen (JPY)
1 Euro (EUR)	17,234.43	15,570.61	1 Euro (EUR)

Keuntungan dan kerugian selisih kurs yang timbul dari transaksi dalam valuta asing dan dari penjabaran aset moneter dan liabilitas moneter dalam valuta asing diakui pada laba rugi.

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 recognised in profit or loss.

Laba atau rugi kurs valuta asing atas aset dan liabilitas moneter merupakan selisih antara biaya perolehan diamortisasi dalam Rupiah pada awal tahun, disesuaikan dengan tingkat suku bunga efektif dan pembayaran selama tahun berjalan, dan biaya perolehan diamortisasi dalam valuta asing yang dijabarkan ke dalam Rupiah dengan menggunakan kurs pada akhir tahun.

The foreign currency gains or losses on monetary assets and liabilities are the difference between amortised cost in Rupiah at the beginning of the year, adjusted for effective interest rate and payments during the year, and the amortised cost in foreign currency translated into Rupiah using the exchange rate at the end of the year.



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**2. IKHTISAR KEBIJAKAN AKUNTANSI YANG
SIGNIFIKAN (lanjutan)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

f. Prinsip Konsolidasi

f. Basis of Consolidation

Laporan keuangan konsolidasian mencakup laporan keuangan Bank dan entitas anak.

The consolidated financial statements include the accounts of the Bank and its subsidiary.

Suatu pengendalian atas entitas anak dianggap ada bilamana Bank terekspos atau memiliki hak atas imbal hasil variabel dari keterlibatannya dengan entitas anak dan memiliki kemampuan untuk mempengaruhi imbal hasil tersebut melalui kekuasaannya atas entitas anak. Bank akan menilai kembali apakah memiliki kendali jika ada perubahan atas satu atau lebih unsur pengendalian. Ini termasuk situasi dimana hak protektif yang dimiliki (seperti yang dihasilkan dari hubungan pinjaman) menjadi substantif dan mengakibatkan Bank memiliki kekuasaan atas entitas anak.

Control over a subsidiary is presumed to exist if the Bank is exposed to, or has rights to, variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. The Bank reassesses whether it has control if there are changes to one or more of the elements of the control. This includes circumstances in which protective rights held (e.g. those resulting from a lending relationship) become substantive and lead to the Bank having power over a subsidiary.

Laporan keuangan dari entitas anak dimasukkan ke dalam laporan keuangan konsolidasian sejak tanggal pengendalian dimulai sampai dengan tanggal pengendalian berakhir.

The financial statements of subsidiary are included in the consolidated financial statements from the date on which control commences until the date when control ceases.

Ketika Bank kehilangan kendali atas entitas anak, Bank menghentikan pengakuan aset dan liabilitas entitas anak, dan kepentingan non-pengendali terkait dan komponen ekuitas lainnya. Laba atau rugi yang timbul diakui dalam laba rugi. Kepentingan yang dipertahankan di entitas anak sebelumnya diukur sebesar nilai wajar ketika pengendalian hilang.

When the Bank loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when the control is lost.

Seluruh transaksi dan saldo antar perusahaan dieliminasi dalam laporan keuangan konsolidasian, sehingga laporan keuangan konsolidasian hanya mencakup transaksi dan saldo dengan pihak lain.

All inter-company transactions and balances are eliminated in the consolidated financial statements; accordingly, the consolidated financial statements include only transactions and balances with other parties.

Akuisisi entitas anak oleh Bank dicatat dengan menggunakan metode akuisisi. Biaya perolehan akuisisi diukur pada nilai wajar aset yang diberikan, instrumen ekuitas yang diterbitkan, liabilitas yang terjadi atau diambil dan penyesuaian harga beli kontinjensi, jika ada, pada tanggal transaksi. *Goodwill* yang timbul dari akuisisi entitas anak diuji penurunan nilainya minimal secara tahunan. Keuntungan yang dihasilkan atas pembelian dengan diskon diakui langsung pada laba rugi. Biaya-biaya transaksi yang timbul dari akuisisi entitas anak dibebankan langsung pada laba rugi tahun berjalan.

The acquisition method is used to account for the acquisition of subsidiary by the Bank. The cost of acquisition is measured at the fair value of the assets given, equity instruments issued, liabilities incurred or assumed and contingent consideration, if any, at the transaction date. Goodwill arising from the acquisition of subsidiary is tested at least annually for impairment. Any gain on bargain purchase is recognised in profit or loss immediately. Transaction costs incurred in the acquisition of subsidiary are directly expensed in the current year profit or loss.

Kepentingan non-pengendali diakui pada tanggal kombinasi bisnis dan selanjutnya disesuaikan dengan proporsi atas perubahan aset bersih teridentifikasi entitas anak.

Non-controlling interest is recognised at the date of initial business combination and subsequently adjusted by proportion of change in identifiable net assets of subsidiaries.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

f. Prinsip Konsolidasi (lanjutan)

f. Basis of Consolidation (continued)

Perubahan dalam bagian kepemilikan Bank pada entitas anak yang tidak mengakibatkan hilangnya pengendalian diperlakukan sebagai transaksi antara pemegang ekuitas dan dicatat sebagai transaksi ekuitas.

Changes in ownership interest in subsidiary that do not result in a loss of control are treated as transaction between equity holders and are accounted for as equity transactions.

Kepentingan non-pengendali disajikan di ekuitas dalam laporan posisi keuangan konsolidasian dan dinyatakan sebesar proporsi pemegang saham non-pengendali atas laba tahun berjalan dan ekuitas entitas anak tersebut berdasarkan persentase kepemilikan pemegang saham non-pengendali pada entitas anak tersebut.

Non-controlling interest is presented as part of equity in the consolidated statements of financial position and represents the non-controlling shareholders' proportionate share in the net income for the year and equity of the subsidiary based on the percentage of ownership of the non-controlling shareholders in the subsidiary.

g. Transaksi dengan Pihak-pihak Berelasi

g. Transactions with Related Parties

Dalam laporan keuangan konsolidasian ini, istilah pihak-pihak berelasi digunakan sesuai dengan PSAK No. 7 mengenai "Pengungkapan Pihak-pihak Berelasi".

In these consolidated financial statements, the term related parties is used as defined in PSAK No. 7 regarding "Related Party Disclosures".

h. Aset Keuangan dan Liabilitas Keuangan

h. Financial Assets and Financial Liabilities

Aset keuangan Bank dan Entitas Anak terdiri dari kas, giro pada Bank Indonesia, giro pada bank-bank lain, penempatan pada Bank Indonesia dan bank-bank lain, efek-efek, tagihan derivatif, tagihan akseptasi, pinjaman yang diberikan, pembiayaan/piutang syariah, penyertaan saham dan tagihan lainnya (yang disajikan sebagai bagian dari aset lain-lain).

The Bank and Subsidiary's financial assets consist of cash, current accounts with Bank Indonesia, current accounts with other banks, placements with Bank Indonesia and other banks, securities, derivative receivables, acceptance receivables, loans, sharia financing/receivables, investment in shares and other receivables (presented as part of other assets).

Liabilitas keuangan Bank dan Entitas Anak terdiri dari liabilitas segera, simpanan dari nasabah, simpanan dari bank-bank lain, liabilitas derivatif, liabilitas akseptasi, efek-efek yang diterbitkan, pinjaman yang diterima, akrual, pinjaman subordinasi, dan liabilitas lain-lain.

The Bank and Subsidiary's financial liabilities consist of obligations due immediately, deposits from customers, deposits from other banks, derivative payables, acceptance payables, securities issued, borrowings, accruals, subordinated loans, and other liabilities.

h.1. Klasifikasi

h.1. Classification

Aset keuangan

Financial assets

**Kebijakan berlaku mulai tanggal
1 Januari 2020**

Policy applicable from 1 January 2020

Bank mengklasifikasikan aset keuangannya ke dalam kategori sebagai berikut pada saat pengakuan awal:

The Bank classified its financial assets into the following categories on initial recognition:

- Biaya perolehan diamortisasi;
- Nilai wajar melalui penghasilan komprehensif lain ("FVOCI");
- Nilai wajar melalui laba rugi ("FVTPL")

- At amortised cost;
- Fair value through other comprehensive income ("FVOCI");
- Fair value through profit or loss ("FVTPL")



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**2. IKHTISAR KEBIJAKAN AKUNTANSI YANG
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**2. SUMMARY OF SIGNIFICANT ACCOUNTING
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**h. Aset Keuangan dan Liabilitas Keuangan
(lanjutan)**

**h. Financial Assets and Financial Liabilities
(continued)**

h.1. Klasifikasi (lanjutan)

h.1. Classification (continued)

Aset keuangan (lanjutan)

Financial assets (continued)

**Kebijakan berlaku mulai tanggal
1 Januari 2020 (lanjutan)**

**Policy applicable from 1 January 2020
(continued)**

Aset keuangan diklasifikasikan ke dalam salah satu dari kategori ini pada saat pengakuan awal berdasarkan model bisnis dimana aset keuangan tersebut dimiliki serta karakteristik arus kontraktualnya. Model bisnis merefleksikan bagaimana kelompok aset keuangan dikelola untuk mencapai tujuan bisnis tertentu.

Financial asset is classified into one of these categories on initial recognition based on the business model within which it is held, and its contractual cash flow characteristics. The business model reflects how groups of financial assets are managed to achieve a particular business objective.

Aset keuangan diukur dengan biaya perolehan diamortisasi hanya jika memenuhi kedua kondisi berikut dan tidak ditetapkan sebagai FVTPL:

A financial asset is measured at amortised cost only if it meets both of the following conditions and is not designated as at FVTPL:

- Aset keuangan dikelola dalam model bisnis yang bertujuan untuk memiliki aset keuangan untuk tujuan mendapatkan arus kas kontraktual (*hold to collect*); dan
- Persyaratan kontraktual dari aset keuangan yang pada tanggal tertentu menghasilkan arus kas yang merupakan pembayaran pokok dan bunga semata dari jumlah pokok terutang.

- *The financial asset is held within a business model whose objective is to hold the asset to collect contractual cash flows (hold to collect); and*
- *Its contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.*

Aset keuangan diukur pada FVOCI hanya jika memenuhi kedua kondisi berikut dan tidak ditetapkan sebagai FVTPL:

A financial asset is measured at FVOCI only if it meets both of the following conditions and is not designated as at FVTPL:

- Aset keuangan dikelola dalam model bisnis yang bertujuan untuk mendapatkan arus kas kontraktual dan menjual aset keuangan (*hold to collect and sell*); dan
- Persyaratan kontraktual dari aset keuangan yang pada tanggal tertentu menghasilkan arus kas yang merupakan pembayaran pokok dan bunga semata dari jumlah pokok terutang.

- *The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial asset (hold to collect and sell); and*
- *Its contractual terms of financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.*

Seluruh aset keuangan yang tidak diklasifikasikan sebagai diukur dengan biaya perolehan diamortisasi atau FVOCI sebagaimana ketentuan di atas diukur dengan FVTPL.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL.

Aset keuangan tidak direklasifikasi setelah pengakuan awal, kecuali dalam periode setelah Bank mengubah model bisnis yang mengelola aset keuangan.

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Bank changes its business model for managing financial assets.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING
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**h. Aset Keuangan dan Liabilitas Keuangan
(lanjutan)**

**h. Financial Assets and Financial Liabilities
(continued)**

h.1. Klasifikasi (lanjutan)

h.1. Classification (continued)

Aset keuangan (lanjutan)

Financial assets (continued)

**Kebijakan berlaku mulai tanggal
1 Januari 2020 (lanjutan)**

**Policy applicable from 1 January 2020
(continued)**

Penilaian model bisnis

Business model assessment

Model bisnis Bank ditentukan pada level yang mencerminkan bagaimana kelompok aset keuangan dikelola bersama-sama untuk mencapai tujuan bisnis tertentu. Model bisnis Bank tidak bergantung pada intensi manajemen untuk instrumen individu. Sejalan dengan hal tersebut, kondisi ini bukan merupakan pendekatan instrumen-per-instrumen untuk klasifikasi dan ditentukan pada level agregasi yang lebih tinggi yaitu pada level portfolio.

The Bank's business model is defined at a level that reflects how group of financial assets are managed together to achieve certain business objectives. The Bank's model does not depend on management's intention for individual instruments. Accordingly, this condition is not an instrument-by-instrument approach to classification and is determined at a higher level of aggregation, which is at portfolio level.

Model bisnis Bank mengacu pada pengelolaan aset keuangan untuk menghasilkan arus kas. Arus kas akan dihasilkan dari memperoleh arus kas kontraktual, menjual aset keuangan atau keduanya. Penilaian ini tidak dilakukan atas dasar skenario bahwa Bank tidak mengharapkan terjadinya skenario "kondisi terburuk" atau skenario "kondisi stres". Dalam kondisi Bank menjual portofolio aset keuangan tertentu dalam skenario kondisi terburuk, skenario itu tidak akan mempengaruhi penilaian terhadap model bisnis untuk aset tersebut jika Bank secara wajar mengharapkan bahwa skenario seperti itu tidak akan terjadi.

The Bank's business model refers to managing financial assets to generate cash flows. Cash flows will result from obtaining contractual cash flows, selling financial assets or both. This assessment is not made based on a scenario where the Bank does not expect a "worst condition" scenario or a "stress condition" scenario to occur. In a situation where the Bank sells certain portfolios of financial assets in a worst-case scenario, that scenario will not affect the assessment of the business model for that asset if the Bank reasonably expects that such a scenario will not occur.

Akan tetapi, ketika Bank menilai model bisnis untuk aset keuangan yang baru diterbitkan atau baru dibeli, Bank harus mempertimbangkan informasi tentang bagaimana arus kas direalisasikan di masa lalu, bersama dengan semua informasi yang relevan lainnya.

However, when the Bank assesses the business model for newly issued or recently purchased financial assets, it must consider information about how cash flows were realized in the past, along with all other relevant information.



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**2. SUMMARY OF SIGNIFICANT ACCOUNTING
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**h. Financial Assets and Financial Liabilities
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h.1. Klasifikasi (lanjutan)

h.1. Classification (continued)

Aset keuangan (lanjutan)

Financial assets (continued)

**Kebijakan berlaku mulai tanggal
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**Policy applicable from 1 January 2020
(continued)**

Penilaian model bisnis (lanjutan)

Business model assessment (continued)

Model bisnis untuk mengelola aset keuangan adalah kenyataan dan bukan hanya sebuah asersi. Hal ini biasanya diobservasi melalui aktivitas yang dilakukan Bank untuk mencapai tujuan dari model bisnis. Bank mempertimbangkan semua bukti yang relevan yang tersedia pada tanggal penilaian. Bukti yang relevan tersebut termasuk, tetapi tidak terbatas pada:

The business model for managing financial assets is a reality and not just an assertion. This is usually observed through the activities the entity carries out to achieve the objectives of the business model. The Bank considers all relevant evidence available at the valuation date. The relevant evidence includes, but is not limited to:

- Kebijakan dan tujuan yang dinyatakan untuk portofolio dan pengoperasian kebijakan tersebut dalam praktiknya. Secara khusus, apakah strategi manajemen berfokus pada menghasilkan pendapatan bunga kontraktual, mempertahankan profil suku bunga tertentu, mencocokkan durasi aset keuangan dengan durasi liabilitas yang mendanai aset tersebut atau mewujudkan arus kas melalui penjualan aset;
- bagaimana kinerja portofolio dievaluasi dan dilaporkan kepada personil manajemen kunci Bank;
- risiko yang memengaruhi kinerja dari model bisnis (dan aset keuangan yang dimiliki dalam model bisnis tersebut) dan strategi mengenai bagaimana risiko tersebut dikelola; dan
- bagaimana manajer bisnis dikompensasi (sebagai contoh, apakah kompensasi berdasarkan nilai wajar dari aset yang dikelola atau arus kas kontraktual yang diperoleh).

- *the stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focusses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realising cash flows through sale of the assets;*
- *how the performance of the portfolio is evaluated and reported to key management personnel of the Bank;*
- *the risks that affect the performance of the business model (and the financial assets held within that business model) and its strategy for how those risks are managed; and*
- *how the business manager is compensated (for example, whether the compensation is based on the fair value of assets under management or the contractual cash flows obtained).*

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING
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**h. Aset Keuangan dan Liabilitas Keuangan
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**h. Financial Assets and Financial Liabilities
(continued)**

h.1. Klasifikasi (lanjutan)

h.1. Classification (continued)

Aset keuangan (lanjutan)

Financial assets (continued)

**Kebijakan berlaku mulai tanggal
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**Policy applicable from 1 January 2020
(continued)**

Penilaian apakah arus kas kontraktual
hanya merupakan pembayaran pokok dan
bunga semata (SPPI)

Assessment of whether contractual cash
flows are solely payments of principal and
interest (SPPI)

Untuk tujuan penilaian ini, 'pokok' didefinisikan sebagai nilai wajar dari aset keuangan pada pengakuan awal. 'Bunga' didefinisikan sebagai imbalan untuk nilai waktu atas uang dan untuk risiko kredit yang terkait dengan jumlah pokok yang terutang selama periode waktu tertentu dan untuk risiko dan biaya pinjaman dasar lainnya (misalnya risiko likuiditas dan biaya administrasi), serta margin keuntungan.

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.

Dalam menilai apakah arus kas kontraktual adalah SPPI, Bank mempertimbangkan ketentuan kontraktual instrumen tersebut. Hal ini termasuk menilai apakah aset keuangan mengandung ketentuan kontraktual yang dapat mengubah waktu atau jumlah arus kas kontraktual sehingga tidak memenuhi kondisi ini. Dalam melakukan penilaian, Bank mempertimbangkan:

In assessing whether the contractual cash flows are SPPI, the Bank considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Bank considers:

- Peristiwa kontinjensi yang akan mengubah jumlah dan waktu arus kas;
- Fitur *leverage*;
- Ketentuan percepatan pelunasan dan perpanjangan;
- Ketentuan yang membatasi klaim Bank atas arus kas dari aset tertentu (seperti pinjaman *non-recourse*); dan
- Fitur yang memodifikasi imbalan dari nilai waktu atas uang (seperti penetapan ulang suku bunga berkala).

- Contingent events that would change the amount and timing of cash flows;
- Leverage features;
- Prepayment and extension terms;
- Terms that limit the Bank's claim to cash flows from specified assets (e.g. non-recourse loans); and
- Features that modify consideration of the time value of money (e.g. periodical reset of interest rates).



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**2. SUMMARY OF SIGNIFICANT ACCOUNTING
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**h. Aset Keuangan dan Liabilitas Keuangan
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**h. Financial Assets and Financial Liabilities
(continued)**

h.1. Klasifikasi (lanjutan)

h.1. Classification (continued)

Aset keuangan (lanjutan)

Financial assets (continued)

**Kebijakan berlaku sebelum tanggal
1 Januari 2020**

Policy applicable before 1 January 2020

Bank mengklasifikasikan aset keuangannya ke dalam kategori pengukuran sebagai berikut pada saat pengakuan awal berdasarkan sifat dan tujuannya:

The Bank classifies its financial assets into the following measurement categories at initial recognition based on their nature and purpose:

- i. Diukur pada nilai wajar melalui laba rugi, yang memiliki 2 (dua) subklasifikasi, yaitu aset keuangan yang ditetapkan demikian pada saat pengakuan awal dan aset keuangan yang diklasifikasikan dalam kelompok diperdagangkan;
- ii. Tersedia untuk dijual;
- iii. Dimiliki hingga jatuh tempo;
- iv. Pinjaman yang diberikan dan piutang.

- i. *Fair value through profit or loss, which has 2 (two) sub-classifications, i.e. financial assets designated as such upon initial recognition and financial assets classified as held for trading;*

- ii. *Available-for-sale;*
- iii. *Held-to-maturity;*
- iv. *Loans and receivables.*

Instrumen keuangan dengan kategori untuk diperdagangkan adalah instrumen keuangan yang diperoleh atau dimiliki Bank terutama untuk tujuan dijual atau dibeli kembali dengan maksud untuk memperoleh keuntungan dari perubahan harga atau suku bunga dalam jangka pendek atau untuk lindung nilai instrumen *trading book* lainnya.

Held for trading financial instruments are those financial instruments that the Bank acquires or incurs principally for the purpose of selling or repurchasing with the intention of benefiting from short-term price or interest rate movements or hedging for other trading book instruments.

Aset keuangan tersedia untuk dijual adalah aset keuangan non-derivatif yang ditetapkan sebagai tersedia untuk dijual atau yang tidak diklasifikasikan ke dalam salah satu kategori aset keuangan lainnya.

Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale or are not classified in one of the other categories of financial assets.

Investasi yang dimiliki hingga jatuh tempo adalah aset keuangan non-derivatif dengan pembayaran tetap atau telah ditentukan dan jatuh temponya telah ditetapkan dimana Bank mempunyai intensi positif dan kemampuan untuk memiliki aset keuangan tersebut hingga jatuh tempo, dan yang tidak ditetapkan pada nilai wajar melalui laba rugi atau tersedia untuk dijual.

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity that the Bank has the positive intent and ability to hold to maturity, and which are not designated at fair value through profit or loss or available-for-sale.

Pinjaman yang diberikan dan piutang adalah aset keuangan non-derivatif dengan pembayaran tetap atau telah ditentukan yang tidak mempunyai kuotasi di pasar aktif dan Bank tidak berniat untuk menjualnya segera atau dalam waktu dekat.

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.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING
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**h. Aset Keuangan dan Liabilitas Keuangan
(lanjutan)**

**h. Financial Assets and Financial Liabilities
(continued)**

h.1. Klasifikasi (lanjutan)

h.1. Classification (continued)

Liabilitas keuangan

Financial liabilities

Liabilitas keuangan diklasifikasikan ke dalam kategori pengukuran sebagai berikut pada saat pengakuan awal berdasarkan sifat dan tujuannya:

Financial liabilities are classified into the following measurement categories at initial recognition based on their nature and purpose:

- i. Diukur pada nilai wajar melalui laba rugi, yang memiliki 2 (dua) sub-klasifikasi, yaitu liabilitas keuangan yang ditetapkan demikian pada saat pengakuan awal dan liabilitas keuangan yang diklasifikasikan dalam kelompok diperdagangkan;
- ii. Liabilitas keuangan yang diukur pada biaya perolehan diamortisasi.

- i. Fair value through profit or loss, which has 2 (two) sub-classifications, i.e. financial liabilities designated as such upon initial recognition and financial liabilities classified as held for trading;*
- ii. Financial liabilities measured at amortised cost.*

Liabilitas keuangan diklasifikasikan sebagai diperdagangkan jika diperoleh atau dimiliki terutama untuk tujuan dijual atau dibeli kembali dalam waktu dekat atau jika merupakan bagian dari portofolio instrumen keuangan tertentu yang dikelola bersama dan terdapat bukti mengenai pola ambil untung dalam jangka pendek (*short-term profit-taking*) yang terkini. Derivatif diklasifikasikan sebagai instrumen diperdagangkan kecuali ditetapkan dan efektif sebagai instrumen lindung nilai.

A financial liability is classified as held for trading if it is acquired or incurred principally for the purpose of selling or repurchasing it in the near term or if it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking. Derivatives are also categorised as held for trading instrument unless they are designated and effective as hedging instruments.

Keuntungan dan kerugian yang timbul dari perubahan nilai wajar liabilitas keuangan diakui dalam laba rugi tahun berjalan.

Gains and losses arising from changes in fair value of financial liabilities are recognised in current year profit or loss.

Liabilitas keuangan yang diukur pada biaya perolehan diamortisasi terdiri dari liabilitas keuangan non-derivatif yang tidak dimiliki Bank untuk diperdagangkan dan tidak ditetapkan pada nilai wajar melalui laba rugi.

Financial liabilities measured at amortised cost consist of non-derivative financial liabilities that are not held for trading purpose and not designated at fair value through profit or loss.



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**2. SUMMARY OF SIGNIFICANT ACCOUNTING
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**h. Aset Keuangan dan Liabilitas Keuangan
(lanjutan)**

**h. Financial Assets and Financial Liabilities
(continued)**

h.2. Pengakuan

h.2. Recognition

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.

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.

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 aset keuangan atau sebagai bagian dari beban bunga untuk biaya transaksi sehubungan dengan liabilitas keuangan.

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 recognised initially, while for financial liabilities, transaction costs are deducted from the amount of debt recognized initially. Such transaction costs are amortised 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.

Bank dan Entitas Anak pada awalnya mengakui pinjaman/pembiayaan yang diberikan dan simpanan pada tanggal perolehan.

The Bank and Subsidiary initially recognise loans/financing and deposits on the date of origination.

Pembelian dan penjualan aset keuangan yang lazim (reguler) diakui pada tanggal perdagangan dimana Bank dan Entitas Anak memiliki komitmen untuk membeli atau menjual aset tersebut.

Regular way purchases and sales of financial assets are recognised on the trade date at which the Bank and Subsidiary commit to purchase or sell those assets.

Semua aset dan liabilitas keuangan lainnya pada awalnya diakui pada tanggal perdagangan dimana Bank dan Entitas Anak menjadi suatu pihak dalam ketentuan kontraktual instrumen tersebut.

All other financial assets and liabilities are initially recognised on the trade date at which the Bank and Subsidiary become a party to the contractual provisions of the instrument.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING
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**h. Aset Keuangan dan Liabilitas Keuangan
(lanjutan)**

**h. Financial Assets and Financial Liabilities
(continued)**

**h.3. Biaya perolehan diamortisasi dan nilai
tercatat bruto**

**h.3. Amortised cost and gross carrying
amount**

'Biaya perolehan diamortisasi' aset keuangan atau liabilitas keuangan merupakan suatu nilai dimana aset keuangan atau liabilitas keuangan diukur pada saat pengakuan awal dikurangi pembayaran pokok, ditambah atau dikurangi amortisasi kumulatif menggunakan metode suku bunga efektif atas selisih antara nilai awal dan nilai jatuh temponya dan, untuk aset keuangan, disesuaikan dengan cadangan kerugian penurunan nilai. 'Nilai tercatat bruto aset keuangan' merupakan biaya perolehan diamortisasi aset keuangan sebelum dikurangi cadangan kerugian penurunan nilai.

The 'amortised cost' of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured on initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any allowance for impairment losses. The 'gross carrying amount of financial asset' is the amortised cost of a financial asset before adjusting for any allowance for impairment losses.

h.4. Penghentian pengakuan

h.4. Derecognition

Bank dan Entitas Anak menghentikan pengakuan aset keuangan pada saat hak kontraktual atas arus kas yang berasal dari aset keuangan tersebut kadaluwarsa, atau Bank dan Entitas Anak mentransfer seluruh hak untuk menerima arus kas kontraktual dari aset keuangan dalam transaksi dimana Bank dan Entitas Anak secara substansial telah mentransfer seluruh risiko dan manfaat atas kepemilikan aset keuangan yang ditransfer. Setiap hak atau liabilitas atas aset keuangan yang ditransfer yang timbul atau yang masih dimiliki oleh Bank dan Entitas Anak diakui sebagai aset atau liabilitas secara terpisah.

The Bank and Subsidiary derecognise a financial asset when the contractual rights to the cash flows from the financial asset expire, or when it transfers the rights to receive the contractual cash flows on 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 and Subsidiary is recognised as a separate asset or liability.

Bank dan Entitas Anak menghentikan pengakuan liabilitas keuangan pada saat liabilitas yang ditetapkan dalam kontrak dilepaskan atau dibatalkan atau kadaluwarsa.

The Bank and Subsidiary derecognise a financial liability when its contractual obligations are discharged or cancelled or expired.

Dalam transaksi dimana Bank dan Entitas Anak secara substansial tidak memiliki atau tidak mentransfer seluruh risiko dan manfaat atas kepemilikan aset keuangan, Bank dan Entitas Anak menghentikan pengakuan aset tersebut jika Bank dan Entitas Anak tidak lagi memiliki pengendalian atas aset tersebut. Hak dan kewajiban yang masih dimiliki dalam transfer tersebut diakui secara terpisah sebagai aset atau liabilitas. Dalam transfer dimana pengendalian atas aset masih dimiliki, Bank dan Entitas Anak tetap mengakui aset yang ditransfer tersebut sebesar keterlibatan berkelanjutan, dimana tingkat keberlanjutan Bank dan Entitas Anak dalam aset yang ditransfer adalah sebesar perubahan nilai aset yang ditransfer.

In transactions in which the Bank and Subsidiary neither retains nor transfers substantially all the risks and rewards of ownership of a financial asset, the Bank and Subsidiary derecognise the asset if it does not retain control over the asset. The rights and obligations retained in the transfer are recognised separately as assets and liabilities as appropriate. In transfers in which control over the asset is retained, the Bank and Subsidiary continue to recognise 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.



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**2. IKHTISAR KEBIJAKAN AKUNTANSI YANG
SIGNIFIKAN (lanjutan)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

**h. Aset Keuangan dan Liabilitas Keuangan
(lanjutan)**

**h. Financial Assets and Financial Liabilities
(continued)**

h.4. Penghentian pengakuan (lanjutan)

h.4. Derecognition (continued)

Bank dan Entitas Anak menghapusbukkan aset keuangan dan cadangan kerugian penurunan nilai terkait, pada saat Bank dan Entitas Anak menentukan bahwa aset keuangan tersebut tidak dapat ditagih. Keputusan ini diambil setelah mempertimbangkan informasi seperti 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.

The Bank and Subsidiary write off a financial asset and any related allowance for impairment losses, when the Bank and Subsidiary determine that the financial asset is uncollectible. This determination is reached after considering information such as the occurrence of significant changes in the financial position of borrower/financial asset's issuer such that the borrower/financial asset's issuer can no longer pay the obligation, or that proceeds from collateral will not be sufficient to pay back the credit exposure.

h.5. Saling hapus

h.5. Offsetting

Aset keuangan dan liabilitas keuangan disalinghapuskan dan jumlah netonya dilaporkan pada laporan posisi keuangan konsolidasian ketika terdapat hak yang berkekuatan hukum untuk melakukan saling hapus atas jumlah yang telah diakui tersebut dan adanya niat untuk menyelesaikan liabilitas secara bersamaan. Hak saling hapus tidak kontingen 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 dan Entitas Anak atau pihak lawan.

Financial assets and liabilities are offset and the net amount reported in the statements of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability 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 insolvency or bankruptcy of the Bank and Subsidiary or the counterparty.

Pendapatan dan beban disajikan dalam jumlah bersih hanya jika diperkenankan oleh standar akuntansi.

Income and expenses are presented on a net basis only when permitted by accounting standards.

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**2. IKHTISAR KEBIJAKAN AKUNTANSI YANG
SIGNIFIKAN (lanjutan)**

i. Cadangan kerugian penurunan nilai aset keuangan

i.1. Aset keuangan yang dicatat pada biaya perolehan diamortisasi

Kebijakan berlaku mulai tanggal 1 Januari 2020

Dalam mengestimasi cadangan kerugian penurunan nilai atas aset keuangan, Bank telah menerapkan PSAK 71 sejak tanggal 1 Januari 2020. PSAK 71 mengharuskan cadangan kerugian diakui sebesar kerugian kredit ekspektasian (ECL 12 bulan) atau kerugian kredit ekspektasian sepanjang umur aset keuangan (ECL *lifetime*). ECL *lifetime* adalah kerugian ekspektasian yang berasal dari semua kemungkinan kejadian gagal bayar sepanjang umur ekspektasian suatu instrumen keuangan, sedangkan ECL 12 bulan adalah porsi dari kerugian kredit ekspektasian yang berasal dari kemungkinan kejadian gagal bayar dalam 12 bulan setelah tanggal pelaporan.

Kerugian kredit ekspektasian merupakan estimasi probabilitas tertimbang dari kerugian kredit (yaitu nilai kini dari seluruh kekurangan kas) selama perkiraan umur instrumen keuangan. Kekurangan kas adalah selisih antara arus kas yang diperkirakan akan diterima entitas. Karena kerugian kredit ekspektasian mempertimbangkan jumlah dan waktu pembayaran, kerugian kredit tetap timbul meskipun entitas mengharapkan untuk dibayar penuh namun setelah jatuh tempo kontraktual.

Kerugian kredit ekspektasian atau *Expected Credit Loss* ("ECL") diakui untuk seluruh instrumen utang keuangan, komitmen pinjaman dan jaminan keuangan yang diklasifikasikan sebagai *hold to collect* atau *hold to collect and sell* dan memiliki arus kas SPPI. ECL tidak diakui untuk instrumen keuangan yang ditetapkan sebagai FVTPL dan instrumen ekuitas yang ditetapkan sebagai FVOCI.

Sesuai dengan siaran pers dari Ikatan Akuntan Indonesia (IAI) pada tanggal 10 Januari 2018 dan ISAK 102, khusus untuk transaksi berbasis syariah, pengukuran penurunan nilai dari aset keuangan tidak mengadopsi PSAK 71.

Pada setiap tanggal pelaporan, Bank akan mengukur cadangan kerugian instrumen keuangan sebesar kerugian kredit sepanjang umur (*lifetime*) instrumen keuangan, kecuali dalam kondisi berikut, dimana cadangan kerugian yang akan diakui sebesar ECL 12 bulan:

**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

i. Allowance for impairment losses of financial assets

i.1. Financial assets carried at amortised cost

Policy applicable from 1 January 2020

To estimate impairment loss allowance on financial assets, the Bank has implemented PSAK 71 since 1 January 2020. PSAK 71 requires a loss allowance to be recognized at an amount equal to either 12-month ECL or lifetime ECL. Lifetime ECL is the ECL that results from all possible default events over the expected life of a financial instrument, whereas 12-month ECL is the portion of ECL that results from default events that are possible within the 12-month after reporting date.

Expected credit losses are a probability-weighted estimate of credit losses (i.e the present value of all cash shortfalls) over the expected life of the financial instrument. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive. Because expected credit losses consider the amount and timing of payments, a credit loss arises even if the entity expects to be paid in full but later than when contractually due.

Expected Credit Losses ("ECL") are recognised for all financial debt instruments, loan commitments and financial guarantees that are classified as hold to collect or hold to collect and sell and have SPPI cash flows. ECL is not recognised for financial instruments designated as FVTPL and equity instruments designated as FVOCI.

In accordance to press conference of Indonesian Institute of Accountants on 10 January 2018 and ISAK 102, particularly for sharia-based transactions, the allowance for impairment losses of financial assets does not adopt PSAK 71.

At each reporting date, the Bank shall measure the loss allowance for a financial instrument at an amount equal to the lifetime credit losses, except in the following condition, for which the amount recognized will be 12-month ECL:



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**2. IKHTISAR KEBIJAKAN AKUNTANSI YANG
SIGNIFIKAN (lanjutan)**

**i. Cadangan kerugian penurunan nilai aset
keuangan (lanjutan)**

**i.1. Aset keuangan yang dicatat pada biaya
perolehan diamortisasi (lanjutan)**

**Kebijakan berlaku mulai tanggal
1 Januari 2020 (lanjutan)**

- instrumen keuangan dengan risiko kredit rendah; dan
- instrumen keuangan dengan risiko kredit yang belum meningkat secara signifikan sejak pengakuan awal.

Estimasi eksposur kredit untuk tujuan manajemen risiko adalah kompleks dan membutuhkan penggunaan model, dikarenakan eksposur yang bervariasi terkait dengan perubahan kondisi pasar, arus kas yang diharapkan dan berjalannya waktu. Penilaian risiko kredit dari portofolio aset memerlukan estimasi lebih lanjut mengenai kemungkinan terjadinya gagal bayar, dari rasio kerugian yang terkait dan korelasi gagal bayar antar pihak. Bank mengukur risiko kredit menggunakan *Probability of Default (PD)*, *Exposure at Default (EAD)*, *Loss Given Default (LGD)* dan variabel makroekonomi untuk estimasi yang bersifat perkiraan masa depan (*forward-looking*).

Untuk menentukan kerugian kredit ekspektasian (ECL), komponen-komponen tersebut akan diperhitungkan bersama-sama dan didiskontokan ke tanggal pelaporan menggunakan suku bunga efektif. Dasar input, asumsi dan teknik estimasi diungkapkan di Catatan 3.

Untuk portofolio korporasi, risiko kredit diukur berdasarkan pada pengelompokan tingkat peringkat internal.

Untuk portofolio treasury, risiko kredit diukur berdasarkan pada pengelompokan tingkat peringkat internal. Apabila tidak terdapat informasi peringkat internal untuk pihak lawan, pengelompokan didasarkan pada peringkat kredit dari pihak lawan. Untuk perhitungan PD, Bank menggunakan struktur jangka waktu (*term structure*) PD yang dikeluarkan oleh peringkat eksternal.

Untuk kategori portofolio ritel, risiko kredit diukur berdasarkan pada kelompok hari tunggakan untuk membentuk *term structure* PD yang akan digunakan untuk menghitung perhitungan ECL dengan pendekatan model statistik.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

**i. Allowance for impairment losses of financial
assets (continued)**

**i.1. Financial assets carried at amortised cost
(continued)**

**Policy applicable from 1 January 2020
(continued)**

- financial instruments with low credit risk; and
- financial instruments for which credit risk has not increased significantly since initial recognition.

The estimation of credit exposure for risk management purpose is complex and requires the use of models, as the exposure varies with changes in market conditions, expected cash flows and the passage of time. The assessment of credit risk of a portfolio of assets entails further estimations as to the likelihood of defaults occurring, of the associated loss ratios and of default correlations between counterparties. The Bank measures credit risk using Probability of Default (PD), Exposure at Default (EAD), Loss Given Default (LGD) and macroeconomic variables for forward looking perspective.

To determine the expected credit loss (ECL), these components are multiplied together and discounted to the reporting date using the effective interest rate. The basis of inputs, assumptions and the estimation technique are disclosed in Note 3.

For corporate portfolio, credit risk is measured based on grouping grade of internal grading.

For the treasury portfolio, credit risk is measured based on grouping grade of internal grading. If there is no information of internal grading for counterparty, the categorizing is based on credit rating from counterparty issuer. For PD calculation, the Bank uses PD term structure issued by external rating.

For retail portfolio category, the credit risk is measured based on days past due buckets to create PD term structure used to compute ECL calculation by statistical model approach.

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**2. IKHTISAR KEBIJAKAN AKUNTANSI YANG
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**i. Cadangan kerugian penurunan nilai aset
keuangan (lanjutan)**

**i.1. Aset keuangan yang dicatat pada biaya
perolehan diamortisasi (lanjutan)**

**Kebijakan berlaku mulai tanggal
1 Januari 2020 (lanjutan)**

Bank menganggap efek-efek investasi yang diterbitkan oleh pemerintah (seperti obligasi pemerintah) dalam mata uang Rupiah dan dana yang ditempatkan pada Bank Indonesia memiliki risiko kredit yang rendah, karena pokok dan bunga efek-efek pemerintah tersebut dijamin oleh pemerintah dan tidak ada kerugian yang pernah terjadi. Bank tidak menerapkan pengecualian risiko kredit yang rendah atas instrumen keuangan lainnya.

**Pengukuran kerugian kredit
ekspektasian**

Sesuai PSAK 71, Bank menerapkan model "Tiga-Tahap" untuk penurunan nilai berdasarkan perubahan kualitas kredit sejak pengakuan awal seperti dirangkum di bawah ini:

- Instrumen keuangan yang tidak mengalami penurunan nilai kredit sejak pengakuan awal diklasifikasikan dalam "Tahap 1".
- Jika peningkatan signifikan dalam risiko kredit ("SICR") sejak pengakuan awal diidentifikasi, instrumen keuangan dipindahkan ke "Tahap 2" tetapi belum dianggap mengalami penurunan nilai kredit.
- Jika instrumen keuangan mengalami penurunan nilai kredit, instrumen keuangan kemudian dipindahkan ke "Tahap 3"

Instrumen keuangan - Tahap 1

Kerugian kredit ekspektasian instrumen keuangan Tahap 1 diakui sebesar kekurangan kas yang timbul dari kemungkinan gagal bayar di masa depan dalam kurun waktu 12 bulan sejak tanggal pelaporan. Kerugian kredit ekspektasian terus ditentukan oleh dasar ini sampai terjadi peningkatan risiko kredit yang signifikan pada instrumen tersebut atau instrumen tersebut telah mengalami penurunan nilai kredit dimana kerugian kredit ekspektasian akan dihitung berdasarkan basis *lifetime*. Jika suatu instrumen tidak lagi dianggap menunjukkan peningkatan risiko kredit yang signifikan, maka kerugian kredit ekspektasian dihitung kembali berdasarkan basis 12 bulan.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

**i. Allowance for impairment losses of
financial assets (continued)**

**i.1. Financial assets carried at amortised
cost (continued)**

**Policy applicable from 1 January 2020
(continued)**

The Bank considers a Rupiah denominated government investment securities (such as government bonds) and funds placed with Bank Indonesia are having low credit risk, since the principal and interest of government investment securities are guaranteed by the government and there is no historical loss experience. The Bank does not apply the low credit risk exemption to any other financial instruments.

Expected credit loss measurement

In accordance with PSAK 71, the Bank applied "Three-Stage" model for impairment based on changes in credit quality since initial recognition as summarised below:

- A financial instrument that is not credit-impaired since initial recognition is classified in "Stage 1".
- If a significant increase in credit risk ("SICR") since initial recognition is identified, the financial instrument is moved to "Stage 2" but is not yet deemed to be credit-impaired.
- If the financial instrument is credit-impaired, the financial instrument is then moved to "Stage 3"

Financial instruments - Stage 1

Stage 1 expected credit losses are recognized at the amount of cash shortfalls arising from possible default events up to 12 months into the future from the reporting date. Expected credit losses continue to be determined on this basis until there is either a significant increase in the credit risk of an instrument or the instrument becomes credit-impaired where the expected credit losses will be determined based on *lifetime*. If an instrument is no longer considered to exhibit a significant increase in credit risk, expected credit losses will revert to being determined on a 12-month basis.



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**i. Cadangan kerugian penurunan nilai aset
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**i.1. Aset keuangan yang dicatat pada biaya
perolehan diamortisasi (lanjutan)**

**Kebijakan berlaku mulai tanggal
1 Januari 2020 (lanjutan)**

**Pengukuran kerugian kredit
ekspektasian (lanjutan)**

Peningkatan risiko kredit secara signifikan
(SICR) - Tahap 2

Bank menganggap instrumen keuangan telah mengalami peningkatan risiko kredit yang signifikan ketika kriteria di bawah ini telah dipenuhi:

- Untuk segmen korporasi menggunakan parameter daftar pantauan (*watchlist*) dan perubahan nilai PD 12 bulan sebesar 100% sebagai akibat perpindahan peringkat internal sejak pengakuan awal.
- Untuk instrumen keuangan di treasury menggunakan pergerakan 3 titik (*notch*) dari peringkat pada saat pengakuan awal.
- Untuk segmen ritel menggunakan informasi jumlah hari tunggakan dalam sebulan dalam kelompok tunggakan. SICR terjadi ketika jumlah hari tunggakan mencapai lebih dari 30 hari.

Eksposur yang mengalami penurunan nilai
kredit atau gagal bayar - Tahap 3

Aset keuangan yang mengalami penurunan nilai (atau gagal bayar) merupakan aset yang setidaknya telah memiliki tunggakan lebih dari 90 hari atas pokok dan/atau bunga. Aset keuangan juga dianggap mengalami penurunan nilai kredit dimana debitur kemungkinan besar tidak akan membayar dengan terjadinya satu atau lebih kejadian yang teramati yang memiliki dampak menurunkan jumlah estimasi arus kas masa depan dari aset keuangan tersebut.

Pinjaman korporasi

Pinjaman korporasi yang dikategorikan mengalami penurunan nilai adalah pinjaman dari debitur dengan peringkat internal 7R atau lebih rendah.

Pinjaman non-korporasi

Pinjaman non-korporasi yang dikategorikan mengalami penurunan nilai adalah pinjaman yang memenuhi setidaknya satu dari kriteria berikut:

- a. Hari tunggakan lebih dari 90 hari
- b. Kolektibilitas OJK 3, 4 dan 5

**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

**i. Allowance for impairment losses of
financial assets (continued)**

**i.1. Financial assets carried at amortised
cost (continued)**

**Policy applicable from 1 January 2020
(continued)**

**Expected credit loss measurement
(continued)**

Significant increase in credit risk (SICR) -
Stage 2

The Bank considers a financial instrument to have experienced a significant increase in credit risk when the below criteria have been met:

- For corporate segments use watchlist parameters and 12-month PD change by 100% resulted from internal grading movement from its initial recognition.
- For treasury financial instruments use 3 notch movements from origination rating at its initial recognition.
- For retail segment use days past due information in month in arrears grouping. SICR incurred if the days past due reached more than 30 days.

Credit-impaired (or defaulted) exposures -
Stage 3

Financial assets that are credit impaired (or in default) represent those that are at least 90 days past due in respect of principal and/or interest. Financial assets are also considered to be credit impaired where the debtors are unlikely to pay on the occurrence of one or more observable events that have a detrimental impact on the estimated future cash flows of the financial asset.

Corporate loans

Corporate loans that are categorised as impaired are loans from debtors with internal grading at 7R or lower.

Non-corporate loans

Non-corporate loans that are categorised as impaired are loans that satisfy at least one of the following criteria:

- a. Days past due over 90 days
- b. OJK Grading 3, 4 and 5

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**2. IKHTISAR KEBIJAKAN AKUNTANSI YANG
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**i. Cadangan kerugian penurunan nilai aset
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**i.1. Aset keuangan yang dicatat pada biaya
perolehan diamortisasi (lanjutan)**

**Kebijakan berlaku mulai tanggal
1 Januari 2020 (lanjutan)**

**Pengukuran kerugian kredit
ekspektasian (lanjutan)**

Eksposur yang mengalami penurunan nilai
kredit atau gagal bayar - Tahap 3 (lanjutan)

Cadangan kerugian penurunan nilai terhadap aset keuangan yang mengalami penurunan nilai ditentukan berdasarkan penilaian terhadap arus kas yang dapat dipulihkan berdasarkan sejumlah skenario dengan probabilitas tertimbang, termasuk realisasi jaminan yang dimiliki jika memungkinkan. Cadangan kerugian penurunan nilai merupakan selisih antara nilai sekarang dari arus kas yang diperkirakan akan dipulihkan, didiskontokan pada suku bunga efektif awal, dan nilai tercatat bruto instrumen sebelum penurunan nilai kredit.

Pengukuran ECL di seluruh tahapan aset diperlukan untuk mencerminkan jumlah yang tidak bias dan probabilitas tertimbang yang ditentukan dengan mengevaluasi serangkaian kemungkinan yang dapat terjadi menggunakan informasi yang wajar dan didukung dengan peristiwa masa lampau, kondisi saat ini, dan proyeksi terkait dengan kondisi ekonomi di masa depan.

Periode yang diperhitungkan ketika mengukur ECL adalah periode yang lebih pendek antara umur ekspektasian dan periode kontrak aset keuangan. Umur ekspektasian dapat dipengaruhi oleh pembayaran dimuka dan periode kontrak maksimum melalui opsi perpanjangan kontrak. Untuk portfolio *revolving* tertentu, umur ekspektasian dinilai sepanjang periode dimana Bank terekspos dengan risiko kredit, bukan sepanjang periode kontrak.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

**i. Allowance for impairment losses of
financial assets (continued)**

**i.1. Financial assets carried at amortised
cost (continued)**

**Policy applicable from 1 January 2020
(continued)**

**Expected credit loss measurement
(continued)**

Credit-impaired (or defaulted) exposures -
Stage 3 (continued)

Loss provisions against credit-impaired financial assets are determined based on an assessment of the recoverable cash flows under a range of scenarios with weighted probabilities, including the realisation of any collateral held where appropriate. The loss provisions held represent the difference between the present value of the cash flows expected to be recovered, discounted at the instrument's original effective interest rate, and the gross carrying value of the instrument prior to any credit impairment.

The measurement of ECL across all stages is required to reflect an unbiased and probability-weighted amount that is determined by evaluating a range of reasonably possible outcomes using reasonable and supportable information about past events, current conditions and forecasts of future economic conditions.

The period considered when measuring ECL is the shorter of the expected life and the contractual term of the financial asset. The expected life may be impacted by prepayments and the maximum contractual term by extension options. For certain revolving portfolios, the expected life is assessed over the period that the Bank is exposed to credit risk, not the contractual term of contract.



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**2. IKHTISAR KEBIJAKAN AKUNTANSI YANG
SIGNIFIKAN (lanjutan)**

**i. Cadangan kerugian penurunan nilai aset
keuangan (lanjutan)**

**i.1. Aset keuangan yang dicatat pada biaya
perolehan diamortisasi (lanjutan)**

**Kebijakan berlaku mulai tanggal
1 Januari 2020 (lanjutan)**

Pengukuran kerugian kredit ekspektasian
(lanjutan)

ECL atas komitmen pinjaman dan jaminan keuangan diakui pada liabilitas lain-lain. Jika instrumen keuangan mencakup komponen yang telah ditarik dan yang belum ditarik, dan Bank tidak dapat mengidentifikasi ECL pada komponen pinjaman secara terpisah dari komponen yang telah ditarik, Bank menyajikan cadangan kerugian gabungan untuk kedua komponen. Jumlah gabungan cadangan kerugian disajikan sebagai pengurang dari nilai tercatat bruto komponen yang telah ditarik. Kelebihan dari cadangan kerugian atas nilai tercatat komponen yang telah ditarik disajikan sebagai liabilitas lain-lain.

Penyajian kerugian kredit ekspektasian

Untuk aset keuangan yang diukur pada biaya perolehan diamortisasi, saldo di laporan posisi keuangan konsolidasian mencerminkan nilai tercatat bruto dikurangi ECL. Perubahan atas kerugian kredit ekspektasian diakui pada laba rugi tahun berjalan.

**Kebijakan berlaku sebelum tanggal
1 Januari 2020**

Pada setiap tanggal pelaporan, Bank mengevaluasi apakah terdapat bukti yang obyektif bahwa aset keuangan atau kelompok aset keuangan mengalami penurunan nilai.

Aset keuangan atau kelompok aset keuangan diturunkan nilainya dan kerugian penurunan nilai terjadi, jika dan hanya jika, terdapat bukti yang obyektif mengenai penurunan nilai tersebut sebagai akibat dari satu atau lebih peristiwa yang terjadi setelah pengakuan awal aset tersebut ("peristiwa yang merugikan"), dan peristiwa yang merugikan tersebut berdampak pada estimasi arus kas masa depan atas aset keuangan atau kelompok aset keuangan yang dapat diestimasi secara handal.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

**i. Allowance for impairment losses of
financial assets (continued)**

**i.1. Financial assets carried at amortised
cost (continued)**

**Policy applicable from 1 January 2020
(continued)**

Expected credit loss measurement
(continued)

ECL on loan commitments and financial guarantees is recognised as other liabilities. Where a financial instrument includes both a drawn and an undrawn component, and the Bank cannot identify the ECL on the loan commitment component separately from those on the drawn component, the Bank presents a combined loss allowance for both components. The combined amount is presented as a deduction from the gross carrying amount of the drawn component. Any excess of the loss allowance over the gross carrying amount of the drawn component is presented as other liabilities.

Presentation of expected credit losses

For financial assets measured at amortized cost, the balance at consolidated statement of financial position reflects the gross carrying amount less ECL. Changes in expected credit losses are recognised in the current year profit or loss.

Policy applicable before 1 January 2020

The Bank assesses at each reporting date whether there is objective evidence that a financial asset or group of financial assets is impaired.

A financial asset or a group of financial assets is impaired and impairment losses are incurred 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 (a "loss event") and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

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SIGNIFIKAN (lanjutan)**

**i. Cadangan kerugian penurunan nilai aset
keuangan (lanjutan)**

**i.1. Aset keuangan yang dicatat pada biaya
perolehan diamortisasi (lanjutan)**

**Kebijakan berlaku sebelum tanggal
1 Januari 2020 (lanjutan)**

Kriteria yang digunakan oleh Bank untuk menentukan bukti obyektif dari penurunan nilai termasuk sebagai berikut:

- a) kesulitan keuangan signifikan yang dialami penerbit atau pihak peminjam;
- b) pelanggaran kontrak, seperti terjadinya wanprestasi atau tunggakan pembayaran pokok atau bunga;
- c) pihak pemberi pinjaman, dengan alasan ekonomi atau hukum sehubungan dengan kesulitan keuangan yang dialami pihak peminjam, memberikan keringanan (konsesi) pada pihak peminjam yang tidak mungkin diberikan jika pihak peminjam tidak mengalami kesulitan;
- d) terdapat kemungkinan bahwa pihak peminjam akan dinyatakan pailit atau melakukan reorganisasi keuangan lainnya;
- e) hilangnya pasar aktif dari aset keuangan akibat kesulitan keuangan; atau
- f) data yang dapat diobservasi mengindikasikan adanya penurunan yang dapat diukur atas estimasi arus kas masa datang;

Periode yang diestimasi antara terjadinya peristiwa dan teridentifikasinya kerugian ditentukan oleh manajemen untuk setiap portofolio yang diidentifikasi.

Pada awalnya, Bank menentukan apakah terdapat bukti obyektif seperti yang dijelaskan di atas mengenai penurunan nilai atas aset keuangan. Penilaian individual dilakukan atas aset keuangan yang signifikan yang mengalami penurunan nilai. Aset keuangan yang tidak signifikan namun mengalami penurunan nilai atau direstrukturisasi dimasukkan dalam kelompok aset keuangan yang memiliki karakteristik risiko yang serupa dan dilakukan penilaian secara kolektif.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

**i. Allowance for impairment losses of financial
assets (continued)**

**i.1. Financial assets carried at amortised cost
(continued)**

**Policy applicable before 1 January 2020
(continued)**

The criteria used by the Bank to determine that there is objective evidence of an impairment loss include the followings:

- a) significant financial difficulty of the issuer or obligor;
- b) a breach of contract, such as a default or delinquency in interest or principal payments;
- c) the lender, for economic or legal reasons relating to the borrower's financial difficulty, granting to the borrower a concession that the lender would not otherwise consider;
- d) it becomes probable that the borrower will enter bankruptcy or other financial reorganisation;
- e) the disappearance of an active market for that financial asset because of financial difficulties; or
- f) observable data indicating that there is a measurable decrease in the estimated future cash flows.

The estimated period between a loss occurring and its identification is determined by the management for each identified portfolio.

Initially, the Bank assesses whether objective evidence of impairment for financial asset exists as described above. An individual assessment is performed on the significant impaired or restructured financial asset. The impaired financial assets which are not classified as individually significant are included in a group of financial asset with similar credit risk characteristics and collectively assessed.



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**i. Cadangan kerugian penurunan nilai aset
keuangan (lanjutan)**

**i.1. Aset keuangan yang dicatat pada biaya
perolehan diamortisasi (lanjutan)**

**Kebijakan berlaku sebelum tanggal
1 Januari 2020 (lanjutan)**

Jika Bank menilai bahwa tidak terdapat bukti obyektif mengenai penurunan nilai atas aset keuangan yang dinilai secara individual, baik aset keuangan tersebut signifikan atau tidak, maka akun atas aset keuangan tersebut akan masuk ke dalam kelompok aset keuangan yang memiliki karakteristik risiko kredit yang serupa dan menilai penurunan nilai kelompok tersebut secara kolektif. Akun yang penurunan nilainya dinilai secara individual, dan untuk itu kerugian penurunan nilai diakui atau tetap diakui, tidak termasuk dalam penilaian penurunan nilai secara kolektif.

Jumlah kerugian penurunan nilai diukur berdasarkan selisih antara nilai tercatat aset keuangan dengan nilai kini dari estimasi arus kas masa datang (kecuali kerugian yang timbul di masa depan dari pinjaman yang diberikan) yang didiskontokan menggunakan tingkat suku bunga efektif awal dari aset keuangan tersebut.

Nilai tercatat aset tersebut dikurangi melalui akun cadangan kerugian penurunan nilai dan beban kerugian diakui pada laba rugi. Jika pinjaman yang diberikan atau investasi dimiliki hingga jatuh tempo memiliki suku bunga variabel, maka tingkat diskonto yang digunakan untuk mengukur setiap kerugian penurunan nilai adalah suku bunga efektif terkini yang berlaku yang ditetapkan dalam kontrak.

Perhitungan nilai kini dari estimasi arus kas masa datang atas aset keuangan dengan 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.

Untuk tujuan evaluasi penurunan nilai secara kolektif, aset keuangan dikelompokkan berdasarkan kesamaan karakteristik risiko kredit seperti mempertimbangan segmentasi kredit dan status tunggakan.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

**i. Allowance for impairment losses of financial
assets (continued)**

**i.1. Financial assets carried at amortised
cost (continued)**

**Policy applicable before 1 January 2020
(continued)**

If the Bank assesses that there is no objective evidence of impairment for individually assessed financial asset, both for significant and insignificant amount, hence the account of financial asset will be included in a group of financial asset with similar credit risk characteristics and collectively assesses them for impairment. Accounts that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment of impairment.

The amount of loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future losses from loans) discounted at the financial asset's original effective interest rate.

The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in the profit or loss. If a loan or held to maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

The calculation of the present value of the estimated future cash flows of a collateralised 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.

For the purpose of a collective evaluation of impairment, financial assets are grouped on the basis of similar credit risk characteristics such as considering credit segmentation and past due status.

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**2. IKHTISAR KEBIJAKAN AKUNTANSI YANG
SIGNIFIKAN (lanjutan)**

**i. Cadangan kerugian penurunan nilai aset
keuangan (lanjutan)**

**i.1. Aset keuangan yang dicatat pada biaya
perolehan diamortisasi (lanjutan)**

**Kebijakan berlaku sebelum tanggal
1 Januari 2020 (lanjutan)**

Karakteristik yang dipilih adalah relevan dengan estimasi arus kas masa datang dari kelompok aset tersebut yang mengindikasikan kemampuan debitur atau pihak lawan untuk membayar seluruh saldo terutang sesuai persyaratan kontrak dari aset yang dievaluasi.

Bank menggunakan *statistical model analysis method*, yaitu *roll rates* dan *migration analysis method* untuk penilaian penurunan nilai aset keuangan yang ditinjau secara kolektif.

Pada *migration analysis method*, manajemen menentukan estimasi periode antara terjadinya peristiwa dan teridentifikasinya kerugian untuk setiap portofolio yang diidentifikasi, yaitu 12 sampai 36 bulan.

Ketika pinjaman yang diberikan tidak tertagih, aset tersebut dihapusbuku dengan menjurnal balik cadangan kerugian penurunan nilai. Aset tersebut dapat dihapusbuku setelah semua prosedur yang diperlukan telah dilakukan dan jumlah kerugian telah ditentukan.

Beban pembentukan cadangan kerugian penurunan nilai diakui pada laba rugi tahun berjalan.

Jika, pada periode berikutnya, jumlah kerugian penurunan nilai berkurang dan pengurangan tersebut dapat dikaitkan secara obyektif pada peristiwa yang terjadi setelah penurunan nilai diakui (seperti meningkatnya peringkat kredit debitur), maka kerugian penurunan nilai yang sebelumnya diakui harus dipulihkan, dengan menyesuaikan akun cadangan. Jumlah pemulihan aset keuangan diakui pada laba rugi tahun berjalan.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

**i. Allowance for impairment losses of financial
assets (continued)**

**i.1. Financial assets carried at amortised cost
(continued)**

**Policy applicable before 1 January 2020
(continued)**

Those characteristics are relevant to the estimation of future cash flows for groups of such assets which indicate debtors or counterparties' ability to pay all amounts due according to the contractual terms of the assets being evaluated.

The Bank uses statistical model analysis method, namely roll rates and migration analysis methods for financial assets impairment which collectively assessed.

In migration analysis method, management determines 12 to 36 months as the estimated and identification period between a loss occurring for each identified portfolio.

When a loan receivable is uncollectible, the asset is written-off against the related allowance for impairment losses. Such assets are written-off after all necessary procedures have been completed and the amount of the loss has been determined.

The provision expense of impairment losses is recognised in the current year profit or loss.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the previously recognised impairment loss is reversed by adjusting the allowance account. The amount of the reversal is recognised in the current year profit or loss.



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**2. IKHTISAR KEBIJAKAN AKUNTANSI YANG
SIGNIFIKAN (lanjutan)**

**i. Cadangan kerugian penurunan nilai aset
keuangan (lanjutan)**

**i.1. Aset keuangan yang dicatat pada biaya
perolehan diamortisasi (lanjutan)**

**Kebijakan berlaku sebelum tanggal
1 Januari 2020 (lanjutan)**

Penerimaan kembali atas pinjaman yang diberikan yang telah dihapusbukukan pada tahun berjalan dikreditkan pada akun cadangan kerugian penurunan nilai. Penerimaan kembali atas pinjaman yang diberikan yang telah dihapusbukukan pada tahun sebelumnya dicatat sebagai pendapatan operasional lainnya.

**i.2. Aset keuangan yang diukur pada nilai
wajar melalui penghasilan komprehensif
lain dan tersedia untuk dijual**

**Kebijakan berlaku mulai tanggal
1 Januari 2020**

Pengukuran ECL untuk aset keuangan instrumen utang yang diukur pada nilai wajar melalui penghasilan komprehensif lain (FVOCI) menggunakan pendekatan dan model perhitungan yang sama dengan pengukuran ECL untuk aset keuangan yang diukur pada biaya perolehan diamortisasi. Untuk aset keuangan instrumen utang dalam kategori FVOCI, saldo di laporan posisi keuangan konsolidasian mencerminkan nilai wajar instrumen, dengan ECL dibukukan terpisah sebagai cadangan pada penghasilan komprehensif lain. Perubahan atas kerugian kredit ekspektasian diakui pada laba rugi tahun berjalan.

**Kebijakan berlaku sebelum tanggal
1 Januari 2020**

Ketika terdapat bukti objektif adanya penurunan nilai untuk aset yang tersedia untuk dijual, kerugian kumulatif, yang merupakan selisih antara biaya perolehan dengan nilai wajar kini, dikurangi kerugian penurunan nilai aset keuangan yang sebelumnya telah diakui pada laba rugi, dikeluarkan dari komponen ekuitas dan diakui pada laba rugi tahun berjalan.

Jika, pada periode berikutnya, nilai wajar dari aset keuangan berupa instrumen utang yang diklasifikasikan dalam kelompok tersedia untuk dijual 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 melalui laba rugi tahun berjalan.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

**i. Allowance for impairment losses of
financial assets (continued)**

**i.1. Financial assets carried at amortised
cost (continued)**

**Policy applicable before 1 January 2020
(continued)**

Subsequent recoveries of loans written off in the current year are credited to the allowance for impairment losses. Subsequent recoveries of loans written off in previous year are recognised as other operating income.

**i.2. Financial assets measured at fair value
through other comprehensive income
and available for sale**

Policy applicable from 1 January 2020

The ECL measurement for debt instrument financial assets measured at fair value through other comprehensive income uses the same approach and calculation model in measuring ECL for financial assets carried at amortised cost. For debt instrument financial assets in FVOCI category, the balance in consolidated statement of financial position reflects the instrument's fair value, with the ECL held as a separate reserve within other comprehensive income. Changes in expected credit losses are recognised in the current year profit or loss.

Policy applicable before 1 January 2020

If there is objective evidence for impairment exists for available for sale financial assets, the cumulative loss, measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss, is removed from equity component and recognised in the current year profit or loss.

If, in a subsequent period, the fair value of a debt financial asset classified as available for sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, such impairment loss is reversed through the current year profit or loss.

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SIGNIFIKAN (lanjutan)**

**i. Cadangan kerugian penurunan nilai aset
keuangan (lanjutan)**

i.3. Piutang murabahah

Entitas Anak melakukan evaluasi penurunan nilai secara kolektif karena seluruh piutang murabahah memiliki nilai tidak signifikan secara individu.

Untuk penurunan nilai secara kolektif ini, Entitas Anak mengelompokkan portofolio piutang berdasarkan kesamaan karakteristik risiko kredit yaitu antara nasabah yang diberikan restrukturisasi dan nasabah yang tidak direstrukturisasi..

Entitas Anak menggunakan model analisa statistik dalam perhitungan cadangan kerugian penurunan nilai secara kolektif, yaitu metode *migration analysis* dan metode *vintage analysis*.

Metode *migration analysis* digunakan untuk menentukan kerugian penurunan nilai dari nasabah yang tidak direstrukturisasi. Pada metode *migration analysis*, Entitas Anak menentukan tingkat kerugian dari portofolio selama periode antara terjadinya peristiwa gagal bayar dengan saat kerugian teridentifikasi untuk setiap portofolio yang teridentifikasi dalam jangka waktu 12 bulan. Kerugian penurunan nilai atas piutang murabahah diukur sebesar selisih antara nilai tercatat piutang murabahah dengan nilai kini estimasi arus kas masa datang yang didiskonto menggunakan tingkat imbal hasil efektif awal dari piutang murabahah tersebut.

Metode *vintage analysis* digunakan untuk menentukan kerugian penurunan nilai dari nasabah yang telah direstrukturisasi. Pada metode *vintage analysis*, Entitas Anak menentukan tingkat kerugian berdasarkan pengalaman Entitas Anak atas nasabah yang direstrukturisasi sebelumnya dari tanggal restrukturisasi sampai dengan piutang pembiayaan tersebut lunas atau dihapusbukukan.

Ketika pembiayaan yang diberikan tidak tertagih, pembiayaan tersebut dihapusbuku dengan menjurnal balik cadangan kerugian penurunan nilai. Pembiayaan tersebut dapat dihapusbuku setelah semua prosedur yang diperlukan telah terpenuhi dan jumlah kerugian telah ditentukan.

Penerimaan kembali atas pembiayaan yang telah dihapusbukukan pada tahun berjalan dikreditkan pada akun pembentukan cadangan kerugian penurunan nilai. Penerimaan kembali atas pembiayaan yang telah dihapusbukukan pada tahun sebelumnya dicatat sebagai pendapatan operasi lainnya.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

**i. Allowance for impairment losses of
financial assets (continued)**

i.3. Murabahah receivables

The Subsidiary performs impairment evaluation collectively as all murabahah receivables have individually insignificant value.

For this collective impairment, the Subsidiary classifies the receivables portfolio based on the similarity of credit risk characteristics, that is between customers who were given restructuring and customers who were not restructured

The Subsidiary uses statistical analysis models in determining the collective impairment loss allowance, that is the migration analysis method and the vintage analysis method

The migration analysis method is used for determining the impairment loss for non-restructuring customers. In the migration analysis method, the Subsidiary determines the loss rate of the portfolio from the period between the occurrence of a default event and the identification of a loss for each identified portfolio within 12 months. Impairment losses on murabahah receivables are measured at the difference between the carrying amount of the murabahah receivables and present value of estimated future cash flows discounted at the murabahah receivables' original effective rate of return.

The vintage analysis method is used to determine the impairment loss of restructured customers. In the vintage analysis method, the Subsidiary uses the loss rate based on the Subsidiary experience of previous restructured customers from the restructuring date until the financing receivables were paid-off or written-off.

When a financing is uncollectible, it is written-off against the related allowance for impairment losses. Such financing is written-off after all necessary procedures have been completed and the amount of the loss has been determined.

Subsequent recoveries of financing written off in the current year are credited to the provision for allowance for impairment losses account. Subsequent recoveries of financing written off in previous year are recognised as other operating income.



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**2. IKHTISAR KEBIJAKAN AKUNTANSI YANG
SIGNIFIKAN (lanjutan)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

j. Giro pada Bank Indonesia dan bank-bank lain

Setelah pengakuan awal, giro pada Bank Indonesia dan bank-bank lain diukur pada biaya perolehan diamortisasi dengan menggunakan metode suku bunga efektif.

Giro pada Bank Indonesia termasuk giro wadiah Entitas Anak yang disajikan sebesar biaya perolehan. Giro pada bank-bank lain termasuk giro pada bank-bank lain Entitas Anak yang dinyatakan sebesar saldo giro dikurangi dengan cadangan kerugian penurunan nilai.

j. Current accounts with Bank Indonesia and other banks

Subsequent to initial recognition, current accounts with Bank Indonesia and other banks are measured at amortised cost using the effective interest rate method.

Current accounts with Bank Indonesia include the Subsidiary's wadiah current accounts which are stated at acquisition cost. Current accounts with other banks include the Subsidiary's current accounts with other banks which are stated at their outstanding balances, net of allowance for impairment losses.

k. Penempatan pada Bank Indonesia dan bank-bank lain

Setelah pengakuan awal, penempatan pada Bank Indonesia dan bank-bank lain disajikan sebesar biaya perolehan diamortisasi dengan menggunakan metode suku bunga efektif.

Penempatan pada Bank Indonesia termasuk penanaman dana pada Bank Indonesia berupa Fasilitas Simpanan Bank Indonesia ("FASBI"), Sertifikat Bank Indonesia Syariah ("SBIS") dan *call money*. SBIS merupakan sertifikat yang diterbitkan Bank Indonesia sebagai bukti penitipan dana berjangka pendek dengan akad masing-masing adalah jualah. Penempatan pada FASBI, SBIS dan *call money* disajikan sebesar biaya perolehan.

k. Placements with Bank Indonesia and other banks

Subsequent to initial recognition, placements with Bank Indonesia and other banks are stated at amortised cost using the effective interest rate method.

Placements with Bank Indonesia includes placements of funds with Bank Indonesia in the form of Bank Indonesia Deposit Facilities ("FASBI"), Bank Indonesia Sharia Certificates ("SBIS") and *call money*. SBIS is certificate issued by Bank Indonesia as a proof of short-term fund deposits under jualah agreements. Placements of FASBI, SBIS and *call money* are stated at acquisition cost.

l. Efek-efek

Efek-efek terdiri dari Sertifikat Investasi Mudharabah Antar bank ("SIMA"), Sukuk Bank Indonesia, sukuk korporasi, Surat Berharga Syariah Negara, reksa dana syariah, obligasi pemerintah yang diperdagangkan di pasar uang dan pasar modal, dan wesel ekspor.

Efek-efek (selain obligasi syariah-sukuk, SIMA, reksadana syariah, dan surat berharga lainnya berdasarkan prinsip syariah) pada awalnya dinilai berdasarkan nilai wajar ditambah dengan biaya transaksi yang dapat diatribusikan secara langsung dan pengukuran selanjutnya tergantung pada klasifikasinya. Lihat Catatan 2h untuk kebijakan akuntansi aset keuangan diukur pada nilai wajar melalui laba rugi, penghasilan komprehensif lain dan biaya perolehan diamortisasi.

l. Securities

Securities consist of Certificate of Interbank Mudharabah Investment ("SIMA"), Bank Indonesia Sukuk, corporate sukuk, Sovereign Sharia Securities, sharia mutual funds, government bonds traded in the money market and capital market, and export bills.

Securities (other than sharia bonds-sukuk, SIMA, sharia mutual funds and other securities based on sharia principles) are initially measured at fair value plus directly attributable transaction costs and subsequent measurement will depend on their classification. Refer to Note 2h for the accounting policy of financial assets measured at fair value through profit or loss, fair value through other comprehensive income and amortised cost.

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SIGNIFIKAN (lanjutan)**

I. Efek-efek (lanjutan)

Premi dan/atau diskonto diamortisasi dan dilaporkan sebagai pendapatan bunga dengan menggunakan metode suku bunga efektif.

Surat berharga syariah adalah surat bukti investasi berdasarkan prinsip syariah yang lazim diperdagangkan di pasar uang syariah dan/atau pasar modal syariah antara lain obligasi syariah (sukuk), SIMA, reksa dana syariah dan surat berharga lainnya berdasarkan prinsip syariah.

Bank dan Entitas Anak menentukan klasifikasi investasi pada sukuk dan efek lain berprinsip syariah yang mempunyai karakteristik yang serupa dengan sukuk, sesuai dengan PSAK No. 110 (Revisi 2015) tentang "Akuntansi Sukuk" sebagai berikut:

- 1) Diukur pada biaya perolehan. Investasi tersebut dimiliki dalam suatu model usaha yang bertujuan utama untuk memperoleh arus kas kontraktual dan terdapat persyaratan kontraktual dalam menentukan tanggal tertentu atas pembayaran pokok dan atau hasilnya. Pada saat pengakuan awal, investasi pada sukuk diukur pada biaya perolehan termasuk biaya transaksi yang dapat diatribusikan secara langsung untuk perolehan investasi tersebut. Setelah pengakuan awal, investasi pada sukuk dinyatakan sebesar biaya perolehan, ditambah biaya transaksi yang belum diamortisasi dengan menggunakan metode garis lurus, dikurangi cadangan kerugian penurunan nilai, jika ada.
- 2) Diukur pada nilai wajar melalui penghasilan komprehensif lain. Investasi tersebut dimiliki dalam suatu model usaha yang bertujuan utama untuk memperoleh arus kas kontraktual dan melakukan penjualan sukuk, dan terdapat persyaratan kontraktual dalam menentukan tanggal tertentu atas pembayaran pokok dan/atau hasilnya.

Pada saat pengakuan awal, investasi pada sukuk diukur pada biaya perolehan termasuk biaya transaksi yang dapat diatribusikan secara langsung untuk perolehan investasi tersebut. Setelah pengakuan awal, investasi pada sukuk dicatat sebesar nilai wajar. Seluruh perubahan nilai wajar diakui pada penghasilan komprehensif lain. Ketika investasi sukuk dihentikan pengakuannya, akumulasi keuntungan atau kerugian yang sebelumnya diakui dalam penghasilan komprehensif lain dipindahkan ke laba rugi.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

I. Securities (continued)

Premium and/or discount is amortised and reported as interest income using the effective interest method.

Sharia securities are proof of investments based on sharia principles that are commonly traded in the sharia money market and/or sharia capital markets, including sharia bonds (sukuk), SIMA, sharia mutual funds and other securities based on sharia principles.

The Bank and Subsidiary determine the classification of investments in sukuk and other securities under sharia principles which have similar characteristic with sukuk, in accordance with PSAK No. 110 (2015 Revision) regarding "Accounting for Sukuk" as follows:

- 1) Measured at acquisition cost. The investment is held in a business model whereby the primary goal is to collect contractual cash flows and has contractual terms in determining the specific date of principal payments and or the margin. At the initial recognition, investments in sukuk are measured at acquisition cost plus directly attributable transaction costs. Subsequent to initial recognition, investments in sukuk are stated at acquisition cost, plus unamortised portion of transaction costs that are amortised using straight-line method, minus allowance for impairment losses, if any.
- 2) Measured at fair value through other comprehensive income. The investment is held in a business model whereby the primary goal is to obtain contractual cash flows and to sell the sukuk, and has contractual terms in determining the specific date of principal payments and/or the results.

At the initial recognition, investments in sukuk are measured at acquisition cost plus directly attributable transaction costs. Subsequent to initial recognition, investments in sukuk are stated at fair value. All changes in fair value are recognised in other comprehensive income. When sukuk is derecognised, accumulated gain or loss which has previously recognised in other comprehensive income is reclassified to profit or loss.



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SIGNIFIKAN (lanjutan)**

l. Efek-efek (lanjutan)

- 3) Diukur pada nilai wajar melalui laba rugi. Pada saat pengakuan awal, investasi pada sukuk diukur pada biaya perolehan tidak termasuk biaya transaksi. Biaya transaksi langsung diakui pada laba rugi. Setelah pengakuan awal, investasi pada sukuk dicatat sebesar nilai wajar. Seluruh perubahan nilai wajar diakui pada laba rugi tahun berjalan.

Investasi dalam unit reksa dana syariah dinyatakan sebesar nilai wajar yang ditentukan berdasarkan nilai aset bersih dari reksa dana pada tanggal pelaporan. Seluruh perubahan nilai aset bersih diakui pada penghasilan komprehensif lain.

m. Tagihan dan liabilitas derivatif

Dalam melakukan usaha bisnisnya, Bank melakukan transaksi instrumen keuangan derivatif seperti *swap* mata uang asing, *cross currency swap*, dan *swap* suku bunga.

Instrumen keuangan derivatif diakui pada nilai wajar, dengan biaya transaksi yang terjadi diakui langsung pada laba rugi. Derivatif dicatat sebagai aset apabila memiliki nilai wajar pasar positif dan sebagai liabilitas apabila memiliki nilai wajar negatif.

Keuntungan atau kerugian yang terjadi dari perubahan nilai wajar diakui sebagai laba rugi tahun berjalan.

n. Tagihan dan liabilitas akseptasi

Tagihan akseptasi disajikan sebesar biaya perolehan diamortisasi dengan menggunakan metode suku bunga efektif dikurangi cadangan kerugian penurunan nilai, jika diperlukan.

Liabilitas akseptasi pada awalnya diakui sebesar nilai wajar dan selanjutnya diukur pada biaya perolehan diamortisasi dengan menggunakan metode suku bunga efektif.

Tagihan akseptasi diklasifikasikan sebagai biaya perolehan diamortisasi. Lihat Catatan 2h untuk kebijakan akuntansi mengenai biaya perolehan diamortisasi.

**o. Pinjaman yang diberikan dan pembiayaan/
piutang syariah**

Pinjaman yang diberikan adalah penyediaan uang atau tagihan yang dapat disetarakan dengan kas, berdasarkan persetujuan atau kesepakatan pinjam-meminjam dengan debitur yang mewajibkan debitur untuk melunasi utang berikut bunganya setelah jangka waktu tertentu.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

l. Securities (continued)

- 3) Measured at fair value through profit or loss. At the initial recognition, investments in sukuk are measured at acquisition cost excluding transaction costs. Transaction costs are directly recognised in profit or loss. Subsequent to initial recognition, investments in sukuk are stated at fair value. All changes in fair value are recognised in the current year profit or loss.

Investment in sharia mutual funds are presented at fair value which is measured based on net asset value of mutual funds at reporting date. All changes in net asset value are recognised in other comprehensive income.

m. Derivative receivables and payables

In the normal course of business, the Bank enters into transactions involving derivative financial instruments such as foreign currency swap, cross currency swap, and interest rate swap.

Derivative financial instruments are recognised at their fair value, with transaction costs recognised directly in profit or loss. Derivative are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

Gains or losses as a result of fair value changes are recognised as current year profit or loss.

n. Acceptance receivables and payables

Acceptance receivables are stated at amortised cost using the effective interest rate method less allowance for impairment losses, where appropriate.

Acceptance payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method.

Acceptance receivables are classified as amortised cost. Refer to Note 2h for the accounting policy of amortised cost.

o. Loans and sharia financing/receivables

Loans represent disbursement of cash or cash equivalent based on agreements with borrowers, where borrowers are required to repay their debts with interest after a specified period.

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SIGNIFIKAN (lanjutan)**

**o. Pinjaman yang diberikan dan pembiayaan/
piutang syariah (lanjutan)**

Pembiayaan bersama dicatat sesuai dengan porsi kredit yang risikonya ditanggung oleh Bank, dan dinyatakan sebesar biaya perolehan diamortisasi.

Pinjaman yang diberikan diklasifikasikan sebagai biaya perolehan diamortisasi. Lihat Catatan 2h untuk kebijakan akuntansi mengenai biaya perolehan diamortisasi.

Termasuk dalam pinjaman yang diberikan adalah pembiayaan/piutang syariah yang terdiri dari piutang murabahah, pembiayaan musyarakah dan pinjaman qardh.

Murabahah adalah akad jual beli antara nasabah dengan Entitas Anak, dimana Entitas Anak membiayai kebutuhan barang untuk konsumsi, investasi dan modal kerja nasabah, yang dijual dengan harga pokok ditambah dengan margin yang diketahui dan disepakati bersama. Pembayaran atas pembiayaan ini dilakukan dengan cara mengangsur dalam jangka waktu yang ditentukan.

Piutang murabahah pada awalnya diukur pada nilai bersih yang dapat direalisasi ditambah dengan biaya transaksi yang dapat diatribusikan secara langsung dan biaya tambahan untuk memperoleh piutang murabahah tersebut. Setelah pengakuan awal, piutang murabahah diukur pada biaya perolehan diamortisasi menggunakan metode imbal hasil efektif dikurangi pendapatan margin yang ditangguhkan dan cadangan kerugian penurunan nilai.

Pembiayaan musyarakah adalah akad kerjasama antara dua pihak atau lebih untuk suatu usaha tertentu, dimana masing-masing pihak memberikan kontribusi dana dengan ketentuan bahwa keuntungan dibagi berdasarkan kesepakatan, sedangkan kerugian berdasarkan porsi kontribusi dana. Dana tersebut meliputi kas atau aset non-kas yang diperkenankan oleh syariah.

Pembiayaan musyarakah dinyatakan sebesar saldo pembiayaan dikurangi dengan saldo cadangan kerugian penurunan nilai. Entitas Anak menetapkan cadangan kerugian penurunan nilai sesuai dengan kualitas pembiayaan berdasarkan penelaahan atas masing-masing saldo pembiayaan.

Pinjaman qardh adalah penyaluran dana dengan akad qardh.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

**o. Loans and sharia financing/receivables
(continued)**

Joint financing is recorded according to the proportion of risks borne by the Bank and stated at amortised cost.

Loans are classified as amortised cost. Refer to Note 2h for the accounting policy of amortised cost.

Included in the loans are sharia financing/receivables which consist of murabahah receivables, musyarakah financing and qardh financing.

Murabahah is a sale and purchase contract between the customer and the Subsidiary, whereby the Subsidiary finances the goods for consumption, investment and working capital needs of the customer, sold with a principle price plus a certain margin that is mutually informed and agreed. Repayment on this financing is made in installments within a specified period.

Murabahah receivables are initially measured at net realisable value plus directly attributable transaction costs and additional costs to obtain the respective murabahah receivables. Subsequent to the initial recognition, they are measured at amortised cost using the effective rate of return method less deferred margin income and allowance for impairment losses.

Musyarakah financing is an agreement between two or more parties for a particular business, in which each party contributes funds with the terms that profits are shared according to the agreement, while losses are borne by each party proportionate to the amount of fund contributions. The fund consists of cash or non-cash assets allowed by sharia.

Musyarakah financing is stated at outstanding balance, net of allowance for impairment losses. The Subsidiary provides allowance for impairment losses based on the financing quality as determined by a review of each account.

Funds of qardh represent a distribution of funds with qardh agreement.



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**2. IKHTISAR KEBIJAKAN AKUNTANSI YANG
SIGNIFIKAN (lanjutan)**

**o. Pinjaman yang diberikan dan pembiayaan/
piutang syariah (lanjutan)**

Pinjaman qardh adalah penyediaan dana atau tagihan yang dapat dipersamakan dengan itu berdasarkan persetujuan atau kesepakatan antara peminjam dan Entitas Anak yang mewajibkan peminjam melunasi utangnya setelah jangka waktu tertentu.

Pinjaman qardh diakui sebesar total dana yang dipinjamkan pada saat terjadinya. Entitas Anak dapat menerima imbalan namun tidak diperkenankan untuk dipersyaratkan di dalam perjanjian. Imbalan tersebut diakui pada saat diterima.

Pinjaman qardh disajikan sebesar saldonya dikurangi cadangan kerugian penurunan nilai.

Modifikasi pinjaman yang diberikan

Skema modifikasi pinjaman yang diberikan dapat berupa penyesuaian pada suku bunga, pokok bunga dan tunggakan bunga, perpanjangan jangka waktu jatuh tempo, penjadwalan kembali pembayaran angsuran serta modifikasi persyaratan kredit lainnya.

Jika persyaratan perjanjian suatu pinjaman dimodifikasi, maka Bank mengevaluasi apakah arus kas kontraktual dari pinjaman yang termodifikasi berbeda secara signifikan.

Jika arus kas berbeda secara signifikan, maka hak kontraktual atas arus kas dari aset keuangan yang original sebenarnya telah kadaluarsa. Dalam hal ini, aset keuangan yang original dihentikan pengakuannya dan aset keuangan yang baru diakui pada nilai wajar ditambah biaya transaksi yang memenuhi syarat. Imbalan yang diterima sebagai bagian dari modifikasi diperhitungkan sebagai berikut:

- Imbalan yang dipertimbangkan sewaktu menentukan nilai wajar dari aset baru dan imbalan yang merupakan pembayaran kembali (*reimbursement*) dari biaya transaksi yang memenuhi syarat akan dimasukkan sebagai pengakuan awal aset; dan
- imbalan lainnya dimasukkan ke dalam laba rugi sebagai bagian dari keuntungan atau kerugian dari penghentian pengakuan.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

**o. Loans and sharia financing/receivables
(continued)**

Funds of qardh represent funds provided or similar claims based on an agreement or contract between the borrower and the Subsidiary, wherein the borrower should repay the loan after a specified period of time.

A funds of qardh is recognised in the amount lent at the transaction date. The Subsidiary may receive a fee, however, this should not be stated in the agreement. The fee is recognised upon receipt.

Funds of qardh is stated at its outstanding balance less allowance for impairment losses.

Modification of loans

Modification schemes for loans can be in the form of adjustment on interest rate, loan principal and past due interest, extension of repayment period, rescheduling of installments and other modification of the terms of the loans.

If the terms of a loan are modified, then the Bank evaluates whether the contractual cash flows of the modified asset are substantially different.

If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case the original financial asset is derecognized and a new financial asset is recognized at fair value plus any eligible transaction costs. Any fees received as part of the modification are accounted for as follows:

- *fees that are considered in determining that fair value of the new asset and fees represent reimbursement of eligible transaction costs are included in the initial measurement of the asset; and*
- *other fees are included in profit or loss as part of the gain or loss derecognition.*

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SIGNIFIKAN (lanjutan)**

**o. Pinjaman yang diberikan dan pembiayaan/
piutang syariah (lanjutan)**

Modifikasi pinjaman yang diberikan (lanjutan)

Jika modifikasi aset keuangan yang diukur pada biaya perolehan diamortisasi tidak mengakibatkan penghentian pengakuan aset keuangan, maka Bank terlebih dahulu menghitung kembali nilai tercatat bruto aset keuangan menggunakan suku bunga efektif awal aset tersebut dan mengakui selisih penyesuaian sebagai keuntungan atau kerugian modifikasi di dalam laba rugi. Biaya atau imbalan yang terjadi dan imbalan modifikasi yang diterima disesuaikan ke nilai tercatat bruto dan diamortisasi selama sisa jangka waktu aset keuangan yang dimodifikasi.

Jika modifikasi dilakukan karena alasan risiko kredit, maka keuntungan atau kerugian disajikan sebagai kerugian penurunan nilai. Selain karena alasan ini, keuntungan atau kerugian disajikan sebagai pendapatan bunga yang dihitung dengan menggunakan metode suku bunga efektif.

Dalam keadaan yang tidak biasa, setelah perubahan atau modifikasi yang mengakibatkan penghentian pengakuan aset keuangan awal, mungkin terdapat bukti bahwa aset modifikasi memburuk pada pengakuan awal. Dengan demikian, aset keuangan tersebut diakui sebagai aset keuangan yang memburuk pada pengakuan awal.

Perubahan atau modifikasi yang dilakukan karena resiko kredit, dapat dipertimbangkan sebagai indikasi aset keuangan yang berasal dari aset keuangan yang memburuk pada pengakuan awal. Sedangkan perubahan atau modifikasi yang dilakukan dengan dasar pertimbangan bisnis, mungkin tidak diakui sebagai aset keuangan yang memburuk pada pengakuan awal. Namun, penilaian ini perlu dilakukan secara menyeluruh untuk menentukan apakah pengakuan awal aset keuangan telah memburuk pada saat pengakuan awal.

p. Penyertaan saham

Kebijakan berlaku mulai tanggal 1 Januari 2020

Penyertaan saham dengan persentase kepemilikan di bawah 20% dan tidak memiliki pengaruh signifikan pada awalnya diakui sebesar nilai wajar dan selanjutnya diukur pada nilai wajar melalui laba rugi.

Dividen kas yang diterima dari penyertaan saham diakui sebagai pendapatan.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

**o. Loans and sharia financing/receivables
(continued)**

Modification of loans (continued)

If the modification of a financial asset measured at amortised cost does not result in derecognition of the financial asset, then the Bank first recalculates the gross carrying amount of the financial asset using the original effective interest rate of the asset and recognizes the resulting adjustment as modification gain or loss in profit or loss. Any costs or fees incurred and modification fees received are adjusted to the gross carrying amount of the modified financial asset and are amortised over the remaining term of the modified financial asset.

If a modification is carried out because of credit-risk reason, then the gain or loss is presented together with impairment losses. In other cases, it is presented as interest income calculated using the effective interest rate method.

In some unusual circumstances, after changes or modifications that result in de-recognition of the original financial asset, there may be evidence that the modified asset is credit-impaired at initial recognition. Accordingly, the financial asset should be recognized as an originated credit-impaired financial asset.

Changes or modifications that were made on the basis of credit risk reason can be considered as an indication of originated credit-impaired financial assets. Meanwhile changes or modifications that were made on the basis of business' considerations, may not be recognized as originated credit-impaired financial assets. However, comprehensive valuation should be performed to determine whether initial recognition of financial assets has deteriorated at initial recognition.

p. Investment in shares

Policy applicable from 1 January 2020

Investment in shares with an ownership interest below 20% and have no significant influence is initially recognised at fair value and subsequently measured at fair value through profit or loss.

Cash dividend received from investment in shares is recognised as income.



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SIGNIFIKAN (lanjutan)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

p. Penyertaan saham (lanjutan)

p. Investment in shares (continued)

**Kebijakan berlaku sebelum tanggal
1 Januari 2020**

Policy applicable before 1 January 2020

Penyertaan saham merupakan investasi yang diklasifikasikan sebagai aset keuangan tersedia untuk dijual yang pada awalnya dicatat sebesar biaya perolehan karena terdiri dari efek ekuitas tanpa harga kuotasi yang nilai wajarnya tidak dapat diukur secara andal, kecuali untuk penyertaan saham yang memiliki harga kuotasi, maka dicatat sebesar nilai wajar pada pengakuan awal. Setelah pengakuan awal, penyertaan yang mempunyai harga kuotasi tersebut diukur pada nilai wajar.

Investment in shares represents investment that is classified as available for sale financial assets which are carried at acquisition cost at initial recognition as it consists of unquoted equity securities which fair value cannot be reliably measured, except for certain investment in shares that has quoted price at initial recognition. Subsequent to initial recognition, investment in shares that have quoted price are measured at fair value.

Dividen kas yang diterima dari penyertaan saham diakui sebagai pendapatan.

Cash dividend received from investment in shares is recognised as income.

q. Beban dibayar dimuka

q. Prepayments

Beban dibayar dimuka adalah beban yang telah dibayarkan tetapi belum diakui sebagai beban pada periode terjadinya. Beban dibayar dimuka akan diakui sebagai beban pada laba rugi pada saat diamortisasi sesuai dengan masa manfaatnya.

Prepayments are expenses which have been paid but not yet recognised as an expense in the related period. Prepayments are recognised as expenses in the profit or loss when it is amortised in accordance with the expected period of benefit.

r. Aset tetap

r. Fixed assets

Tanah disajikan sebesar nilai wajar, berdasarkan penilaian yang dilakukan oleh penilai independen eksternal yang telah terdaftar di OJK. Penilaian atas aset tersebut dilakukan secara berkala dan apabila terdapat perubahan nilai wajar yang signifikan untuk memastikan bahwa nilai wajar aset yang direvaluasi tidak berbeda secara material dengan jumlah tercatatnya.

Land are presented at fair value based on valuations performed by certified external independent valuers which are registered with OJK. Valuations are performed on a regular basis and if there is significant change in fair value to ensure that the fair value of a revalued asset does not differ materially from its carrying amount.

Kenaikan nilai tercatat yang timbul dari revaluasi tanah dikreditkan pada "cadangan revaluasi aset tetap" sebagai bagian dari pendapatan komprehensif lainnya. Penurunan yang menghapus nilai kenaikan yang sebelumnya atas aset tetap yang sama dibebankan terhadap "cadangan revaluasi aset tetap" sebagai bagian dari laba komprehensif; penurunan lainnya dibebankan pada laba rugi tahun berjalan.

The increases in the carrying amount arising on revaluation of land is credited to the "reserve on revaluation of fixed asset" as part of other comprehensive income. The decreases that offset the previous increases are debited against "reserve on revaluation of fixed asset" as part of other comprehensive income; all other decreases are charged to the current year profit or loss.

Tanah tidak disusutkan. Jika aset yang direvaluasi dijual, jumlah yang dicatat di dalam ekuitas dipindahkan ke saldo laba.

Land is not depreciated. When revalued assets are sold, the amounts included in equity are transferred to retained earnings.

Aset tetap selain tanah diakui sebesar harga perolehan setelah dikurangi akumulasi penyusutan.

Fixed assets other than land are recognised at cost less accumulated depreciation.

Harga perolehan termasuk pengeluaran yang dapat diatribusikan secara langsung atas perolehan aset tersebut.

Acquisition cost includes expenditure that is directly attributable to the acquisition of the assets.

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SIGNIFIKAN (lanjutan)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

r. Aset tetap (lanjutan)

r. Fixed assets (continued)

Aset tetap, selain tanah, disusutkan selama taksiran masa manfaat ekonomis aset tetap dengan metode garis lurus dan diakui sebesar harga perolehan setelah dikurangi dengan akumulasi penyusutan.

Fixed assets, except land, are depreciated over their expected useful lives using straight-line method and are stated at cost less accumulated depreciation.

Taksiran masa manfaat ekonomis aset tetap adalah sebagai berikut:

The expected useful lives of fixed assets are as follows:

	<u>Tahun/Years</u>	
Gedung	20	<i>Buildings</i>
Golongan I:		<i>Class I:</i>
Kendaraan bermotor	4	<i>Vehicles</i>
Perlengkapan kantor	3, 4 & 8	<i>Office equipment</i>
Golongan II:		<i>Class II:</i>
Kendaraan bermotor	3 & 5	<i>Vehicles</i>
Perlengkapan kantor	5 & 8	<i>Office equipment</i>
	sesuai masa sewa/according to lease period	
<i>Leasehold improvement</i>		<i>Leasehold improvement</i>

Kendaraan bermotor yang termasuk dalam golongan I adalah sepeda motor sedangkan kendaraan operasional dan kendaraan dinas untuk direktur atau komisaris termasuk dalam golongan II.

Motor vehicles classified in class I are motorcycles whilst operational vehicles and office vehicles for directors or commissioners are classified in class II.

Perlengkapan kantor yang termasuk dalam golongan I adalah mebel dan peralatan dari kayu dan rotan, mesin kantor seperti mesin tik, mesin fotokopi, komputer, laptop, alat komunikasi, alat dapur dan perlengkapan lain seperti CCTV. Sedangkan yang termasuk dalam golongan II adalah mebel dan peralatan dari logam seperti brankas, pendingin ruangan, dan generator listrik.

Office equipment classified as class I are furniture and office equipment made from wood, office machine such as typing machine, photocopy machine, computer, laptop, communication tools, kitchen set and other equipment such as CCTV. Whilst office equipment classified as class II are furniture and office equipment made from metal such as safes, air conditioning and electrical generator.

Biaya-biaya setelah pengakuan awal diakui sebagai bagian dari nilai tercatat aset atau sebagai aset yang terpisah sebagaimana mestinya, hanya jika kemungkinan besar Bank dan Entitas Anak akan mendapatkan manfaat ekonomis masa depan berkenaan dengan aset tersebut dan biaya perolehan aset dapat diukur dengan handal. Nilai tercatat komponen yang diganti dihapuskan. Biaya perbaikan dan pemeliharaan dibebankan ke dalam laba rugi tahun berjalan.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Bank and Subsidiary and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. Repairs and maintenance costs are charged to the current year profit or loss.

Apabila aset tetap tidak digunakan lagi atau dijual, maka nilai perolehan dan akumulasi penyusutannya dihapuskan dari laporan keuangan konsolidasian. Keuntungan atau kerugian bersih atas pelepasan aset tetap ditentukan dengan membandingkan hasil yang diterima dengan nilai tercatat dan diakui pada laba rugi tahun berjalan.

When fixed assets are no longer in use or disposed of, their costs and the related accumulated depreciation are written off in the consolidated financial statements. Net gains or losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the current year profit or loss.



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**2. IKHTISAR KEBIJAKAN AKUNTANSI YANG
SIGNIFIKAN (lanjutan)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

r. Aset tetap (lanjutan)

r. Fixed assets (continued)

Akumulasi biaya konstruksi bangunan serta pemasangan peralatan kantor, dikapitalisasi sebagai aset dalam penyelesaian. Biaya tersebut direklasifikasi ke akun aset tetap pada saat proses konstruksi atau pemasangan selesai. Penyusutan dimulai pada saat aset tersebut siap untuk digunakan dengan tujuan yang diinginkan manajemen.

The accumulated costs of the construction of buildings and the installation of office equipment are capitalized as construction in progress. These costs are reclassified to fixed assets accounts when the construction or installation is completed. Depreciation is charged from the date the assets are ready for use in the manner intended by management.

Nilai tercatat aset segera diturunkan menjadi sebesar jumlah yang dapat dipulihkan ketika nilai tercatat aset lebih besar dari estimasi jumlah yang dapat dipulihkan.

The asset's carrying amount is written down immediately to its recoverable amount when the asset's carrying amount is greater than its estimated recoverable amount.

Nilai sisa aset, masa manfaat dan metode penyusutan ditelaah dan jika perlu disesuaikan, pada setiap akhir periode pelaporan.

The assets' residual values, useful lives and depreciation method are reviewed and adjusted if appropriate, at the end of each reporting period.

s. Aset takberwujud

s. Intangible assets

Goodwill

Goodwill

Goodwill dinyatakan sebesar nilai perolehan dikurangi akumulasi kerugian penurunan nilai. Peninjauan atas penurunan nilai pada *goodwill* dilakukan setahun sekali atau lebih sering apabila terdapat peristiwa atau perubahan keadaan yang mengindikasikan adanya potensi penurunan nilai.

Goodwill is carried at cost less accumulated impairment losses. Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment.

Piranti lunak

Software

Piranti lunak memiliki masa manfaat yang terbatas dan diakui sebesar harga perolehan, selanjutnya dicatat sebesar harga perolehan dikurangi akumulasi amortisasi dan kerugian penurunan nilai.

Software have a finite useful life and recognised at acquisition cost, subsequently carried at cost less accumulated amortisation and accumulated impairment losses.

Biaya yang dikeluarkan untuk memperoleh lisensi piranti lunak dan mempersiapkan piranti lunak tersebut sehingga siap untuk digunakan dikapitalisasi.

Acquired computer software licences are capitalized on the basis of the costs incurred to acquire and bring to use the specific software.

Biaya yang terkait dengan pemeliharaan program piranti lunak diakui sebagai beban pada saat terjadinya. Biaya pengembangan yang dapat secara langsung diatribusikan dalam pembuatan dan pengujian produk piranti lunak yang dapat diidentifikasi dan unik yang dikendalikan oleh Bank dan Entitas Anak diakui sebagai aset takberwujud.

Costs associated with maintaining software programs are recognised as expense when incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Bank and Subsidiary are recognised as intangible assets.

Biaya yang dapat diatribusikan secara langsung dikapitalisasi sebagai bagian produk piranti lunak mencakup beban pekerja pengembang piranti lunak dan bagian *overhead* yang relevan.

Directly attributable costs that are capitalized as part of the software product include the software development employee costs and an appropriate portion of relevant overheads.

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SIGNIFIKAN (lanjutan)**

s. Aset takberwujud (lanjutan)

Piranti lunak (lanjutan)

Pengeluaran pengembangan lain yang tidak memenuhi kriteria ini diakui sebagai beban pada saat terjadinya. Biaya pengembangan yang sebelumnya diakui sebagai beban tidak dapat diakui sebagai aset pada periode berikutnya.

Amortisasi diakui dalam laba rugi dengan menggunakan metode garis lurus sepanjang masa manfaat piranti lunak tersebut, sejak tanggal piranti tersebut siap untuk dipakai. Estimasi masa manfaat dari piranti lunak adalah 4-5 tahun.

Aset takberwujud dihentikan pengakuannya atau dilepas ketika tidak lagi terdapat manfaat masa depan yang diharapkan dari penggunaan atau pelepasannya.

t. Aset lain-lain

Aset lain-lain sebagian besar terdiri dari transaksi ATM dan transfer, jaminan sewa, aset imbalan kerja, tagihan kepada asuransi, uang muka, persediaan keperluan kantor, dan agunan yang diambil alih.

Bank dan Entitas Anak mengakui kerugian penurunan nilai untuk aset lain-lain apabila taksiran jumlah yang dapat diperoleh kembali dari suatu aset lebih rendah dari nilai tercatatnya. Pada setiap tanggal pelaporan, Bank dan Entitas Anak melakukan penelaahan untuk menentukan apakah terdapat indikasi penurunan nilai. Pemulihan penurunan nilai diakui sebagai keuntungan dalam laba rugi pada saat terjadinya.

u. Simpanan nasabah dan simpanan dari bank-bank lain

Simpanan nasabah adalah dana yang dipercayakan oleh masyarakat kepada Bank dan Entitas Anak berdasarkan perjanjian penyimpanan dana. Termasuk didalamnya adalah giro, tabungan, deposito berjangka, deposito *on call* dan simpanan nasabah berdasarkan prinsip syariah.

Simpanan nasabah berdasarkan prinsip syariah terdiri dari giro dan tabungan wadiah. Giro wadiah merupakan giro wadiah yadh-dhamanah yakni titipan dana pihak lain dimana pemilik dana mendapatkan bonus berdasarkan kebijakan Entitas Anak. Giro wadiah dicatat sebesar saldo titipan pemegang giro wadiah. Tabungan wadiah merupakan simpanan pihak lain yang bisa diambil kapan saja (*on call*) atau berdasarkan kesepakatan dimana tidak ada imbalan yang disyaratkan kecuali dalam bentuk pemberian ('Athaya') sukarela dari Entitas Anak.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

s. Intangible assets (continued)

Software (continued)

Other development expenditures that do not meet these criteria are recognised as expense when incurred. Development costs previously recognised as expense are not recognised as asset in a subsequent period.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful life of the software, from the date it is ready for use. The estimated useful life of software is 4-5 years.

Intangible assets shall be derecognised or disposal when no future economic benefits are expected from its use or disposal.

t. Other assets

Other assets mainly ATM transaction and transfer, rental security deposits, employee benefit assets, receivables from insurance company, advance payment, office supplies, and foreclosed collateral.

The Bank and Subsidiary recognise impairment losses of other assets if the recoverable amount of the assets is lower than the carrying value. At each reporting date, the Bank and Subsidiary evaluate the recoverable amount of the assets to determine whether there is an indication of impairment. Reversal of impairment losses is recognised as gain in the profit or loss when incurred.

u. Deposits from customers and deposits from other banks

Deposits from customers are the funds placed by customers to the Bank and Subsidiary based on fund deposits agreements. Included in these accounts are current accounts, saving deposits, time deposits, deposits on call and sharia deposits from customers.

Sharia deposits consist of wadiah demand deposits and saving deposits. Wadiah demand deposits are wadiah yadh-dhamanah demand deposits in which the funds owner will get a bonus based on the Subsidiary's policy. Wadiah demand deposits are stated at the amount entrusted by depositors. Wadiah saving deposits represent third party funds which can be taken at any time (*on call*) or by an agreement which required no reward except in the form of voluntary bonus ('Athaya') on the part of the Subsidiary.



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SIGNIFIKAN (lanjutan)**

**u. Simpanan nasabah dan simpanan dari bank
lain (lanjutan)**

Simpanan dari bank-bank lain terdiri dari liabilitas terhadap bank lain, dalam bentuk *call money*, giro, *bank acceptance finance*, dan tabungan.

Simpanan nasabah dan simpanan dari bank-bank lain diklasifikasikan sebagai liabilitas keuangan yang diukur dengan biaya perolehan diamortisasi. Biaya tambahan yang dapat diatribusikan secara langsung dengan perolehan simpanan nasabah dan simpanan dari bank-bank lain dikurangkan dari jumlah simpanan nasabah dan simpanan dari bank-bank lain.

Simpanan dari bank-bank lain disajikan sebesar jumlah liabilitas terhadap bank-bank lain.

v. Efek-efek yang diterbitkan

Efek-efek yang diterbitkan mencakup surat utang jangka menengah dan utang obligasi.

Surat utang jangka menengah yang diterbitkan pada awalnya diakui sebesar nilai wajar dan selanjutnya diukur pada biaya perolehan diamortisasi dengan menggunakan metode bunga efektif.

Utang obligasi dicatat sebesar nilai nominal dikurangi dengan biaya emisi yang belum diamortisasi. Biaya emisi adalah biaya yang terjadi sehubungan dengan utang obligasi, diakui sebagai beban yang ditangguhkan dan dikurangkan langsung dari hasil emisi dan diamortisasi selama jangka waktu utang obligasi tersebut dengan menggunakan metode suku bunga efektif.

w. Pinjaman yang diterima

Pada saat pengakuan awal, pinjaman diakui sebesar nilai wajar, dikurangi dengan biaya-biaya transaksi yang terjadi. Selanjutnya, pinjaman yang diterima diukur sebesar biaya perolehan diamortisasi; selisih antara penerimaan (dikurangi biaya transaksi) dan nilai pelunasan dicatat pada laba rugi selama periode pinjaman dengan menggunakan metode suku bunga efektif.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

**u. Deposits from customers and deposits from
other banks (continued)**

Deposits from other banks represent liabilities to other domestic banks, in the form of call money, current accounts, bank acceptance finance, and saving deposits.

Deposits from customers and deposits from other banks are classified as financial liabilities measured at amortised cost. Incremental costs directly attributable to the acquisition of deposits from customers and deposits from other banks are deducted from the amount of deposits from customers and deposits from other banks.

Deposits from other banks are stated at the amounts due to other banks.

v. Securities issued

Securities issued includes medium term notes and bonds payable.

Medium term notes issued are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method.

Bonds payable are stated at nominal value net of unamortised bond issuance cost. Costs incurred in connection with the bonds payable, are recognised as a deferred expense and offset directly from the proceeds derived from such offerings and amortised over the period of the bonds payable using the effective interest rate method.

w. Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the profit or loss over the period of the borrowings using the effective interest rate method.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

w. Pinjaman yang diterima (lanjutan)

w. Borrowings (continued)

Biaya yang dibayar untuk memperoleh fasilitas pinjaman diakui sebagai biaya transaksi pinjaman sepanjang besar kemungkinan sebagian atau seluruh fasilitas akan ditarik. Dalam hal ini, biaya memperoleh pinjaman ditangguhkan sampai penarikan pinjaman terjadi. Sepanjang tidak terdapat bukti bahwa besar kemungkinan sebagian atau seluruh fasilitas akan ditarik, biaya memperoleh pinjaman dikapitalisasi sebagai pembayaran dimuka untuk jasa likuiditas dan diamortisasi selama periode fasilitas yang terkait.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawdown. In this case, the fee is deferred until the draw-down occurs. To the extent that there is no evidence that it is probable that some or all of the facility will be drawdown, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

x. Imbalan kerja karyawan

x. Employee benefits

Imbalan kerja jangka pendek

Short-term employee benefits

Imbalan kerja jangka pendek diakui pada saat terutang kepada karyawan.

Short-term employee benefits are recognised when they are payable to the employees.

Imbalan pascakerja

Post-employment benefits

Liabilitas imbalan pascakerja dihitung sebesar nilai kini dari taksiran jumlah imbalan pascakerja di masa depan yang timbul dari jasa yang telah diberikan oleh karyawan tersebut pada masa kini dan masa lalu. Perhitungan dilakukan oleh aktuaris independen dengan metode *projected-unit-credit*.

The post-employment benefits liabilities are 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.

Ketika imbalan pasca-kerja berubah, porsi imbalan sehubungan dengan jasa yang telah diberikan oleh karyawan pada masa lalu, diakui segera dalam laba rugi. Pengukuran kembali liabilitas imbalan pascakerja (contohnya keuntungan/kerugian aktuarial) diakui segera sebagai penghasilan komprehensif lain.

When the benefits of a plan are changed, the portion of the benefits that relate to service by employees is recognised immediately in profit or loss. Remeasurements of the post-employment benefits liabilities (for example actuarial gain/loss) are recognised immediately as other comprehensive income.

Imbalan jangka panjang lainnya

Other long-term benefits

Imbalan jangka panjang lainnya berupa cuti berimbalan jangka panjang dihitung dengan menggunakan metode *projected unit credit* dan didiskontokan ke nilai kini. Keuntungan dan kerugian aktuarial yang timbul dari penyesuaian dan perubahan dalam asumsi-asumsi aktuarial diakui dalam laba rugi tahun berjalan.

Other long-term benefits such as long service leave are calculated using the projected unit credit method and discounted to present value. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumption are recognised to the current year profit or loss.

y. Pinjaman subordinasi

y. Subordinated loans

Pinjaman subordinasi pada awalnya diakui sebesar nilai wajar dan selanjutnya diukur pada biaya perolehan diamortisasi dengan menggunakan metode suku bunga efektif.

Subordinated loans are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method.



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z. Dana syirkah temporer

Dana syirkah temporer adalah dana yang diterima oleh Entitas Anak.

Dana syirkah temporer merupakan investasi dengan akad mudharabah mutlaqah, yaitu pemilik dana (shahibul maal) memberikan kebebasan kepada pengelola dana (mudharib/Entitas Anak) dalam pengelolaan investasinya sesuai prinsip syariah dengan keuntungan dibagikan sesuai kesepakatan. Dana syirkah temporer terdiri dari tabungan mudharabah dan deposito mudharabah.

Tabungan mudharabah merupakan investasi yang bisa ditarik kapan saja (*on call*) atau sesuai dengan persyaratan tertentu yang disepakati. Tabungan mudharabah dinyatakan sebesar saldo tabungan nasabah di Entitas Anak.

Deposito mudharabah merupakan investasi yang hanya bisa ditarik pada waktu tertentu sesuai dengan perjanjian antara pemegang deposito mudharabah dengan Entitas Anak. Deposito mudharabah dinyatakan sebesar nilai nominal sesuai dengan perjanjian antara pemegang deposito dengan Entitas Anak.

Dana syirkah temporer tidak dapat digolongkan sebagai liabilitas. Hal ini karena Entitas Anak tidak berkewajiban untuk menjamin pengembalian jumlah dana awal dari pemilik dana bila Entitas Anak merugi kecuali kerugian akibat kelalaian atau wanprestasi. Di sisi lain, dana syirkah temporer tidak dapat digolongkan sebagai ekuitas karena mempunyai waktu jatuh tempo dan pemilik dana tidak mempunyai hak kepemilikan yang sama dengan pemegang saham seperti hak voting dan hak atas realisasi keuntungan yang berasal dari aset lancar dan aset non-investasi.

Pemilik dana syirkah temporer mendapatkan imbalan bagi hasil sesuai dengan nisbah yang ditetapkan.

aa. Modal saham

Saham biasa diklasifikasikan sebagai ekuitas.

Tambahan biaya yang secara langsung terkait dengan penerbitan saham biasa atau opsi baru disajikan pada bagian ekuitas sebagai pengurang, sebesar jumlah yang diterima bersih setelah dikurangi pajak.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

z. Temporary syirkah funds

Temporary syirkah funds represent investment received by Subsidiary.

Temporary syirkah funds represent investments from other parties conducted on the basis mudharabah mutlaqah contract in which the owners of the funds (shahibul maal) grant freedom to the fund manager (mudharib/Subsidiary) in the management of their investments according to sharia principle with profit distributed based on the agreement. Temporary syirkah funds consist of mudharabah saving accounts and mudharabah time deposits.

Mudharabah saving accounts represent investment which could be withdrawn anytime (on call) or can be withdrawn based on certain agreed terms. Mudharabah saving deposits are stated based on the customer's savings deposit balance at the Subsidiary.

Mudharabah time deposits represent investment which can only be withdrawn at a certain time based on the agreement between the customer and the Subsidiary. Mudharabah time deposits are stated at nominal amount as agreed between the deposit holder and the Subsidiary.

Temporary syirkah funds cannot be classified as liability, because the Subsidiary does not have any obligation to return the initial funds to the owners if the Subsidiary experiences losses, except for losses caused by the Subsidiary's management negligence or default. On the other hand, temporary syirkah fund cannot be classified as equity, because of the maturity period and the depositors do not have the same rights as the shareholders such as voting rights and the rights of realised gain from current assets and other non-investment accounts.

The owner of temporary syirkah funds receives a return from the profit sharing based on a predetermined ratio.

aa. Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issuance of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

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**2. IKHTISAR KEBIJAKAN AKUNTANSI YANG
SIGNIFIKAN (lanjutan)**

aa. Modal saham (lanjutan)

Saham treasury

Ketika Bank membeli modal saham ekuitas (saham treasury), imbalan yang dibayar, termasuk biaya tambahan yang secara langsung dapat diatribusikan (dikurangi pajak penghasilan) dikurangkan dari ekuitas yang diatribusikan kepada pemilik ekuitas Bank sampai saham tersebut dibatalkan atau diterbitkan kembali. Ketika saham biasa tersebut selanjutnya diterbitkan kembali, imbalan yang diterima, dikurangi biaya tambahan transaksi yang terkait dan dampak pajak penghasilan yang terkait dimasukkan kepada ekuitas yang dapat diatribusikan kepada pemilik ekuitas Bank.

ab. Pembayaran berbasis saham

Bank dan Entitas Anak menyediakan program imbalan berbasis saham yang diselesaikan dengan ekuitas, dimana Bank dan Entitas Anak memberikan opsi instrumen ekuitas Bank kepada karyawan sebagai imbalan atas jasa mereka. Nilai wajar opsi yang diberikan diakui sebagai beban dan dengan peningkatan pada ekuitas. Jumlah nilai yang harus dibebankan ditentukan dengan mengacu kepada nilai wajar opsi pada tanggal diberikan:

- termasuk kinerja pasar (misalnya: harga saham Bank);
- tidak termasuk dampak dari jasa dan kondisi *vesting* yang tidak dipengaruhi kinerja pasar (misalnya profitabilitas, target pertumbuhan penjualan dan tetap menjadi karyawan Bank atau Entitas Anak selama periode waktu tertentu); dan
- termasuk dampak dari kondisi *non-vesting*.

Syarat jasa dan syarat yang tidak dipengaruhi kinerja pasar dimasukkan di dalam asumsi mengenai jumlah opsi yang diharapkan akan menjadi hak (*vest*). Jumlah beban diakui selama periode *vesting*, yaitu periode dimana seluruh kondisi *vesting* tertentu telah terpenuhi.

Setiap akhir periode pelaporan, Bank dan Entitas Anak merevisi estimasi jumlah opsi yang diharapkan *vest* berdasarkan syarat jasa. Selisih antara estimasi yang direvisi dengan jumlah estimasi sebelumnya, jika ada, diakui dalam laba rugi, dengan penyesuaian pada ekuitas.

Ketika opsi dieksekusi, Bank menerbitkan sejumlah saham baru atau menerbitkan kembali saham treasurinya (jika ada). Nilai kas yang diterima dikurangi dengan biaya transaksi yang dapat diatribusikan dikreditkan ke modal saham (nilai nominal) dan tambahan modal disetor.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

aa. Share capital (continued)

Treasury shares

When the Bank purchases the equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Bank's equity holders until the shares are cancelled or reissued. Where such ordinary shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Bank's equity holders.

ab. Share-based payments

The Bank and Subsidiary provide equity-settled share-based compensation plans, under which the Bank and Subsidiary give share option of the Bank's shares to employees in return for their services. The fair value of the options is recognised as an expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options at grant date:

- including any market performance conditions (for example: a Bank's share price);
- excluding the impact of any service and non-market performance vesting conditions (for example: profitability, sale growth targets and remaining an employee of the Bank or Subsidiary over a specified time period); and
- including the impact of any non-vesting conditions.

Service conditions and non-market performance are included in assumptions about the number of options that are expected to vest. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied.

At the end of each reporting period, the Bank and Subsidiary revise their estimates of the number of options that are expected to vest based on the service conditions. The difference between the revised estimates and original estimates, if any, is recognised in the profit or loss, with a corresponding adjustment to equity.

When the options are executed, the Bank issues new shares or reissue its treasury shares (if any). The proceeds received, net of any directly attributable transaction costs, are credited to share capital (nominal value) and additional paid-in capital.



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**2. IKHTISAR KEBIJAKAN AKUNTANSI YANG
SIGNIFIKAN (lanjutan)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

ac. Perpajakan

ac. Taxation

Beban pajak penghasilan terdiri dari beban pajak kini dan beban pajak tangguhan. Beban pajak penghasilan diakui pada laba rugi, kecuali untuk komponen yang diakui secara langsung di ekuitas atau di penghasilan komprehensif lain.

Income tax expense consists of current and deferred tax. Income tax expense is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

Beban pajak kini merupakan jumlah pajak yang dibayar, atau terutang atas laba atau rugi kena pajak untuk tahun yang bersangkutan dengan menggunakan tarif pajak yang secara substansial telah berlaku pada tanggal pelaporan. Pajak kini juga termasuk penyesuaian yang dibuat untuk penyisihan pajak tahun sebelumnya, baik untuk merekonsiliasi pajak penghasilan dengan pajak yang dilaporkan di surat pemberitahuan tahunan, atau untuk memperhitungkan perbedaan yang muncul dari pemeriksaan pajak.

Current tax expense is the amount of tax paid, or payable on taxable income or loss for the year using tax rates substantively enacted as of the reporting date. Current tax also 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.

Beban pajak kini diukur menggunakan estimasi terbaik atas jumlah yang diperkirakan akan dibayar atau diterima, dengan mempertimbangkan ketidakpastian terkait dengan kompleksitas peraturan pajak.

Current tax expense 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.

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 ditetapkan atas perbedaan temporer pada saat pembalikan, berdasarkan peraturan yang telah berlaku atau secara substantif berlaku pada tanggal pelaporan. Kebijakan akuntansi ini juga mengharuskan pengakuan manfaat pajak, seperti rugi fiskal yang belum dikompensasi, yang timbul dari periode berjalan yang diharapkan akan direalisasi pada masa mendatang, apabila besar kemungkinan manfaat pajak tersebut dapat direalisasi.

Deferred tax is recognised 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 substantively enacted as of the reporting date. This accounting policy also requires the recognition of tax benefits, such as tax loss carryforwards, which are originated in the current period that are expected to be realized in the future periods, to the extent that realisation of such benefits is probable.

Aset pajak tangguhan merupakan saldo bersih atas manfaat pajak tangguhan yang timbul dan dipergunakan sampai dengan tanggal pelaporan. Aset pajak tangguhan ditelaah ulang pada setiap tanggal pelaporan dan dikurangkan dengan manfaat pajak sejumlah nilai yang besar kemungkinan yang tidak dapat terealisasi; pengurangan tersebut akan dibalik ketika kemungkinan realisasi melalui laba kena pajak di masa depan meningkat.

Deferred tax assets represent the net remaining balance of deferred tax benefits that have been originated and utilized through the reporting date. 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 realised; such reductions are reversed when the probability of their realisation through future taxable profits improves.

Aset pajak tangguhan yang belum diakui dinilai kembali pada setiap tanggal pelaporan dan diakui sepanjang kemungkinan besar laba kena pajak masa depan akan tersedia untuk digunakan.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable income will be available against which they can be used.

Dalam menentukan jumlah pajak kini dan tangguhan, Bank dan Entitas Anak memperhitungkan dampak atas posisi pajak yang tidak pasti dan tambahan pajak serta penalti.

In determining the amount of current and deferred tax, the Bank and Subsidiary take into account the impact of uncertain tax positions and any additional taxes and penalties.

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**2. IKHTISAR KEBIJAKAN AKUNTANSI YANG
SIGNIFIKAN (lanjutan)**

ac. Perpajakan (lanjutan)

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.

ad. Pendapatan dan beban bunga dan pendapatan syariah dan hak pihak ketiga atas bagi hasil dana syirkah temporer

(i). Pendapatan dan beban bunga

**Kebijakan berlaku mulai tanggal
1 Januari 2020**

Pendapatan bunga atas aset keuangan baik yang diukur dengan nilai wajar melalui penghasilan komprehensif lain atau biaya perolehan diamortisasi, dan beban bunga atas liabilitas keuangan yang diukur dengan biaya perolehan diamortisasi, diakui pada laba rugi menggunakan metode suku bunga efektif.

Metode suku bunga efektif adalah metode yang digunakan untuk menghitung biaya perolehan diamortisasi dari aset atau liabilitas keuangan dan metode untuk mengalokasikan pendapatan atau beban bunga selama periode yang relevan. Suku bunga efektif adalah suku bunga yang secara tepat mendiskontokan estimasi pembayaran atau penerimaan kas masa depan sepanjang umur yang diperkirakan atas instrumen keuangan, pada nilai tercatat bruto dari aset keuangan atau pada biaya perolehan diamortisasi untuk liabilitas keuangan. Saat menghitung suku bunga efektif instrumen keuangan selain aset yang dibeli atau yang berasal dari aset keuangan memburuk, Bank melakukan estimasi arus kas masa depan dengan mempertimbangkan seluruh perjanjian kontraktual atas instrumen keuangan tapi tidak mempertimbangkan kerugian kredit ekspektasi. Untuk aset keuangan yang dibeli atau yang berasal dari aset keuangan memburuk, suku bunga efektif yang disesuaikan dengan risiko kredit dihitung dengan menggunakan estimasi arus kas masa depan termasuk kerugian kredit ekspektasi. Perhitungan suku bunga efektif termasuk biaya transaksi dan imbalan yang merupakan bagian yang tak terpisahkan dari suku bunga efektif.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

ac. Taxation (continued)

Amendments to tax obligations are recognised when an assessment is received, or if objection and or appeal is applied, when the results of the objection or the appeal are received.

ad. Interest income and expense and sharia income and third parties' shares on return of temporary syirkah funds

(i). Interest income and expense

Policy applicable from 1 January 2020

Interest income on financial assets held at either fair value through other comprehensive income or amortised cost, and interest expense on financial liabilities held at amortised cost are recognised in profit or loss using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial asset or liability and of allocating the interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument, to the gross carrying amount of the financial asset or to the amortised cost of the financial liability. When calculating the effective interest rate for financial instruments other than purchased or originated credit-impaired assets, the Bank estimates future cash flows considering all contractual terms of the financial instrument but not expected credit losses. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated using estimated future cash flows including expected credit losses. The calculation of the effective interest rate includes transaction costs and fees that are an integral part of the effective interest rate.



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ad. Pendapatan dan beban bunga dan pendapatan syariah dan hak pihak ketiga atas bagi hasil dana syirkah temporer (lanjutan)

(i). Pendapatan dan beban bunga (lanjutan)

**Kebijakan berlaku mulai tanggal
1 Januari 2020 (lanjutan)**

Suku bunga efektif aset atau liabilitas keuangan dihitung pada saat pengakuan awal aset atau liabilitas keuangan tersebut. Dalam menghitung pendapatan dan beban bunga, suku bunga efektif diterapkan atas nilai tercatat bruto aset keuangan (ketika aset tidak mengalami penurunan nilai) atau atas biaya perolehan diamortisasi dari liabilitas keuangan. Suku bunga efektif direvisi sebagai hasil dari perhitungan ulang estimasi arus kas dari instrumen dengan suku bunga mengambang secara berkala untuk merefleksikan perubahan suku bunga pasar. Untuk aset keuangan yang telah mengalami penurunan nilai setelah pengakuan awal, pendapatan bunga dihitung dengan menerapkan suku bunga efektif atas biaya perolehan diamortisasi aset keuangan tersebut. Jika aset tersebut tidak lagi mengalami penurunan nilai, maka perhitungan pendapatan bunga kembali menggunakan nilai tercatat bruto.

**Kebijakan berlaku sebelum tanggal
1 Januari 2020**

Pendapatan dan beban bunga untuk semua instrumen keuangan dengan *interest-bearing* dicatat sebagai "pendapatan bunga" dan "beban bunga" di dalam laba rugi dengan menggunakan metode suku bunga efektif.

Metode suku bunga efektif adalah metode yang digunakan untuk menghitung biaya perolehan diamortisasi dari aset atau liabilitas keuangan dan metode untuk mengalokasikan pendapatan atau beban bunga selama periode yang relevan. Suku bunga efektif adalah suku bunga yang secara tepat mendiskontokan estimasi pembayaran atau penerimaan kas di masa datang selama perkiraan umur dari instrumen keuangan, atau jika lebih tepat, digunakan periode yang lebih singkat untuk memperoleh nilai tercatat bersih dari aset atau liabilitas keuangan.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

ad. Interest income and expense and sharia income and third parties' shares on return of temporary syirkah funds (continued)

(i). Interest income and expense (continued)

**Policy applicable from 1 January 2020
(continued)**

The effective interest rate of a financial asset or financial liability is calculated on initial recognition of a financial asset or financial liability. In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the financial liability. The effective interest rate is revised as a result of periodic re-estimation of cash flows of floating-rate instruments to reflect movements in market rates of interest. For financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross carrying amount.

**Policy applicable before 1 January
2020**

Interest income and expense for all interest-bearing financial instruments are recognised as "interest income" and "interest expense" in profit or loss using the effective interest rate method.

The effective interest rate method is a method of calculating the amortised cost of a financial asset or liability and of allocating the interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability.

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**2. IKHTISAR KEBIJAKAN AKUNTANSI YANG
SIGNIFIKAN (lanjutan)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

**ad. Pendapatan dan beban bunga dan
pendapatan syariah dan hak pihak ketiga
atas bagi hasil dana syirkah temporer
(lanjutan)**

**ad. Interest income and expense and sharia
income and third parties' shares on return
of temporary syirkah funds (continued)**

(i). Pendapatan dan beban bunga (lanjutan)

(i). Interest income and expense (continued)

**Kebijakan berlaku sebelum tanggal
1 Januari 2020 (lanjutan)**

**Policy applicable before 1 January
2020 (continued)**

Pendapatan bunga atas aset keuangan yang mengalami penurunan nilai tetap diakui atas dasar suku bunga yang digunakan untuk mendiskonto arus kas masa datang dalam pengukuran kerugian penurunan nilai.

Interest on impaired financial assets continues to be recognised using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment losses.

(ii). Pendapatan syariah

(ii). Sharia income

Pendapatan pengelolaan dana oleh Entitas Anak sebagai mudharib terdiri atas pendapatan dari jual beli-margin murabahah, pendapatan bagi hasil-pembiayaan musyarakah, dan pendapatan usaha utama lainnya.

Income from fund management by Subsidiary as mudharib consist of income from sales and purchases-murabahah margin, income from profit sharing-musyarakah financing and other main operating income.

Pengakuan pendapatan atas piutang murabahah yang tidak memiliki risiko yang signifikan terkait dengan kepemilikan persediaan diakui pada laba rugi dengan menggunakan metode tingkat imbal hasil efektif.

The revenue recognition of murabahah receivables, which do not have significant risk in relation with the ownership of inventory, are recognised in profit or loss using the effective rate of return method.

Tingkat imbal hasil efektif merupakan metode alokasi pengakuan pendapatan dan merupakan tingkat imbal hasil yang secara tepat mendiskontokan estimasi penerimaan kas di masa depan selama perkiraan umur dari piutang murabahah untuk memperoleh nilai tercatat piutang murabahah. Pada saat menghitung tingkat imbal hasil efektif, Entitas Anak mengestimasi arus kas di masa datang dengan mempertimbangkan seluruh persyaratan kontraktual dalam piutang murabahah tersebut, tetapi tidak mempertimbangkan kerugian piutang di masa mendatang. Perhitungan ini mencakup seluruh komisi, provisi dan bentuk lain yang diterima oleh para pihak dalam akad yang merupakan bagian tidak terpisahkan dari tingkat imbal hasil efektif, biaya transaksi, dan seluruh premi atau diskon lainnya.

Effective rate of return is an allocation method of revenue recognition and the rate which exactly discounts the estimated future cash receipts through the expected life of the murabahah receivables to obtain the carrying amount of murabahah receivables. When calculating the effective rate of return, the Subsidiary estimates future cash flows by considering all contractual terms of the murabahah receivables, but does not consider the loss of receivables in the future. This calculation includes all commissions, provisions and other forms received by the parties in a contract which are an integral part of the effective rate of return, transaction costs and all other premiums or discounts.



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**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

ad. Pendapatan dan beban bunga dan pendapatan syariah dan hak pihak ketiga atas bagi hasil dana syirkah temporer (lanjutan)

ad. Interest income and expense and sharia income and third parties' shares on return of temporary syirkah funds (continued)

(ii). Pendapatan syariah (lanjutan)

(ii). Sharia income (continued)

Untuk pengakuan pendapatan atas piutang murabahah yang telah direstrukturisasi dengan *payment holiday* atau skema penundaan pembayaran cicilan, Bank hanya mengakui pendapatan marjin apabila Bank cukup yakin bahwa pembayaran angsuran akan diterima sesuai dengan kesepakatan dengan nasabah.

For the recognition of income on restructured murabahah receivables with payment holidays or scheme to postpone installment payments, the Bank will only recognise margin income if the bank has a reasonable certainty that an installment payment will be received in accordance with the agreement with the customers.

Pendapatan bagi hasil - pembiayaan musyarakah diakui dalam periode terjadinya hak bagi hasil sesuai nisbah yang disepakati.

Income from profit sharing - musyarakah financing is recognised during the period of profit sharing in accordance with the pre-determined ratio.

(iii). Hak pihak ketiga atas bagi hasil dana syirkah temporer

(iii). Third parties' shares on return of temporary syirkah funds

Hak pihak ketiga atas bagi hasil dana syirkah temporer merupakan bagian bagi hasil milik nasabah yang didasarkan pada prinsip mudharabah atas hasil pengelolaan dana mereka oleh Entitas Anak. Pendapatan yang dibagikan adalah yang telah diterima (*cash basis*).

Third parties' share on returns of temporary syirkah funds represents customer's share on the Subsidiary's income derived from the management of their funds by the Subsidiary under mudharabah principles. Distributable income will be distributed from the cash received (cash basis).

Pendapatan marjin atas pembiayaan yang diberikan dan atas aset produktif lainnya (penempatan pada Bank Indonesia, penempatan pada bank lain dan investasi pada surat berharga) akan dibagikan kepada nasabah pemilik dana dan Entitas Anak sesuai dengan proporsi dana yang dipakai dalam pembiayaan yang diberikan dan aset produktif lainnya. Selanjutnya, pendapatan marjin yang tersedia tersebut kemudian didistribusikan ke nasabah pemilik dana sebagai shahibul maal dan Entitas Anak sebagai mudharib sesuai porsi nisbah bagi hasil yang telah disepakati bersama sebelumnya.

Margin income on financing facilities and other earning assets (placements with Bank Indonesia, placements with other banks and investments in securities) are distributed to fund owners and the Subsidiary based on proportion of funds used in the financing and other earning assets. Likewise, the available margin income is then distributed to fund owners as shahibul maal and the Subsidiary as mudharib based on a pre-determined ratio (nisbah).

Pendapatan marjin dari pembiayaan dan aset produktif lainnya yang memakai dana Entitas Anak, seluruhnya menjadi milik Entitas Anak, termasuk pendapatan dari transaksi Entitas Anak berbasis imbalan.

Margin income from financing facilities and other earning assets using the Subsidiary's funds, are entirely shared for the Subsidiary, including income from the Subsidiary's fee-based transactions.

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**2. IKHTISAR KEBIJAKAN AKUNTANSI YANG
SIGNIFIKAN (lanjutan)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

ae. Pendapatan provisi dan komisi

ae. Fee and commission income

Pendapatan provisi dan komisi yang dapat diatribusikan secara langsung kepada aktivitas pemijanaan diakui sebagai pengurang biaya pinjaman dan nilai tercatat atas pinjaman tersebut akan diamortisasi sebagai pendapatan bunga dengan menggunakan metode suku bunga efektif.

Fees and commissions income directly attributable to lending activity are recognised as a deduction of lending cost and will be recognised as interest income by amortising the carrying value of loan using effective interest rate method.

Pada umumnya pendapatan provisi dan komisi diakui menggunakan basis akrual pada saat jasa telah diberikan. Pendapatan provisi atas komitmen memberikan pinjaman yang kemungkinan besar akan dicairkan (bersama-sama dengan biaya transaksi lain yang terkait langsung) diakui sebagai penyesuaian atas suku bunga efektif atas pinjaman yang diberikan.

Fees and commissions income are generally recognised on an accrual basis when the service has been provided. Loan commitment fees for loans that are likely to be drawn down are (together with related direct costs) recognised as an adjustment to the effective interest rate on the loan.

Pendapatan provisi dan komisi yang tidak berkaitan dengan kegiatan pemberian kredit diakui sebagai pendapatan pada saat terjadinya transaksi dan diklasifikasikan sebagai pendapatan operasional lainnya.

Fees and commissions income which are not related to lending activities are recognised as revenue on the transaction date and classified under other operating income.

af. Pendapatan dan beban operasional lainnya

af. Other operating income and expenses

Pendapatan operasional lainnya sebagian besar terdiri dari administrasi dana pihak ketiga, komisi atas pinjaman yang diberikan, penerimaan kembali kredit yang dihapusbuku, penjualan produk investasi, dan denda pelunasan dipercepat dan keterlambatan.

Other operating income mainly consists of third party fund administration income, loan commission income, recovery of loans written-off, sale of investment product and early termination penalty and late penalty.

Pendapatan dari komisi asuransi merupakan pendapatan yang diperoleh Bank berdasarkan persentase tertentu dari total premi yang dibayarkan oleh Bank kepada perusahaan asuransi atas nama nasabah.

Insurance commission income represents the Bank's income based on certain percentage of insurance premium paid by the Bank to insurance company on behalf of customers.

Beban umum dan administrasi merupakan beban yang timbul sehubungan dengan aktivitas kantor dan operasional Bank dan Entitas Anak, yang terdiri dari jasa pihak ketiga dan perlengkapan kantor, beban asuransi, sewa, amortisasi piranti lunak, penyusutan aset tetap, penyusutan aset hak guna, dan promosi dan iklan. Beban tenaga kerja meliputi beban berupa gaji karyawan, bonus, lembur, tunjangan dan pelatihan.

General and administrative expenses represent expenses related to the Bank and Subsidiary's office and operational activities which mainly consist of service from third parties and office supplies, insurance expense, rent, amortisation of software, depreciation of fixed assets, depreciation of right-of-use assets, and promotion and advertising. Personnel expenses include salaries for employees, bonuses, overtime, allowances and training.

Seluruh penghasilan dan beban yang terjadi dibebankan pada laporan laba rugi konsolidasian pada saat terjadi.

All of these income and expenses are recorded in the consolidated statement of profit or loss when incurred.



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**2. IKHTISAR KEBIJAKAN AKUNTANSI YANG
SIGNIFIKAN (lanjutan)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

ag. Laba bersih per saham

ag. Earning per share

Laba bersih per saham dasar dihitung dengan membagi laba bersih dengan rata-rata tertimbang jumlah saham biasa yang beredar pada periode berjalan.

Basic earnings per share are computed by dividing net profit with the weighted average number of ordinary shares outstanding during the period.

Laba bersih per saham dilusian dihitung dengan membagi jumlah rata-rata tertimbang saham biasa yang beredar dengan dampak dari semua efek berpotensi saham biasa yang dilutif yang dimiliki Bank, yaitu opsi saham.

Diluted earnings per share is calculated by dividing the weighted average number of ordinary shares outstanding plus the assumed conversion of all dilutive potential ordinary shares owned by Bank, which is stock option.

Ketika opsi dieksekusi, Bank menerbitkan sejumlah saham baru atau menerbitkan kembali saham treasurinya (jika ada). Nilai kas yang diterima, dikurangi dengan biaya transaksi yang dapat diatribusikan, dikreditkan ke modal saham (nilai nominal) dan agio saham.

When the options are exercised, the Bank issues new shares or reissues its treasury shares (if any). The proceeds received, net of any directly attributable transaction costs, are credited to share capital (nominal value) and share premium.

ah. Segmen operasi

ah. Operating segment

Segmen operasi adalah komponen dari Bank dan Entitas Anak yang terlibat dalam aktivitas bisnis yang menghasilkan pendapatan dan menimbulkan beban, termasuk pendapatan dan beban yang terkait dengan transaksi dengan komponen lain Bank dan Entitas Anak, dimana hasil operasinya dikaji ulang secara berkala oleh pengambil keputusan operasional untuk membuat keputusan mengenai sumber daya yang akan dialokasikan pada segmen tersebut dan menilai kinerjanya, serta tersedia informasi keuangan yang dapat dipisahkan. Hasil segmen yang dilaporkan kepada pengambil keputusan operasional meliputi komponen-komponen yang dapat diatribusikan secara langsung kepada suatu segmen, dan komponen-komponen yang dapat dialokasikan dengan dasar yang wajar.

An operating segment is a component of the Bank and Subsidiary that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Bank and Subsidiary's other components, whose operating results are reviewed regularly by the operating decision makers to make decisions about resources allocated to the segment and assess its performance, and for which discrete financial information is available. Segment results that are reported to the operating decision makers include items directly attributable to a segment, as well as those that can be allocated on a reasonable basis.

ai. Transaksi Sewa

ai. Lease Transaction

Kebijakan berlaku mulai tanggal 1 Januari 2020

Policy applicable from 1 January 2020

Bank dan Entitas Anak telah melakukan penerapan PSAK 73 yang mensyaratkan pengakuan aset hak guna dan liabilitas sewa sehubungan dengan sewa yang sebelumnya diklasifikasikan sebagai 'sewa operasi'. Kebijakan ini berlaku untuk kontrak yang disepakati atau berubah, pada atau, setelah tanggal 1 Januari 2020.

The Bank and Subsidiary have applied PSAK 73, which set the requirement of recognition a right-of-use asset and a lease liability in relation to leases which had previously classified as 'operating lease'. This policy is applied to contracts entered into or changed, on or, after 1 January 2020.

Bank dan Entitas Anak sebagai penyewa

The Bank and Subsidiary as a lessee

Pada tanggal inisiasi suatu kontrak, Bank dan Entitas Anak menilai apakah suatu kontrak merupakan, atau mengandung, sewa dengan mempertimbangkan apakah kontrak tersebut memberikan hak untuk mengendalikan penggunaan suatu aset identifikasi selama suatu jangka waktu untuk dipertukarkan dengan imbalan.

At inception of a contract, the Bank and Subsidiary determine if a contract is, or contains, a lease by considering whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for a consideration.

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**2. IKHTISAR KEBIJAKAN AKUNTANSI YANG
SIGNIFIKAN (lanjutan)**

ai. Transaksi Sewa (lanjutan)

**Kebijakan berlaku mulai tanggal 1 Januari
2020 (lanjutan)**

**Bank dan Entitas Anak sebagai penyewa
(lanjutan)**

Suatu kontrak memberikan hak untuk mengendalikan penggunaan suatu aset identifikasi jika semua kondisi di bawah dipenuhi:

- kontrak tersebut melibatkan penggunaan secara substansial seluruh kapasitas dari aset identifikasi yang secara fisik berbeda (sebagaimana ditentukan secara eksplisit atau implisit dalam kontrak). Jika pemasok memiliki hak substitusi yang substantif, maka aset tersebut tidak dapat dianggap dapat diidentifikasi;
- Bank dan Entitas Anak memiliki hak untuk memperoleh secara substansial semua manfaat ekonomi dari penggunaan aset selama periode penggunaan; dan
- Bank memiliki hak untuk mengarahkan penggunaan aset: yaitu memiliki hak pengambilan keputusan yang paling relevan untuk mengubah bagaimana dan untuk tujuan apa aset tersebut digunakan.

Pada saat inisiasi atau penilaian kembali sebuah kontrak yang berisi komponen sewa, Bank dan Entitas Anak mengalokasikan imbalan dalam kontrak tersebut kepada setiap komponen sewa atas dasar harga relatif yang berdiri sendiri.

Bank dan Entitas Anak mengakui aset hak guna dan liabilitas sewa pada tanggal dimulainya sewa. Aset hak guna awalnya diukur pada biaya perolehan, yang terdiri dari jumlah pengukuran awal dari liabilitas sewa disesuaikan dengan pembayaran sewa yang dilakukan pada atau sebelum tanggal permulaan, ditambah dengan biaya langsung awal yang dikeluarkan dan estimasi biaya untuk membongkar dan memindahkan aset pendasar atau untuk merestorasi aset pendasar atau tempat di mana aset berada, dikurangi insentif sewa yang diterima.

Setelah tanggal permulaan, aset hak guna diukur dengan model biaya. Aset hak guna selanjutnya disusutkan dengan menggunakan metode garis-lurus dari tanggal permulaan hingga tanggal yang lebih awal antara akhir masa manfaat aset hak guna atau akhir masa sewa. Selain itu, aset hak guna secara berkala dikurangi dengan kerugian penurunan nilai, jika ada, dan disesuaikan dengan pengukuran kembali liabilitas sewa.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

ai. Lease Transaction (continued)

**Policy applicable from 1 January 2020
(continued)**

**The Bank and Subsidiary as a lessee
(continued)**

A contract conveys the right to control the use of an identified asset if all of the following conditions are met:

- the contract involves the use of substantially all of the capacity of an identified asset that is physically distinct (as specified explicitly or implicitly in the contract). If the supplier has a substantive substitution right, then the asset cannot be considered as identifiable;
- the Bank and Subsidiary have the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use; and
- the Bank and Subsidiary have the right to direct the use of the asset: i.e. they have decision-making rights that are most relevant to changing how and for what purpose the asset is used.

At inception or on reassessment of a contract that contains a lease component, the Bank and Subsidiary allocate the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

The Bank and Subsidiary recognize a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

After commencement date, right-of-use asset is measured using cost model. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.



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SIGNIFIKAN (lanjutan)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

ai. Transaksi Sewa (lanjutan)

ai. Lease Transaction (continued)

**Kebijakan berlaku mulai tanggal 1 Januari
2020 (lanjutan)**

**Policy applicable from 1 January 2020
(continued)**

**Bank dan Entitas Anak sebagai penyewa
(lanjutan)**

**The Bank and Subsidiary as a lessee
(continued)**

Liabilitas sewa awalnya diukur pada nilai kini pembayaran sewa yang belum dibayar pada tanggal permulaan, didiskontokan dengan menggunakan suku bunga implisit dalam sewa atau jika suku bunga tersebut tidak dapat ditentukan, digunakan suku bunga pinjaman inkremental Bank dan Entitas Anak. Pada umumnya, Bank dan Entitas Anak menggunakan suku bunga pinjaman inkremental sebagai tingkat bunga diskonto.

The lease liability is initially measured at the present value of the lease payments that are not yet paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using the Bank and Subsidiary's incremental borrowing rate. Generally, the Bank and Subsidiary use their incremental borrowing rate as the discount rate.

Pembayaran sewa yang termasuk dalam pengukuran liabilitas sewa terdiri dari:

Lease payments included in the measurement of the lease liability consist of:

- pembayaran tetap, termasuk pembayaran tetap secara-substansi, dikurangi insentif sewa yang belum diterima;
- pembayaran sewa secara variabel yang bergantung pada indeks atau suku bunga, yang pada awalnya diukur menggunakan indeks atau suku bunga pada tanggal permulaan;
- jumlah yang diperkirakan akan dibayarkan berdasarkan jaminan nilai residual; dan
- harga eksekusi opsi beli jika Bank dan Entitas Anak cukup pasti untuk mengeksekusi opsi, pembayaran sewa dalam opsi periode perpanjangan jika Bank dan Entitas Anak cukup pasti untuk melaksanakan opsi perpanjangan, dan denda untuk penghentian sewa lebih awal kecuali Bank dan Entitas Anak yakin tidak menghentikan lebih awal.

- *fixed payments, including in-substance fixed payments, less lease incentives receivable;*
- *variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;*
- *amounts expected to be payable under a residual value guarantee; and*
- *the exercise price under a purchase option that the Bank and Subsidiary are reasonably certain to exercise, lease payments in an option renewal period if the Bank and Subsidiary are reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Bank and Subsidiary are reasonably certain not to terminate early.*

Liabilitas sewa diukur pada biaya perolehan diamortisasi menggunakan metode suku bunga efektif. Liabilitas sewa diukur kembali ketika ada perubahan pembayaran sewa masa depan yang timbul dari perubahan indeks atau suku bunga, jika ada perubahan estimasi Bank dan Entitas Anak atas jumlah yang diperkirakan akan dibayar dalam jaminan nilai residual, atau jika Bank mengubah penilaiannya apakah akan mengeksekusi opsi beli, perpanjangan atau penghentian.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Bank and Subsidiary's estimate of the amount expected to be payable under a residual value guarantee, or if the Bank changes its assessment of whether it will exercise a purchase, extension or termination option.

Ketika liabilitas sewa diukur kembali dengan cara ini, penyesuaian terkait dilakukan terhadap jumlah tercatat aset hak guna, atau dicatat dalam laba rugi jika jumlah tercatat aset hak guna telah berkurang menjadi nol.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

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ai. Transaksi Sewa (lanjutan)

**Kebijakan berlaku mulai tanggal 1 Januari
2020 (lanjutan)**

**Bank dan Entitas Anak sebagai penyewa
(lanjutan)**

Bank dan Entitas Anak menyajikan aset hak guna dalam aset tetap.

Bank menyewa bangunan untuk ruang kantor. Sewa ruang kantor secara umum berlaku untuk periode 3 - 10 tahun. Beberapa sewa termasuk opsi untuk memperbaharui periode sewa dengan tambahan durasi yang sama setelah kontrak berakhir. Bank juga menyewa kendaraan dan peralatan dengan periode kontrak 2 - 5 tahun, apartemen dan rumah dinas dengan periode kontrak 2 tahun, dan peralatan IT dan mesin dengan periode kontrak 3 - 5 tahun.

Entitas Anak menyewa bangunan untuk ruang kantor. Sewa ruang kantor secara umum berlaku untuk periode 3 - 10 tahun. Beberapa sewa termasuk opsi untuk memperbaharui periode sewa dengan tambahan durasi yang sama setelah kontrak berakhir. Entitas Anak juga menyewa kendaraan dan peralatan dengan periode kontrak 3 - 5 tahun dan peralatan IT dan mesin dengan periode kontrak 3 - 5 tahun.

Bank dan Entitas Anak memilih untuk tidak mengakui aset hak guna dan liabilitas sewa untuk sewa jangka pendek yang memiliki masa sewa 12 bulan atau kurang dan sewa atas aset bernilai rendah. Bank dan Entitas Anak mengakui pembayaran sewa atas sewa tersebut sebagai beban dengan dasar garis lurus selama masa sewa. Nilai tercatat aset hak guna segera diturunkan menjadi sebesar jumlah yang dapat dipulihkan ketika nilai tercatat aset lebih besar dari estimasi jumlah yang dapat dipulihkan.

Modifikasi sewa

Bank dan Entitas Anak mencatat modifikasi sewa sebagai sewa terpisah jika:

- modifikasi meningkatkan ruang lingkup sewa dengan menambahkan hak untuk menggunakan satu aset pendasar atau lebih; dan
- imbalan sewa meningkat sebesar jumlah yang setara dengan harga tersendiri untuk peningkatan dalam ruang lingkup dan penyesuaian yang tepat pada harga tersendiri tersebut untuk merefleksikan kondisi kontrak tertentu.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

ai. Lease Transaction (continued)

**Policy applicable from 1 January 2020
(continued)**

**The Bank and Subsidiary as a lessee
(continued)**

The Bank and Subsidiary present right-of-use assets in fixed assets.

The Bank leases buildings for its office. The leases of office space typically run for a period of 3 - 10 years. Some leases include an option to renew the lease for an additional period of the same duration after the end of the contract term. The Bank also leases vehicles and equipment with contract terms of 2 - 5 years, apartments and employee residences with contract terms of 2 years and IT equipment and machinery with contract terms of 3 - 5 years.

The Subsidiary leases buildings for its office. The leases of office space typically run for a period of 3 - 10 years. Some leases include an option to renew the lease for an additional period of the same duration after the end of the contract term. The Subsidiary also leases vehicles and equipment with contract terms of 3 - 5 years and IT equipment and machinery with contract terms of 3 - 5 years.

The Bank and Subsidiary have elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Bank and Subsidiary recognize the leases payments associated with these leases as an expense on a straight-line basis over the lease term. The right-of-use's carrying amount is written down immediately to its recoverable amount when the asset's carrying amount is greater than its estimated recoverable amount.

Lease modification

The Bank and Subsidiary account for a lease modification as a separate lease if both:

- the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- the consideration for the lease increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.



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**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

ai. Transaksi Sewa (lanjutan)

ai. Lease Transaction (continued)

**Kebijakan berlaku mulai tanggal 1 Januari
2020 (lanjutan)**

**Policy applicable from 1 January 2020
(continued)**

**Bank dan Entitas Anak sebagai penyewa
(lanjutan)**

**The Bank and Subsidiary as a lessee
(continued)**

Modifikasi sewa (lanjutan)

Lease modification (continued)

Untuk modifikasi sewa yang tidak dicatat sebagai sewa terpisah, pada tanggal efektif modifikasi sewa, Bank dan Entitas Anak:

For a lease modification that is not accounted for as a separate lease, at the effective date of the lease modification, the Bank and Subsidiary:

- mengukur kembali dan mengalokasikan imbalan kontrak modifikasian;
- menentukan masa sewa dari sewa modifikasian;
- mengukur kembali liabilitas sewa dengan mendiskontokan pembayaran sewa revisian menggunakan tingkat diskonto revisian berdasarkan sisa umur sewa dan sisa pembayaran sewa dengan melakukan penyesuaian terhadap aset hak guna. Tingkat diskonto revisian ditentukan sebagai suku bunga pinjaman inkremental Bank dan Entitas Anak pada tanggal efektif modifikasi;
- menurunkan jumlah tercatat aset hak guna untuk merefleksikan penghentian sebagian atau seluruh sewa untuk modifikasi sewa yang menurunkan ruang lingkup sewa. Bank dan Entitas Anak mengakui dalam laba rugi setiap laba rugi yang terkait dengan penghentian sebagian atau seluruh sewa tersebut; dan
- membuat penyesuaian terkait dengan aset hak guna untuk seluruh modifikasi sewa lainnya.

- remeasure and allocate the consideration in the modified contract;
- determine the lease term of the modified lease;
- remeasure the lease liability by discounting the revised lease payments using a revised discount rate on the basis of the remaining lease term and the remaining lease payment with a corresponding adjustment to the right-of-use assets. The revised discount rate is determined as the Bank and Subsidiary's incremental borrowing rate at the effective date of the modification;
- decrease the carrying amount of the right of-use asset to reflect the partial or full termination of the lease for lease modifications that decrease the scope of the lease. The Bank and Subsidiary recognize in profit or loss any gain or loss relating to the partial or full termination of the lease; and
- make a corresponding adjustment to the right-of-use asset for all other lease modifications.

**Kebijakan berlaku sebelum tanggal
1 Januari 2020**

Policy applicable before 1 January 2020

Penentuan apakah suatu perjanjian merupakan, atau mengandung, sewa dibuat berdasarkan substansi perjanjian pada tanggal inepsi. Perjanjian tersebut ditelaah apakah pemenuhan atas perjanjian bergantung dari penggunaan suatu aset atau aset-aset tertentu dan apakah perjanjian tersebut memberikan hak untuk menggunakan aset tersebut.

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date. The arrangement is assessed whether fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets.

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SIGNIFIKAN (lanjutan)**

ai. Transaksi Sewa (lanjutan)

**Kebijakan berlaku sebelum tanggal 1
Januari 2020 (lanjutan)**

Transaksi sewa yang dilakukan Bank dan Entitas Anak diklasifikasikan sebagai sewa operasi jika tidak terdapat pengalihan secara substansial seluruh risiko dan manfaat yang terkait dengan kepemilikan aset. Pembayaran sewa diakui sebagai beban dengan garis lurus selama masa sewa. Seluruh insentif untuk perjanjian sewa operasi baru atau yang diperbarui diakui sebagai bagian tidak terpisahkan dari imbalan neto yang disepakati untuk menggunakan aset sewaan, terlepas dari sifat atau bentuk insentif atau waktu pembayaran. Bank dan Entitas Anak mengakui manfaat agregat dari insentif sebagai pengurang beban sewa selama masa sewa dengan dasar garis lurus.

aj. 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 antara pelaku pasar pada tanggal pengukuran di pasar utama atau, jika tidak terdapat pasar utama, di pasar yang paling menguntungkan dimana Bank dan Entitas Anak memiliki akses pada tanggal tersebut. Nilai wajar liabilitas mencerminkan risiko wanprestasinya.

Jika tersedia, Bank dan Entitas Anak mengukur nilai wajar 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 kuotasi tidak tersedia di pasar aktif, Bank dan Entitas Anak menggunakan teknik penilaian dengan memaksimalkan penggunaan input yang dapat diobservasi yang 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.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

ai. Lease Transaction (continued)

**Policy applicable before 1 January 2020
(continued)**

The lease transaction entered into by the Bank and Subsidiary was classified as an operating lease it does not transfer substantially all the risks and rewards incidental to ownership. Lease payment is recognized as an expense on a straight-line basis over the lease term. All incentives for the agreement of a new or renewal operating lease are recognized as an integral part of the net consideration agreed for the use of the leased asset, irrespective of the incentive's nature or form or the timing of payments. The Bank and Subsidiary recognize the aggregate benefit of incentives as a reduction of rental expense over the lease term, on a straight-line basis.

aj. 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 and Subsidiary have access at that date. The fair value of a liability reflects its non-performance risk.

When available, the Bank and Subsidiary measure the fair value 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 and Subsidiary use 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.



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**2. IKHTISAR KEBIJAKAN AKUNTANSI YANG
SIGNIFIKAN (lanjutan)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (continued)**

aj. Pengukuran nilai wajar (lanjutan)

aj. Fair value measurement (continued)

Bukti terbaik atas nilai wajar pada saat pengakuan awal adalah harga transaksi, yaitu nilai wajar dari pembayaran yang diberikan atau diterima. Jika Bank dan Entitas Anak menetapkan bahwa nilai wajar pada pengakuan awal berbeda dengan harga transaksi dan nilai wajar tidak dapat dibuktikan dengan harga kuotasi 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 menanggulangi 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.

The best evidence of the fair value at initial recognition is normally the transaction price, i.e., the fair value of the consideration given or received. If the Bank and Subsidiary determine that the fair value at initial recognition differs from the transaction price and the fair value 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.

Jika aset atau liabilitas yang diukur pada nilai wajar memiliki harga penawaran dan harga permintaan, maka Bank dan Entitas Anak mengukur aset dan posisi *long* berdasarkan harga permintaan dan mengukur liabilitas dan posisi *short* berdasarkan harga penawaran.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Bank and Subsidiary measure assets and long positions at a ask price and liabilities and short positions at a bid price.

Kelompok aset keuangan dan liabilitas keuangan yang diukur pada nilai wajar, yang terekspos risiko pasar dan risiko kredit yang dikelola oleh Bank dan Entitas Anak 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 kelompok tersebut dialokasikan pada aset dan liabilitas individual berdasarkan penyesuaian risiko relatif dari masing-masing instrumen individual di dalam kelompok.

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 and Subsidiary 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.

**3. ESTIMASI DAN PERTIMBANGAN AKUNTANSI
YANG PENTING**

**3. CRITICAL ACCOUNTING ESTIMATES AND
JUDGMENTS**

Sumber utama ketidakpastian estimasi

Key sources of estimation uncertainty

Informasi mengenai asumsi dan ketidakpastian estimasi dijelaskan di bawah ini dan pada catatan-catatan di bawah ini:

Information about the assumptions and estimation uncertainties is set out below and in the following notes:

- Catatan 23 – pengukuran liabilitas imbalan pascakerja dan imbalan jangka panjang lainnya: asumsi-asumsi aktuarial.

- Note 23 – measurement of post-employment benefits liabilities and other long term benefits: actuarial assumptions.

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**3. ESTIMASI DAN PERTIMBANGAN AKUNTANSI
YANG PENTING (lanjutan)**

Sumber utama ketidakpastian estimasi (lanjutan)

- Cadangan kerugian penurunan nilai aset keuangan

Bank dan Entitas Anak melakukan peninjauan kembali atas aset keuangan pada setiap tanggal pelaporan untuk melakukan penilaian atas cadangan penurunan nilai yang telah dicatat. Pertimbangan manajemen diperlukan dalam menentukan tingkat cadangan yang dibutuhkan.

Bank

Kebijakan berlaku mulai tanggal 1 Januari 2020

Sesuai dengan PSAK 71, Bank mengestimasi kerugian kredit ekspektasi ("ECL") atas pinjaman yang diberikan. Estimasi ECL melibatkan penggunaan model dan asumsi yang merupakan sumber utama ketidakpastian dalam estimasi.

Penilaian risiko kredit dari portofolio aset memerlukan estimasi mengenai kemungkinan terjadinya gagal bayar, dari rasio kerugian yang terkait dan korelasi gagal bayar antar pihak. Bank mengukur menggunakan model yang kompleks yang menggunakan matriks *Probability of Default* (PD), *Loss Given Default* (LGD) dan *Exposure at Default* (EAD), dan variable makroekonomi untuk estimasi yang bersifat perkiraan masa depan, yang didiskontokan menggunakan suku bunga efektif, yang dapat dijelaskan sebagai berikut:

- PD merupakan kemungkinan pada suatu waktu (*point in time*) dimana debitur mengalami gagal bayar, dikalibrasikan sampai dengan periode 12 bulan dari tanggal pelaporan (Tahap 1) atau sepanjang umur aset (Tahap 2) dan memperhitungkan dampak asumsi ekonomi masa depan yang memiliki dampak terhadap risiko kredit. PD diestimasi pada suatu waktu berarti PD akan berfluktuasi sejalan dengan siklus ekonomi.
- LGD merupakan kerugian yang diperkirakan akan timbul dari debitur yang gagal bayar dengan memperhitungkan dampak dari asumsi ekonomi masa depan yang relevan, yaitu perbedaan antara arus kas kontraktual yang seharusnya diterima dengan arus kas yang diharapkan Bank untuk diterima. Bank mengestimasi LGD berdasarkan data historis tingkat pemulihan dan memperhitungkan pemulihan yang berasal dari jaminan yang merupakan bagian yang tidak terpisah dari pinjaman yang diberikan dengan mempertimbangkan asumsi ekonomi di masa depan yang relevan.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS (continued)

Key sources of estimation uncertainty (continued)

- Allowance for impairment losses of financial assets

The Bank and Subsidiary review their financial assets at reporting date to evaluate the allowance for impairment losses. Management's judgement is applied in the estimation when determining the level of allowance required.

Bank

Policy applicable from 1 January 2020

In accordance with PSAK 71, the Bank estimated the expected credit losses ("ECL") on loans. The ECL estimation involves use of models and assumptions which are the key sources of estimation uncertainty.

The assessment of credit risk of an asset portfolio entails further estimations as to the likelihood of defaults occurring, of the associated loss ratios and of default correlations between counterparties. The Bank primarily uses sophisticated models that utilize the Probability of Default (PD), Loss Given Default (LGD) and Exposure at Default (EAD), and macroeconomic variables for forward looking perspective, which are discounted using the effective interest rate, as described as follows:

- *PD represents the probability at a point in time that debtor will default, calibrated over up to 12 months from the reporting date (Stage 1) or over the lifetime of the asset (Stage 2) and incorporating the impact of forward looking economic assumptions that have an effect on credit risk. PD is estimated at point in time that means it will fluctuate in line with the economic cycle.*
- *LGD represents the loss that is expected to arise on default, incorporating the impact of forward looking economic assumptions where relevant, which represents the difference between the contractual cash flows due and those that the Bank expects to receive. The Bank estimates LGD based on the history of recovery rates and considers the recovery of any collateral that is integral to the loans, taking into account forward looking economic assumptions where relevant.*



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**3. ESTIMASI DAN PERTIMBANGAN AKUNTANSI
YANG PENTING (lanjutan)**

Sumber utama ketidakpastian estimasi (lanjutan)

- Cadangan kerugian penurunan nilai aset keuangan (lanjutan)

Bank (lanjutan)

Kebijakan berlaku mulai tanggal 1 Januari 2020 (lanjutan)

- EAD merupakan perkiraan nilai eksposur pada saat gagal bayar dengan mempertimbangkan perubahan eksposur yang diharapkan selama masa eksposur. EAD memperhitungkan dampak penarikan fasilitas kredit (*committed*) yang dilakukan, pembayaran pokok dan bunga, amortisasi dan pembayaran dimuka, serta dampak dari asumsi ekonomi di masa depan yang relevan, yang dipilih berdasarkan pengumpulan data makroekonomi yang diperoleh dari berbagai sumber seperti, namun tidak terbatas pada, regulator, pemerintah serta organisasi penelitian independen.

Variabel makroekonomi yang digunakan terdiri dari: Pendapatan Bruto Nasional (PDB), tingkat inflasi, nilai valuta asing, tingkat bunga antar bank dan tingkat pengangguran. Untuk perhitungan ECL pada tanggal 31 Desember 2020, Bank menggunakan variabel makroekonomi sebagai berikut:

Skenario/ Scenario	PDB per tahun/ GDP per annum	Tingkat inflasi per tahun/ Inflation rate per annum	Tingkat bunga antarbanc per tahun/ Interbank rate per annum	Kurs Rupiah per 1 USD/ Exchange rate of Rupiah per 1 USD	Tingkat pengangguran/ Unemployment rate
Terbaik/Best	3.0%	2.6%	4.2%	13,639	5.7%
Dasar/Base	2.9%	2.8%	4.0%	14,357	6.0%
Terburuk/Worst	2.7%	2.9%	3.8%	15,075	6.3%

Dalam menentukan probabilitas tertimbang dari skenario yang akan terjadi di masa depan, Bank telah melakukan analisis berdasarkan informasi historis PDB yang meliputi insiden besar yang terjadi pada rentang waktu 36 tahun terakhir.

**3. CRITICAL ACCOUNTING ESTIMATES AND
JUDGMENTS (continued)**

**Key sources of estimation uncertainty
(continued)**

- Allowance for impairment losses of financial assets (continued)

Bank (continued)

**Policy applicable from 1 January 2020
(continued)**

- EAD represents the expected exposure at the time of default, taking into account that expected change in exposure over the lifetime of the exposure. This incorporates the impact of drawdowns of committed facilities, repayments of principals and interest, amortisation and prepayments, together with the impact of forward looking economic assumptions where relevant, which are chosen based on the collation of macroeconomics data obtained from various sources such as, but not limited to, regulators, government as well as independent research organisation.

The macroeconomic variables used, among others, consisted of Gross Domestic Products (GDP), inflation rate, foreign exchange rates, inter-bank rates, and unemployment rate. In determination of ECL as of 31 December 2020, the Bank used macroeconomic variables as follows:

In determining the probability weighted of each scenario that will occur in the future, the Bank has conducted an analysis based on historical GDP information which includes the major incident that happened in the last 36 years.

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**3. ESTIMASI DAN PERTIMBANGAN AKUNTANSI
YANG PENTING (lanjutan)**

**3. CRITICAL ACCOUNTING ESTIMATES AND
JUDGMENTS (continued)**

Sumber utama ketidakpastian estimasi (lanjutan)

**Key sources of estimation uncertainty
(continued)**

- Cadangan kerugian penurunan nilai aset keuangan (lanjutan)

- Allowance for impairment losses of financial assets (continued)

Bank (lanjutan)

Bank (continued)

**Kebijakan berlaku mulai tanggal 1 Januari
2020 (lanjutan)**

**Policy applicable from 1 January 2020
(continued)**

Bank menerapkan tiga skenario makroekonomi berikut untuk mencerminkan jumlah yang tidak bias dan probabilitas tertimbang yang ditentukan dengan mengevaluasi serangkaian hasil yang kemungkinan dapat terjadi dalam mengestimasi ECL:

The Bank applied the following three macroeconomic scenarios to reflect an unbiased probability-weighted range of possible future outcomes in estimating ECL:

- Skenario Dasar: Skenario ini mencerminkan bahwa kondisi makroekonomi saat ini terus berlanjut; dan
- Skenario Terbaik dan Terburuk: Skenario ini ditetapkan relative terhadap skenario dasar; mencerminkan kondisi makroekonomi terbaik dan terburuk berdasarkan kombinasi pendekatan statistik dan penilaian dari *subject matter expert* berdasarkan kondisi ekonomi saat ini.

- Base scenario: This scenario reflects that current macroeconomic conditions continue to prevail; and

- Best and Worst scenarios: These scenarios are set relative to the base scenario; reflecting best and worstcase macroeconomic conditions based on combination of statistical approach and subject matter expert's assessment from current economic conditions.

Perhitungan ECL dilakukan dengan mengelompokkan portofolio kredit ke dalam 8 kategori untuk pinjaman ritel dan 1 kategori untuk pinjaman korporasi.

The ECL calculation is done by segmenting the credit portfolio into 8 categories for retail loans and 1 category for corporate loans.

Asumsi yang mendasari perhitungan ECL akan dipantau dan ditinjau setiap tahun. Tidak ada perubahan signifikan dalam teknik estimasi yang dibuat selama periode pelaporan. Dalam menanggapi dampak pandemi COVID-19, Bank telah memperbarui variabel makroekonomi seperti dijelaskan dalam Catatan 42.

The assumptions underlying the ECL calculation are monitored and reviewed on annual basis. There have been no significant changes on estimation techniques made during the reporting period. In response to the COVID-19 pandemic, the Bank has updated the macroeconomic variables as described in Note 42.



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**3. ESTIMASI DAN PERTIMBANGAN AKUNTANSI
YANG PENTING (lanjutan)**

Sumber utama ketidakpastian estimasi (lanjutan)

- Cadangan kerugian penurunan nilai aset keuangan (lanjutan)

Bank (lanjutan)

Kebijakan berlaku mulai tanggal 1 Januari 2020 (lanjutan)

Khusus untuk pinjaman korporasi dan SME tertentu yang material, ketika pinjaman yang diberikan mengalami penurunan nilai, cadangan kerugian kredit dihitung secara individu. Dalam penilaian individu, kondisi spesifik debitur dievaluasi secara individu berdasarkan estimasi terbaik manajemen atas nilai kini arus kas yang diharapkan akan diterima. Evaluasi penilaian individu atas arus kas yang diharapkan akan diterima ditentukan berdasarkan probabilitas tertimbang beberapa skenario.

Estimasi probabilitas tertimbang dilakukan dengan memperhitungkan pembobotan masing-masing skenario dan menggunakan minimum 2 (dua) skenario untuk mencerminkan setidaknya skenario normal dan skenario buruk. Dalam mengestimasi arus kas tersebut, manajemen membuat pertimbangan mengenai situasi keuangan debitur dan nilai realisasi bersih dari setiap agunan yang ada. Setiap aset yang mengalami penurunan nilai dinilai sesuai dengan keadaan dan strategi penyelesaian masing-masing. Estimasi arus kas ekspektasian dari skenario-skenario estimasi disetujui secara independen oleh *Business Risk* masing-masing segmen bisnis.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS (continued)

Key sources of estimation uncertainty (continued)

- Allowance for impairment losses of financial assets (continued)

Bank (continued)

Policy applicable from 1 January 2020 (continued)

Specifically for corporate and certain material SME loans, when the loans have been impaired, the allowance for credit losses is calculated individually. In individual assessment, the specific debtors' conditions are evaluated individually based on management's best estimate of the present value of the cash flows that are expected to be received. Evaluation over the individual assessment is determined based on probability weighted of multiple scenarios.

Probability-weighted estimation is performed by taking into account weighting for each scenario and uses minimum of 2 (two) scenarios to reflect at least normal scenario and worst scenario. In estimating these cash flows, management makes judgments about the debtors' financial situation and the net realizable value of any underlying collateral. Each impaired asset is assessed on its merits and the workout strategy. The estimated expected cash flows from estimation scenarios are independently approved by the *Business Risk* from each business segment.

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**3. ESTIMASI DAN PERTIMBANGAN AKUNTANSI
YANG PENTING (lanjutan)**

Sumber utama ketidakpastian estimasi (lanjutan)

- Cadangan kerugian penurunan nilai aset keuangan (lanjutan)

Bank (lanjutan)

**Kebijakan berlaku sebelum tanggal
1 Januari 2020**

Untuk penilaian secara individu, kondisi spesifik penurunan nilai debitur dalam pembentukan cadangan kerugian penurunan nilai atas aset keuangan dievaluasi secara individu berdasarkan estimasi terbaik manajemen atas nilai kini arus kas yang diharapkan akan diterima. Dalam mengestimasi arus kas tersebut, manajemen membuat pertimbangan tentang situasi keuangan debitur dan nilai realisasi bersih dari setiap agunan. Setiap aset yang mengalami penurunan nilai dinilai sesuai dengan manfaat yang ada dan strategi penyelesaian serta estimasi arus kas yang diperkirakan dapat diterima disetujui secara independen oleh *Business Risk* masing-masing segmen bisnis.

Bank juga membentuk cadangan kerugian penurunan nilai kolektif atas eksposur piutang yang diberikan, dimana evaluasi dilakukan berdasarkan data kerugian historis.

Perhitungan cadangan penurunan nilai kolektif meliputi kerugian kredit yang melekat dalam portofolio aset keuangan dengan karakteristik ekonomi yang sama dan aset keuangan yang tidak signifikan secara individual. Dalam menilai kebutuhan untuk cadangan kolektif, manajemen mempertimbangkan faktor-faktor seperti kualitas kredit dan jenis produk. Guna membuat estimasi cadangan yang diperlukan, manajemen membuat asumsi untuk menentukan kerugian yang melekat, dan untuk menentukan parameter input yang diperlukan, berdasarkan pengalaman masa lalu dan kondisi ekonomi saat ini.

Keakuratan cadangan tergantung pada seberapa baik estimasi arus kas masa depan untuk cadangan *counterparty* tertentu dan asumsi model dan parameter yang digunakan dalam menentukan penyisihan kolektif.

Entitas Anak

Perhitungan cadangan penurunan nilai kolektif meliputi kerugian kredit yang melekat dalam portofolio piutang murabahah Entitas Anak. Dalam menilai kebutuhan untuk cadangan penurunan nilai kolektif, manajemen mempertimbangkan faktor-faktor seperti kualitas pembiayaan, karakteristik produk dan apakah pembiayaan tersebut telah direstrukturisasi.

**3. CRITICAL ACCOUNTING ESTIMATES AND
JUDGMENTS (continued)**

**Key sources of estimation uncertainty
(continued)**

- Allowance for impairment losses of financial assets (continued)

Bank (continued)

Policy applicable before 1 January 2020

For individual assessment, the specific debtors' conditions in determining allowance for impairment amount of the financial assets is evaluated individually and is based upon management's best estimate of the present value of the cash flows that are expected to be received. In estimating these cash flows, management makes judgments about the debtors' financial situation and the net realizable value of any underlying collateral. Each impaired asset is assessed on its merits and the workout strategy and estimated cash flows considered recoverable are independently approved by the Business Risk from each business segment.

The Bank also estimates the collective impairment allowance for its receivables portfolio, where evaluation is performed based on historical data.

Collectively assessed impairment allowances cover credit losses inherent in portfolios of financial assets with similar economic characteristics and financial assets that are individually insignificant. In assessing the need for collective allowances, management considers factors such as credit quality and type of product. In order to estimate the required allowance, assumptions are made to define the way inherent losses are modelled and to determine the required input parameters, based on historical experience and current economic conditions.

The accuracy of the allowances depends on how well these estimate future cash flows for specific counterparty allowances and the model assumptions and parameters used in determining collective allowances.

Subsidiary

Collectively assessed impairment allowances cover credit losses inherent in portfolios of the Subsidiary's murabahah receivables. In assessing the need for collective impairment allowances, management considers factors such as financing quality, characteristic of products and whether the financing has been restructured.



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**3. ESTIMASI DAN PERTIMBANGAN AKUNTANSI
YANG PENTING (lanjutan)**

Sumber utama ketidakpastian estimasi (lanjutan)

- Cadangan kerugian penurunan nilai aset keuangan (lanjutan)

Entitas Anak (lanjutan)

Dalam mengestimasi cadangan yang diperlukan, asumsi-asumsi dibuat untuk menentukan model kerugian bawaan dan untuk menentukan parameter input yang diperlukan, berdasarkan pengalaman historis dan kondisi ekonomi saat ini. Ketepatan dari cadangan yang dihitung ini tergantung pada seberapa tepat estimasi dan asumsi pada model dan parameter yang digunakan dalam menentukan cadangan kolektif.

Basis evaluasi atas cadangan kerugian penurunan nilai aset keuangan dan piutang murabahah dijelaskan pada Catatan 2i.

- Penentuan nilai wajar
Dalam menentukan nilai wajar atas aset keuangan dan liabilitas keuangan dimana tidak terdapat harga pasar yang dapat diobservasi, Bank dan Entitas Anak harus menggunakan teknik penilaian seperti dijelaskan pada Catatan 2aj. 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 tersebut.

Kebijakan akuntansi pengukuran nilai wajar Bank dan Entitas Anak dibahas pada Catatan 2aj.

Pertimbangan akuntansi yang penting dalam menerapkan kebijakan akuntansi Bank dan Entitas Anak

- Nilai wajar atas instrumen keuangan
Kebijakan akuntansi Bank dan Entitas Anak untuk pengukuran nilai wajar dibahas di Catatan 2aj.
Informasi mengenai penentuan nilai wajar dari instrumen keuangan diungkapkan pada Catatan 42.
- Klasifikasi aset dan liabilitas keuangan serta efek-efek syariah
Kebijakan akuntansi Bank dan Entitas Anak memberikan pilihan untuk mengklasifikasikan aset dan liabilitas keuangan ke dalam berbagai kategori pada saat pengakuan awal berdasarkan kondisi tertentu yang membutuhkan pertimbangan manajemen.

**3. CRITICAL ACCOUNTING ESTIMATES AND
JUDGMENTS (continued)**

**Key sources of estimation uncertainty
(continued)**

- Allowance for impairment losses of financial assets (continued)

Subsidiary (continued)

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 experience and current economic conditions. The accuracy of the allowances calculated depends on how well the estimates and assumptions on the model and parameters used in determining collective allowances.

Basis of evaluation of impairment for financial assets and murabahah receivables is described in Note 2i.

- Determining fair values
The determination of fair value for financial assets and financial liabilities for which there is no observable market price, the Bank and Subsidiary have to use valuation techniques as described in Note 2aj. For financial instruments that trade infrequently and have little price transparency, fair value is less objective, and therefore, requires varying degrees of judgment depending on liquidity, concentration, uncertainty of market factors, pricing assumptions and other risks affecting the specific instrument.

The Bank and Subsidiary's accounting policy on fair value measurement is discussed in Note 2aj.

Critical accounting judgments in applying the Bank and Subsidiary's accounting policies

- Fair value of financial instruments
The Bank and Subsidiary's accounting policy on fair value measurements is discussed in Note 2aj.
Information about the determination of fair value of financial instruments is disclosed in Note 42.
- Financial assets and liabilities as well as sharia securities classification
The Bank and Subsidiary's accounting policies provide choices to classify financial assets and liabilities into different categories at initial recognition based on certain circumstances requiring management's judgement.

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**3. ESTIMASI DAN PERTIMBANGAN AKUNTANSI
YANG PENTING (lanjutan)**

Pertimbangan akuntansi yang penting dalam menerapkan kebijakan akuntansi Bank dan Entitas Anak (lanjutan)

- Klasifikasi aset dan liabilitas keuangan serta efek-efek syariah (lanjutan)

Dalam menentukan klasifikasi aset dan liabilitas keuangan, Bank telah menetapkan bahwa aset dan liabilitas keuangan telah memenuhi persyaratan klasifikasi sebagaimana dijabarkan dalam Catatan 2h.

Dalam mengklasifikasikan investasi pada efek-efek syariah sebagai "diukur pada biaya perolehan" dan "diukur pada nilai wajar melalui penghasilan komprehensif lain", Entitas Anak telah menetapkan bahwa investasi tersebut telah memenuhi persyaratan klasifikasi sebagaimana dijabarkan dalam Catatan 2l.

- Sewa

Penentuan apakah suatu perjanjian mengandung unsur sewa membutuhkan pertimbangan yang cermat untuk menilai apakah perjanjian tersebut memberikan hak untuk mendapatkan secara substansial seluruh manfaat ekonomi dari penggunaan aset identifikasi dan hak untuk mengarahkan penggunaan aset identifikasi, bahkan jika hak tersebut tidak dijabarkan secara eksplisit di perjanjian.

Karena Bank dan Entitas Anak tidak dapat dengan mudah menentukan suku bunga implisit, manajemen menggunakan suku bunga pinjaman inkremental Bank dan Entitas Anak sebagai tingkat diskonto. Ada beberapa faktor yang perlu dipertimbangkan dalam menentukan suku bunga pinjaman inkremental, yang banyak di antaranya memerlukan pertimbangan untuk dapat secara andal mengukur penyesuaian yang diperlukan untuk sampai pada tingkat diskonto akhir.

Dalam menentukan suku bunga pinjaman inkremental, Bank dan Entitas Anak mempertimbangkan faktor-faktor utama sebagai berikut; risiko kredit Bank dan Entitas Anak, jangka waktu sewa, jangka waktu pembayaran sewa, lingkungan ekonomi, waktu di mana sewa dimasukkan, dan mata uang di mana pembayaran sewa ditentukan.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS (continued)

Critical accounting judgments in applying the Bank and Subsidiary's accounting policies (continued)

- Financial assets and liabilities as well as sharia securities classification (continued)

In determining the classification of financial assets and liabilities, the Bank has determined that financial assets and liabilities have already met the requirements of such classification as set out in Note 2h.

In classifying investment in sharia securities as "measured at acquisition cost" and "measured at fair value through other comprehensive income", the Subsidiary has determined that the investment in sharia securities have already met the requirements of such classification as set out in Note 2l.

- Leases

Determining whether an arrangement is or contains a lease requires careful judgement to assess whether the arrangement conveys a right to obtain substantially all the economic benefits from use of the asset throughout the period of use and right to direct the use of the asset, even if the right is not explicitly specified in the arrangement.

Since the Bank and Subsidiary could not readily determine the implicit rate, management uses the Bank and Subsidiary's incremental borrowing rate as a discount rate. There are a number of factors to consider in determining an incremental borrowing rate, many of which need judgement in order to be able to reliably quantify any necessary adjustments to arrive at the final discount rates.

In determining incremental borrowing rate, the Bank and Subsidiary consider the following main factors; the Bank and Subsidiary's credit risk, the lease term, the lease payment term, the economic environment, the time at which the lease is entered into, and the currency in which the lease payments are denominated.



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**3. ESTIMASI DAN PERTIMBANGAN AKUNTANSI
YANG PENTING (lanjutan)**

Pertimbangan akuntansi yang penting dalam menerapkan kebijakan akuntansi Bank dan Entitas Anak (lanjutan)

• Sewa (lanjutan)

Dalam menentukan jangka waktu sewa, Bank dan Entitas Anak mempertimbangkan semua fakta dan keadaan yang menimbulkan insentif ekonomi untuk menggunakan opsi perpanjangan, atau tidak menggunakan opsi penghentian. Opsi perpanjangan (atau periode setelah opsi penghentian kontrak kerja) hanya dimasukkan dalam jangka waktu sewa jika sewa cukup pasti akan diperpanjang (atau tidak dihentikan).

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS (continued)

Critical accounting judgments in applying the Bank and Subsidiary's accounting policies (continued)

• Leases (continued)

In determining the lease term, the Bank and Subsidiary consider all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

4. KAS

4. CASH

	31 Desember/December	
	2020	2019
Rupiah	2,399,483	2,270,444
Dolar Amerika Serikat	31,151	26,954
Yen Jepang	2,562	1,664
	<u>2,433,196</u>	<u>2,299,062</u>

Rupiah
United States Dollar
Japanese Yen

Saldo dalam mata uang Rupiah termasuk uang pada mesin ATM (Anjungan Tunai Mandiri) pada tanggal 31 Desember 2020 dan 2019 masing-masing sebesar Rp 60.950 dan Rp 55.866.

The Rupiah balance includes cash in ATMs (Automatic Teller Machines) as of 31 December 2020 and 2019 amounting to Rp 60,950 and Rp 55,866, respectively.

5. GIRO PADA BANK INDONESIA

5. CURRENT ACCOUNTS WITH BANK INDONESIA

	31 Desember/December	
	2020	2019
Rupiah	3,851,297	5,344,026
Dolar Amerika Serikat	1,765,671	3,643,053
	<u>5,616,968</u>	<u>8,987,079</u>

Rupiah
United States Dollar

Termasuk dalam saldo giro pada Bank Indonesia adalah giro berdasarkan prinsip syariah dengan akad wadiah masing-masing sebesar Rp 378.471 dan Rp 458.402 pada tanggal 31 Desember 2020 dan 2019.

Included in the balance of current accounts with Bank Indonesia are current accounts based on sharia principle under wadiah contract amounting to Rp 378,471 and Rp 458,402 as of 31 December 2020 and 2019, respectively.

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5. GIRO PADA BANK INDONESIA (lanjutan)

Giro Wajib Minimum (GWM) pada tanggal 31 Desember 2020 dan 2019 adalah sebagai berikut:

	31 Desember/December	
	2020	2019
<u>Bank</u>		
Rupiah		
- GWM (Bank Konvensional)	3.19%	6.17%
- GWM Penyangga Likuiditas Makroprudensial ("PLM")	11.70%	9.53%
- GWM Rasio Intermediasi Makroprudensial ("RIM")*	-	-
Mata uang asing		
- GWM mata uang asing	4.02%	8.02%
<u>Entitas Anak</u>		
Rupiah		
- GWM (Bank Syariah)	3.80%	4.91%

*) Pada tanggal 31 Desember 2020 dan 2019 rasio RIM Bank berada di atas batas yang ditentukan. Walaupun demikian, Bank tidak dikenakan GWM RIM dikarenakan rasio KPMM Bank berada di atas 14%.

Berdasarkan Peraturan Anggota Dewan No. 20/30/PADG/2018 tanggal 30 November 2018, pemenuhan GWM Primer Rupiah rata-rata adalah sebesar 6,5% dengan pemenuhan harian sebesar 3,5% dan pemenuhan secara rata rata 3%. Peraturan ini telah berlaku sejak tanggal 1 Desember 2018.

Berdasarkan Peraturan Anggota Dewan No. 21/14/PADG/2019 tanggal 26 Juni 2019, tentang perubahan kedua atas Peraturan Anggota Dewan No. 20/30/PADG/2018, pemenuhan GWM Primer Rupiah rata-rata adalah sebesar 6% dengan pemenuhan harian sebesar 3% dan pemenuhan secara rata rata 3%. Peraturan ini telah berlaku sejak tanggal 1 Juli 2019.

Penyangga likuiditas makroprudensial adalah cadangan likuiditas minimum yang wajib dipelihara oleh Bank dalam bentuk surat berharga yang memenuhi persyaratan tertentu, yang jumlahnya ditetapkan oleh Bank Indonesia.

Rasio Intermediasi Makroprudensial adalah tambahan simpanan minimum yang wajib dipelihara oleh Bank dalam bentuk saldo rekening giro pada Bank Indonesia, jika rasio hasil perbandingan antara: kredit yang diberikan dalam rupiah dan valuta asing dan surat berharga korporasi dalam Rupiah dan valuta asing yang memenuhi persyaratan tertentu, yang dimiliki Bank terhadap DPK Bank dalam bentuk giro, tabungan, dan deposito berjangka dalam rupiah dan valuta asing, tidak termasuk dana antarbank dan surat berharga dalam Rupiah dan valuta asing yang memenuhi persyaratan tertentu yang diterbitkan oleh Bank untuk memperoleh sumber pendanaan, di bawah minimum target Bank Indonesia atau jika di atas maksimum target Bank Indonesia, Kewajiban Penyediaan Modal Minimum ("KPMM") Bank lebih kecil dari KPMM Insentif Bank Indonesia sebesar 14%.

5. CURRENT ACCOUNTS WITH BANK INDONESIA (continued)

As of 31 December 2020 and 2019, the statutory reserves were as follows:

	31 Desember/December	
	2020	2019
<u>Bank</u>		
Rupiah		
Statutory Reserves (Conventional Bank) -		
Statutory Reserve Macroprudential -		
Liquidity Buffer ("PLM")		
Statutory Reserve Macroprudential -		
Intermediation Ratio ("RIM")*		
Foreign currencies		
Foreign currencies reserve -		
<u>Subsidiary</u>		
Rupiah		
Statutory Reserves (Sharia Bank) -		

*) On 31 December 2020 and 2019, the Bank's RIM ratio is above the specified limit. Nevertheless the Bank is not subject to the GWM RIM as the Bank's CAR is above 14%.

Based on Board Members Regulation No. 20/30/PADG/2018 dated 30 November 2018, the required average of Rupiah Primary Statutory Reserves is 6.5% with daily fulfillment is 3.5% and average fulfillment is 3%. This regulation has been effective since 1 December 2018.

Based on Board Members Regulation No. 21/14/PADG/2019 dated 26 June 2019, the second amendment of the Board Members Regulation No. 20/30/PADG/2018, the required average of Rupiah Primary Statutory Reserves is 6% with daily fulfillment is 3% and average fulfillment is 3%. This regulation has been effective since 1 July 2019.

Macroprudential liquidity buffer is minimum liquidity reserves that must be maintained by the Bank in the form of securities that meet certain requirements, which the amount is determined by Bank Indonesia.

Macroprudential Intermediation Ratio is the additional reserve that should be maintained by the Bank in the form of current accounts with Bank Indonesia, if the ratio of the comparison between: loans in Rupiah and foreign currencies and corporate securities in Rupiah and foreign currencies that meet certain requirements, which are owned by the Bank, against Bank's third party funds in the form of current accounts, savings deposits and time deposits in Rupiah and foreign currencies, excluding interbank funds and securities in Rupiah and foreign currencies that meet certain requirements issued by the Bank to obtain funding sources, is below the minimum target of Bank Indonesia or if above the maximum target of Bank Indonesia, the Capital Adequacy Ratio ("CAR") is below Bank Indonesia's requirement of 14%.



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5. GIRO PADA BANK INDONESIA (lanjutan)

Berdasarkan Peraturan Anggota Dewan No. 21/5/PADG/2019 tanggal 29 Maret 2019, minimum target Bank Indonesia adalah 84% (berubah dari sebelumnya 80%) dan maksimum target Bank Indonesia adalah 94% (berubah dari sebelumnya 92%). Peraturan ini berlaku sejak tanggal 1 Juli 2019.

Sesuai PBI No.22/4/PBI/2020 tentang Insentif bagi Bank yang Memberikan Penyediaan Dana Untuk Kegiatan Ekonomi Tertentu Guna Mendukung Penanganan Dampak Perekonomian Akibat Wabah Virus Corona (COVID-19), terdapat insentif GWM dalam mata uang rupiah sebesar 0,5% jika memenuhi persyaratan.

Sesuai dengan peraturan BI mengenai giro wajib minimum ("GWM") bagi bank umum syariah yang berlaku, setiap bank diwajibkan memelihara GWM dalam Rupiah secara harian sebesar 1,5%, secara rata-rata sebesar 3% dan total kewajiban pemenuhan GWM dalam Rupiah sebesar 4,5% dari dana pihak ketiga dalam Rupiah.

Bank dan Entitas Anak memenuhi ketentuan BI yang berlaku tentang Giro Wajib Minimum pada tanggal 31 Desember 2020 dan 2019.

**5. CURRENT ACCOUNTS WITH BANK INDONESIA
(continued)**

Based on Board Members Regulation No. 21/5/PADG/2019 dated 29 March 2019, minimum target of Bank Indonesia is 84% (changed from previously 80%) and maximum target of Bank Indonesia is 94% (changed from previously 92%). This regulation has been effective since 1 July 2019.

As per PBI No.22/4/PBI/2020 regarding Incentives for Banks that Provide Funds for Certain Economic Activities to Support the Handling of Economic Impacts due to Corona Virus (COVID-19) Outbreak, there is a GWM incentive in Rupiah currency of 0.5% if requirements are met.

In accordance with the prevailing BI regulations regarding minimum reserve requirements ("GWM") for sharia commercial banks, each bank is required to maintain GWM in Rupiah on daily basis of 1.5%, with an average of 3% and total obligation of GWM Rupiah of 4.5% from third party funds.

The Bank and Subsidiary fulfilled BI's regulations regarding Statutory Reserve Requirements as of 31 December 2020 and 2019.

6. GIRO PADA BANK-BANK LAIN

a. Berdasarkan mata uang

	31 Desember/December	
	2020	2019
Rupiah	402,271	212,823
Mata uang asing		
Yen Jepang	184,496	575,604
Dolar Amerika Serikat	163,516	158,708
Euro Eropa	82,967	35,410
Dolar Singapura	32,465	46,378
Dolar Australia	15,636	3,173
Poundsterling Inggris	10,421	7,257
Baht Thailand	3,024	15,955
Mata uang asing lainnya	1,772	1,596
	494,297	844,081
Cadangan kerugian penurunan nilai	(497)	-
	896,071	1,056,904

Rupiah

Foreign currencies

Japanese Yen

United States Dollar

European Euro

Singapore Dollar

Australian Dollar

Great Britain Poundsterling

Thailand Baht

Other foreign currencies

Allowance for impairment losses

b. Berdasarkan hubungan dengan pihak lawan

	31 Desember/December	
	2020	2019
Pihak ketiga		
Rupiah	402,271	212,823
Mata uang asing	123,746	118,631
	526,017	331,454
Pihak berelasi		
Mata uang asing	370,551	725,450
Cadangan kerugian penurunan nilai	(497)	-
	896,071	1,056,904

Third parties

Rupiah

Foreign currencies

Related party

Foreign currencies

Allowance for impairment losses

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6. GIRO PADA BANK-BANK LAIN (lanjutan)

6. CURRENT ACCOUNTS WITH OTHER BANKS (continued)

c. Berdasarkan pihak lawan

c. By counterparties

		31 Desember/December		
		2020	2019	
Pihak ketiga				Third parties
PT Bank Central Asia Tbk	375,163	166,790		PT Bank Central Asia Tbk
Wells Fargo Bank NA, New York	70,411	46,598		Wells Fargo Bank NA, New York
PT Bank Negara Indonesia (Persero) Tbk	28,533	88,832		PT Bank Negara Indonesia (Persero) Tbk
PT Bank Mandiri (Persero) Tbk	27,047	14,738		PT Bank Mandiri (Persero) Tbk
National Australia Bank	15,636	3,173		National Australia Bank
Citibank N.A., New York	7,069	8,657		Citibank N.A., New York
Lain-lain	2,158	2,666		Others
	526,017	331,454		
Pihak berelasi				Related party
Sumitomo Mitsui Banking Corporation	370,551	725,450		Sumitomo Mitsui Banking Corporation
Cadangan kerugian penurunan nilai	(497)	-		Allowance for impairment losses
	896,071	1,056,904		

Giro pada bank-bank lain pada tanggal 31 Desember 2020 dan 2019 diklasifikasikan lancar berdasarkan kolektibilitas OJK. Tidak terdapat saldo giro pada bank-bank lain yang diblokir atau digunakan sebagai agunan pada tanggal-tanggal tersebut.

As of 31 December 2020 and 2019, current accounts with other banks were classified as current based on OJK collectibility. There were no current accounts with other banks which were blocked or used as collateral as of those dates.

Tingkat suku bunga rata-rata giro pada bank-bank lain per tahun untuk tahun-tahun yang berakhir pada tanggal 31 Desember 2020 dan 2019 masing-masing adalah 0,81% dan 0,87%.

The average interest rates per annum of current accounts with other banks for the years ended 31 December 2020 and 2019 were 0.81% and 0.87%, respectively.

Perubahan dalam cadangan kerugian penurunan nilai adalah sebagai berikut:

The movement of the allowance for impairment losses was as follows:

		31 Desember/ 31 December		
		2020	2019	
Saldo awal	-	-	-	Beginning balance
Dampak penerapan awal PSAK 71 (Catatan 47)	(95)	-	-	Effect of initial implementation of PSAK 71 (Note 47)
Penyisihan selama tahun berjalan (Catatan 35)	(397)	-	-	Provision during the year (Note 35)
Lainnya	(5)	-	-	Others
Saldo akhir	(497)	-	-	Ending balance

Manajemen berpendapat bahwa cadangan kerugian penurunan nilai yang dibentuk cukup untuk menutup kemungkinan kerugian akibat penurunan nilai atas giro pada bank-bank lain pada tanggal 31 Desember 2020.

Management believes that the allowance for impairment losses was adequate to cover impairment losses for current accounts with other banks as of 31 December 2020.

Pada tanggal 31 Desember 2019 tidak terdapat giro pada bank-bank lain yang mengalami penurunan nilai. Manajemen berpendapat bahwa tidak diperlukan adanya cadangan kerugian penurunan nilai.

As of 31 December 2019, there was no impairment on current accounts with other banks. Management believes that no allowance for impairment losses was necessary.



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7. PENEMPATAN PADA BANK INDONESIA DAN BANK-BANK LAIN

Pada tanggal 31 Desember 2020 dan 2019, seluruh penempatan pada Bank Indonesia dan bank-bank lain ditempatkan pada pihak ketiga.

a. Berdasarkan mata uang

	31 Desember/December		
	2020	2019	
Rupiah	15,254,818	4,355,828	Rupiah
Mata uang asing			Foreign currencies
Dolar Amerika Serikat	1,700,050	4,484,048	United States Dollar
Pendapatan bunga yang masih akan diterima	49,471	74,228	Accrued interest income
	<u>17,004,339</u>	<u>8,914,104</u>	

Pada tanggal 31 Desember 2020 dan 2019, jumlah penempatan pada Bank Indonesia dan bank-bank lain yang digolongkan sebagai setara kas adalah masing-masing sebesar Rp 14.482.317 dan Rp 6.559.876.

7. PLACEMENTS WITH BANK INDONESIA AND OTHER BANKS

As of 31 December 2020 and 2019, all placements with Bank Indonesia and other banks were placed at third parties.

a. By currency

	31 Desember/December		
	2020	2019	
Rupiah	15,254,818	4,355,828	Rupiah
Mata uang asing			Foreign currencies
Dolar Amerika Serikat	1,700,050	4,484,048	United States Dollar
Pendapatan bunga yang masih akan diterima	49,471	74,228	Accrued interest income
	<u>17,004,339</u>	<u>8,914,104</u>	

As of 31 December 2020 and 2019, total placements with Bank Indonesia and other banks that were classified as cash equivalents amounted to Rp 14,482,317 and Rp 6,559,876, respectively.

b. Berdasarkan jenis

	31 Desember/December		
	2020	2019	
Deposito berjangka	13,793,157	4,484,048	Time deposits
Sertifikat Bank Indonesia Syariah ("SBIS")	2,472,551	2,280,000	Certificate of Bank Indonesia Sharia ("SBIS")
Fasilitas Simpanan Bank Indonesia ("FASBI") bersih setelah dikurangi dengan diskonto yang belum diamortisasi	689,160	1,825,828	Bank Indonesia's Deposit Facilities ("FASBI") net of unamortized discount
Call money	-	250,000	Call money
	<u>16,954,868</u>	<u>8,839,876</u>	
Pendapatan bunga yang masih akan diterima	49,471	74,228	Accrued interest income
	<u>17,004,339</u>	<u>8,914,104</u>	

c. Berdasarkan pihak lawan

	31 Desember/December		
	2020	2019	
Deposito berjangka:			Time deposits:
Bank Indonesia	13,793,157	4,484,048	Bank Indonesia
Call money:			Call money:
PT Bank Bukopin Tbk	-	250,000	PT Bank Bukopin Tbk
Penempatan lain:			Other placements:
Bank Indonesia - bersih setelah dikurangi dengan diskonto yang belum diamortisasi	3,161,711	4,105,828	Bank Indonesia - net of unamortized discount
	<u>16,954,868</u>	<u>8,839,876</u>	
Pendapatan bunga yang masih akan diterima	49,471	74,228	Accrued interest income
	<u>17,004,339</u>	<u>8,914,104</u>	

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7. PENEMPATAN PADA BANK INDONESIA DAN
BANK-BANK LAIN (lanjutan)

7. PLACEMENTS WITH BANK INDONESIA AND
OTHER BANKS (continued)

d. Berdasarkan jangka waktu

d. By time period

	31 Desember/December		
	2020	2019	
Hingga 1 bulan	14,482,317	6,559,876	Up to 1 month
Lebih dari 1 - 3 bulan	-	150,000	More than 1 - 3 months
Lebih dari 3 - 12 bulan	2,472,551	2,130,000	More than 3 - 12 months
	<u>16,954,868</u>	<u>8,839,876</u>	
Pendapatan bunga yang masih akan diterima	49,471	74,228	Accrued interest income
	<u>17,004,339</u>	<u>8,914,104</u>	

e. Berdasarkan sisa periode sampai dengan tanggal jatuh tempo

e. By remaining period to maturity date

Informasi mengenai sisa periode sampai dengan tanggal jatuh tempo diungkapkan pada Catatan 42.

Information regarding remaining period to maturity date was disclosed in Note 42.

f. Tingkat suku bunga

f. Interest rate

Tingkat suku bunga rata-rata per tahun atas penempatan pada Bank Indonesia dan bank-bank lain untuk tahun-tahun yang berakhir pada tanggal 31 Desember 2020 dan 2019 adalah sebagai berikut:

The average interest rates per annum of placements with Bank Indonesia and other banks for the years ended 31 December 2020 and 2019 were as follows:

	Tahun berakhir 31 Desember/ Year ended 31 December		
	2020	2019	
Rupiah	3.76%	5.20%	Rupiah
Mata uang asing	0.11%	2.16%	Foreign currencies

g. Cadangan kerugian penurunan nilai

g. Allowance for impairment losses

Penempatan pada Bank Indonesia dan bank-bank lain pada tanggal 31 Desember 2020 dan 2019 diklasifikasikan lancar berdasarkan kolektibilitas OJK. Tidak terdapat saldo penempatan di Bank Indonesia dan bank-bank lain yang diblokir atau digunakan sebagai agunan pada tanggal-tanggal tersebut.

Placements with Bank Indonesia and other banks as of 31 December 2020 and 2019 was classified as current based on OJK collectibility. There were no placements with Bank Indonesia and other banks which were blocked or used as collateral as of those dates.

Pada tanggal 31 Desember 2020 dan 2019 tidak terdapat penempatan pada Bank Indonesia dan bank-bank lain yang mengalami penurunan nilai. Manajemen berpendapat bahwa tidak diperlukan adanya cadangan kerugian penurunan nilai.

As of 31 December 2020 and 2019, there was no impairment on placement with Bank Indonesia and other banks. Management believes that no allowance for impairment losses was necessary.



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8. EFEK-EFEK

8. SECURITIES

a. Berdasarkan jenis mata uang dan penerbit

a. By currency and issuer

31 Desember/December 2020

	Nilai nominal/ <i>Nominal value</i>	Keuntungan (kerugian) yang belum direalisasi/ <i>Unrealised gain (loss)</i>	Premium (diskonto) yang belum diamortisasi/ <i>Unamortised premium (discount)</i>	Nilai tercatat/ <i>Carrying amount</i>
Rupiah				
<u>Diukur pada biaya perolehan/ Measured at acquisition cost</u>				
Sertifikat Investasi Mudharabah Antarbank (SIMA)/Certificate of Interbank Mudharabah Investment (SIMA)	79,000	-	-	79,000
Sukuk Bank Indonesia/Bank Indonesia sukuk	966,417	-	-	966,417
Sukuk korporasi/Corporation sukuk	138,000	-	3,339	141,339
Surat Berharga Syariah Negara/Sovereign Sharia Securities	1,430,274	-	8,530	1,438,804
Reksa dana syariah/Sharia mutual funds	92,600	-	-	92,600
Obligasi pemerintah/Government bonds	975,000	-	(307)	974,693
Wesel ekspor/Export bills	101,625	-	(301)	101,324
	<u>3,782,916</u>	<u>-</u>	<u>11,261</u>	<u>3,794,177</u>
<u>Diukur pada nilai wajar melalui penghasilan komprehensif lain/ Measured at fair value through other comprehensive income</u>				
Obligasi pemerintah/Government bonds	9,399,683	-	346,838	9,746,521
Reksa dana syariah/Sharia mutual funds	85,000	79	-	85,079
	<u>9,484,683</u>	<u>79</u>	<u>346,838</u>	<u>9,831,600</u>
Mata uang asing/Foreign currency				
<u>Diukur pada biaya perolehan/ Measured at acquisition cost</u>				
Wesel ekspor/Export bills	1,184,393	-	(5,514)	1,178,879
	<u>1,184,393</u>	<u>-</u>	<u>(5,514)</u>	<u>1,178,879</u>
Jumlah/Total				14,804,656
Pendapatan bunga/margin yang masih akan diterima/Accrued interest/margin income				215,898
Cadangan kerugian penurunan nilai/Allowance for impairment losses				(291)
Jumlah/Total				<u>15,020,263</u>

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8. EFEK-EFEK (lanjutan)

8. SECURITIES (continued)

a. Berdasarkan jenis mata uang dan penerbit
(lanjutan)

a. By currency and issuer (continued)

	31 Desember/December 2019			
	Nilai nominal/ Nominal value	Keuntungan (kerugian) yang belum direalisasi/ Unrealised gain (loss)	Premium (diskonto) yang belum diamortisasi/ Unamortised premium (discount)	Nilai tercatat/ Carrying amount
Rupiah				
<u>Tersedia untuk dijual/Available for sale</u> <u>Sertifikat Bank Indonesia/Certificate of Bank</u> <u>Indonesia</u>	5,647,029	14,367	(61,820)	5,599,576
	5,647,029	14,367	(61,820)	5,599,576
<u>Dimiliki hingga jatuh tempo/Held to maturity</u> <u>Obligasi pemerintah/Government bonds</u>	1,780,000	-	11,330	1,791,330
	1,780,000	-	11,330	1,791,330
<u>Diukur pada nilai wajar melalui penghasilan</u> <u>komprehensif lain/Measured at fair</u> <u>value through other comprehensive</u> <u>income</u>				
<u>Reksa dana syariah/Sharia mutual funds</u>	80,000	185	-	80,185
	80,000	185	-	80,185
<u>Diukur pada biaya perolehan/</u> <u>Measured at acquisition cost</u> <u>Sertifikat Investasi Mudharabah Antarbank</u> <u>(SIMA)/Certificate of Interbank</u> <u>Mudharabah Investment (SIMA)</u>	79,000	-	-	79,000
<u>Sukuk Bank Indonesia/Bank Indonesia</u> <u>sukuk</u>	1,005,926	-	-	1,005,926
<u>Sukuk korporasi/Corporation sukuk</u>	50,000	-	-	50,000
<u>Surat Berharga Syariah Negara/Sovereign</u> <u>Sharia Securities</u>	816,481	-	(2,439)	814,042
<u>Reksa dana syariah/Sharia mutual funds</u>	42,600	-	-	42,600
	1,994,007	-	(2,439)	1,991,568
<u>Pinjaman dan piutang/Loans and</u> <u>receivables</u>				
<u>Wesel ekspor/Export bills</u>	423,437	-	(1,136)	422,301
	423,437	-	(1,136)	422,301
Mata uang asing/Foreign currency				
<u>Pinjaman dan piutang/Loans and</u> <u>receivables</u>				
<u>Wesel ekspor/Export bills</u>	774,640	-	(4,976)	769,664
	774,640	-	(4,976)	769,664
Jumlah/Total				10,654,624
Pendapatan bunga/margin yang masih akan diterima/Accrued interest/margin income				48,233
Cadangan kerugian penurunan nilai/Allowance for impairment losses				(6)
Jumlah/Total				10,702,851



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8. EFEK-EFEK (lanjutan)

8. SECURITIES (continued)

b. Berdasarkan akad

b. By contract

Termasuk di dalam efek-efek adalah efek-efek dengan akad syariah:

Included in securities are securities under sharia contracts:

	31 Desember/December		
	2020	2019	
Mudharabah	220,339	129,000	Mudharabah
Ijarah	966,417	814,042	Ijarah
Wakalah	177,679	122,785	Wakalah
Musyarakah muntahiyah bittamlik	1,438,804	1,005,926	Musyarakah muntahiyah bittamlik
	2,803,239	2,071,753	
Pendapatan yang masih akan diterima	23,553	14,836	Accrued income
	2,826,792	2,086,589	

c. Berdasarkan hubungan lawan

c. By relationship

	31 Desember/December		
	2020	2019	
Pihak ketiga	14,672,468	10,568,519	Third parties
Pihak berelasi	132,188	86,105	Related parties
	14,804,656	10,654,624	
Pendapatan bunga/margin yang masih akan diterima	215,898	48,233	Accrued interest/margin income
Cadangan kerugian penurunan nilai	(291)	(6)	Allowance for impairment losses
	15,020,263	10,702,851	

d. Berdasarkan jangka waktu

d. By time period

	31 Desember/December		
	2020	2019	
Sampai dengan 1 bulan	779,437	327,884	Up to 1 month
Lebih dari 1 - 3 bulan	1,019,642	610,854	More than 1 - 3 months
Lebih dari 3 - 6 bulan	622,947	1,136,222	More than 3 - 6 months
Lebih dari 6 - 9 bulan	2,574	44,918	More than 6 - 9 months
Lebih dari 9 - 12 bulan	227,562	5,848,064	More than 9 - 12 months
Lebih dari 12 bulan	12,152,494	2,686,682	More than 12 months
	14,804,656	10,654,624	
Pendapatan bunga/margin yang masih akan diterima	215,898	48,233	Accrued interest/margin income
Cadangan kerugian penurunan nilai	(291)	(6)	Allowance for impairment losses
	15,020,263	10,702,851	

e. Berdasarkan sisa periode sampai dengan tanggal jatuh tempo

e. By remaining period of maturity date

Informasi mengenai sisa periode sampai dengan tanggal jatuh tempo diungkapkan pada Catatan 42.

Information regarding remaining period to maturity date was disclosed in Note 42.

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8. EFEK-EFEK (lanjutan)

8. SECURITIES (continued)

f. Tingkat suku bunga/margin rata-rata per tahun

f. Average interest rate/margin per annum

	31 Desember/December		
	2020	2019	
Sertifikat Bank Indonesia	-	6.44%	Certificate of Bank Indonesia
Sertifikat Deposito Bank Indonesia	-	5.75%	Certificate Deposit of Bank Indonesia
Obligasi korporasi	-	6.07%	Corporate bonds
Obligasi pemerintah	5.47%	6.84%	Government bonds
Surat Berharga Syariah Negara	6.47%	6.81%	Sovereign Sharia Securities
Sertifikat Investasi Mudharabah Antarbank (SIMA)	4.23%	5.12%	Certificate of Interbank Mudharabah Investment (SIMA)
Reksa dana syariah	7.23%	7.79%	Sharia mutual funds
Sukuk korporasi	6.57%	7.00%	Corporate Sukuk
Sukuk Bank Indonesia	4.29%	5.54%	Sukuk Bank Indonesia

g. Berdasarkan peringkat

g. By rating

Peringkat penerbit sukuk korporasi adalah sebagai berikut:

Rating of issuers of corporate sukuk was as follows:

31 Desember/December 2020			
Sukuk korporasi/Corporate sukuk	Pemeringkat/ Agencies	Peringkat/ Rating	Nilai tercatat/ Carrying amount
PT Bank CIMB Niaga Tbk	Pefindo	id AAA	80,912
Unit Usaha Syariah	Pefindo	id AA+	11,734
PT Bank Mandiri Syariah	Pefindo	id AA+	43,676
PT Bank BRI Syariah Tbk			
PT Bank BPD Sumatera Barat Tbk			
Unit Usaha Syariah	Pefindo	id A	5,017

31 Desember/December 2019			
Sukuk korporasi/Corporate sukuk	Pemeringkat/ Agencies	Peringkat/ Rating	Nilai tercatat/ Carrying amount
PT Bank CIMB Niaga Tbk	Pefindo	id AAA	50,000
Unit Usaha Syariah			

Pada 31 Desember 2020 dan 2019, peringkat atas seluruh efek yang diterbitkan oleh pemerintah Republik Indonesia adalah BBB berdasarkan pemeringkat Fitch Ratings Indonesia.

As of 31 December 2020 and 2019, the rating of all securities issued by Republic of Indonesia was BBB based on Fitch Ratings Indonesia agency.

h. Cadangan kerugian penurunan nilai

h. Allowance for impairment losses

Manajemen berpendapat bahwa cadangan kerugian yang dibentuk cukup untuk menutup kemungkinan kerugian akibat penurunan nilai atas efek-efek pada tanggal 31 Desember 2020 dan 2019.

Management believes that the allowance for losses was adequate to cover impairment losses for securities as of 31 December 2020 and 2019.

Perubahan dalam cadangan kerugian penurunan nilai efek-efek adalah sebagai berikut:

The movement of the allowance for impairment losses for securities was as follows:

Tahun berakhir 31 Desember/ Year ended 31 December			
2020	2019		
Saldo awal tahun	(6)	-	Balance at beginning of year
Dampak penerapan awal PSAK 71 (Catatan 47)	(452)	-	Effect of initial implementation of PSAK 71 (Note 47)
Pemulihan selama tahun berjalan (Catatan 35)	177	44	Reversal during the year (Note 35)
Pengalihan cadangan kerugian penurunan nilai akibat penggabungan usaha	-	(50)	Transfer allowance for impairment losses due to merger
Lainnya	(10)	-	Others
Saldo akhir tahun	(291)	(6)	Balance at end of year



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8. EFEK-EFEK (lanjutan)

i. Informasi penting lainnya sehubungan dengan efek-efek

Selama tahun yang berakhir pada tanggal 31 Desember 2020 dan 2019, Bank tidak melakukan penjualan atas efek-efek yang diukur pada nilai wajar melalui penghasilan komprehensif lain, sehingga tidak ada pemindahan keuntungan atau kerugian dari ekuitas ke laba rugi.

Pada tanggal 31 Desember 2020 dan 2019, jumlah efek-efek yang digolongkan sebagai setara kas adalah masing-masing sebesar Rp 1.799.079 dan Rp 938.738.

8. SECURITIES (continued)

i. Other significant information relating to securities

During the years ended 31 December 2020 and 2019, the Bank did not sell securities which measured at fair value through other comprehensive income, so there were no gains or losses transferred from equity to profit or loss.

As of 31 December 2020 and 2019, total securities that were classified as cash equivalents amounted to Rp 1,799,079 and Rp 938,738, respectively.

9. TAGIHAN DAN LIABILITAS DERIVATIF

a. Berdasarkan jenis dan hubungan

9. DERIVATIVE RECEIVABLES AND PAYABLES

a. By type and relationship

31 Desember/December 2020					
Instrumen/Instruments	Nilai kontrak/nosional/ Contract/notional amount	Nilai wajar/Fair value			
		Tagihan derivatif/ Derivative receivables		Liabilitas derivatif/ Derivative payables	
		Pihak berelasi/ Related parties	Pihak ketiga/ Third parties	Pihak berelasi/ Related parties	Pihak ketiga/ Third parties
Kontrak tunai mata uang asing/ <i>Foreign currency spot</i>	403,235	156	122	-	1,578
Kontrak berjangka mata uang asing/ <i>Foreign currency forward</i>	3,408,327	5,337	157,986	104	33,268
Swap mata uang asing/ <i>Foreign currency swap</i>	4,801,304	2,866	36,110	37	200,557
<i>Cross currency swap</i>	24,934,804	41,569	563,819	296	534,537
Swap suku bunga/ <i>Interest rate swap</i>	8,339,834	-	109,117	102,335	14,445
	41,887,504	49,928	867,154	102,772	784,385
31 Desember/December 2019					
Instrumen/Instruments	Nilai kontrak/nosional/ Contract/notional amount	Nilai wajar/Fair value			
		Tagihan derivatif/ Derivative receivables		Liabilitas derivatif/ Derivative payables	
		Pihak berelasi/ Related parties	Pihak ketiga/ Third parties	Pihak berelasi/ Related parties	Pihak ketiga/ Third parties
Kontrak tunai mata uang asing/ <i>Foreign currency spot</i>	634,430	29	595	17	712
Kontrak berjangka mata uang asing/ <i>Foreign currency forward</i>	7,595,993	-	154,417	172	55,967
Swap mata uang asing/ <i>Foreign currency swap</i>	20,715,098	1	30,472	-	248,151
<i>Cross currency swap</i>	24,832,379	58,079	526,583	2,796	514,448
Swap suku bunga/ <i>Interest rate swap</i>	9,024,155	3,573	66,623	51,086	21,598
	62,802,055	61,682	778,690	54,071	840,876

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9. TAGIHAN DAN LIABILITAS DERIVATIF (lanjutan)

a. Berdasarkan jenis dan hubungan (lanjutan)

Bank menyediakan produk derivatif untuk nasabahnya seperti kontrak pembelian atau penjualan berjangka mata uang asing, perjanjian swap mata uang asing dan perjanjian *swap/cap* tingkat suku bunga yang memungkinkan nasabahnya untuk memindahkan, memodifikasi atau mengurangi risiko atas kurs nilai tukar dan/atau risiko tingkat suku bunga. Sebagai bagian dari kebijakan manajemen risiko, Bank melindungi sebagian besar transaksi derivatif dengan nasabahnya dengan membuat transaksi derivatif timbal balik dengan jumlah dan waktu jatuh tempo yang sama dengan perusahaan afiliasi di luar negeri dan bank lain. Bank juga menggunakan instrumen derivatif sebagai sarana sehubungan dengan kegiatan manajemen risiko. Derivatif digunakan oleh Bank terutama untuk mengatasi risiko kurs nilai tukar atas aset dan liabilitas dalam mata uang asing, dan untuk mengatasi risiko tingkat suku bunga yang berhubungan dengan aset dan liabilitas tertentu di dalam laporan posisi keuangan konsolidasian.

b. Berdasarkan kolektibilitas

Tagihan derivatif pada tanggal 31 Desember 2020 dan 2019 tidak mengalami penurunan nilai, dan diklasifikasikan sebagai lancar berdasarkan kolektibilitas OJK.

Manajemen berpendapat bahwa tidak diperlukan adanya cadangan kerugian penurunan nilai pada tagihan derivatif.

c. Berdasarkan sisa periode sampai dengan tanggal jatuh tempo

Informasi mengenai sisa periode sampai dengan tanggal jatuh tempo diungkapkan pada Catatan 42.

10. TAGIHAN DAN LIABILITAS AKSEPTASI

Tagihan akseptasi

Semua tagihan akseptasi adalah transaksi dengan pihak ketiga.

a. Berdasarkan mata uang

	<u>31 Desember/December</u>	
	<u>2020</u>	<u>2019</u>
Rupiah	542,053	847,922
Mata uang asing	948,581	844,538
	<u>1,490,634</u>	<u>1,692,460</u>
Dikurangi: Cadangan kerugian penurunan nilai	(5,694)	(69)
	<u>1,484,940</u>	<u>1,692,391</u>

9. DERIVATIVE RECEIVABLES AND PAYABLES (continued)

a. By type and relationship (continued)

The Bank provides derivative products to its customers such as forward exchange contracts, cross-currency swap agreements and interest rate swap/cap agreements to enable its customers to transfer, modify or reduce their foreign exchange and/or interest rate risks. As part of its risk management policy, the Bank covers most of these derivative contracts with customers with back-to-back derivative contracts with the same notional amount and maturity with its foreign affiliates and other banks. Also, the Bank uses derivative instruments as an end-user in connection with its risk management activities. Derivatives are used by the Bank mainly to manage foreign exchange risk on its foreign currency denominated assets and liabilities and to manage interest rate risk relating to specific groups of assets and liabilities in the consolidated statement of financial position.

b. By collectibility

Derivative receivables as of 31 December 2020 and 2019 were not impaired and were all classified as current based on OJK grading.

Management believes that no allowance for impairment losses was necessary on derivative receivables.

c. By remaining period to maturity date

Information regarding remaining period to maturity date was disclosed in Note 42.

10. ACCEPTANCE RECEIVABLES AND PAYABLES

Acceptance receivables

All acceptance receivables transactions were with third parties.

a. By currency

Rupiah
Foreign currency

Less: Allowance for impairment losses



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10. TAGIHAN DAN LIABILITAS AKSEPTASI (lanjutan)

10. ACCEPTANCE RECEIVABLES AND PAYABLES (continued)

Tagihan akseptasi (lanjutan)

Acceptance receivables (continued)

b. Berdasarkan jangka waktu

b. By time period

	31 Desember/December		
	2020	2019	
Rupiah			Rupiah
Lebih dari 1 - 3 bulan	-	24,046	More than 1 - 3 months
Lebih dari 3 - 6 bulan	144,510	56,061	More than 3 - 6 months
Lebih dari 6 bulan	397,543	767,815	More than 6 months
	<u>542,053</u>	<u>847,922</u>	
Mata uang asing			Foreign currencies
Hingga 1 bulan	2,092	3,079	Up to 1 month
Lebih dari 1 - 3 bulan	91,854	106,249	More than 1 - 3 months
Lebih dari 3 - 6 bulan	759,141	632,400	More than 3 - 6 months
Lebih dari 6 bulan	95,494	102,810	More than 6 months
	<u>948,581</u>	<u>844,538</u>	
Dikurangi: Cadangan kerugian penurunan nilai	(5,694)	(69)	Less: Allowance for impairment losses
	<u>1,484,940</u>	<u>1,692,391</u>	

c. Berdasarkan kolektabilitas

c. By collectability

	31 Desember/December		
	2020	2019	
Lancar	1,488,700	1,688,749	Current
Dalam perhatian khusus	1,934	3,711	Special mention
	<u>1,490,634</u>	<u>1,692,460</u>	
Dikurangi: Cadangan kerugian penurunan nilai	(5,694)	(69)	Less: Allowance for impairment losses
	<u>1,484,940</u>	<u>1,692,391</u>	

d. Cadangan kerugian penurunan nilai

d. Allowance for impairment losses

Perubahan dalam cadangan kerugian penurunan nilai tagihan akseptasi adalah sebagai berikut:

The movement of the allowance for impairment losses for acceptance receivables was as follows:

	Tahun berakhir 31 Desember/ Year ended 31 December		
	2020	2019	
Saldo awal tahun	(69)	-	Balance at beginning of year
Dampak penerapan awal PSAK 71 (Catatan 47)	(2,611)	-	Effect of initial implementation of PSAK 71 (Note 47)
(Penyisihan) pemulihan cadangan selama tahun berjalan (Catatan 35)	(3,146)	7	(Provision) reversal of allowance during the year (Note 35)
Pengalihan cadangan kerugian penurunan nilai akibat penggabungan usaha	-	(76)	Transfer allowance for impairment losses due to merger
Lainnya	132	-	Others
Saldo akhir tahun	<u>(5,694)</u>	<u>(69)</u>	Balance at end of year

Manajemen berpendapat bahwa cadangan yang dibentuk cukup untuk menutup kemungkinan kerugian akibat penurunan nilai tagihan akseptasi pada tanggal 31 Desember 2020 dan 2019.

Management believes that the allowance for losses was adequate to cover impairment losses on acceptance receivables as of 31 December 2020 and 2019.

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10. TAGIHAN DAN LIABILITAS AKSEPTASI (lanjutan)

10. ACCEPTANCE RECEIVABLES AND PAYABLES (continued)

Liabilitas akseptasi

Acceptance payables

a. Berdasarkan hubungan dengan pihak lawan dan mata uang

a. By relationship with counterparties and currency

	31 Desember/ December		
	2020	2019	
Rupiah			Rupiah
- Pihak ketiga	278,193	557,430	Third parties -
Mata uang asing			Foreign Currency
- Pihak ketiga	327,404	173,506	Third parties -
- Pihak berelasi	161,685	157,523	Related parties -
	489,089	331,029	
	767,282	888,459	

b. Berdasarkan jangka waktu

b. By time period

	31 Desember/ December		
	2020	2019	
Rupiah			Rupiah
Lebih dari 1 - 3 bulan	-	21,568	More than 1 - 3 months
Lebih dari 3 - 6 bulan	144,510	56,060	More than 3 - 6 months
Lebih dari 6 bulan	133,683	479,802	More than 6 months
	278,193	557,430	
Mata uang asing			Foreign currency
Hingga 1 bulan	2,092	3,079	Up to 1 month
Lebih dari 1 - 3 bulan	91,854	106,249	More than 1 - 3 months
Lebih dari 3 - 6 bulan	299,649	118,891	More than 3 - 6 months
Lebih dari 6 bulan	95,494	102,810	More than 6 months
	489,089	331,029	
	767,282	888,459	

c. Berdasarkan sisa periode sampai dengan tanggal jatuh tempo

c. By remaining period to maturity date

Informasi mengenai sisa periode sampai dengan tanggal jatuh tempo diungkapkan pada Catatan 42.

Information regarding remaining period to maturity date was disclosed in Note 42.

11. PINJAMAN YANG DIBERIKAN DAN PEMBIAYAAN/ PIUTANG SYARIAH

11. LOANS AND SHARIA FINANCING/ RECEIVABLES

	31 Desember/December		
	2020	2019	
Pinjaman yang diberikan:			Loans:
Pihak ketiga			Third parties
- Rupiah	85,652,174	94,923,456	Rupiah -
- Dolar Amerika Serikat	38,698,999	34,762,076	United States Dollar -
- Yen Jepang	950,477	942,368	Japanese Yen -
- Euro Eropa	181,335	-	European Euro -
Pihak berelasi			Related parties
- Rupiah	90,163	98,492	Rupiah -
- Dolar Amerika Serikat	1,115,891	2,032,884	United States Dollar -
- Yen Jepang	714	1,333	Japanese Yen -
Pembiayaan/piutang syariah:			Sharia financing/receivables:
Pihak ketiga			Third parties
- Rupiah	9,522,866	8,999,574	Rupiah -
Pendapatan bunga/margin yang masih akan diterima			Accrued interest/margin income
- Rupiah	613,802	673,920	Rupiah -
- Dolar Amerika Serikat	65,248	153,093	United States Dollar -
- Yen Jepang	370	346	Japanese Yen -
- Euro Eropa	136	-	European Euro -
Dikurangi: Cadangan kerugian penurunan nilai	(3,422,325)	(1,467,199)	Less: Allowance for impairment losses
	133,469,850	141,120,343	



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PIUTANG SYARIAH (lanjutan)**

**11. LOANS AND SHARIA FINANCING/
RECEIVABLES (continued)**

a. Berdasarkan jenis, mata uang dan kolektibilitas

a. Based on type, currency and collectability

31 Desember/December 2020							
	Lancar/ Current	Dalam Perhatian Khusus/ Special Mention	Kurang Lancar/ Substandard	Diragukan/ Doubtful	Macet/ Loss	Jumlah/ Total	
Rupiah							Rupiah
Korporasi	36,305,844	925,486	463,916	-	-	37,695,246	Corporates
Pensiunan	30,595,606	527,468	34,575	39,794	126,295	31,323,738	Pensioners
Usaha Kecil Menengah	12,025,199	17,821	1,300	6,920	493,930	12,545,170	Small Medium Enterprises
Usaha Mikro Kecil	855,798	33,707	12,707	1,795	1,455	905,462	Micro business
Pembiayaan/piutang syariah	9,258,466	82,315	53,063	5,988	123,034	9,522,866	Sharia financing/ receivables
Pegawai instansi lain	710,196	44,954	6,163	5,415	17,408	784,136	Other institutions' employees
Keperluan rumah tangga	468,533	93,903	22,681	49,869	15,299	650,285	Household goods
Karyawan	152,861	5	5	17	1,112	154,000	Employee loans
Umum	1,321,210	232,232	11,352	11,895	14,969	1,591,658	General purpose
Kredit kepemilikan mobil	58,506	25,893	2,925	2,708	2,608	92,640	Car Loans
	91,752,219	1,983,784	608,687	124,401	796,110	95,265,201	
Mata uang asing							Foreign currencies
Korporasi	38,267,439	2,566,977	91,325	14,050	7,627	40,947,418	Corporates
	130,019,658	4,550,761	700,012	138,451	803,737	136,212,619	
Pendapatan bunga/ marjin yang masih akan diterima	641,138	38,418	-	-	-	679,556	Accrued interest/ margin income
Cadangan kerugian penurunan nilai	(2,120,681)	(336,439)	(370,133)	(82,477)	(512,595)	(3,422,325)	Allowance for impairment losses
	128,540,115	4,252,740	329,879	55,974	291,142	133,469,850	
31 Desember/December 2019							
	Lancar/ Current	Dalam Perhatian Khusus/ Special Mention	Kurang Lancar/ Substandard	Diragukan/ Doubtful	Macet/ Loss	Jumlah/ Total	
Rupiah							Rupiah
Korporasi	37,178,116	782,332	14,750	-	-	37,975,198	Corporates
Pensiunan	33,249,734	696,810	53,791	50,180	119,767	34,170,282	Pensioners
Usaha Kecil Menengah	13,218,680	206,224	20,154	90,853	348,069	13,883,980	Small Medium Enterprises
Usaha Mikro Kecil	1,399,899	165,758	18,818	19,281	7,393	1,611,149	Micro business
Pembiayaan/piutang syariah	8,749,269	127,635	71,504	25,102	26,064	8,999,574	Sharia financing/ receivables
Pegawai instansi lain	1,306,174	99,226	5,540	10,826	19,218	1,440,984	Other institutions' employees
Keperluan rumah tangga	2,132,674	207,335	38,782	67,025	13,074	2,458,890	Household goods
Karyawan	178,308	372	237	85	300	179,302	Employee loans
Umum	2,986,003	122,555	11,019	2,508	3,024	3,125,109	General purpose
Kredit kepemilikan mobil	149,531	23,936	2,082	798	706	177,053	Car loans
	100,548,388	2,432,183	236,677	266,658	537,615	104,021,521	
Mata uang asing							Foreign currencies
Korporasi	35,616,340	2,010,667	90,236	13,883	7,536	37,738,662	Corporates
	136,164,728	4,442,850	326,913	280,541	545,151	141,760,183	
Pendapatan bunga/ marjin yang masih akan diterima	773,975	53,384	-	-	-	827,359	Accrued interest/ margin income
Cadangan kerugian penurunan nilai							impairment losses
	136,430,948	4,073,378	222,717	154,997	238,303	141,120,343	

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**11. PINJAMAN YANG DIBERIKAN DAN
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**a. Berdasarkan jenis, mata uang dan
kolektibilitas OJK (lanjutan)**

Pembiayaan/piutang syariah terdiri atas piutang murabahah, pembiayaan musyarakah, dan pinjaman qardh masing-masing sebesar Rp 9.514.196, Rp 8.315, dan Rp 355 pada tanggal 31 Desember 2020 dan masing-masing sebesar Rp 8.969.565, Rp 29.129, dan Rp 880 pada tanggal 31 Desember 2019.

Rasio pinjaman yang diberikan kepada Usaha Mikro, Kecil dan Menengah ("UMKM") terhadap jumlah pinjaman yang diberikan pada tanggal 31 Desember 2020 dan 2019 masing-masing sebesar 12,12% dan 12,27%. Rasio tersebut dihitung sesuai dengan peraturan Bank Indonesia yang berlaku.

**11. LOANS AND SHARIA FINANCING/
RECEIVABLES (continued)**

**a. Based on type, currency and OJK grading
(continued)**

Sharia financing/receivables consists of murabahah receivables, musyarakah financing, and funds of qardh amounted to Rp 9,514,196, Rp 8,315, and Rp 355, respectively, as of 31 December 2020 and Rp 8,969,565, Rp 29,129, and Rp 880, respectively, as of 31 December 2019.

Ratios of loans extended to Micro, Small and Medium Enterprises ("UMKM") to total loans as of 31 December 2020 and 2019 were 12.12% and 12.27%, respectively. These ratios were calculated based on the prevailing Bank Indonesia regulations.

b. Berdasarkan sektor ekonomi

b. By economic sector

31 Desember/December 2020						
	Lancar/ Current	Dalam Perhatian Khusus/ Special Mention	Kurang lancar/ Substandard	Diragukan/ Doubtful	Macet/ Loss	Jumlah/ Total
Rupiah						Rupiah
Rumah tangga	32,133,642	743,980	75,505	106,202	174,320	33,233,649
Perdagangan	20,251,127	460,005	314,424	10,494	369,679	21,405,729
Perindustrian	15,139,336	483,360	3,093	2,000	166,146	15,793,935
Jasa lainnya	4,771,802	33,155	210,890	4,573	17,339	5,037,759
Pertanian	2,414,580	7,462	3,702	967	7,082	2,433,793
Jasa akomodasi	204,419	2,737	837	124	93	208,210
Konstruksi	5,939,815	2,308	-	-	31,937	5,974,060
Transportasi & komunikasi	10,654,146	250,362	83	27	29,070	10,933,688
Pertambangan	59,209	126	12	2	46	59,395
Lainnya	184,143	289	141	12	398	184,983
	91,752,219	1,983,784	608,687	124,401	796,110	95,265,201
Dolar Amerika Serikat						United States Dollar
Perdagangan	1,991,362	-	-	-	-	1,991,362
Perindustrian	9,144,320	2,122,014	91,325	14,050	7,627	11,379,336
Jasa lainnya	486,852	-	-	-	-	486,852
Pertanian	2,497,184	-	-	-	-	2,497,184
Konstruksi	163,149	-	-	-	-	163,149
Transportasi & komunikasi	15,457,392	98,140	-	-	-	15,555,532
Pertambangan	1,846,834	-	-	-	-	1,846,834
Lainnya	5,894,643	-	-	-	-	5,894,643
	37,481,736	2,220,154	91,325	14,050	7,627	39,814,892
Yen Jepang						Japanese Yen
Perindustrian	545,462	346,823	-	-	-	892,285
Jasa lainnya	58,906	-	-	-	-	58,906
	604,368	346,823	-	-	-	951,191
Euro Eropa						European Euro
	181,335	-	-	-	-	181,335
	181,335	-	-	-	-	181,335
	130,019,658	4,550,761	700,012	138,451	803,737	136,212,619
bunga/margin yang masih akan diterima	641,138	38,418	-	-	-	679,556
penurunan nilai	(2,120,681)	(336,439)	(370,133)	(82,477)	-	-
	128,540,115	4,252,740	329,879	55,974	291,142	133,469,850

Accrued interest/
margin income

impairment losses



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**11. PINJAMAN YANG DIBERIKAN DAN
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**11. LOANS AND SHARIA FINANCING/
RECEIVABLES (continued)**

b. Berdasarkan sektor ekonomi (lanjutan)

b. By economic sector (continued)

31 Desember/December 2019							
	Lancar/ Current	Dalam Perhatian Khusus/ Special Mention	Kurang lancar/ Substandard	Diragukan/ Doubtful	Macet/ Loss	Jumlah/ Total	
Rupiah							Rupiah
Rumah tangga	37,511,417	1,139,395	112,704	132,562	156,107	39,052,185	Household
Perdagangan	18,499,411	346,132	72,195	78,456	214,812	19,211,006	Trading
Perindustrian	18,288,234	545,075	14,548	41,345	84,562	18,973,764	Manufacturing
Jasa lainnya	11,348,037	343,960	12,158	4,551	3,325	11,712,031	Other services
Pertanian	1,886,553	12,534	4,551	1,534	1,506	1,906,678	Agriculture
Jasa akomodasi	238,745	14,914	1,167	742	12,017	267,585	Accommodation
Konstruksi	6,116,404	21,504	14,750	3,060	36,759	6,192,477	services
Transportasi & komunikasi	6,258,173	7,929	4,343	4,337	28,466	6,303,248	Construction
Pertambangan	233,648	252	16	3	-	233,919	Transportation & communication
Lainnya	167,766	488	245	68	62	168,629	Mining
	100,548,388	2,432,183	236,677	266,658	537,616	104,021,522	Others
Dolar Amerika Serikat							United States Dollar
Perdagangan	2,563,857	-	-	-	-	2,563,857	Trading
Perindustrian	8,800,555	1,792,162	90,236	13,882	7,536	10,704,371	Manufacturing
Jasa lainnya	13,801,425	-	-	-	-	13,801,425	Other services
Pertanian	1,784,640	-	-	-	-	1,784,640	Agriculture
Konstruksi	195,576	-	-	-	-	195,576	Construction
Transportasi & komunikasi	1,636,441	-	-	-	-	1,636,441	Transportation & communication
Pertambangan	1,835,920	-	-	-	-	1,835,920	Mining
Lainnya	4,272,730	-	-	-	-	4,272,730	Others
	34,891,144	1,792,162	90,236	13,882	7,536	36,794,960	
Yen Jepang							Japanese Yen
Perdagangan	23,006	-	-	-	-	23,006	Trading
Perindustrian	600,087	218,505	-	-	-	818,592	Manufacturing
Jasa lainnya	102,103	-	-	-	-	102,103	Other services
	725,196	218,505	-	-	-	943,701	
	136,164,728	4,442,850	326,913	280,540	545,152	141,760,183	
Pendapatan bunga/margin yang masih akan diterima	773,975	53,384	-	-	-	827,359	Accrued interest/ margin income
Cadangan kerugian penurunan nilai	(507,755)	(422,856)	(104,196)	(125,544)	(306,848)	(1,467,199)	Allowance for impairment losses
	136,430,948	4,073,378	222,717	154,996	238,304	141,120,343	

c. Berdasarkan jangka waktu

c. By time period

31 Desember/December			
	2020	2019	
Hingga 1 tahun	18,001,012	19,250,098	Up to 1 year
Lebih dari 1 - 2 tahun	36,789,382	33,033,629	More than 1 - 2 years
Lebih dari 2 - 3 tahun	8,262,828	9,753,606	More than 2 - 3 years
Lebih dari 3 - 4 tahun	9,148,596	8,147,728	More than 3 - 4 years
Lebih dari 4 - 5 tahun	23,699,316	26,202,246	More than 4 - 5 years
Lebih dari 5 tahun	40,311,485	45,372,876	More than 5 years
	136,212,619	141,760,183	
Pendapatan bunga/margin yang masih akan diterima	679,556	827,359	Accrued interest/margin income
Cadangan kerugian penurunan nilai	(3,422,325)	(1,467,199)	Allowance for impairment losses
	133,469,850	141,120,343	

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11. PINJAMAN YANG DIBERIKAN DAN
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11. LOANS AND SHARIA FINANCING/
RECEIVABLES (continued)

d. Berdasarkan sisa periode sampai dengan
tanggal jatuh tempo

d. By remaining period to maturity date

Informasi mengenai sisa periode sampai
dengan tanggal jatuh tempo diungkapkan pada
Catatan 42.

Information regarding remaining period to
maturity date was disclosed in Note 42.

e. Berdasarkan hubungan dengan pihak
lawan/debitur

e. By relationship with counterparties/
debtors

	31 Desember/December		
	2020	2019	
Pihak ketiga	135,005,851	139,627,474	Third parties
Pihak berelasi	1,206,768	2,132,709	Related parties
	136,212,619	141,760,183	
Pendapatan bunga/margin yang masih akan diterima	679,556	827,359	Accrued interest/margin income
Cadangan kerugian penurunan nilai	(3,422,325)	(1,467,199)	Allowance for impairment losses
	133,469,850	141,120,343	

f. Tingkat suku bunga/margin rata-rata per
tahun

f. Average interest/margin rate per annum

	Tahun berakhir 31 Desember/ Year ended 31 December		
	2020	2019	
Tingkat suku bunga rata-rata per tahun:			Average interest rate per annum:
Rupiah	13.99%	16.37%	Rupiah
Mata uang asing	1.92%	3.33%	Foreign currencies
	Tahun berakhir 31 Desember/ Year ended 31 December		
	2020	2019	
Tingkat margin rata-rata per tahun:			Average margin rate per annum:
Pinjaman murabahah	20%-30%	25%-30%	Murabahah receivables
Pembiayaan musyarakah	10.75%	10.75%	Musyarakah financing

g. Cadangan kerugian penurunan nilai

g. Allowance for impairment losses

Perubahan cadangan kerugian penurunan nilai
pinjaman yang diberikan dan
pembiayaan/piutang syariah adalah sebagai
berikut:

The movement of the allowance for
impairment losses for loans and sharia
financing/receivables was as follows:

	Tahun berakhir 31 Desember 2020/ Year ended 31 December 2020	
Saldo awal tahun	(1,467,199)	Balance at beginning of year
Dampak penerapan awal PSAK 71 (Catatan 47)	(460,214)	Effect of initial implementation PSAK 71 (Note 47)
Penyisihan selama tahun berjalan (Catatan 35)	(2,786,768)	Provision during the year (Note 35)
Penerimaan kembali	(99,759)	Recovery
Penghapusbukuan	1,502,269	Write-off
Lain-lain	(110,654)	Others
Saldo akhir tahun	(3,422,325)	Balance at end of year



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11. PINJAMAN YANG DIBERIKAN DAN PEMBIAYAAN/PIUTANG SYARIAH (lanjutan)

11. LOANS AND SHARIA FINANCING/ RECEIVABLES (continued)

g. Cadangan kerugian penurunan nilai (lanjutan)

g. Allowance for impairment losses (continued)

Perubahan cadangan kerugian penurunan nilai pinjaman yang diberikan dan pembiayaan/piutang syariah adalah sebagai berikut: (lanjutan)

The movement of the allowance for impairment losses for loans and sharia financing/receivables was as follows: (continued)

**Tahun berakhir 31 Desember 2019/
Year ended 31 December 2019**

	Individual/ Individual	Kolektif/ Collective	Jumlah/ Total	
Saldo awal tahun	(85,456)	(1,048,609)	(1,134,065)	Balance at beginning of year
Penyisihan selama tahun berjalan (Catatan 35)	(268,164)	(1,177,769)	(1,445,933)	Provision during the year (Note 35)
Penerimaan kembali	-	(113,243)	(113,243)	Recovery
Penghapusbukuan	124,192	1,369,039	1,493,231	Write-off
Pengalihan cadangan kerugian penurunan nilai akibat penggabungan usaha	(92,610)	(7,641)	(100,251)	Transfer allowance for impairment losses due to merger
Lain-lain	-	(166,938)	(166,938)	Others
Saldo akhir tahun	<u>(322,038)</u>	<u>(1,145,161)</u>	<u>(1,467,199)</u>	Balance at end of year

Perubahan cadangan kerugian penurunan nilai pinjaman yang diberikan Bank berdasarkan Tahap (Stage) adalah sebagai berikut:

The movement of the Bank's allowance for impairment losses for loans based on Stages was as follows:

**Tahun berakhir 31 Desember 2020/
Year ended 31 December 2020**

	Tahap 1/ Stage 1	Tahap 2/ Stage 2	Tahap 3/ Stage 3	Jumlah/ Total	
Saldo awal tanggal 1 Januari 2020, setelah penerapan awal PSAK 71	(705,738)	(299,069)	(630,487)	(1,635,294)	Beginning balance at 1 January 2020, after PSAK 71 initial implementation
Transfer ke Tahap 1	(318,782)	271,869	46,913	-	Transfer to Stage 1
Transfer ke Tahap 2	758,147	(908,339)	150,192	-	Transfer to Stage 2
Transfer ke Tahap 3	35,806	1,202,810	(1,238,616)	-	Transfer to Stage 3
Perubahan bersih pada eksposur dan pengukuran kembali	(240,417)	(1,169,163)	(725,759)	(2,135,339)	Net change in exposures and remeasurements
Aset keuangan yang baru diperoleh	(279,051)	(88,677)	(171,766)	(539,494)	New originated financial assets
Penerimaan kembali pinjaman yang telah dihapusbukukan	-	-	(95,800)	(95,800)	Recoveries from loans written-off
Penghapusbukuan selama tahun berjalan	-	-	1,205,497	1,205,497	Write-offs during the year
Aset keuangan yang telah dilunasi	242,149	237,186	521,111	1,000,446	Financial assets which have been repaid
Perubahan parameter model	(132,113)	(81,352)	(48,732)	(262,197)	Changes in model parameter
Lain-lain	-	-	(110,654)	(110,654)	Others
Saldo akhir tahun kerugian – kredit ekspektasi Bank	(639,999)	(834,735)	(1,098,101)	(2,572,835)	Balance at end of year - expected credit losses Bank
Cadangan kerugian penurunan nilai – pembiayaan/piutang syariah				(849,490)	Allowance for impairment losses - sharia financing/receivables
Saldo akhir tahun				<u>(3,422,325)</u>	Balance at end of year

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**11. PINJAMAN YANG DIBERIKAN DAN
PEMBIAYAAN/PIUTANG SYARIAH (lanjutan)**

**11. LOANS AND SHARIA FINANCING/
RECEIVABLES (continued)**

**g. Cadangan kerugian penurunan nilai
(lanjutan)**

**g. Allowance for impairment losses
(continued)**

Peningkatan cadangan kerugian nilai Bank dari Rp 1.635.294 menjadi Rp 2.572.835 adalah sebagai dampak dari beberapa kejadian berikut ini:

Increase in the Bank's allowance for impairment losses from Rp 1,635,294 to Rp 2,572,835 was due to the impact of few events as follows:

- Pengkinian parameter model sebagai bagian dari proses kaji ulang tahunan untuk mengakomodasi kondisi makroekonomi terkini.
- Sebagai dampak dari pandemi COVID-19 yang melanda Indonesia sejak bulan Maret 2020, Bank telah merestrukturisasi pinjaman yang diberikan dengan jumlah Rp 5.712.090 pada tanggal 31 Desember 2020. Pinjaman yang diberikan yang telah direstrukturisasi tersebut telah menyebabkan kenaikan cadangan penurunan nilai pada Tahap 1, 2 dan 3, masing-masing sebesar Rp 83.080, Rp 294.734 and Rp 176.510.

- *Updates in model parameter as part of annual review process to accommodate the latest macroeconomic condition.*
- *As impact of COVID-19 pandemic which has been spread to Indonesia since March 2020, the Bank has restructured loans amounted to Rp 5,712,090 as of 31 December 2020. The restructured loans has increased the allowance for impairment losses in Stage 1, 2 and 3 by Rp 83,080, Rp 294,734, and Rp 176,510, respectively.*

Manajemen berpendapat bahwa cadangan yang dibentuk cukup untuk menutup kemungkinan kerugian akibat penurunan nilai pinjaman yang diberikan dan pembiayaan/piutang syariah pada tanggal 31 Desember 2020 dan 2019.

Management believes that the allowance for losses was adequate to cover impairment losses on loans and sharia financing/receivables as of 31 December 2020 and 2019.

h. Pembiayaan bersama

h. Joint financing

Bank mengadakan perjanjian pembiayaan bersama, antara lain dengan PT Home Credit Indonesia (HCI) dan PT Finansia Multi Finance (Catatan 41).

The Bank has entered into joint financing agreements, among others with PT Home Credit Indonesia (HCI), and PT Finansia Multi Finance (Note 41).

i. Jasa pemasaran dan administrasi

i. Marketing and administration services

Bank mengadakan perjanjian kerjasama jasa pemasaran dan administrasi dengan PT Oto Multiartha (OMA) dan PT Summit Oto Finance (SOF) (Catatan 41).

The Bank has entered into marketing and administration services agreement with PT Oto Multiartha (OMA) and PT Summit Oto Finance (SOF) (Note 41).

**j. Batas Maksimum Pemberian Kredit
("BMPK")**

j. Legal Lending Limit ("LLL")

Berdasarkan laporan Batas Maksimum Pemberian Kredit (BMPK) Bank dan Entitas Anak yang disampaikan kepada OJK, pada tanggal 31 Desember 2020 dan 2019 tidak terdapat pelanggaran ataupun pelampauan BMPK kepada pihak ketiga dan pihak berelasi sesuai dengan peraturan yang telah ditetapkan OJK.

Based on the the Bank and Subsidiary's Legal Lending Limit (LLL) report to OJK, as of 31 December 2020 and 2019 there was no violation or excess of LLL to both third parties and related parties in compliance with OJK's regulation.



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**11. LOANS AND SHARIA FINANCING/
RECEIVABLES (continued)**

**k. Pinjaman yang diberikan dan pembiayaan/
piutang syariah bermasalah**

**k. Non-performing loans and sharia
financing/receivables**

Berdasarkan peraturan OJK yang berlaku, rasio bruto pinjaman yang diberikan dan pembiayaan/piutang syariah bermasalah setinggi-tingginya adalah 5% dari jumlah pinjaman yang diberikan dan pembiayaan/piutang syariah. Rasio kredit bermasalah bruto dan bersih Bank dan Entitas Anak adalah sebagai berikut:

Based on prevailing OJK regulations, the maximum gross non-performing loans and sharia financing/receivables ratio for a bank is 5% from total loans and sharia financing/receivables given. The gross and net non-performing loan ratios of the Bank and Subsidiary were as follows:

	31 Desember/December		
	2020	2019	
Kurang lancar	700,012	326,913	Substandard
Diragukan	138,451	280,541	Doubtful
Macet	803,737	545,151	Loss
Jumlah pinjaman yang diberikan dan pembiayaan/piutang syariah bermasalah - kotor	1,642,200	1,152,605	Total non-performing loans and sharia financing/receivables - gross
Cadangan kerugian penurunan nilai	(965,205)	(536,588)	Allowance for impairment losses
Jumlah pinjaman yang diberikan dan pembiayaan/piutang syariah bermasalah - bersih	676,995	616,017	Total non-performing loans and sharia financing/receivables - net
Jumlah pinjaman yang diberikan dan pembiayaan/piutang syariah yang diberikan	136,212,619	141,760,183	Total loans and sharia financing/receivables
Rasio pinjaman yang diberikan dan pembiayaan/piutang syariah bermasalah - kotor	1.21%	0.81%	Non-performing loans and sharia financing/receivables ratio - gross
Rasio pinjaman yang diberikan dan pembiayaan/piutang syariah bermasalah - bersih	0.50%	0.43%	Non-performing loans and sharia financing/receivables ratio - net

Rasio pemenuhan cadangan kerugian penurunan nilai aset keuangan Bank (persentase cadangan kerugian penurunan nilai aset keuangan yang telah dibentuk terhadap jumlah minimum cadangan kerugian penurunan nilai aset keuangan sesuai ketentuan Bank Indonesia) pada tanggal 31 Desember 2020 dan 2019 masing-masing adalah sebesar 138,40% dan 63,45%.

The Bank's ratio of allowance for impairment losses on financial assets (percentage of allowance for impairment losses on financial assets recorded by the Bank to the minimum allowance for impairment losses on financial assets as required by Bank Indonesia) as of 31 December 2020 and 2019 were 138.40% and 63.45%, respectively.

Pinjaman yang diberikan pada umumnya dijamin dengan agunan yang diikat dengan hipotik, hak tanggungan atau surat kuasa untuk menjual dan jaminan lainnya.

Loans are generally collateralised by registered mortgages, mortgages or powers of attorney to sell and other guarantees.

Pada tanggal 31 Desember 2020, pinjaman yang diberikan yang dijamin dengan jaminan uang tunai adalah Rp 17.781.276 (31 Desember 2019: Rp 13.940.291).

As of 31 December 2020, loans secured by cash collateral were Rp 17,781,276 (31 December 2019: Rp 13,940,291).

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**11. LOANS AND SHARIA FINANCING/
RECEIVABLES (continued)**

I. Kredit penerusan

Bank juga menyalurkan fasilitas kredit yang dananya bersumber dari Pemerintah Indonesia atau Bank Indonesia melalui kredit penerusan (*channeling loan*) dalam bentuk Kredit Usaha Tani (KUT) dan Kredit Pengusaha Kecil Menengah (KPKM).

Saldo dari kredit penerusan tidak diakui pada laporan keuangan konsolidasian. Rincian saldo kredit penerusan adalah sebagai berikut:

I. Channeling loans

The Bank also provides loan facilities funded by the Government of Indonesia or Bank Indonesia through channeling loans in the form of Kredit Usaha Tani (KUT) and Kredit Pengusaha Kecil Menengah (KPKM).

These channeling loans are not recognised in the consolidated financial statements. The balances were as follows:

	31 Desember/December		
	2020	2019	
Kredit Penerusan KUT	24,687	24,687	KUT Channeling Loans
Kredit Penerusan KPKM	9,788	9,788	KPKM Channeling Loans
	34,475	34,475	

m. Kredit sindikasi

Kredit sindikasi merupakan kredit yang diberikan kepada nasabah berdasarkan perjanjian pembiayaan bersama (sindikasi) dengan bank-bank lain dan umumnya digunakan untuk memenuhi kebutuhan modal kerja dan investasi. Dalam kredit sindikasi, Bank dapat bertindak sebagai anggota dan/atau *arranger* dan/atau *security agency*. Sindikasi dilakukan dengan bank-bank di Indonesia dan luar negeri. Keikutsertaan Bank sebagai anggota dan/atau *arranger* dalam kredit sindikasi berkisar antara 5% sampai dengan 60% dari fasilitas kredit sindikasi pada tanggal 31 Desember 2020 dan 2019.

m. Syndicated loans

Syndicated loans represent loans provided to customers under syndication agreements with other banks and are generally used to support the working capital needs and investment. In syndicated loans, the Bank may act as a member and/or arranger and/or security agency. Syndication is done with several banks in Indonesia and offshore. Total participation of the Bank in syndicated loans, in which the Bank acted as a member and/or arranger, ranged from 5% up to 60%, of syndicated loan facility as of 31 December 2020 and 2019.

n. Perjanjian dengan perusahaan asuransi

PT Asuransi Allianz Life Indonesia

Pada tanggal 26 November 2008, Bank melakukan perjanjian ("PKS") dengan PT Asuransi Allianz Life Indonesia ("Allianz"), pihak ketiga, untuk melindungi Bank dari risiko kerugian tidak tertagihnya kredit pensiunan dan mikro dengan asuransi jiwa. Perjanjian Kerjasama ini mencakup 3 bagian (asuransi untuk debitur Kredit Pensiun sebelum tanggal 1 Desember 2008, asuransi untuk debitur Kredit Pensiun sejak tanggal 1 Desember 2008, dan asuransi untuk debitur kredit mikro) dan berlaku hingga 5 (lima) tahun sejak tanggal perjanjian, dan kemudian dengan sendirinya diperbaharui untuk jangka waktu berikutnya masing-masing 5 (lima) tahun atau sebagaimana disepakati bersama oleh para pihak.

n. Agreements with insurance companies

PT Asuransi Allianz Life Indonesia

On 26 November 2008, the Bank entered into an agreement ("PKS") with PT Asuransi Allianz Life Indonesia ("Allianz"), a third party, to cover the Bank from the risk of uncollectible pension and micro loans with life insurance. The insurance agreement consists of 3 sections (insurance for pension loan debtors before 1 December 2008, insurance for pension loan debtors since 1 December 2008 onwards, and insurance for micro loan debtors) and is effective for 5 (five) years since the date of the agreement, and shall then be automatically renewed for further successive periods of each of 5 (five) years or as mutually agreed by both parties.



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11. LOANS AND SHARIA FINANCING/ RECEIVABLES (continued)

n. Perjanjian dengan perusahaan asuransi (lanjutan)

n. Agreements with insurance companies (continued)

PT Asuransi Allianz Life Indonesia (lanjutan)

PT Asuransi Allianz Life Indonesia (continued)

Untuk produk Kredit Pegawai premi asuransi akan ditanggung sendiri oleh nasabah. Sebesar 20% dari premi yang dibayarkan oleh debitur yang diterima oleh Allianz, akan dikembalikan kepada Bank sebagai komisi.

For Active Employee Loan, insurance premium is solely borne by debtors. 20% of the premiums paid by debtors, which is received by Allianz, will be returned to the Bank as commission.

Sedangkan untuk debitur mikro, premi asuransi akan ditanggung oleh Bank.

Meanwhile for micro debtors, the insurance premium is borne by Bank.

Jumlah premi yang dibayarkan oleh debitur melalui Bank dan komisi yang diterima dari Allianz untuk tahun-tahun yang berakhir pada tanggal 31 Desember 2020 dan 2019 adalah sebagai berikut:

Total premium paid by debtors through the Bank and commission fees received from Allianz for the years ended 31 December 2020 and 2019 were as follows:

	Tahun berakhir 31 Desember/ Year ended 31 December		
	2020	2019	
Premi yang dibayarkan oleh debitur melalui Bank ke Allianz	256,604	353,707	Premium paid by debtors through the Bank to Allianz
Penerimaan komisi dari Allianz	19,623	34,090	Commissions received from Allianz

PT Avrist Assurance

PT Avrist Assurance

Pada tanggal 23 Juni 2011, Bank melakukan perjanjian dengan PT Avrist Assurance ("Avrist"), pihak ketiga, untuk melindungi Bank dari risiko kerugian tidak tertagihnya kredit pensiunan. Perjanjian Kerjasama ini berlaku selama satu tahun dan kemudian dengan sendirinya diperbaharui untuk jangka waktu berikutnya masing-masing satu tahun atau sebagaimana disepakati bersama oleh kedua belah pihak.

On 23 June 2011, the Bank entered an agreement with PT Avrist Assurance ("Avrist"), a third party, to cover the Bank from the risk of uncollectible pensioners loan. The agreement is effective for one year and shall then be automatically renewed for further successive periods of each of one year or as mutually agreed by both parties.

Premi asuransi akan ditanggung bersama-sama oleh debitur dan Bank. Sebesar 11% dari premi yang dibayarkan oleh debitur yang diterima oleh Avrist, akan dikembalikan kepada Bank sebagai komisi.

The insurance premium is borne by both debtors and the Bank. 11% of the premiums paid by debtors which is received by Avrist will be returned to the Bank as commission.

Jumlah premi yang dibayarkan oleh debitur melalui Bank dan komisi yang diterima dari Avrist untuk tahun-tahun yang berakhir pada tanggal 31 Desember 2020 dan 2019 adalah sebagai berikut:

Total premiums paid by debtors through the Bank and commission fees received from Avrist for the years ended 31 December 2020 and 2019 were as follows:

	Tahun berakhir 31 Desember/ Year ended 31 December		
	2020	2019	
Premi yang dibayarkan oleh debitur melalui Bank ke Avrist	101,990	130,219	Premium paid by debtors through the Bank to Avrist
Penerimaan komisi dari Avrist	7,592	12,945	Commissions received from Avrist

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PEMBIAYAAN/PIUTANG SYARIAH (lanjutan)**

**n. Perjanjian dengan perusahaan asuransi
(lanjutan)**

PT Asuransi Jiwa Generali

Pada tanggal 22 Juni 2011, Bank telah melakukan perjanjian dengan PT Asuransi Jiwa Generali ("Generali"), pihak ketiga, untuk melindungi Bank dari risiko kerugian tidak tertagihnya kredit pensiunan. Perjanjian Kerjasama ini berlaku selama satu tahun dan kemudian dengan sendirinya diperbaharui untuk jangka waktu berikutnya masing-masing satu tahun atau sebagaimana disepakati bersama oleh kedua belah pihak.

Premi asuransi akan ditanggung bersama-sama oleh debitur dan Bank. Sebesar 11% dari premi yang dibayarkan oleh debitur, yang diterima oleh Generali, akan dikembalikan kepada Bank sebagai komisi.

Pada tanggal 9 Oktober 2015, Bank juga melakukan perjanjian dengan PT Asuransi Jiwa Generali ("Generali"), pihak ketiga, untuk melindungi Bank dari risiko kredit dari pinjaman pegawai aktif. Perjanjian kerjasama ini berlaku selama lima tahun dan kemudian secara otomatis akan diperpanjang untuk 5 tahun berikutnya atau dapat dihentikan lebih awal sebagaimana disepakati bersama oleh kedua belah pihak. Per 31 Desember 2020, perjanjian kerjasama ini terakhir kali secara otomatis diperpanjang pada 9 Oktober 2020 untuk 5 tahun berikutnya sampai 9 Oktober 2025.

Premi asuransi ditanggung sendiri oleh debitur. Sebesar 20% dari premi yang dibayarkan oleh debitur, yang diterima oleh Generali, akan dikembalikan kepada Bank sebagai komisi.

Jumlah premi yang dibayarkan oleh debitur melalui Bank dan komisi yang diterima dari Generali untuk tahun yang berakhir pada tanggal 31 Desember 2020 dan 2019 adalah sebagai berikut:

	Tahun berakhir 31 Desember/ Year ended 31 December	
	2020	2019
Premi yang dibayarkan oleh debitur melalui Bank ke Generali	128,906	149,996
Penerimaan komisi dari Generali	9,388	15,051

**11. LOANS AND SHARIA FINANCING/
RECEIVABLES (continued)**

**n. Agreements with insurance companies
(continued)**

PT Asuransi Jiwa Generali

On 22 June 2011, the Bank entered into an agreement with PT Asuransi Jiwa Generali ("Generali"), a third party, to cover the Bank from the risk of uncollectible pension loans. The agreement is effective for one year and shall then be automatically renewed for further successive periods of each of one year or as mutually agreed by both parties.

The insurance premium is borne by both debtors and the Bank. 11% of the premiums paid by debtors which is received by Generali will be returned to the Bank as commission.

On 9 October 2015, the Bank also entered into an agreement with PT Asuransi Jiwa Generali ("Generali"), a third party, to cover the Bank from the credit risk of active employee loans. The agreement is effective for five years and will be automatically extended for the next five years or may be terminated earlier as agreed by both parties. As of 31 December 2020, the agreement has been last automatically extended at 9 October 2020 for the next five years until 9 October 2025.

The insurance premium is borne solely by debtors. 20% of the premiums paid by debtors which is received by Generali will be returned to the Bank as commission.

Total premium paid by debtors through the Bank and commission fees received from Generali for the years ended 31 December 2020 and 2019 were as follows:

Premium paid by debtors through the Bank to Generali
Commissions received from Generali



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**11. LOANS AND SHARIA FINANCING/
RECEIVABLES (continued)**

**n. Perjanjian dengan perusahaan asuransi
(lanjutan)**

**n. Agreements with insurance companies
(continued)**

PT FWD Life Indonesia

PT FWD Life Indonesia

Pada tanggal 13 Desember 2016, Bank juga melakukan implementasi kerjasama dengan PT FWD Life Indonesia ("FWD"), pihak ketiga, untuk melindungi Bank dari risiko kerugian tidak tertagihnya kredit pegawai. Perjanjian Kerjasama ini berlaku selama lima tahun dan kemudian dengan sendirinya diperbaharui untuk jangka waktu berikutnya selama lima tahun atau sebagaimana disepakati bersama oleh kedua belah pihak.

On 13 December 2016, the Bank signed an agreement with PT FWD Life Indonesia ("FWD"), a third party, to cover the Bank from the risk of uncollectible active employee loans. The agreement is effective for five years and shall then be automatically renewed for further five years or as mutually agreed by both parties.

Premi asuransi akan ditanggung oleh debitur. Sebesar 20% dari seluruh premi yang dibayarkan oleh debitur, yang diterima oleh FWD, akan dibayarkan kepada Bank sebagai komisi.

The insurance premium is borne by debtors. 20% of all premiums paid by debtors which is received by FWD, will be paid to the Bank as commission.

Jumlah premi yang dibayarkan oleh debitur melalui Bank dan komisi yang diterima dari FWD untuk tahun-tahun yang berakhir pada tanggal 31 Desember 2020 dan 2019 adalah sebagai berikut:

Total premium paid by the debtors through the Bank and commission fees received from FWD for the years ended 31 December 2020 and 2019 were as follows:

	Tahun berakhir 31 Desember/ Year ended 31 December		
	2020	2019	
Premi yang dibayarkan oleh debitur melalui Bank ke FWD	1	58	Premium paid by debtors through the Bank to FWD
Penerimaan komisi dari FWD	-	30	Commissions received from FWD

PT Proteksi Antar Nusa

PT Proteksi Antar Nusa

Pada tanggal 1 Maret 2017, Bank telah melakukan perjanjian dengan PT Proteksi Antar Nusa ("PAN"), pihak ketiga, untuk melindungi Bank dari risiko kerugian tidak tertagihnya kredit pensiunan. Perjanjian Kerjasama ini telah diperpanjang pada 17 Mei 2020 selama tiga tahun dan dapat diperpanjang sebagaimana disepakati bersama oleh kedua belah pihak.

On 1 March 2017, the Bank entered an agreement with PT Proteksi Antar Nusa ("PAN"), a third party, to cover the Bank from the risk of uncollectible pensioners loan. The agreement has been extended on 17 May 2020 for another three years and can be extended as mutually agreed by both parties.

Premi asuransi akan ditanggung oleh debitur. Sebesar 10,5% dari seluruh premi yang dibayarkan oleh debitur yang diterima oleh PAN akan dibayarkan kepada Bank sebagai komisi.

The insurance premium is borne by debtors. 10.5% of all premiums paid by debtors which is received by PAN will be paid to the Bank as commission.

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**n. Perjanjian dengan perusahaan asuransi
(lanjutan)**

PT Proteksi Antar Nusa (lanjutan)

Jumlah premi yang dibayarkan oleh debitur melalui Bank dan komisi yang diterima dari PAN untuk tahun yang berakhir pada tanggal 31 Desember 2020 dan 2019 adalah sebagai berikut:

	Tahun berakhir 31 Desember/ Year ended 31 December	
	2020	2019
Premi yang dibayarkan oleh debitur melalui Bank ke PAN	4,952	7,930
Penerimaan komisi dari PAN	348	222

Premium paid by debtors through the Bank to PAN
Commissions received from PAN

PT Adonai Pialang Asuransi

Pada tanggal 14 September 2018, Bank telah melakukan perjanjian dengan PT Adonai Pialang Asuransi ("APA"), pihak ketiga, untuk melindungi Bank dari risiko kerugian tidak tertagihnya kredit pensiunan. Perjanjian Kerjasama ini berlaku selama tiga tahun dan dapat diperpanjang sebagaimana disepakati bersama oleh kedua belah pihak.

Premi asuransi akan ditanggung oleh debitur. Sebesar 20% dari seluruh premi yang dibayarkan oleh debitur, yang diterima oleh APA akan dibayarkan kepada Bank sebagai komisi.

Pada tanggal 22 Agustus 2019, Bank juga telah melakukan perjanjian dengan APA untuk melindungi penutupan asuransi produk kredit KPR Bank.

Komisi yang akan diterima Bank terkait produk KPR Bank adalah 10% dari premi asuransi jiwa kredit, dan 5% dari premi asuransi harta benda.

**11. LOANS AND SHARIA FINANCING/
RECEIVABLES (continued)**

**n. Agreements with insurance companies
(continued)**

PT Proteksi Antar Nusa (continued)

The total premium paid by the debtors through the Bank and commission fees received from PAN for the years ended 31 December 2020 and 2019 were as follows:

PT Adonai Pialang Asuransi

On 14 September 2018, the Bank has entered an agreement with PT Adonai Pialang Asuransi ("APA"), a non-related party, to cover the Bank from the risk of uncollectible pensioners loan. The agreement is effective for three years and can be extended as mutually agreed by both parties.

The insurance premium is borne by debtors. 20% of all premiums paid by debtors which is received by APA will be paid to the Bank as commission.

On 22 August 2019, the Bank also entered into an agreement with APA to protect the closure of the Bank's mortgage loan insurance.

The Bank will receive commission in relation to the Bank's mortgage products amounted to 10% of the credit life insurance premium and 5% of the property insurance premium.



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**11. PINJAMAN YANG DIBERIKAN DAN
PEMBIAYAAN/PIUTANG SYARIAH (lanjutan)**

**11. LOANS AND SHARIA FINANCING/ RECEIVABLES
(continued)**

**n. Perjanjian dengan perusahaan asuransi
(lanjutan)**

**n. Agreements with insurance companies
(continued)**

PT Adonai Pialang Asuransi (lanjutan)

PT Adonai Pialang Asuransi (continued)

Jumlah premi yang dibayarkan oleh debitur melalui Bank dan komisi yang diterima dari APA untuk tahun yang berakhir pada tanggal 31 Desember 2020 dan 2019 adalah sebagai berikut:

The total premium paid by the debtors through the Bank and commission fees received from APA for the years ended 31 December 2020 and 2019 were as follows:

	Tahun berakhir 31 Desember/ Year ended 31 December		
	2020	2019	
Premi yang dibayarkan oleh debitur melalui Bank ke APA	96	24	Premium paid by debtors through the Bank to APA
Penerimaan komisi dari APA	22	8	Commissions received from APA

o. Pinjaman yang diberikan dan pembiayaan/piutang syariah yang direstrukturisasi

o. Restructured loans and sharia financing/receivables

Pada tanggal 31 Desember 2020 dan 2019, jumlah pinjaman yang diberikan dan pembiayaan/piutang syariah yang telah direstrukturisasi berdasarkan kolektibilitas OJK adalah sebagai berikut:

As of 31 December 2020 and 2019, total restructured loans and sharia financing/receivables based on OJK grading was as follows:

31 Desember/December 2020							
	Lancar/ Current	Dalam perhatian khusus/ Special mention	Kurang lancar/ Substandard	Diragukan/ Doubtful	Macet/ Loss	Jumlah/ Total	
Korporasi	1,140,771	2,073	463,916	-	-	1,606,760	Corporates
Pensiunan	339	-	-	-	-	339	Pensioners
Kredit keperluan rumah tangga	23,220	-	-	-	-	23,220	Household goods
Kredit kepemilikan mobil	15,779	-	-	-	-	15,779	Car loans
Umum	504,653	9	-	-	-	504,662	General purpose
Usaha kecil menengah	3,292,127	2,308	-	5,420	67,205	3,367,060	Small medium enterprises
Usaha mikro kecil	591,132	22,647	12,403	891	935	628,008	Micro business
Pembiayaan/piutang syariah	2,865,772	3,880	44,008	3,712	121,258	3,038,630	Sharia financing/receivables
	<u>8,433,793</u>	<u>30,917</u>	<u>520,327</u>	<u>10,023</u>	<u>189,398</u>	<u>9,184,458</u>	
31 Desember/December 2019							
	Lancar/ Current	Dalam perhatian khusus/ Special mention	Kurang lancar/ Substandard	Diragukan/ Doubtful	Macet/ Loss	Jumlah/ Total	
Korporasi	4,781	209,109	-	-	-	213,890	Small medium enterprises
Pensiunan	475	-	-	-	-	475	
Usaha kecil menengah	251,168	44,175	10,753	12,561	54,630	373,287	Sharia financing/receivables
Usaha mikro kecil	226,497	74,942	9,349	6,564	3,277	320,629	
Pembiayaan/piutang syariah	47,400	2,229	968	572	384	51,553	
	<u>530,321</u>	<u>330,455</u>	<u>21,070</u>	<u>19,697</u>	<u>58,291</u>	<u>959,834</u>	

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**11. PINJAMAN YANG DIBERIKAN DAN
PEMBIAYAAN/PIUTANG SYARIAH (lanjutan)**

**o. Pinjaman yang diberikan dan
pembiayaan/piutang syariah yang
direstrukturisasi (lanjutan)**

Sebagai dampak dari pandemi COVID-19 yang melanda Indonesia sejak bulan Maret 2020, sejumlah pinjaman yang diberikan dan pembiayaan/piutang syariah telah direstrukturisasi berdasarkan Peraturan OJK No. 11/POJK.03/ 2020 tanggal 16 Maret 2020 tentang Stimulus Perekonomian Nasional Sebagai Kebijakan *Countercyclical* Dampak Penyebaran *Corona Virus Disease* 2019. Jumlah pinjaman yang diberikan dan pembiayaan/piutang syariah yang telah direstrukturisasi karena dampak pandemi COVID-19 selama tahun 2020 adalah sebesar Rp 6.073.752 untuk saldo pinjaman yang diberikan Bank dan Rp 7.129.869 untuk pembiayaan/piutang syariah Entitas Anak pada saat direstrukturisasi. Bank dan Entitas Anak melakukan restrukturisasi dengan skema penundaan pembayaran pokok dan/atau bunga, perubahan jangka waktu pembiayaan dan/atau perubahan suku bunga. Saldo pinjaman yang diberikan dan pembiayaan/piutang syariah yang telah direstrukturisasi karena dampak pandemi COVID-19 pada tanggal 31 Desember 2020 adalah sebesar Rp 5.712.091 dan Rp 3.038.628.

**11. LOANS AND SHARIA FINANCING/
RECEIVABLES (continued)**

**o. Restructured loans and sharia
financing/receivables (continued)**

As the impacts of the COVID-19 pandemic which has been spread to Indonesia since March 2020, certain amount of loans and sharia financing/receivables have been restructured based on OJK Regulation No. 11/POJK.03/ 2020 dated 16 March 2020 concerning National Economic Stimulus as a Countercyclical Policy on the Impacts of the Spread of Corona Virus Disease 2019. The amount of loans and sharia financing/receivables which have been restructured due to impacts of COVID-19 pandemic during 2020 was Rp 6,073,752 for the Bank's balance of loans and Rp 7,129,869 for Subsidiary's sharia financing/ receivables at restructuring date. The Bank and Subsidiary provided restructuring under a scheme of principal and/or interest payments delays, change of financing period, or change of interest rate. The outstanding balance of loans and sharia financing/receivables which have been restructured due to impacts of COVID-19 pandemic as of 31 December 2020 was Rp 5,712,091 and Rp 3,038,628, respectively.



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12. BEBAN DIBAYAR DIMUKA

12. PREPAYMENTS

	31 Desember/December		
	2020	2019	
Asuransi kredit	1,710,521	1,860,240	Loans insurance
Pemeliharaan dan pembaharuan IT	101,425	86,400	IT maintenance and renewal
Sewa bangunan	17,665	235,564	Building rental
Tunjangan perumahan	6,729	18,686	Housing allowance
Jasa profesional	3,958	8,672	Professional service
Promosi	3,178	19	Promotion
Lainnya	38,436	24,940	Others
	<u>1,881,912</u>	<u>2,234,521</u>	

Beban dibayar dimuka lainnya termasuk beban dibayar dimuka untuk asuransi jiwa, asuransi uang tunai dan asuransi gedung.

Other prepayments primarily includes prepayments for life, cash and building insurance.

13. PERPAJAKAN

13. TAXATION

a. Klaim pengembalian pajak

a. Claims for tax refund

Bank memiliki klaim pengembalian pajak terkait:

The Bank has claims for tax refund related to:

	31 Desember/December		
	2020	2019	
Pajak penghasilan badan - 2010	803	803	Corporate income tax - 2010
Pajak penghasilan badan - 2014	-	48,167	Corporate income tax - 2014
Pajak penghasilan badan - 2015	-	31,929	Corporate income tax - 2015
Pajak penghasilan badan - 2019	-	29,256	Corporate income tax - 2019
Kelebihan pembayaran pajak penghasilan badan - 2017	5,017	5,067	Corporate income tax overpayment - 2017
Kelebihan pembayaran pajak penghasilan badan - 2019	197,290	197,290	Corporate income tax overpayment - 2019
Pajak lainnya - 2017	5,945	8,800	Other taxes - 2017
	<u>209,055</u>	<u>321,312</u>	

b. Utang pajak

b. Taxes payable

	31 Desember/December		
	2020	2019	
Pajak penghasilan badan:			Corporate income taxes:
<u>Bank</u>			<u>Bank</u>
- Pasal 29	180,663	-	Article 29 -
- Pasal 25	-	60,894	Article 25 -
<u>Entitas anak</u>			<u>Subsidiary</u>
- Pasal 25	36,018	45,980	Article 25 -
- Pasal 29	71,247	12,186	Article 29 -
	<u>287,928</u>	<u>119,060</u>	
Pajak lainnya:			Other taxes:
<u>Bank</u>			<u>Bank</u>
- Pasal 23, 26 dan 4(2)	118,730	62,269	Article 23, 26 and 4(2) -
- Pasal 21	41,703	36,018	Article 21 -
- Pajak pertambahan nilai	3,654	3,129	Value added tax -
<u>Entitas anak</u>			<u>Subsidiary</u>
- Pasal 23, 26 dan 4(2)	5,227	9,701	Article 23, 26 and 4(2) -
- Pasal 21	5,748	6,716	Article 21 -
- Pajak pertambahan nilai	13	-	Value added tax -
	<u>175,075</u>	<u>117,833</u>	
	<u>463,003</u>	<u>236,893</u>	

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13. PERPAJAKAN (lanjutan)**13. TAXATION (continued)****c. Beban pajak penghasilan****c. Income tax expense**

	31 Desember/December		
	2020	2019	
Pajak penghasilan:			Income taxes:
- Kini			Current -
Bank	541,834	545,060	Bank
Entitas anak	316,829	526,767	Subsidiary
- Tangguhan			Deferred -
Bank	(184,117)	2,828	Bank
Entitas anak	(47,147)	(48,151)	Subsidiary
Jumlah beban pajak penghasilan	627,399	1,026,504	Total income tax expenses

Rekonsiliasi antara laba akuntansi konsolidasian sebelum pajak penghasilan dikali tarif pajak yang berlaku dengan beban pajak penghasilan konsolidasian adalah sebagai berikut:

The reconciliation between consolidated accounting profit before income tax multiplied by the prevailing tax rate and consolidated income tax expense was:

	31 Desember/December		
	2020	2019	
Laba akuntansi konsolidasian sebelum pajak penghasilan	2,633,076	4,018,922	Consolidated accounting profit before income tax
Ditambah:			Add:
Pendapatan dividen entitas anak	242,667	-	Dividend income for subsidiary
	2,875,743	4,018,922	
Tarif pajak	22%	25%	Tax rate
Pajak dihitung dengan tarif pajak	632,664	1,004,730	Tax calculated at tax rate
Perbedaan permanen dengan tarif pajak			Permanent differences at tax rate:
- Bank	(42,420)	12,721	Bank -
- Entitas anak	3,497	9,053	Subsidiary -
Efek perubahan pajak	33,658	-	Effect of tax changes
Beban pajak penghasilan konsolidasian	627,399	1,026,504	Consolidated income tax expense

Rekonsiliasi antara laba akuntansi konsolidasian sebelum pajak penghasilan dan penghasilan kena pajak Bank adalah sebagai berikut:

The reconciliation between consolidated accounting profit before income tax and taxable income of the Bank was as follows:

	31 Desember/December		
	2020	2019	
Laba akuntansi konsolidasian sebelum pajak penghasilan	2,633,076	4,018,922	Consolidated accounting profit before income tax
Ditambah (dikurangi):			Add (less):
Pendapatan dividen dari entitas anak	242,667	-	Dividend income for subsidiary
Laba Entitas Anak sebelum pajak penghasilan	(1,124,296)	(1,878,249)	Subsidiary's profit before income tax
Laba akuntansi sebelum pajak penghasilan (Bank saja)	1,751,447	2,140,673	Accounting profit before income tax (Bank only)
Perbedaan temporer:			Temporary differences:
Penyisihan kerugian aset produktif - pinjaman yang diberikan	849,218	14,632	Allowance for impairment losses on earning assets - loans
Beban penyusutan	29,791	(51,247)	Depreciation expenses
Bonus direksi	5,266	(55,752)	Bonus for directors
Beban atas imbalan pascakerja	75,251	59,962	Post-employment benefit expenses
Akrual, bonus, tantiem dan lain-lain	(55,278)	21,090	Accruals, bonus, tantiem and others
Jumlah perbedaan temporer	904,248	(11,315)	Total temporary differences
Perbedaan permanen:			Permanent differences:
Beban yang tidak dapat dikurangkan	(192,816)	50,884	Non-deductible expenses
Penghasilan kena pajak Bank	2,462,879	2,180,242	Taxable income of the Bank



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13. PERPAJAKAN (lanjutan)

13. TAXATION (continued)

d. Perhitungan beban pajak kini dan kekurangan (kelebihan) pembayaran pajak penghasilan badan adalah sebagai berikut:

d. The computation of current tax expense and corporate income tax underpayment (overpayment) was as follows:

	31 Desember/December		
	2020	2019	
Penghasilan kena pajak:			Taxable income:
Bank	2,462,879	2,180,242	Bank
Entitas anak	1,440,130	2,107,068	Subsidiary
	<u>3,903,009</u>	<u>4,287,310</u>	
Beban pajak kini:			Current tax expense:
Bank	541,834	545,060	Bank
Entitas anak	316,829	526,767	Subsidiary
	<u>858,663</u>	<u>1,071,827</u>	
Dikurangi:			Less:
Pajak dibayar dimuka:			Prepaid taxes:
Bank	(361,171)	(742,350)	Bank
Entitas anak	(245,582)	(514,581)	Subsidiary
	<u>(606,753)</u>	<u>(1,256,931)</u>	
Kekurangan (kelebihan) pembayaran pajak penghasilan badan:			Corporate income tax underpayment (overpayment):
Bank	180,663	(197,290)	Bank
Entitas anak	71,247	12,186	Subsidiary
	<u>251,910</u>	<u>(185,104)</u>	

e. Sesuai dengan peraturan perpajakan di Indonesia, Bank dan Entitas Anak menghitung dan melaporkan/menyetorkan pajak untuk setiap perusahaan sebagai suatu badan hukum yang terpisah (pelaporan pajak penghasilan konsolidasian tidak diperbolehkan) berdasarkan sistem *self-assessment*. Fiskus dapat menetapkan/mengubah pajak-pajak tersebut dalam jangka waktu tertentu sesuai peraturan yang berlaku.

e. Under the taxation laws of Indonesia, the Bank and its Subsidiary calculate and submit individual company tax returns (submission of consolidated income tax computation is not allowed) on a self-assessment basis. The tax authorities may assess/amend taxes within the statute of limitations under prevailing regulations.

Manajemen mempertahankan posisi perpajakan Bank dan Entitas Anak yang diyakini berdasarkan pada teknik dasar yang kuat, sesuai dengan peraturan perpajakan dan upaya manajemen dalam mengantisipasi kemungkinan risiko timbulnya pajak di masa depan.

Management vigorously defends the Bank and Subsidiary's tax positions which are believed to be grounded on sound technical basis, in compliance with the tax regulations and management efforts to anticipate possible future tax exposure.

Perhitungan pajak penghasilan badan untuk tahun yang berakhir pada tanggal 31 Desember 2020 di atas adalah suatu perhitungan sementara yang dibuat untuk tujuan akuntansi dan dapat berubah pada waktu Bank menyampaikan Surat Pemberitahuan Pajak (SPT) tahunannya.

The above calculation of income tax for the year ended 31 December 2020 was a preliminary estimate made for accounting purposes and is subject to change at the time Bank submits its annual tax return (SPT).

Pada tanggal 31 Maret 2020, Pemerintah menerbitkan Perpu No.1/2020 ("Peraturan"), tentang Kebijakan Keuangan Negara dan Stabilitas Sistem Keuangan untuk Penanganan Pandemi COVID-19 dan/atau Dalam Rangka Menghadapi Ancaman yang Membahayakan Perekonomian Nasional dan/atau Stabilitas Sistem Keuangan dan telah ditetapkan melalui Undang-Undang No.2 Tahun 2020 yang disahkan oleh Dewan Perwakilan Rakyat pada tanggal 16 Mei 2020 dan berlaku sejak tanggal 18 Mei 2020. Salah satu klausa dalam peraturan ini adalah pengurangan tarif pajak, yaitu 22% untuk tahun 2020 - 2021 dan 20% untuk tahun 2022 dan seterusnya.

On 31 March 2020, the Government issued Perpu No.1/2020 ("the Regulations"), on State Financial Policies and Financial System Stability for Handling the COVID-19 Pandemic and/or In the Context of Facing Threats that Endanger the National Economy and/or Financial System Stability and has been determined through Law No.2 of 2020 which was authorized by the House of Representative on 16 May 2020 and effective since 18 May 2020. One of the clauses in this regulation is a reduction in tax rates, which is 22% for 2020-2021 and 20% for 2022 onwards.

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13. PERPAJAKAN (lanjutan)

13. TAXATION (continued)

f. Aset (liabilitas) pajak tangguhan

f. Deferred tax assets (liabilities)

Rincian dari aset (liabilitas) pajak tangguhan Bank dan Entitas Anak adalah sebagai berikut:

Details of deferred tax assets (liabilities) of the Bank and Subsidiary were as follows:

Bank

Bank

31 Desember/December 2020					
Saldo awal/ Beginning balance	Penyesuaian saldo awal/ Adjustment beginning balance	Dikreditkan/ (dibebankan) ke laba rugi/ Credited/ (charged) to profit or loss	Dibebankan ke ekuitas/ Charged to equity	Saldo akhir/ Ending balance	
Cadangan kerugian penurunan nilai atas pinjaman yang diberikan	(108,528)	124,291	184,936	-	200,699
Imbalan kerja jangka pendek	83,102	-	(24,975)	-	58,127
Imbalan pascakerja dan imbalan kerja jangka panjang	(7,263)	-	14,433	19,964	27,134
Keuntungan/kerugian yang belum direalisasi dari efek-efek yang diukur pada nilai wajar melalui penghasilan komprehensif lain	(4,026)	-	-	(24,520)	(28,546)
Aset tetap	(17,836)	20,598	9,945	-	12,707
Lain-lain	1,499	-	(222)	-	1,277
Aset (liabilitas) pajak tangguhan - bersih	(53,052)	144,889	184,117	(4,556)	271,398

Allowance for impairment losses on loans
 Short-term employee benefits
 Post-employment benefits and other long-term employee benefits
 Unrealized (gain) loss on securities measured at fair value through other comprehensive income
 Fixed assets
 Others

Deferred tax assets (liabilities) - net

31 Desember/December 2019

Saldo awal/ Beginning balance	Dikreditkan/ (dibebankan) ke laba rugi/ Credited/ (charged) to profit or loss	Transfer dari SMBCI terkait dengan merger/ Transfer from SMBCI related to merger	Dibebankan ke ekuitas/ Charged to equity	Saldo akhir/ Ending balance	
Cadangan kerugian penurunan nilai atas pinjaman yang diberikan	66,492	3,658	(178,678)	-	(108,528)
Imbalan kerja jangka pendek	82,246	(2,944)	3,800	-	83,102
Imbalan pascakerja dan imbalan kerja jangka panjang	(33,906)	15,901	-	10,742	(7,263)
Keuntungan/kerugian yang belum direalisasi dari efek-efek tersedia untuk dijual dan diukur pada nilai wajar pada penghasilan komprehensif lain	(1,010)	-	86	(3,102)	(4,026)
Aset tetap	690	(12,812)	(5,714)	-	(17,836)
Lain-lain	1,638	(6,631)	6,492	-	1,499
Aset (liabilitas) pajak tangguhan - bersih	116,150	(2,828)	(174,014)	7,640	(53,052)

Allowance for impairment losses on loans
 Short-term employee benefits
 Post-employment benefits and other long-term employee benefits
 Unrealized (gain) loss on available for sale and measured at fair value through other comprehensive income securities

Fixed assets
 Others

Deferred tax assets (liabilities) - net



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13. PERPAJAKAN (lanjutan)

13. TAXATION (continued)

f. Aset (liabilitas) pajak tangguhan (lanjutan)

f. Deferred tax assets (liabilities) (continued)

Entitas Anak

Subsidiary

31 Desember/December 2020					
	Saldo awal/ Beginning balance	Dikreditkan/ (dibebankan) ke laba rugi/ Credited/ (charged) to profit or loss	Dibebankan ke ekuitas/ Charged to equity	Saldo akhir/ Ending balance	
Imbalan kerja jangka pendek	49,422	(26,208)	-	23,214	Short-term employee benefits
Imbalan pascakerja dan imbalan kerja jangka panjang lainnya	(216)	4,259	4,436	8,479	Post-employment benefits and other long-term employee benefits
Aset tetap	18,781	(12,177)	-	6,604	Fixed assets
Cadangan kerugian penurunan nilai atas piutang murabahah	37,226	98,912	-	136,138	Allowance for impairment losses on murabahah receivables
Keuntungan/kerugian yang belum direalisasi dari efek	(46)	-	29	(17)	Unrealized gain (loss) from marketable securities
Lainnya	39,708	(17,639)	-	22,069	Others
Aset pajak tangguhan - bersih	<u>144,875</u>	<u>47,147</u>	<u>4,465</u>	<u>196,487</u>	Deferred tax assets - net
31 Desember/December 2019					
	Saldo awal/ Beginning balance	Dikreditkan/ (dibebankan) ke laba rugi/ Credited/ (charged) to profit or loss	Dibebankan ke ekuitas/ Charged to equity	Saldo akhir/ Ending balance	
Imbalan kerja jangka pendek	34,021	15,401	-	49,422	Short-term employee benefits
Imbalan pascakerja dan imbalan kerja jangka panjang lainnya	(433)	3,267	(3,050)	(216)	Post-employment benefits and other long-term employee benefits
Aset tetap	11,424	7,357	-	18,781	Fixed assets
Cadangan kerugian penurunan nilai atas piutang murabahah	26,425	10,801	-	37,226	Allowance for impairment losses on murabahah receivables
Keuntungan/kerugian yang belum direalisasi dari efek	(235)	-	189	(46)	Unrealized gain (loss) from marketable securities
Lainnya	28,382	11,325	-	39,707	Others
Aset pajak tangguhan - bersih	<u>99,584</u>	<u>48,151</u>	<u>(2,861)</u>	<u>144,874</u>	Deferred tax assets - net

g. Surat ketetapan pajak

g. Tax assessment letters

Sebelum penggabungan usaha (Catatan 1.b), SMBCI memiliki surat ketetapan pajak sebagai berikut:

Before the merger (Note 1.b), SMBCI had the following tax assessments:

Tahun pajak 2002

Fiscal year 2002

Pada tahun 2005, Direktur Jendral Pajak ("DJP") menerbitkan Surat Ketetapan Pajak Kurang Bayar ("SKPKB") atas pemeriksaan hasil pajak untuk tahun pajak 2002. Pada tahun 2016, SMBCI mengajukan surat keberatan ke DJP. DJP menolak keberatan Bank tersebut.

In 2005, Director of General Taxation ("DGT") issued the Tax Underpayment Letter ("SKPKB") for fiscal year 2002. In 2016, SMBCI filed an objection letter to DGT. DGT rejected SMBCI's objection.

SMBCI mengajukan gugatan ke Pengadilan Pajak pada tanggal 22 Juni 2007 setelah membayar semua denda dan bunga. Di bulan Desember 2010, Pengadilan Pajak mengabulkan gugatan SMBCI tersebut dan SMBCI menerima semua kelebihan pengembalian pajak.

SMBCI filed an appeal to the Tax Court on 22 June 2007 after paying all penalty and interest. In December 2010, the Tax Court approved SMBCI's appeal and SMBCI received all tax refund.

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13. PERPAJAKAN (lanjutan)

g. Surat ketetapan pajak (lanjutan)

Sebelum penggabungan usaha (Catatan 1.b), SMBCI memiliki surat ketetapan pajak sebagai berikut (lanjutan):

Tahun pajak 2002 (lanjutan)

Atas putusan Pengadilan Pajak yang menyetujui banding SMBCI, DJP mengajukan permohonan kasasi kepada Mahkamah Agung di bulan Februari 2011 untuk membatalkan keputusan dari Pengadilan Pajak. Sampai dengan tanggal laporan keuangan konsolidasian, permohonan kasasi tersebut masih dalam proses.

Untuk kompensasi bunga, pada bulan Februari 2011, SMBCI mengajukan gugatan baru ke Pengadilan Pajak untuk memperoleh kompensasi bunga terkait pemeriksaan pajak tahun 2002. Pada tanggal 22 September 2011, SMBCI memenangkan gugatan ke Pengadilan Pajak tersebut.

Pada bulan Januari 2012, DJP mengajukan permohonan kasasi kepada Mahkamah Agung untuk membatalkan keputusan dari Pengadilan Pajak atas imbalan bunga tersebut. Sampai dengan tanggal 31 Desember 2020, belum ada hasil atas permohonan kasasi yang diajukan oleh DJP ke Mahkamah Agung.

Tahun pajak 2010

Pada tanggal 18 Desember 2015, SMBCI menerima SKPKB sejumlah Rp 817. SMBCI melunasi seluruh SKPKB (termasuk denda) sebesar Rp 817 pada tanggal 14 Januari 2016.

Pada tanggal 14 Maret 2016, SMBCI mengajukan keberatan ke Kantor Pajak.

Pada tanggal 20 Januari 2017, Kantor Pajak telah mengeluarkan Surat Keputusan atas Keberatan Wajib Pajak yang menyetujui keberatan SMBCI sebesar Rp 14. SMBCI mengajukan permohonan banding atas keputusan tersebut.

Pada bulan Februari 2020, Bank menerima Putusan Pengadilan yang menolak permohonan banding Bank. Atas hasil Putusan Pengadilan tersebut, Bank mengajukan Peninjauan Kembali ke Mahkamah Agung pada tanggal 7 Agustus 2020. Sampai dengan tanggal 31 Desember 2020, belum ada hasil atas peninjauan kembali tersebut.

Tahun pajak 2015

Pada tahun 2016, sehubungan dengan kelebihan pembayaran pajak penghasilan badan tahun 2015 sebesar Rp 36.179, kewajiban perpajakan SMBCI tahun 2015 diperiksa oleh Kantor Pajak.

13. TAXATION (continued)

g. Tax assessments letters (continued)

Before the merger (Note 1.b), SMBCI had the following tax assessments (continued):

Fiscal year 2002 (continued)

Based on the Tax Court's decision which approved the SMBCI's appeal, DGT filed a judicial review to the Supreme Court in February 2011 to revoke the decision of the Tax Court. Up to the date of consolidated financial statements, the judicial review was still in process.

For the interest compensation, in February 2011, SMBCI filed a new appeal to the Tax Court to get interest compensation related with 2002 tax assessment. On 22 September 2011, SMBCI won its appeal to the Tax Court.

In January 2012, DGT filed a judicial review to the Supreme Court to revoke the decision of the Tax Court for interest compensation. Up to 31 December 2020, the outcome of the judicial review filed by the DGT to Supreme Court has not been determined yet.

Fiscal year 2010

On 18 December 2015, SMBCI received SKPKB amounting to Rp 817. SMBCI paid all taxes underpayment (including penalties) amounting to Rp 817 on 14 January 2016.

On 14 March 2016, SMBCI filed an objection to Tax Office.

On 20 January 2017, the Tax Office issued Decision Letter on Taxpayer Objection which approved SMBCI's objection amounting to Rp 14. SMBCI filed an appeal against the decision.

In February 2020, the Bank received the decision letter from Tax Court which rejected the Bank's appeal request. Based on the decision letter, the Bank filed an appeal for Judicial Review to the Supreme Court on 7 August 2020. Up to 31 December 2020, the outcome of the appeal has not been determined yet.

Fiscal year 2015

In 2016, in relation with the overpayment income tax for year 2015 of Rp 36,179, SMBCI's 2015 taxes were being audited by the Tax Office.



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13. PERPAJAKAN (lanjutan)

g. Surat ketetapan pajak (lanjutan)

Sebelum penggabungan usaha (Catatan 1.b), SMBCI memiliki surat ketetapan pajak sebagai berikut (lanjutan):

Tahun pajak 2015 (lanjutan)

Pada tanggal 26 April 2017, SMBCI menerima surat ketetapan bahwa Kantor Pajak hanya menyetujui klaim pengembalian pajak SMBCI sebesar Rp 4.249 dari Rp 36.179. SMBCI mengajukan surat keberatan sejumlah Rp 31.930, yang dicatat sebagai klaim pengembalian pajak.

Pada tanggal 12 Juli 2018, SMBCI menerima surat penolakan dari kantor pajak atas keberatan yang diajukan sebelumnya.

Pada tanggal 9 Oktober 2018, SMBCI mengajukan surat banding atas surat penolakan kantor pajak.

Pada tanggal 1 November 2019, SMBCI menerima putusan Pengadilan Pajak dimana dalam putusan disebutkan bahwa permohonan banding SMBCI dikabulkan seluruhnya oleh Pengadilan Pajak.

Pada bulan Januari 2020, Bank menerima pengembalian pajak sebesar Rp 31.930. Pada bulan Februari 2020, Bank menerima pemberitahuan Peninjauan Kembali yang diajukan oleh DJP. Bank telah menyampaikan Surat Kontra Memorandum kepada Mahkamah Agung melalui Pengadilan Pajak pada tanggal 5 Maret 2020. Sampai dengan tanggal 31 Desember 2020, belum ada hasil atas permohonan peninjauan kembali yang diajukan oleh DJP ke Mahkamah Agung.

Tahun pajak 2014

Pada tanggal 19 Februari 2019, SMBCI menerima beberapa SKPKB sehubungan dengan tahun pajak 2014 dengan total sebesar Rp 48.227 (termasuk denda). Sesuai dengan peraturan yang berlaku, SMBCI telah melunasi SKPKB (termasuk denda) tersebut pada tanggal 27 Februari 2019. Pada tanggal 26 April 2019, SMBCI mengajukan keberatan atas SKPKB PPh Badan dan PPN.

Pada tanggal 19 Maret 2020, DJP menolak keberatan Bank atas permohonan keberatan PPN. Sementara untuk keberatan atas PPh Badan, DJP mengabulkan sebagian permohonan Bank sebesar Rp 46.604. Pengembalian pajak telah diterima pada tanggal 20 Mei 2020. Bank tidak ada rencana untuk melakukan banding atas PPN.

Tahun pajak 2016

Pada tanggal 5 Desember 2018, BTPN menerima surat pemberitahuan pemeriksaan pajak untuk tahun pajak 2016. Pada tanggal 18 Desember 2020, DJP menerbitkan Surat Pemberitahuan Hasil Pemeriksaan (SPHP) yang menyatakan bahwa terdapat beberapa temuan pemeriksaan perpajakan yang mengakibatkan kurang bayar beban pajak penghasilan.

13. TAXATION (continued)

g. Tax assessments letters (continued)

Before the merger (Note 1.b), SMBCI had the following tax assessments (continued):

Fiscal year 2015 (continued)

On 26 April 2017, SMBCI received a decision letter that the Tax Office only approved SMBCI's claim for tax refund amounting to Rp 4,249 out of Rp 36,179. SMBCI filed an objection letter amounted to Rp 31,930, which was recorded as claim for tax refund.

On 12 July 2018, SMBCI received rejection letter from the tax office for the objection letter submitted earlier.

On 9 October 2018, SMBCI filed an appeal letter for the rejection letter sent by the tax office.

On 1 November 2019, SMBCI received Tax Court decision which stated that SMBCI's appeal request has been wholly granted by the Tax Court.

In January 2020, the Bank received the tax refund amounted to Rp 31,930. In February 2020, the Bank received notification of Judicial Review filed by DGT. On 5 March 2020, the Bank submitted the letter of Counter Memorandum to the Supreme Court through the Tax Court. Up to 31 December 2020, the outcome of the judicial review filed by the DGT to Supreme Court has not been determined yet.

Fiscal year 2014

On 19 February 2019, SMBCI received assessment letters of SKPKB relating to fiscal year 2014 totaling to Rp 48,227 (including penalties). Based on the prevailing tax regulation, SMBCI fully paid the SKPKB (including penalties) on 27 February 2019. On 26 April 2019, SMBCI filed an objection letter toward SKPKB for corporate income tax and VAT.

On 19 March 2020, DGT rejected Bank's Objection towards the VAT Objection request. While towards the Corporate Income Tax Objection, DGT granted partially Bank's request amounting to Rp 46,604. The tax refund was received on 20 May 2020. Bank has no plan to appeal for the VAT.

Fiscal year 2016

On 5 December 2018, BTPN received tax audit notice for fiscal year 2016. On 18 December 2020, DGT issued the notification of tax examination result (SPHP) which stated that there are several tax audit findings resulting to the underpayment of income tax expenses.

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13. PERPAJAKAN (lanjutan)

g. Surat ketetapan pajak (lanjutan)

Sebelum penggabungan usaha (Catatan 1.b), BTPN memiliki surat ketetapan pajak sebagai berikut: (lanjutan)

Tahun pajak 2016 (lanjutan)

Pada tanggal 7 Januari 2021, Bank telah menyampaikan tanggapan yang menolak semua temuan pemeriksaan pajak dan memberikan justifikasinya. Sampai dengan tanggal 31 Desember 2020, belum ada tanggapan lebih lanjut dari DJP.

Tahun pajak 2017

Pada tanggal 29 April 2019, Bank menerima Surat Ketetapan Pajak Lebih Bayar ("SKPLB") sebesar Rp 48,017 dari total lebih bayar menurut SPT Tahunan PPh Badan sebesar Rp 53,308. Atas selisih Rp 5,237, BTPN mengajukan keberatan dengan surat pengajuan tanggal 23 Juli 2019.

Pada bulan Juni 2020, Bank menerima surat keputusan keberatan dari DJP yang menerima sebagian permintaan keberatan Bank. Pada tanggal 11 September 2020, Bank telah mengajukan permohonan banding sebesar Rp 5,017 ke Pengadilan Pajak. Sampai dengan tanggal 31 Desember 2020, proses banding masih dalam proses.

Atas pajak lainnya senilai Rp 5,945, Bank mengajukan permohonan pengembalian kepada DJP. Sampai dengan tanggal 31 Desember 2020, proses pengembalian masih dalam proses.

Tahun pajak 2019

Pada tanggal 19 Desember 2019, Bank menerima surat pemberitahuan pemeriksaan pajak untuk PPh Pasal 23/26 masa pajak Januari 2019. Sampai dengan tanggal 31 Desember 2020, proses pemeriksaan masih berlangsung.

Pada tanggal 8 Juli 2020, Bank menerima surat pemberitahuan pemeriksaan pajak untuk tahun pajak 2019. Sampai dengan tanggal 31 Desember 2020, proses pemeriksaan masih berlangsung.

h. Persetujuan penggunaan nilai buku atas pengalihan harta dalam rangka penggabungan usaha

Pada tanggal 28 Mei 2019, sesuai dengan surat No. S.022/DIRUT/FINCP/V/2019, Bank telah mengajukan permohonan izin untuk dapat menggunakan nilai buku atas pengalihan harta dalam rangka penggabungan usaha antara BTPN dengan SMBCI.

Pada tanggal 2 Agustus 2019, Bank telah menerima surat keputusan dari DGT No. KEP-196/WPJ.19/2019 tertanggal 30 Juli 2019 mengenai persetujuan penggunaan nilai buku menurut pajak atas pengalihan harta dalam rangka penggabungan usaha.

13. TAXATION (continued)

g. Tax assessments letters (continued)

Before the merger (Note 1.b), BTPN had the following tax assessments (continued)

Fiscal year 2016 (continued)

On 7 January 2021, the Bank has submitted the response which rejected all of the tax audit findings and provided its justification. Up to 31 December 2020, there has been no further response from DGT.

Fiscal year 2017

On 29 April 2019, the Bank received Tax Overpayment Letter ("SKPLB") amounting to Rp 48,017 from the total overpayment in annual tax return amounting to Rp 53,308. BTPN filed an objection letter on 23 July 2019 for the difference of Rp 5,237.

In June 2020, the Bank received an objection decision letter from DGT which partially accepted the Bank's objection request. On 11 September 2020, the Bank submitted a request for appeal amounting to Rp 5,017 to the tax court. Up to 31 December 2020, the appeal was still in process.

For other taxes of Rp 5,945, the Bank submits a refund request to the DGT. Up to 31 December 2020, the return process is still in process.

Fiscal year 2019

On 19 December 2019, the Bank received a tax audit notification letter for income tax article 23/26 for the January 2019 tax period. Up to 31 December 2020, the tax audit was still on going.

On 8 July 2020, the Bank received a tax audit notification for Fiscal Year 2019. As of 31 December 2020, the audit process is still on going.

h. Approval of the use of book value towards the transfer asset in regards of merger

On 28 May 2019, in accordance with Letter No. S.022/DIRUT/FINCP/V/2019, the Bank submitted a request for permission to use the book value towards the transfer assets in regards of merger between BTPN and SMBCI.

On 2 August 2019, the Bank received decision letter from DGT No. KEP-196/WPJ.19/2019 dated 30 July 2019 regarding approval to use tax book value towards the transfer assets in regards of merger.



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14. ASET TETAP

14. FIXED ASSETS

Aset tetap terdiri dari:

Fixed assets consist of the following:

31 Desember/December 2020							
	Saldo awal/ Beginning balance	Dampak penerapan awal PSAK 73/ Impact of the initial implementation of PSAK 73	Penambahan/ Additions	Pengurangan/ Deductions	Reklasifikasi/ Reclassification	Saldo akhir/ Ending balance	
Model revaluasi							Revaluation model
Kepemilikan langsung							Direct ownership
Tanah	908,804	-	-	-	-	908,804	Land
Model biaya							Cost model
Kepemilikan langsung							Direct ownership
Gedung	410,054	-	1,754	(18)	968	412,758	Buildings
Kendaraan bermotor	207,868	-	16,697	(40,142)	11,577	196,000	Motor vehicles
Perlengkapan kantor	1,418,212	-	80,393	(99,440)	6,209	1,405,374	Office equipments
Leasehold improvement	772,663	-	18,077	(1,451)	5,755	795,044	Leasehold improvement
Aset dalam penyelesaian	34,244	-	76,342	(115)	(71,093)	39,378	Construction in progress
	<u>3,751,845</u>	<u>-</u>	<u>193,263</u>	<u>(141,166)</u>	<u>(46,584)</u>	<u>3,757,358</u>	
Aset hak guna	-	1,009,248	128,120	(11,578)	-	1,125,790	Right-of-use assets
	<u>3,751,845</u>	<u>1,009,248</u>	<u>321,383</u>	<u>(152,744)</u>	<u>(46,584)</u>	<u>4,883,148</u>	
Akumulasi penyusutan							Accumulated depreciation
Gedung	(255,455)	-	(48,368)	14	-	(303,809)	Buildings
Kendaraan bermotor	(104,447)	-	(41,828)	38,219	4	(108,052)	Motor vehicles
Perlengkapan kantor	(972,363)	-	(213,027)	96,098	(4)	(1,089,296)	Office equipments
Leasehold improvement	(525,834)	-	(51,945)	1,428	-	(576,351)	Leasehold improvement
	<u>(1,858,099)</u>	<u>-</u>	<u>(355,168)</u>	<u>135,760</u>	<u>-</u>	<u>(2,077,508)</u>	
Aset hak guna	-	(235,206)	(223,563)	11,116	-	(447,653)	Right-of-use assets
Nilai buku bersih	<u>1,893,746</u>					<u>2,357,987</u>	Net book value
31 Desember/December 2019							
	Saldo awal/ Beginning balance	Penambahan dari penggabungan usaha/ Additions from merger	Penambahan/ Additions	Pengurangan / Deductions	Reklasifikasi/ Reclassification	Saldo akhir/ Ending balance	
Model revaluasi							Revaluation model
Kepemilikan langsung							Direct ownership
Tanah	908,804	-	-	-	-	908,804	Land
Model biaya							Cost model
Kepemilikan langsung							Direct ownership
Gedung	394,886	-	1,613	-	13,555	410,054	Buildings
Kendaraan bermotor	152,354	-	73,943	(24,265)	5,836	207,868	Motor vehicles
Perlengkapan kantor	1,226,677	154,952	48,251	(174,113)	162,445	1,418,212	Office equipments
Leasehold improvement	670,356	105,429	24,206	(40,989)	13,661	772,663	Leasehold improvement
Aset dalam penyelesaian	35,339	-	176,110	(1,667)	(175,538)	34,244	Construction in progress
	<u>3,388,416</u>	<u>260,381</u>	<u>324,123</u>	<u>(241,034)</u>	<u>19,959</u>	<u>3,751,845</u>	
Akumulasi penyusutan							Accumulated depreciation
Gedung	(210,527)	-	(45,086)	154	4	(255,455)	Buildings
Kendaraan bermotor	(88,358)	-	(32,453)	16,364	-	(104,447)	Motor vehicles
Perlengkapan kantor	(847,709)	(75,760)	(215,249)	166,358	(3)	(972,363)	Office equipments
Leasehold improvement	(455,095)	(39,565)	(65,476)	34,303	(1)	(525,834)	Leasehold improvement
	<u>(1,601,689)</u>	<u>(115,325)</u>	<u>(358,264)</u>	<u>217,179</u>	<u>-</u>	<u>(1,858,099)</u>	
Nilai buku bersih	<u>1,786,727</u>					<u>1,893,746</u>	Net book value

Rincian keuntungan (kerugian) penjualan aset tetap adalah sebagai berikut:

Detail of the gain (loss) on disposal of fixed assets was as follows:

	31 Desember/December		
	2020	2019	
Hasil atas penjualan aset tetap	8,792	6,026	Proceeds from sale of fixed assets
Nilai buku bersih	(1,945)	(9,551)	Net book value
Keuntungan (kerugian) penjualan aset tetap	<u>6,847</u>	<u>(3,525)</u>	Gain (loss) on sale of fixed assets

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14. ASET TETAP (lanjutan)

Aset dalam penyelesaian pada tanggal 31 Desember 2020 dan 2019 masing-masing sebesar Rp 39.378 dan Rp 34.244 merupakan gedung yang disewa dari pihak ketiga dan masih dalam tahap renovasi dan perlengkapan kantor yang masih dalam tahap konstruksi. Konstruksi tersebut diperkirakan akan selesai pada tahun 2021 dengan persentase penyelesaian adalah antara 5% - 95% pada tanggal 31 Desember 2020 (31 Desember 2019: 5% - 95%).

Pada tanggal 31 Desember 2020 dan 2019, aset tetap, kecuali tanah, telah diasuransikan kepada perusahaan asuransi pihak ketiga:

	31 Desember/December	
	2020	2019
PT Asuransi MSIG Indonesia	1,301,943	1,165,071
PT Asuransi Adira Dinamika Syariah	193,975	142,288
PT Asuransi Adira Dinamika	-	11,130
Jumlah	<u>1,495,918</u>	<u>1,318,489</u>

Bank dan Entitas Anak berpendapat bahwa nilai pertanggungan asuransi cukup untuk menutup kemungkinan kerugian dari aset tetap tersebut.

Pada tanggal 31 Desember 2020 dan 2019, Bank dan Entitas Anak melakukan peninjauan kembali atas masa manfaat, metode penyusutan dan nilai residu aset tetap dan menyimpulkan bahwa tidak diperlukan perubahan atas metode dan asumsi tersebut.

Penyusutan aset tetap untuk tahun-tahun yang berakhir pada tanggal 31 Desember 2020 dan 2019 masing-masing sebesar Rp 355.168 dan Rp 358.264 dibebankan pada beban umum dan administrasi (Catatan 34).

Penyusutan aset hak guna untuk tahun yang berakhir pada tanggal 31 Desember 2020 sebesar Rp 223.563 dibebankan pada beban umum dan administrasi (Catatan 34).

Pada tanggal 31 Desember 2020, aset tetap yang sudah disusutkan penuh namun masih digunakan untuk menunjang aktivitas operasi Bank adalah sebesar Rp 887.663 (31 Desember 2019: Rp 712.998).

Manajemen Bank dan Entitas Anak berpendapat bahwa tidak terdapat indikasi adanya penurunan nilai atas aset tetap pada tanggal 31 Desember 2020 dan 2019.

Pada tanggal 31 Desember 2020 dan 2019, tidak terdapat aset tetap yang digunakan sebagai jaminan dan semua aset tetap tidak dibatasi kepemilikannya.

14. FIXED ASSETS (continued)

Assets under construction as of 31 December 2020 and 2019 amounted to Rp 39,378 and Rp 34,244, respectively, related to buildings that were rented from third parties but was still in the renovation progress and office equipments that were still under construction. Those constructions are estimated to be completed in 2021 with current percentages of completion between 5% - 95% as of 31 December 2020 (31 December 2019: 5% - 95%).

As of 31 December 2020 and 2019, fixed assets, except for land, have been insured by the third party insurance companies:

PT Asuransi MSIG Indonesia
PT Asuransi Adira Dinamika Syariah
PT Asuransi Adira Dinamika
Total

The Bank and Subsidiary believe that the insurance coverage is adequate to cover possible losses arising from the fixed assets.

As of 31 December 2020 and 2019, the Bank and Subsidiary performed a review on useful life, depreciation method and residual value of fixed assets and concluded that no change in these method and assumptions was necessary.

The depreciation of fixed assets for the years ended 31 December 2020 and 2019 amounting to Rp 355,168 and Rp 358,264, respectively, was charged to general and administrative expenses (Note 34).

The depreciation of right-of-use asset for the year ended 31 December 2020 amounting to Rp 223,563 was charged to general and administrative expenses (Note 34).

As of 31 December 2020, fixed assets that have been fully depreciated but were still in use to support the Bank's operation activities amounted to Rp 887,663 (31 December 2019: Rp 712,998).

The Bank and Subsidiary's management believe that there was no indication of impairment in the value of fixed assets as of 31 December 2020 and 2019.

As of 31 December 2020 and 2019 there was no fixed asset pledged as collateral and no limitation of ownership of the fixed assets.



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14. ASET TETAP (lanjutan)

Revaluasi tanah

Berdasarkan kajian manajemen pada tanggal 31 Desember 2020 dan 2019, tidak terdapat kenaikan yang signifikan atas nilai tanah sehingga manajemen memutuskan untuk tidak membukukan nilai kenaikan tanah tersebut.

14. FIXED ASSETS (continued)

Revaluation of land

Based on assessment performed by management as of 31 December 2020 and 2019, there was no significant increase on the value of land. Therefore, management decided not to book the increment of fair value.

15. ASET TAKBERWUJUD

15. INTANGIBLE ASSETS

31 Desember/December 2020						
	Saldo awal/ Beginning balance	Penambahan/ Additions	Pengurangan/ Deductions	Reklasifikasi/ Reclassification	Saldo akhir/ Ending balance	
Harga perolehan						Cost
Piranti lunak	1,892,162	47,505	(39,578)	303,033	2,203,122	Software
Pengembangan piranti lunak	244,119	349,175	(20,097)	(309,008)	264,189	Software development
Goodwill	61,116	-	-	-	61,116	Goodwill
	<u>2,197,397</u>	<u>396,680</u>	<u>(59,675)</u>	<u>(5,975)</u>	<u>2,528,427</u>	
Akumulasi amortisasi						Accumulated amortisation
Piranti lunak	(1,128,855)	(364,272)	5,299	-	(1,487,828)	Software
Nilai buku bersih	<u>1,068,542</u>				<u>1,040,599</u>	Net book value

31 Desember/December 2019						
	Saldo awal/ Beginning balance	Penambahan dari penggabungan usaha/ Additions from merger	Penambahan/ Additions	Pengurangan / Deductions	Reklasifikasi/ Reclassification	Saldo akhir/ Ending balance
Harga perolehan						Cost
Piranti lunak	1,236,783	199,330	13,622	(6,144)	448,571	1,892,162 Software
Pengembangan piranti lunak	365,786	-	366,612	(19,749)	(468,530)	244,119 Software development
Goodwill	61,116	-	-	-	-	61,116 Goodwill
	<u>1,663,685</u>	<u>199,330</u>	<u>380,234</u>	<u>(25,893)</u>	<u>(19,959)</u>	<u>2,197,397</u>
Akumulasi amortisasi						Accumulated amortisation
Piranti lunak	(722,855)	(93,063)	(318,284)	5,347	-	(1,128,855) Software
Nilai buku bersih	<u>940,830</u>					<u>1,068,542</u> Net book value

Sisa periode amortisasi untuk piranti lunak adalah 1 sampai dengan 4 tahun.

Remaining amortisation period of software is 1 to 4 years.

Goodwill merupakan selisih antara nilai perolehan dengan nilai wajar dari aset Entitas Anak yang diakuisisi pada tahun 2014 dimana Bank mengakuisisi 70% saham PT Bank Sahabat Purba Danarta (sekarang PT Bank BTPN Syariah Tbk).

Goodwill arises from the difference between the cost of acquisition with the fair value of Subsidiary's assets acquired in 2014 where the Bank acquired 70% of PT Bank Sahabat Purba Danarta's shares (now PT Bank BTPN Syariah Tbk).

Manajemen Bank dan Entitas Anak berpendapat bahwa tidak terdapat indikasi adanya penurunan nilai aset takberwujud pada tanggal 31 Desember 2020 dan 2019.

Bank and Subsidiary's management believe that there is no impairment in the value of intangible assets as of 31 December 2020 and 2019.

Amortisasi aset takberwujud untuk tahun-tahun yang berakhir pada tanggal 31 Desember 2020 dan 2019 masing-masing sebesar Rp 364.272 dan Rp 318.284 dan dibebankan sebagai beban umum dan administrasi (Catatan 34).

The amortisation of intangible assets for the years ended 31 December 2020 dan 2019 amounted to Rp 364,272 and Rp 318,284, respectively, and was changed to general and administrative expenses (Note 34).

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16. ASET LAIN-LAIN – BERSIH**16. OTHER ASSETS – NET**

	31 Desember/December		
	2020	2019	
Transaksi ATM dan transfer	190,386	89,998	ATM transaction and transfer
Jaminan sewa	55,291	69,177	Rental security deposits
Agunan yang diambil alih	19,359	169	Foreclosed collateral
Tagihan kepada asuransi	13,508	23,232	Receivables from insurance company
Uang muka	10,078	32,945	Advance payment
Persediaan keperluan kantor	9,572	14,290	Office supplies
Aset imbalan kerja (Catatan 23)	-	69,202	Employee benefits assets (Note 23)
Lain-lain	45,285	33,918	Others
	<u>343,479</u>	<u>332,931</u>	
Cadangan kerugian penurunan nilai	(170)	(169)	Allowance for impairment losses
	<u>343,309</u>	<u>332,762</u>	

Transaksi ATM dan transfer terdiri dari piutang atas transaksi ATM dan transfer antar bank yang akan diselesaikan pada hari kerja berikutnya.

ATM transaction and transfer consists of receivables from ATM transaction and transfer from other banks that will be settled on the following working day.

Jaminan sewa merupakan pembayaran atas uang jaminan sewa gedung.

Rental security deposits represent security deposits payment on building rent.

Aset imbalan kerja merupakan kelebihan pendanaan pada aset program dimana terdapat manfaat ekonomi masa depan untuk Bank.

Employee benefit assets derived from overfunding in plan asset program which provide future economic benefit to the Bank.

Uang muka merupakan uang muka pembelian inventaris, beban perjalanan dinas dan uang muka operasional lainnya.

Advance payment consists of advances for purchase on office supplies, business trip allowances and other operational advances.

Tagihan kepada asuransi adalah klaim kepada pihak asuransi atas uang pesangon karyawan dan klaim pengembalian premi nasabah kredit pensiun.

Receivables from insurance company are the claim to the insurance companies on employees' severance pay and premium refund claim for pension loan's debtors.

Persediaan keperluan kantor merupakan persediaan atas formulir aplikasi, materai, kartu ATM dan cek.

Office supplies represent supply of application forms, stamps, ATM cards and cheques.

Lain-lain terdiri dari berbagai macam tagihan dari transaksi kepada pihak ketiga.

Others mainly consist of various receivables from transaction with third parties.

Cadangan kerugian penurunan nilai aset lain-lain pada tanggal 31 Desember 2020 dan 2019 masing-masing sebesar Rp 169, dibentuk sebagian besar untuk agunan yang diambil alih Entitas Anak. Manajemen berpendapat bahwa jumlah cadangan kerugian penurunan nilai tersebut telah memadai.

Allowance for impairment losses for other assets as of 31 December 2020 and 2019 amounted Rp 169, respectively, were mainly made for foreclosed collaterals of Subsidiary. Management believes that the allowance for impairment losses is sufficient.



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17. LIABILITAS SEGERA

Seluruh liabilitas segera adalah dalam mata uang Rupiah dan dengan pihak ketiga.

17. OBLIGATIONS DUE IMMEDIATELY

All obligations due immediately were denominated in Rupiah and to third parties.

	31 Desember/December		
	2020	2019	
Titipan pencairan deposito	38,412	-	<i>Unsettled time deposits</i>
Titipan bagi hasil deposito	5,688	4,307	<i>Unsettled profit-sharing of time deposits</i>
Kiriman uang yang belum diselesaikan	3,526	423	<i>Unsettled remittance transactions</i>
Titipan uang pensiun	2,761	4,304	<i>Unsettled pension funds</i>
Titipan asuransi pensiun	2,615	473	<i>Unsettled pension insurance funds</i>
Lain-lain	6,402	8,761	<i>Others</i>
	<u>59,404</u>	<u>18,268</u>	

Titipan pencairan deposito merupakan tampungan uang deposito yang telah cair dan belum diambil nasabah.

Unsettled time deposits represent the costumer's time deposits which have been due but have not been taken by the customers.

Titipan uang pensiun merupakan tampungan uang pembayaran pensiun nasabah yang akan dibayarkan ke rekening nasabah.

Unsettled pension funds represent the customer's retirement payments that will be paid to the customer's bank account.

18. SIMPANAN NASABAH

18. DEPOSITS FROM CUSTOMERS

	31 Desember/December		
	2020	2019	
Pihak ketiga:			<i>Third parties:</i>
- Giro	15,709,092	14,315,643	<i>Current accounts -</i>
- Tabungan	11,747,597	9,944,811	<i>Savings deposits -</i>
- Deposito berjangka	59,882,737	51,619,381	<i>Time deposit -</i>
- Deposito <i>on call</i>	1,085,620	2,969,819	<i>Deposits on call -</i>
	<u>88,425,046</u>	<u>78,849,654</u>	
Pihak berelasi:			<i>Related parties:</i>
- Giro	51,616	58,583	<i>Current accounts -</i>
- Tabungan	14,418	10,894	<i>Savings deposits -</i>
- Deposito berjangka	4,374,460	469,684	<i>Time deposits -</i>
	<u>4,440,494</u>	<u>539,161</u>	
	<u>92,865,540</u>	<u>79,388,815</u>	
Beban bunga yang masih harus dibayar	268,383	210,601	<i>Accrued interest expenses</i>
	<u>93,133,923</u>	<u>79,599,416</u>	

Berdasarkan mata uang:

By currency:

	31 Desember/December		
	2020	2019	
Simpanan nasabah:			<i>Deposits from customers:</i>
Rupiah	82,507,247	67,317,139	<i>Rupiah</i>
Dolar Amerika Serikat	9,458,570	10,893,144	<i>United States Dollar</i>
Yen Jepang	839,340	1,103,663	<i>Japanese Yen</i>
Mata uang asing lainnya	60,383	74,869	<i>Other foreign currency</i>
	<u>92,865,540</u>	<u>79,388,815</u>	
Beban bunga yang masih harus dibayar	268,383	210,601	<i>Accrued interest expenses</i>
	<u>93,133,923</u>	<u>79,599,416</u>	

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18. SIMPANAN NASABAH (lanjutan)

18. DEPOSITS FROM CUSTOMERS (continued)

a. Giro

a. Current accounts

Berdasarkan mata uang:

By currency:

	31 Desember/December		
	2020	2019	
Rupiah	7,459,811	5,431,023	Rupiah
Dolar Amerika Serikat	7,530,996	7,866,301	United States Dollar
Yen Jepang	708,484	1,036,827	Japanese Yen
Mata uang asing lainnya	61,417	40,075	Other foreign currencies
	15,760,708	14,374,226	
Beban bunga yang masih harus dibayar	1,264	731	Accrued interest expenses
	15,761,972	14,374,957	

Giro Wadiah yang dikelola oleh anak perusahaan, masing-masing sebesar Rp 50.954 dan Rp 25.248 pada tanggal 31 Desember 2020 dan 2019.

Wadiah current account managed by Bank's subsidiary, amounted to Rp 50,954 and Rp 25,248 as of 31 December 2020 and 2019, respectively.

Tingkat suku bunga rata-rata giro per tahun:

The average interest rate per annum for current accounts:

	Tahun berakhir 31 Desember/ Year ended December		
	2020	2019	
Rupiah	1.12%	1.43%	Rupiah
Mata uang asing	0.05%	0.15%	Foreign currencies

Saldo giro yang diblokir pada tanggal 31 Desember 2020 dan 2019 masing-masing adalah sebesar Rp 249 dan Rp 163.395.

Total current accounts which were blocked as of 31 December 2020 and 2019 amounted to Rp 249 and Rp 163,395, respectively.

b. Tabungan

b. Saving deposits

Berdasarkan jenis:

By type:

	31 Desember/December		
	2020	2019	
Tabungan "Jenius"	5,631,446	3,141,319	"Jenius" Savings
Tabungan "Citra Pensiun"	2,390,046	2,501,285	"Citra Pensiun" Savings
Tabungan "Wadiah TUR Prospera"	1,749,250	1,813,317	"Wadiah TUR Prospera" Savings
Tabungan "Se To"	1,568,579	2,094,713	"Se To" Savings
Tabungan "Pasti"	184,809	175,326	"Pasti" Savings
Tabungan "Tepat Tabungan"	37,344	38,003	"Tepat Tabungan" Savings
Tabungan "Wadiah WOW iB"	14,737	15,205	"Wadiah WOW iB" Savings
Lain-lain	185,804	176,537	Others
	11,762,015	9,955,705	
Beban bunga yang masih harus dibayar	2,414	3,066	Accrued interest expenses
	11,764,429	9,958,771	



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18. SIMPANAN NASABAH (lanjutan)

18. DEPOSITS FROM CUSTOMERS (continued)

b. Tabungan (lanjutan)

b. Saving deposits (continued)

Berdasarkan mata uang:

By currency:

	31 Desember/December		
	2020	2019	
Simpanan nasabah			<i>Deposits from customers</i>
Rupiah	11,396,888	9,807,345	<i>Rupiah</i>
Dolar Amerikat Serikat	284,829	95,712	<i>United States Dollar</i>
Yen Jepang	19,915	17,854	<i>Japanese Yen</i>
Mata uang asing lainnya	60,383	34,794	<i>Other foreign currencies</i>
	<u>11,762,015</u>	<u>9,955,705</u>	
Beban bunga yang masih harus dibayar	2,414	3,066	<i>Accrued interest expenses</i>
	<u>11,764,429</u>	<u>9,958,771</u>	

Tingkat suku bunga rata-rata tabungan per tahun:

Average interest rate per annum for saving deposits:

	Tahun berakhir 31 Desember/ Year ended 31 December		
	2020	2019	
Rupiah	2.14%	2.5%	<i>Rupiah</i>
Mata uang asing	0.04%	0.31%	<i>Foreign currencies</i>

Saldo tabungan yang diblokir pada tanggal 31 Desember 2020 dan 2019 masing-masing adalah sebesar Rp 13.849 dan Rp 5.072.

Total saving deposits which were blocked as of 31 December 2020 and 2019 amounted to Rp 13,849 and Rp 5,072, respectively.

c. Deposito berjangka

c. Time deposits

Berdasarkan mata uang:

By currency:

	31 Desember/December		
	2020	2019	
Deposito berjangka			<i>Time Deposits</i>
Rupiah	62,564,928	49,751,557	<i>Rupiah</i>
Dolar Amerika Serikat	1,642,745	2,298,367	<i>United States Dollar</i>
Yen Jepang	49,524	39,141	<i>Japanese Yen</i>
	<u>64,257,197</u>	<u>52,089,065</u>	
Beban bunga yang masih harus dibayar	263,931	204,823	<i>Accrued interest expenses</i>
	<u>64,521,128</u>	<u>52,293,888</u>	

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18. SIMPANAN NASABAH (lanjutan)

18. DEPOSITS FROM CUSTOMERS (continued)

c. Deposito berjangka (lanjutan)

c. Time deposits (continued)

Berdasarkan jangka waktu:

By time period:

	31 Desember/December		
	2020	2019	
Hingga 1 bulan	32,237,533	28,516,430	Up to 1 month
Lebih dari 1 - 3 bulan	17,024,450	16,018,424	More than 1 - 3 months
Lebih dari 3 - 6 bulan	11,989,208	4,996,149	More than 3 - 6 months
Lebih dari 6 - 12 bulan	2,967,886	2,521,906	More than 6 - 12 months
Lebih dari 1 tahun	38,120	36,156	More than 1 year
	<u>64,257,197</u>	<u>52,089,065</u>	
Beban bunga yang masih harus dibayar	263,931	204,823	Accrued interest expenses
	<u>64,521,128</u>	<u>52,293,888</u>	

Berdasarkan tingkat suku bunga:

By interest rate:

	31 Desember/December		
	2020	2019	
Hingga 7%	64,247,558	44,590,172	Up to 7%
7% - 8%	8,601	7,236,869	7% - 8%
8% - 9%	1,038	262,024	8% - 9%
	<u>64,257,197</u>	<u>52,089,065</u>	
Beban bunga yang masih harus dibayar	263,931	204,823	Accrued interest expenses
	<u>64,521,128</u>	<u>52,293,888</u>	

Tingkat suku bunga rata-rata per tahun untuk deposito:

Average interest rate per annum for time deposits:

	Tahun berakhir 31 Desember/ Year ended December		
	2020	2019	
Rupiah	5.60%	7.41%	Rupiah
Mata uang asing	0.81%	2.21%	Foreign currencies

Saldo deposito berjangka yang diblokir atau dijadikan jaminan kredit pada tanggal 31 Desember 2020 dan 2019, masing-masing adalah sebesar Rp 303.364 dan Rp 235.095.

Total time deposits blocked or pledged for collaterals of loans as of 31 December 2020 and 2019 amounted to Rp 303,364 and Rp 235,095, respectively.

Informasi mengenai sisa periode sampai dengan tanggal jatuh tempo diungkapkan pada Catatan 42.

Information regarding remaining period to maturity date was disclosed in Note 42.



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18. SIMPANAN NASABAH (lanjutan)

18. DEPOSITS FROM CUSTOMERS (continued)

d. Deposito on call

d. Deposits on call

Berdasarkan mata uang:

By currency:

	31 Desember/December		
	2020	2019	
Deposito on call			Deposits on call
- Rupiah	1,085,620	2,327,214	Rupiah -
- Dolar Amerika Serikat	-	632,764	United States Dollar -
- Yen Jepang	-	9,841	Japanese Yen -
	<u>1,085,620</u>	<u>2,969,819</u>	
Beban bunga yang masih harus dibayar	774	1,981	Accrued interest expenses
	<u>1,086,394</u>	<u>2,971,800</u>	

Rata-rata suku bunga deposito on call per tahun untuk tahun-tahun yang berakhir pada tanggal 31 Desember 2020 dan 2019, masing-masing adalah 4,56% dan 6,66%.

Average interest rates on deposits on call per annum for the years ended 31 December 2020 and 2019 were 4.56% and 6.66%, respectively.

19. SIMPANAN DARI BANK-BANK LAIN

19. DEPOSITS FROM OTHER BANKS

	31 Desember/December		
	2020	2019	
Pihak ketiga	644,908	4,342,049	Third parties
Pihak berelasi	5,904,428	7,291,425	Related parties
	<u>6,549,336</u>	<u>11,633,474</u>	
Beban bunga yang masih harus dibayar	370	57,081	Accrued interest expenses
	<u>6,549,706</u>	<u>11,690,555</u>	

a. Berdasarkan jenis:

a. By type:

	31 Desember/December		
	2020	2019	
Call money	6,533,250	11,568,219	Call money
Giro	16,086	15,234	Current accounts
Bank acceptance finance	-	50,000	Bank acceptance finance
Tabungan	-	21	Saving deposits
	<u>6,549,336</u>	<u>11,633,474</u>	
Beban bunga yang masih harus dibayar	370	57,081	Accrued interest expenses
	<u>6,549,706</u>	<u>11,690,555</u>	

Tidak ada saldo simpanan dari bank-bank lain yang diblokir atau dijadikan jaminan pada tanggal 31 Desember 2020 dan 2019.

There were no deposits from other banks which were blocked or pledged as of 31 December 2020 and 2019.

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19. SIMPANAN DARI BANK-BANK LAIN (lanjutan)

19. DEPOSITS FROM OTHER BANKS (continued)

b. Berdasarkan mata uang:

b. By currency:

	31 Desember/December		
	2020	2019	
Rupiah	16,086	4,345,162	Rupiah
Dolar Amerika Serikat	6,533,250	7,288,312	United States Dollar
	<u>6,549,336</u>	<u>11,633,474</u>	
Beban bunga yang masih harus dibayar	370	57,081	Accrued interest expenses
	<u>6,549,706</u>	<u>11,690,555</u>	

c. Tingkat suku bunga rata-rata per tahun:

c. Average interest rate per annum:

	Tahun berakhir 31 Desember/ Year ended December		
	2020	2019	
Rupiah			Rupiah
Call money	5.20%	6.81%	Call money
Bank acceptance finance	5.86%	7.5%	Bank acceptance finance
Tabungan	-	1.5%	Savings deposits
Giro	0.23%	0.03%	Current accounts
Dolar Amerika Serikat			United States Dollar
Call money	0.87%	2.94%	Call money

d. Jangka waktu:

d. Time period:

Jangka waktu simpanan dari bank-bank lain pada tanggal 31 Desember 2020 dan 2019 adalah kurang dari 1 tahun.

The time period of deposits from other banks as of 31 December 2020 and 2019 was less than 1 year.

Informasi mengenai sisa periode sampai dengan tanggal jatuh tempo diungkapkan pada Catatan 42.

Information regarding remaining period to maturity date was disclosed in Note 42.

20. EFEK-EFEK YANG DITERBITKAN

20. SECURITIES ISSUED

a. Surat utang jangka menengah

a. Medium term notes

	Peringkat/ Rating*)	31 Desember/ December 2020	31 Desember/ December 2019	
Nilai nominal: Medium term notes II SMBCI	idAAA	-	1,302,000	Nominal value: Medium term notes II SMBCI
Dikurangi: Biaya transaksi yang belum diamortisasi		-	(591)	Less: Unamortised transaction costs
		<u>-</u>	<u>1,301,409</u>	
Ditambah: Beban bunga yang masih harus dibayar		-	5,032	Add: Accrued interest expenses
		<u>-</u>	<u>1,306,441</u>	
Surat utang jangka menengah sesuai dengan jangka waktunya: 1 - 3 tahun		-	1,302,000	Medium term notes based on time period: 1 - 3 years
		<u>-</u>	<u>1,302,000</u>	

*) Berdasarkan peringkat dari PT Pemeringkat Efek Indonesia

*) Based on rating by PT Pemeringkat Efek Indonesia



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20. EFEK-EFEK YANG DITERBITKAN (lanjutan)

20. SECURITIES ISSUED (continued)

a. Surat utang jangka menengah (lanjutan)

a. Medium term notes (continued)

Pembayaran bunga surat utang jangka menengah dilakukan setiap 3 bulan dan pembayaran pokok dilakukan pada saat jatuh tempo. Bank telah melakukan pembayaran bunga sesuai dengan jadwal. Pada tanggal 14 Juni 2020, Bank melakukan pelunasan atas surat utang jangka menengah.

Interest on medium term notes are paid every 3 months and the principal are paid on maturity date. The Bank has paid the interest based on the schedule. On 14 June 2020, the Bank fully repaid the medium term notes.

Dalam perjanjian perwaliamanatan, diatur beberapa pembatasan yang harus dipenuhi, antara lain untuk mempertahankan tingkat kesehatan Bank minimal berada dalam peringkat komposit 3 yang tergolong "Cukup Baik" sesuai penilaian internal berdasarkan ketentuan Bank Indonesia atau penilaian dari Otoritas Jasa Keuangan atau lembaga otoritas keuangan lainnya. Bank telah memenuhi batasan-batasan yang diwajibkan dalam perjanjian tersebut.

The trustee agreements provide several negative covenants, among others, maintain the Bank's health level at least in composite rating 3, which is classified as "Fair" according to internal rating Bank Indonesia or by Financial Service Authority or other financial institutions authority. The Bank has complied with the covenants on the trustee agreement.

Beban bunga atas surat utang jangka menengah untuk tahun yang berakhir pada tanggal 31 Desember 2020 dan 2019 masing-masing sebesar Rp 49.266 dan Rp 99.628 (Catatan 31).

The interest expenses of medium term notes for the years ended 31 December 2020 and 2019 amounted to Rp 49,266 and Rp 99,628, respectively (Note 31).

b. Utang obligasi

b. Bonds payable

Peringkat/ Rating*)	31 Desember/December		
	2020	2019	
Nilai nominal:			Nominal value:
- Obligasi Berkelanjutan III Tahap II	AAA(idn)	-	900,000
- Obligasi Berkelanjutan IV Tahap I	AAA(idn)	1,000,000	1,000,000
	1,000,000	1,900,000	
Dikurangi:			Less:
Biaya emisi yang belum diamortisasi	(6,955)	(10,781)	Unamortised bonds issuance costs
	993,045	1,889,219	
Ditambah:			Add:
Beban bunga yang masih harus dibayar	7,379	21,254	Accrued interest expenses
	1,000,424	1,910,473	
Utang obligasi sesuai dengan jangka waktunya:			Bonds payable based on time period:
Hingga 1 tahun	-	-	Up to 1 year
Lebih dari 1-3 tahun	799,000	-	More than 1-3 years
Lebih dari 3 tahun	201,000	1,900,000	More than 3 years
	1,000,000	1,900,000	

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20. EFEK-EFEK YANG DITERBITKAN (lanjutan)

20. SECURITIES ISSUED (continued)

b. Utang obligasi (lanjutan)

b. Bonds payable (continued)

Informasi lain mengenai utang obligasi pada tanggal 31 Desember 2020 dan 2019 adalah sebagai berikut:

Other information relating to bonds payable as of 31 December 2020 and 2019 was as follows:

Seri/ Series	Nilai nominal/ Nominal value	Tingkat bunga tetap/ Fixed interest rate	Tanggal penerbitan/ Date of issuance	Jatuh tempo/ Due date	Cicilan pokok obligasi/ Bonds principal installment
Obligasi Berkelanjutan III Tahap II/Continuing Bonds III Phase II:					
Seri/ Series A	900,000	7.50%	18 Oktober/ October 2017	17 Oktober/ October 2020	Pembayaran penuh pada saat jatuh tempo/Bullet payment on due date
Obligasi Berkelanjutan IV Tahap I/Continuing Bonds IV Phase I:					
Seri/ Series A	799,000	7.55%	27 November/ November 2019	26 November/ November 2022	Pembayaran penuh pada saat jatuh tempo/Bullet payment on due date
Seri/ Series B	201,000	7.75%	27 November/ November 2019	26 November/ November 2024	Pembayaran penuh pada saat jatuh tempo/Bullet payment on due date

Pembayaran bunga obligasi dilakukan setiap 3 bulan dan pembayaran pokok dilakukan pada saat jatuh tempo. Bank telah melakukan pembayaran pokok dan bunga obligasi sesuai dengan jadwal.

Bonds interests are paid every 3 months and bonds principals are paid on the maturity date. Bank has paid the bonds principal and interest based on the schedule.

Perjanjian perwaliamanatan mengatur beberapa pembatasan yang harus dipenuhi oleh Bank, antara lain tidak menerbitkan obligasi lain atau instrumen utang lain yang sejenis yang mempunyai hak tagih yang lebih tinggi dari Obligasi Berkelanjutan III Tahap II dan Obligasi Berkelanjutan IV Tahap I serta yang dijamin dengan aset, kecuali pinjaman dan fasilitas dari pinjaman bilateral interbank dan fasilitas bilateral dengan Bank Indonesia yang dijamin dengan aset dalam jumlah 20% dari aset yang dihitung dari laporan keuangan yang terakhir yang telah diaudit.

The trustee agreements provide several negative covenants to the Bank, among others, not issuing another bonds or other similar debt instrument with higher collecting right compares to Continuing Bond III Phase II and Continuing Bonds IV Phase I and collateralised with asset, except loans and facilities from bilateral interbank loan and bilateral facilities from Bank Indonesia which are secured with assets in the amount of 20% from assets which are calculated from the last audited financial statements.

Bank berkewajiban menjaga jumlah aset yang tidak diagunkan secara khusus minimal sebesar 125% dari total obligasi yang diterbitkan termasuk pokok obligasi. Bank telah memenuhi batasan-batasan yang diwajibkan dalam perjanjian tersebut.

The Bank should keep the total assets that have not been specifically pledged at the minimum 125% from total issued bonds including bonds principal. The Bank has complied with the covenants on the trustee agreement.

Beban bunga atas utang obligasi untuk tahun yang berakhir pada tanggal 31 Desember 2020 dan 2019 masing-masing sebesar Rp 133.354 dan Rp 88.648 (Catatan 31).

The interest expenses of bonds payable for the years ended 31 December 2020 and 2019 amounted to Rp 133,354 and Rp 88,648, respectively (Note 31).



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21. PINJAMAN YANG DITERIMA

Pinjaman yang diterima terdiri dari pinjaman bank dan pinjaman bukan bank yang dilakukan dengan pihak berelasi dan pihak ketiga.

21. BORROWINGS

Borrowings consists of bank borrowings and non-bank borrowings with related parties and third parties.

	31 Desember/December		
	2020	2019	
Pihak ketiga			Third parties:
Pinjaman bank:			Bank borrowings:
PT Bank Central Asia Tbk	5,500,000	5,500,000	PT Bank Central Asia Tbk
Lainnya	32	-	Others
	<u>5,500,032</u>	<u>5,500,000</u>	
Pinjaman bukan bank:			Non-bank borrowings:
International Finance Corporation	2,733,100	1,368,500	International Finance Corporation
Fasilitas Likuiditas Pembiayaan			Government Housing Financing
Perumahan Pemerintah	276	295	Liquidity Facility
	<u>2,733,376</u>	<u>1,368,795</u>	
Pihak berelasi			Related party:
Pinjaman bank:			Bank borrowings:
Sumitomo Mitsui Banking Corporation	22,852,789	31,193,978	Sumitomo Mitsui Banking Corporation
	<u>31,086,197</u>	<u>38,062,773</u>	
Dikurangi:			Less:
Biaya transaksi yang belum diamortisasi	(21,908)	(15,318)	Unamortised transaction costs
Ditambah:			Add:
Beban bunga yang masih harus dibayar	119,055	141,471	Accrued interest expenses
	<u>31,183,344</u>	<u>38,188,926</u>	

a. Pinjaman bank

Angsuran pokok pinjaman berdasarkan tanggal jatuh temponya:

a. Bank borrowings

Installments of borrowing principals based on maturity date:

	31 Desember/December		
	2020	2019	
Hingga 1 tahun	4,500,032	-	Up to 1 year
Lebih dari 1 - 2 tahun	1,000,000	5,500,000	More than 1 - 2 years
Lebih dari 2 - 3 tahun	4,215,000	-	More than 2 - 3 years
Lebih dari 3 tahun	18,637,789	31,193,978	More than 3 years
	<u>28,352,821</u>	<u>36,693,978</u>	
Dikurangi:			Less:
Biaya transaksi yang belum diamortisasi	-	(939)	Unamortised transaction costs
	<u>28,352,821</u>	<u>36,693,039</u>	
Ditambah:			Add:
Beban bunga yang masih harus dibayar	52,891	118,650	Accrued interest expenses
	<u>28,405,712</u>	<u>36,811,689</u>	

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21. PINJAMAN YANG DITERIMA (lanjutan)

a. Pinjaman bank (lanjutan)

Pinjaman Bilateral PT Bank Central Asia Tbk

Pada tanggal 4 Mei 2018, Bank telah menandatangani perjanjian fasilitas kredit *non-revolving term loan* sebesar Rp 1.400.000 dengan PT Bank Central Asia Tbk sebagai kreditur. Tujuan pinjaman adalah untuk modal kerja Bank.

Pada tanggal 31 Juli 2018, Bank telah menandatangani Perubahan Pertama atas Perjanjian Kredit yaitu penambahan pokok fasilitas *non-revolving term loan* sebesar Rp 1.100.000, sehingga jumlah fasilitas menjadi Rp 2.500.000.

Berdasarkan perjanjian fasilitas, batas waktu penggunaan fasilitas kredit adalah sampai dengan 6 (enam) bulan dari tanggal perjanjian kredit.

Fasilitas kredit harus ditarik sepenuhnya dalam batas waktu penarikan dengan ketentuan jumlah minimum penarikan adalah Rp 500.000 atau sebesar jumlah fasilitas kredit yang belum ditarik.

Pinjaman harus dibayar kembali dalam jangka waktu 2 (dua) tahun sejak tanggal perjanjian pinjaman. Periode bunga adalah setiap 3 (tiga) atau 6 (enam) bulan berdasarkan suku bunga JIBOR, dengan pembayaran bunga dilakukan setiap tanggal jatuh tempo.

Penarikan pertama dilakukan pada tanggal 23 Mei 2018 sebesar Rp 700.000 dengan suku bunga 7,78% (6 bulan JIBOR + 1,35%), jatuh tempo tanggal 4 Mei 2020. Suku bunga disesuaikan setiap 6 (enam) bulan. Pembayaran bunga dilakukan setiap 6 (enam) bulan, yaitu pada tanggal 23 November dan 23 Mei, yang dimulai pada tanggal 23 November 2018 dan berakhir pada tanggal 4 Mei 2020. Pada tanggal 23 November 2018, suku bunga telah disesuaikan menjadi 9,165%.

Penarikan kedua dilakukan pada tanggal 5 Juni 2018 sebesar Rp 700.000 dengan suku bunga 7,815% (6 bulan JIBOR + 1,35%), jatuh tempo pada tanggal 4 Mei 2020. Suku bunga disesuaikan setiap 6 (enam) bulan. Pembayaran bunga dilakukan setiap 6 (enam) bulan, yaitu pada tanggal 5 Desember dan 5 Juni, yang dimulai pada tanggal 5 Desember 2018 dan berakhir pada tanggal 4 Mei 2020. Pada tanggal 5 Desember 2018, suku bunga telah disesuaikan menjadi 9,165%.

21. BORROWINGS (continued)

a. Bank borrowings (continued)

Bilateral Borrowing with PT Bank Central Asia Tbk

On 4 May 2018, the Bank signed non-revolving term loan facility agreement amounting to Rp 1,400,000 with PT Bank Central Asia Tbk as the creditor. The purpose of the borrowing is for the Bank's working capital.

On 31 July 2018 the Bank signed first amendment of the borrowing agreement that increase the principal amount of non-revolving term loan facility by Rp 1,100,000, resulting in total facility of Rp 2,500,000.

Based on the facility agreement, the availability period will be ended on the 6 (sixth) month from the date of agreement.

The facility should be fully drawdown within the availability period with minimum drawdown amount is Rp 500,000 or any remaining undrawn amount.

The borrowing should be repaid within 2 (two) years after the date of borrowings agreement. Interest period is 3 (three) or 6 (six) months based on JIBOR interest rate and the payment of interest execute every due date.

The first drawdown was on 23 May 2018, amounting to Rp 700,000 with interest rate 7.78% (JIBOR 6 months + 1.35%), due date on 4 May 2020. Interest rate will be repriced on semi-annual basis. Interest will be paid every 6 (six) months, which is on 23 November and 23 May, started on 23 November 2018 and will be ended on 4 May 2020. On 23 November 2018 the interest rate was repriced to 9.165%.

The second drawdown was on 5 June 2018, amounting to Rp 700,000 with interest rate 7.815% (JIBOR 6 months + 1.35%), due date on 4 May 2020. Interest rate will be repriced on semi-annual basis. Interest will be paid every 6 (six) months, which is on 5 December and 5 June, started on 5 December 2018 and will be ended on 4 May 2020. On 5 December 2018, the interest rate was repriced to 9.165%.



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a. Pinjaman bank (lanjutan)

Pinjaman Bilateral PT Bank Central Asia Tbk (lanjutan)

Penarikan ketiga dilakukan pada tanggal 12 September 2018 sebesar Rp 1.100.000 dengan suku bunga 8,69% (6 bulan JIBOR + 1,35%), jatuh tempo pada tanggal 4 Mei 2020. Suku bunga disesuaikan setiap 6 (enam) bulan. Pembayaran bunga dilakukan setiap 6 (enam) bulan, yaitu pada tanggal 12 Maret dan 12 September yang dimulai pada tanggal 12 Maret 2019 dan berakhir pada tanggal 4 Mei 2020.

Sebelum penggabungan, SMBCI memiliki 5 fasilitas Pinjaman Bilateral dari PT Bank Central Asia Tbk yang ditandatangani pada rentang waktu tahun 2009 hingga 2017. Pada tanggal 31 Desember 2019, terdapat 4 (empat) fasilitas yang masih berlaku, dengan total fasilitas adalah sebesar Rp 3.500.000 dengan detail sebagai berikut:

- a) Perjanjian pinjaman *revolving Term Loan I* sebesar Rp 500.000 yang ditandatangani pada tanggal 15 Mei 2009 dan telah diperpanjang beberapa kali dengan perpanjangan terakhir kali ditandatangani pada tanggal 12 November 2020.

Berdasarkan perjanjian fasilitas, batas waktu penggunaan fasilitas kredit adalah sampai dengan 18 (delapan belas) bulan dari tanggal perjanjian kredit.

Fasilitas harus ditarik dalam 18 (delapan belas) bulan sejak tanggal perjanjian kredit. Periode bunga adalah setiap 3 (tiga) bulan berdasarkan suku bunga JIBOR, dengan pembayaran bunga dilakukan setiap tanggal jatuh tempo. Suku bunga terhadap pinjaman ini adalah JIBOR + 0,60% untuk rentang waktu 2009 sampai dengan November 2020.

Pada November 2020, periode bunga adalah minimal 1 (satu) bulan berdasarkan jumlah penarikan dengan suku bunga tetap, dengan pembayaran bunga dilakukan setiap tanggal jatuh tempo. Suku bunga terhadap pinjaman ini adalah 4,975%

- b) Perjanjian pinjaman *Revolving Term Loan III* sebesar Rp 1.000.000 yang ditandatangani pada tanggal 1 April 2015 dan telah diperpanjang beberapa kali dengan perpanjangan terakhir kali ditandatangani pada tanggal 30 September 2020.

21. BORROWINGS (continued)

a. Bank borrowings (continued)

Bilateral Borrowing with PT Bank Central Asia Tbk (continued)

The third drawdown was on 12 September 2018, amounting to Rp 1,100,000 with interest rate 8.69% (JIBOR 6 months + 1.35%), due date on 4 May 2020. Interest rate will be repriced on semi-annual basis. Interest will be paid every 6 (six) months, which is on 12 March and 12 September, started on 12 March 2019 and will be ended on 4 May 2020.

Before the merger, SMBCI had 5 Bilateral Borrowing facilities from PT Bank Central Asia which were signed during 2009 to 2017. As of 31 December 2019, there were 4 (four) outstanding facilities, with total facilities amounting to Rp 3,500,000 with details as follows:

- a) The facility Agreement of revolving Term Loan I amounting to Rp 500,000 was signed on 15 May 2009 and had been extended several times with the latest extension signed on 12 November 2020.

Based on the facility agreement, the availability period will be ended within 18 (eighteen) months from the date of agreement.

The facility should be fully drawdown within 18 (eighteen) months from the date of agreement. The interest period is 3 (three) months based on JIBOR interest rate and the interest will be paid every due date. The interest rate for this facility is JIBOR + 0.60% during 2009 up to November 2020.

As of November 2020, the interest period is minimum 1 (one) month based on drawdown amount. The interest rate for this borrowing is 4,975%.

- b) The facility agreement of Revolving Term I Loan III amounting to Rp 1,000,000 was signed on 1 April 2015 and had been extended several times with the latest extension signed on 30 September 2020.

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21. PINJAMAN YANG DITERIMA (lanjutan)

a. Pinjaman bank (lanjutan)

Pinjaman Bilateral PT Bank Central Asia Tbk (lanjutan)

Berdasarkan perjanjian fasilitas, batas waktu penggunaan fasilitas kredit adalah sampai dengan 1 (satu) bulan dari tanggal perjanjian kredit.

Jangka waktu pinjaman adalah 18 (delapan belas) bulan sejak tanggal Perjanjian Kredit. Periode bunga adalah setiap 3 (tiga) bulan berdasarkan suku bunga JIBOR, dengan pembayaran bunga dilakukan setiap tanggal jatuh tempo. Suku bunga terhadap pinjaman ini adalah JIBOR + 0,60%. Untuk rentang waktu 2015 sampai dengan September 2020. Pada September 2020, suku bunga terhadap pinjaman ini adalah 4,975%.

- c) Perjanjian pinjaman *Non-revolving Term Loan IV* sebesar Rp 1.000.000 ditandatangani pada tanggal 10 Juni 2015 dan telah diperpanjang beberapa kali dengan perpanjangan terakhir kali ditandatangani pada tanggal 10 Juni 2019.

Berdasarkan perjanjian fasilitas, batas waktu penggunaan fasilitas kredit adalah sampai dengan 2 (dua) bulan dari tanggal perjanjian kredit.

Fasilitas harus ditarik dalam 12 (dua belas) bulan sejak tanggal perjanjian kredit. Periode bunga adalah setiap 3 (tiga) bulan, dengan pembayaran bunga dilakukan setiap tanggal jatuh tempo. Suku bunga terhadap pinjaman ini adalah 4,75%.

- d) Perjanjian pinjaman *non-revolving Term Loan V* sebesar Rp 1.000.000 ditandatangani pada tanggal 16 Agustus 2017 dan telah diperpanjang dengan perpanjangan terakhir kali ditandatangani pada tanggal 15 Agustus 2019.

Berdasarkan perjanjian batas waktu penggunaan fasilitas kredit adalah sampai dengan 2 (dua) bulan dari tanggal penandatanganan perjanjian kredit

21. BORROWINGS (continued)

a. Bank borrowings (continued)

Bilateral Borrowing with PT Bank Central Asia Tbk (continued)

Based on the facility agreement, the availability period will be ended within 1 (one) month of the date of agreement.

The facility should be fully drawdown within 18 (eighteen) months from the date of agreement. The interest period is 3 (three) months based on JIBOR interest rate and the interest will be paid of every due date. The interest rate for this facility is JIBOR + 0.60%. During 2015 up to September 2020. As of 30 September 2020, the interest rate for this facility is 4.975%.

- c) *The facility agreement of Non-revolving Term Loan IV amounting Rp 1,000,000 was signed on 10 June 2015 and had been extended several times with the latest extension signed on 10 June 2019.*

Based on the facility agreement, the availability period will be ended in 2 (two) months from the date of agreement.

The facility should be fully drawdown within 12 (twelve) months from the date of agreement. The interest period is 3 (three) months, which will be paid every due date. The interest rate for this facility is 4.75%.

- d) *The facility Agreement of non-revolving Term Loan V amounting Rp 1,000,000 signed on 16 August 2017 has amended with the latest amendment signed on 15 August 2019.*

Based on the facility agreement, the availability period will be ended within 2 (two) months from the date of agreement.



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21. PINJAMAN YANG DITERIMA (lanjutan)

a. Pinjaman bank (lanjutan)

Pinjaman Bilateral PT Bank Central Asia Tbk (lanjutan)

Jangka waktu pinjaman adalah 18 (delapan belas) bulan sejak tanggal Perjanjian Kredit. Periode bunga adalah setiap 3 (tiga) bulan berdasarkan suku bunga JIBOR, dengan pembayaran bunga dilakukan setiap tanggal jatuh tempo. Suku bunga terhadap pinjaman ini adalah JIBOR + 0,60%.

Setelah penggabungan, fasilitas tersebut digabung menjadi 1 (satu) fasilitas Pinjaman Bilateral dari PT Bank Central Asia Tbk yang ditandatangani pada tanggal 4 Mei 2020. Perjanjian pinjaman *Revolving Term* ini sebesar Rp 2,500,000 yang merupakan perpanjangan dan perubahan dari perjanjian pinjaman 31 Juli 2018.

Setelah penggabungan, fasilitas tersebut digabung menjadi 1 (satu) fasilitas Pinjaman Bilateral dari PT Bank Central Asia Tbk yang ditandatangani pada tanggal 4 Mei 2020.

Berdasarkan perjanjian fasilitas, batas waktu penggunaan fasilitas kredit adalah sampai dengan 6 (enam) bulan dari tanggal perjanjian kredit.

Fasilitas harus ditarik dalam 18 (delapan belas) bulan sejak tanggal perjanjian kredit. Periode bunga adalah setiap 3 (tiga) bulan, dengan pembayaran bunga dilakukan setiap tanggal jatuh tempo. Suku bunga terhadap pinjaman ini adalah suku bunga tetap 6,15%.

Pada tanggal 31 Desember 2020 dan 31 Desember 2019 total fasilitas PT Bank Central Asia Tbk yang belum digunakan adalah sebesar Rp 500.000.

21. BORROWINGS (continued)

a. Bank borrowings (continued)

Bilateral Borrowing with PT Bank Central Asia Tbk (continued)

The facility should be fully drawdown within 18 (eighteen) months from the date of agreement. The interest period is 3 (three) months based on JIBOR interest rate and the interest will be paid every due date. The interest rate for this facility is JIBOR + 0,60%.

After the merger, the above facilities are combined into 1 (one) Bilateral Borrowing facility from PT Bank Central Asia which was signed on 4 May 2020. The facility of Revolving Term Loan amounting Rp 2,500,000 which the renewal and amendment from agreement dated 31 July 2018.

After the merger, the above facilities are combined into 1 (one) Bilateral Borrowing facility from PT Bank Central Asia which was signed on 4 May 2020.

Based on the facility agreement, the availability period will be ended within 6 (six) months from the date of agreement.

The facility should be fully drawdown within 18 (eighteen) months from the date of agreement. The interest period is 3 (three) months and the interest will be paid every due date. The interest rate for this facility is fixed rate 6.15%.

As of December 2020 and 31 December 2019, total unused facility from PT Bank Central Asia Tbk amounted to Rp 500.000.

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21. PINJAMAN YANG DITERIMA (lanjutan)

a. Pinjaman bank (lanjutan)

Pinjaman Bilateral PT Bank OCBC NISP

Sebelum penggabungan usaha, SMBCI memiliki fasilitas Pinjaman Bilateral dari PT Bank OCBC NISP yang ditandatangani di tanggal 15 Januari 2019 sebesar Rp 500.000.

Fasilitas ini bersifat stand by dan belum ditarik pada tanggal 31 Desember 2019. Pinjaman ini telah kadaluwarsa pada tanggal 15 Januari 2020.

Pinjaman Bilateral Sumitomo Mitsui Banking Corporation - Cabang Singapura

Pinjaman ini merupakan pinjaman jangka panjang dari Sumitomo Mitsui Banking Corporation - Cabang Singapura sejumlah USD 1.602.000.000 dan EUR 20.000.000 (nilai penuh). Pinjaman ini akan jatuh tempo berkisar antara tanggal 21 Januari 2022 sampai 23 Desember 2022.

Pada tanggal 31 Desember 2020, total fasilitas pinjaman jangka panjang dari Sumitomo Mitsui Banking Corporation - Cabang Singapura berjumlah USD 3.625.000.000 (nilai penuh). (31 Desember 2019: USD 2.825.000.000, nilai penuh)

Tingkat suku bunga kontraktual setahun atas pinjaman jangka panjang ini adalah *cost of fund* ditambah margin tertentu. Untuk posisi pada tanggal 31 Desember 2020, margin yang diterapkan adalah 0,50%. (31 Desember 2019: 0,50%)

Pada tanggal 31 Desember 2020 dan 2019, tidak terdapat pembatasan-pembatasan tertentu yang disyaratkan dalam pinjaman jangka panjang ini.

b. Pinjaman bukan bank

Angsuran pokok pinjaman berdasarkan jangka waktu:

	31 Desember/December	
	2020	2019
Lebih dari 3 tahun	2,733,376	1,368,795
Dikurangi:		
Biaya transaksi yang belum diamortisasi	(21,908)	(14,380)
Ditambah:		
Beban bunga yang masih harus dibayar	66,164	22,821
	<u>2,777,632</u>	<u>1,377,236</u>

Pembayaran bunga pinjaman telah dibayarkan oleh Bank sesuai dengan jadwal.

21. BORROWINGS (continued)

a. Bank borrowings (continued)

Bilateral Borrowing with PT Bank OCBC NISP

Before the merger, SMBCI had Bilateral Borrowing facility from PT Bank OCBC NISP which was signed on 15 January 2019 amounting Rp 500,000.

The facility was on a standby basis and has not been utilized as of 31 December 2019. The borrowing has expired on 15 January 2020.

Bilateral Borrowing with Sumitomo Mitsui Banking Corporation - Singapore Branch

This borrowing represents long-term borrowings from Sumitomo Mitsui Banking Corporation - Singapore Branch amounting to USD 1,602,000,000 and EUR 20,000,000 (full amount). This borrowing will mature ranging from 21 January 2022 until 23 December 2022.

As of 31 December 2020, total amount of long-term borrowing facilities from Sumitomo Mitsui Banking Corporation - Singapore Branch was USD 3,625,000,000 (full amount). (31 December 2019: USD 2,825,000,000, full amount)

Contractual interest rate per annum on long-term borrowings is cost of fund plus certain margin. For position as of 31 December 2020, the applied margin was 0.50%. (31 December 2019: 0.50%)

As of 31 December 2020 and 2019, there was no certain covenant which was required to be maintained in terms of long-term borrowings.

b. Non-bank borrowings

Installments of borrowing principals based on time period:

	31 Desember/December	
	2020	2019
Lebih dari 3 tahun	2,733,376	1,368,795
Dikurangi:		
Biaya transaksi yang belum diamortisasi	(21,908)	(14,380)
Ditambah:		
Beban bunga yang masih harus dibayar	66,164	22,821
	<u>2,777,632</u>	<u>1,377,236</u>

Payments of interest on borrowings had been paid by the Bank in accordance with the schedule.



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21. PINJAMAN YANG DITERIMA (lanjutan)

b. Pinjaman bukan bank (lanjutan)

Pinjaman bukan bank adalah fasilitas pinjaman dengan International Finance Corporation (IFC) dan Pemerintah, bukan pihak berelasi yang terdiri dari beberapa perjanjian sebagai berikut:

(i) Perjanjian Pinjaman 2012

Pada tanggal 8 Juni 2017 telah dilakukan penandatanganan atas amandemen perjanjian sebesar USD 100.000.000 (nilai penuh) yang dapat dicairkan dalam Dollar Amerika Serikat atau Rupiah.

Bank dapat melakukan penarikan kembali atas fasilitas pinjaman ini (*revolving loan*) atas jumlah yang telah telah dibayar kembali atau dilunasi sebelum atau pada tanggal 8 Juni 2020.

Tujuan pinjaman tersebut adalah untuk mendanai pembiayaan kredit mikro dan UKM.

Pada tanggal 5 Desember 2017, Bank melakukan penarikan sebesar Rp 676.250, ekuivalen USD 50.000.000 (nilai penuh) dengan suku bunga 7,59% dan jatuh tempo pada tanggal 5 Juni 2019. Pembayaran bunga dilakukan setiap 6 (enam) bulan, yaitu tanggal 15 Januari dan 15 Juli yang dimulai pada tanggal 15 Januari 2018 dan akan berakhir pada tanggal 5 Juni 2019. Pada tanggal 10 Juni 2019 (hari kerja berikutnya), Bank telah melakukan pembayaran penuh pokok dan bunga.

Pada tanggal 2 Februari 2018, Bank melakukan penarikan kembali sebesar Rp 669.250, ekuivalen USD 50.000.000 (nilai penuh) dengan suku bunga 7,50% dan jatuh tempo pada tanggal 2 Februari 2021. Pembayaran bunga dilakukan setiap 6 (enam) bulan, yaitu tanggal 15 Januari dan 15 Juli yang dimulai pada tanggal 16 Juli 2018 dan akan berakhir pada tanggal 2 Februari 2021.

Pada tanggal 31 Desember 2019, Bank telah menggunakan seluruh fasilitas pinjaman yang ada.

Dalam perjanjian pinjaman tersebut, diatur beberapa pembatasan yang harus dipenuhi oleh Bank antara lain:

- tidak diperkenankan melakukan perubahan bisnis secara substansial tanpa persetujuan tertulis dari pemberi pinjaman;
- tidak melakukan penggabungan usaha, *demerger*, restrukturisasi Bank, yang dapat memberikan dampak merugikan yang signifikan;

21. BORROWINGS (continued)

b. Non-Bank borrowings (continued)

Non-bank borrowings are borrowing facilities from International Finance Corporation (IFC) and Government, non-related party, consist of some agreements as follows:

(i) Borrowing Agreement 2012

Amendment Agreement was signed on 8 June 2017, amounting to USD 100,000,000 (full amount) which can be drawdown in United States Dollar or Rupiah.

The Bank could re-drawdown this loan facility (revolving loan) amounting to portion that already repaid prior to or on 8 June 2020.

The purpose of this borrowing was to finance the growth of the Bank's micro and SME loan portfolio.

On 5 December 2017, loan was drawdown at amount of Rp 676,250, equivalent to USD 50,000,000 (full amount) with interest rate 7.59% and maturity date on 5 June 2019. Interest payment will be paid every 6 (six) months, which is on 15 January and 15 July, started on 15 January 2018 and will be ended on 5 June 2019. On 10 June 2019 (the next business day), the Bank has fully paid the principal and interest.

On 2 February 2018, loan was drawdown at amount of Rp 669,250, equivalent to USD 50,000,000 (full amount) with interest rate 7.50% and maturity date on 2 February 2021. Interest will be paid every 6 (six) months, which is on 15 January and 15 July, started on 16 July 2018 and will be ended on 2 February 2021.

As of 31 December 2019, the Bank has utilized all borrowing facility.

The borrowing agreements provide several covenants required from the Bank, such as:

- *no substantial change is made to the general nature of its business without prior written consent of the lender;*
- *not undertake or permit any merger, demerger, corporate restructuring, which has or could reasonably be expected to have material adverse effect;*

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21. BORROWINGS (continued)

b. Pinjaman bukan bank (lanjutan)

b. Non-bank borrowings (continued)

(i) Perjanjian Pinjaman 2012 (lanjutan)

(i) Borrowing Agreement 2012 (continued)

Dalam perjanjian pinjaman tersebut, diatur beberapa pembatasan yang harus dipenuhi oleh Bank antara lain: (lanjutan)

The borrowing agreements provide several covenants required from the Bank, such as: (continued)

- tidak menerbitkan saham tambahan dan tidak akan melakukan transfer saham, penjualan, perjanjian yang akan mengubah SMBC menjadi pemegang saham non-pengendali sesuai dengan ketentuan Peraturan Perbankan atau Keuangan di Indonesia;
- selain itu, Bank diwajibkan untuk memenuhi persyaratan keuangan tertentu dan liabilitas penyampaian laporan lainnya seperti: Bank harus selalu memantau rasio eksposur kredit tidak lebih dari 25%, rasio kecukupan modal tidak kurang dari 8% dan rasio likuiditas aset tidak kurang dari 20%.

- *not issue any additional shares and shall not have its existing shares transferred, sold, pledged or otherwise encumbered such that action would make the SMBC to become non-controlling shareholder under the Indonesia's Banking or Financial Regulations;*
- *moreover, Bank is obliged to comply with reporting obligations and certain financial covenants such as: Bank shall at all times maintain an open credit exposures ratio of no more than 25%, capital adequacy ratio of no less than 8% and liquidity asset ratio of no less than 20%.*

Pada tanggal 31 Desember 2020 dan 2019, Bank telah memenuhi seluruh rasio yang dipersyaratkan.

As of 31 December 2020 and 2019, the Bank had fulfilled all the required ratios.

(ii) Perjanjian Pinjaman 2019

(ii) Borrowing Agreement 2019

Tujuan pinjaman tersebut adalah untuk mendanai pembiayaan kredit mikro, usaha kecil menengah yang dimiliki perempuan, *green loans*, pinjaman SCF. Bank akan melakukan upaya terbaiknya untuk memastikan bahwa jumlah agregat dari pencairan yang diberikan untuk setiap pinjaman setidaknya sama dengan 25% dari jumlah maksimum pinjaman.

The purpose of borrowing was to finance the Women-Owned Micro, Small Medium Enterprise (MSME) loans, Green loans and SCF loans. The Bank will use its best efforts to ensure that the aggregated amount of the disbursements made to each loans was at least equal to 25% of the maximum loan amount.

Pada tanggal 30 Desember 2019, Bank melakukan penarikan sebesar Rp 699.250, ekuivalen USD 50.000.000 (nilai penuh) dengan suku bunga 7,75% dan jatuh tempo pada 3 Desember 2024. Pembayaran bunga dilakukan setiap 6 (enam) bulan, yang dimulai pada tanggal 30 Juni 2020 dan akan berakhir pada tanggal 30 Desember 2024.

On 30 December 2019, loan was drawdown amounting to Rp 699,250, equivalent to USD 50,000,000 (full amount) with interest rate 7.75% and maturity date on 3 December 2024. Interest payment will be paid every 6 (six) months, which is started on 30 June 2020 and will be ended on 30 December 2024.

Pada tanggal 28 Januari 2020, Bank melakukan penarikan sebesar Rp 1.364.600, ekuivalen USD 100.000.000 (nilai penuh) dengan suku bunga 7,30% dan jatuh tempo pada 28 Januari 2025. Pembayaran bunga dilakukan setiap 6 (enam) bulan, yang dimulai pada tanggal 28 Juli 2020 dan akan berakhir pada tanggal 28 Januari 2025.

On 28 January 2020, loan was drawdown amounting to Rp 1,364,600, equivalent to USD 100,000,000 (full amount) with interest rate 7.30% and maturity date on 28 January 2025. Interest payment will be paid every 6 (six) months, which is started on 28 July and will be ended on 28 January 2025.



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21. BORROWINGS (continued)

b. Pinjaman bukan bank (lanjutan)

b. Non-bank borrowings (continued)

(ii) Perjanjian Pinjaman 2019 (lanjutan)

(ii) Borrowing Agreement 2019 (continued)

Pada tanggal 31 Desember 2019, total fasilitas yang belum dipergunakan sebesar USD 100.000.000 (nilai penuh).

As of 31 December 2019, the unused facility was amounting to USD 100,000,000 (full amount).

Dalam perjanjian pinjaman tersebut, diatur beberapa pembatasan yang harus dipenuhi oleh Bank antara lain:

The borrowing agreements provide several covenants required from the Bank, such as:

- tidak diperkenankan melakukan perubahan bisnis secara substansial tanpa persetujuan tertulis dari pemberi pinjaman;
- tidak melakukan penggabungan usaha, demerger, restrukturisasi korporasi, yang dapat memberikan dampak merugikan yang signifikan;
- tidak menerbitkan saham tambahan dan tidak akan melakukan transfer saham, penjualan, perjanjian yang akan mengubah SMBC menjadi pemegang saham non-pengendali sesuai dengan ketentuan Peraturan Perbankan atau Keuangan di Indonesia;
- selain itu, Bank diwajibkan untuk memenuhi persyaratan keuangan tertentu dan liabilitas penyampaian laporan lainnya seperti: Bank harus selalu memantau rasio eksposur kredit tidak lebih dari 25%, rasio kecukupan modal tidak kurang dari 8% dan rasio likuiditas aset tidak kurang dari 20%.

- no substantial change is made to the general nature of its business without prior written consent of the lender;
- not undertake or permit any merger, demerger, corporate restructuring, which has or could reasonably be expected to have material adverse effect;
- not issue any additional shares and shall not have its existing shares transferred, sold, pledged or otherwise encumbered such that action would make the SMBC to become non-controlling shareholder under the Indonesia's Banking or Financial Regulations;
- moreover, the Bank is obliged to comply with reporting obligations and certain financial covenants such as: Bank shall at all times maintain an open credit exposures ratio of no more than 25%, capital adequacy ratio of no less than 8% and liquidity asset ratio of no less than 20%.

Pada tanggal 31 Desember 2020 dan 2019, Bank telah memenuhi seluruh rasio yang dipersyaratkan.

As of 31 December 2020 and 2019, the Bank had fulfilled all the required ratios.

Fasilitas Likuiditas Pembiayaan Perumahan (FLPP) Pemerintah

Fasilitas Likuiditas Pembiayaan Perumahan (FLPP) Pemerintah

Pada tanggal 18 Desember 2017, Bank telah menandatangani Perjanjian Kerjasama Operasional dengan Pusat Pengelolaan Dana Pembiayaan Perumahan (PPDPP) di bawah Kementerian Pekerjaan Umum dan Perumahan Rakyat terkait dengan Dana Fasilitas Likuiditas Pembiayaan Perumahan (FLPP). Perjanjian tersebut berlaku sejak tanggal perjanjian sampai dengan tanggal 31 Desember 2018.

On 18 December 2017, the Bank signed an Operational Agreement with Pusat Pengelolaan Dana Pembiayaan Perumahan (PPDPP) under the Public Works and Public Housing Ministry regarding Dana Fasilitas Likuiditas Pembiayaan Perumahan (FLPP). The agreement was valid from the date of the agreement until 31 December 2018.

Pinjaman tersebut digunakan untuk penyaluran Pembiayaan Rumah Sejahtera Bagi Masyarakat Berpenghasilan Rendah (Program Kredit Pemilikan Rumah Bersubsidi Pemerintah). Bank bertindak sebagai Bank Pelaksana Kredit Pemilikan Rumah Sejahtera.

The borrowing is used to distribute Prosperous Home Financing for Low-Income Communities (Government Subsidized Housing Ownership Credit Program). Bank acted as an executing bank of Prosperous Home Ownership Loans.

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b. Pinjaman bukan bank (lanjutan)

Fasilitas Likuiditas Pembiayaan Perumahan (FLPP) Pemerintah (lanjutan)

Besarnya dana yang disalurkan oleh PPDPP adalah 90% dari nilai pinjaman untuk periode pencairan sebelum Agustus 2018. Sedangkan untuk pencairan yang dilakukan setelah periode tersebut, dana yang disalurkan oleh PPDPP adalah 75% dari nilai pinjaman.

Pada tanggal 31 Desember 2020 dan 2019, Bank telah menyalurkan dana FLPP kepada 3 (tiga) debitur dengan jangka waktu pinjaman 120-180 bulan dengan nilai pokok Rp 300. Bank memiliki kewajiban untuk membayar bunga kepada PPDPP sebesar 0,5% per tahun.

21. BORROWINGS (continued)

b. Non-bank borrowings (continued)

Fasilitas Likuiditas Pembiayaan Perumahan (FLPP) Pemerintah (continued)

The amount that was distributed by PPDPP is 90% from loan value for the loan that was disbursed before August 2018. However for loan that was disbursed after that period, the amount that is distributed by PPDPP is 75% from loan amount.

As of 31 December 2020 and 2019, the Bank has disbursed FLPP fund for 3 (three) debtors with tenor of 120-180 months and principal amount of Rp 300. The Bank was obliged to pay at 0.5% per annum.

22. AKRUAL

22. ACCRUALS

	31 Desember/December		
	2020	2019	
Akrual beban operasional	266,696	347,631	Accrued operational expenses
Akrual jasa profesional	45,186	48,191	Accrued professional fees
Akrual beban promosi	35,564	55,564	Accrued promotion expenses
	347,446	451,386	

23. LIABILITAS IMBALAN KERJA KARYAWAN

Liabilitas imbalan kerja karyawan terdiri dari:

23. EMPLOYEE BENEFITS LIABILITIES

Employee benefits liabilities consist of:

	31 Desember/December		
	2020	2019	
<u>Imbalan kerja jangka pendek</u>			<u>Short-term employee benefits</u>
Akrual bonus karyawan, THR, tantiem, dan liabilitas jangka pendek pembayaran Program ESOP 2016-2021			Accrual of employee bonus, THR, tantiem, and short-term liabilities related with ESOP 2016-2021
- Bank	271,523	360,987	Program settlement
- Entitas Anak	105,368	199,633	Bank -
	376,891	560,620	Subsidiary -
<u>Imbalan pascakerja dan imbalan kerja jangka panjang lainnya</u>			<u>Post-employment benefits and other long-term employee benefits</u>
- Bank	123,338	26,436	Bank -
- Entitas Anak	36,704	11,022	Subsidiary -
	160,042	37,458	
	536,933	598,078	

Bank dan Entitas Anak menerapkan kebijakan program manfaat imbalan pascakerja sesuai dengan Undang-Undang Tenaga Kerja ("UUTK") No. 13 Tahun 2003 dan Perjanjian Kerjasama yang berlaku di Bank. Dasar perhitungan manfaat UUTK No. 13 ini menggunakan gaji pokok terkini. Program pensiun manfaat pasti ini dikelola oleh PT Asuransi Allianz Life Indonesia.

The Bank and Subsidiary implement post-employment benefits policy based on Labor Law ("UUTK") No. 13 Year 2003 and Collective Labor Agreement applied in Bank. The calculation basis of this UUTK No. 13 benefit is the current basic salary. The Bank's defined benefit pension plan is managed by PT Asuransi Allianz Life Indonesia.



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23. LIABILITAS IMBALAN KERJA KARYAWAN
(lanjutan)

Program tersebut memberikan manfaat pensiun yang akan dibayarkan kepada karyawan yang berhak pada saat karyawan pensiun atau pada saat karyawan tersebut berhenti sesuai dengan peraturan UUTK. Pendanaan program pensiun ini dilakukan oleh Bank dan Entitas Anak dengan membayar iuran tahunan yang setidaknya memenuhi jumlah minimum seperti yang diharuskan oleh peraturan perundang-undangan yang berlaku.

Pada tanggal 31 Desember 2020, jumlah karyawan Bank yang memiliki hak atas manfaat ini adalah 6.806 karyawan (31 Desember 2019: 6.750 karyawan) (tidak diaudit).

Pada tanggal 31 Desember 2020, jumlah karyawan Entitas Anak yang memiliki hak atas imbalan ini adalah sebanyak 4.954 karyawan (31 Desember 2019: 5.111 karyawan) (tidak diaudit).

Pada tahun 2019, Bank dan Entitas Anak berinisiatif memberikan program *cash retention* kepada karyawan yang memiliki hak opsi saham dari "Program ESOP 2016-2021", di mana pemegang hak opsi saham tersebut sepakat untuk menyerahkan terlebih dahulu hak opsi saham mereka kepada Bank dan Entitas Anak. Oleh karena itu, cadangan atas Program ESOP 2016-2021 pada tanggal 31 Desember 2019 telah dicatat sebagai liabilitas sesuai dengan kebijakan akuntansi imbalan kerja jangka pendek (Catatan 2x). Pada tanggal 31 Desember 2020, Program ESOP 2016-2021 telah selesai dibayarkan sehingga liabilitas imbalan kerja jangka pendek dicatat sebesar nihil.

Selain memberikan manfaat yang disebutkan di atas, Bank juga memberikan manfaat cuti panjang kepada karyawannya.

Imbalan pascakerja

Bank

Perhitungan aktuarial atas liabilitas imbalan kerja karyawan Bank pada tanggal 31 Desember 2020 dan 2019 dilakukan oleh PT Sentra Jasa Aktuaria, aktuaris independen, dengan menggunakan metode "Projected Unit Credit" berdasarkan laporannya masing-masing tertanggal 3 Februari 2021 dan 28 Februari 2020.

Perhitungan aktuarial tersebut menggunakan asumsi-asumsi sebagai berikut:

	31 Desember/December	
	2020	2019
Asumsi ekonomi:		
Tingkat diskonto per tahun	3.64% - 7.83%	5.42% - 8.15%
Tingkat kenaikan gaji per tahun	7%	7%
Asumsi lainnya:		
Usia pensiun normal	55	55
	<i>Mortality table</i>	<i>Mortality table</i>
	Indonesia 2019	Indonesia 2011
	(TMI 2019)	(TMI 11)
Tingkat kematian	10% TMI 2019	10% TMI 11
Tingkat cacat		

23. EMPLOYEE BENEFITS LIABILITIES (continued)

The program calls for benefits to be paid to eligible employees at retirement or when the employees resign according to the UUTK. The funding of the pension plan is conducted by the Bank and Subsidiary through payments of annual contributions which are sufficient to meet the minimum requirements set forth in applicable laws.

As of 31 December 2020, the total number of the Bank's employees eligible for this benefit are 6,806 employees (31 December 2019: 6,750 employees) (unaudited).

As of 31 December 2020, the total number of the Subsidiary's employees eligible for this benefit was 4,954 employees (31 December 2019: 5,111 employees) (unaudited).

In 2019, the Bank and Subsidiary initiatively provided a cash retention program to employees who owned share option rights from "ESOP 2016-2021 Program", of which the share option holders agree to first surrender their share option rights to the Bank and the Subsidiary. As a result, the reserve for ESOP 2016-2021 Program as of 31 December 2019 has been recorded as liabilities in accordance with the accounting policy for short-term employee benefits (Note 2x). As of 31 December 2020, ESOP 2016-2021 Program has been paid, hence short-term employee benefits was recorded as nil.

In addition to the benefits mentioned above, the Bank also provides its employees with long leave benefits.

Post-employment benefits

Bank

The actuarial calculation for the Bank's employee benefit liabilities as of 31 December 2020 and 2019 was performed by PT Sentra Jasa Aktuaria, an independent actuary, using the "Projected Unit Credit" method based on its reports dated 3 February 2021 and 28 February 2020, respectively.

The actuarial valuations were carried out using the following assumptions:

Economic assumptions:
Interest discount rate per annum
Salary increment rate per annum

Other assumptions:
Normal pension age

Mortality rate
Disability rate

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23. LIABILITAS IMBALAN KERJA KARYAWAN
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23. EMPLOYEE BENEFITS LIABILITIES (continued)

Imbalan pascakerja (lanjutan)

Post-employment benefits (continued)

Bank (lanjutan)

Bank (continued)

Status pendanaan atas program pensiun pada tanggal 31 Desember 2020 dan 2019 berdasarkan laporan aktuarial adalah sebagai berikut:

The funding status of the pension plan as of 31 December 2020 and 2019 based on the actuarial reports was as follows:

	31 Desember/December		
	2020	2019	
Nilai kini liabilitas imbalan manfaat pasti	640,803	540,349	Present value of defined benefits liabilities
Nilai wajar aset program	(545,350)	(595,828)	Fair value of plan assets
Kekurangan (kelebihan) pendanaan	95,453	(55,479)	Funding deficit (surplus)

Perubahan liabilitas imbalan manfaat pasti selama tahun berjalan adalah sebagai berikut:

The movement in the defined benefits liabilities during the year was as follows:

	Tahun berakhir 31 Desember/ Year ended 31 December		
	2020	2019	
Perubahan nilai kini liabilitas imbalan manfaat pasti:			Movement in present value of defined benefits liabilities:
Nilai kini kewajiban imbalan manfaat pasti, awal tahun	540,349	477,067	Present value of defined benefits liabilities, beginning of the year
Termasuk dalam laba rugi			Included in profit or loss
Beban jasa kini	80,989	72,761	Current service cost
Beban bunga	37,806	38,547	Interest expense
Termasuk dalam penghasilan komprehensif lain			Included in other comprehensive income
Kerugian/keuntungan aktuarial yang timbul dari:			Actuarial losses/gains arising from:
- Asumsi demografi	1,537	-	Demography assumption -
- Asumsi keuangan	36,067	15,997	Financial assumption -
- Penyesuaian pengalaman	18,604	9,886	Experience adjustment -
Lain-lain			Others
Imbalan yang dibayarkan oleh aset program selama tahun berjalan	(74,549)	(73,909)	Benefits paid by the plan assets during the year
Nilai kini liabilitas imbalan manfaat pasti, akhir tahun	640,803	540,349	Present value of net defined benefits liabilities, end of year

Perubahan nilai wajar aset program selama tahun berjalan adalah sebagai berikut:

The movement of fair value of plan assets during the year was as follows:

	Tahun berakhir 31 Desember/ Year ended 31 December		
	2020	2019	
Perubahan nilai wajar aset program:			Movement in the fair value of plan assets:
Nilai wajar aset program, awal tahun	595,828	635,475	Fair value of plan assets, beginning of year
Termasuk dalam laba rugi			Included in profit or loss
Pendapatan bunga atas aset program	43,544	51,347	Interest income on plan assets
Termasuk dalam penghasilan komprehensif lain			Included in other comprehensive income
Imbal hasil atas aset program di luar pendapatan bunga	(19,473)	(17,085)	Return on plan assets excluding interest income
Lain-lain			Others
Kontribusi yang dibayarkan kepada program	-	-	Contributions paid into the plan
Imbalan yang dibayarkan oleh program	(74,549)	(73,909)	Benefits paid by the plan
Nilai wajar aset program, akhir tahun	545,350	595,828	Fair value of plan assets, end of year



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23. EMPLOYEE BENEFITS LIABILITIES (continued)

Imbalan pascakerja (lanjutan)

Post-employment benefits (continued)

Bank (lanjutan)

Bank (continued)

Seluruh aset program pensiun ditempatkan pada kas di Bank Kustodian dan deposito berjangka di Bank.

All of the pension plan assets are placed on cash with the Custodian Bank and time deposits with the Bank.

Bank terekspos dengan beberapa risiko melalui program imbalan pasti. Risiko yang paling signifikan adalah sebagai berikut:

The Bank is exposed to a number of risks through its defined benefit pension plans. The most significant risks are as follows:

Volatilitas aset

Asset volatility

Liabilitas program dihitung menggunakan tingkat diskonto yang merujuk kepada tingkat imbal hasil obligasi pemerintah, jika imbal hasil aset program lebih rendah, maka akan menghasilkan defisit program.

The plan liabilities are calculated using a discount rate set with reference to government bond yields, if plan assets underperform this yield, this will create a deficit.

Perubahan imbal hasil obligasi

Changes in bond yields

Penurunan imbal hasil obligasi korporasi akan meningkatkan liabilitas program, walaupun hal ini akan saling hapus dengan kenaikan dari nilai obligasi program yang dimiliki.

A decrease in corporate bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plans' bond holdings.

Hasil yang diharapkan dari aset program ditentukan dengan mempertimbangkan imbal hasil yang diharapkan atas aset dengan mengacu pada kebijakan investasi. Hasil investasi bunga tetap didasarkan pada hasil pengembalian bruto pada tanggal pelaporan.

The expected return on plan assets is determined by considering the expected returns available on the assets underlying the current investment policy. Expected yields on fixed interest investments are based on gross redemption yields as of the reporting date.

Nilai kini liabilitas imbalan pascakerja, nilai wajar aset program, defisit/surplus pada program dan penyesuaian pada liabilitas program dan aset program untuk 5 tahun terakhir adalah sebagai berikut:

Present value of post-employment benefits liabilities, fair value of plan assets, deficit/surplus of program and adjustment on plan liabilities and plan assets for the last 5 years were as follows:

	31 Desember/December					
	2020	2019	2018	2017	2016	
Nilai kini liabilitas imbalan manfaat pasti	640,803	540,349	477,067	603,599	827,306	Present value of defined benefits liabilities
Nilai wajar aset program	(545,350)	(595,828)	(635,475)	(603,774)	(825,087)	Fair value of plan assets
Dampak batas atas aset	-	-	-	175	-	The effect of the asset ceiling
Defisit (surplus)	95,453	(55,479)	(158,408)	-	2,219	Deficit (surplus)
Penyesuaian pada liabilitas program	56,028	25,883	(187,441)	14,554	5,496	Adjustments on plan liabilities
Penyesuaian pada aset program	19,473	17,085	10,850	(4,279)	9,601	Adjustments on plan assets

Manajemen berkeyakinan bahwa estimasi liabilitas atas imbalan pascakerja pada tanggal 31 Desember 2020 dan 2019 telah memenuhi persyaratan minimum UUTK No. 13.

Management believes that the estimated post-employment benefit liabilities as of 31 December 2020 and 2019 have fulfilled the minimum requirements of UUTK No. 13.

Durasi rata-rata tertimbang dari liabilitas program pensiun imbalan pasti pada tanggal 31 Desember 2020 dan 2019 masing-masing adalah 12 tahun dan 7 tahun.

The weighted average duration of the defined benefit pension obligation as of 31 December 2020 and 2019 was 12 years and 7 years, respectively.

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23. EMPLOYEE BENEFITS LIABILITIES (continued)

Imbalan pascakerja (lanjutan)

Post-employment benefits (continued)

Bank (lanjutan)

Bank (continued)

Analisis jatuh tempo yang diharapkan dari manfaat pensiun yang tidak didiskontokan adalah sebagai berikut:

Expected maturity analysis of undiscounted pension benefits are as follows:

	31 Desember/ December		
	2020	2019	
Hingga 1 tahun	48,387	35,553	Up to 1 year
Lebih dari 1 - 2 tahun	46,622	44,932	More than 1 - 2 years
Lebih dari 2 - 5 tahun	238,323	186,109	More than 2 - 5 years
Lebih dari 5 tahun	3,336,316	2,666,202	More than 5 years

Sensitivitas liabilitas imbalan pascakerja untuk perubahan asumsi aktuarial utama adalah sebagai berikut:

The sensitivity of the post-employment benefits liabilities to changes in the key actuarial assumptions was as follows:

		2020		
	Perubahan asumsi/ Change in assumption	Kenaikan (penurunan) nilai kini kewajiban imbalan kerja/ Increase (decrease) in present value of benefit obligation	Kenaikan (penurunan) beban jasa kini/ Increase (decrease) in current service cost	
Tingkat diskonto	Kenaikan/Increase 1%	(44,663)	(6,698)	Discount rate
	Penurunan/Decrease 1%	50,777	7,720	
Tingkat kenaikan gaji	Kenaikan/Increase 1%	52,516	7,947	Salary increase rate
	Penurunan/Decrease 1%	(46,813)	(6,995)	

		2019		
	Perubahan asumsi/ Change in assumption	Kenaikan (penurunan) nilai kini kewajiban imbalan kerja/ Increase (decrease) in present value of benefit obligation	Kenaikan (penurunan) beban jasa kini/ Increase (decrease) in current service cost	
Tingkat diskonto	Kenaikan/Increase 1%	(36,273)	(5,724)	Discount rate
	Penurunan/Decrease 1%	41,123	6,581	
Tingkat kenaikan gaji	Kenaikan/Increase 1%	42,914	6,831	Salary increase rate
	Penurunan/Decrease 1%	(38,329)	(6,022)	

Analisis sensitivitas didasarkan pada perubahan atas satu asumsi aktuarial dimana asumsi lainnya dianggap konstan. Dalam prakteknya, hal ini jarang terjadi dan perubahan beberapa asumsi mungkin saling berkorelasi. Dalam perhitungan sensitivitas kewajiban imbalan pascakerja atas asumsi aktuarial utama, metode yang sama (perhitungan nilai kini kewajiban imbalan pasti dengan menggunakan metode *projected unit credit* di akhir periode pelaporan) telah diterapkan seperti dalam penghitungan liabilitas imbalan pascakerja.

The sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the post-employment benefits liabilities to significant actuarial assumptions, the same method (present value of the defined benefits liabilities calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the post-employment benefits liabilities.



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23. EMPLOYEE BENEFITS LIABILITIES (continued)

Imbalan pascakerja (lanjutan)

Post-employment benefits (continued)

Entitas Anak

Subsidiary

Perhitungan aktuarial pada tanggal 31 Desember 2020 dan 2019 dilakukan oleh PT Sentra Jasa Aktuaria, aktuaris independen, dengan menggunakan metode "Projected Unit Credit" sebagaimana yang tercantum dalam laporan pada tanggal 18 Januari 2021 dan 10 Januari 2020 dengan asumsi-asumsi sebagai berikut:

The actuarial calculation as of 31 December 2020 and 2019 was performed by PT Sentra Jasa Aktuaria, independent actuary, using the "Projected Unit Credit" method as stated in its reports dated 18 January 2021 and 10 January 2020 with the following assumptions:

	31 Desember/December		
	2020	2019	
Tingkat diskonto per tahun	3.26% - 7.80%	5.53% - 8.29%	Annual discount rate
Tingkat kenaikan gaji per tahun	9%	9%	Annual salary increase rate
Tabel mortalitas	Tabel mortalitas/ Mortality table Indonesia 2019	Tabel mortalitas/ Mortality table Indonesia 2011	Mortality table
Usia pensiun normal	55 tahun/years	55 tahun/years	Normal pension age

Status pendanaan atas program pensiun pada tanggal 31 Desember 2020 dan 2019 berdasarkan laporan aktuarial adalah sebagai berikut:

The funding status of the pension plan as of 31 December 2020 and 2019 was based on the actuarial reports was as follows:

	31 Desember/December		
	2020	2019	
Nilai kini liabilitas imbalan pasti	217,467	175,160	Present value of defined benefits liabilities
Nilai wajar aset program	(193,363)	(188,883)	Fair value of plan assets
Kekurangan (kelebihan) pendanaan	24,104	(13,723)	Funding deficit (surplus)

Perubahan liabilitas imbalan manfaat pasti selama tahun berjalan adalah sebagai berikut:

The movement of defined benefits liabilities during the year was as follows:

	Tahun berakhir 31 Desember/ Year ended 31 December		
	2020	2019	
Perubahan nilai kini liabilitas imbalan manfaat pasti:			Movement in present value of defined benefits liabilities:
Nilai kini liabilitas imbalan manfaat pasti, awal tahun	175,160	154,699	Present value of defined benefits liabilities, beginning of year
Termasuk dalam laba rugi			Included in profit or loss
Beban jasa kini	33,354	28,498	Current service cost
Beban bunga	12,792	12,438	Interest expense
Termasuk dalam penghasilan komprehensif lain			Included in other comprehensive income
Kerugian/keuntungan aktuarial yang timbul dari:			Actuarial losses/gains arising from:
- Asumsi demografi	449	-	Demographic assumption -
- Asumsi keuangan	10,030	(15,187)	Financial assumption -
- Penyesuaian pengalaman	(2,873)	(1,066)	Experience adjustment -
Lain-lain			Others
Imbalan yang dibayar	(11,445)	(4,222)	Benefits paid
Nilai kini liabilitas imbalan manfaat pasti, akhir tahun	217,467	175,160	Present value of defined benefits liabilities, end of year

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23. EMPLOYEE BENEFITS LIABILITIES (continued)

Imbalan pascakerja (lanjutan)

Post-employment benefits (continued)

Entitas Anak (lanjutan)

Subsidiary (continued)

Perubahan nilai wajar aset program selama tahun berjalan adalah sebagai berikut:

The movement of fair value of plan assets during the year was as follows:

	Tahun berakhir 31 Desember/ Year ended 31 December		
	2020	2019	
Saldo, awal tahun	188,883	168,602	Balance, beginning of year
Hasil yang diharapkan dari aset program	14,394	13,555	Expected return on plan assets
Kontribusi pemberi kerja	7,500	15,000	Employer's contribution
Imbalan yang dibayar	(11,445)	(4,222)	Benefits paid
Kerugian aktuarial - bersih	(5,969)	(4,052)	Actuarial losses - net
Saldo, akhir tahun	193,363	188,883	Balance, end of year

Seluruh aset program pensiun ditempatkan pada Program Dana Pensiun Lembaga Keuangan Allianz dengan deposito berjangka sebagai aset yang mendasari. Nilai wajar atas deposito berjangka tersebut pada tanggal 31 Desember 2020 dan 2019 adalah masing-masing sebesar Rp 193.363 dan Rp 188.883.

All of the pension plan assets are placed on Program Dana Pensiun Lembaga Keuangan Allianz with time deposits as underlying assets. The fair value of time deposits as of 31 December 2020 and 2019 was Rp 193,363 and Rp 188,883, respectively.

Entitas Anak terekspos dengan risiko volatilitas aset melalui program imbalan pasti. Liabilitas program dihitung menggunakan tingkat diskonto yang merujuk kepada tingkat imbal hasil obligasi pemerintah, jika imbal hasil aset program lebih rendah, maka akan menghasilkan defisit program.

Subsidiary is exposed to asset volatility risks through its defined benefit pension plans. The plan liabilities are calculated using a discount rate set with reference to government bond yields, if plan assets underperform this yield, this will create a deficit.

Nilai kini liabilitas imbalan pascakerja, nilai wajar aset program, defisit/surplus pada program dan penyesuaian pada liabilitas program dan aset program untuk 5 tahun terakhir adalah sebagai berikut:

Present value of post-employment benefits liabilities, fair value of plan assets, deficit/surplus of program and adjustment on plan liabilities and plan assets for the last 5 years were as follows:

	31 Desember/December					
	2020	2019	2018	2017	2016	
Nilai kini liabilitas imbalan manfaat pasti	217,467	175,160	154,699	178,167	122,058	Present value of defined benefits liabilities
Nilai wajar aset program	(193,363)	(188,883)	(168,602)	(170,795)	(148,488)	Fair value of plan asset
Defisit (surplus)	24,104	(13,723)	(13,903)	7,372	(26,430)	Deficit (surplus)
Penyesuaian pada liabilitas program	7,606	(16,253)	(52,716)	(15,626)	(7,261)	Adjustments on plan liabilities
Penyesuaian pada aset program	5,969	4,052	2,410	3,411	943	Adjustments on plan assets

Analisis jatuh tempo yang diharapkan dari imbalan pensiun yang tidak didiskontokan adalah sebagai berikut:

Expected maturity analysis of undiscounted pension benefits was as follow:

	2020	2019	
Hingga 1 tahun	13,397	8,115	Up to 1 years
Lebih dari 1 - 2 tahun	17,758	13,295	More than 1 - 2 years
Lebih dari 2 - 5 tahun	47,114	36,980	More than 2 - 5 years
Lebih dari 5 tahun	2,371,204	1,892,882	More than 5 years



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23. EMPLOYEE BENEFITS LIABILITIES (continued)

Imbalan pascakerja (lanjutan)

Post-employment benefits (continued)

Entitas Anak (lanjutan)

Subsidiary (continued)

Sensitivitas kewajiban imbalan pascakerja untuk perubahan asumsi aktuarial utama adalah sebagai berikut:

The sensitivity of the post-employment benefit obligation to change in the key actuarial assumption was as follow:

2020				
	Perubahan asumsi/ Change in assumption	Kenaikan (penurunan) nilai kini kewajiban imbalan kerja/ Increase (decrease) in present value of benefit obligation	Kenaikan (penurunan) beban jasa kini/ Increase (decrease) in current service cost	
Tingkat diskonto	Kenaikan/Increase 1% Penurunan/Decrease 1%	(21,524) 25,616	(3,391) 4,044	Discount rate
Tingkat kenaikan gaji	Kenaikan/Increase 1% Penurunan/Decrease 1%	25,969 (22,215)	4,093 (3,494)	Salary increase rate
2019				
	Perubahan asumsi/ Change in assumption	Kenaikan (penurunan) nilai kini kewajiban imbalan kerja/ Increase (decrease) in present value of benefit obligation	Kenaikan (penurunan) beban jasa kini/ Increase (decrease) in current service cost	
Tingkat diskonto	Kenaikan/Increase 1% Penurunan/Decrease 1%	(16,894) 20,095	(2,854) 3,410	Discount rate
Tingkat kenaikan gaji	Kenaikan/Increase 1% Penurunan/Decrease 1%	20,466 (17,505)	3,470 (2,955)	Salary increase rate

Analisis sensitivitas didasarkan pada perubahan atas satu asumsi aktuarial dimana asumsi lainnya dianggap konstan. Dalam praktiknya, hal ini jarang terjadi dan perubahan beberapa asumsi mungkin saling berkorelasi. Dalam perhitungan sensitivitas liabilitas imbalan pascakerja atas asumsi aktuarial utama, metode yang sama (perhitungan nilai kini liabilitas imbalan pasti dengan menggunakan metode *projected unit credit* di akhir periode pelaporan) telah diterapkan seperti dalam penghitungan liabilitas imbalan pascakerja.

The sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the post-employment benefits liabilities to key actuarial assumptions, the same method (present value of the defined benefits liabilities calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the post-employment benefits liabilities.

Imbalan kerja jangka panjang lainnya

Other long-term employee benefits

Bank

Bank

Bank juga memberikan manfaat cuti panjang kepada karyawannya.

The Bank also provides its employees with long leave benefit.

Perubahan liabilitas yang timbul dari imbalan kerja jangka panjang lainnya adalah sebagai berikut:

The movement in the Bank's liabilities arising from other long-term employee benefits was as follows:

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23. EMPLOYEE BENEFITS LIABILITIES (continued)

Imbalan kerja jangka panjang lainnya (lanjutan)

Other long term employee benefits (continued)

Bank (lanjutan)

Bank (continued)

	Tahun berakhir 31 Desember/ Year ended 31 December		
	2020	2019	
Perubahan nilai kini liabilitas imbalan manfaat pasti:			Movement in present value of defined benefits liabilities:
Nilai kini liabilitas imbalan manfaat pasti, awal tahun	26,436	22,791	Present value of defined liabilities, beginning of the year
Termasuk dalam laba rugi			Included in profit or loss
Beban jasa kini	5,306	5,081	Current service cost
Beban bunga	1,702	1,842	Interest expense
Pengukuran kembali:			Remeasurement:
- Penyesuaian asumsi demografi	(2)	-	Changes in demography assumptions -
- Penyesuaian asumsi keuangan	918	643	Changes in financial assumptions -
- Penyesuaian pengalaman	713	442	Experience adjustment -
Lain-lain			Others
Imbalan yang dibayarkan dari pemberi kerja selama tahun berjalan	(7,188)	(4,363)	Benefits paid by the employer during year
Nilai kini liabilitas imbalan manfaat pasti, akhir tahun	27,885	26,436	Present value of net defined benefits liabilities, end of year

Analisis jatuh tempo yang diharapkan dari imbalan jangka panjang lainnya tidak didiskontokan adalah sebagai berikut:

Expected maturity analysis of undiscounted other long-term employee benefits was as follows:

	31 Desember/ December		
	2020	2019	
Hingga 1 tahun	5,822	5,880	Up to 1 year
Lebih dari 1 - 2 tahun	4,762	5,904	More than 1 - 2 years
Lebih dari 2 - 5 tahun	16,578	12,752	More than 2 - 5 years
Lebih dari 5 tahun	62,452	62,787	More than 5 years

Sensitivitas dari kewajiban imbalan jangka panjang lainnya terhadap perubahan asumsi aktuarial utama adalah sebagai berikut:

The sensitivity of the other long term employee benefit obligation to changes in the principal actuarial assumptions was as follows:

		2020		
		Kenaikan (penurunan) nilai kini kewajiban imbalan kerja/ increase (decrease) in present value of benefit obligation	Kenaikan (penurunan) beban jasa kini/ Increase (decrease) in current service cost	
		Perubahan asumsi/ Change in assumption		
Tingkat diskonto	Kenaikan/Increase 1%	(1,098)	(228)	Discount rate
	Penurunan/Decrease 1%	1,205	249	
Tingkat kenaikan gaji	Kenaikan/Increase 1%	1,184	245	Salary increase rate
	Penurunan/Decrease 1%	(1,099)	(228)	
		2019		
		Kenaikan (penurunan) nilai kini kewajiban imbalan kerja/ increase (decrease) in present value of benefit obligation	Kenaikan (penurunan) beban jasa kini/ Increase (decrease) in current service cost	
		Perubahan asumsi/ Change in assumption		
Tingkat diskonto	Kenaikan/Increase 1%	(926)	(203)	Discount rate
	Penurunan/Decrease 1%	1,013	222	
Tingkat kenaikan gaji	Kenaikan/Increase 1%	1,005	221	Salary increase rate
	Penurunan/Decrease 1%	(935)	(205)	



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23. LIABILITAS IMBALAN KERJA KARYAWAN
(lanjutan)

23. EMPLOYEE BENEFITS LIABILITIES (continued)

Imbalan kerja jangka panjang lainnya (lanjutan)

Other long term employee benefits (continued)

Entitas Anak

Subsidiary

Perubahan liabilitas yang timbul dari imbalan kerja jangka panjang lainnya selama tahun berjalan adalah sebagai berikut:

The movement in the liabilities arising from other long-term employee benefits over the year was as follows:

	Tahun berakhir 31 Desember/ Year ended 31 December		
	2020	2019	
Perubahan nilai kini liabilitas imbalan manfaat pasti:			Movement in present value of defined benefits liabilities:
Nilai kini liabilitas imbalan pasti, awal tahun	11,022	10,335	Present value of the defined benefits liabilities, beginning of year
Termasuk dalam laba rugi			Included in profit or loss
Beban jasa kini	2,134	2,016	Current service cost
Beban bunga	737	831	Interest expense
Pengukuran kembali:			Remeasurement:
- Penyesuaian asumsi demografi	(3)	-	Changes in demographic -
- Penyesuaian asumsi keuangan	387	(228)	Changes in financial assumptions -
- Penyesuaian pengalaman	309	(127)	Experience adjustment -
Lain-lain			Others
Imbalan yang dibayar	(1,986)	(1,805)	Benefit paid
Nilai kini liabilitas imbalan pasti, akhir tahun	12,600	11,022	Present value of defined benefits liabilities, end of year

Analisis jatuh tempo yang diharapkan dari imbalan jangka panjang lainnya tidak didiskontokan adalah sebagai berikut:

Expected maturity analysis of undiscounted other long-term employee benefits was as follow:

	2020	2019	
Hingga 1 tahun	2,023	1,917	Up to 1 year
Lebih dari 1-2 tahun	1,360	1,956	More than 1-2 years
Lebih dari 2-5 tahun	6,383	4,961	More than 2-5 years
Lebih dari 5 tahun	44,162	42,828	More than 5 years

Sensitivitas dari kewajiban imbalan jangka panjang lainnya terhadap perubahan asumsi aktuarial utama adalah sebagai berikut:

The sensitivity of the other long term employee benefit obligation to changes in the principal actuarial assumptions was as follows:

2020			
Perubahan asumsi/ Change in assumption	Kenaikan (penurunan) nilai kini kewajiban imbalan kerja/ increase (decrease) in present value of benefit obligation	Kenaikan (penurunan) beban jasa kini/ Increase (decrease) in current service cost	
Tingkat diskonto	Kenaikan/Increase 1% (669) Penurunan/Decrease 1% 753	(110) 124	Discount rate
Tingkat kenaikan gaji	Kenaikan/Increase 1% 730 Penurunan/Decrease 1% (662)	120 (109)	Salary increase rate
2019			
Perubahan asumsi/ Change in assumption	Kenaikan (penurunan) nilai kini kewajiban imbalan kerja/ increase (decrease) in present value of benefit obligation	Kenaikan (penurunan) beban jasa kini/ Increase (decrease) in current service cost	
Tingkat diskonto	Kenaikan/Increase 1% (552) Penurunan/Decrease 1% 620	(99) 111	Discount rate
Tingkat kenaikan gaji	Kenaikan/Increase 1% 605 Penurunan/Decrease 1% (549)	109 (99)	Salary increase rate

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24. PINJAMAN SUBORDINASI

Pinjaman subordinasi merupakan pinjaman dari SMBC Cabang Singapura sejumlah USD 435.000.000 (nilai penuh), ekuivalen dengan Rp 6.111.750 dan Rp 6.038.888 masing-masing pada tanggal 31 Desember 2020 dan 2019.

Pinjaman subordinasi di atas terdiri dari pinjaman subordinasi sejumlah USD 100.000.000, USD 100.000.000, USD 150.000.000, USD 35.000.000 dan USD 50.000.000 (nilai penuh), masing-masing diperoleh pada tanggal 23 November 2018, 26 September 2018, 24 Desember 2013, 5 September 2008 dan 27 Maret 2003. Pinjaman subordinasi USD 150.000.000, USD 35.000.000 dan USD 50.000.000 telah diperbaharui dengan Perjanjian Perubahan dan Pernyataan Kembali Perjanjian Pinjaman Subordinasi pada tanggal 27 Maret 2018. Pinjaman subordinasi USD 100.000.000 dan USD 100.000.000 masing-masing akan jatuh tempo pada tanggal 21 November 2025 dan 26 September 2025, sedangkan pinjaman subordinasi USD 150.000.000, USD 35.000.000 dan USD 50.000.000 akan jatuh tempo pada tanggal 27 Maret 2025. Pinjaman subordinasi memiliki opsi pembayaran lebih awal dengan pemberitahuan 20 hari sebelumnya dan dengan persetujuan dari kreditur.

Kisaran tingkat suku bunga pinjaman subordinasi adalah 1,54% - 1,55% per tahun.

Pinjaman subordinasi digunakan untuk memperkuat struktur modal Debitur sebagai Modal pelengkap (Tier 2).

Sesuai Peraturan OJK Nomor 11/POJK.03/2016 tentang Kewajiban Penyediaan Modal Minimum Bank Umum dan Surat Edaran OJK Nomor 20/SEOJK.03/2016 tentang Fitur Konversi Menjadi Saham Biasa atau *Write Down* terhadap instrumen Modal Inti Tambahan dan Modal Pelengkap, Kreditur dan Debitur memahami bahwa terdapat kondisi yang menyebabkan (*trigger events*) pinjaman yang diberikan sesuai dengan Perjanjian ini harus dikonversi menjadi saham biasa atau dilakukan *write down*, yaitu dalam hal kelangsungan usaha debitur berpotensi terganggu (*point of non viability*) sehingga mempengaruhi kewajiban debitur kepada kreditur, yaitu dapat berupa:

- (i) rasio Modal Inti Utama (*Common Equity Tier 1/CET 1*) lebih rendah atau sama dengan 5,125% dari Aset Tertimbang Menurut Risiko (ATMR) baik secara individu maupun konsolidasi dengan Entitas Anak; dan/atau
- (ii) terdapat rencana dari otoritas yang berwenang untuk melakukan penyertaan modal kepada Debitur yang dinilai berpotensi terganggu kelangsungan usahanya; dan
- (iii) terdapat perintah dari OJK untuk melakukan konversi menjadi saham biasa dan/atau *write down*.

24. SUBORDINATED LOANS

The outstanding subordinated loans represent loans obtained from SMBC Singapore Branch amounted to USD 435,000,000 (full amount), equivalent to Rp 6,111,750 and Rp 6,038,888 as of 31 December 2020 and 2019, respectively.

The above subordinated loans consist of subordinated loan amounting to USD 100,000,000, USD 100,000,000, USD 150,000,000, USD 35,000,000 and USD 50,000,000 (full amount), which were obtained on 23 November 2018, 26 September 2018, 24 December 2013, 5 September 2008 and 27 March 2003, respectively. Subordinated loan of USD 150,000,000, USD 35,000,000 and USD 50,000,000 have been renewed by Amendment and Restatement of Subordinated Loan Agreement on 27 March 2018. Subordinated loan of USD 100,000,000 and USD 100,000,000 will mature on 21 November 2025 and 26 September 2025, respectively, while Subordinated loan of USD 150,000,000, USD 35,000,000 and USD 50,000,000 will mature on 27 March 2025. These subordinated loans have early repayment option by 20 days notification in advance with lender's approval.

Range of interest rate for subordinated loans per year was 1.54% - 1.55%.

Subordinated loans are used to strengthen the Borrower's capital structure as the supplementary Capital (Tier 2).

In accordance with the Regulation of OJK Number 11/POJK.03/2016 and Circular Letter of OJK Number 20/SEOJK.03/2016 regarding Feature of Conversion to Common Stock or Write Down The Instruments of Additional Tier 1 and Tier 2, Lender and Borrower acknowledge the trigger events that will cause the loan provided under this Agreement to be converted to common stock or written down, particularly in the event when the business continuity of the debtor is potentially disrupted (point of non viability) and therefore affecting the liabilities of borrower to the lender, in the term of:

- (i) Common Equity Tier 1 (CET 1) is lower than or equal to 5.125% of Risk-Weighted Assets (RWA), both individually and consolidated with its Subsidiaries; and/or
- (ii) there is a plan of the competent authority to make capital injection to the Borrower which continuity of its business is evaluated to have the potential to be disrupted; and
- (iii) There is an order from OJK to convert into common stock and/or write-down.



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24. PINJAMAN SUBORDINASI (lanjutan)

Pada tanggal 31 Desember 2020 dan 2019, Bank memenuhi seluruh persyaratan yang disebutkan dalam perjanjian pinjaman subordinasi.

24. SUBORDINATED LOANS (continued)

As of 31 December 2020 and 2019, the Bank complied with all the requirements mentioned in the subordinated loan agreements.

25. LIABILITAS LAIN-LAIN

25. OTHER LIABILITIES

	31 Desember/December		
	2020	2019	
Transaksi ATM, transfer dan tagihan <i>merchant</i>	241,226	102,110	ATM transaction, transfer and merchant bills
Komisi asuransi diterima dimuka	71,667	91,667	Up-front insurance commission
Beban <i>Standby Letter of Credit</i> yang masih harus dibayarkan	52,002	58,246	Accrued Standby Letter of Credit fee
Cadangan kerugian penurunan nilai - Komitmen pinjaman yang diberikan	38,031	-	Allowance for impairment losses - Loan commitments issued
Pendapatan ditangguhkan	32,356	38,251	Unearned income
Utang premi asuransi kredit	27,927	47,730	Loan insurance premium payable
Utang premi asuransi lainnya	18,361	18,742	Other insurance premium payable
Klaim asuransi	14,328	10,811	Insurance claim
Utang kepada pihak ketiga	10,572	200,157	Payable to third parties
Lainnya	118,385	137,131	Others
	624,855	704,845	

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25. LIABILITAS LAIN-LAIN (lanjutan)

Transaksi ATM, transfer dan tagihan *merchant* merupakan hutang atas transaksi ATM dan transfer antar bank yang akan diselesaikan pada hari kerja berikutnya, serta transaksi dengan *merchant* melalui gerbang pembayaran.

Komisi asuransi diterima dimuka merupakan komisi yang diterima dari Allianz atas penjualan produk-produk asuransi kepada nasabah Bank melalui seluruh saluran distribusi Bank.

Utang premi asuransi lainnya merupakan premi terutang atas asuransi karyawan Bank dan Entitas Anak.

Beban *standby letters of credit* yang masih harus dibayarkan merupakan beban biaya yang masih harus dibayar atas *standby letter of credit* terkait dengan pinjaman yang diberikan.

Pendapatan ditangguhkan terdiri atas pendapatan dari pembelian wesel ekspor yang ditangguhkan.

Utang premi asuransi kredit terdiri dari pembayaran premi asuransi yang telah diterima dari debitur namun belum dibayarkan kepada perusahaan asuransi.

Utang kepada pihak ketiga sebagian besar merupakan utang terkait informasi dan teknologi (IT) dan utang kepada ASABRI.

Klaim asuransi terdiri dari dana yang diterima dari hasil klaim asuransi atas nasabah kredit pensiun yang meninggal dunia dan pencatatan sementara penerimaan kembali premi asuransi Bank. Dana yang diterima akan berada dalam akun ini sampai Bank dapat mengidentifikasi kontrak terkait.

Lainnya terutama terdiri dari akun tampungan untuk penerimaan cicilan kredit yang diberikan. Dana yang diterima akan berada dalam akun ini sampai Bank dapat mengidentifikasi kontrak terkait.

26. DANA SYIRKAH TEMPORER

Bank menyajikan dana syirkah temporer sehubungan dengan kepemilikan Bank atas Entitas Anak yang bergerak di bidang perbankan syariah.

25. OTHER LIABILITIES (continued)

ATM transaction, transfer and merchant bills consist of payables from Bank ATM transaction and transfer to other banks that will be settled on the next working day and transactions with merchants via payment gateway.

Up-front insurance commission represents commission received from Allianz for the sales of insurance products to the Bank's customers through all Bank's distribution channel.

Other insurance premium payables are employees insurance premium payables of the Bank and Subsidiary.

Accrued standby letters of credit fees are expense for standby letters of credit related to loans that has not been paid.

Unearned income consists of deferred income from export bills purchase.

Loan insurance premium payable consists of insurance premium payment from debtors not yet paid to the insurance company.

Payables to third parties mainly represent payable related to information and technology (IT) and payable to ASABRI.

Insurance claim represents funds received from insurance claim on pensioner debtors who passed away and a temporary record of refund of Bank's insurance premium. The received fund would be in this account until the Bank can identify the specific contract.

Others mainly consist of escrow account for loan installments received. The received fund would be in this account until the Bank can identify the specific contract.

26. TEMPORARY SYIRKAH FUNDS

The Bank presented temporary syirkah funds in relation to the Bank's ownership in the Subsidiary which engages in sharia banking industry.

Simpanan nasabah:

Tabungan mudharabah
 Deposito mudharabah

31 Desember/ December	
2020	2019
167,283	104,878
7,756,083	7,445,786
7,923,366	7,550,664

Deposits from customer:
 Mudharabah saving deposits
 Mudharabah time deposits



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26. DANA SYIRKAH TEMPORER (lanjutan)

26. TEMPORARY SYIRKAH FUNDS (continued)

a. Tabungan mudharabah

a. Mudharabah savings deposits

Berdasarkan hubungan dengan pihak lawan:

By relationship with counterparties:

	31 Desember/ December		
	2020	2019	
Pihak ketiga	167,171	104,628	<i>Third parties</i>
Pihak berelasi	112	250	<i>Related parties</i>
	<u>167,283</u>	<u>104,878</u>	

Berdasarkan jenis produk:

By product type:

	31 Desember/ December		
	2020	2019	
Tabungan Taseto Premium iB	167,283	104,878	<i>Taseto Premium iB Savings</i>
	<u>167,283</u>	<u>104,878</u>	

Nisbah dan tingkat bagi hasil rata-rata untuk tabungan mudharabah untuk tahun yang berakhir pada tanggal 31 Desember 2020 dan 2019 adalah sebagai berikut:

The average of pre-determined ratio and profit sharing rate for mudharabah savings deposits for the years ended 31 December 2020 and 2019 were as follows:

	2020		
	Nisbah (%)/ Pre-determined ratio (%)	Tingkat bagi hasil (%)/ Profit sharing rate (%)	
Tabungan mudharabah	4.10%	4.85%	<i>Mudharabah savings deposits</i>
	2019		
	Nisbah (%)/ Pre-determined ratio (%)	Tingkat bagi hasil (%)/ Profit sharing rate (%)	
Tabungan mudharabah	3.45%	4.56%	<i>Mudharabah savings deposits</i>

Pada tanggal 31 Desember 2020 dan 2019, tidak ada saldo tabungan mudharabah yang diblokir atau dijadikan jaminan pembiayaan.

As of 31 December 2020 and 2019, there were no mudharabah saving deposits which were blocked or pledged for financing.

b. Deposito mudharabah

b. Mudharabah time deposits

Berdasarkan hubungan dengan pihak lain:

By relationship with counterparties:

	31 Desember/ December		
	2020	2019	
Pihak ketiga	7,717,545	7,428,302	<i>Third parties</i>
Pihak berelasi	38,538	17,484	<i>Related parties</i>
	<u>7,756,083</u>	<u>7,445,786</u>	

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26. DANA SYIRKAH TEMPORER (lanjutan)

26. TEMPORARY SYIRKAH FUNDS (continued)

c. Berdasarkan jangka waktu

c. By time period

	2020	2019	
<u>Bukan Bank</u>			<u>Non-Bank</u>
Lebih dari 1 - 3 bulan	3,659,074	6,917,619	More than 1 - 3 months
Lebih dari 3 - 6 bulan	4,041,280	399,197	More than 3 - 6 months
Lebih dari 6 - 9 bulan	2,600	25,510	More than 6 - 9 months
Lebih dari 9 - 12 bulan	53,109	103,450	More than 9 - 12 months
Lebih dari 12 bulan	20	10	More than 12 months
	7,756,083	7,445,786	

d. Berdasarkan sisa umur sampai jatuh tempo

d. By remaining period to maturity date

	2020	2019	
<u>Bukan Bank</u>			<u>Non-Bank</u>
Hingga 1 bulan	4,902,135	5,298,489	Up to 1 month
Lebih dari 1 - 3 bulan	2,357,681	1,847,295	More than 1 - 3 months
Lebih dari 3 - 6 bulan	427,765	256,445	More than 3 - 6 months
Lebih dari 6 - 9 bulan	63,028	32,041	More than 6 - 9 months
Lebih dari 9 - 12 bulan	5,454	11,506	More than 9 - 12 months
Lebih dari 12 bulan	20	10	More than 12 months
	7,756,083	7,445,786	

Pada tanggal 31 Desember 2020 dan 2019, tidak ada saldo deposito mudharabah yang diblokir atau dijadikan sebagai jaminan atas pembiayaan.

As of 31 December 2020 and 2019, there were no mudharabah time deposits which were blocked or pledged for financing.

Nisbah dan tingkat bagi hasil rata-rata untuk deposito mudharabah pada tanggal 31 Desember 2020 dan 2019 adalah sebagai berikut:

The average of pre-determined ratio (nisbah) and profit sharing rate for mudharabah time deposits as of 31 December 2020 and 2019 were as follows:

	2020		
	Nisbah (%) / Pre-determined Ratio (%)	Tingkat bagi hasil (%) / Profit sharing rate (%)	
1 bulan	11.89%	6.37%	1 month
3 bulan	12.18%	6.50%	3 month
6 bulan	12.36%	6.57%	6 month
12 bulan	12.75%	7.01%	12 month
	2019		
	Nisbah (%) / Pre-determined Ratio (%)	Tingkat bagi hasil (%) / Profit sharing rate (%)	
1 bulan	13.95%	7.76%	1 month
3 bulan	14.20%	7.82%	3 month
6 bulan	13.90%	7.87%	6 month
12 bulan	13.48%	7.83%	12 month

27. MODAL SAHAM

27. SHARE CAPITAL

Susunan pemegang saham Bank pada tanggal 31 Desember 2020 dan 2019 berdasarkan catatan yang dibuat oleh Biro Administrasi Efek adalah sebagai berikut:

Based on the share registrant record from Biro Administrasi Efek, the composition of the Bank's shareholders composition as of 31 December 2020 and 2019 was as follows:

	31 Desember/ December 2020			
Pemegang saham	Lembar saham/ Number of shares	Persentase/ Percentage	Jumlah/Total	Shareholder
Sumitomo Mitsui Banking Corporation	7,532,311,297	92.43%	150,647	Sumitomo Mitsui Banking Corporation
PT Bank Central Asia Tbk	83,052,408	1.02%	1,661	PT Bank Central Asia Tbk
PT Bank Negara Indonesia (Persero) Tbk	12,007,137	0.15%	240	PT Bank Negara Indonesia (Persero) Tbk
Publik	426,362,127	5.23%	8,527	Public
	8,053,732,969	98.83%	161,075	
Saham treasury	95,198,900	1.17%	1,904	Treasury shares
	8,148,931,869	100%	162,979	



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27. MODAL SAHAM (lanjutan)

27. SHARE CAPITAL (continued)

31 Desember/ December 2019				
Pemegang saham	Lembar saham/ Number of shares	Persentase/ Percentage	Jumlah/Total	Shareholder
Sumitomo Mitsui Banking Corporation	7,532,311,297	92.43%	150,647	Sumitomo Mitsui Banking Corporation
PT Bank Central Asia Tbk	83,052,408	1.02%	1,661	PT Bank Central Asia Tbk
PT Bank Negara Indonesia (Persero) Tbk	12,007,137	0.15%	240	PT Bank Negara Indonesia (Persero) Tbk
Publik	426,359,127	5.23%	8,527	Public
	8,053,729,969	98.83%	161,075	
Saham treasuri	95,198,900	1.17%	1,904	Treasury shares
	8,148,928,869	100%	162,979	

Pemegang saham publik terdiri dari pemegang saham yang memiliki kurang dari 5% jumlah saham beredar. Seluruh saham yang beredar adalah saham biasa.

Public shareholders consist of shareholders whose ownership are less than 5% of outstanding shares. All the outstanding shares are ordinary shares.

Perubahan komposisi kepemilikan saham

Changes in share ownership composition

Pada tanggal 1 Februari 2019, Bank melakukan aksi korporasi berupa *Cash Offer* dan Konversi Saham karena penggabungan usaha dengan SMBCI, sehingga terdapat perubahan kepemilikan saham dan penambahan sejumlah 2.296.846.112 saham.

On 1 February 2019, The Bank carried out corporate action namely cash offer and Share Conversion due to the merger with SMBCI, resulting in changes in share ownership and an additional 2,296,846,112 shares.

Dengan aksi korporasi tersebut, maka kepemilikan SMBC di Bank mengalami peningkatan menjadi 7.932.311.297 lembar saham atau 97,34%.

After this corporate action, SMBC ownership in the Bank's increased to 7,932,311,297 shares of equivalent to 97.34%.

Sesuai dengan Peraturan Bursa Efek Indonesia, jumlah saham yang dimiliki oleh pemegang saham bukan pengendali dan bukan pemegang saham utama adalah minimum sebesar 7,5% dari jumlah saham yang diterbitkan oleh Bank (*Saham Free float*). Oleh karenanya, SMBC telah menjual 400 juta lembar sahamnya pada tanggal 26 Agustus 2019 dengan harga jual Rp 3.600 (Rupiah penuh) per lembar saham, sehingga pemenuhan ketentuan Saham *Free Float* ini telah menyebabkan kepemilikan SMBC berubah dari 97,34% ke 92,43%.

In accordance with the Indonesia Stock Exchange Regulation, The number of shares owned by the non controlling shareholders and non majority shareholders is at the minimum of 7.5% of total issued shares of the Bank (*Free Float Shares*). Therefore, SMBC sold 400 million of its shares in 26 August 2019 with the selling price of Rp 3,600 (full amount Rupiah) per share. The compliance with *Free Float Shares* requirement has changed the SMBC's ownership from 97.34% to 92.43%.

28. CADANGAN PEMBAYARAN BERBASIS SAHAM

28. SHARE-BASED PAYMENT RESERVE

Pada tanggal 31 Desember 2019, Bank dan Entitas Anak memiliki cadangan pembayaran berbasis saham sebesar Rp 244.012. Pada tanggal 31 Desember 2020, saldo cadangan pembayaran berbasis saham direklasifikasi ke komponen ekuitas lainnya.

As of 31 December 2019, the Bank and Subsidiary had share-based payments reserve amounting to Rp 244,012. As of 31 December 2020, the balance of share-based payments reserve have been reclassified to other equity components.

Program MESOP 2015-2020

MESOP 2015-2020 Program

Berdasarkan Rapat Umum Pemegang Saham Luar Biasa (RUPSLB) tanggal 26 Maret 2015 sebagaimana dituangkan kedalam Akta Risalah Rapat Umum Pemegang Saham Luar Biasa No. 50 tanggal 26 Maret 2015 yang dibuat di hadapan Hadijah, S.H., M.Kn, para pemegang saham menyetujui rencana Bank untuk meningkatkan modal ditempatkan dan modal disetor Bank dengan jumlah tidak melebihi Rp 4.672, sehingga modal ditempatkan dan modal disetor Bank menjadi tidak melebihi Rp 121.478.

Based on Extraordinary General Meeting of Shareholders (RUPSLB) dated 26 March 2015 as notarised on Deed of Minutes of Extraordinary General Meeting of Shareholders No. 50 dated 26 March 2015 made before Hadijah, S.H., M.Kn, the shareholders approved the Bank's plan to increase the issued and paid-in capital of the Bank by a number not exceeding Rp 4,672 which resulted in the issued and paid-up capital of the Bank not exceeding Rp 121,478.

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28. CADANGAN PEMBAYARAN BERBASIS SAHAM
(lanjutan)

Program MESOP 2015-2020 (lanjutan)

Hal ini dilakukan dengan cara mengeluarkan hak opsi atas saham-saham baru masing-masing bernilai nominal Rp 20 (nilai penuh) dengan jumlah tidak melebihi 233.611.491 saham.

Berdasarkan Keputusan Sirkuler Resolusi Direksi No. PS/BOD/004/IV/2015, pada tanggal 15 April 2015, Bank memberikan hak opsi sebesar 141.575.000 saham. Hak opsi tersebut diberikan kepada para anggota Direksi dan para karyawan jenjang tertentu dari Bank dan Entitas Anak yang ditentukan oleh Dewan Komisaris atau oleh Direksi Bank berdasarkan kuasa yang diberikan oleh Dewan Komisaris, selama jangka waktu yang ditentukan oleh Dewan Komisaris.

Para anggota Direksi dan karyawan pada jenjang tertentu dapat mengeksekusi opsi saham yang diberikan selama mereka tetap memberikan jasa selama periode opsi saham.

Pelaksanaan atas hak opsi atas saham-saham baru tersebut harus sesuai dengan harga pelaksanaan, syarat dan ketentuan yang telah diumumkan dalam "Keterbukaan Informasi" yang diumumkan melalui *website* Bank dan *website* Bursa Efek Indonesia tanggal 17 Februari 2015.

Periode pelaksanaan eksekusi opsi saham atas Program MESOP 2015-2020 terdiri dari: (1) Maksimum 30% pada bulan Mei 2017, dengan periode pelaksanaan selama 30 hari bursa dimulai pada tanggal 1 Mei 2017; (2) Maksimum 30% pada bulan November 2017, dengan periode pelaksanaan selama 30 hari bursa dimulai pada tanggal 6 November 2017; (3) Maksimum 60% pada bulan Mei 2018, dengan periode pelaksanaan selama 30 hari bursa dimulai pada tanggal 7 Mei 2018; (4) Maksimum 60% pada bulan November 2018, dengan periode pelaksanaan selama 30 hari bursa dimulai pada tanggal 5 November 2018; (5) Maksimum 100% pada bulan Mei 2019, dengan periode pelaksanaan selama 30 hari bursa dimulai pada tanggal 6 Mei 2019; (6) Maksimum 100% pada bulan Desember 2019, dengan periode pelaksanaan selama 30 hari bursa dimulai pada tanggal 2 Desember 2019. Sisa hak opsi yang belum dieksekusi secara penuh sampai dengan 100% selama periode eksekusi sebelumnya dapat dilaksanakan pada periode pelaksanaan eksekusi terakhir.

Nilai wajar rata-rata tertimbang opsi Program MESOP 2015-2020 yang diberikan selama tahun berjalan yang ditentukan dengan menggunakan Binomial Model Parameter adalah sebesar Rp 1.144,16; Rp 1.388,54; dan Rp 1.622,72 (nilai penuh) per opsi untuk masing-masing periode vesting. Input model yang signifikan adalah harga saham rata-rata tertimbang sebesar Rp 4.030 pada tanggal pemberian, harga eksekusi seperti ditunjukkan di bawah, volatilitas sebesar 29,37%, hasil dividen 0%, usia opsi yang diharapkan selama lima tahun dan tingkat bunga bebas risiko tahunan sebesar 7,5%.

28. SHARE-BASED PAYMENT RESERVE (continued)

MESOP 2015-2020 Program (continued)

This is done by issuing option rights on new shares with a par value of Rp 20 (full amount) by a number not exceeding 233,611,491 shares.

Based on Circular Resolution of Directors No. PS/BOD/004/IV/2015, dated 15 April 2015, the Bank granted 141,575,000 share options. Share options granted to the Bank's and the Subsidiary's members of the Board of Directors and the employees on a certain level are determined by the Board of Commissioners or by the Board of Directors of the Bank under authority granted by the Board of Commissioners, during a certain period determined by the Board of Commissioners.

Board of Directors and the employees at certain levels are able to execute share options that have been granted to them under the condition that the respected party continues to provide service during the share options period.

Implementation of the right options on new shares shall be in accordance with the exercise price, the terms and conditions that have been published in the "Disclosure of Information" published in Bank's and Indonesia Stock Exchange's website on 17 February 2015.

The exercise period of MESOP 2015-2020 Program will be conducted on (1) Maximum 30% in May 2017, with the implementation period of 30 trading days starting on 1 May 2017; (2) Maximum 30% in November 2017, with the implementation period of 30 trading days starting on 6 November 2017; (3) Maximum 60% in May 2018, with the implementation period of 30 trading days starting on 7 May 2018; (4) Maximum 60% in November 2018, with the implementation period of 30 trading days starting on 5 November 2018; (5) Maximum 100% on May 2019, with the implementation period of 30 trading days starting on 6 May 2019; (6) Maximum 100% on December 2019, with the implementation period of 30 trading days starting on 2 December 2019. The remaining option rights which have not yet been fully exercised up to prior exercise period can be implemented in the last exercise period of implementation.

The weighted average fair value of options granted during the year for MESOP 2015-2020 Program was determined using the Binomial Model Parameter amounted to Rp 1,144.16; Rp 1,388.54; and Rp 1,622.72 (full amount) per option for each vesting period. The significant inputs into the model were weighted average share price of Rp 4,030 on the grant date, exercise price shown below, volatility of 29.37%, dividend yield of 0%, an expected option life of five years, and an annual risk-free interest rate of 7.5%.



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28. CADANGAN PEMBAYARAN BERBASIS SAHAM
(lanjutan)

Program MESOP 2015-2020 (lanjutan)

Volatilitas yang diukur dengan standar deviasi atas imbal hasil saham yang terus dimajemukkan berdasarkan analisis statistik atas harga saham harian sejak tanggal 3 Januari 2011 sampai tanggal pemberian.

Tingkat suku bunga bebas risiko sesuai dengan pengembalian keuntungan atas obligasi pemerintah dengan jangka waktu 5 tahun sejak tanggal pemberian.

Program ESOP 2016-2021

Berdasarkan Rapat Umum Pemegang Saham Luar Biasa (RUPSLB) tanggal 29 April 2016 sebagaimana dituangkan kedalam Akta Risalah Rapat Umum Pemegang Saham Luar Biasa No. 60 tanggal 29 April 2016 yang dibuat di hadapan Hadijah, S.H., M.Kn, para pemegang saham menyetujui rencana Bank untuk meningkatkan modal ditempatkan dan modal disetor Bank dengan jumlah tidak melebihi Rp 2.336.

Hal ini dilakukan dengan cara mengeluarkan hak opsi atas saham-saham baru masing-masing bernilai nominal Rp 20 (nilai penuh) dengan jumlah tidak melebihi 116.805.746 saham.

Para karyawan pada jenjang tertentu dapat mengeksekusi opsi saham yang diberikan selama mereka tetap menyediakan jasa selama periode opsi saham.

Pelaksanaan atas hak opsi atas saham-saham baru tersebut harus sesuai dengan harga pelaksanaan, syarat dan ketentuan yang telah diumumkan dalam "Keterbukaan Informasi" yang diumumkan melalui situs Bank dan situs Bursa Efek Indonesia tanggal 8 Maret 2016 dan 27 April 2016.

Periode waktu pelaksanaan eksekusi opsi saham atas Program ESOP 2016-2021 terdiri dari: (1) Maksimum 30% pada bulan Mei 2018, dengan periode pelaksanaan selama 30 hari bursa dimulai pada 28 Mei 2018; (2) Maksimum 30% pada bulan Desember 2018, dengan periode pelaksanaan selama 30 hari bursa dimulai pada tanggal 17 Desember 2018; (3) Maksimum 60% pada bulan Mei 2019, dengan periode pelaksanaan selama 30 hari bursa dimulai pada tanggal 28 Mei 2019; (4) Maksimum 60% pada bulan Desember 2019, dengan periode pelaksanaan selama 30 hari bursa dimulai pada tanggal 19 Desember 2019; (5) Maksimum 100% pada bulan Juni 2020, dengan periode pelaksanaan selama 30 hari bursa dimulai pada tanggal 1 Juni 2020; (6) Maksimum 100% pada bulan Desember 2020, dengan periode pelaksanaan selama 30 hari bursa dimulai pada tanggal 17 Desember 2020. Sisa hak opsi yang belum dieksekusi secara penuh sampai dengan 100% selama periode eksekusi sebelumnya dapat dilaksanakan pada periode pelaksanaan eksekusi terakhir.

28. SHARE-BASED PAYMENT RESERVE (continued)

MESOP 2015-2020 Program (continued)

The volatility measured at the standard deviation of continuously compounded share returns is based on statistical analysis of daily share prices starting from 3 January 2011 until grant date.

The risk free interest rate corresponds to market yields on government bonds of 5 years from grant date.

ESOP 2016-2021 Program

Based on Extraordinary General Meeting of Shareholders (RUPSLB) dated 29 April 2016 which was notarised on Deed of Minutes of Extraordinary General Meeting of Shareholders No. 60 dated 29 April 2016 made before Hadijah, S.H., M.Kn, the shareholders approved the Bank's plan to increase the issued and paid-in capital of the Bank by an amounts not exceeding Rp 2,336.

This is done by issuing option rights on new shares with a par value of Rp 20 (full amount) by a number not exceeding 116,805,746 shares.

Employees at certain levels are able to execute share options that have been granted to them under the condition that the respected party continues to provide services during the share options period.

Implementation of the right options on new shares shall be in accordance with the exercise price, the terms and conditions that have been published in the "Disclosure of Information" published at the Bank's website and Indonesia Stock Exchange's website on 8 March 2016 and 27 April 2016.

The exercise period of ESOP 2016-2021 Program is divided into the following: (1) Maximum 30% in May 2018, with the implementation period of 30 trading days starting on 28 May 2018; (2) Maximum 30% in December 2018, with the implementation period of 30 trading days starting on 17 December 2018; (3) Maximum 60% in May 2019, with the implementation period of 30 trading days starting on 28 May 2019; (4) Maximum 60% in December 2019, with the implementation period of 30 trading days starting on 19 December 2019; (5) Maximum 100% in June 2020, with the implementation period of 30 trading days starting on 1 June 2020; (6) Maximum 100% in December 2020, with the implementation period of 30 trading days starting on 17 December 2020. The remaining option rights which have not yet been fully exercised up to prior exercise period can be implemented in the last exercise period of implementation.

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**28. CADANGAN PEMBAYARAN BERBASIS SAHAM
(lanjutan)**

Program ESOP 2016-2021 (lanjutan)

Nilai wajar rata-rata tertimbang opsi Program ESOP 2016-2021 yang diberikan selama tahun berjalan yang ditentukan dengan menggunakan *Binomial Model Parameter* adalah Rp 546,50, Rp 709,55, dan Rp 839,99 (nilai penuh) per opsi untuk masing-masing periode *vesting*. Input model yang signifikan adalah harga saham rata-rata tertimbang sebesar Rp 2.480 pada tanggal pemberian, harga eksekusi seperti ditunjukkan di bawah, volatilitas per masing-masing periode *vesting* sebesar 28,92%, 29,60%, dan 29,10%, hasil dividen 0%, usia opsi yang diharapkan selama lima tahun dari tanggal pemberian, dan tingkat bunga bebas risiko tahunan masing-masing periode *vesting* sebesar 6,52%, 6,60% dan 6,71%.

Volatilitas diukur dengan standar deviasi atas imbal hasil saham yang terus dimajemukkan berdasarkan analisis statistik atas harga saham harian sejak 15 Mei 2014 sampai tanggal pemberian untuk periode *vesting* pertama, sejak tanggal 13 Mei 2013 sampai tanggal pemberian untuk periode *vesting* kedua dan sejak 14 Mei 2012 sampai tanggal pemberian untuk periode *vesting* ketiga.

Tingkat suku bunga bebas risiko sesuai dengan pengembalian keuntungan atas obligasi pemerintah pada saat tanggal pemberian dengan jangka waktu 1 sampai dengan 5 tahun.

Pada tahun 2019, Bank dan Entitas Anak berinisiatif memberikan program *cash retention* kepada karyawan yang memiliki hak opsi saham dari "Program ESOP 2016-2021", dimana sebagian besar pemegang hak opsi saham tersebut sepakat untuk menyerahkan terlebih dahulu hak opsi saham mereka kepada Bank dan Entitas Anak. Oleh karena itu, cadangan atas Program ESOP 2016-2021 tanggal 31 Desember 2020 dan 2019 kini dicatat sebagai liabilitas sesuai dengan kebijakan akuntansi imbalan kerja jangka pendek (Catatan 2x dan 23).

28. SHARE-BASED PAYMENT RESERVE (continued)

ESOP 2016-2021 Program (continued)

The weighted average fair value of options granted during the year for ESOP 2016-2021 Program was determined using Binomial Model Parameter amounted to Rp 546.50, Rp 709.55, and Rp 839.99 (full amount) per option for each vesting period. The significant inputs into the model were weighted average share price of Rp 2,480 on the grant date, exercise price as shown below, volatility of 28.92%, 29.60%, and 29.10%, respectively for each vesting period, dividend yield of 0%, expected life of five years from grant date, and annual risk-free interest rate of 6.52%, 6.60% and 6.71%, respectively.

The volatility measured at the standard deviation of continuously compounded share returns, which is based on statistical analysis of daily share prices starting from 15 May 2014 until the grant date for the first vesting period, starting from 13 May 2013 until the grant date for the second vesting period and starting from 14 May 2012 for the third vesting period.

The risk free interest rate corresponds to market yields on government bonds at grant date with duration ranging from 1 to 5 years.

In 2019, the Bank and Subsidiary initiatively provided a cash retention program to employees who own share option rights from "ESOP 2016-2021 Program", of which most of the share option holders agreed to first surrender their share option rights to the Bank and the Subsidiary. As a result, the reserve for ESOP 2016-2021 Program as of 31 December 2020 and 2019 is now recorded as liabilities in accordance with short-term employee benefits accounting policy (Note 2x and 23).



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28. CADANGAN PEMBAYARAN BERBASIS SAHAM
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28. SHARE-BASED PAYMENT RESERVE (continued)

Program ESOP 2016-2021 (lanjutan)

ESOP 2016-2021 Program (continued)

Perubahan jumlah opsi saham adalah sebagai berikut:

Movements in the number of share options were as follows:

31 Desember/December 2020			
	Harga eksekusi per lembar dalam Rupiah (nilai penuh)/ Exercise price per share in Rupiah (full amount)	Opsi Saham/ Share Option	
<u>Pada awal tahun</u>			<u>At beginning of year</u>
- Program MESOP 2015-2020	4,000	90,910,000	MESOP 2015-2020 Program -
- Program ESOP 2016-2021	2,617	198,000	ESOP 2016-2021 Program -
		91,108,000	
<u>Dieksekusi</u>			<u>Executed</u>
- Program MESOP 2015-2020	4,000	-	MESOP 2015-2020 Program -
- Program ESOP 2016-2021	2,617	(3,000)	ESOP 2016-2021 Program -
		(3,000)	
<u>Kadaluwarsa</u>			<u>Forfeited</u>
- Program MESOP 2015-2020	4,000	(90,910,000)	MESOP 2015-2020 Program -
- Program ESOP 2016-2021	2,617	-	ESOP 2016-2021 Program -
		(90,910,000)	
<u>Pada akhir tahun</u>			<u>At end of year</u>
- Program MESOP 2015-2020	4,000	-	MESOP 2015-2020 Program -
- Program ESOP 2016-2021	2,617	195,000	ESOP 2016-2021 Program -
		195,000	
31 Desember/December 2019			
	Harga eksekusi per lembar dalam Rupiah (nilai penuh)/ Exercise price per share in Rupiah (full amount)	Opsi Saham/ Share Option	
<u>Pada awal tahun</u>			<u>At beginning of year</u>
- Program MESOP 2015-2020	4,000	108,140,000	MESOP 2015-2020 Program -
- Program ESOP 2016-2021	2,617	38,383,500	ESOP 2016-2021 Program -
		146,523,500	
<u>Dieksekusi</u>			<u>Executed</u>
- Program MESOP 2015-2020	4,000	-	MESOP 2015-2020 Program -
- Program ESOP 2016-2021	2,617	(436,000)	ESOP 2016-2021 Program -
		(436,000)	
<u>Kadaluwarsa</u>			<u>Forfeited</u>
- Program MESOP 2015-2020	4,000	(17,230,000)	MESOP 2015-2020 Program -
- Program ESOP 2016-2021	2,617	(63,000)	ESOP 2016-2021 Program -
		(17,293,000)	
<u>Konversi tunai ke imbalan kerja jangka pendek</u>			<u>Cas conversion to short-term employee benefits</u>
- Program MESOP 2015-2020	4,000	-	MESOP 2015-2020 Program -
- Program ESOP 2016-2021	2,617	(37,686,500)	ESOP 2016-2021 Program -
		(37,686,500)	
<u>Pada akhir tahun</u>			<u>At end of year</u>
- Program MESOP 2015-2020	4,000	90,910,000	MESOP 2015-2020 Program -
- Program ESOP 2016-2021	2,617	198,000	ESOP 2016-2021 Program -
		91,108,000	

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Opsi saham atas Program MESOP 2015-2020 yang masih ada pada tanggal 31 Desember 2020 dan 2019 memiliki tanggal kadaluwarsa dan harga eksekusi berikut ini:

Tanggal Pemberian/ Grant date	Tanggal kadaluwarsa/ Expiry date	Harga eksekusi per lembar (nilai penuh)/ Exercise price per share (full amount)	Opsi Saham/Share Option	
			31 Desember/ December 2020	31 Desember/ December 2019
15 April/April 2015	Januari/January 2020	4,000	-	81,310,000
10 Juli/July 2015	Januari/January 2020	4,000	-	-
9 Oktober/October 2015	Januari/January 2020	4,000	-	-
8 Januari/January 2016	Januari/January 2020	4,000	-	-
11 April/April 2016	Januari/January 2020	4,000	-	-
11 Juli/July 2016	Januari/January 2020	4,000	-	-
10 Oktober/October 2016	Januari/January 2020	4,000	-	9,600,000
			-	90,910,000

Opsi saham atas Program ESOP 2016-2021 yang masih ada pada tanggal 31 Desember 2020 dan 2019 memiliki tanggal kadaluwarsa dan harga eksekusi berikut ini:

Tanggal Pemberian/ Grant date	Tanggal kadaluwarsa/ Expiry date	Harga eksekusi per lembar (nilai penuh)/ Exercise price per share (full amount)	Opsi Saham/Share Option	
			31 Desember/ December 2020	31 Desember/ December 2019
21 September/September 2016	Januari/January 2021	2,617	195,000	198,000
9 Desember/December 2016	Januari/January 2021	2,617	-	-
10 Maret/March 2017	Januari/January 2021	2,617	-	-
12 Juni/June 2017	Januari/January 2021	2,617	-	-
11 September/September 2017	Januari/January 2021	2,617	-	-
11 Desember/December 2017	Januari/January 2021	2,617	-	-
			195,000	198,000

Opsi saham atas Program ESOP 2016-2021 yang masih ada pada tanggal 31 Desember 2020 dan 2019 telah kadaluwarsa di bulan Januari 2021.

Share options of MESOP 2015-2020 Program outstanding as of 31 December 2020 and 2019 have the following expiry dates and exercise prices:

Share options of ESOP 2016-2021 Program outstanding as of 31 December 2020 and 2019 have the following expiry dates and exercise prices:

Share options of ESOP 2016-2021 Program outstanding as of 31 December 2020 and 2019 have expired in January 2021.

29. PENGGUNAAN LABA BERSIH

Para pemegang saham menyetujui penggunaan laba bersih untuk tahun yang berakhir pada tanggal 31 Desember 2019 sebagai berikut: (1) Bank membukukan saldo laba yang sudah ditentukan penggunaannya sebesar Rp 9.235 dan (2) sisa dari total laba bersih yang diperoleh Bank untuk tahun buku yang berakhir pada tanggal 31 Desember 2019 dinyatakan sebagai saldo laba yang belum ditentukan penggunaannya.

Para pemegang saham menyetujui penggunaan laba bersih untuk tahun yang berakhir pada tanggal 31 Desember 2018 sebagai saldo laba yang belum ditentukan penggunaannya.

29. APPROPRIATION OF NET INCOME

The shareholders approved the appropriation of net income for the year ended 31 December 2019 as follows: (1) the Bank booked appropriated retained earnings amounting to Rp 9,235 and (2) the remaining balance of the net income acquired by the Bank in book year ended on 31 December 2019 shall be declared as unappropriated retained earnings.

The shareholders approved the appropriation of net income for the year ended 31 December 2018 as unappropriated retained earnings.



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30. PENDAPATAN BUNGA DAN PENDAPATAN SYARIAH

30. INTEREST INCOME AND SHARIA INCOME

		Tahun berakhir 31 Desember/ Year ended 31 December			
		2020	2019^{*)}		
Pihak ketiga:				Third parties:	
Pinjaman yang diberikan	11,559,679		13,166,022	Loans	
Efek-efek	440,121		652,078	Securities	
Giro dan penempatan pada Bank Indonesia	305,653		242,273	Current accounts and placements with Bank Indonesia	
Giro dan penempatan pada bank-bank lain	13,015		37,276	Current accounts and placements with other banks	
Efek-efek yang dibeli dengan janji dijual kembali	-		19,871	Securities purchased under resale agreements	
Lain-lain	4,523		8,509	Others	
	<u>12,322,991</u>		<u>14,126,029</u>		
Pihak berelasi:				Related parties:	
Pinjaman yang diberikan	41,299		92,956	Loans	
Giro dan penempatan pada bank-bank lain	-		2,468	Current accounts and placements with other banks	
Efek-efek	1,719		2,174	Securities	
	<u>43,018</u>		<u>97,598</u>		
	<u>12,366,009</u>		<u>14,223,627</u>		
Pendapatan syariah				Sharia income	
Pihak ketiga:				Third parties:	
Pendapatan dari jual beli - marjin murabahah	3,767,696		4,203,294	Income from sales and purchases - murabahah margin	
Pendapatan dari bagi hasil - pembiayaan musyarakah	2,246		1,045	Revenue from profit sharing - musyarakah financing	
Pendapatan usaha utama lainnya	267,532		253,013	Other main operating income	
	<u>4,037,474</u>		<u>4,457,352</u>		
	<u>16,403,483</u>		<u>18,680,979</u>		

^{*)} Setelah reklasifikasi (Catatan 48)

^{*)} After reclassification (Note 48)

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31. BEBAN BUNGA DAN HAK PIHAK KETIGA ATAS
BAGI HASIL DANA SYIRKAH TEMPORER

31. INTEREST EXPENSE AND THIRD PARTIES'
SHARES ON RETURN OF TEMPORARY
SYIRKAH FUNDS

	Tahun berakhir 31 Desember/ Year ended 31 December	
	2020	2019 ^{*)}
<u>Beban bunga</u>		
<u>Pihak ketiga:</u>		
Simpanan nasabah		
Deposito berjangka	3,386,057	4,667,302
Tabungan	172,827	141,034
Giro	86,642	90,105
Deposito on call	30,264	36,153
	<u>3,675,790</u>	<u>4,934,594</u>
Pinjaman yang diterima	533,060	636,998
Utang obligasi	133,354	88,648
Surat utang jangka menengah	49,266	99,628
Simpanan dari bank-bank lain	45,993	215,188
Liabilitas sewa	41,712	-
Efek-efek yang dijual dengan janji dibeli kembali	-	21
	<u>4,479,175</u>	<u>5,975,077</u>
<u>Pihak berelasi:</u>		
Simpanan nasabah		
Deposito berjangka	178,010	46,438
Tabungan	1,792	14,429
Giro	433	10,133
	<u>180,235</u>	<u>71,000</u>
Pinjaman yang diterima	431,850	794,945
Pinjaman subordinasi	160,995	236,426
Simpanan dari bank-bank lain	29,289	88,249
	<u>802,369</u>	<u>1,190,620</u>
	<u>5,281,544</u>	<u>7,165,697</u>
<u>Hak pihak ketiga atas bagi hasil dana syirkah temporer</u>		
Pihak ketiga	496,852	522,771
Pihak berelasi	659	816
	<u>497,511</u>	<u>523,587</u>
	<u>5,779,055</u>	<u>7,689,284</u>

Interest expense
Third parties:
 Customer deposits
 Time deposits
 Saving deposits
 Current accounts
 Deposits on call

 Borrowings
 Bonds payables
 Medium Term Notes
 Deposits from other banks
 Lease liabilities
 Securities sold under repurchase Agreements

Related parties:
 Customer deposits
 Time deposits
 Saving deposits
 Current accounts

 Borrowings
 Subordinated loans
 Deposits from other banks

Third parties' shares on return of temporary syirkah funds
 Third parties
 Related parties

^{*)} Setelah reklasifikasi (Catatan 48)

^{*)} After reclassification (Note 48)



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32. PENDAPATAN OPERASIONAL LAINNYA

32. OTHER OPERATING INCOME

	Tahun berakhir 31 Desember/ Year ended 31 December		
	2020	2019 ^{*)}	
Pendapatan administrasi dana pihak ketiga	232,881	133,474	Third party fund administration income
Pendapatan komisi atas pinjaman yang diberikan	175,150	279,675	Loan commission income
Pendapatan dari penerimaan kembali kredit yang dihapusbuku	164,925	197,900	Income from recovery of loans written-off
Pendapatan dari penjualan produk investasi	92,407	108,158	Income from sale of investment products
Denda pelunasan dipercepat dan keterlambatan	84,319	126,586	Early termination penalty and late penalty income
Pendapatan dari komisi asuransi	41,036	66,836	Insurance commission income
Jasa penerbitan garansi	36,828	42,156	Guarantee fees
Pendapatan komisi lainnya	25,226	15,617	Others commission income
Penerimaan kembali dari kerugian operasional	21,460	5,353	Operational loss recovery
Jasa kliring dan transfer	16,156	15,987	Clearing and transfer fees
Lain-lain	69,497	40,292	Others
	<u>959,885</u>	<u>1,032,034</u>	

^{*)} Setelah reklasifikasi (Catatan 48)

^{*)} After reclassification (Note 48)

Pendapatan komisi atas pinjaman yang diberikan adalah pendapatan administrasi yang diperoleh dari pinjaman bank.

Loan commission income are administration income received from bank's loan.

Pendapatan dari penjualan produk investasi adalah pendapatan komisi dari pihak ketiga atas produk investasi yang dijual melalui Bank.

Income from sale of investment products are commission income received from third party related with investment product that are sold through the Bank.

Pendapatan dari komisi asuransi adalah pendapatan atas komisi penjualan *unit link* dan komisi yang diterima oleh Bank berdasarkan perjanjian yang telah disepakati dengan perusahaan asuransi: Allianz, Avrist, Generali, FWD, Proteksi Antar Nusa dan Adonai Pialang Asuransi (Catatan 11n).

Insurance commission income are income from unit link sales commission and commission received by the Bank based on agreements with insurance companies: Allianz, Avrist, Generali, FWD, Proteksi Antar Nusa and Adonai Pialang Asuransi (Note 11n).

Lain-lain termasuk jasa *cash handling*, jasa *payment point* dan pendapatan dividen.

Others consist of cash handling services, payment point service, and dividend income.

33. BEBAN KEPEGAWAIAN

33. PERSONNEL EXPENSES

	Tahun berakhir 31 Desember/ Year ended 31 December		
	2020	2019 ^{*)}	
Gaji, upah, bonus, tantiem dan imbalan kerja karyawan	1,984,834	2,016,558	Salaries, wages, bonus, tantiem and employee benefits
Tunjangan hari raya	364,486	414,784	Holiday allowances
Tunjangan kesehatan	195,765	185,553	Medical benefit
Tunjangan pajak	190,665	173,624	Tax allowances
Tunjangan representasi	112,219	125,493	Representation allowance
Jamsostek	85,727	82,663	Jamsostek
Pendidikan dan latihan	68,057	138,688	Training and education
Tunjangan program kepemilikan kendaraan	56,184	56,054	Car ownership program allowance
Tunjangan telepon	30,404	24,828	Telephone allowance
Tunjangan perumahan	21,349	22,012	Housing allowance
Lain-lain	101,705	98,328	Others
	<u>3,211,395</u>	<u>3,338,585</u>	

^{*)} Setelah reklasifikasi (Catatan 48)

^{*)} After reclassification (Note 48)

Termasuk dalam beban kepegawaian adalah gaji, opsi saham dan kompensasi lainnya yang dibayarkan kepada Direksi, Dewan Komisaris dan Komite Audit.

Included under personnel expenses are salaries, share options and other compensations paid to the Board of Directors, Board of Commissioners and Audit Committee.

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34. BEBAN UMUM DAN ADMINISTRASI**34. GENERAL AND ADMINISTRATIVE EXPENSES**

	Tahun berakhir 31 Desember/ Year ended 31 December		
	2020	2019^{*)}	
Jasa dari pihak ketiga dan perlengkapan kantor	883,125	974,085	Services from third parties and office supplies
Beban asuransi	416,540	445,471	Insurance expense
Sewa	412,743	620,873	Rent
Amortisasi piranti lunak (Catatan 15)	364,272	318,284	Amortisation of software (Note 15)
Penyusutan aset tetap (Catatan 14)	355,168	358,264	Depreciation of fixed assets (Note 14)
			Depreciation of right-of-use assets (Note 14)
Penyusutan aset hak guna (Catatan 14)	223,563	-	
Promosi dan iklan	157,063	216,201	Promotion and advertising
Jasa profesional	116,151	109,641	Professional fees
Pemeliharaan dan perbaikan	83,631	78,712	Repairs and maintenance
Lain-lain	50,677	34,445	Others
	3,062,933	3,155,976	

^{*)} Setelah reklasifikasi (Catatan 48)

^{*)} After reclassification (Note 48)

Jasa dari pihak ketiga dan perlengkapan kantor terdiri dari beban honorarium, perjalanan dinas, tagihan kantor pos, beban listrik, air dan telepon, komunikasi data, peralatan kantor dan jasa pengiriman.

Services from third parties and office supplies consist of expenses from honorarium, business travelling, post office billing, utilities, data communication, office supplies, and delivery services.

Lain-lain termasuk pajak reklame, pajak kendaraan, pajak daftar perusahaan, dan beban lain-lain Entitas Anak.

Others consist of advertisement tax, vehicle tax, company registration tax and Subsidiary's miscellaneous expenses.

35. CADANGAN KERUGIAN PENURUNAN NILAI**35. PROVISION FOR IMPAIRMENT LOSSES**

	Tahun berakhir 31 Desember/ Year ended 31 December		
	2020	2019	
Pinjaman yang diberikan dan pembiayaan/piutang syariah (Catatan 11g)	2,786,768	1,445,933	Loans and sharia financing/receivables (Note 11g)
Komitmen pinjaman yang diberikan	9,912	-	Loan commitments issued
Tagihan akseptasi (Catatan 10d)	3,146	(7)	Acceptance receivables (Note 10d)
			Current accounts with other Banks (Note 6)
Giro pada bank-bank lain (Catatan 6)	397	-	Placement with Bank Indonesia and other Banks
Penempatan pada Bank Indonesia dan bank-bank lain	(409)	-	
Efek-efek (Catatan 8h)	(177)	(44)	Securities (Note 8h)
Lainnya	1	-	Other assets
	2,799,638	1,445,882	

36. BEBAN OPERASIONAL LAINNYA**36. OTHER OPERATING EXPENSES**

	Tahun berakhir 31 Desember/ Year ended 31 December		
	2020	2019^{*)}	
Beban komisi dan administrasi	437,140	377,883	Commissions and administrative fees
Iuran tahunan OJK	81,192	79,152	OJK annual fee
Kerugian terkait risiko operasional	24,201	35,020	Loss of operational risk
Beban rumah tangga	23,977	24,104	Household expenses
Beban pengembangan komunitas	6,603	43,982	Community development expenses
Beban retribusi	3,074	3,216	Retribution expenses
Beban pengurusan klaim asuransi	2,956	3,117	Insurance claim expenses
Rekrutmen	1,679	1,822	Recruitment
Lain-lain	27,963	67,015	Others
	608,785	635,311	

Lain-lain termasuk beban jamuan, beban keanggotaan dan beban penyelesaian kredit.

Others consist of entertainment expenses, membership fees and credit settlement charges.

^{*)} Setelah reklasifikasi (Catatan 48)

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37. INFORMASI MENGENAI PIHAK BERELASI

Dalam kegiatan usahanya, Bank dan Entitas Anak melakukan transaksi dengan pihak-pihak berelasi, terutama meliputi transaksi-transaksi keuangan.

Di bawah ini adalah ikhtisar pihak-pihak berelasi yang bertransaksi dengan Bank dan Entitas Anak, termasuk sifat hubungan dan sifat transaksinya:

37. RELATED PARTY INFORMATION

In the normal course of business, the Bank and Subsidiary engage in transactions with related parties, primarily consisting of financial transactions.

The following is a summary of related parties who have transactions with the Bank and Subsidiary, including the nature of the relationships and transactions:

Pihak berelasi/ Related parties	Sifat hubungan/ Nature of relationships	Sifat transaksi/ Nature of transactions
Sumitomo Mitsui Banking Corporation, Tokyo	Pemegang saham pengendali/ Controlling shareholders	Giro pada bank lain; simpanan dari bank lain; transaksi derivatif/ Current accounts with other banks; deposits from other banks; derivative transactions
Sumitomo Mitsui Banking Corporation, Singapore	Perusahaan afiliasi/affiliated company	Giro pada bank lain; simpanan dari bank lain; kewajiban akseptasi; pinjaman yang diterima; pinjaman subordinasi; transaksi derivatif/ Current accounts with other banks; deposits from other banks; acceptance payables; borrowings; subordinated loans; derivative transactions
Sumitomo Mitsui Banking Corporation, Hongkong Branch	Perusahaan afiliasi/affiliated company	Giro pada bank lain; simpanan dari bank lain; transaksi derivatif/ Current accounts with other banks; deposits from other banks; derivative transactions
Sumitomo Mitsui Banking Corporation, Europe Limited	Perusahaan afiliasi/affiliated company	Giro pada bank lain/ Current accounts with other banks
Sumitomo Mitsui Banking Corporation, Dusseldorf Branch	Perusahaan afiliasi/affiliated company	Giro pada bank lain/ Current accounts with other banks
Sumitomo Mitsui Banking Corporation, Malaysia Berhad	Perusahaan afiliasi/affiliated company	Simpanan dari bank lain; transaksi derivatif/ Deposits from other banks; derivative transactions
Sumitomo Mitsui Banking Corporation, Bangkok	Perusahaan afiliasi/affiliated company	Giro pada bank lain; simpanan dari bank lain/ Current accounts with other banks; deposits from other banks
Sumitomo Mitsui Banking Corporation, Seoul	Perusahaan afiliasi/affiliated company	Efek-efek; kewajiban akseptasi/ Securities; acceptance payables
Sumitomo Mitsui Banking Corporation, New York	Perusahaan afiliasi/affiliated company	Giro pada bank lain/ Current accounts with other banks
Sumitomo Mitsui Banking Corporation, New Delhi	Perusahaan afiliasi/affiliated company	Giro pada bank lain/ Current accounts with other banks
PT SMFL Leasing Indonesia	Perusahaan afiliasi/affiliated company	Simpanan nasabah; pinjaman yang diberikan; transaksi derivatif/ Deposits from customers; loans; derivative transactions
PT Oto Multi Artha	Perusahaan afiliasi/affiliated company	Simpanan nasabah; pinjaman yang diberikan; transaksi derivatif/ Deposits from customers; loans; derivative transactions
PT Summit Oto Finance	Perusahaan afiliasi/affiliated company	Simpanan nasabah; pinjaman yang diberikan; transaksi derivatif/ Deposits from customers; loans; derivative transactions
PT Nikko Securities Indonesia	Perusahaan afiliasi/affiliated company	Simpanan nasabah/ Deposits from customers
PT SBCS Indonesia	Perusahaan afiliasi/affiliated company	Simpanan nasabah/ Deposits from customers
Personil manajemen kunci/ Key Management Personnel	Direktur, Komisaris dan pejabat eksekutif/Directors, Commissioners and executive employees	Pinjaman yang diberikan, simpanan nasabah, pembayaran kompensasi dan remunerasi, imbalan pascakerja/ Loans, deposits from customers, payments of compensation and remuneration, post-employment benefits

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37. INFORMASI MENGENAI PIHAK BERELASI
 (lanjutan)

37. RELATED PARTY INFORMATION (continued)

Transaksi dengan pihak berelasi

Transactions with related parties

Saldo dan rincian transaksi dengan pihak berelasi adalah sebagai berikut:

The outstanding balances and detail transactions with related parties were as follows:

(a) Giro pada bank-bank lain

(a) Current accounts with other banks

	31 Desember/31 December		
	2020	2019	
Giro pada bank-bank lain			Current accounts with other banks
Pihak berelasi	370,551	725,450	Related party
Persentase terhadap jumlah aset	0.20%	0.40%	Percentage to total assets

	Tahun berakhir 31 Desember/ Year ended 31 December		
	2020	2019	
Pendapatan bunga	-	2,468	Interest income
Persentase terhadap jumlah pendapatan bunga	-	0.02%	Percentage to total interest income

(b) Efek-efek

(b) Securities

	31 Desember/31 December		
	2020	2019	
Efek-efek	132,188	86,105	Securities
Persentase terhadap jumlah aset	0.07%	0.05%	Percentage to total assets

	Tahun berakhir 31 Desember/ Year ended 31 December		
	2020	2019	
Pendapatan bunga	1,719	2,174	Interest income
Persentase terhadap jumlah pendapatan bunga	0.01%	0.01%	Percentage to total interest income

(c) Tagihan derivatif

(c) Derivative receivables

	31 Desember/31 December		
	2020	2019	
Tagihan derivatif			Derivative receivables
Pihak berelasi	49,928	61,682	Related parties
Persentase terhadap jumlah aset	0.03%	0.03%	Percentage to total assets

(d) Pinjaman yang diberikan

(d) Loans

	31 Desember/31 December		
	2020	2019	
Pinjaman yang diberikan			Loans
Personil manajemen kunci	7,090	8,714	Key management personnel
Pihak berelasi	1,199,678	2,123,995	Related parties
	1,206,768	2,132,709	
Pendapatan bunga yang masih akan diterima	2,372	12,538	Accrued interest income
	1,209,140	2,145,247	
Persentase terhadap jumlah aset	0.66%	1.18%	Percentage to total assets



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(lanjutan)

37. RELATED PARTY INFORMATION (continued)

Transaksi dengan pihak berelasi (lanjutan)

Transactions with related parties (continued)

(d) Pinjaman yang diberikan (lanjutan)

(d) Loans (continued)

	Tahun berakhir 31 Desember/ Year ended 31 December		
	2020	2019	
Pendapatan bunga:			Interest income:
Personil manajemen kunci	170	300	Key management personnel
Pihak berelasi	41,129	92,656	Related parties
	41,299	92,956	
Persentase terhadap jumlah pendapatan bunga	0.33%	0.64%	Percentage to total interest income
Suku bunga atas pinjaman yang diberikan kepada personil manajemen kunci adalah sebesar 5% sampai dengan 8% per tahun dengan jangka waktu pinjaman antara 1 sampai dengan 20 tahun. Pinjaman tersebut diberikan tanpa adanya jaminan tertentu.			
Pada tanggal 31 Desember 2020 dan 2019 tidak terdapat penurunan nilai atas pinjaman yang diberikan kepada personil manajemen kunci.			
			Interest rate charged on loan to key management personnel amounting 5% to 8% per annum with term between 1 to 20 years. Such loan is given without any specific collateral.
			There was no impairment on the loan to key management personnel as of 31 December 2020 and 2019.

(e) Simpanan nasabah

(e) Deposits from customers

	31 Desember/31 December		
	2020	2019	
Dana pihak ketiga			Third party funds
Personil manajemen kunci:			Key management personnel:
Giro	7,297	8,631	Current accounts
Tabungan	14,418	10,894	Savings deposits
Deposito berjangka dan deposito on call	76,565	82,128	Time deposits and deposits on call
	98,280	101,653	
Pihak berelasi:			Related parties:
Giro	44,318	49,952	Current accounts
Tabungan	-	-	Savings deposits
Deposito berjangka	4,297,896	387,556	Time deposits
	4,342,214	437,508	
	4,440,494	539,161	
Beban bunga yang masih harus dibayarkan	44,294	4,033	Accrued interest expense
	4,484,788	543,194	
Persentase terhadap jumlah liabilitas	3.20%	0.38%	Percentage to total liabilities
	Tahun berakhir 31 Desember/ Year ended 31 December		
	2020	2019	
Beban bunga	180,235	71,000	Interest expense
Persentase terhadap jumlah beban bunga	3.67%	0.95%	Percentage to total interest expenses

Dana pihak ketiga ditempatkan dalam giro, tabungan maupun deposito berjangka. Tingkat suku bunga yang diberikan oleh Bank adalah sebesar 0,00% - 7,50%. Untuk deposito berjangka tergantung tenor dan jumlah pokok deposito.

Third party funds are placed on current account, saving accounts and time deposits. Interest rate given by the Bank for the placement amounting to 0.00% - 7.50%. For time deposit depends on tenor and principal amount.

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37. INFORMASI MENGENAI PIHAK BERELASI
(lanjutan)

37. RELATED PARTY INFORMATION (continued)

Transaksi dengan pihak berelasi (lanjutan)

Transactions with related parties (continued)

(f) Simpanan dari bank-bank lain

(f) Deposits from other banks

	31 Desember/31 December		
	2020	2019	
Simpanan dari bank-bank lain	5,904,428	7,291,425	Deposits from other banks
Beban bunga yang masih harus dibayar	322	26,784	Accrued interest expenses
	5,904,750	7,318,209	
Persentase terhadap jumlah liabilitas	4.15%	5.13%	Percentage to total liabilities
	Tahun berakhir 31 Desember/ Year ended 31 December		
	2020	2019	
Beban bunga	29,289	88,249	Interest expense
Persentase terhadap jumlah beban bunga	0.55%	1.17%	Percentage to total interest expenses

(g) Liabilitas derivatif

(g) Derivative liabilities

	31 Desember/31 December		
	2020	2019	
Liabilitas derivatif			Derivative liabilities
Pihak berelasi	102,772	54,071	Related parties
Persentase terhadap jumlah liabilitas	0.07%	0.04%	Percentage to total liabilities

(h) Pinjaman yang diterima

(h) Borrowings

	31 Desember/31 December		
	2020	2019	
Pinjaman yang diterima	22,852,789	31,193,978	Borrowings
Beban bunga yang masih harus dibayar	4,153	59,954	Accrued interest expenses
	22,856,942	31,253,932	
Persentase terhadap jumlah liabilitas	16.05%	21.92%	Percentage to total liabilities
	Tahun berakhir 31 Desember/ Year ended 31 December		
	2020	2019	
Beban bunga			Interest expense
Pihak berelasi	431,850	794,945	Related party
Persentase terhadap jumlah beban bunga	8.18%	10.58%	Percentage to total interest expenses

(i) Liabilitas akseptasi

(i) Acceptance payables

	31 Desember/31 December		
	2020	2019	
Liabilitas akseptasi			Acceptance payables
Pihak berelasi	161,685	157,523	Related party
Persentase terhadap jumlah liabilitas	0.11%	0.11%	Percentage to total liabilities

(j) Pinjaman subordinasi

(j) Subordinated loans

	31 Desember/31 December		
	2020	2019	
Pinjaman subordinasi	6,111,750	6,038,888	Subordinated loans
Beban bunga yang masih harus dibayar	4,230	6,305	Accrued interest expenses
	6,115,980	6,045,193	
Persentase terhadap jumlah liabilitas	4.29%	4.24%	Percentage to total liabilities



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37. INFORMASI MENGENAI PIHAK BERELASI
(lanjutan)

37. RELATED PARTY INFORMATION (continued)

Transaksi dengan pihak berelasi (lanjutan)

Transactions with related parties (continued)

(j) Pinjaman subordinasi (lanjutan)

(j) Subordinated loans (continued)

	Tahun berakhir 31 Desember/ Year ended 31 December		
	2020	2019	
Beban bunga:			Interest expense:
Pihak berelasi	160,995	236,426	Related party
Persentase terhadap jumlah beban bunga	3.05%	3.15%	Percentage to total interest expenses

(k) Dana syirkah temporer

(k) Temporary syirkah funds

	31 Desember/31 December		
	2020	2019	
Simpanan nasabah			Deposits from customers
Personil manajemen kunci:			Key management personnel:
Tabungan mudharabah	112	250	Mudharabah saving deposits
Deposito mudharabah	38,538	17,484	Mudharabah time deposits
	38,650	17,734	
Persentase terhadap jumlah hak pihak ketiga atas bagi hasil syirkah temporer	0.49%	0.24%	Percentage to total third parties' shares on return of temporary syirkah funds
	Tahun berakhir 31 Desember/ Year ended 31 December		
	2020	2019	
Hak atas bagi hasil dana syirkah temporer	659	816	Shares on return of temporary syirkah funds
Persentase terhadap beban bagi hasil	0.13%	0.16%	Percentage to total profit-sharing

(l) Kompensasi dan remunerasi personil manajemen kunci

(l) Compensation and remuneration of key management personnel

Kompensasi yang dibayar atau terutang pada manajemen kunci atas jasa kepegawaian adalah sebagai berikut:

The compensation paid or payable to key management for employee services is shown below:

31 Desember/December 2020							
Direksi/Board of Directors		Dewan Komisaris/Board of Commissioners		Personil manajemen kunci lainnya/Other key management personnel			
%*	Rp	%*	Rp	%*	Rp		
Gaji dan imbalan karyawan jangka pendek lainnya	5.08%	163,541	0.84%	27,042	10.79%	346,915	Salaries and other short-term employee benefits
Imbalan pascakerja	-	-	-	-	0.40%	12,852	Post-employment benefits
Imbalan jangka panjang lainnya	-	-	-	-	0.02%	578	Other long-term benefits
Jumlah	5.08%	163,541	0.84%	27,042	10.79%	346,915	Total
31 Desember/December 2019							
Direksi/Board of Directors		Dewan Komisaris/Board of Commissioners		Personil manajemen kunci lainnya/Other key management personnel			
%*	Rp	%*	Rp	%*	Rp		
Gaji dan imbalan karyawan jangka pendek lainnya	6.06%	202,589	0.62%	20,709	10.09%	337,368	Salaries and other short-term employee benefits
Imbalan pascakerja	-	-	-	-	0.39%	12,915	Post-employment benefits
Imbalan jangka panjang lainnya	-	-	-	-	0.02%	637	Other long-term benefits
Jumlah	6.06%	202,589	0.62%	20,709	10.50%	350,920	Total

*% terhadap umlah beban kepegawaian

*% to total personnel expense

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37. INFORMASI MENGENAI PIHAK BERELASI
 (lanjutan)

37. RELATED PARTY INFORMATION (continued)

Transaksi dengan pihak berelasi (lanjutan)

Transactions with related parties (continued)

(m) Pembayaran berbasis saham

(m) Share-based payments

Pembayaran berbasis saham yang diberikan kepada personil manajemen kunci adalah sebagai berikut:

Share-based payments given to the key management personnel are as follows:

Program ESOP 2016-2021*					
Bank		Entitas Anak			
Harga eksekusi opsi/ Option exercise price	Opsi saham/ Share option	Harga eksekusi opsi (sebelum modifikasi**/ Option exercise price (before modification**	Opsi saham/ Share option		
Manajemen kunci lainnya	2,617	52,865,000	2,617	3,780,000	Other key management

*) dalam nilai penuh

**) terdapat modifikasi yang mengubah skema pembayaran Program ESOP 2016-2021 (Catatan 28).

*) in full amount

**) there was modification on the payment scheme for ESOP 2016-2021 Program (Note 28)

Program MESOP 2015-2020*					
Bank		Entitas Anak			
Harga eksekusi opsi/ Option exercise price	Opsi saham/ Share option	Harga eksekusi opsi/ Option exercise price	Opsi saham/ Share option		
Direksi	4,000	36,700,000	4,000	9,400,000	Board of Directors
Manajemen kunci lainnya	4,000	96,215,000	4,000	9,760,000	Other key management
		132,915,000		19,160,000	

*) dalam nilai penuh

*) in full amount

(n) Komitmen dan Kontinjensi

(n) Commitment and contingencies

Tahun berakhir 31 Desember/ Year ended 31 December			
2020	2019		
Liabilitas komitmen			Committed liabilities
Fasilitas kredit yang belum digunakan	1,881,149	1,794,185	Unused credit facilities



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38. KOMITMEN DAN KONTINJENSI

Seluruh komitmen dan kontinjensi adalah dengan pihak ketiga, kecuali aset komitmen.

a. Berdasarkan jenis

	31 Desember/December	
	2020	2019
Aset komitmen		
Fasilitas pinjaman yang belum ditarik		
- Pihak ketiga	26,730,611	1,329,838
- Pihak berelasi	1,881,149	1,794,185
	<u>28,611,760</u>	<u>3,124,023</u>
Aset kontinjensi		
Pendapatan bunga pinjaman yang diberikan yang bermasalah	137,487	97,680
Garansi yang diterima	22,688,905	19,839,026
	<u>22,826,392</u>	<u>19,936,706</u>
Liabilitas komitmen		
Fasilitas kredit kepada nasabah yang belum digunakan - <i>committed</i>	14,012,398	8,433,080
Fasilitas kredit kepada nasabah yang belum digunakan - <i>uncommitted</i>	85,424,033	73,413,906
Fasilitas kredit kepada bank yang belum digunakan - <i>uncommitted</i>	34,982	63,163
<i>Letters of credit</i> yang tidak dapat dibatalkan	616,302	925,174
	<u>100,087,715</u>	<u>82,835,323</u>
Liabilitas kontinjensi		
Garansi yang diberikan	7,421,593	8,924,578

b. Berdasarkan kolektibilitas

	31 Desember/December	
	2020	2019
Lancar	104,366,182	90,359,090
Dalam perhatian khusus	3,143,126	1,350,086
Kurang lancar	-	50,725
	<u>107,509,308</u>	<u>91,759,901</u>

c. Kasus hukum

Bank menghadapi beberapa tuntutan hukum, pengurusan administrasi dan klaim yang belum terselesaikan, yang berhubungan dengan kegiatan usaha Bank. Adalah tidak mungkin untuk memastikan apakah Bank akan memenangkan masalah atau tuntutan hukum tersebut, atau dampaknya jika Bank kalah. Namun demikian, manajemen Bank yakin bahwa hasil keputusan masalah atau tuntutan hukum tersebut tidak akan membawa dampak yang signifikan pada hasil usaha, posisi keuangan atau likuiditas Bank.

38. COMMITMENTS AND CONTINGENCIES

All commitments and contingencies are with the third parties, except committed assets.

a. By type

Committed assets
Unused borrowing facilities
Third parties -
Related parties -
Contingent assets
Interest receivable on non-performing loans
Guarantees received
Committed liabilities
Unused credit facilities to customers - committed
Unused credit facilities to customers - uncommitted
Unused credit facilities to banks - uncommitted
Irrevocable letters of credit
Contingent liabilities
Guarantees provided

b. By collectability

c. Litigation cases

The Bank is a party to various unresolved legal actions, administrative proceedings, and claims in the ordinary course of its business. It is not possible to predict with certainty whether or not the Bank will ultimately be successful in any of these legal matters or, if not, what the impact might be. However, the Bank's management does not expect that the results in any of these proceedings will have a material adverse effect on the Bank's results of operations, financial position or liquidity.

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39. SEGMENT OPERASI

Segmen operasi dilaporkan sesuai dengan laporan internal yang disiapkan untuk Direksi, yang bertindak sebagai pengambil keputusan operasi, yang bertanggung jawab untuk mengalokasikan sumber daya ke segmen dan melakukan penilaian atas performanya. Seluruh segmen operasi yang digunakan oleh Bank dan Entitas Anak telah memenuhi kriteria pelaporan berdasarkan PSAK 5, "Segmen Operasi".

Bank dan Entitas Anak memiliki 5 (lima) pelaporan segmen, berdasarkan produk usaha, sebagaimana disajikan dalam tabel di bawah ini.

Ritel

Terdiri dari pinjaman yang diberikan kepada nasabah pensiunan dan nasabah individual lainnya.

Kredit Usaha Mikro, Kecil & Menengah (UMKM)

Terdiri dari pinjaman yang diberikan kepada nasabah usaha mikro, kecil dan menengah yang digunakan untuk kegiatan usaha.

Penghimpunan dana dan treasury

Terdiri dari aktivitas penghimpunan dana dari pihak ketiga dan bank lain, serta aktivitas treasury termasuk pinjaman yang diterima dan surat berharga yang diterbitkan. Penghimpunan dana treasury berada di bawah direktorat yang sama.

Korporasi

Terdiri dari pinjaman dan layanan yang diberikan dari nasabah korporasi yang digunakan untuk kegiatan usaha.

Syariah

Merupakan lini segmen operasi atas Entitas Anak yang dimulai dari tanggal efektif beroperasi sebagai bank umum syariah.

Terdiri dari pembiayaan syariah dan dana pihak ketiga dari nasabah syariah yang digunakan untuk kegiatan usaha.

Dalam mengalokasikan beban operasional, manajemen mengatribusikan beberapa pos beban operasional sesuai dengan kebijakan pelaporan internal Bank dan Entitas Anak.

39. OPERATING SEGMENT

Operating segments are reported in accordance with the internal reporting provided to the Directors, as the chief operating decision maker, who are responsible for allocating resources to the reportable segments and assesses its performance. All operating segments used by the Bank and Subsidiary meet the definition of a reportable segment under PSAK 5, "Operating Segment".

The Bank and Subsidiary have 5 (five) reportable segments, in accordance with the business product, as set out in the table below.

Retail

Consists of loans to pensioners and other individual customers.

Micro, Small & Medium Enterprises (MSME)

Consists of loans to micro, small & medium enterprise customers for commercial purpose.

Funding and treasury

Consists of funding business activity in raising funds from third party and other banks, and centralised treasury operations including borrowings and securities issued. Funding and treasury are under the same directorate.

Corporate

Consists of loans and services from corporate customers which related to commercial purpose.

Sharia

Represents a line of operating segments of Subsidiary which started from the effective date to operate as a sharia commercial bank.

Consists of sharia financing and third party fund from sharia customers which related to commercial purpose.

In allocating operating expenses, management attributed some of its expenses based on Bank and Subsidiary's internal reporting policy.



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39. SEGMENT OPERASI (lanjutan)

39. OPERATING SEGMENT (continued)

Informasi pelaporan segmen adalah sebagai berikut:

The reportable segment information was as follows:

Tahun berakhir 31 Desember/Year ended 31 December 2020							
	Ritel/ Retail	UMKM/ MSME	Penghimpunan dana dan treasury/ Funding and Treasury	Korporasi/ Corporate	Syariah/ Sharia	Penyesuaian dan eliminasi/ Adjustment and elimination	Konsolidasian/ Consolidated
Pendapatan dan beban operasional							Operating income and expenses
Pendapatan bunga dan syariah dari pihak eksternal	6,320,994	1,439,754	703,255	3,902,006	4,037,474	-	16,403,483
Pendapatan bunga antar segmen	(3,393,407)	(734,778)	6,537,193	(2,409,008)	-	-	-
Beban bunga antar segmen	112,552	34,482	(2,936,182)	2,789,148	-	-	-
Beban bunga dan bagi hasil syariah	(15,898)	(22,816)	(2,932,562)	(2,310,268)	(497,511)	-	(5,779,055)
Pendapatan bunga dan syariah segmen dilaporkan-bersih	3,024,241	716,642	1,371,704	1,971,878	3,539,963	-	10,624,428
Pendapatan operasional lainnya:							Other operating income:
Pendapatan operasional lainnya	191,230	184,367	582,837	222,225	21,893	(242,667)	959,885
Keuntungan dari selisih kurs dan transaksi derivatif - bersih	-	364	216,203	512,385	-	-	728,952
Pendapatan operasional lainnya	191,230	184,731	799,040	734,610	21,893	(242,667)	1,688,837
Beban operasional lainnya							Other operating expenses
Beban operasional lainnya	(1,664,679)	(1,014,018)	(1,872,546)	(739,838)	(1,592,032)	-	(6,883,113)
Cadangan kerugian penurunan nilai	(546,463)	(949,610)	(32,166)	(421,215)	(850,184)	-	(2,799,638)
Beban operasional lainnya	(2,211,142)	(1,963,628)	(1,904,712)	(1,161,053)	(2,442,216)	-	(9,682,751)
Pendapatan operasional lainnya - bersih	(2,019,912)	(1,778,897)	(1,105,672)	(426,443)	(2,420,323)	(242,667)	(7,993,914)
Pendapatan (beban) non-operasional	196	1,613	(3,827)	(76)	4,656	-	2,562
Laba (rugi) segmen sebelum pajak penghasilan	1,004,524	(1,060,641)	262,205	1,545,359	1,124,296	(242,667)	2,633,076
Beban pajak penghasilan	(205,164)	216,626	(53,553)	(315,626)	(269,682)	-	(627,399)
Laba (rugi) bersih	799,360	(844,015)	208,652	1,229,733	854,614	(242,667)	2,005,677

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39. SEGMENT OPERASI (lanjutan)

39. OPERATING SEGMENT (continued)

31 Desember/December 2020								
	Ritel/ Retail	UMKM/ MSME	Penghimpunan dana dan tresuri/ Funding and Treasury	Korporasi/ Corporate	Syariah/ Sharia	Penyesuaian dan eliminasi/ Adjustment and elimination	Konsolidasian/ Consolidated	
Aset							Assets	
Pinjaman/pembiayaan yang diberikan-bersih Pendapatan bunga/margin yang masih akan diterima dari pinjaman/ pembiayaan yang diberikan	33,873,551	12,161,412	-	78,081,955	8,673,376	-	132,790,294	Net loans/financing
Aset lain-lain Pendapatan bunga yang masih akan diterima	311,486	48,049	-	232,272	87,749	-	679,556	Accrued interest/ margin income from loans/ financing
	-	-	34,010,438	-	6,920,254	(225,225)	40,705,467	Other assets
	-	-	195,394	-	69,975	-	265,369	Accrued interest income
Jumlah aset yang dialokasikan	34,185,037	12,209,461	34,205,832	78,314,227	15,751,354	(225,225)	174,440,686	Total allocated assets
Aset yang tidak dialokasikan*							8,725,292	Unallocated assets*
Jumlah aset							183,165,978	Total assets
Liabilitas								Liabilities
Simpanan nasabah Beban bunga/bagi hasil yang masih harus dibayar	2,390,046	597,899	30,831,811	57,188,668	1,857,115	-	92,865,539	Customer deposits Undistributed revenue sharing
Liabilitas lain-lain	-	-	44,744,358	-	200,001	(225,938)	44,718,421	Other liabilities
Beban bunga yang masih harus dibayar	-	-	131,034	-	-	-	131,034	Accrued interest expenses
Jumlah liabilitas yang dialokasikan	2,390,046	597,899	75,975,587	57,188,668	2,075,781	(225,938)	138,002,043	Total allocated liabilities
Liabilitas yang tidak dialokasikan *							4,275,816	Unallocated liabilities*
Jumlah liabilitas							142,277,859	Total liabilities
Dana syirkah temporer	-	-	-	-	7,923,366	-	7,923,366	Temporary syirkah fund

*) Komponen yang tidak dapat dialokasikan terutama terdiri dari aset dan liabilitas pajak penghasilan, termasuk pajak kini dan pajak tangguhan, aset dan liabilitas derivatif, aset tetap, aset takberwujud, liabilitas lainnya dan akrual

*) Unallocated items mainly comprise of income tax assets and liabilities, including current and deferred taxes, derivative assets and liabilities, fixed assets, intangible assets, other liabilities and accruals



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39. SEGMENT OPERASI (lanjutan)

39. OPERATING SEGMENT (continued)

Tahun berakhir 31 Desember/Year ended 31 December 2019							
	Ritel/ Retail	UMKM/ MSME	Penghimpunan dana dan tresuri/ Funding and Treasury	Korporasi/ Corporate	Syariah/ Sharia	Penyesuaian dan eliminasi/ Adjustment and elimination	Konsolidasian/ Consolidated
Pendapatan dan beban operasional							Operating income and expenses
Pendapatan bunga dan syariah dari pihak eksternal	7,403,734	1,881,192	863,148	4,075,553	4,457,352	-	18,680,979
Pendapatan bunga antar segmen	(4,122,229)	(1,116,614)	8,265,398	(3,026,555)	-	-	-
Beban bunga antar segmen	127,688	37,365	(3,811,466)	3,646,413	-	-	-
Beban bunga dan bagi hasil syariah	(18,430)	(16,034)	(3,955,028)	(3,176,205)	(523,587)	-	(7,689,284)
Pendapatan bunga dan syariah segmen dilaporkan-bersih	3,390,763	785,909	1,362,052	1,519,206	3,933,765	-	10,991,695
Pendapatan operasional lainnya:							Other operating income:
Pendapatan operasional lainnya	273,739	272,816	222,683	246,114	17,742	(1,060)	1,032,034
Keuntungan dari selisih kurs dan transaksi derivatif - bersih	-	-	85,314	499,230	-	-	584,544
Pendapatan operasional lainnya	273,739	272,816	307,997	745,344	17,742	(1,060)	1,616,578
Beban operasional lainnya							Other operating expenses
Beban operasional lainnya	(1,829,251)	(1,011,711)	(1,827,378)	(701,551)	(1,761,041)	1,060	(7,129,872)
Cadangan kerugian penurunan nilai	(483,712)	(564,473)	(6,537)	(81,758)	(309,402)	-	(1,445,882)
Beban operasional lainnya	(2,312,963)	(1,576,184)	(1,833,915)	(783,309)	(2,070,443)	1,060	(8,575,754)
Beban non-operasional - bersih	(6,055)	(97)	(4,630)	-	(2,815)	-	(13,597)
Laba segmen sebelum pajak penghasilan	1,345,484	(517,556)	(168,496)	1,481,241	1,878,249	-	4,018,922
Beban pajak penghasilan	(344,366)	132,464	43,126	(379,112)	(478,616)	-	(1,026,504)
Laba (rugi) bersih	1,001,118	(385,092)	(125,370)	1,102,129	1,399,633	-	2,992,418

31 Desember/December 2019							
	Ritel/ Retail	UMKM/ MSME	Penghimpunan dana dan tresuri/ Funding and Treasury	Korporasi/ Corporate	Syariah/ Sharia	Penyesuaian dan eliminasi/ Adjustment and elimination	Konsolidasian/ Consolidated
Aset							Assets
Pinjaman/pembiayaan yang diberikan-bersih	41,051,406	15,019,353	-	75,514,770	8,707,455	-	140,292,984
Pendapatan bunga/margin yang masih akan diterima dari pinjaman/pembiayaan yang diberikan	373,606	68,661	-	295,491	89,601	-	827,359
Aset lain-lain	-	-	25,932,578	-	5,929,356	1,244,387	30,617,547
Pendapatan bunga yang masih akan diterima	-	-	33,615	-	88,846	-	122,461
Jumlah aset yang dialokasikan	41,425,012	15,088,014	25,966,193	75,810,261	14,815,258	(1,244,387)	171,860,351
Aset yang tidak dialokasikan*							9,771,034
Jumlah aset							181,631,385

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39. SEGMENT OPERASI (lanjutan)

39. OPERATING SEGMENT (continued)

31 Desember/December 2019							
Ritel/ Retail	UMKM/ MSME	Penghimpunan dana dan treasury/ Funding and Treasury	Korporasi/ Corporate	Syariah/ Sharia	Penyesuaian dan eliminasi/ Adjustment and elimination	Konsolidasian/ Consolidated	
Liabilitas							Liabilities
Simpanan nasabah	2,501,285	625,497	27,612,593	46,753,556	1,895,885	-	79,388,816
Beban bunga/bagi hasil yang masih harus dibayar	-	-	210,601	-	21,861	-	232,462
Liabilitas lain-lain	-	-	58,936,647	-	-	(26,202)	58,910,445
Beban bunga yang masih harus dibayar	-	-	231,143	-	-	-	231,143
Jumlah liabilitas yang dialokasikan	2,501,285	625,497	86,990,984	46,753,556	1,917,746	(26,202)	138,762,866
Liabilitas yang tidak dialokasikan *							3,845,927
Jumlah liabilitas						142,608,793	Total liabilities
Dana syirkah temporer						7,550,664	Temporary syirkah fund

*) Komponen yang tidak dapat dialokasikan terutama terdiri dari aset dan liabilitas pajak penghasilan, termasuk pajak kini dan pajak tangguhan, aset dan liabilitas derivatif, aset tetap, aset takberwujud, liabilitas lainnya dan akrual

*) Unallocated items mainly comprise of income tax assets and liabilities, including current and deferred taxes, derivative assets and liabilities, fixed assets, intangible assets, other liabilities and accruals

Berdasarkan informasi geografis

Pada tanggal 31 Desember 2020, segmen berdasarkan geografis terdiri dari 84 cabang (tidak diaudit) yang terbagi menjadi 4 area yaitu Jawa, Sumatera, Bali dan Nusa Tenggara, serta, Kalimantan dan Sulawesi (2019: 84 cabang) (tidak diaudit).

Segmen informasi berdasarkan geografis adalah sebagai berikut:

Geographical information

As of 31 December 2020, geographical segment consists of 84 branches (unaudited) that are located into 4 areas, which are Java, Sumatera, Bali and Nusa Tenggara, also Kalimantan and Sulawesi (2019: 84 branches) (unaudited).

Information concerning geographical segments is as follows:

	Jawa/ Java	Sumatera	Bali dan/and Nusa Tenggara	Kalimantan dan/and Sulawesi	Penyesuaian dan eliminasi/ Adjustment and elimination	Konsolidasian/ Consolidated	
31 Desember 2020							31 December 2020
Pendapatan bunga	11,982,391	2,321,780	521,456	1,577,856	-	16,403,483	Interest income
Jumlah aset	161,025,536	11,339,864	2,854,985	9,392,664	(1,447,071)	183,165,978	Total assets
31 Desember 2019							31 December 2019
Pendapatan bunga	13,836,605	2,578,295	559,429	1,706,650	-	18,680,979	Interest income
Jumlah aset	161,187,248	9,015,603	2,751,014	9,921,907	(1,244,387)	181,631,385	Total assets



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40. LABA BERSIH PER SAHAM

40. EARNINGS PER SHARE

a. Laba per saham dasar

a. Basic earnings per share

	31 Desember/December		
	2020	2019	
Jumlah laba per saham dasar yang tersedia bagi pemegang saham biasa Bank	217	327	Total basic earnings per share attributable to the ordinary equity holders of the Bank

b. Laba per saham dilusian

b. Diluted earnings per share

	31 Desember/December		
	2020	2019	
Jumlah laba per saham dilusian yang tersedia bagi pemegang saham biasa Bank	217	324	Total diluted earnings per share attributable to the ordinary equity holders of the Bank

c. Laba yang digunakan dalam perhitungan laba per saham

c. Earnings used in calculating earnings per share

	31 Desember/December		
	2020	2019	
<u>Laba per saham dasar</u>			<u>Basic earnings per share</u>
Laba yang tersedia bagi pemegang saham biasa Bank yang digunakan dalam perhitungan laba per saham dasar	1,749,293	2,572,528	Profit attributable to the ordinary equity holders of the Bank used in calculating basic earnings per share
<u>Laba per saham dilusian</u>			<u>Diluted earnings per share</u>
Laba yang tersedia bagi pemegang saham biasa Bank yang digunakan dalam perhitungan laba per saham dilusian	1,749,293	2,572,528	Profit attributable to the ordinary equity holders of the Bank used in calculating diluted earnings per share

d. Jumlah rata-rata tertimbang saham yang digunakan sebagai penyebut

d. Weighted average number of shares used as the denominator

	31 Desember/December		
	2020	2019	
Jumlah rata-rata tertimbang saham yang digunakan sebagai penyebut dalam perhitungan laba per saham dasar	8,053,732,969	7,858,627,916	Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share
Penyesuaian untuk perhitungan laba per saham dilusian:			Adjustments for calculation of diluted earnings per share:
- Opsi saham (Catatan 28)	-	90,910,000	Share options (Note 28) -
Jumlah rata-rata tertimbang saham yang digunakan sebagai penyebut dalam perhitungan laba per saham dilusian	8,053,732,969	7,949,537,916	Weighted average number of ordinary shares used as the denominator in calculating diluted earnings per share

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**41. PERJANJIAN KERJASAMA, KONTRAK DAN
KOMITMEN YANG SIGNIFIKAN**

a. PT Taspen (Persero)

Sejak tahun 2007, Bank telah bekerja sama dengan PT Taspen (Persero) dimana Bank menjadi salah satu mitra untuk penanganan pembayaran uang pensiun kepada para pensiunan pegawai Pemerintah.

b. PT Pos Indonesia (Persero)

Sejak bulan Maret 2012 Bank telah bekerja sama dengan PT Pos Indonesia (Persero) dimana PT Pos Indonesia (Persero) membantu Bank dalam melakukan pemotongan uang pensiun para pegawai Pemerintah untuk angsuran kredit pensiun dan memasarkan produk kredit pensiun Bank.

Perjanjian kerjasama Bank dengan PT Pos Indonesia (Persero) diperbaharui secara berkala dan berdasarkan perjanjian terakhir kerjasama ini akan terus berlangsung sampai dengan bulan Juli 2022. Pada tahun 2020 dan 2019, Bank membayarkan komisi kepada PT Pos Indonesia (Persero) masing-masing sebesar Rp 90.807 dan Rp 97.613, terkait dengan kerjasama ini.

c. Perjanjian pembiayaan bersama

PT Home Credit Indonesia

Pada bulan Juni 2014, Bank melakukan kerjasama pembiayaan bersama (tanpa tanggung renteng) dengan PT Home Credit Indonesia ("HCI"). Berdasarkan perjanjian kerjasama ini, porsi fasilitas pembiayaan yang akan diberikan untuk debitur adalah maksimum 90% dari Bank dan minimum 10% dari pihak HCI.

Pada tanggal 31 Desember 2020 dan 2019, Bank menyediakan fasilitas pembiayaan bersama sebesar Rp 4.200.000.

PT Finansia Multi Finance

Pada bulan Desember 2018, Bank melakukan kerjasama pembiayaan bersama (tanpa tanggung renteng) dengan PT Finansia Multi Finance ("Finansia"). Dalam kerjasama ini, porsi fasilitas pembiayaan yang akan diberikan adalah maksimum 90% dari Bank dan minimum 10% dari pihak Finansia. Fasilitas maksimum pembiayaan bersama adalah sebesar Rp 500.000. Jangka waktu perjanjian adalah untuk 3 (tiga) tahun, terhitung mulai tanggal 13 Desember 2018 hingga 13 Desember 2021.

**41. SIGNIFICANT AGREEMENTS, CONTRACTS AND
COMMITMENTS**

a. PT Taspen (Persero)

Since 2007, the Bank has been cooperating with PT Taspen (Persero) in which the Bank become one of the partners for handling the payments of pension to retired government employees.

b. PT Pos Indonesia (Persero)

Since March 2012 the Bank has been cooperating with PT Pos Indonesia (Persero) in which PT Pos Indonesia (Persero) assists the Bank in deducting the pension benefits of retired government employees for pension loan installments and marketing the Bank's pension loan products.

The Bank's cooperation agreement with PT Pos Indonesia (Persero) is renewed regularly and based on the latest agreement, the cooperation will be continuing until July 2022. In 2020 and 2019, the Bank paid commissions to PT Pos Indonesia (Persero) amounting to Rp 90,807 and Rp 97,613, respectively, in regards for this cooperation.

c. Joint financing agreements

PT Home Credit Indonesia

In June 2014, the Bank entered into a joint financing arrangement (without recourse) with PT Home Credit Indonesia ("HCI"). Based on the agreement, the amount of funds to be financed by each party will be a maximum of 90% from the Bank and a minimum of 10% from HCI.

As of 31 December 2020 and 2019, the Bank provided joint financing facilities of Rp 4,200,000.

PT Finansia Multi Finance

In December 2018, the Bank entered into a joint financing arrangement (without recourse) with PT Finansia Multi Finance ("Finansia"). Based on the agreement, the amount of funds to be financed by each party will be a maximum of 90% from the Bank and minimum of 10% from Finansia. The maximum joint financing facility is amounted to Rp 500,000. The term of the agreement is for 3 (three) years, from 13 December 2018 to 13 December 2021.



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**41. PERJANJIAN KERJASAMA, KONTRAK DAN
KOMITMEN YANG SIGNIFIKAN (lanjutan)**

**41. SIGNIFICANT AGREEMENTS, CONTRACTS AND
COMMITMENTS (continued)**

**d. Perjanjian Kerjasama Jasa Pemasaran dan
Administrasi Produk BTPN**

**d. Marketing and Administration Services for
BTPN Product Agreement**

PT Oto Multiartha

PT Oto Multiartha

Pada bulan Agustus 2015, Bank melakukan kerjasama dengan PT Oto Multiartha ("OMA"). Dalam kerjasama ini, OMA akan membantu memasarkan dan mengadministrasi produk pinjaman Bank. Seluruh sumber dana pinjaman berasal dari Bank. Perjanjian akan direviu setiap tahun, terhitung mulai tanggal 31 Agustus 2015.

In August 2015, the Bank entered into agreement with PT Oto Multiartha ("OMA"). Based on the agreement, OMA would assist to market and administer the Bank's loan product. All source of funds for the loans will come from the Bank. Agreement will be reviewed every year, starting from 31 August 2015.

Untuk tahun yang berakhir pada tanggal 31 Desember 2020 dan 2019, imbalan yang dibayarkan kepada OMA masing-masing sebesar Rp 14.494 dan Rp 20.617.

For the years ended 31 December 2020 and 2019, the fees that were paid to OMA were Rp 14,494 and Rp 20,617, respectively.

PT Summit Oto Finance

PT Summit Oto Finance

Pada bulan Agustus 2015, Bank melakukan kerjasama dengan PT Summit Oto Finance ("SOF"). Dalam kerjasama ini, SOF akan membantu memasarkan dan mengadministrasi produk pinjaman Bank. Seluruh sumber dana pinjaman berasal dari Bank. Perjanjian akan direviu setiap 3 (tiga) tahun, terhitung mulai tanggal 4 Mei 2018.

In August 2015, the Bank entered into agreement with PT Summit Oto Finance ("SOF"). Based on the agreement, SOF would assist to market and administer the Bank's loan product. All source of funds for the loans will come from the Bank. Agreement will be reviewed every 3 (three) years, starting from 4 May 2018.

Untuk tahun yang berakhir pada tanggal 31 Desember 2020 dan 2019, imbalan yang dibayarkan kepada SOF masing-masing sebesar Rp 10.439 dan Rp 8.908.

For the years ended 31 December 2020 and 2019, the fees that were paid to SOF were Rp 10,439 and Rp 8,908, respectively.

e. Perjanjian Kerjasama Bancassurance

e. Bancassurance Agreement

Pada bulan Agustus 2014, Bank melakukan kerjasama bancassurance dengan PT Asuransi Allianz Life Indonesia ("Allianz"). Bank akan mendistribusikan produk-produk asuransi jiwa dari Allianz kepada nasabah Bank melalui seluruh jalur distribusi Bank. Perjanjian ini berlaku selama 10 tahun.

In August 2014, the Bank entered into a bancassurance agreement with PT Asuransi Allianz Life Indonesia ("Allianz"). The Bank will distribute life insurance products of Allianz to its customers through the Bank's distribution channels. The agreement is effective for 10 years.

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41. PERJANJIAN KERJASAMA, KONTRAK DAN KOMITMEN YANG SIGNIFIKAN (lanjutan)

f. Komitmen signifikan lainnya

Bank menyewa kantor dengan perjanjian sewa yang tidak dapat dibatalkan. Masa sewa antara lima dan sebelas tahun dengan mayoritas perjanjian jasa dapat diperbarui pada akhir periode dengan harga pasar. Bank diharuskan memberitahukan enam bulan lebih awal apabila berniat mengakhiri perjanjian sewa. Beban terkait transaksi sewa yang dibebankan pada laba rugi selama tahun berjalan diungkapkan dalam Catatan 34.

Berikut ini adalah pihak-pihak yang mengadakan perjanjian sewa dengan Bank:

Pihak dalam perjanjian/ Counterparties	Item yang disewa/ Leased items	Periode perjanjian/ Period of agreement
PT Wiratara Prima	Ruang Kantor/Office Space	8 Juni/June 2020 – 7 Desember/December 2021
PT Bumi Serpong Damai	Ruang Kantor/Office Space	1 Februari/February 2020 – 1 September/September 2023
PT Bahana Semesta Citra Nusantara	Ruang Kantor/Office Space	5 Oktober/October 2015 – 14 Maret/March 2027

Jumlah pembayaran sewa minimum di masa depan dalam perjanjian sewa operasi yang tidak dapat dibatalkan adalah sebagai berikut:

	31 Desember/December		
	2020	2019	
Hingga 1 tahun	32,500	121,876	Up to 1 year
Lebih dari 1 - 5 tahun	155,213	148,770	More than 1 - 5 years
Lebih dari 5 tahun	410,280	396,986	More than 5 years
	<u>597,993</u>	<u>667,632</u>	

f. Other significant commitment

The Bank leases offices under non-cancellable lease agreements. The lease terms are between five and eleven years, and the majority of lease agreements are renewable at the end of the lease period at the market rate. The Bank is required to give a six-month notice for the termination of these agreements. The expenses related with lease transactions charged to the profit or loss during the year was disclosed in Note 34.

The following are counterparties of the Bank's lease commitments:

The future aggregate minimum lease payments under non-cancellable operating leases were as follows:

42. MANAJEMEN RISIKO KEUANGAN

Kerangka manajemen risiko

Bank mengutamakan penerapan manajemen risiko baik pada Bank dan Entitas Anak. Bank memiliki segmen yang lengkap mulai dari segmen pinjaman dengan plafond kecil di BTPN Syariah (Entitas Anak), Pensiun, MUR (mikro), SME, Komersial sampai dengan Korporasi. Dalam hal konsentrasi portofolio, segmen Korporasi menjadi portofolio terbesar yaitu di kisaran 58% pada posisi 31 Desember 2020 diikuti oleh segmen Pensiunan di kisaran 23%.

Pengembangan manajemen risiko keuangan di Bank dan Entitas Anak berpedoman pada peraturan OJK yang mengatur penerapan manajemen risiko bagi bank umum serta dokumentasi *Basel Accord II* yang diterbitkan oleh *Basel Committee of Banking Supervision*.

42. FINANCIAL RISK MANAGEMENT

Risk management framework

The Bank focuses on the risk management implementation for the Bank and Subsidiary. The Bank has complete segments starting from loans with small limit at BTPN Syariah (Subsidiary), Pension, MUR (micro), SME, Commercial up to Corporate segment. In term of portfolio concentration, Corporate segment is the largest portfolio at around 58% as of 31 December 2020 followed by Pensioners segment at around 23%.

Financial risk management development in the Bank and Subsidiary is guided by OJK regulations which govern risk management implementation by commercial banks operating in Indonesia, as well as *Basel Accord II* documentation issued by the *Basel Committee of Banking Supervision*.



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42. MANAJEMEN RISIKO KEUANGAN (lanjutan)

Kerangka manajemen risiko (lanjutan)

Kerangka manajemen risiko Bank dan Entitas Anak diimplementasikan melalui kebijakan-kebijakan, prosedur, limit-limit transaksi dan kewenangan, toleransi risiko serta perangkat manajemen risiko. Bank dan Entitas Anak melakukan pengembangan manajemen risiko secara berkesinambungan sesuai dengan meningkatnya kompleksitas bisnis dan perkembangan organisasi, strategi dan manajemen sistem informasi.

Penerapan manajemen risiko mencakup:

- Pengawasan aktif Dewan Komisaris dan Direksi
- Kecukupan kebijakan, prosedur dan penetapan limit
- Kecukupan proses identifikasi, pengukuran, pemantauan dan pengendalian risiko serta sistem informasi manajemen risiko
- Pengendalian internal yang menyeluruh

Organisasi manajemen risiko Bank dan Entitas Anak melibatkan pengawasan dari Dewan Komisaris dan Direksi. Bank dan Entitas Anak telah membentuk Komite Pemantauan Risiko sebagai pengawas tertinggi di tingkat komisaris dan Komite Manajemen Risiko di tingkat direktur yang merupakan bagian yang sangat penting dalam pengendalian risiko, sebagai unit kontrol yang memantau seluruh risiko yang terdapat pada kegiatan operasional Bank dan Entitas Anak.

Sejalan dengan ketentuan OJK terkait dengan manajemen risiko terintegrasi, setelah proses penggabungan, Bank ditunjuk oleh pemegang saham mayoritas sebagai Entitas Utama Konglomerasi Keuangan SMBC dengan Entitas Anak sebagai anggota dalam melakukan penerapan manajemen risiko terintegrasi. Dengan menjadi Entitas Utama, maka Direktur Manajemen Risiko Bank menjadi Pimpinan dari Komite Manajemen Risiko Terintegrasi.

Komite Audit Bank memiliki tanggung jawab untuk memantau kepatuhan terhadap kebijakan dan prosedur manajemen risiko dan untuk menelaah kecukupan kerangka manajemen risiko yang terkait dengan risiko-risiko yang dihadapi oleh Bank. Dalam menjalankan fungsinya ini, Komite Audit dibantu oleh Divisi Internal Audit.

Risiko yang timbul dari instrumen keuangan Bank dan Entitas Anak adalah risiko keuangan, termasuk diantaranya adalah risiko kredit dan pembiayaan, risiko likuiditas, risiko pasar dan risiko operasional.

42. FINANCIAL RISK MANAGEMENT (continued)

Risk management framework (continued)

The Bank and Subsidiary's risk management framework is implemented through policies, procedures, transactions and authorisation limits, risk tolerance as well as risk management tools. The Bank and Subsidiary carry out continuous risk management development in line with the increasing business complexity and the development organisation, strategies and management information systems.

Implementation of risk management covers:

- *Active supervision from Board of Commissioners and Board of Directors*
- *Sufficient policies, procedures and limit sets*
- *Sufficient process of identification, measurement, risk oversight and control and risk management information*
- *Overall internal control system*

The risk management organisation of the Bank and Subsidiary involves the oversight from the Board of Commissioners and Board of Directors. The Bank and Subsidiary have established Risk Monitoring Committee as the highest risk authority in the commissioner level and Risk Management Committee at the director level, which constitutes a crucial element in risk control, as a control unit to monitor all of the risks in the Bank and Subsidiary's operating activities.

In line with the prevailing OJK regulation regarding integrated risk management, after the merger, the Bank is appointed by majority shareholders as the Primary Entity of SMBC Financial Conglomerate and Subsidiary as a member in conducting integrated risk management. As the Primary Entity, Bank's Risk Management Director became the leader of the Integrated Risk Management Committee.

The Bank's Audit Committee is responsible for monitoring compliance with risk management policies and procedures and for reviewing the adequacy of the risk management framework in relation to the risks faced by the Bank. In performing the role, the Audit Committee is assisted by Internal Audit Division.

The risks arising from the Bank and Subsidiary's financial instruments are financial risks, which include credit and financing risk, liquidity risk, market risk and operational risk.

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42. MANAJEMEN RISIKO KEUANGAN (lanjutan)

Kerangka manajemen risiko (lanjutan)

Entitas Anak telah menerapkan manajemen risiko, antara lain dengan membentuk unit risiko pada Entitas Anak. Manajemen risiko pada Entitas Anak secara operasional dilakukan terpisah dari unit bisnis dan menjalankan fungsinya secara independen. Untuk mendukung penerapan manajemen risiko, pada struktur organisasi Entitas Anak juga dibentuk Komite Audit yang memiliki tanggung jawab untuk memantau kepatuhan terhadap kebijakan dan prosedur manajemen risiko secara berkala, dan untuk menelaah kecukupan kerangka manajemen risiko yang terkait dengan risiko-risiko yang dihadapi oleh Entitas Anak.

Disamping itu, Dewan Komisaris dan Direksi pada Entitas Anak secara aktif juga melakukan pemantauan, dan evaluasi terhadap pengendalian internal melalui laporan-laporan untuk digunakan sebagai dasar untuk merumuskan dan mengembangkan kebijakan yang tepat pada Entitas Anak.

Bank selaku Entitas Induk telah menerapkan manajemen risiko konsolidasian sesuai ketentuan OJK. Penerapan manajemen risiko konsolidasian antara lain mencakup laporan perhitungan Kecukupan Penyediaan Modal Minimum (KPMM) konsolidasian, Batas Maksimum Pemberian Kredit (BMPK) konsolidasian, laporan Profil Risiko konsolidasian, Tingkat Kesehatan Bank (*Risk-Based Bank Rating*) konsolidasian dan *Internal Capital Adequacy Assessment Process* (ICAAP) konsolidasian.

Risiko kredit

Risiko kredit adalah risiko kerugian keuangan yang timbul jika nasabah, klien atau rekanan Bank dan Entitas Anak gagal memenuhi kewajiban kontraktualnya kepada Bank dan Entitas Anak. Risiko kredit terutama berasal dari pinjaman yang diberikan dan pembiayaan/piutang syariah.

Bank juga terekspos risiko kredit yang muncul dari investasi pada surat berharga utang (efek-efek).

42. FINANCIAL RISK MANAGEMENT (continued)

Risk management framework (continued)

Subsidiary has implemented risk management, among others by establishing a risk unit in Subsidiary. Risk management in Subsidiary is operating separately from the business unit and conducting its function independently. To support the implementation of risk management, the Subsidiary has established Audit Committee in their organisational structure, which has responsibility to monitor the compliance of risk management policies and procedures on a regular basis, and to analyse the adequacy of risk management framework which related to the risks faced by the Subsidiary.

In addition, the Subsidiary's Board of Commissioners and Board of Directors actively monitor and evaluate the internal controls, through the reports, as a basis in formulating and developing appropriate policies for the Subsidiary.

As the Parent Entity, the Bank has implemented consolidated risk management in accordance with OJK regulation. The Implementation of consolidated risk management among others include report of consolidated minimum Capital Adequacy Ratio (CAR), Legal Lending Limit (LLL), risk profile, Risk-Based Bank Rating and Internal Capital Adequacy Assessment Process (ICAAP).

Credit risk

Credit risk is the risk of financial loss, should any of the Bank and Subsidiary customers, clients or counterparties fail to fulfill their contractual obligations to the Bank and Subsidiary. Credit risk arises mainly from loans and sharia financing/receivables.

The Bank is also exposed to credit risks arising from investment in debt securities (securities).



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42. MANAJEMEN RISIKO KEUANGAN (lanjutan)

42. FINANCIAL RISK MANAGEMENT (continued)

Risiko kredit (lanjutan)

Credit risk (continued)

(i) Manajemen risiko kredit

(i) Credit risk management

Bank melakukan kaji ulang atas kebijakan kredit secara periodik terutama jika terdapat perubahan kondisi perekonomian, perubahan peraturan dan/atau pendekatan bisnis.

The Bank reviews the credit policies periodically, especially if there are any changes in market conditions, changes in regulations and/or business approach.

Batas pemberian kredit ditetapkan dan ditelaah mengikuti perubahan pada kondisi pasar dan ekonomi. Penelaahan kredit secara periodik dan penilaian atas kemungkinan wanprestasi juga dilakukan. Proses persetujuan kredit dilakukan melalui komite kredit dan kewenangan kredit sebagaimana ditetapkan.

Lending limits are set and reviewed in the light of changing market and economic conditions. Periodic credit reviews and assessments of probability of default are also conducted. Credit approval is processed by credit committee and credit authority as determined.

Bank dan Entitas Anak mengelola dan mengawasi secara aktif kualitas portofolio pinjaman yang diberikan dengan cara meningkatkan kebijakan manajemen risiko kredit dan pembiayaan secara efektif, penyempurnaan prosedur dan pengembangan sistem.

The Bank and Subsidiary actively manage and monitor the loan portfolio quality by improving credit and financing risk management policies effectively, improving procedures and systems development.

Sistem Informasi Manajemen telah tersedia dan akan terus dikembangkan serta telah mencakup tingkat yang cukup rinci untuk mendeteksi setiap perkembangan yang kurang baik sedini mungkin sehingga memungkinkan dilakukannya tindakan yang tepat waktu untuk mengatasi kemungkinan penurunan kualitas kredit atau untuk meminimalisasi kerugian kredit.

Management Information Systems (MIS) are in place and continuously developed and have covered sufficient level of detail to detect any adverse development at an early stage, allowing timely measurement to be taken to counteract any possible deterioration in credit quality or to minimise credit losses.

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42. MANAJEMEN RISIKO KEUANGAN (lanjutan)

42. FINANCIAL RISK MANAGEMENT (continued)

Risiko kredit (lanjutan)

Credit risk (continued)

(i) Manajemen risiko kredit (lanjutan)

(i) Credit risk management (continued)

Manajemen risiko kredit atas pandemi COVID-19

Credit risk management in COVID-19 pandemic

Merebaknya pandemi COVID-19 berdampak pada kemampuan membayar kembali oleh debitur. Dampak keuangan langsung dari wabah tersebut bagi industri perbankan adalah peningkatan ECL, yang disebabkan oleh peningkatan risiko kredit dan penurunan kualitas pinjaman.

The outbreak of the COVID-19 pandemic has had an impact on the ability to repay debtors. Immediate financial impact of the outbreak on the banking industry is an increase in ECL, driven by increase in credit risk of the customers and deterioration of loan quality.

Bank telah melakukan upaya penanganan dalam menjaga stabilitas dan mitigasi dampak dari pandemi tersebut antara lain:

The Bank has made an effort to handle this issue to maintain stability and to mitigate impact of pandemic as follows:

1. Bank telah membuat kebijakan dalam penerapan restrukturisasi untuk debitur-debitur yang terdampak COVID-19 sesuai dengan ketentuan OJK.
2. Bank memberikan relaksasi atau restrukturisasi kredit di seluruh segmen terhadap debitur-debitur yang mengalami dampak penyebaran COVID-19 sesuai dengan POJK No. 11/POJK.03/2020 tentang Stimulus Perekonomian Nasional sebagai Kebijakan *Countercyclical* Dampak Penyebaran *Corona Virus Disease 2019* (Catatan 11o).
3. Bank juga fokus pada kualitas portofolio melalui pemilihan pencairan yang hati-hati dan aktivitas pemeliharaan hubungan pelanggan yang aktif.
4. Bank telah membuat kebijakan dalam mendukung program Pemulihan Ekonomi Nasional (PEN) yang dirilis oleh Pemerintah melalui program penjaminan kredit dan subsidi bunga kepada debitur usaha mikro, usaha kecil dan usaha menengah (UMKM) sesuai kriteria yang ditetapkan pemerintah. Bank telah menandatangani Perjanjian Kerjasama dengan PT Jaminan Kredit Indonesia (Jamkrindo); namun pada tanggal 31 Desember 2020 Bank belum mendaftarkan pinjaman untuk diasuransikan pada Jamkrindo.

1. *The Bank has prepared the policy in implementing restructuring for debtors who affected by COVID-19 in accordance with OJK regulations.*
2. *The Bank provides relaxation or credit restructuring for debtors in all segments who have experienced the impact of the spread of COVID-19 in accordance with POJK No. 11/POJK.03/2020 concerning National Economic Stimulus as a Countercyclical Policy on the Impact of the Corona Virus Disease 2019 Spread (Note 11o).*
3. *The Bank also focuses on portfolio quality through prudent selection of disbursement and actively maintaining the relationship with customers.*
4. *The Bank has made policies to support the National Economic Recovery program released by the Government through a credit guarantee program and interest subsidies for micro, small and medium enterprise (MSME) borrowers according to the criteria set by the government. The Bank has signed an Collective Agreement with PT Jaminan Kredit Indonesia (Jamkrindo); however, as of 31 December 2020 the Bank has not registered any loans for the insurance with Jamkrindo.*



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42. MANAJEMEN RISIKO KEUANGAN (lanjutan)

42. FINANCIAL RISK MANAGEMENT (continued)

Risiko kredit (lanjutan)

Credit risk (continued)

(i) Manajemen risiko kredit (lanjutan)

(i) Credit risk management (continued)

Manajemen risiko kredit atas pandemi COVID-19 (lanjutan)

Credit risk management in COVID-19 pandemic (continued)

Bank membentuk cadangan kerugian penurunan nilai pinjaman yang diberikan yang lebih tinggi karena meningkatnya risiko kredit karena pandemi COVID-19 (Catatan 11g). Selain itu, sebagai respon terhadap ketidakpastian keadaan ekonomi dan usaha, Bank melakukan pengkinian data variabel makroekonomi (model parameter) yang digunakan dalam model *forward-looking*, yang menjadi memburuk dari sebelumnya, dan menyebabkan kenaikan cadangan kerugian penurunan nilai pinjaman yang diberikan sebesar Rp 262.197 (Catatan 11g).

The Bank recognised higher allowance for impairment losses on loans due to increase in credit risk following COVID-19 pandemic (Note 11g). Moreover, in respond to uncertain economic and business conditions, the Bank has updated its macroeconomic variable projections data (model parameter) used in the forward looking model, which becoming worse than before, and increased the allowance for impairment losses of loans by Rp 262,197 (Notes 11g).

Demikian halnya dengan Entitas Anak, dalam masa pandemi, Entitas Anak membantu nasabah yang usahanya terdampak pandemi COVID-19, melalui program relaksasi sesuai POJK No. 11/POJK.03/2020. Entitas Anak juga berpartisipasi dalam program Pemulihan Ekonomi Nasional sesuai dengan kebijakan pemerintah untuk membantu segmen usaha mikro yang terdampak.

As well as with the Subsidiary, during the pandemic period, Subsidiary supports customers whose business impacted by the COVID-19 pandemic with relaxation program, in accordance to POJK No. 11//POJK.03/2020. The Subsidiary also participates in National Economic Recovery program as imposed by the government to support micro business segment impacted by the pandemic.

Entitas Anak membentuk cadangan kerugian penurunan nilai piutang murabahah yang lebih tinggi karena meningkatnya risiko kredit atas piutang murabahah tersebut. Entitas Anak menggunakan metode vintage analysis untuk menentukan cadangan kerugian penurunan nilai dari nasabah yang telah direstrukturisasi.

The Subsidiary recognised higher allowance for impairment losses on the murabahah receivables due to increase in credit risk of the murabahah receivables. The Subsidiary used vintage analysis method to determine the allowance for impairment losses on restructured murabahah receivables.

Dalam rangka implementasi Program Pemulihan Ekonomi Nasional (PEN) sesuai dengan Peraturan Menteri Keuangan Republik Indonesia (PMK) No. 71/PMK.08/2020 tanggal 23 Juni 2020 tentang Tata Cara Penjaminan Pemerintah Melalui Badan Usaha Penjaminan Yang Ditunjuk Dalam Rangka Pelaksanaan Program Pemulihan Ekonomi Nasional, Entitas Anak telah berpartisipasi dengan menjadi peserta penjaminan. Pada tanggal 31 Desember 2020, piutang murabahah sebesar Rp 2.649.104 telah dijamin oleh Badan Usaha Penjaminan yang ditunjuk yaitu PT Penjaminan Jamkrindo Syariah dan PT Jaminan Pembiayaan Askrindo Syariah.

In conjunction with the implementation of National Economic Recovery Program (PEN) in accordance with the Minister of Finance of Republic of Indonesia Regulation (PMK) No. 71/PMK.08/2020 dated 23 June 2020 concerning Government Guarantee Procedures through Designated Guarantee Company in conjunction with the Implementation of National Economic Recovery Program, the Subsidiary has participated as guarantee participant. As of 31 December 2020, murabahah receivables amounting to Rp 2,649,104 were guaranteed by the designated Guarantee Company which are PT Penjaminan Jamkrindo Syariah and PT Jaminan Pembiayaan Askrindo Syariah.

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42. MANAJEMEN RISIKO KEUANGAN (lanjutan)

Risiko kredit (lanjutan)

(i) Manajemen risiko kredit (lanjutan)

Agunan

Bank menerapkan berbagai kebijakan dan praktik untuk memitigasi risiko kredit, Bank menerapkan berbagai panduan atas jenis-jenis agunan yang dapat diterima dalam rangka memitigasi risiko kredit. Jenis-jenis agunan atas pinjaman yang diberikan antara lain adalah:

- Kas/Deposito
- Tanah dan/atau Bangunan
- Kendaraan
- Mesin
- Persediaan
- Piutang

Untuk kredit korporasi, Bank mendapatkan jaminan dalam bentuk *standby letters of credit* dari bank afiliasi untuk membatasi risiko kredit bank. Bank juga menyediakan bank garansi kepada nasabahnya yang mengharuskan Bank melakukan pembayaran untuk kepentingan mereka. Hal ini menyebabkan Bank menghadapi risiko yang sama dengan kredit yang diberikan dan risiko tersebut juga dimitigasi dengan prosedur dan kebijakan yang sama.

Selain agunan yang disebutkan di atas, agunan yang diterima untuk kredit korporasi terutama terdiri dari jaminan yang diterima dari perusahaan induk debitur, penjaminan kredit korporasi dan entitas publik lainnya, lembaga keuangan dan perusahaan lain serta jaminan berupa efek-efek.

Porsi kredit yang diberikan yang mendapatkan manfaat dari agunan, baik sebagian maupun penuh, sebagai mitigasi dari risiko kredit pada tanggal 31 Desember 2020 dan 2019 masing-masing sebesar 46,57% dan 41,02% dari jumlah kredit yang diberikan.

(ii) Eksposur maksimum risiko kredit (tanpa memperhitungkan agunan dan perlindungan kredit lainnya)

Untuk aset keuangan yang diakui di laporan posisi keuangan konsolidasian, eksposur maksimum terhadap risiko kredit sama dengan nilai tercatatnya. Untuk bank garansi dan *irrevocable L/C* yang diterbitkan, eksposur maksimum terhadap risiko kredit adalah nilai yang harus dibayarkan oleh Bank jika kewajiban atas bank garansi dan *irrevocable L/C* yang diterbitkan terjadi. Untuk komitmen kredit, eksposur maksimum atas risiko kredit adalah sebesar jumlah komitmen fasilitas kredit (*committed*) yang belum digunakan oleh nasabah.

42. FINANCIAL RISK MANAGEMENT (continued)

Credit risk (continued)

(i) Credit risk management (continued)

Collaterals

The Bank employs a range of policies and practices to mitigate credit risk. The Bank implements guidelines on the acceptability of specific classes of collateral to mitigate credit risk. The collateral types for loans are as follows:

- Cash/Time deposits
- Land and/or Building
- Vehicles
- Machine
- Inventory
- Account receivables

For corporate loans, the Bank received collateral in the form of *standby letters of credit* from controlling banks to restrict Bank's credit risk. The Bank also provides bank guarantee to its customers which requires the Bank to make payments for their interests. This causes the Bank to face the same risks as the loans granted and these risks are also mitigated by the same procedures and policies.

In addition to the collateral mentioned above, collaterals for corporate loans mainly consists of guarantees received from the parent company of the debtor, corporate credit guarantees and other public entities, financial institutions and other companies as well as collateral in the form of securities.

The portion of loans that benefit from such partial or full collateralisation as credit risk mitigation as of 31 December 2020 and 2019 were 46.57% and 41.02% of total outstanding loans, respectively.

(ii) Maximum exposure to credit risk (without taking into account collateral held or other credit enhancements)

For financial assets recognised in the consolidated statement of financial position, the maximum exposure to credit risk is equal to its carrying value. For bank guarantees and *irrevocable L/C* issued, maximum exposure to credit risk is the value that must be paid by the Bank if the liabilities on the bank guarantee and *irrevocable L/C* issued has been occurred. For credit commitments, the maximum exposure to credit risk is equal to the amount of committed credit facilities that have not been used by customers.



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42. MANAJEMEN RISIKO KEUANGAN (lanjutan)

42. FINANCIAL RISK MANAGEMENT (continued)

Risiko kredit (lanjutan)

Credit risk (continued)

- (ii) Eksposur maksimum risiko kredit (tanpa memperhitungkan agunan dan perlindungan kredit lainnya) (lanjutan)

- (ii) Maximum exposure to credit risk (without taking into account collateral held or other credit enhancements) (continued)

Tabel berikut menyajikan eksposur maksimum Bank dan Entitas Anak terhadap risiko kredit untuk instrumen keuangan pada laporan posisi keuangan konsolidasian dan rekening administratif, tanpa memperhitungkan agunan yang dimiliki atau perlindungan kredit lainnya:

The following table presents the Bank and Subsidiary's maximum exposure to credit risk of financial instruments in the consolidated statement of financial position and off-balance sheet accounts, without taking into account any collateral held or other credit enhancements:

	31 Desember/December		
	2020	2019	
Giro pada Bank Indonesia	5,616,968	8,987,079	Current accounts with Bank Indonesia
Giro pada bank-bank lain	896,071	1,056,904	Current accounts with other banks
Penempatan pada Bank Indonesia dan bank-bank lain	17,004,339	8,914,104	Placements with Bank Indonesia and other banks
Efek-efek	15,020,263	10,702,851	Securities
Tagihan derivatif	917,082	840,372	Derivative receivables
Pinjaman yang diberikan dan pembiayaan/piutang syariah - bersih			Loans and sharia financing/receivables - net
- Korporasi	77,979,291	75,516,713	Corporates -
- Pensiunan	31,096,292	33,906,446	Pensioners -
- Usaha Mikro Kecil dan Menengah ("UMKM")	12,161,412	14,993,462	Micro Small and Medium Enterprises ("MSME")
- Pembiayaan/piutang syariah	8,673,375	8,707,455	Sharia financing/receivables -
- Lainnya	2,879,924	7,168,908	Others -
- Pendapatan bunga/margin yang masih akan diterima	679,556	827,359	Accrued interest/margin income -
Tagihan akseptasi	1,484,940	1,692,391	Acceptance receivables
Penyertaan saham	22,522	22,522	Investment in shares
Aset lain-lain	267,874	177,188	Other assets
	174,699,909	173,513,754	
<u>Komitmen dan kontinjensi dengan risiko kredit:</u>			<u>Commitments and contingencies with credit risk:</u>
Garansi yang diberikan	7,421,593	8,924,578	Guarantees provided
Fasilitas kredit kepada nasabah yang belum digunakan - committed	14,012,398	8,433,080	Unused credit facilities to customers - committed
Letters of credit yang tidak dapat dibatalkan	616,302	925,174	Irrevocable letters of credit

- (iii) Konsentrasi risiko aset keuangan dengan eksposur risiko kredit

- (iii) Concentration of risks of financial assets with credit risk exposure

Bank dan Entitas Anak mengelola dan mengendalikan konsentrasi risiko kredit dimanapun risiko tersebut teridentifikasi - secara khusus, terhadap debitur individu dan kelompok, dan industri serta sektor geografis.

The Bank and Subsidiary manage and control concentrations of credit risk wherever they are identified - in particular, to individual and group counterparties, and to industries and geographical sectors.

Bank dan Entitas Anak menentukan tingkat risiko kredit dan pembiayaan yang dimiliki dengan menetapkan batas jumlah risiko yang bisa diterima yang terkait dengan satu debitur atau kelompok debitur.

The Bank and Subsidiary structure the levels of credit and financing risk it undertakes by placing limits on the amount of risk accepted in relation to one or group borrowers.

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42. MANAJEMEN RISIKO KEUANGAN (lanjutan)

42. FINANCIAL RISK MANAGEMENT (continued)

Risiko kredit (lanjutan)

Credit risk (continued)

(iii) Konsentrasi risiko aset keuangan dengan eksposur risiko kredit (lanjutan)

(iii) Concentration of risks of financial assets with credit risk exposure (continued)

Konsentrasi risiko kredit berdasarkan sektor geografis adalah sebagai berikut:

Credit risk concentration by geographical sectors was as follows:

31 Desember/December 2020						
	Jawa*	Sumatera	Bali dan/and Nusa Tenggara	Kalimantan dan/and Sulawesi	Jumlah/ Total	
Giro pada Bank Indonesia	5,616,968	-	-	-	5,616,968	Current accounts with Bank Indonesia
Giro pada bank-bank lain	894,168	1,023	720	160	896,071	Current accounts with other banks
Penempatan pada Bank Indonesia dan bank-bank lain	17,004,339	-	-	-	17,004,339	Placements with Bank Indonesia and other banks
Efek-efek	15,020,263	-	-	-	15,020,263	Securities
Tagihan derivatif	917,082	-	-	-	917,082	Derivative receivables
Pinjaman yang diberikan dan pembiayaan/piutang syariah - bersih	111,231,337	10,562,621	2,729,575	8,946,317	133,469,850	Loans and sharia financing/receivables - net
Tagihan akseptasi	1,484,940	-	-	-	1,484,940	Acceptance receivables
Penyertaan saham	22,500	14	-	8	22,522	Investment in shares
Aset lain-lain	266,992	396	59	427	267,874	Other assets
	<u>152,458,589</u>	<u>10,564,054</u>	<u>2,730,354</u>	<u>8,946,912</u>	<u>174,699,909</u>	
Komitmen dan kontinjensi dengan risiko kredit:						Commitments and contingencies with credit risk:
Garansi yang diterbitkan	7,421,593	-	-	-	7,421,593	Guarantees issued
Fasilitas kredit kepada nasabah yang belum digunakan - committed Letters of credit yang tidak dapat dibatalkan	14,012,398	-	-	-	14,012,398	Unused credit facilities to customers - committed
	616,302	-	-	-	616,302	Irrevocable letters of credit

*) Termasuk Kantor Pusat

*) Including Head Office.

31 Desember/December 2019						
	Jawa*	Sumatera	Bali dan/and Nusa Tenggara	Kalimantan dan/and Sulawesi	Jumlah/ Total	
Giro pada Bank Indonesia	8,987,079	-	-	-	8,987,079	Current accounts with Bank Indonesia
Giro pada bank-bank lain	1,055,377	1,214	100	213	1,056,904	Current accounts with other banks
Penempatan pada Bank Indonesia dan bank-bank lain	8,914,104	-	-	-	8,914,104	Placements with Bank Indonesia and other banks
Efek-efek	10,702,851	-	-	-	10,702,851	Securities
Tagihan derivatif	840,372	-	-	-	840,372	Derivative receivables
Pinjaman yang diberikan dan pembiayaan/piutang syariah - bersih	116,335,218	11,981,511	2,947,684	9,855,930	141,120,343	Loans and sharia financing/receivables - net
Tagihan akseptasi	1,692,391	-	-	-	1,692,391	Acceptance receivables
Penyertaan saham	22,500	14	-	8	22,522	Investment in shares
Aset lain-lain	165,540	3,566	1,833	6,249	177,188	Other assets
	<u>148,715,432</u>	<u>11,986,305</u>	<u>2,949,617</u>	<u>9,862,400</u>	<u>173,513,754</u>	
Komitmen dan kontinjensi dengan risiko kredit:						Commitments and contingencies with credit risk:
Garansi yang diterbitkan	8,924,578	-	-	-	8,924,578	Guarantees issued
Fasilitas kredit kepada nasabah yang belum digunakan - committed Letters of credit yang tidak dapat dibatalkan	8,433,080	-	-	-	8,433,080	Unused credit facilities to customers - committed
	925,174	-	-	-	925,174	Irrevocable letters of credit

*) Termasuk Kantor Pusat

*) Including Head Office.



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42. MANAJEMEN RISIKO KEUANGAN (lanjutan)

42. FINANCIAL RISK MANAGEMENT (continued)

Risiko kredit (lanjutan)

Credit risk (continued)

(iii) Konsentrasi risiko aset keuangan dengan eksposur risiko kredit (lanjutan)

(iii) Concentration of risks of financial assets with credit risk exposure (continued)

Konsentrasi risiko kredit berdasarkan sektor industri adalah sebagai berikut:

Credit risk concentration by industry sectors was as follows:

31 Desember/December 2020								
	Pemerintah/ Government	Lembaga keuangan/ Financial institution	Perdagangan/ Trading	Jasa/ Business services	Perindustrian/ Manufacturing	Lain-lain/ Others	Jumlah/ Total	
Giro pada Bank Indonesia	5,616,968	-	-	-	-	-	5,616,968	Current a Bank
Giro pada bank-bank lain	-	896,071	-	-	-	-	896,071	Current a other banks
Penempatan pada Bank Indonesia dan bank-bank lain	17,004,339	-	-	-	-	-	17,004,339	Placemen Indonesia and other
Efek-efek	13,539,029	1,481,234	-	-	-	-	15,020,263	
Tagihan derivatif	-	917,082	-	-	-	-	917,082	Derivative
Pinjaman yang diberikan dan pembiayaan/ piutang syariah - bersih	-	18,961,187	22,052,471	18,779,486	233,104	73,443,602	133,469,850	Loans and financing/receivables -
Tagihan akseptasi	-	-	1,484,940	-	-	-	1,484,940	Acceptance
Penyerahan saham	-	22,522	-	-	-	-	22,522	Investm
Aset lain-lain	4,022	14,809	15	-	-	249,028	267,874	Other assets
	<u>36,164,358</u>	<u>22,292,905</u>	<u>23,537,426</u>	<u>18,779,486</u>	<u>233,104</u>	<u>73,692,630</u>	<u>174,699,909</u>	
<u>31 Desember/December 2019</u>								
	Pemerintah/ Government	Lembaga keuangan/ Financial institution	Perdagangan/ Trading	Jasa/ Business services	Perindustrian/ Manufacturing	Lain-lain/ Others	Jumlah/ Total	
Giro pada Bank Indonesia	-	-	7,421,593	-	-	-	7,421,593	Commitments and with credit risk:
Garansi yang diterbitkan Fasilitas kredit kepada nasabah yang belum digunakan - committed Letters of credit yang tidak dapat dibatalkan	-	-	1,441,808	1,094,125	2,591,641	8,884,824	14,012,398	Guara. Unused ci to customers -
	-	-	616,302	-	-	-	616,302	Irevoca
<u>31 Desember/December 2019</u>								
	Pemerintah/ Government	Lembaga keuangan/ Financial institution	Perdagangan/ Trading	Jasa/ Business services	Perindustrian/ Manufacturing	Lain-lain/ Others	Jumlah/ Total	
Giro pada Bank Indonesia	8,987,079	-	-	-	-	-	8,987,079	Current a Bank
Giro pada bank-bank lain	-	1,056,904	-	-	-	-	1,056,904	Current a ot
Penempatan pada Bank Indonesia dan bank-bank lain	8,664,070	250,034	-	-	-	-	8,914,104	Placemen Indonesia and other
Efek-efek	9,334,690	1,368,161	-	-	-	-	10,702,851	
Tagihan derivatif	-	840,372	-	-	-	-	840,372	Derivative
Pinjaman yang diberikan dan pembiayaan/ piutang syariah - bersih	-	18,893,600	21,376,687	21,160,585	332,010	79,357,461	141,120,343	Loans and financing/receivables -
Tagihan akseptasi	-	-	1,692,391	-	-	-	1,692,391	Acceptance
Penyerahan saham	-	22,522	-	-	-	-	22,522	Investm
Aset lain-lain	-	16,693	-	-	-	160,495	177,188	
	<u>26,985,839</u>	<u>22,448,286</u>	<u>23,069,078</u>	<u>21,160,585</u>	<u>332,010</u>	<u>79,517,956</u>	<u>173,513,754</u>	
<u>31 Desember/December 2019</u>								
	Pemerintah/ Government	Lembaga keuangan/ Financial institution	Perdagangan/ Trading	Jasa/ Business services	Perindustrian/ Manufacturing	Lain-lain/ Others	Jumlah/ Total	
Giro pada Bank Indonesia	8,987,079	-	-	-	-	-	8,987,079	Current a Bank
Giro pada bank-bank lain	-	1,056,904	-	-	-	-	1,056,904	Current a ot
Penempatan pada Bank Indonesia dan bank-bank lain	8,664,070	250,034	-	-	-	-	8,914,104	Placemen Indonesia and other
Efek-efek	9,334,690	1,368,161	-	-	-	-	10,702,851	
Tagihan derivatif	-	840,372	-	-	-	-	840,372	Derivative
Pinjaman yang diberikan dan pembiayaan/ piutang syariah - bersih	-	18,893,600	21,376,687	21,160,585	332,010	79,357,461	141,120,343	Loans and financing/receivables -
Tagihan akseptasi	-	-	1,692,391	-	-	-	1,692,391	Acceptance
Penyerahan saham	-	22,522	-	-	-	-	22,522	Investm
Aset lain-lain	-	16,693	-	-	-	160,495	177,188	
	<u>26,985,839</u>	<u>22,448,286</u>	<u>23,069,078</u>	<u>21,160,585</u>	<u>332,010</u>	<u>79,517,956</u>	<u>173,513,754</u>	
<u>31 Desember/December 2019</u>								
	Pemerintah/ Government	Lembaga keuangan/ Financial institution	Perdagangan/ Trading	Jasa/ Business services	Perindustrian/ Manufacturing	Lain-lain/ Others	Jumlah/ Total	
Giro pada Bank Indonesia	8,987,079	-	-	-	-	-	8,987,079	Current a Bank
Giro pada bank-bank lain	-	1,056,904	-	-	-	-	1,056,904	Current a ot
Penempatan pada Bank Indonesia dan bank-bank lain	8,664,070	250,034	-	-	-	-	8,914,104	Placemen Indonesia and other
Efek-efek	9,334,690	1,368,161	-	-	-	-	10,702,851	
Tagihan derivatif	-	840,372	-	-	-	-	840,372	Derivative
Pinjaman yang diberikan dan pembiayaan/ piutang syariah - bersih	-	18,893,600	21,376,687	21,160,585	332,010	79,357,461	141,120,343	Loans and financing/receivables -
Tagihan akseptasi	-	-	1,692,391	-	-	-	1,692,391	Acceptance
Penyerahan saham	-	22,522	-	-	-	-	22,522	Investm
Aset lain-lain	-	16,693	-	-	-	160,495	177,188	
	<u>26,985,839</u>	<u>22,448,286</u>	<u>23,069,078</u>	<u>21,160,585</u>	<u>332,010</u>	<u>79,517,956</u>	<u>173,513,754</u>	
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Giro pada Bank Indonesia	8,987,079	-	-	-	-	-	8,987,079	Current a Bank
Giro pada bank-bank lain	-	1,056,904	-	-	-	-	1,056,904	Current a ot
Penempatan pada Bank Indonesia dan bank-bank lain	8,664,070	250,034	-	-	-	-	8,914,104	Placemen Indonesia and other
Efek-efek	9,334,690	1,368,161	-	-	-	-	10,702,851	
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Tagihan akseptasi	-	-	1,692,391	-	-	-	1,692,391	Acceptance
Penyerahan saham	-	22,522	-	-	-	-	22,522	Investm
Aset lain-lain	-	16,693	-	-	-	160,495	177,188	
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Tagihan akseptasi	-	-	1,692,391	-	-	-	1,692,391	Acceptance
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	Pemerintah/ Government	Lembaga keuangan/ Financial institution	Perdagangan/ Trading	Jasa/ Business services	Perindustrian/ Manufacturing	Lain-lain/ Others	Jumlah/ Total	
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Efek-efek	9,334,690	1,368,161	-	-	-	-	10,702,851	
Tagihan derivatif	-	840,372	-	-	-	-	840,372	Derivative
Pinjaman yang diberikan dan pembiayaan/ piutang syariah - bersih	-	18,893,600	21,376,687	21,160,585	332,010	79,357,461	141,120,343	Loans and financing/receivables -
Tagihan akseptasi	-	-	1,692,391	-	-	-	1,692,391	Acceptance
Penyerahan saham	-	22,522	-	-	-	-	22,522	Investm
Aset lain-lain	-	16,693	-	-	-	160,495	177,188	
	<u>26,985,839</u>	<u>22,448,286</u>	<u>23,069,078</u>	<u>21,160,585</u>	<u>332,010</u>			

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YEARS ENDED 31 DECEMBER 2020 AND 2019**
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42. MANAJEMEN RISIKO KEUANGAN (lanjutan)

Risiko kredit (lanjutan)

(iv) Kualitas kredit aset keuangan

Proses penentuan kualitas kredit Bank mengacu pada kolektibilitas sesuai peraturan OJK.

Segmen korporasi

Untuk segmen korporasi, kualitas kredit dikelola oleh Bank dengan menggunakan peringkat kredit internal. Bank menentukan peringkat suatu debitur dengan terlebih dahulu menetapkan peringkat keuangan (financial grade) dengan menggunakan model peringkat dari aspek keuangan dan data yang diperoleh dari laporan keuangan debitur, termasuk kekayaan bersih dan arus kas. Peringkat keuangan ini kemudian disesuaikan dengan mempertimbangkan kondisi dari posisi keuangan debitur dan faktor kualitatif untuk menentukan peringkat debitur.

Faktor kualitatif terutama mencakup arus kas masa depan yang diharapkan dengan mempertimbangkan faktor-faktor seperti informasi kerugian historis, kesesuaian rencana bisnis debitur atau rencana perbaikan operasional, status perkembangan rencana bisnis dan dukungan menyeluruh dari lembaga keuangan.

Selain prosedur peringkat di atas, dalam hal debitur dianggap sebagai anak perusahaan yang dikonsolidasi oleh induk perusahaan di luar negeri, peringkat debitur bisa ditentukan dengan mengadopsi peringkat obligor berdasarkan kualitas kredit induk perusahaan atau peringkat kredit yang diberikan induk perusahaan Bank terhadap induk perusahaan tersebut. Peringkat debitur dan peringkat fasilitas ditelaah paling sedikit setahun sekali, atau bila diperlukan, ketika ada perubahan kredit.

Peringkat internal untuk segmen korporasi digolongkan sebagai berikut:

- Debitur *Grading* 1-3 memiliki kemampuan membayar kewajiban yang tinggi,
- Debitur *Grading* 4-6 tidak mengalami kesulitan pembayaran kewajiban, namun terdapat faktor bisnis atau ekonomi yang dapat menyebabkan masalah dalam pembayaran kewajiban,
- Debitur *Grading* 7A dan 7B memerlukan pemantauan khusus karena bisnis yang lesu/tidak stabil, atau masalah keuangan.
- Debitur *Grading* 7R atau lebih rendah merupakan debitur yang telah mengalami penurunan nilai (*default*).

42. FINANCIAL RISK MANAGEMENT (continued)

Credit risk (continued)

(iv) Credit quality of financial assets

Process of determining the Bank's credit quality refers to collectibility in accordance with the OJK regulations.

Corporate segment

For corporate segment, the quality of credit is managed by the Bank using internal credit ratings. The Bank determines the rating of a debtor by first determining the financial grade using a rating model from financial aspects and data obtained from the debtor's financial statements, including net worth and cash flows. This financial grade is then adjusted by considering the conditions of the debtor's financial position and qualitative factors to determine the grade of the debtor.

Qualitative factors mainly cover expected future cash flows with considering some factors such as historical loss information, conformity of the debtor's business plan or operational improvement plan, status of developments in the business plan and overall support from financial institutions.

In addition of grading procedure above, in the event that the debtor is considered as a subsidiary that is consolidated by a parent company abroad, the debtor's grading can be determined by adopting an obligor grading based on the quality of the parent loan or credit grading provided by the Bank's parent company. Debtor grading and facility grading are reviewed at least once a year, or if needed, when there are changes in credit.

Internal grading for corporate segment is categorized as follows:

- *Grading* 1-3 debtors have very strong ability to pay their obligations,
- *Grading* 4-6 debtors do not experience difficulties to pay their obligations; however, there are business or economy factors that may cause difficulties to pay the obligations,
- *Grading* 7A and 7B debtors need special observation as they experience sluggish/unstable business, or financial issues.
- *Grading* 7R or lower debtors represent debtors which are credit-impaired (*default*).



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42. MANAJEMEN RISIKO KEUANGAN (lanjutan)

Risiko kredit (lanjutan)

(iv) Kualitas kredit aset keuangan (lanjutan)

Pada tanggal 31 Desember 2020 dan 2019, nilai tercatat aset keuangan berdasarkan kualitas kredit adalah sebagai berikut:

42. FINANCIAL RISK MANAGEMENT (continued)

Credit risk (continued)

(iv) Credit quality of financial assets (continued)

As of 31 December 2020 and 2019, the carrying amount of financial assets based on credit quality was as follows:

31 Desember/December 2020						
	Tahap 1/ Stage 1*	Tahap 2/ Stage 2	Tahap 3/ Stage 3	Syariah/ Sharia	Jumlah/ Total	
Giro pada Bank Indonesia						Current account with Bank Indonesia
Tanpa peringkat	5,616,968	-	-	-	5,616,968	Non-graded
Giro pada bank-bank lain						Current accounts with other banks
Grade 1-3	523,521	-	-	-	523,521	Grade 1-3
Tanpa peringkat	373,047	-	-	-	373,047	Non-graded
	896,568	-	-	-	896,568	
Penempatan pada Bank Indonesia dan bank-bank lain						Placement with Bank Indonesia and other banks
Tanpa peringkat	17,004,339	-	-	-	17,004,339	Non-graded
Efek-efek						Securities
Grade 1-3	1,034,384	-	-	-	1,034,384	Grade 1-3
Grade 4-6	55,839	-	-	-	55,839	Grade 4-6
Tanpa peringkat	13,930,331	-	-	-	13,930,331	Non-graded
	15,020,554	-	-	-	15,020,554	
Tagihan derivatif Belum jatuh tempo	917,082	-	-	-	917,082	Derivative receivables Not yet overdue
Pinjaman yang diberikan dan pembayaan/piutang syariah:						Loans and sharia financing/ receivables:
Korporasi						Corporates
Grade 1-3	60,384,710	1,499,055	-	-	61,883,765	Grade 1-3
Grade 4-6	10,067,330	2,851,649	-	-	12,918,979	Grade 4-6
Grade 7A-7B	-	2,919,936	-	-	2,919,936	Grade 7A-7B
Default	-	-	919,984	-	919,984	Default
	70,452,040	7,270,640	919,984	-	78,642,664	
Non-korporasi						Non-corporates
Belum jatuh tempo	44,406,233	1,234,049	209,372	-	45,849,654	Not yet overdue
Telah jatuh tempo sampai dengan 90 hari	573,420	369,540	53,120	-	996,080	Past due up to 90 days
Telah jatuh tempo 91-120 hari	5,588	77,951	131,517	-	215,056	Past due for 91-120 days
Telah jatuh tempo 121-180 hari	-	-	158,235	-	158,235	Past due for 121-180 days
Telah jatuh tempo lebih dari 180 hari	-	-	828,064	-	828,064	Past due more than 180 days
	44,985,241	1,681,540	1,380,308	-	48,047,089	
Dipindahkan	115,437,281	8,952,180	2,300,292	-	126,689,753	Carry forward

*) Termasuk aset keuangan syariah dengan kualitas kredit lancar

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42. MANAJEMEN RISIKO KEUANGAN (lanjutan)

42. FINANCIAL RISK MANAGEMENT (continued)

Risiko kredit (lanjutan)

Credit risk (continued)

(iv) Kualitas kredit aset keuangan (lanjutan)

(iv) Credit quality of financial assets (continued)

Pada tanggal 31 Desember 2020 dan 2019, nilai tercatat aset keuangan berdasarkan kualitas kredit adalah sebagai berikut: (lanjutan)

As of 31 December 2020 and 2019, the carrying amount of financial assets based on credit quality was as follows: (continued)

	31 Desember/December 2020					
	Tahap 1/ Stage 1*	Tahap 2/ Stage 2	Tahap 3/ Stage 3	Syariah/ Sharia	Jumlah/ Total	
Pinjaman yang diberikan dan pembiayaan/piutang syariah (lanjutan):						Loans and sharia financing/receivables (continued):
Dipindahkan	115,437,281	8,952,180	2,300,292	-	126,689,753	Carry forward
Syariah						Sharia
Belum jatuh tempo	-	-	-	9,258,466	9,258,466	Not yet overdue
Telah jatuh tempo tetapi tidak mengalami penurunan nilai 1-30 hari	-	-	-	44,428	44,428	Past due but not impaired for 1-30 days
Telah jatuh tempo tetapi tidak mengalami penurunan nilai 31-60 hari	-	-	-	23,973	23,973	Past due but not impaired for 31-60 days
Telah jatuh tempo tetapi tidak mengalami penurunan nilai 61-90 hari	-	-	-	13,914	13,914	Past due but not impaired for 61-90 days
Mengalami penurunan nilai	-	-	-	182,085	182,085	Impaired
	-	-	-	9,522,866	9,522,866	
Pendapatan bunga/margin yang masih akan diterima	542,651	45,982	3,175	87,748	679,556	Accrued interest/margin income
	115,979,932	8,998,162	2,303,467	9,610,614	136,892,175	
Tagihan akseptasi						Acceptance receivables
Grade 1-3	835,697	-	-	-	835,697	Grade 1-3
Grade 4-6	298,023	356,914	-	-	654,937	Grade 4-6
	1,133,720	356,914	-	-	1,490,634	
Penyertaan saham						Investment in shares
Tanpa peringkat	22,522	-	-	-	22,522	Non-graded
Aset lain-lain						Other assets
Tanpa peringkat	267,874	-	-	-	267,874	Non-graded
	156,859,559	9,355,076	2,303,467	9,610,614	178,128,716	
Cadangan kerugian penurunan nilai	(643,157)	(838,059)	(1,098,101)	(849,490)	(3,428,807)	Allowance for impairment losses
	156,216,402	8,517,017	1,205,366	8,761,124	174,699,909	

*) Termasuk aset keuangan syariah dengan kualitas kredit lancar

Include sharia financial assets with current credit quality *)

Penjelasan mengenai Tahap 1, Tahap 2 dan Tahap 3 dapat dilihat pada Catatan 2i.

The explanation of Stage 1, Stage 2 and Stage 3 can be referred to Note 2i.



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42. MANAJEMEN RISIKO KEUANGAN (lanjutan)

42. FINANCIAL RISK MANAGEMENT (continued)

Risiko kredit (lanjutan)

Credit risk (continued)

(iv) Kualitas kredit aset keuangan (lanjutan)

(iv) Credit quality of financial assets (continued)

Pada tanggal 31 Desember 2020 dan 2019, nilai tercatat aset keuangan berdasarkan kualitas kredit adalah sebagai berikut: (lanjutan)

As of 31 December 2020 and 2019, the carrying amount of financial assets based on credit quality was as follows: (continued)

31 Desember/December 2019					
	Belum jatuh tempo dan tidak mengalami penurunan nilai/ <i>Neither past due nor impaired</i>	Telah jatuh tempo tetapi tidak mengalami penurunan nilai/ <i>Past due but not impaired</i>	Mengalami penurunan nilai/ <i>Impaired</i>	Jumlah/ <i>Total</i>	
Giro pada Bank Indonesia	8,987,079	-	-	8,987,079	Current accounts with Bank Indonesia
Giro pada bank-bank lain	1,056,904	-	-	1,056,904	Current accounts with other banks
Penempatan pada Bank Indonesia dan bank-bank lain	8,914,104	-	-	8,914,104	Placements with Bank Indonesia and other banks
Efek-efek	10,702,851	-	-	10,702,851	Securities
Tagihan derivatif	840,372	-	-	840,372	Derivative receivables
Pinjaman yang diberikan dan pembiayaan/piutang syariah - bersih:					Loans and sharia financing/receivables - net:
- Pihak ketiga					Third parties -
Korporasi	73,650,198	-	40,900	73,691,098	Corporates
Non-korporasi	62,962,709	1,349,981	971,747	65,284,437	Non-corporates
- Pihak berelasi					Related parties -
Korporasi	2,136,091	-	-	2,136,091	Corporates
Non-korporasi	8,717	-	-	8,717	Non-corporates
Tagihan akseptasi	1,688,680	3,711	-	1,692,391	Acceptance receivables
Penyertaan saham	22,522	-	-	22,522	Investment in shares
Aset lain-lain	177,188	-	-	177,188	Other assets
	<u>171,147,415</u>	<u>1,353,692</u>	<u>1,012,647</u>	<u>173,513,754</u>	

Kualitas kredit dengan kategori "mengalami penurunan nilai" adalah sebagai berikut:

Credit quality in "impaired" category is as follows:

- Pinjaman/pembiayaan non-korporasi

- Non-corporate loans/financing

Kategori pinjaman/pembiayaan yang mengalami penurunan nilai adalah kredit yang minimum memenuhi salah satu kriteria sebagai berikut:

Loans/financing that are categorised as impaired are loans that satisfy at least one of the following criteria:

- Menunggak di atas 90 hari
- Kolektibilitas OJK 3, 4 dan 5.

- Days past due over 90 days
- OJK grading 3, 4 and 5.

- Pinjaman korporasi

- Corporate loans

Kategori pinjaman yang mengalami penurunan nilai adalah kredit yang diberikan kepada debitur yang peringkat internal pinjamannya adalah sama dengan 7R atau lebih rendah.

Loans that are categorised as impaired are loans from debtors with internal grading at 7R or lower.

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42. MANAJEMEN RISIKO KEUANGAN (lanjutan)

42. FINANCIAL RISK MANAGEMENT (continued)

Risiko kredit (lanjutan)

Credit risk (continued)

(iv) Kualitas kredit aset keuangan (lanjutan)

(iv) Credit quality of financial assets (continued)

Pada tanggal 31 Desember 2019, rincian kualitas kredit dan pembiayaan/piutang syariah yang diberikan yang "belum jatuh tempo dan tidak mengalami penurunan nilai" berdasarkan ketentuan internal Bank adalah sebagai berikut:

The detail of credit quality of loans and sharia financing/receivables that were "neither past due nor impaired" as of 31 December 2019 based on the Bank's internal policy was as follows:

	31 Desember/December 2019			
	Lancar/ Current	Pernah mengalami keterlambatan pembayaran/ Has an overdue experience	Jumlah/ Total	
Kredit dan pembiayaan/piutang syariah yang diberikan:				Loans and sharia financing/receivables:
Pensiunan	24,167,980	9,081,820	33,249,800	Pensioners
UMKM	11,736,023	2,404,909	14,140,932	MSME
Korporasi	75,499,669	-	75,499,669	Corporates
Syariah	8,713,045	36,224	8,749,269	Sharia
Lainnya	3,470,353	3,281,779	6,752,132	Others
	<u>123,587,070</u>	<u>14,804,732</u>	<u>138,391,802</u>	
Pendapatan bunga/margin yang masih akan diterima	661,355	112,406	773,761	Accrued interest/margin income
Cadangan kerugian penurunan nilai	(321,561)	(86,287)	(407,848)	Allowance for impairment losses
	<u>123,926,864</u>	<u>14,830,851</u>	<u>138,757,715</u>	

Kualitas kredit dengan kategori "belum jatuh tempo dan tidak mengalami penurunan nilai" adalah sebagai berikut:

Credit quality in "neither past due nor impaired" category is as follows:

- Lancar

- Current

Pinjaman dalam kategori ini memiliki kemampuan yang sangat kuat untuk membayar bunga dan pokok pinjaman yang diberikan dan pembiayaan/ piutang syariah oleh Bank dan Entitas Anak, yang terdiri dari:

Loans in this category are considered to have very strong capacity to pay interest and principal of loans, and sharia financing by the Bank and Subsidiary, which consists of:

- o Pinjaman non-korporasi
Pinjaman dengan kondisi kolektibilitas "lancar" pada tanggal pelaporan.

- o Non-corporate loans
Loans with "current" grading at the reporting date.



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42. MANAJEMEN RISIKO KEUANGAN (lanjutan)

Risiko kredit (lanjutan)

(iv) Kualitas kredit aset keuangan (lanjutan)

- o Pinjaman korporasi
Pinjaman berdasarkan peringkat internal sebagai berikut:
 - Debitur *Grading* 1-3
 - Debitur *Grading* 4-6
 - Debitur *Grading* 7A dan 7B

- Pernah mengalami keterlambatan pembayaran

Pinjaman dalam kategori ini dianggap memiliki kapasitas memadai untuk membayar bunga dan pokoknya walaupun pernah mengalami keterlambatan pembayaran pada saat jatuh tempo.

Rincian kualitas kredit yang "telah jatuh tempo tetapi tidak mengalami penurunan nilai" berdasarkan umur tagihan pada tanggal 31 Desember 2019 adalah sebagai berikut:

	31 Desember/December 2019				
	Pensiunan/ <i>Pensioners</i>	UMKM/ <i>MSME</i>	Syariah/ <i>Sharia</i>	Lainnya/ <i>Others</i>	Jumlah/ <i>Total</i>
Tunggakan					
1 - 30 hari	441,993	118,774	63,165	280,286	904,218
31 - 60 hari	159,879	113,461	34,685	110,292	418,317
61 - 90 hari	94,985	139,747	29,785	63,180	327,697
	<u>696,857</u>	<u>371,982</u>	<u>127,635</u>	<u>453,758</u>	<u>1,650,232</u>
Pendapatan bunga/ margin yang masih akan diterima	18,384	8,783	7,605	15,795	50,567
Cadangan kerugian penurunan nilai	(52,795)	(76,095)	(60,176)	(67,501)	(256,567)
	<u>662,446</u>	<u>304,670</u>	<u>75,064</u>	<u>402,052</u>	<u>1,444,232</u>

Days past due:
1 - 30 days
31 - 60 days
61 - 90 days

*Accrued interest/
margin income
Allowance for
impairment losses*

Risiko likuiditas

Risiko likuiditas adalah risiko yang terjadi jika Bank dan Entitas Anak tidak dapat memenuhi pembayaran kewajiban pada saat jatuh tempo, termasuk pencairan simpanan nasabah. Salah satu parameter yang digunakan adalah dengan menganalisa profil jatuh tempo dari sumber pendanaan yang pada umumnya berjangka pendek dan sebagian besar aset yang disalurkan dalam bentuk kredit dengan jangka waktu yang pada umumnya berjangka panjang. Terjadinya kesenjangan yang cukup besar akan dapat meningkatkan risiko likuiditas.

Dalam mengantisipasi potensi tekanan likuiditas karena pandemi COVID-19 yang berlangsung cukup lama, Bank dan Entitas Anak telah mempersiapkan strategi pendanaan dan cadangan likuiditas yang memadai yang disesuaikan dengan kebutuhan operasional dan profil likuiditas agar selalu memenuhi regulasi terkait.

42. FINANCIAL RISK MANAGEMENT (continued)

Credit risk (continued)

(iv) Credit quality of financial assets (continued)

- o Corporate loans
Loans categorised by internal grading as follows:
 - Grading 1-3 debtors
 - Grading 4-6 debtors
 - Grading 7A and 7B debtors

- Has an overdue experience

Loans in this category are considered to have adequate capacity to pay interest and principal although they have overdue experience in making payments when due.

The detail of credit quality that is "past due but not impaired" as of 31 December 2019 based on aging of receivables was as follows:

Liquidity risk

Liquidity risk is the risk that the Bank and Subsidiary are unable to meet their payment obligations as they fall due, including withdrawal of customer deposits. One of the parameters used is by analysing the maturity profile from the funding sources, which are usually short term, while most of the assets which were distributed in the form of loans, are usually long-term. A relatively wide gap can increase liquidity risk.

In anticipating potential liquidity pressures due to the COVID-19 pandemic which has lasted quite a long time, the Bank and Subsidiary have prepared the funding strategy and adequate liquidity reserves which are adjusted to the operational needs and the Bank's liquidity profile in order to always comply with the relevant regulations.

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42. MANAJEMEN RISIKO KEUANGAN (lanjutan)

42. FINANCIAL RISK MANAGEMENT (continued)

Risiko likuiditas (lanjutan)

Profil jatuh tempo diproyeksikan atas jangka waktu yang tersisa berdasarkan tanggal kontraktual aset dan liabilitas tertentu. Secara historis, sebagian besar dari simpanan diperpanjang pada saat jatuh tempo yang dipengaruhi oleh perilaku nasabah dan tingkat kepercayaan terhadap Bank dan Entitas Anak. Untuk mengelola risiko likuiditas atas kondisi tersebut, maka Bank dan Entitas Anak menetapkan strategi yang sesuai dan jumlah kas dan aset likuid yang perlu dimiliki, yang dapat dicairkan atau dijadikan jaminan jika ada kebutuhan likuiditas yang mendesak.

Tabel berikut ini menyajikan rincian sisa periode sampai dengan tanggal jatuh tempo aset keuangan (sebelum cadangan kerugian penurunan nilai) dan liabilitas keuangan.

Liquidity risk (continued)

This maturity profile is projected based on the remaining period to the contractual maturity date of assets and liabilities. Historically, a significant portion of deposits are rolled-over on the maturity date which is affected by customer behaviour and confidence level to the Bank and Subsidiary. To manage the liquidity risk of this condition, the Bank and Subsidiary establish appropriate strategies and sufficient amount of cash and liquid assets that can be liquidated or used as collateral should there be an urgent need for liquidity.

The following tables provide detail of remaining period to maturity date of financial assets (before allowance for impairment losses) and financial liabilities.

31 Desember/December 2020									
	Jumlah/ Total	Sesuai permintaan/ On demand	≤ 1 bulan/ ≤ 1 month	> 1-3 bulan/ > 1-3 months	> 3-6 bulan/ > 3-6 months	> 6-12 bulan/ > 6-12 months	> 12 bulan/ > 12 months		
Aset								Assets	
Kas	2,433,196	2,433,196	-	-	-	-	-	Cash	
Giro pada Bank Indonesia	5,616,968	5,616,968	-	-	-	-	-	Current accounts with Bank Indonesia	
Giro pada bank-bank lain	896,568	896,568	-	-	-	-	-	Current accounts with other banks	
Penempatan pada Bank Indonesia dan bank-bank lain	17,004,339	-	14,946,788	176,883	959,240	921,428	-	Placements with Bank Indonesia and other banks	
Efek-efek	15,020,554	-	1,595,300	823,837	538,248	3,208,561	8,854,608	Securities	
Tagihan derivatif	917,082	-	917,082	-	-	-	-	Derivative receivables	
Tagihan akseptasi	1,490,634	-	235,500	590,564	467,682	196,888	-	Acceptance receivables	
Pinjaman yang diberikan dan pembiayaan/piutang syariah	136,892,175	-	24,588,343	15,895,653	8,109,292	12,599,049	75,699,838	Loans and sharia financing/receivables	
Penyertaan saham	22,522	22,522	-	-	-	-	-	Investment in shares	
Aset lain-lain	267,874	3,106	258,852	-	-	-	5,916	Other assets	
Jumlah aset	180,561,912	8,972,360	42,541,865	17,486,937	10,074,462	16,925,926	84,560,362	Total assets	

31 Desember/December 2020									
	Jumlah/ Total	Sesuai permintaan/ On demand	≤ 1 bulan/ ≤ 1 month	> 1-3 bulan/ > 1-3 months	> 3-6 bulan/ > 3-6 months	> 6-12 bulan/ > 6-12 months	> 12 bulan/ > 12 months		
Liabilitas								Liabilities	
Liabilitas segera	(59,404)	-	(59,404)	-	-	-	-	Obligations due immediately	
Bagi hasil yang belum dibagikan	(18,666)	-	(18,666)	-	-	-	-	Undistributed revenue sharing	
Giro	(11,764,429)	(11,762,015)	(1,264)	-	-	-	-	Saving deposits	
Tabungan	(65,607,522)	-	(2,414)	-	-	-	(23,971)	Time deposits and deposits on call	
Simpanan dari bank-bank lain			-	-	-	-	-	Deposits from other banks	
Liabilitas derivatif	-	-	(887,157)	-	-	-	-	Derivative payables	
Liabilitas akseptasi	-	-	(140,661)	-	-	-	-	Acceptance payables	
Utang obligasi	-	-	(7,379)	-	-	-	-	Bonds payable	
Pinjaman yang diterima	-	-	(119,087)	-	-	-	-	Borrowings	
Pinjaman subordinasi	-	-	-	-	-	-	-	Subordinated loans	
Liabilitas lain-lain	(401,099)	-	(374,120)	-	-	-	-	Other liabilities	
Jumlah liabilitas	(140,116,985)	(34,097,607)	(47,401,146)	-	-	-	(32,028,155)	Total liabilities	
Aset (liabilitas) bersih	40,444,927	(25,125,247)	(4,859,281)	-	5,600,192	16,047,397	52,532,207	Net assets (liabilities)	



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42. MANAJEMEN RISIKO KEUANGAN (lanjutan)

42. FINANCIAL RISK MANAGEMENT (continued)

Risiko likuiditas (lanjutan)

Liquidity risk (continued)

31 Desember/December 2019								
	Jumlah/ Total	Sesuai permintaan/ On demand	≤ 1 bulan/ ≤ 1 month	> 1-3 bulan/ > 1-3 months	> 3-6 bulan/ > 3-6 months	> 6-12 bulan/ > 6-12 months	> 12 bulan/ > 12 months	
Aset							Assets	
Kas	2,299,062	2,299,062	-	-	-	-	Cash	
Giro pada Bank Indonesia	8,987,079	8,987,079	-	-	-	-	Current accounts with Bank Indonesia	
Giro pada bank-bank lain	1,056,904	1,056,904	-	-	-	-	Current accounts with other banks	
Penempatan pada Bank Indonesia dan bank-bank lain	8,914,104	-	7,254,104	485,000	370,000	805,000	Placements with Bank Indonesia and other banks	
Efek-efek	10,702,857	-	1,302,594	6,949,639	209,282	512,240	Securities	
Tagihan derivatif	840,372	-	840,372	-	-	-	Derivative receivables	
Tagihan akseptasi Pinjaman yang diberikan dan pembiayaan/piutang syariah	1,692,460	-	662,819	446,301	418,076	165,264	Acceptance receivables	
Penyertaan saham	142,587,542	-	31,307,032	10,493,102	7,246,115	13,747,925	Loans and sharia financing/receivables	
Aset lain-lain	22,522	22,522	-	-	-	-	Investment in shares	
Jumlah aset	177,280,090	12,385,528	41,486,071	18,375,630	8,245,264	15,231,506	Other assets	
							Total assets	
Liabilitas							Liabilities	
Liabilitas segera	(18,268)	-	(18,268)	-	-	-	Obligations due immediately	
Bagi hasil yang belum dibagikan	(21,861)	-	(14,473)	(6,294)	(991)	(103)	Undistributed revenue sharing	
Giro	(14,374,956)	(14,374,226)	(730)	-	-	-	Current accounts	
Tabungan	(9,958,771)	(9,955,705)	(3,066)	-	-	-	Saving deposits	
Deposito berjangka dan deposito on call	(55,265,689)	-	(38,521,768)	(13,792,455)	(1,906,146)	(1,028,813)	Time deposits and deposits on call	
Simpanan dari bank-bank lain	(11,690,555)	(11,690,555)	-	-	-	-	Deposits from other banks	
Liabilitas derivatif	(894,947)	-	(894,947)	-	-	-	Derivative payables	
Liabilitas akseptasi	(888,459)	-	(519,441)	(225,754)	(116,395)	(26,869)	Acceptance payables	
Surat utang jangka menengah	(1,306,441)	-	(5,032)	-	(1,301,409)	-	Medium term notes	
Utang obligasi	(1,910,473)	-	(21,254)	-	-	(898,987)	Bonds payable	
Pinjaman yang diterima	(38,188,926)	-	(141,472)	-	(2,499,061)	(1,000,000)	Borrowings	
Pinjaman subordinasi	(6,045,193)	(6,305)	-	-	-	-	Subordinated loans	
Liabilitas lain-lain	(582,809)	(582,809)	-	-	-	-	Other liabilities	
Jumlah liabilitas	(141,147,348)	(36,609,600)	(40,140,451)	(14,024,503)	(5,824,002)	(2,954,772)	Total liabilities	
Aset (liabilitas) bersih	36,132,742	(24,224,072)	1,345,620	4,351,127	2,421,262	12,276,734	39,962,071	Net assets (liabilities)

Tabel berikut ini menunjukkan arus kas kontraktual yang tidak didiskonto dari liabilitas keuangan dan rekening administratif Bank berdasarkan periode tersisa sampai dengan jatuh tempo kontraktual:

The following table shows the contractual undiscounted cash flows of the Bank's financial liabilities and administrative accounts based on the remaining period to contractual maturity:

31 Desember/December 2020						
Nilai tercatat/ Carrying amount	arus kas masuk (keluar)/Gross nominal inflow (outflow)	Hingga 1 bulan/ Up to 1 month	> 1 - 3 bulan/ months	> 3 - 12 bulan/ months	> 1 - 2 tahun/ years	> 2 tahun/ years
Liabilitas segera						Obligations due immediately
Bagi hasil yang belum dibagikan	(18,666)	(18,666)	-	-	-	Undistributed revenue sharing
Giro	(15,760,708)	-	-	-	-	Current accounts
deposito on call	(65,342,817)	(66,883,993)	(46,846,868)	(15,871,688)	(4,140,653)	-
Simpanan dari bank-bank lain	-	-	-	-	-	-
Liabilitas akseptasi	-	(32,115,761)	(77,913)	(5,263,665)	(1,253,732)	(23,097,152)
						Borrowing
Liabilitas lain-lain	-	-	-	-	-	-
						Other liabilities
Arus kas masuk	6,087,810	2,793,956	1,324,661	424,365	1,114,975	429,853
Arus kas keluar	-	-	-	-	-	-
L/C yang tidak dapat dibatalkan	-	-	-	-	-	-
Fasilitas kredit yang belum digunakan - committed	-	-	-	-	-	-
Jumlah	(139,848,602)	-	-	-	-	-

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42. MANAJEMEN RISIKO KEUANGAN (lanjutan)

42. FINANCIAL RISK MANAGEMENT (continued)

Risiko likuiditas (lanjutan)

Liquidity risk (continued)

31 Desember/December 2019							
	Nilai tercatat/ Carrying amount	Nilai nominal bruto arus kas masuk (keluar)/Gross nominal inflow (outflow)	Hingga 1 bulan/ Up to 1 month	>1 - 3 bulan/ months	>3 - 12 bulan/ months	>1 - 2 tahun/ years	>2 tahun/ years
Liabilitas non-derivatif							
Liabilitas segera	(18,268)	(18,268)	(18,268)	-	-	-	-
Bagi hasil yang belum dibagikan	(21,861)	(21,861)	(14,473)	(6,294)	(1,094)	-	-
Giro	(14,374,956)	(14,682,160)	(14,682,160)	-	-	-	-
Tabungan	(9,958,771)	(10,227,599)	(10,223,874)	(783)	(2,435)	(507)	-
Deposito berjangka dan deposito on call	(55,265,689)	(56,223,259)	(39,236,841)	(13,969,593)	(2,999,417)	(17,408)	-
Simpanan dari bank-bank lain	(11,690,555)	(11,716,794)	(8,849,763)	(2,867,031)	-	-	-
Liabilitas akseptasi Surat utang jangka menengah	(888,459)	(888,459)	(537,764)	(207,431)	(143,264)	-	-
Utang obligasi	(1,306,441)	(1,328,263)	-	-	(1,328,263)	-	-
Pinjaman yang diterima	(1,910,473)	(2,218,261)	(17,014)	(19,131)	(1,008,435)	(76,526)	(1,097,15)
Pinjaman subordinasi	(38,188,926)	(39,793,189)	(77,513)	(207,486)	(5,197,113)	(33,292,842)	(1,018,21)
Liabilitas lain-lain	(6,045,193)	(7,144,075)	-	(49,727)	(149,181)	(198,908)	(6,746,25)
	(582,809)	(582,809)	(582,809)	-	-	-	-
	(140,252,401)	(144,844,977)	(74,240,479)	(17,327,476)	(10,829,202)	(33,586,191)	(8,861,62)
Liabilitas derivatif	(894,947)						
Arus kas masuk	-	51,045,474	8,457,855	10,571,427	3,790,550	3,310,133	24,915,509
Arus kas keluar	-	(53,075,857)	(8,574,916)	(10,851,750)	(4,175,379)	(3,752,219)	(25,721,56)
	(894,947)	(2,030,383)	(117,061)	(280,323)	(384,829)	(442,086)	(806,06)
L/C yang tidak dapat dibatalakan	-	(925,174)	(520,395)	(351,771)	(53,008)	-	-
Fasilitas kredit yang belum digunakan - committed	-	(8,433,080)	(10,000)	(550,000)	(3,653,169)	(198,321)	(4,021,56)
Garansi yang diterbitkan	-	(8,924,578)	(790,130)	(1,637,789)	(3,121,094)	(540,937)	(2,834,62)
	-	(18,282,832)	(1,320,525)	(2,539,560)	(6,827,271)	(739,258)	(6,856,21)
Jumlah	(141,147,348)	(165,158,192)	(75,678,065)	(20,147,359)	(18,041,302)	(34,767,535)	(16,523,93)

Tabel sebelumnya menyajikan arus kas yang tidak didiskontokan dari liabilitas keuangan Bank dan Entitas Anak berdasarkan periode jatuh tempo kontraktual yang paling dekat. Arus kas yang diharapkan atas instrumen keuangan Bank dan Entitas Anak mungkin berbeda dengan analisis 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.

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. Pengungkapan instrumen derivatif menunjukkan nilai bersih derivatif yang dapat diselesaikan secara neto, juga nilai bruto arus kas masuk dan keluar untuk derivatif yang diselesaikan secara bruto. Arus kas liabilitas derivatif seperti yang ditunjukkan di tabel di atas merupakan arus kas berdasarkan jatuh tempo kontraktual yang menurut Bank dan Entitas Anak adalah penting untuk memahami jadwal dari arus kas.

The previous table shows the undiscounted cash flows on the Bank and Subsidiary financial liabilities on the basis of their earliest possible contractual maturity. The Bank and Subsidiary expected cash flows on these instruments may vary from this analysis. For example, deposits are expected to maintain a stable or increasing balance or unused credit facilities to customer-committed are not all expected to be drawn down immediately.

The nominal inflow/(outflow) disclosed in the above tables represents the contractual undiscounted cash flows relating to the principal and interest on the financial liabilities. The disclosure for derivatives shows the net amount of derivatives that are net settled, and a gross inflow and outflow amount for derivatives that have simultaneous gross settlement. The cash flows of derivatives liabilities in the table represent the cash flows based on contractual maturities which the Bank and Subsidiary believes is essential for an understanding of the timing of the cash flows.



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42. MANAJEMEN RISIKO KEUANGAN (lanjutan)

42. FINANCIAL RISK MANAGEMENT (continued)

Risiko likuiditas (lanjutan)

Liquidity risk (continued)

Kebijakan yang dijalankan Bank dan Entitas Anak dalam mengendalikan risiko likuiditas adalah:

Policies adopted by the Bank and Subsidiary in managing its liquidity risk include:

- Menetapkan kebijakan pengendalian risiko likuiditas yang telah disesuaikan dengan misi, strategi bisnis, kecukupan permodalan, sumber daya manusia dan *risk appetite* Bank dan Entitas Anak.
- Menetapkan kebijakan dan prosedur penetapan limit risiko likuiditas secara tertulis, lengkap, memadai dan cukup mudah ditelusuri.
- Menjaga cadangan likuiditas agar sesuai dengan rekomendasi ALCO.
- Mengelola portofolio pendanaan untuk menghindari risiko konsentrasi dan ketergantungan pada sumber pendanaan tertentu. Hal ini dimonitor secara bulanan oleh ALCO dan *Risk Management Committee* (RMC).
- Fungsi pengawasan yang independen dari satuan kerja manajemen risiko.

- *Application of a liquidity risk control policy that is suited to the mission, business strategy, capital adequacy, human resources and appetite for risk of the Bank and Subsidiary.*
- *Application of a liquidity risk limit policies and procedures that are written, complete, adequate and easy to follow.*
- *Maintain liquidity reserves to match the ALCO's recommendation.*
- *Managing its funding portfolio to avoid concentration risk and dependence on single source of funding. It's monitored by ALCO and Risk Management Committee (RMC).*
- *The independent monitoring function of the risk management working unit.*

Untuk menjaga ketahanan likuiditas, Bank melakukan pemantauan terhadap rasio kecukupan likuiditas (*Liquidity Coverage Ratio*/LCR) dan rasio pendanaan stabil bersih (*Net Stable Funding Ratio*/NSFR). Selain sebagai bagian dari ketentuan yang wajib dipatuhi, juga secara internal rasio-rasio tersebut ditetapkan sebagai bagian dari indikator peringatan dini (*early warning indicators*) dan indikator rencana pemulihan (*recovery plan*) yang dimonitor secara harian.

To maintain its liquidity resilience, the Bank monitor the Liquidity Coverage Ratio (LCR) and a Net Stable Funding Ratio (NSFR). Apart of being the requirements that must be complied with, internally Bank also set those ratios as part of the early warning indicator and the recovery plan indicators which are monitored on a daily basis.

LCR dikelola dengan memelihara asset likuid yang berkualitas tinggi (*High Quality Liquid Assets*/HQLA) untuk dapat memenuhi potensi dana keluar bersih dalam 30 hari kedepan sesuai dengan skenario yang ditetapkan berdasarkan regulasi dari Otoritas Jasa Keuangan (OJK). Sedang NSFR bertujuan untuk memelihara profil pendanaan stabil yang disesuaikan dengan komposisi aset dan transaksi rekening administratif Bank sesuai dengan regulasi dari Otoritas Jasa Keuangan (OJK).

LCR is managed by maintaining high quality liquid assets (HQLA) which enable Bank to cover the potential net outflows within the next 30 days in accordance with the scenario determined based on regulations from Otoritas Jasa Keuangan (OJK). Meanwhile, the NSFR aims to maintain a stable funding profile that is adjusted to the composition of assets and administrative account transactions of the Bank in accordance with regulations from Otoritas Jasa Keuangan (OJK).

Laporan LCR dan NSFR disampaikan secara berkala kepada Otoritas Jasa Keuangan (OJK) dan dipublikasikan sesuai dengan ketentuan yang berlaku.

LCR and NSFR reports are submitted periodically to Otoritas Jasa Keuangan (OJK) and published in accordance with applicable regulations.

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42. MANAJEMEN RISIKO KEUANGAN (lanjutan)

Risiko pasar

Risiko pasar adalah potensi timbulnya kerugian dalam nilai buku atau fluktuasi arus kas di masa mendatang yang diakibatkan oleh perubahan suku bunga atau nilai tukar.

Dalam mengantisipasi adanya gejolak atas nilai tukar dan suku bunga akibat adanya kemungkinan memburuknya perekonomian pasca kebijakan pembatasan sosial berskala besar (PSBB) dan menurunnya transaksi perekonomian secara nasional dan internasional karena adanya pandemi COVID-19, Bank secara internal berupaya memastikan eksposur, transaksi dan ekspansi dalam valuta asing dan berdasarkan suku bunga yang dilakukan bisnis telah sesuai dengan limit dan *risk appetite* Bank.

Secara keseluruhan, risiko pasar dibagi menjadi dua bagian sebagai berikut:

(i) Risiko mata uang asing

Risiko mata uang asing timbul dari adanya posisi neraca dan komitmen dan kontinjensi (*off-balance sheet*) baik di sisi aset maupun liabilitas yang timbul melalui transaksi mata uang asing.

Bank mengukur risiko nilai tukar untuk melihat dampak perubahan nilai tukar pada pendapatan dan modal Bank. Untuk mengelola dan memitigasi risiko nilai tukar, pembatasan posisi secara internal ditetapkan jauh di bawah limit posisi devisa neto yang ditetapkan regulator. Bank juga memonitor *stop loss limit* untuk menjaga tingkat kerugian karena pergerakan nilai pasar tidak melebihi kisaran yang telah ditetapkan.

Entitas Anak tidak memiliki aset maupun liabilitas keuangan dalam mata uang asing, maupun posisi untuk diperdagangkan, sehingga Entitas Anak tidak memiliki risiko mata uang asing.

Posisi Devisa Neto

Berdasarkan Peraturan Bank Indonesia mengenai posisi devisa neto yang berlaku, maksimum posisi devisa neto adalah 20% dari modal.

Posisi devisa neto adalah jumlah dari nilai absolut selisih bersih aktiva dan pasiva dalam laporan posisi keuangan untuk setiap valuta asing dan selisih bersih tagihan dan kewajiban komitmen dan kontinjensi dalam rekening administratif untuk setiap valuta asing, yang semuanya dinyatakan dalam Rupiah.

42. FINANCIAL RISK MANAGEMENT (continued)

Market risk

Market risk is the potential loss in book value or future cash flows fluctuation due to changes in interest rates or exchange rates.

In anticipating fluctuations in exchange rates and interest rates due to the possibility of a deterioration in the economy after the Large Scale Social Restrictions ("PSBB") policy and a decline in national and international economic transactions due to the COVID-19 pandemic, the Bank internally seeks to ensure exposures, as well as foreign exchange and interest rates based transactions and expansion. the business undertaken is in accordance with the Bank's limits and risk appetite.

In overall, market risk is divided into two following risks:

(i) *Foreign currency risk*

Foreign exchange risk arises from on and off-balance sheet positions both on the asset and liability sides through transactions in foreign currencies.

The Bank measures the foreign exchange risk to understand the impact of the exchange rate movement on the Bank's revenue and capital. In order to manage and mitigate the foreign exchange risk, predefined internal limits are set below net open position limit that is defined by regulator. The Bank also monitors stop loss limit to maintain the loss rate caused by movement of market value do not exceed the specified range.

The Subsidiary does not have any assets or liabilities which are denominated in foreign currencies, or held for trading, thus the Subsidiary does not have foreign currency risk.

Net Open Position

Based on the prevailing Bank Indonesia Regulation relating with net open position, the maximum net open position is at 20% of capital.

NOP is the sum of the absolute values of the net difference between assets and liabilities in the statement of financial position for each foreign currency and the net difference of receivables and commitments and contingent liabilities in the administrative accounts for each foreign currency, which are all stated in Rupiah.



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42. MANAJEMEN RISIKO KEUANGAN (lanjutan)

Risiko pasar (lanjutan)

(i) Risiko mata uang asing (lanjutan)

Posisi Devisa Neto (lanjutan)

Berikut adalah Posisi Devisa Neto Bank pada tanggal 31 Desember 2020 dan 2019 dalam mata uang (ekuivalen Rupiah). Nilai ini adalah yang dilaporkan kepada Bank Indonesia pada tanggal laporan posisi keuangan sebagai bagian dari laporan harian.

31 Desember/December 2020			
<u>Mata Uang</u>	<u>Aset/ Assets</u>	<u>Liabilitas/ Liabilities</u>	<u>Posisi Devisa Neto/ Net Open Position</u>
Laporan posisi keuangan dan rekening administratif			
Dolar Amerika Serikat	69,349,187	69,432,694	83,507
Yen Jepang	1,832,521	1,843,460	10,939
Dolar Singapura	61,102	58,095	3,007
Euro Eropa	395,115	387,931	7,184
Baht Thailand	44,217	44,442	225
Poundsterling Inggris	10,421	8,760	1,661
Dolar Australia	15,634	10,729	4,905
Yuan China	6,035	5,714	321
Dolar Hong Kong	949	1,013	64
Franc Swiss	143	-	143
Rupiah India	38	-	38
Jumlah			111,994
Jumlah Modal Tier I dan II			32,451,223
Rasio PDN			0.35%

31 Desember/December 2019			
<u>Mata Uang</u>	<u>Aset/ Assets</u>	<u>Liabilitas/ Liabilities</u>	<u>Posisi Devisa Neto/ Net Open Position</u>
Laporan posisi keuangan dan rekening administratif			
Dolar Amerika Serikat	84,803,983	84,816,091	12,108
Yen Jepang	1,989,928	1,985,170	4,758
Dolar Singapura	56,694	49,033	7,661
Euro Eropa	49,431	46,435	2,996
Baht Thailand	15,955	14,275	1,680
Poundsterling Inggris	7,257	3,504	3,753
Dolar Australia	3,173	648	2,525
Yuan China	788	110	678
Dolar Hong Kong	449	266	183
Franc Swiss	289	-	289
Rupiah India	70	-	70
Jumlah			36,701
Jumlah Modal Tier I dan II			30,948,624
Rasio PDN			0.12%

Sensitivitas Bank terhadap mata uang asing diperhitungkan dengan menggunakan informasi selisih bersih aktiva dan pasiva dalam laporan posisi keuangan untuk setiap valuta asing dan selisih bersih tagihan dan kewajiban komitmen dan kontinjensi dalam rekening administratif untuk setiap valuta asing.

Tabel di bawah ini mengikhtisarkan sensitivitas laba bersih Bank (linier) pada tanggal 31 Desember 2020 dan 2019 atas perubahan nilai tukar mata uang asing yaitu:

	Menambah (mengurangi) laba bersih/Increase (decrease) net profit	
	2020	2019
IDR melemah 1%	(775)	125
IDR menguat 1%	775	(125)

42. FINANCIAL RISK MANAGEMENT (continued)

Market risk (continued)

(i) Foreign currency risk (continued)

Net Open Position (continued)

Below is the Net Open Position of Bank as of 31 December 2020 and 2019 in currency (Rupiah equivalent). These amounts are reported to Bank Indonesia on the statement of financial position's date as part of daily reporting.

Statement of financial position and off-balance sheet	
United States Dollar	
Japanese Yen	
Singapore Dollar	
European Euro	
Thailand Baht	
Great Britain Poundsterling	
Australian Dollar	
China Yuan	
Hong Kong Dollar	
Swiss Franc	
Indian Rupee	
Total	
Total Tier I and II Capital	
NOP Ratio	

Statement of financial position and off-balance sheet	
United States Dollar	
Japanese Yen	
Singapore Dollar	
European Euro	
Thailand Baht	
Great Britain Poundsterling	
Australian Dollar	
China Yuan	
Hong Kong Dollar	
Swiss Franc	
Indian Rupee	
Total	
Total Tier I and II Capital	
NOP Ratio	

The Bank's sensitivity to foreign currency is calculated using net difference between assets and liabilities in the statement of financial position for each foreign currency and the net difference of receivables and commitments and contingent liabilities in the off-balance sheet accounts for each foreign currency information.

The table below shows the sensitivity of the Bank's net profit (linear) to movement of foreign exchange rates as of 31 December 2020 and 2019 :

IDR weakening by 1%
IDR strengthening by 1%

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42. MANAJEMEN RISIKO KEUANGAN (lanjutan)

Risiko pasar (lanjutan)

(i) Risiko mata uang asing (lanjutan)

Posisi Devisa Neto (lanjutan)

Proyeksi di atas mengasumsikan bahwa perubahan nilai tukar mata uang asing bergerak pada jumlah yang sama sehingga tidak mencerminkan perubahan potensial kepada laba atas perubahan beberapa nilai tukar mata uang asing sementara lainnya tidak berubah. Proyeksi juga mengasumsikan bahwa seluruh variabel lainnya adalah konstan dan berdasarkan tanggal pelaporan yang konstan serta seluruh posisi berjalan hingga jatuh tempo.

(ii) Risiko suku bunga

Pendapatan Bank yang berasal dari kegiatan konvensional merupakan selisih antara bunga yang dihasilkan dari sisi aset dengan bunga yang dibayarkan kepada dana pihak ketiga. Perubahan tingkat bunga jika tidak diantisipasi dapat menyebabkan penurunan pendapatan Bank.

Risiko suku bunga berdampak pada fluktuasi arus kas di masa mendatang baik pada aset maupun liabilitas. Hal ini dapat mempengaruhi pendapatan bunga Bank maupun nilai wajar dari instrumen keuangan yang dimiliki Bank.

Bisnis utama Entitas Anak adalah memberikan pembiayaan dengan akad murabahah. Pendapatan marjin murabahah dipengaruhi oleh harga pembiayaan atau suku bunga di pasar konvensional.

Manajemen risiko suku bunga

Kebijakan yang dijalankan Bank dan Entitas Anak dalam pengendalian terhadap risiko suku bunga:

- Melakukan pemantauan limit risiko suku bunga.
- Melakukan pengelolaan risiko suku bunga sesuai regulasi terkait dan kebijakan internal Bank.
- Melakukan simulasi perhitungan pendapatan marjin bersih terhadap semua kemungkinan perubahan tingkat suku bunga di pasar.

Tabel di bawah ini mengikhtisarkan eksposur instrumen keuangan Bank dan Entitas Anak terhadap risiko tingkat suku bunga.

42. FINANCIAL RISK MANAGEMENT (continued)

Market risk (continued)

(i) Foreign currency risk (continued)

Net Open Position (continued)

The above projection assumes that foreign exchange rates move by the same amount and, therefore, do not reflect the potential impact on profit of some rates changing while others remain unchanged. The projections also assume that all other variables are held constant and are based on a constant reporting date position and that all positions run to maturity.

(ii) Interest rate risk

The Bank's income from conventional activities are derived from the difference between the interest generated on the asset side and the interest paid to third party funds. If not anticipated, changes in interest rates can result in a decrease in the Bank's income.

Interest rate risk has an effect to future cash flows fluctuation of both assets and liabilities. It can affect the Bank's interest income and fair value of the financial instruments.

The Subsidiary's main business is to provide financing with murabahah contracts. The murabahah margin income is affected by the financing price or interest rate in the conventional market.

Interest rate risk management

Policies adopted by the Bank and Subsidiary in managing its interest rate risk include:

- Monitoring of interest rate risk limit.
- Managing interest rate risk in accordance with relevant regulations and Bank's internal policies.
- Conduct simulation of net margin income calculation toward all possible market interest rate changes.

The tables below summarise the exposures of financial instruments of the Bank and Subsidiary to interest rate risks.

	≤ 1 bulan/ month	1 - 3 bulan months	> 3 - 6 bulan/ months	> 6 - bulan/ months	≤ 1 bulan/ month	1 - 3 bulan months	> 3 - 6 bulan/ months	> 6 - 12 bulan/ months	months	bunga/ Non- interest bearing	Jumlah/ Total	
Indonesia												Bank Indonesia
bank lain												other banks
Bank Indonesia dan bank-bank lain												Placements with Bank Indonesia and other banks
diberikan dan pembiayaan/ piutang syaria					2				34,097,38		136,892,17	financing/receivables
Aset lain-lain												Other assets
keuangan, sebelum cadangan kerugian penurunan nilai									42,951,99	6,459,15	180,561,91	Total financial assets before allowance for impairment losses



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42. MANAJEMEN RISIKO KEUANGAN (lanjutan)

42. FINANCIAL RISK MANAGEMENT (continued)

Risiko pasar (lanjutan)

Market risk (continued)

(ii) Risiko tingkat bunga (lanjutan)

(ii) Interest rate risk (continued)

Manajemen risiko tingkat bunga (lanjutan)

Interest rate risk management (continued)

31 DesemberDecember 2020												
Suku bunga mengambang/Floating rate instrument				Bunga tetap/Fixed rate					Tidak dikenakan bunga/ Non-interest bearing	Jumlah/ Total		
≤ 1 bulan/ month	1 - 3 bulan/ months	> 3 - 6 bulan/ months	> 6 - 12 bulan/ months	≤ 1 bulan/ month	1 - 3 bulan/ months	> 3 - 6 bulan/ months	> 6 - 12 bulan/ months	> 12 bulan/ months				
Liabilitas												
Liabilitas segera	-	-	-	-	-	-	-	-	(59,404)	(59,404)	Obligations immediately	
Simpanan dari nasabah	-	-	-	(73,049,011)	(15,721,013)	(3,201,647)	(869,897)	(23,972)	(268,383)	(93,133,923)	customers	
Simpanan dari bank-bank lain	-	-	-	(6,549,336)	-	-	-	-	(370)	(6,549,706)	banks	
Liabilitas derivatif	-	-	-	-	-	-	-	-	(887,157)	(887,157)	Derivative payables	
Liabilitas akseptasi	-	-	-	-	-	-	-	-	(767,282)	(767,282)	Acceptance payables	
Utang obligasi	-	-	-	-	-	-	-	-	(7,379)	(1,000,424)	Bonds payable	
Pinjaman yang diterima	(22,852,789)	(1,000,000)	-	(1,353,258)	(4,164,868)	(1,693,374)	-	-	(119,055)	(31,	Borrowings	
Pinjaman subordinasi	-	(6,111,750)	-	-	-	-	-	-	(4,230)	(6,115,980)	Subordinated loans	
Liabilitas lain-lain	-	-	-	-	-	-	-	-	(401,099)	(401,099)	Other liabilities	
Jumlah liabilitas keuangan	(22,852,789)	(7,111,750)	-	(80,951,605)	(19,885,881)	(4,895,021)	(869,897)	(1,017,017)	(2,514,359)	(140,098,319)	Total financial liabilities	
Jumlah gap repricing suku bunga	4,112,228	9,920,932	1,828,792	-	(31,213,297)	(7,986,995)	2,509,338	15,412,827	41,934,373	3,944,795	40,463,593	gap
31 DesemberDecember 2019												
Suku bunga mengambang/Floating rate instrument				Bunga tetap/Fixed rate					Tidak dikenakan bunga/ Non-interest bearing	Jumlah/ Total		
≤ 1 bulan/ month	1 - 3 bulan/ months	> 3 - 6 bulan/ months	> 6 - 12 bulan/ months	≤ 1 bulan/ month	1 - 3 bulan/ months	> 3 - 6 bulan/ months	> 6 - 12 bulan/ months	> 12 bulan/ months				
Aset												
Kas	-	-	-	-	-	-	-	-	2,299,062	2,		
Giro pada Bank Indonesia	-	-	-	8,987,079	-	-	-	-	-	8,	Bank Indonesia	
Giro pada bank-bank lain	-	-	-	1,056,904	-	-	-	-	-	1,	other banks	
Penempatan pada Bank Indonesia dan bank-bank lain	-	-	-	7,254,104	485,000	370,000	805,000	-	-	8,	Placements with Bank Indonesia and other banks	
Efek-efek	-	-	-	1,410,377	6,841,856	209,282	512,240	1,729,102	-	10,		
Tagihan derivatif	-	-	-	-	-	-	-	-	840,372	-		
Tagihan akseptasi	-	-	-	-	-	-	-	-	1,692,460	1,	receivables	
diberikan dan pembiayaan/ piutang syariah	-	-	-	-	-	-	-	-	-	-	financing/ receivables	
Aset lain-lain											Other assets	
keuangan, sebelum cadangan kerugian penurunan nilai	-	-	-	5	-	7,327,	10,801.86	45,174,	-	-	Total financial assets before allowance for impairment losses	
Liabilitas											Liabilities	
Liabilitas segera	-	-	-	-	-	-	-	-	-	(18,268)	immediately	
Simpanan dari nasabah	-	-	-	(62,855,495)	(13,792,455)	(1,906,146)	(1,028,813)	(16,507)	-	-	customers	
Simpanan dari bank-bank lain	-	-	-	(8	-	-	-	-	-	(banks	
Liabilitas derivatif	-	-	-	-	-	-	-	-	-	(Derivative payables	
Liabilitas akseptasi	-	-	-	-	-	-	-	-	-	(Acceptance payables	
Surat utang jangka menengah	-	-	-	-	-	(1,301,409)	-	-	-	(Medium term notes	
Utang obligasi	-	-	-	-	-	-	(898,98	(990,232	-	(Bonds payable	
Pinjaman yang diterima	(25,293,	(8,983,721	-	-	-	(2,	-	-	-	(Borrowings	
Pinjaman subordinasi	-	(6,045,193	-	-	-	-	-	-	-	(Subordinated loans	
Liabilitas lain-lain	-	-	-	-	-	-	-	-	-	(Other liabilities	
Jumlah liabilitas keuangan	(25,293,593)	(15,028,914)	(727,186)	(71,740,	(16,634,	(5,	(1,927,	(1,668,982	(2,3	(141,125,	Total financial liabilities	
Jumlah gap repricing suku bunga	(896,550)	(1,762,350)	(608,832)	(20,658,787	(340,721	1,597,903	8,874,066	43,505,726	2,656,745	36,154,903	gap	

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42. MANAJEMEN RISIKO KEUANGAN (lanjutan)

42. FINANCIAL RISK MANAGEMENT (continued)

Risiko pasar (lanjutan)

Market risk (continued)

(ii) Risiko tingkat bunga (lanjutan)

(ii) *Interest rate risk (continued)*

Manajemen risiko tingkat bunga (lanjutan)

Interest rate risk management (continued)

Tabel di bawah ini mengikhtisarkan sensitivitas laba bersih Bank selama tahun yang berakhir pada tanggal 31 Desember 2020 dan 2019 atas kenaikan atau penurunan tingkat suku bunga pasar, dengan asumsi bahwa tidak ada pergerakan asimetris di kurva imbal hasil:

The table below shows the sensitivity of the Bank's net profit during the years ended 31 December 2020 and 2019 due to an increase or decrease in market interest rates, assuming no asymmetrical movement in yield curves:

	(Penurunan) peningkatan laba bersih/ (Decrease) increase net profit		
	2020	2019	
Peningkatan 100 bps	8	(129)	Increased by 100 bps
Penurunan 100 bps	(21)	111	Decreased by 100 bps

Manajemen Risiko Permodalan

Capital Risk Management

Modal regulasi

Regulatory capital

Tujuan manajemen permodalan Bank dan Entitas Anak adalah untuk mempertahankan posisi modal yang kuat untuk mendukung pertumbuhan bisnis dan mempertahankan investor, deposan, pelanggan dan kepercayaan pasar. Dalam pengelolaan permodalan, Bank dan Entitas Anak mempertimbangkan faktor-faktor seperti: pengembalian modal yang optimal pada pemegang saham, menjaga keseimbangan antara keuntungan yang lebih tinggi dengan *gearing ratio* serta keamanan yang diberikan oleh posisi modal yang sehat.

The Bank and Subsidiary capital management objectives is to maintain a strong capital position to support business growth and to sustain investors, depositors, customers and market confidence. In managing its capital, the Bank and Subsidiary consider factors such as: providing optimal capital rate of return to shareholders and maintaining a balance between high return gearing ratio and safety provided by a sound capital position.

Sesuai dengan Peraturan OJK (POJK) No. 11/POJK.03/2016 tentang kewajiban penyediaan modal minimum bank umum dan SEOJK No. 26/SEOJK.03/2016 tentang KPMM sesuai Profil Risiko dan Pemenuhan *Capital Adequacy Maintained Assets (CEMA)*, Bank wajib melakukan perhitungan KPMM minimum berdasarkan profil risiko dan melakukan *Internal Capital Adequacy Assessment Process (ICAAP)*. Peraturan ini juga mengatur tentang pemenuhan rasio modal inti (*Tier 1*) paling rendah sebesar 6% dan rasio modal inti utama (*Common Equity Tier 1*) paling rendah sebesar 4,5%, efektif sejak tanggal 1 Januari 2014.

According to OJK Regulation No. 11/POJK.03/2016 dated 12 December 2013 regarding Capital Adequacy Ratio (CAR) for Commercial Bank and SEOJK No. 26/SEOJK.03/2016 regarding Capital Adequacy Ratio based on Risk Profile and Fulfillment of Capital Adequacy Maintained Assets (CEMA), the Bank is required to calculate minimum CAR in accordance to its risk profile and to perform Internal Capital Adequacy Assessment Process (ICAAP). This regulation also stipulates minimum Tier 1 ratio at the minimum of 6% and common equity Tier 1 ratio at the minimum of 4.5%, effective on 1 January 2014.

Bank dan Entitas Anak telah memenuhi semua persyaratan modal yang diwajibkan sepanjang tahun.

The Bank and Subsidiary have complied with all externally imposed capital requirements throughout the year.



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42. MANAJEMEN RISIKO KEUANGAN (lanjutan)

42. FINANCIAL RISK MANAGEMENT (continued)

Manajemen Risiko Permodalan (lanjutan)

Capital Risk Management (continued)

Modal regulasi (lanjutan)

Regulatory capital (continued)

Posisi permodalan Bank dan Entitas Anak berdasarkan peraturan OJK yang berlaku pada tanggal 31 Desember 2020 dan 2019 adalah sebagai berikut:

The Bank and Subsidiary's regulatory capital position under the prevailing OJK regulation as of 31 December 2020 and 2019 were as follows:

	31 Desember/December		
	2020	2019	
KONSOLIDASI			CONSOLIDATED
Aset tertimbang menurut risiko			Risk weighted assets
- Dengan memperhitungkan risiko kredit	118,425,350	124,368,632	With credit risk charge -
- Dengan memperhitungkan risiko kredit dan operasional	141,752,434	142,780,626	With credit, operational risk -
- Dengan memperhitungkan risiko kredit, operasional dan pasar	142,253,917	143,582,952	charge
			With credit, operational and market -
			risk charge
Modal			Capital
- Modal inti	29,426,916	27,259,773	Core capital -
- Modal pelengkap	6,920,396	7,543,294	Supplementary capital -
	36,347,312	34,803,067	
Rasio kewajiban penyediaan modal minimum			Capital adequacy ratio
- Dengan memperhitungkan risiko kredit	30.69%	27.98%	With credit risk charge -
- Dengan memperhitungkan risiko kredit dan operasional	25.64%	24.38%	With credit, operational risk -
- Dengan memperhitungkan risiko kredit, operasional dan pasar	25.55%	24.24%	charge
			With credit, operational and market -
			risk charge
Rasio kewajiban penyediaan modal minimum yang diwajibkan oleh Bank Indonesia	9% sampai dengan kurang dari 10%/9% to less than 10%	9% sampai dengan kurang dari 10%/9% to less than 10%	Minimum capital adequacy ratio required by Bank Indonesia
- Rasio Kewajiban Penyediaan Modal Minimum	25.55%	24.24%	Capital Adequacy Ratio -
- Rasio CET 1	20.69%	18.99%	CET 1 ratio -
- Rasio tier 1	20.69%	18.99%	Tier 1 ratio -
- Rasio tier 2	4.86%	5.25%	Tier 2 ratio -
BANK			BANK
Aset tertimbang menurut risiko			Risk weighted assets
- Dengan memperhitungkan risiko kredit	112,502,125	117,335,520	With credit risk charge -
- Dengan memperhitungkan risiko kredit dan operasional	128,348,112	131,011,596	With credit, operational risk -
- Dengan memperhitungkan risiko kredit, operasional dan pasar	128,849,595	131,813,922	charge
			With credit, operational and market -
			risk charge
Modal			Capital
- Modal inti	25,588,377	23,521,707	Core capital -
- Modal pelengkap	6,862,846	7,465,961	Supplementary capital -
	32,451,223	30,987,668	
Rasio kewajiban penyediaan modal minimum			Capital adequacy ratio
- Dengan memperhitungkan risiko kredit	28.84%	26.41%	With credit risk charge -
- Dengan memperhitungkan risiko kredit dan operasional	25.28%	23.65%	With credit, operational risk -
- Dengan memperhitungkan risiko kredit, operasional dan pasar	25.19%	23.51%	charge
			With credit, operational and market -
			risk charge
Rasio kewajiban penyediaan modal minimum yang diwajibkan oleh Bank Indonesia	9% sampai dengan kurang dari 10%/9% to less than 10%	9% sampai dengan kurang dari 10%/9% to less than 10%	Minimum capital adequacy ratio required by Bank Indonesia
- Rasio Kewajiban Penyediaan Modal Minimum	25.19%	23.51%	Capital Adequacy Ratio -
- Rasio CET 1	19.86%	17.84%	CET 1 ratio -
- Rasio tier 1	19.86%	17.84%	Tier 1 ratio -
- Rasio tier 2	5.33%	5.66%	Tier 2 ratio -

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42. MANAJEMEN RISIKO KEUANGAN (lanjutan)

42. FINANCIAL RISK MANAGEMENT (continued)

Manajemen Risiko Permodalan (lanjutan)

Capital Risk Management (continued)

Modal regulasi (lanjutan)

Regulatory capital (continued)

	31 Desember/December		
	2020	2019	
ENTITAS ANAK			SUBSIDIARY
Modal inti	5,544,726	5,138,209	Core capital
Modal pelengkap (maksimum 100% dari modal inti)	74,040	87,914	Supplementary capital (maximum at 100% from core capital)
Jumlah modal	<u>5,618,766</u>	<u>5,226,123</u>	Total capital
Aset Tertimbang Menurut Risiko (ATMR)			Risk Weighted Assets (RWA)
Risiko Kredit	5,370,131	6,988,540	Credit Risk
Risiko Operasional	<u>5,995,479</u>	<u>4,737,446</u>	Operational Risk
Rasio total	<u>49.44%</u>	<u>44.57%</u>	Total ratio
Rasio KPMM yang diwajibkan	<u>9% - 10%</u>	<u>9% - 10%</u>	Minimum CAR

Manajemen menggunakan peraturan rasio permodalan untuk memantau kecukupan modal, sesuai dengan standar industri. Pendekatan Bank Indonesia untuk pengukuran modal tersebut terutama didasarkan pada pemantauan kebutuhan modal yang diwajibkan terhadap modal yang tersedia.

Management uses regulatory capital ratios in order to monitor its capital base and these capital ratios remain the industry standards for measuring capital adequacy. BI's approach to such measurement is primarily based on monitoring the relationship of the capital resources requirement to available capital resources.

Estimasi nilai wajar instrumen keuangan

Fair value estimation of financial instruments

Untuk aset dan liabilitas keuangan yang diukur menggunakan nilai wajar, berikut ini adalah hirarki nilai wajar:

For financial assets and liabilities measured at fair value, the following is the hierarchy of the fair values:

a. Tingkat 1

a. Level 1

Harga kuotasi (tidak disesuaikan) dalam pasar aktif untuk aset atau liabilitas yang identik;

Quoted prices (unadjusted) in active markets for identical assets or liabilities;

b. Tingkat 2

b. Level 2

Input selain harga kuotasi yang termasuk dalam tingkat 1 yang dapat diobservasi untuk aset atau liabilitas, baik secara langsung (misalnya harga) maupun tidak langsung (misalnya turunan harga); dan

Inputs other than quoted prices included within level 1 that are observable for the assets or liabilities, either directly (that is as prices) or indirectly (that is derived from prices); and

c. Tingkat 3

c. Level 3

Input untuk aset atau liabilitas yang bukan berdasarkan data pasar yang dapat diobservasi (input yang tidak dapat diobservasi).

Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

Tabel berikut menyajikan aset dan liabilitas keuangan Bank dan Entitas Anak yang diukur sebesar nilai wajar pada tanggal 31 Desember 2020 dan 2019:

The tables below show the Bank and Subsidiary's financial assets and liabilities that were measured at fair value as of 31 December 2020 and 2019:

Penyertaan saham

Investment in shares

Liabilitas derivatif

Derivative payables



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42. MANAJEMEN RISIKO KEUANGAN (lanjutan)

42. FINANCIAL RISK MANAGEMENT (continued)

Estimasi nilai wajar instrumen keuangan
(lanjutan)

Fair value estimation of financial instruments
(continued)

31 Desember/December 2019					
	Nilai tercatat/ Carrying value	Tingkat 1/ Level 1	Tingkat 2/ Level 2	Tingkat 3/ Level 3	Nilai wajar/ Fair value
Aset					
Efek-efek	5,679,762	-	5,679,762	-	5,679,762
Tagihan derivatif	840,372	-	840,372	-	840,372
Penyertaan saham	22,522	-	-	22,522	22,522
	6,542,656	-	6,520,134	22,522	6,542,656
Liabilitas					
Liabilitas derivatif	894,947	-	894,947	-	894,947

Tabel di bawah ini menggambarkan nilai tercatat dan nilai wajar dari instrumen keuangan yang tidak disajikan pada nilai wajarnya:

The table below summarises the carrying amounts and fair values of those financial instruments not stated at their fair values:

31 Desember/December 2020			31 Desember/December 2019		
	Nilai tercatat/ Carrying value	Nilai wajar/ Fair value	Nilai tercatat/ Carrying value	Nilai wajar/ Fair value	
Aset					Assets
Giro pada Bank Indonesia	5,616,968	5,616,968	8,987,079	8,987,079	Current accounts with Bank Indonesia
Giro pada bank-bank lain	896,071	896,071	1,056,904	1,056,904	Current accounts with other banks
Penempatan pada Bank Indonesia dan bank-bank lain	17,004,339	17,004,339	8,914,104	8,914,104	Placements with Bank Indonesia and other banks
Efek-efek	5,188,663	5,294,549	10,702,851	10,657,240	Securities
Tagihan akseptasi	1,484,939	1,484,939	1,692,391	1,692,391	Acceptance receivables
Pinjaman yang diberikan dan pembiayaan/piutang syariah	133,469,850	135,506,563	141,120,343	143,364,681	Loans and sharia financing/receivables
Aset lain-lain	267,874	267,874	177,188	177,188	Other assets
Liabilitas					Liabilities
Liabilitas segera	59,404	59,404	18,268	18,268	Obligation due immediately
Bagi hasil yang belum dibagikan	18,666	18,665	21,861	21,861	Undistributed revenue sharing
Simpanan nasabah	93,133,923	93,133,923	79,599,416	79,599,416	Deposits from customers
Simpanan dari bank-bank lain	6,549,706	6,549,706	11,690,555	11,690,555	Deposits from other banks
Liabilitas akseptasi	767,282	767,282	888,459	888,459	Acceptance payables
Surat utang jangka menengah	-	-	1,306,441	1,323,732	Medium term notes
Utang obligasi	1,000,424	1,024,774	1,910,473	1,921,161	Bonds payable
Pinjaman yang diterima	31,183,344	35,060,282	38,188,926	38,218,199	Borrowings
Liabilitas lain-lain	401,099	401,099	582,809	582,809	Other liabilities

Nilai wajar dari efek-efek yang memiliki jatuh tempo lebih dari 1 tahun diestimasi menggunakan nilai kuotasi pasar terakhir (level 2 - hirarki nilai wajar).

The fair value for securities, which maturity date is more than 1 year, are estimated using the last quoted market price (level 2 - fair value hierarchy).

Estimasi nilai wajar dari pinjaman yang diberikan mencerminkan jumlah diskonto dari estimasi kini dari arus kas masa depan yang diharapkan akan diterima. Arus kas masa depan yang diharapkan didiskontokan pada tingkat suku bunga pasar terkini untuk menentukan nilai wajar (level 3 - hirarki nilai wajar).

The estimated fair value of loans represents the discounted amount of estimated future cash flows expected to be received. Estimated cash flows are discounted at current market rates to determine fair value (level 3 - fair value hierarchy).

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42. FINANCIAL RISK MANAGEMENT (continued)

Estimasi nilai wajar instrumen keuangan
(lanjutan)

Fair value estimation of financial instruments
(continued)

Nilai tercatat dari pembiayaan syariah merupakan perkiraan yang layak atas nilai wajar dikarenakan pinjaman tersebut memiliki tenor jangka pendek.

Carrying value of sharia financing approximates the estimates fair value since sharia financing have short-term tenure.

Nilai wajar surat utang jangka menengah dihitung menggunakan teknik penilaian berdasarkan model internal Bank yaitu model penilaian diskonto arus kas. Input dalam teknik penilaian termasuk arus kas yang akan diterima di masa datang dan suku bunga pasar (level 2 - hirarki nilai wajar).

The fair value of medium term notes was calculated using valuation technique based on the Bank's internal model which is discounted cash flow valuation model. Inputs into the valuation technique include expected future cash flows and interest rates (level 2 - fair value hierarchy).

Nilai wajar utang obligasi diestimasi menggunakan nilai kuotasi pasar terakhir (level 2 - hirarki nilai wajar).

The fair value of bonds payable is estimated by using the last quoted market price (level 2 - fair value hierarchy).

Nilai wajar dari pinjaman yang diterima dinilai dengan menggunakan diskonto arus kas berdasarkan tingkat suku bunga efektif yang dikenakan pada pinjaman terakhir yang digunakan (level 2 - hirarki nilai wajar).

The fair value of borrowings is estimated by using discounted cash flows applying the effective interest rate charged by the lender for the last utilization of borrowings (level 2 - fair value hierarchy).

Nilai tercatat aset keuangan dan liabilitas keuangan lainnya mendekati nilai wajarnya karena instrumen keuangan bersifat jangka pendek atau yang ditinjau ulang menggunakan harga pasar secara berkala.

The carrying amount of remaining financial assets and financial liabilities are reasonable approximation of fair value because they are short term in nature or re-price to current market rates frequently.

Perhitungan nilai wajar dilakukan hanya untuk kepentingan pengungkapan dan tidak berdampak pada pelaporan posisi atau kinerja keuangan Bank dan Entitas Anak. Nilai wajar yang dihitung oleh Bank dan Entitas Anak 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.

The fair values calculated are for disclosure purposes only and do not have any impact on the Bank and Subsidiary's reported financial performance or position. The fair values calculated by the Bank and Subsidiary may be different from the actual amount that will be received/paid on the settlement or maturity of the financial instrument. As certain categories of financial instruments are not traded, there is management judgment involved in calculating the fair values.

Risiko operasional

Operational risk

Risiko operasional adalah risiko kerugian akibat ketidakcukupan atau tidak berfungsinya proses internal, kesalahan manusia, kegagalan sistem dan/atau adanya kejadian eksternal yang mempengaruhi operasional Bank.

Operational risk is defined as the risks of loss resulting from inadequate or failed internal processes, people, systems failure and/or external events that impacted to the bank's operational activities.



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42. FINANCIAL RISK MANAGEMENT (continued)

Risiko operasional (lanjutan)

Operational risk (continued)

Tata Kelola Pengelolaan Risiko Operasional

Operational Risk Management Governance

Risiko operasional dikelola melalui kerangka kerja, kebijakan dan prosedur dengan struktur tata kelola Manajemen Risiko Operasional menggunakan model *Three Lines of Defence* atau pertahanan tiga Lapis. Pada lapis pertahanan pertama, seluruh unit kerja selaku *Risk Taking Unit* (RTU) adalah sebagai pemilik risiko (*risk owner*) yang bertanggung jawab secara langsung untuk mengelola dan mengontrol risiko operasional di proses dan aktivitasnya masing-masing. RTU bertanggungjawab untuk melaksanakan perangkat kerja dan program Manajemen Risiko Operasional sesuai dengan kebijakan dan prosedur yang berlaku, Bank juga telah membentuk fungsi ICR (*Internal Control & Risk*) yang berperan dalam membantu *Risk Taking Unit* (RTU) dalam sistem pengendalian internal dari setiap proses atau aktivitas sehari-hari.

Operational risk are managed through framework, policies and procedures with the Operational Risk Management governance structure using the *Three Lines of Defense* model. In the first line of defense, all work units as *Risk Taking Units* (RTU) are the risk owner who are directly responsible for managing and controlling operational risk in their respective processes and activities. The RTU is responsible for implementing Operational Risk Management work tools and programs in accordance with applicable policies and procedures, the Bank has also established an ICR (*Internal Control & Risk*) function which plays a role in assisting the *Risk Taking Unit* (RTU) in the internal control system of each process or activity daily.

Pada lapis pertahanan kedua, Divisi ORM (*Operational Risk Management*) membuat kerangka kerja, kebijakan dan prosedur serta mengembangkan metodologi, perangkat kerja dan inisiatif lainnya untuk meningkatkan pengelolaan risiko operasional Bank. Kebijakan dan prosedur Manajemen Risiko Operasional dikaji ulang secara reguler untuk memastikan kesesuaian dengan kondisi Bank. Divisi ORM secara periodik melaporkan risiko operasional kepada Direksi dan BoM (*Board of Management*) melalui Komite Manajemen Risiko.

At the second line of defense, the ORM (*Operational Risk Management*) Division develops frameworks, policies and procedures as well as develops methodologies, work tools and other initiatives to improve the Bank's operational risk management. Operational Risk Management policies and procedures are reviewed regularly to ensure conformity with Bank conditions. The ORM Division periodically reports operational risks to the Board of Directors and BoM (*Board of Management*) through the Risk Management Committee.

Pada lapis pertahanan ketiga, Internal Audit melakukan pelaksanaan kaji ulang independen atas manajemen risiko operasional secara periodik kepada RTU dan Divisi ORM untuk menilai dan memberikan rekomendasi perbaikan.

At the third line of defense, Internal Audit conducts periodic independent reviews of operational risk management to the RTU and ORM Division to assess and provide recommendations for improvements.

Koordinasi diantara pihak-pihak yang terkait tersebut diatas di dalam manajemen risiko operasional juga dilakukan melalui forum-forum maupun rapat secara periodik.

Coordination among the related parties mentioned above in operational risk management is also carried out through forums and periodic meetings.

Manajemen Risiko Operasional

Operational Risk Management

Bank dan Entitas Anak memiliki Kebijakan Manajemen Risiko Operasional untuk memastikan proses manajemen risiko operasional yang mencakup identifikasi, pengukuran, pemantauan dan pengendalian risiko berjalan secara terstruktur dan konsisten. Proses Manajemen Risiko Operasional diterapkan berdasarkan praktik terbaik yang efektif untuk Bank yang juga mencakup *Business Continuity Management* dan *Information Security Risk*.

The Bank and Subsidiaries have an Operational Risk Management Policy to ensure that the operational risk management process which includes identification, measurement, monitoring and risk control runs in a structured and consistent manner. The Operational Risk Management process is implemented based on effective best practices for the Bank which also includes *Business Continuity Management* and *Information Security Risk*.

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42. MANAJEMEN RISIKO KEUANGAN (lanjutan)

Risiko operasional (lanjutan)

Manajemen Risiko Operasional (lanjutan)

Tahapan proses Manajemen Risiko Operasional yang mencakup identifikasi, pengukuran, pemantauan dan pengendalian atas risiko operasional adalah sebagai berikut:

1. Identifikasi Risiko Operasional dilakukan melalui Kajian Risiko Operasional atas setiap produk atau proses atau layanan baik yang baru atau yang dimodifikasi. Risiko-risiko operasional yang teridentifikasi dari setiap proses disusun ke dalam tabel PRC (*Process Risk Control*) dan tingkat risiko diukur dengan menggunakan RGM (*Risk Grading Matrix*). Beberapa risiko utama yang diidentifikasi pada PRC akan menjadi indikator yang akan dimonitor secara berkala sebagai *Key Operational Risk Indicator* (KORI). Laporan *Risk Acceptance* digunakan untuk mengidentifikasi risiko-risiko residual atau yang masih ada akibat adanya ketidakcukupan sistem pengendalian.
2. Pengukuran Risiko Operasional dilakukan dengan melalui pencatatan dan/atau pembukuan atas kejadian risiko operasional, indikator dan limit risiko operasional yang telah ditetapkan sebagai *Operational Risk Appetite*, pelaksanaan KKP (Kertas Kerja Pemeriksaan) dan KCSA (*Key Control Self Assessment*), pelaporan KORI (*Key Operational Risk Indicator*) dan Perhitungan Beban Modal untuk Risiko Operasional.
3. Pemantauan Risiko Operasional dilakukan dengan analisa pada berbagai macam laporan seperti Laporan *Risk/Loss Event*, Laporan KORI, Laporan SINP (*Significant Incident Notification Protocol*), Laporan Pelaksanaan KCSA (*Key Control Self Assessment*), Laporan Profil Risiko dan laporan hasil ICR serta parameter yang sudah ditentukan oleh regulator di dalam Profil Risiko Operasional.
4. Pengendalian risiko operasional dilakukan melalui berbagai rencana tindakan dimana salah satunya adalah transfer risiko dengan perlindungan asuransi. Bank juga menerapkan kerangka kerja Business Continuity Management (BCM) sebagai bentuk pengendalian risiko operasional. Pelatihan (training) secara regular dilakukan untuk meningkatkan pemahaman dan kesadaran RTU terhadap manajemen risiko operasional.

42. FINANCIAL RISK MANAGEMENT (continued)

Operational risk (continued)

Operational Risk Management (continued)

The stages of the Operational Risk Management process which include identification, measurement, monitoring and control of operational risk are as follows:

1. Operational Risk identification is carried out through an Operational Risk Assessment of each product or process or service, whether new or modified. The operational risks identified from each process are compiled into a PRC (*Process Risk Control*) table and the level of risk is measured using the RGM (*Risk Grading Matrix*). Some of the main risks identified in the PRC will be indicators that will be monitored periodically as *Key Operational Risk Indicators* (KORI). The *Risk Acceptance Report* is used to identify residual or remaining risks due to an inadequate control system.
2. Measurement of Operational Risk is carried out by recording and / or accounting for operational risk events, indicators and operational risk limits that have been determined as *Operational Risk Appetite*, implementation of KKP (*Examination Working Paper*) and KCSA (*Key Control Self Assessment*), KORI (*Key Operational Risk Indicator*) and Calculation of Capital Expenses for Operational Risk.
3. Operational Risk monitoring is carried out by analyzing various reports such as *Risk / Loss Event Reports*, KORI Reports, SINP Reports (*Significant Incident Notification Protocol*), KCSA Implementation Reports (*Key Control Self Assessment*), *Risk Profile Reports* and ICR results reports and parameters that have been determined by the regulator in the *Operational Risk Profile*.
4. Operational risk control is carried out through various action plans, one of which is risk transfer with insurance protection. The Bank also implements a Business Continuity Management (BCM) framework as a form of operational risk control. Regular training is conducted to increase RTU's understanding and awareness of operational risk management.



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42. FINANCIAL RISK MANAGEMENT (continued)

Risiko operasional (lanjutan)

Operational risk (continued)

Pengelolaan Risiko Operasional (lanjutan)

Operational Risk Management (continued)

Proses pengelolaan risiko operasional sehari-hari baik di Bank maupun Entitas Anak dilakukan melalui ORMS (Operational Risk Management System) yang merupakan aplikasi online real-time untuk memudahkan pencatatan, analisis, dan pelaporan dari data risiko operasional, dengan kemampuan melakukan identifikasi risiko, penilaian/pengukuran, pemantauan dan pengendalian/mitigasi yang dilaksanakan secara terintegrasi, sehingga dapat meningkatkan efektivitas dari pengelolaan risiko operasional.

The daily operational risk management process at both the Bank and Subsidiary are carried out through an ORMS (Operational Risk Management System) which is a real-time online application to facilitate recording, analysis and reporting of operational risk data, with the ability to carry out risk identification, assessment/measurement, monitoring and control / mitigation which are carried out in an integrated manner, so as to increase the effectiveness of operational risk management.

Perhitungan Kewajiban Penyediaan Modal Minimum (KPMM) untuk risiko operasional yang dilakukan oleh Bank dan Entitas Anak saat ini menggunakan Pendekatan Indikator Dasar (*Basic Indicator Approach*). Selanjutnya KPMM dengan Pendekatan Standar (*Standardized Approach*) akan dilakukan sesuai dengan jadwal yang ditentukan oleh Otoritas Jasa Keuangan.

The calculation of the Capital Adequacy Ratio (KPMM) for operational risk is currently carried out by the Bank and Subsidiary using the Basic Indicator Approach. Furthermore, KPMM with the Standardized Approach will be carried out according to the schedule set by the Financial Services Authority.

Bank dan Entitas Anak telah memiliki pedoman bagi Pengelolaan Kelangsungan Usaha yang komprehensif dan mengacu kepada standard industri ISO 22301, dengan tujuan untuk mengantisipasi risiko operasional yang dapat terjadi dari situasi ekstrim/kritis karena bencana alam seperti banjir, gempa bumi dan juga faktor lainnya seperti kebakaran, gangguan sistem pasokan listrik, hingga situasi bisnis yang kurang menguntungkan. Hal ini untuk memastikan kelangsungan layanan kepada nasabah tetap terjamin.

The Bank and Subsidiary have guidelines for comprehensive Business Continuity Management and refer to the ISO 22301 industry standard, with the aim of anticipating operational risks that can occur from extreme / critical situations due to natural disasters such as floods, earthquakes and other factors such as fire, power supply system disruption, to an unfavorable business situation. This is to ensure continuity of service to customers is guaranteed.

Sejak awal penyebaran virus COVID-19 di Indonesia, Bank senantiasa berusaha untuk meminimalisir penyebaran virus COVID-19 di lingkungan kantor dengan membentuk suatu satuan gugus tugas yang dikepalai langsung oleh Direktur Utama. Adapun tujuan utama satuan gugus tugas Bank ini yaitu membuat dan melakukan langkah-langkah antisipasi yang juga menyelaraskan dengan program pemerintah guna memastikan kegiatan operasional Bank tetap dapat berjalan tanpa gangguan yang berarti.

Since the beginning of COVID-19 virus outbreak in Indonesia, the Bank continuously makes an effort to minimize the outbreak of COVID-19 virus at the office environment by establishing a Task Force which is directly led by the President Director. The Task Force's main purpose is to establish and implement anticipative approaches which are aligned with the government program to ensure that the Bank can still operate its operational activities with minimum disruption.

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43. ASET DAN LIABILITAS DALAM MATA UANG ASING

Saldo aset dan liabilitas moneter dalam mata uang asing adalah sebagai berikut :

43. ASSETS AND LIABILITIES IN FOREIGN CURRENCIES

The balances of monetary assets and liabilities in foreign currencies are as follows :

ASET	2020	2019	ASSETS
Kas			Cash
Dolar Amerika Serikat	31,151	26,954	United States Dollar
Yen Jepang	2,562	1,664	Japanese Yen
	<u>33,713</u>	<u>28,618</u>	
Giro pada Bank Indonesia			Current accounts with Bank Indonesia
Dolar Amerika Serikat	1,765,671	3,643,053	United States Dollar
Giro pada bank-bank lain			Current accounts with other banks
Yen Jepang	184,496	575,604	Japanese Yen
Dolar Amerika Serikat	163,516	158,708	United States Dollar
Dolar Singapura	32,465	46,378	Singapore Dollar
Euro Eropa	82,967	35,410	European Euro
Baht Thailand	3,024	15,955	Thailand Baht
Poundsterling Inggris	10,421	7,257	Great Britain Poundsterling
Dolar Australia	15,636	3,173	Australian Dollar
Lain-lain	1,772	1,596	Others
	<u>494,297</u>	<u>844,081</u>	
Penempatan pada Bank Indonesia dan bank-bank lain			Placements with Bank Indonesia and other banks
Dolar Amerika Serikat	1,700,050	4,484,048	United States Dollar
Efek-efek			Securities
Dolar Amerika Serikat	1,178,879	769,663	United States Dollar
Tagihan derivatif			Derivative receivables
Dolar Amerika Serikat	112,749	61,947	United States Dollar
Tagihan akseptasi			Acceptance receivables
Dolar Amerika Serikat	948,581	830,727	United States Dollar
Euro Eropa	-	13,811	European Euro
	<u>948,581</u>	<u>844,538</u>	
Pinjaman yang diberikan			Loans
Dolar Amerika Serikat	39,814,890	36,794,960	United States Dollar
Yen Jepang	951,191	943,701	Japanese Yen
Euro Eropa	181,335	-	European Euro
	<u>40,947,416</u>	<u>37,738,661</u>	
Aset lain-lain			Other assets
Dolar Amerika Serikat	21,304	11,917	United States Dollar
Euro Eropa	233	210	European Euro
	<u>21,537</u>	<u>12,127</u>	
Jumlah aset	<u>47,202,893</u>	<u>48,426,736</u>	Total assets



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43. ASET DAN LIABILITAS DALAM MATA UANG
ASING (lanjutan)

43. ASSETS AND LIABILITIES IN FOREIGN
CURRENCIES (continued)

	2020	2019	
LIABILITAS			LIABILITIES
Giro			Current accounts
Dolar Amerika Serikat	7,530,996	7,866,301	United States Dollar
Yen Jepang	708,484	1,036,827	Japanese Yen
Lain-lain	61,417	40,075	Others
	<u>8,300,897</u>	<u>8,943,203</u>	
Tabungan			Savings deposits
Dolar Amerika Serikat	284,829	95,712	United States Dollar
Dolar Singapura	27,912	34,794	Singapore Dollar
Yen Jepang	19,915	17,854	Japanese Yen
Lain-lain	32,472	-	Others
	<u>365,128</u>	<u>148,360</u>	
Deposito berjangka dan deposito on call			Time deposits and deposits on call
Dolar Amerika Serikat	1,642,745	2,931,131	United States Dollar
Yen Jepang	49,524	48,982	Japanese Yen
	<u>1,692,269</u>	<u>2,980,113</u>	
Simpanan dari bank-bank lain			Deposits from other banks
Dolar Amerika Serikat	6,533,250	7,288,212	United States Dollar
Liabilitas derivatif			Derivative payables
Dolar Amerika Serikat	102,634	54,728	United States Dollar
Liabilitas akseptasi			Acceptance payables
Dolar Amerika Serikat	489,089	317,218	United States Dollar
Euro Eropa	-	13,811	European Euro
	<u>489,089</u>	<u>331,029</u>	
Pinjaman yang diterima			Borrowings
Dolar Amerika Serikat	22,508,100	31,193,978	United States Dollar
Euro Eropa	344,689	-	European Euro
	<u>22,852,789</u>	<u>31,193,978</u>	
Pinjaman subordinasi			Subordinated loans
Dolar Amerika Serikat	6,111,750	6,038,888	United States Dollar
Liabilitas lain-lain			Other liabilities
Dolar Amerika Serikat	75,452	158,696	United States Dollar
Yen Jepang	4,672	3,050	Japanese yen
	<u>80,124</u>	<u>161,746</u>	
Jumlah liabilitas	<u>46,527,930</u>	<u>57,140,257</u>	Total liabilities
Aset (liabilitas) bersih	<u>674,963</u>	<u>(8,713,521)</u>	Net assets (liabilities)

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**44. JAMINAN PEMERINTAH TERHADAP LIABILITAS
PEMBAYARAN BANK UMUM**

Berdasarkan Undang-Undang No. 24 tanggal 22 September 2004 yang berlaku efektif sejak tanggal 22 September 2005, sebagaimana diubah dengan Peraturan Pemerintah Pengganti Undang-undang Republik Indonesia No. 7 Tahun 2009 tanggal 13 Januari 2009 tentang Penetapan Peraturan Pemerintah Pengganti Undang-Undang No. 3 Tahun 2008, dibentuk untuk menjamin liabilitas tertentu bank-bank umum berdasarkan program penjaminan yang berlaku, yang besaran nilai jaminannya dapat berubah jika memenuhi kriteria tertentu yang berlaku.

Berdasarkan Peraturan Pemerintah Republik Indonesia No. 66 tahun 2008 tanggal 13 Oktober 2008 mengenai Besarnya Nilai Simpanan yang Dijamin Lembaga Penjaminan Simpanan (LPS), maka pada tanggal 31 Desember 2020 dan 2019 jumlah simpanan yang dijamin LPS adalah simpanan sampai dengan Rp 2.000 untuk per nasabah per bank.

Berdasarkan Siaran Pers No. 26/VII/2020 tanggal 29 Juli 2020, simpanan nasabah dijamin hanya jika suku bunganya sama dengan atau di bawah 5,25% untuk simpanan dalam Rupiah dan 1,50% untuk simpanan dalam mata uang asing pada tanggal 31 Desember 2020 (31 Desember 2019: masing-masing 6,50% dan 2,00%).

Berdasarkan Siaran Pers No. PRESS-38/SEKL/2020 tanggal 24 November 2020, tingkat bunga penjaminan LPS mengalami penurunan menjadi 4,50% untuk simpanan dalam Rupiah dan 1,00% untuk simpanan dalam mata uang asing.

Bank dan Entitas Anak adalah peserta dari program penjaminan tersebut. Premi yang telah dibayarkan selama tahun yang berakhir pada tanggal 31 Desember 2020 dan 2019 masing-masing adalah Rp 187.955 dan Rp 189.114.

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**44. GOVERNMENT GUARANTEE ON OBLIGATIONS
OF COMMERCIAL BANKS**

Based on Law No. 24 dated 22 September 2004, effective on 22 September 2005, which was amended by the Government Regulation as Substitution of Law No. 7 Year 2009 dated 13 January 2009 regarding with the Determination of Government Regulation as Substitution of Law No. 3 Year 2008, Deposit Insurance Agency ("LPS") was formed to guarantee certain liabilities of commercial banks under the applicable guarantee program, which the amount of guarantee can be amended if the situation complies with the valid particular criterias.

Based on Government Regulation No. 66 year 2008 dated 13 October 2008 regarding The Amount of Deposit Guaranteed by Indonesia Deposit Insurance Agency (LPS), the amount of deposits covered by LPS is customer deposits up to Rp 2,000 per depositor per bank as of 31 December 2020 and 2019.

Based on Press Release No. 26/VII/2020 dated 29 July 2020, customer deposits are only covered if the rate of interest is equal to or below 5.25% for deposits denominated in Rupiah and 1.50% for deposits denominated in foreign currency as of 31 December 2020 (31 December 2019: 6.50% and 2.00%, respectively).

Based on Press Release No. PRESS-39/SEKL/2020 dated 24 November 2020, the guaranteed interest rate by LPS has decreased to 4.50% for deposits denominated in Rupiah and 1.00% for deposit denominated in foreign currency.

The Bank and Subsidiary both are participants of the guarantee program. Premium paid for the years ended 31 December 2020 and 2019 was Rp 187,955 and Rp 189,114, respectively.



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**45. STANDAR AKUNTANSI YANG DITERBITKAN
NAMUN BELUM BERLAKU EFEKTIF**

Pernyataan Standar Akuntansi Keuangan (PSAK) relevan yang telah disahkan oleh Dewan Standar Akuntansi Keuangan (DSAK) namun belum berlaku efektif untuk laporan keuangan konsolidasian untuk tahun yang berakhir pada tanggal 31 Desember 2020 adalah sebagai berikut:

PSAK yang akan berlaku sejak tanggal 1 Januari 2021:

- PSAK No. 112 "Akuntansi Wakaf",
- Amandemen PSAK No. 22 (Amandemen 2019), "Kombinasi Bisnis: Definisi Bisnis",
- Amendemen PSAK No. 71, "Instrumen Keuangan",
- Amendemen PSAK No. 55, "Instrumen Keuangan: Pengakuan dan Pengukuran",
- Amendemen PSAK No. 60 "Instrumen Keuangan: Pengungkapan",
- Amendemen PSAK No. 73 "Sewa"
- Penyesuaian PSAK No. 110, "Akuntansi Sukuk"
- Penyesuaian PSAK No. 111, "Akuntansi Wa'd"

PSAK yang akan berlaku sejak tanggal 1 Januari 2022:

- Amandemen PSAK No. 22 "Kombinasi Bisnis: Referensi ke Kerangka Konseptual",
- Amandemen PSAK No. 57 "Provisi, Liabilitas Kontinjensi, dan Aset Kontinjensi tentang Kontrak Memberatkan - Biaya Memenuhi Kontrak",
- Penyesuaian tahunan PSAK No. 71 "Instrumen Keuangan",
- Penyesuaian tahunan PSAK No. 73 "Sewa"

PSAK yang akan berlaku sejak tanggal 1 Januari 2023:

- Amandemen PSAK No. 1 "Penyajian Laporan Keuangan tentang Klasifikasi Liabilitas sebagai Jangka Pendek atau Jangka Panjang"

Pada saat penerbitan laporan keuangan konsolidasian, Bank dan Entitas Anak masih mengevaluasi dampak yang mungkin timbul dari penerapan standar baru tersebut serta pengaruhnya terhadap laporan keuangan konsolidasian.

**45. ISSUED BUT NOT YET EFFECTIVE ACCOUNTING
STANDARDS**

The relevant Statements of Financial Accounting Standards (PSAK) issued by the Board of Financial Accounting Standards (DSAK) but not yet effective for the consolidated financial statements for the year ended 31 December 2020 are as follows:

PSAK that will become effective on 1 January 2021:

- *PSAK No. 112 "Accounting for Endowments",*
- *Amendments to PSAK No. 22 (2019 Amendment), "Business Combinations: Definition of Business")*
- *Amendments to PSAK No. 71, "Financial Instruments",*
- *Amendments to PSAK No. 55, "Financial Instruments: Recognition and Measurement",*
- *Amendments to PSAK No. 60 "Financial Instruments: Disclosures",*
- *Amendments to PSAK No. 73 "Leases"*
- *Improvements to PSAK No. 110, "Sukuk Accounting"*
- *Improvements to PSAK No. 110, "Wa'd Accounting"*

PSAK that will become effective on 1 January 2022:

- *Amendments to PSAK No. 22 "Business Combination Reference to Conceptual Framework",*
- *Amendments to PSAK No. 57 "Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts - Cost of Fulfilling a Contract",*
- *Annual improvements to PSAK No. 71 "Financial Instruments",*
- *Annual improvements to PSAK No. 73 "Leases"*

PSAK that will become effective on 1 January 2023:

- *Amendments to PSAK No. 1 "Presentation of Financial Statements: Classification of Liabilities as Current or Non-current"*

As at the authorization date of these consolidated financial statements, the Bank and Subsidiary are still evaluating the potential impact of the new standard to the consolidated financial statements.

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46. REKONSILIASI UTANG BERSIH**46. NET DEBT RECONCILIATION**

	Pinjaman yang diterima/ <i>Borrowings</i>	Utang obligasi/ <i>Bonds payable</i>	Surat utang jangka menengah/ <i>Medium term notes</i>	Pinjaman subordinasi/ <i>Subordinated loans</i>	Liabilitas sewa/Lease <i>liabilities</i>	Jumlah/ <i>Total</i>	
Utang bersih tanggal 1 Januari 2019	8,556,874	1,217,317	-	-	-	9,774,191	Net debt as of 1 January 2019
Efek dari penggabungan usaha	30,221,176	-	1,314,228	6,108,270	-	37,643,674	Effect of merger
Arus kas	(559,079)	690,008	-	-	-	130,929	Cash flows
Perubahan lain*)	(30,045)	(13,074)	8,435	(63,077)	-	(97,761)	Other changes *)
Utang bersih tanggal 31 Desember 2019	38,188,926	1,894,251	1,322,663	6,045,193	-	47,451,033	Net debt as of 31 December 2019
Dampak penerapan awal PSAK 73 (Catatan 2d)	-	-	-	-	658,399	658,399	Effect of initial implementation of PSAK 73 (Notes 2d)
Arus kas	(6,987,026)	(874,920)	(1,322,663)	-	(173,566)	(9,358,175)	Cash flows
Perubahan lain*)	(18,556)	(18,906)	-	70,787	104,903	138,228	Other changes *)
Utang bersih tanggal 31 Desember 2020	31,183,344	1,000,425	-	6,115,980	589,736	38,889,485	Net debt as of 31 December 2020

*) Perubahan lain termasuk pergerakan non-kas yang merupakan dampak perubahan selisih kurs, amortisasi biaya transaksi, dan akrual beban bunga

*) Other changes include non-cash movements which are effect of exchange rate, amortisation of transaction cost, and accrued interest expenses

47. DAMPAK PENERAPAN AWAL PSAK 71**47. IMPACT OF INITIAL IMPLEMENTATION OF PSAK 71**

Sebagaimana dijelaskan dalam Catatan 2d, Bank menerapkan PSAK 71 pada tanggal 1 Januari 2020.

As described in Note 2d, the Bank adopted PSAK 71 as of 1 January 2020.

Tabel berikut menunjukkan kategori klasifikasi awal sesuai dengan PSAK 55 dan kategori klasifikasi baru berdasarkan PSAK 71 untuk aset keuangan pada tanggal 1 Januari 2020.

The following table shows the original classification categories in accordance with PSAK 55 and the new classification categories under PSAK 71 for financial assets as of 1 January 2020.

Karena PSAK 71 mempertahankan hampir semua ketentuan klasifikasi liabilitas keuangan PSAK 55, tidak ada perubahan dalam klasifikasi liabilitas keuangan Bank sebelum dan sesudah penerapan PSAK 71.

Since PSAK 71 largely retains the requirement in PSAK 55 for the classification of financial liabilities, there are no changes in the classification of the Bank's financial liabilities before and after the adoption of PSAK 71.

Cadangan kerugian penurunan nilai instrumen keuangan dihitung kembali sesuai dengan ketentuan transisi PSAK 71 pada tanggal 1 Januari 2020 dan perbedaan yang dihasilkan menyebabkan kenaikan cadangan kerugian penurunan nilai dari 31 Desember 2019 sebesar Rp 497.165, didebitkan ke saldo laba tanggal 1 Januari 2020 sebesar Rp 372.874 setelah pajak.

The allowance for impairment loss for financial instruments was recalculated in accordance with transitional provisions of PSAK 71 as of 1 January 2020 and the resulting difference created an increase from allowance for impairment loss for financial instruments as of 31 December 2019 by Rp 497,165, debited to retained earnings at 1 January 2020 amounting to Rp 372,874, net of tax.



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47. DAMPAK PENERAPAN AWAL PSAK 71 (lanjutan)

Tabel berikut ini menunjukkan akun-akun dalam laporan posisi keuangan konsolidasian yang terdampak oleh transisi PSAK 71 pada tanggal 1 Januari 2020:

47. IMPACT OF INITIAL IMPLEMENTATION OF PSAK 71 (continued)

The following table reflects accounts in the consolidated statement of financial position which were affected by the transition of PSAK 71 as of 1 January 2020:

	Kategori yang didefinisikan oleh: Category as defined by:		Dampak penerapan awal PSAK 71/ Impact of initial implementation of PSAK 71			
	PSAK 55	PSAK 71	PSAK 55 31 Desember/ December 2019	Impact of initial implementation of PSAK 71	PSAK 71 1 Januari/ January 2020	
Aset Keuangan						Financial Assets
Giro pada Bank Indonesia	Pinjaman yang diberikan dan piutang/ Loans and receivables	Biaya perolehan diamortisasi/ Amortised cost	8,987,079	-	8,987,079	Current accounts with Bank Indonesia
Giro pada bank-bank lain	Pinjaman yang diberikan dan piutang/ Loans and receivables	Biaya perolehan diamortisasi/ Amortised cost	1,056,904	-	1,056,904	Current accounts with other banks
Dikurangi: Cadangan kerugian penurunan nilai			-	(95)	(95)	Less: Allowance for impairment losses
Penempatan pada Bank Indonesia dan bank-bank lain	Pinjaman yang diberikan dan piutang/ Loans and receivables	Biaya perolehan diamortisasi/ Amortised cost	8,914,104	-	8,914,104	Placements with Bank Indonesia and other banks
Dikurangi: Cadangan kerugian penurunan nilai			-	(409)	(409)	Less: Allowance for impairment losses
Efek-efek (di luar efek syariah dan pendapatan bunga yang masih akan diterima)	Dimiliki hingga jatuh tempo/Held-to-maturity	Biaya perolehan diamortisasi/ Amortised cost	1,791,330	-	1,791,330	Securities (exclude sharia securities and accrued interest income)
	Tersedia untuk dijual/ Available-for-sale	Nilai wajar melalui penghasilan komprehensif lain/ Fair value through other comprehensive income	5,599,577	-	5,599,577	
	Pinjaman yang diberikan dan piutang/ Loans and receivables	Biaya perolehan diamortisasi/ Amortised cost	1,191,965	-	1,191,965	
Dikurangi: Cadangan kerugian penurunan nilai			(6)	(452)	(458)	Less: Allowance for impairment losses
Tagihan derivatif	Nilai wajar melalui laba rugi/ Fair value through profit or loss	Nilai wajar melalui laba rugi/ Fair value through profit or loss	840,372	-	840,372	Derivative receivables
Tagihan akseptasi	Pinjaman yang diberikan dan piutang/ Loans and receivables	Biaya perolehan diamortisasi/ Amortised cost	1,692,460	-	1,692,460	Acceptance receivables
Dikurangi: Cadangan kerugian penurunan nilai			(69)	(2,611)	(2,680)	Less: Allowance for impairment losses
Pinjaman yang diberikan dan piutang	Pinjaman yang diberikan dan piutang		133,498,367	-	133,498,367	Loans
Dikurangi: Cadangan kerugian penurunan nilai			(1,175,080)	(460,214)	(1,635,294)	Less: Allowance for impairment losses
Penyertaan saham	dijual/ Available-for-sale	laba rugi/ through	22,522	-	22,522	Investment in shares
Aset lain-lain dan piutang			177,188	-	177,188	Other assets
Pindahan				(463,781)		Carry forward

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47. DAMPAK PENERAPAN AWAL PSAK 71
(lanjutan)

47. IMPACT OF INITIAL IMPLEMENTATION OF
PSAK 71 (continued)

	Kategori yang didefinisikan oleh: Category as defined by:		PSAK 55 31 Desember/ December 2019	Dampak penerapan awal PSAK 71/ Impact of initial implementation of PSAK 71	PSAK 71 1 Januari/ January 2020	
	PSAK 55	PSAK 71				
Pindahan				(463,781)		Carry forward
Liabilitas keuangan						Financial Liabilities
Liabilitas segera	Biaya perolehan diamortisasi/ Amortised cost	Biaya perolehan diamortisasi/ Amortised cost	(18,268)	-	(18,268)	Obligation due immediately
Simpanan nasabah	Biaya perolehan diamortisasi/ Amortised cost	Biaya perolehan diamortisasi/ Amortised cost	(79,599,416)	-	(79,599,416)	Deposits from customers
Simpanan dari bank-bank lain	Biaya perolehan diamortisasi/ Amortised cost	Biaya perolehan diamortisasi/ Amortised cost	(11,690,555)	-	(11,690,555)	Deposits from other banks
Liabilitas derivatif	Biaya perolehan diamortisasi/ Amortised cost	Biaya perolehan diamortisasi/ Amortised cost	(894,947)	-	(894,947)	Derivative payables
Liabilitas akseptasi	Biaya perolehan diamortisasi/ Amortised cost	Biaya perolehan diamortisasi/ Amortised cost	(888,459)	-	(888,459)	Acceptance payables
Efek-efek yang diterbitkan	Biaya perolehan diamortisasi/ Amortised cost	Biaya perolehan diamortisasi/ Amortised cost	(3,216,914)	-	(3,216,914)	Securities issued
Pinjaman yang diterima	Biaya perolehan diamortisasi/ Amortised cost	Biaya perolehan diamortisasi/ Amortised cost	(38,188,926)	-	(38,188,926)	Borrowings
Akrual	Biaya perolehan diamortisasi/ Amortised cost	Biaya perolehan diamortisasi/ Amortised cost	(451,386)	-	(266,545)	Accruals
Liabilitas lain-lain	Biaya perolehan diamortisasi/ Amortised cost	Biaya perolehan diamortisasi/ Amortised cost	(582,809)	(33,384)	(616,193)	Other liabilities
Pinjaman subordinasi	Biaya perolehan diamortisasi/ Amortised cost	Biaya perolehan diamortisasi/ Amortised cost	(6,045,193)	-	(6,045,193)	Subordinated loans
			Jumlah	(497,165)	Total	
			Efek pajak (Catatan 13f)	124,291	Tax effect (Note 13f)	
			Jumlah setelah pajak	(372,874)	Total net of tax	

48. REKLASIFIKASI AKUN

Beberapa akun dalam informasi komparatif telah direklasifikasi agar sesuai dengan penyajian laporan laba rugi dan penghasilan komprehensif lain konsolidasian untuk tahun berakhir pada tanggal 31 Desember 2020.

48. RECLASSIFICATION OF ACCOUNTS

Certain accounts in the comparative information have been reclassified to conform with the presentation of the consolidated statements of profit or loss and other comprehensive income for the year ended 31 December 2020.



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48. REKLASIFIKASI AKUN (lanjutan)

48. RECLASSIFICATION OF ACCOUNTS (continued)

Tahun berakhir 31 Desember 2019/ Year ended 31 December 2019				
Sebelum reklasifikasi/ Before reclassifications	Reklasifikasi/ Reclassifications	Setelah reklasifikasi/ After reclassifications		
Laporan laba rugi dan penghasilan komprehensif lain konsolidasian			Consolidated statements of profit or loss and other comprehensive income	
<u>Pendapatan dan beban operasional</u>			<u>Operating income and expense</u>	
Pendapatan bunga	14,627,058	(403,431)	14,223,627	Interest income
Beban bunga	(7,513,059)	347,362	(7,165,697)	Interest expenses
<u>Pendapatan operasional lainnya</u>			<u>Other operating income</u>	
Pendapatan operasional lainnya	973,750	58,284	1,032,034	Other operating income
Keuntungan dari selisih kurs dan transaksi derivatif bersih	586,759	(2,215)	584,544	Net gain on foreign exchange derivative transactions
<u>Beban operasional lainnya</u>			<u>Other operating expense</u>	
Beban kepegawaian	(3,329,635)	(8,950)	(3,338,585)	Personnel expense
Beban umum dan administrasi	(3,262,539)	106,563	(3,155,976)	General and administrative expenses
Beban operasional lainnya	(537,698)	(97,613)	(635,311)	Other operating expenses

49. INFORMASI KEUANGAN TAMBAHAN

Bank menerbitkan laporan keuangan konsolidasian yang merupakan laporan keuangan utama. Informasi keuangan tambahan PT Bank BTPN Tbk (Entitas Induk) ini, dimana investasi pada Entitas Anak dicatat dengan metode harga perolehan, disajikan untuk dapat menganalisis hasil usaha entitas induk saja. Informasi keuangan tambahan PT Bank BTPN Tbk (Entitas Induk) (halaman 228-236) berikut ini harus dibaca bersamaan dengan laporan keuangan konsolidasian PT Bank BTPN Tbk dan Entitas Anak.

49. SUPPLEMENTARY FINANCIAL INFORMATION

The Bank issued the consolidated financial statements as its primary financial statements. The supplementary financial information of PT Bank BTPN Tbk (Parent Entity) which account for investments in Subsidiary using the cost method, have been prepared in order that the parent entity's results of operations can be analysed. The following supplementary financial information of PT Bank BTPN Tbk (Parent Entity) (pages 228-236) should be read in conjunction with the consolidated financial statements of PT Bank BTPN Tbk and Subsidiary.

INFORMASI KEUANGAN TAMBAHAN/SUPPLEMENTARY FINANCIAL INFORMATION

LAMPIRAN 1.1

APPENDIX 1.1

PT BANK BTPN Tbk
ENTITAS INDUK/PARENT ENTITYLAPORAN POSISI KEUANGAN
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(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

STATEMENTS OF FINANCIAL POSITION
31 DECEMBER 2020 AND 2019

(Expressed in millions of Rupiah, unless otherwise stated)

	31 Desember/December		
	2020	2019	
ASET			ASSETS
Kas	1,323,222	1,587,729	Cash
Giro pada Bank Indonesia	5,238,497	8,528,677	Current accounts with Bank Indonesia
Giro pada bank-bank lain:			Current accounts with other banks
- Pihak ketiga	523,521	317,982	Third parties -
- Pihak berelasi	370,551	725,450	Related parties -
Dikurangi: Cadangan kerugian penurunan nilai	(497)	-	Less: allowance for impairment losses
	893,575	1,043,432	
Penempatan pada Bank Indonesia dan bank-bank lain	14,354,017	6,189,876	Placements with Bank Indonesia and other banks
Pendapatan bunga yang masih akan diterima	3,049	218	Accrued interest income
	14,357,066	6,190,094	
Efek-efek			Securities
- Pihak ketiga	11,869,230	8,496,766	Third parties -
- Pihak berelasi	332,187	86,105	Related parties -
	12,201,417	8,582,871	
Pendapatan bunga yang masih akan diterima	192,345	33,397	Accrued interest income
Dikurangi: Cadangan kerugian penurunan nilai	(291)	(6)	Less: Allowance for impairment losses
	12,393,471	8,616,262	
Tagihan derivatif			Derivative receivables
- Pihak ketiga	867,154	778,690	Third parties -
- Pihak berelasi	49,928	61,682	Related parties -
	917,082	840,372	
Tagihan akseptasi	1,490,634	1,692,460	Acceptance receivables
Dikurangi: Cadangan kerugian penurunan nilai	(5,694)	(69)	Less: Allowance for impairment losses
	1,484,940	1,692,391	
Pinjaman yang diberikan:			Loans:
- Pihak ketiga	125,482,985	130,627,900	Third parties -
- Pihak berelasi	1,206,768	2,132,709	Related parties -
Pendapatan bunga yang masih akan diterima	591,807	737,758	Accrued interest income
Dikurangi: Cadangan kerugian penurunan nilai	(2,572,835)	(1,175,080)	Less: Allowance for impairment losses
	124,708,725	132,323,287	
Penyertaan saham	1,305,484	1,303,643	Investment in shares
Beban dibayar dimuka	1,847,003	2,140,893	Prepayments
Pajak dibayar dimuka			Prepaid taxes:
- Pajak penghasilan	209,055	321,312	Corporate income tax -
Aset pajak tangguhan	271,398	-	Deferred tax assets
Aset tetap	4,068,493	3,201,234	Fixed assets
Dikurangi: Akumulasi penyusutan	(2,042,622)	(1,517,038)	Less: Accumulated depreciation
	2,025,871	1,684,196	
Aset takberwujud	2,281,920	2,009,007	Intangible assets
Dikurangi: Akumulasi amortisasi	(1,404,745)	(1,068,375)	Less: Accumulated amortisation
	877,175	940,632	
Aset lain-lain	325,480	279,814	Other assets
JUMLAH ASET	168,178,044	167,492,734	TOTAL ASSETS



INFORMASI KEUANGAN TAMBAHAN/SUPPLEMENTARY FINANCIAL INFORMATION

LAMPIRAN 1.2

APPENDIX 1.2

PT BANK BTPN Tbk ENTITAS INDUK/PARENT ENTITY

LAPORAN POSISI KEUANGAN 31 DESEMBER 2020 DAN 2019

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STATEMENTS OF FINANCIAL POSITION 31 DECEMBER 2020 AND 2019

(Expressed in millions of Rupiah, unless otherwise stated)

	31 Desember/December		
	2020	2019	
LIABILITAS DAN EKUITAS			LIABILITIES AND EQUITY
Liabilitas segera	11,898	8,644	Liabilities due immediately
Simpanan nasabah			Deposits from customers
- Pihak ketiga	86,568,314	76,954,291	Third parties -
- Pihak berelasi	4,440,111	538,639	Related parties -
Beban bunga yang masih harus dibayar	268,383	210,601	Accrued interest expenses
	<u>91,276,808</u>	<u>77,703,531</u>	
Simpanan dari bank-bank lain			Deposits from other banks
- Pihak ketiga	670,846	4,368,251	Third parties -
- Pihak berelasi	5,904,428	7,291,425	Related parties -
Beban bunga yang masih harus dibayar	370	57,081	Accrued interest expenses
	<u>6,575,644</u>	<u>11,716,757</u>	
Liabilitas derivatif	887,157	894,947	Derivative payables
Liabilitas akseptasi	767,282	888,459	Acceptance payables
Utang pajak:			Taxes payable:
- Pajak penghasilan	180,663	60,894	Income taxes -
- Pajak lain-lain	164,087	101,416	Other taxes -
	<u>344,750</u>	<u>162,310</u>	
Efek-efek yang diterbitkan:			Securities issued:
- Surat utang jangka menengah	-	1,301,409	Medium term notes -
- Utang obligasi	993,045	1,889,219	Bonds payable -
Beban bunga yang masih harus dibayar	7,379	26,286	Accrued interest expenses
	<u>1,000,424</u>	<u>3,216,914</u>	
Pinjaman yang diterima			Borrowings
- Pihak ketiga	8,233,408	6,868,795	Third parties -
- Pihak berelasi	22,852,789	31,193,978	Related parties -
Beban transaksi yang belum diamortisasi	(21,908)	(15,318)	Unamortised transaction costs
Beban bunga yang masih harus dibayar	119,055	141,471	Accrued interest expenses
	<u>31,183,344</u>	<u>38,188,926</u>	
Akrual	225,436	266,545	Accruals
Liabilitas imbalan kerja karyawan:			Employee benefits liabilities:
- Imbalan kerja jangka pendek	271,523	360,987	Short-term employee benefits -
- Imbalan pascakerja dan imbalan jangka panjang lainnya	123,338	26,436	Post-employment and other long-term -
	<u>394,861</u>	<u>387,423</u>	employees benefits
Liabilitas pajak tangguhan	-	53,052	Deferred tax liability
Liabilitas sewa	496,797	-	Leases
Liabilitas lain-lain	589,812	661,432	Other liabilities
Pinjaman subordinasi	6,111,750	6,038,888	Subordinated loans
Beban bunga yang masih harus dibayar	4,230	6,305	Accrued interest expenses
	<u>6,115,980</u>	<u>6,045,193</u>	
JUMLAH LIABILITAS	<u>139,870,193</u>	<u>140,194,133</u>	TOTAL LIABILITIES

INFORMASI KEUANGAN TAMBAHAN/SUPPLEMENTARY FINANCIAL INFORMATION

LAMPIRAN 1.3

APPENDIX 1.3

PT BANK BTPN Tbk
ENTITAS INDUK/PARENT ENTITYLAPORAN POSISI KEUANGAN
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STATEMENTS OF FINANCIAL POSITION
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(Expressed in millions of Rupiah, unless otherwise stated)

	31 Desember/December		
	2020	2019	
EKUITAS			SHAREHOLDERS' EQUITY
Modal saham			Share capital
Modal dasar Rp 300.000			Authorised capital of Rp 300,000
terdiri dari:			consists of:
15.000.000.000 saham			15,000,000,000 shares
dengan nilai nominal			with par value of
Rp 20 (nilai penuh) per saham			Rp 20 (full amount) per share
Modal ditempatkan dan disetor penuh sebesar			Issued and fully paid-up capital is
8.148.931.869 saham			8,148,931,869 shares
(31 Desember 2019: 8.148.928.869 saham)	162,979	162,979	(31 December 2019: 8,148,928,869 shares)
Tambahan modal disetor	11,168,223	11,168,215	Additional paid-in capital
Cadangan revaluasi aset tetap	797,886	797,886	Reserve on revaluation of fixed assets
Cadangan pembayaran berbasis saham	-	244,012	Share-based payment reserve
Cadangan nilai wajar - bersih	101,211	12,079	Fair value reserve - net
Saldo laba			Retained earnings
- Dicadangkan	32,596	23,361	Appropriated -
- Belum dicadangkan	16,046,559	15,152,473	Unappropriated -
	28,309,454	27,561,005	
Komponen ekuitas lainnya	260,801	-	Other equity components
Saham treasuri	(262,404)	(262,404)	Treasury shares
JUMLAH EKUITAS	28,307,851	27,298,601	TOTAL EQUITY
JUMLAH LIABILITAS DAN EKUITAS	168,178,044	167,492,734	TOTAL LIABILITIES AND EQUITY



INFORMASI KEUANGAN TAMBAHAN/SUPPLEMENTARY FINANCIAL INFORMATION

LAMPIRAN 2.1

APPENDIX 2.1

PT BANK BTPN Tbk ENTITAS INDUK/PARENT ENTITY

LAPORAN LABA RUGI DAN PENGHASILAN KOMPREHENSIF LAIN UNTUK TAHUN-TAHUN YANG BERAKHIR 31 DESEMBER 2020 DAN 2019

(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEARS ENDED 31 DECEMBER 2020 AND 2019

(Expressed in millions of Rupiah, unless otherwise stated)

	2020	2019	
PENDAPATAN (BEBAN) BUNGA			INTEREST INCOME (EXPENSES)
Pendapatan bunga	12,366,009	14,223,627	Interest income
Beban bunga	(5,281,544)	(7,165,697)	Interest expense
PENDAPATAN BUNGA BERSIH	7,084,465	7,057,930	NET INTEREST INCOME
Pendapatan operasional lainnya:			Other operating income:
Pendapatan komisi asuransi dan lain-lain	1,180,659	1,015,352	Insurance commission income and others
Keuntungan dari selisih kurs dan transaksi derivatif bersih	728,952	584,544	Net gain on foreign exchange and derivative transactions
	1,909,611	1,599,896	
Beban operasional lainnya:			Other operating expenses:
Beban kepegawaian	(2,161,292)	(2,239,560)	Personnel expenses
Beban umum dan administrasi	(2,562,967)	(2,595,608)	General and administrative expenses
Cadangan kerugian penurunan nilai	(1,949,454)	(1,136,480)	Provision for impairment losses
Beban operasional lain-lain	(566,822)	(534,723)	Other operating expenses
	(7,240,535)	(6,506,371)	
PENDAPATAN OPERASIONAL BERSIH	1,753,541	2,151,455	NET OPERATING INCOME
PENDAPATAN (BEBAN) NON-OPERASIONAL			NON-OPERATING INCOME (EXPENSES)
Pendapatan non-operasional	4,231	3,084	Non-operating income
Beban non-operasional	(6,325)	(13,866)	Non-operating expenses
	(2,094)	(10,782)	
LABA SEBELUM PAJAK PENGHASILAN	1,751,447	2,140,673	PROFIT BEFORE INCOME TAX
BEBAN PAJAK PENGHASILAN	(357,717)	(547,889)	INCOME TAX EXPENSE
LABA BERSIH TAHUN BERJALAN	1,393,730	1,592,784	NET PROFIT FOR THE YEAR

INFORMASI KEUANGAN TAMBAHAN/SUPPLEMENTARY FINANCIAL INFORMATION

LAMPIRAN 2.2

APPENDIX 2.2

PT BANK BTPN Tbk
ENTITAS INDUK/PARENT ENTITYLAPORAN LABA RUGI DAN PENGHASILAN
KOMPREHENSIF LAIN
UNTUK TAHUN-TAHUN YANG BERAKHIR
31 DESEMBER 2020 DAN 2019

(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

STATEMENTS OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME
FOR THE YEARS ENDED
31 DECEMBER 2020 AND 2019

(Expressed in millions of Rupiah, unless otherwise stated)

	2020	2019	
PENGHASILAN KOMPREHENSIF LAIN:			OTHER COMPREHENSIVE INCOME:
Pos-pos yang tidak akan direklasifikasi ke laba rugi			Items that will not be reclassified to profit or loss
Pengukuran kembali liabilitas imbalan kerja karyawan	(75,682)	(42,969)	Remeasurements from employee benefits liabilities
Pajak penghasilan terkait pos-pos yang tidak akan direklasifikasi ke laba rugi	19,964	10,742	Income tax relating to items that will not be reclassified to profit or loss
	(55,718)	(32,227)	
Pos-pos yang akan direklasifikasi ke laba rugi			Items that will be reclassified to profit or loss
Keuntungan yang belum direalisasi atas perubahan nilai wajar efek-efek dalam kelompok tersedia untuk dijual dan diukur pada nilai wajar melalui penghasilan komprehensif lain	113,653	12,062	Unrealised gain on fair value changes of available for sale and measured at fair value through comprehensive income securities
Pajak penghasilan terkait pos-pos yang akan direklasifikasikan ke laba rugi	(24,521)	(3,016)	Income tax relating to items that will be reclassified to profit or loss
	89,132	9,046	
PENGHASILAN KOMPREHENSIF LAIN TAHUN BERJALAN, SETELAH PAJAK PENGHASILAN	33,414	(23,181)	OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX
JUMLAH LABA KOMPREHENSIF TAHUN BERJALAN, SETELAH PAJAK PENGHASILAN	1,427,144	1,569,603	TOTAL COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX
LABA BERSIH PER SAHAM (NILAI PENUH)			EARNINGS PER SHARE (FULL AMOUNT)
Dasar	173	203	Basic
Dilusian	173	200	Diluted

INFORMASI KEUANGAN TAMBAHAN/SUPPLEMENTARY FINANCIAL INFORMATION

LAMPIRAN 3.1

APPENDIX 3.1

PT BANK BTPN Tbk
ENTITAS INDUK/PARENT ENTITY

LAPORAN PERUBAHAN EKUITAS

STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED 31 DECEMBER 2020 AND 2019
(Expressed in millions of Rupiah, unless otherwise stated)

UNTUK TAHUN-TAHUN YANG BERAKHIR 31 DESEMBER 2020 DAN 2019
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

	Modal ditempatkan dan disetor penuh/ Issued and fully paid-up share capital	Tambahan modal disetor/ Additional paid in capital	Cadangan revaluasi aset tetap/ Reserve on revaluation of fixed assets	Pembayaran berbasis saham/ Share-based payment reserve	Cadangan nilai wajar bersih/ Fair value reserve - net	Saldo laba yang digunakan/ Appropriated earnings	Saldo laba yang belum ditentukan/ Unappropriated retained earnings	Saham treasuri/ Treasury shares	Komponen ekuitas lainnya/ Other equity components	Jumlah ekuitas/ Total equity
Saldo tanggal 1 Januari 2020	162,979	11,168,215	797,886	244,012	12,079	23,361	15,152,473	(262,404)	-	27,298,601
Dampak penerapan awal PSAK 71 dan 73, bersih	-	-	-	-	-	-	(434,691)	-	-	(434,691)
Saldo per 1 Januari 2020 setelah penerapan PSAK 71 dan 73	162,979	11,168,215	797,886	244,012	12,079	23,361	14,717,782	(262,404)	-	26,863,910
Laba bersih periode berjalan	-	-	-	-	-	-	1,393,730	-	-	1,393,730
Penghasilan komprehensif lainnya: Perubahan nilai wajar atas aset keuangan yang diukur pada nilai wajar melalui penghasilan komprehensif lain	-	-	-	-	113,653	-	-	-	-	113,653
Pengukuran kembali liabilitas imbalan kerja karyawan	-	-	-	-	-	-	(75,682)	-	-	(75,682)
Efek pajak terkait	-	-	-	-	(24,521)	-	19,964	-	-	(4,557)
Jumlah laba komprehensif selama tahun berjalan	-	-	-	-	89,132	-	1,338,012	-	-	1,427,144
Penambahan cadangan wajib	-	-	-	-	-	9,235	(9,235)	-	-	-
Opsi saham: Penemuan dari penerbitan saham	-	8	-	-	-	-	-	-	-	8
Cadangan pembayaran berbasis saham	-	-	-	16,789	-	-	-	-	-	16,789
Reklasifikasi ke komponen ekuitas lainnya	-	-	-	(260,801)	-	-	-	-	260,801	-
Saldo tanggal 31 Desember 2020	162,979	11,168,223	797,886	-	101,211	32,596	16,046,559	(262,404)	260,801	28,307,851

Balance as of 1 January 2020

Dampak penerapan awal PSAK 71 dan 73, bersih

Effect of initial implementation of PSAK 71 and 73, net

Saldo per 1 Januari 2020 setelah penerapan PSAK 71 dan 73

Balance as of 1 January 2020, after effect of initial implementation of PSAK 71 and 73

Laba bersih periode berjalan

Net profit of the year

Penghasilan komprehensif lainnya: Perubahan nilai wajar atas aset keuangan yang diukur pada nilai wajar melalui penghasilan komprehensif lain

Other comprehensive income: Changes in fair value of financial assets measured at fair value through comprehensive income

Pengukuran kembali liabilitas imbalan kerja karyawan

Remeasurements of employee benefits liabilities

Efek pajak terkait

Related tax effect

Jumlah laba komprehensif selama tahun berjalan

Total comprehensive income during the year

Penambahan cadangan wajib

Appropriation for legal reserve

Opsi saham:

Share option:

Penemuan dari penerbitan saham

Proceed from shares issued

Cadangan pembayaran berbasis saham

Share-based payment reserve

Reklasifikasi ke komponen ekuitas lainnya

Reclassification to other equity components

Balance as of 31 December 2020



INFORMASI KEUANGAN TAMBAHAN/SUPPLEMENTARY FINANCIAL INFORMATION

LAMPIRAN 4.1

APPENDIX 4.1

PT BANK BTPN Tbk ENTITAS INDUK/PARENT ENTITY

LAPORAN ARUS KAS UNTUK TAHUN-TAHUN YANG BERAKHIR 31 DESEMBER 2020 DAN 2019*

(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED 31 DECEMBER 2020 AND 2019

(Expressed in millions of Rupiah, unless otherwise stated)

	2020	2019	
ARUS KAS DARI AKTIVITAS OPERASI			CASH FLOWS FROM OPERATING ACTIVITIES
Penerimaan pendapatan bunga	12,350,181	14,340,047	Receipts from interest
Pembayaran beban bunga	(5,320,011)	(7,340,094)	Payments of interest expense
Penerimaan pendapatan operasional lainnya	1,993,035	1,595,772	Receipts from other operating income
Penerimaan kembali kredit yang telah dihapusbukukan	95,800	109,567	Recovery from written-off loans
Pembayaran beban kepegawaian	(2,212,747)	(2,291,167)	Payments of personnel expenses
Pembayaran beban operasional lainnya	(2,132,992)	(2,260,201)	Payments of other operating expenses
Pembayaran lain-lain	(2,766)	(6,631)	Other payments
Pembayaran pajak penghasilan badan	(237,948)	(747,635)	Payments of corporate income tax
Arus kas sebelum perubahan dalam aset dan liabilitas operasi	4,532,552	3,399,658	Cash flows before changes in operating assets and liabilities
(Kenaikan) penurunan aset operasi:			(Increase) decrease in operating assets:
Efek-efek yang dibeli dengan janji dijual kembali	-	1,591,672	Securities purchased under resale agreement
Pinjaman yang diberikan	5,010,224	(4,980,410)	Loans
Tagihan derivatif	(76,710)	(53,974)	Derivative receivables
Tagihan akseptasi	207,451	966,125	Acceptance receivables
Kenaikan (penurunan) liabilitas operasi:			Increase (decrease) in operating liabilities:
Liabilitas segera	3,254	(3,004)	Obligation due immediately
Simpanan nasabah	13,515,495	(15,804,325)	Deposits from customers
Simpanan dari bank-bank lain	(5,084,402)	4,822,718	Deposits from other banks
Liabilitas derivatif	(7,790)	(222,689)	Derivative payables
Liabilitas akseptasi	(121,177)	(1,086,023)	Acceptance receivables
Arus kas diperoleh dari (digunakan untuk) aktivitas operasi	17,978,897	(11,370,252)	Net cash flows provided from (used in) operating activities
ARUS KAS DARI AKTIVITAS INVESTASI			CASH FLOWS FROM INVESTING ACTIVITIES
Pembelian efek-efek	(66,769,061)	(28,997,061)	Purchases of securities
Penerimaan dari pelepasan efek-efek	63,217,538	31,122,898	Proceeds from disposal of securities
Pembelian aset tetap	(126,928)	(204,941)	Purchases of fixed assets
Perolehan aset hak guna	(22,332)	-	Purchases of right-of-use assets
Perolehan aset takberwujud	(515,570)	(359,041)	Purchases of intangible assets
Hasil dari penjualan aset tetap	2,588	3,864	Proceeds from sale of fixed assets
Pengalihan kas dan setara kas sehubungan dengan penggabungan usaha	-	11,289,137	Cash and cash equivalents transfer due to merger
Penambahan penyertaan saham	-	2,049	Additional investment in shares
Arus kas bersih (digunakan untuk) diperoleh dari aktivitas investasi	(4,213,765)	12,856,905	Net cash flows (used in) provided from investing activities
ARUS KAS DARI AKTIVITAS PENDANAAN			CASH FLOWS FROM FINANCING ACTIVITIES
Pembayaran efek-efek yang diterbitkan	(2,197,583)	(300,000)	Payments of securities issued
Penerimaan dari efek-efek yang diterbitkan	-	1,000,000	Proceeds from issuance of bonds
Pembayaran beban emisi obligasi	-	(9,992)	Payments bonds issuance cost
Pembayaran biaya transaksi atas pinjaman yang diterima	(10,450)	(7,077)	Payments of borrowing transaction cost
Penerimaan dari pinjaman yang diterima	29,153,346	172,265,489	Proceeds from borrowings
Pembayaran angsuran dan pelunasan pinjaman yang diterima	(36,129,922)	(172,817,491)	Installment payments and settlement of borrowings
Hasil penerbitan saham	8	1,141	Proceeds from shares issued
Pembayaran pokok liabilitas sewa	(132,481)	-	Payment of principal lease liabilities
Arus kas bersih (digunakan untuk) diperoleh dari aktivitas pendanaan	(9,317,082)	132,070	Net cash flows (used in) provided from financing activities

INFORMASI KEUANGAN TAMBAHAN/SUPPLEMENTARY FINANCIAL INFORMATION

LAMPIRAN 4.2

APPENDIX 4.2

PT BANK BTPN Tbk
ENTITAS INDUK/PARENT ENTITYLAPORAN ARUS KAS
UNTUK TAHUN-TAHUN YANG BERAKHIR
31 DESEMBER 2020 DAN 2019

(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED
31 DECEMBER 2020 AND 2019

(Expressed in millions of Rupiah, unless otherwise stated)

	2020	2019	
KENAIKAN BERSIH KAS DAN SETARA KAS	4,448,050	1,618,723	NET INCREASE IN CASH AND CASH EQUIVALENTS
DAMPAK PERUBAHAN SELISIH KURS TERHADAP KAS DAN SETARA KAS	(10,562)	(35,026)	EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS
SALDO KAS DAN SETARA KAS AWAL TAHUN	17,886,451	16,302,754	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF YEAR
SALDO KAS DAN SETARA KAS AKHIR TAHUN	22,323,939	17,886,451	CASH AND CASH EQUIVALENTS AT THE END OF YEAR

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Kas dan setara kas akhir tahun terdiri dari:

Kas	1,323,222	1,587,729
Giro pada Bank Indonesia	5,238,497	8,528,677
Giro pada bank-bank lain	893,575	1,043,432
Penempatan pada Bank Indonesia dan bank-bank lain	14,354,017	6,189,876
Efek-efek	514,628	536,737
	22,323,939	17,886,451

Cash and cash equivalents at end of year consists of:

Cash
Current accounts with Bank Indonesia
Current accounts with other banks
Placements with Bank Indonesia and other banks
Securities

INFORMASI TAMBAHAN ARUS KAS:

AKTIVITAS YANG TIDAK MEMPENGARUHI
ARUS KAS

Penerbitan modal saham sehubungan dengan
penggabungan usaha
Cadangan pembayaran berbasis saham
Pembelian aset tetap yang masih terhutang

-	9,754,134
16,789	37,736
(287)	(1,402)

SUPPLEMENTAL CASH FLOWS
INFORMATION:ACTIVITIES NOT AFFECTING
CASH FLOWS

Issuance of shares in relation with merger
Share-based payment reserves
Acquisition of fixed assets still unpaid



SEOJK Reference

NO. 30-SEOJK.04-2016: ANNUAL REPORT OF PUBLIC COMPANIES

Description		Page
I. General Provision		
1.	The Annual Report of Issuers or Public Companies is an important source of information for investors or shareholders as one of the bases of considerations in making investment decision, and is a means of supervision on Issuers or Public Companies.	✓
2.	Along with the development of the Capital Market and the growing needs of investors or shareholders for disclosure of information, the Board of Directors and the Board of Commissioners are required to improve the quality of information disclosure through the Annual Report of Issuers or Public Companies.	✓
3.	The Annual Report should be prepared in an orderly and informative manner to facilitate the investors or shareholders in obtaining the required information.	✓
4.	The Circular Letter of the Financial Service Authority serves as a guideline for Issuers or Public Companies that must be applied in preparing the Annual Report.	✓
II. Format of Annual Report		
1.	Annual Report shall be presented in the printed format and in electronic document copy.	✓
2.	The printed version of the Annual Report shall be printed on light-colored paper of fine quality, in A4 size, bound, and can be reproduced in good quality.	✓
3.	The Annual Report presented in electronic document format is the Annual Report converted into pdf format.	✓
III. Content of Annual Report		
1.	General Provision	
a.	Annual Report shall contain at least the following information:	
1)	summary of key financial information;	14-15
2)	stock information (if any);	18-19
3)	the Board of Directors report;	36-45
4)	the Board of Commissioners report;	28-33
5)	profile of Issuer or Public Company	56-106
6)	management discussion and analysis;	110-151
7)	corporate governance applied by the Issuer or Public Company;	244-339
8)	corporate social and environmental responsibility of the Issuer or Public Company;	342-354
9)	audited financial statements; and	361-596
10)	statement of members of the Board of Directors and members of the Board of Commissioners on accountability for the Annual Report;	52-53
b.	Annual Report may present the information in form of images, charts, tables, and/or diagrams y mentioning the title and/or clear description, that is easy to read and be understood.	✓
2.	Description of Content of Annual Report	
a.	Summary of Key Financial Information	14-15
	Summary of Key Financial Information contains financial information presented in comparison with previous 3 (three) fiscal years or since commencement of business if the Issuers or the Public Company commencing the business less than 3 (three) years, at least contain:	14-15
1)	income/sales;	14
2)	gross profit;	14
3)	profit (loss);	14
4)	total profit (loss) attributable to equity holders of the parent entity and non-controlling interest;	14
5)	total comprehensive profit (loss);	14
6)	total comprehensive profit (loss) attributable to equity holders of the parent entity and non-controlling interest;	14
7)	earning (loss) per share;	14
8)	total assets;	14
9)	total liabilities;	14
10)	total equities;	14
11)	profit (loss) to total assets ratio;	15
12)	profit (loss) to equities ratio;	15
13)	profit (loss) to income ratio;	15
14)	current ratio;	15
15)	liabilities to equities ratio;	15
16)	liabilities to total assets ratio; and	15
17)	other information and financial ratios relevant to the Issuer or Public Company and type of industry;	15

Description	Page
b. Stock Information	
Stock Information (if any) contains at least:	18-19
1) shares issued for each three-month period in the last 2 (two) fiscal years (if any), at least covering:	18-19
a) number of outstanding shares;	18
b) market capitalization based on the price at the Stock Exchange where the shares listed on;	19
c) highest share price, lowest share price, closing share price at the Stock Exchange where the shares listed on; and	19
d) share volume at the Stock Exchange where the shares listed on;	18
Information in point a) should be disclosed by the Issuer, the public company whose shares is listed or not listed in the Stock Exchange;	✓
Information in point b), point c), and point d) only be disclosed if the Issuer is a Public Company whose shares is listed in the Stock Exchange;	✓
2) in the event of corporate actions, including stock split, reverse stock, dividend, bonus share, and change in par value of shares, then the share price referred to in point 1), should be added with explanation on:	19
a) date of corporate action;	-
b) ratios of stock split, reverse stock, dividend, shares;	-
c) number of outstanding shares prior to and after corporate action; and	-
d) share price prior to and after corporate action;	-
3) in the event that the company's shares were suspended and/or delisted from trading during the year under review, then the Issuer or Public Company should provide explanation on the reason for the suspension and/or delisting; and	-
4) in the event that the suspension and/or delisting as referred to in point 3) was still in effect until the date of the Annual Report, then the Issuer or the Public Company should also explain the corporate actions taken by the company in resolving the suspension and/or delisting;	-
c. The Board of Directors Report	36-45
The Board of Directors report should at least contain the following items:	
1) brief summary on the performance of the Issuer or Public Company, at least covering:	38-41
a) strategy and strategic policies of the Issuer or Public Company;	39
b) comparison between achievement of results and targets; and	40
c) challenges faced by the Issuer or Public Company;	38
2) description of business prospects;	42
3) implementation of good corporate governance by the Issuer or Public Company; and	43
4) changes to the composition of the Board of Directors and the reason behind it (if any);	44
d. The Board of Commissioners Report	28-33
The Board of Commissioners Report should at least contain the following items;	
1) assessment on the performance of the Board of Directors in managing the Issuer or Public Company;	29-30
2) supervision on the implementation of the strategy of the Issuer or Public Company;	30-31
3) view on the business prospects of the Issuer or Public Company as established by the Board of Directors;	31-32
4) view on the implementation of the corporate governance by the Issuer or Public Company;	32
5) changes to the composition of the Board of Commissioners and the reason behind it (if any); and	33
6) the frequency and procedure of providing advice to members of the Board of Directors;	32
e. Profile of the Issuer or Public Company	56-106
Profile of the Issuer or Public Company should cover at least:	
1) name of Issuer or Public Company, including change of name, reason of change, and the effective date of the change of name during the year under review;	56
2) access to Issuer or Public Company, including branch office or representative office, where public can have access of information of the Issuer or Public Company, which include	56
a) address;	56
b) telephone number;	56
c) facsimile number;	56
d) e-mail address; and	56
e) website address	56
3) brief history of the Issuer or Public Company;	57-59
4) vision and mission of the Issuer or Public Company	64-65
5) line of business according to the latest articles of association, line of business carried out in the fiscal year, and types of products and/or services produced;	60-61
6) structure of organization of the Issuer or Public Company in chart form, at least 1 (one) level below the Board of Directors, with the names and titles;	62-63
7) the Board of Directors profiles include:	
a) name and short description of duties and functions;	71-80
b) latest photograph;	71-80
c) age;	71-80



Description	Page
d) citizenship;	71-80
e) education;	71-80
f) history position, covering information on:	71-80
1) legal basis for appointment as member of the Board of Directors to the said Issuer or Public Company;	71-80
2) concurrent position, as member of the Board of Directors, member of the Board of Commissioners, and/or member of committee, and other position (if any); and	71-80
3) working experience and period in and outside of Issuer or Public Company;	71-80
g) competency enhancement education and/or training program for member of the Board of Directors during the year under review (if any); and	71-80
h) disclosure of affiliation with other members of the Board of Directors, members of the Board of Commissioners, and major shareholders (if any) including the name of the affiliated party;	71-80
8) the Board of Commissioners profile, at least include:	66-70
a) name;	66-70
b) latest photograph;	66-70
c) age;	66-70
d) citizenship;	66-70
e) education;	66-70
f) history position, covering information on:	
(1) legal basis of the appointment as a member of the Board of Commissioner who is not Independent Commissioner at the said Issuer or Public Company;	66-70
(2) legal basis for the first appointment as member of the Board of Commissioners who also Independent Commissioner at the said Issuer or Public Company;	66-70
(3) concurrent positions, as member of the Board of Commissioners, member of the Board of Directors, and/or member of committee and other position (if any); and	66-70
(4) working experience and period in and outside the Issuer or Public Company;	66-70
g) competency enhancement education and/or training program for member of the Board of Commissioners during the year under review (if any);	66-70
h) affiliation with other members of the Board of Commissioners, and major shareholders (if any) including name of the affiliated party; and	66-70
i) statement of independence of Independent Commissioner in the event that the Independent Commissioner has been appointed more than 2 (two) periods (if any);	66-70
9) in the event that there were changes to the composition of the Board of Commissioners and/or the Board of Directors occurring between the period after year-end until the date the Annual Report submitted, then the last and the previous composition of the Board of Commissioners and/or the Board of Directors shall be stated in the Annual Report;	-
10) number of employees and description of distribution of education level and age of the employee in the year under review;	91-92
11) names of shareholders and ownership percentage at the end of the fiscal year, including:	
a) shareholders having 5% (five percent) or more shares of Issuer or Public Company;	100
b) Commissioners and Directors who own shares of the Issuers or Public Company; and	101
c) groups of public shareholders, or groups of shareholders, each with less than 5% (five percent) ownership shares of the Issuers or Public Company;	100
12) Number of shareholders and ownership percentage at the end of the fiscal year, based on:	100
a) ownership of local institutions;	-
b) ownership pf foreign institutions;	-
c) ownership of local individual; and	-
d) ownership of foreign individual;	-
13) information on major shareholders and controlling shareholders of the Issuer or Public Company, directly or indirectly, and also individual shareholder, presented in the form of scheme or diagram;	99
14) name of subsidiaries, associated companies, joint venture controlled by Issuers or Public Company, with entity, percentage of stock ownership, line of business, total assets and operating status of the Issuer of Public Company (if any);	102
for subsidiaries, include the addresses of the said subsidiaries;	102
15) chronology of share listing, number of shares, par value, and offering price from the beginning of listing up to the end of the financial year, and name of Stock Exchange where the Issuer of Public Company shares are listed;	103
16) chronology of securities listing in addition to the said security in point 15), which at least should contain the name of the Securities, year of issuance, date of maturity, offering price, and rating of the securities (if any);	104
17) name and address of capital market supporting institutions and/or professionals;	105
18) in the event that the capital market supporting professionals provide services on a regular basis to the Issuer or the Public Company, then information on the services provided, fee and period of assignment should be disclosed; and	105
19) awards and/or certification of national and international scales bestowed on the Issuer or Public Company during the last fiscal year (if any), covering:	24-25
a) name of award and/or certification;	24-25
b) organization/institution that gives the awards; and	24-25
c) award/certificate validity period (if any);	24-25

Description	Page
f. Management Discussion and Analysis	
Management Analysis and Discussion should contain discussion and analysis on financial statements and other material information emphasizing material changes that occurred during the year under review, at least including:	110-151
1) operational review per business segment, according to the type of industry of the Issuer or Public Company including:	114-130
a) production, including process, capacity, and growth;	114-130
b) income/ sales; and	114-130
c) profitability	131
2) comprehensive financial performance analysis which includes a comparison between the financial performance of the last 2 (two) fiscal years, and explanation on the causes and effects of such changes, among others concerning:	132-
a) current assets, non-current assets, and total assets;	134-135
b) short-term liabilities, long-term liabilities, and total liabilities;	136
c) equities	137
d) sales/ operating revenues, expenses and profit (loss), other comprehensive revenues, and total comprehensive profit (loss); and	137-138
e) cash flows	138-139
3) the capacity to pay debts by including the computation of relevant ratios;	139
4) account receivables collectability of the Issuer or Public Company, including the computation of the relevant ratios;	139-140
5) capital structure and management policies concerning capital structure, including the basis for determining the said policy;	140-141
6) discussion on material ties for the investment of capital goods, including the explanation on at least;	141
a) the purpose of such ties;	-
b) source of funds expected to fulfill the said ties;	-
c) currency of denomination; and	-
d) steps taken by the Issuer or Public Company to protect the position of a related foreign currency against risk;	-
7) discussion on investment of capital goods which was realized in the last fiscal year, at least include:	141-142
a) type of investment of capital goods;	141-142
b) objective of the investment of capital goods; and	141-142
c) value of the investment of capital goods;	141-142
8) material information and facts that occurring after the date of the accountant's report (if any);	142
9) information on the prospect of the Issuer or Public Company in connection with the industry, economy in general, accompanied with supporting quantitative data if there is a reliable data source;	143
10) comparison between target/ projection at the beginning of the year and result (realization), concerning;	142
a) income/ sales;	142
b) profit (loss);	142
c) capital structure;	142
d) dividend policy; or	142
e) other matters deemed necessary for the Issuer or Public Company;	142
11) target/projection at most for the next 1 (one) year of the Issuer or Public Company, concerning;	142
a) income/ sales;	142
b) profit (loss);	142
c) capital structure;	142
d) dividend policy; or	142
e) other matters deemed necessary for the Issuer or Public Company;	142
12) marketing aspects of the products and/or services of the Issuer or Public Company, among others concerning marketing strategy and market share;	151
13) description regarding the dividend policy during the last 2 (two) fiscal years, at least:	143
a) dividend policy;	143
b) the date of the payment of cash dividend and/or date of distribution of non-cash dividend;	-
c) amount of cash per share (cash and/or non cash); and	-
d) amount of dividend per year paid;	-
14) use of proceeds from Public Offerings, under the condition of:	146-147
a) during the year under review, on which the Issuer has the obligation to report the realization of the use of proceeds, then the realization of the cumulative use of proceeds until the year end should be disclosed; and	146-147
b) in the event that there were changes in the use of proceeds as stipulated in the Regulation of the Financial Services Authority on the Report of the Utilization of Proceeds from Public Offering, then Issuer should explain the said changes;	146-147



Description	Page
15) material information (if any), among others concerning investment, expansion, divestment, acquisition, debt/capital restructuring, transactions with related parties and transactions with conflict of interest that occurred during the year under review, among others include:	147-149
a) transaction date, value, and object;	147-149
b) name of transacting parties;	147-149
c) nature of related parties (if any);	147-149
d) description of the fairness of the transaction; and	147-149
e) compliance with related rules and regulations;	147-149
16) changes in regulation which have a significant effect on the Issuer or Public Company and impacts on the company (if any); and	149
17) changes in the accounting policy, rationale and impact on the financial statement (if any);	149
g. Corporate Governance of the Issuer or Public Company	244-339
Corporate Governance of the Issuer or Public Company contains at least:	
1) the Board of Directors, covering:	
a) the tasks and responsibilities of each member of the Board of Directors;	277-278
b) statement that the Board of Directors has already have board manual or charter;	
c) procedure, legal basis, structure, and amount of remuneration of each member of the Board of Directors, relation between remuneration and performance of the Issuer or Public Company;	312-314
d) the policies and the frequency of the meeting of the Board of Directors, including the joint meeting with Board of Commissioners, and attendance of member of the Board of Directors in the said meeting;	281-286
e) information on the resolution from the GMS of the previous 1 (one) year, covering:	261-268
(1) GMS resolutions that were realized during the fiscal year; and	261-268
(2) explanation for the unrealized resolution;	261-268
f) information regarding the GMS resolution in the year under review, including	255--261
(1) GMS resolutions that were realized during the fiscal year; and	261-268
(2) explanation for the unrealized resolution; and	261-268
g) assessment on the performance of the committee under the Board of Directors;	279
2) the Board of Commissioners, among others include:	
a) duties and responsibilities of the Board of Commissioners;	270-272
b) statement that the Board of Commissioner has already have the board manual or charter;	270
c) procedure, legal basis, structure, and amount of remuneration for each member of Board of Commissioners;	312-314
d) policies and frequency of meeting of the Board of Commissioners, including meeting with the Board of Directors, and attendance of each member of the Board of Commissioners in the said meetings;	281
e) policies of the Issuer or Public Company regarding the assessment on the performance of the Board of Directors and Board of Commissioners and the implementation, at least covering:	250-252
(1) procedure for the implementation of performance assessment;	250-252
(2) criteria for assessment; and	250-252
(3) assessor;	250-252
f) assessment on the performance of the committees under the Board of Commissioners; and	273
g) in the event that the Board of Commissioners does not establish the Nomination and Remuneration Committee, then should contain at least:	291-293
(1) reason not to establish the committee; and	
(2) procedure of nomination and remuneration performed in the year under review;	
3) Sharia Supervisory Board, for Issuer or Public Company that conduct business based on sharia law, as stipulated in the articles of association, at least containing:	-
a) name;	-
b) duty and responsibility of Sharia Supervisory Board; and	-
c) frequency and procedure in providing advice and suggestion, as well as the compliance of Sharia Principles by the Issuer or Public Company in the Capital Market;	-
4) Audit Committee, among others covering:	
a) name and position in the committee;	81-82
b) age;	81-82
c) citizenship;	81-82
d) educational background;	81-82
e) history of position; including:	81-82
(1) legal basis for the appointment as member of the committee;	81-82
(2) concurrent positions, as member of Board of Commissioners, member of Board of Directors, and/or member of committee, and other position (if any); and	81-82
(3) working experience and period in and outside the Issuer or Public Company;	81-82
f) period and terms of office of the member of Audit Committee;	289

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g) statement of independence of the Audit Committee;	
h) policies and implementation of the frequency of meeting of the Audit Committee and attendance of member of Audit Committee;	289
i) education and/or training during the year under review (if any); and	290
j) the activities of the Audit Committee in the year under review, in accordance with the Audit Committee Charter;	289-290
5) other committee of the Issuer or the Public Company formed to support the function and duty of the Board of Directors and/or the Board of Commissioners, such as Nomination and Remuneration Committee, containing:	
a) name and position in the committee;	83-87
b) age;	83-87
c) citizenship;	83-87
d) educational background;	83-87
e) history of position, including:	
(1) legal basis for the appointment as member of the committee;	83-87
(2) concurrent positions, as member of Board of Commissioners, member of Board of Directors, and/or member of committee, and other position (if any); and	83-87
(3) working experience and period in and outside the Issuer or Public Company;	83-87
f) period and terms of office of member of the committee;	291-298
g) description of duty and responsibility;	291-298
h) statement that the committee has already have the Charter;	291-298
i) statement of independence of the committee;	291-298
j) policies and frequency of meeting of the committee, and attendance of each member of the committee in the said meetings;	291-298
k) brief description on the activities of the committee in the fiscal year;	291-298
l) education and/or training during the year under review (if any);	291-298
6) Corporate Secretary, including:	
a) name;	316
b) domicile;	316
c) history of position, including	316
(1) legal basis for the appointment as Corporate Secretary; and	316
(2) working experience and period in and outside the Issuer or Public Company;	316
d) educational background;	316
e) education and/or training during the year under review; and	318-320
f) brief description on the implementation of duties of the Corporate Secretary in the year under review;	316-318
7) Internal Audit Unit, among others including:	
a) name of Head of Internal Audit Unit;	329
b) history of position, including:	
(1) legal basis for the appointment as Head of Internal Audit Unit; and	329
(2) working experience and period in and outside the Issuer or Public Company;	329
c) qualification or certification as internal auditor (if any);	332-333
d) education and/or training during the year under review;	334
e) structure and position of Internal Audit Unit;	330
f) description of duties and responsibilities;	330-331
g) statement that the Internal Audit Unit has already have Internal Audit Unit charter; and	331
h) brief description on the implementation of duty of Internal Audit Unit during the year under review;	333-334
8) description on internal control system adopted by the Issuer or Public Company, at least covering:	
a) financial and operational control, and compliance to the other prevailing rules; and	
b) review on the effectiveness of internal control systems;	



Description		Page
9)	risk management system implemented by the company, at least includes:	154-173
a)	general description about the company's risk management system the Issuer or Public Company;	154-159
b)	types of risk and the management; and	159-227
c)	review the effectiveness of the risk management system applied by the Issuer or Public Company	158
10)	important cases faced by the Issuer or Public Company, subsidiaries, current members of the Board of Commissioners and the Board of Directors, among others include:	337
a)	substance of the case/claim;	-
b)	status of settlement of case/claim; and	-
c)	potential impacts on the condition of the Issuer or Public Company;	-
11)	information about administrative sanctions imposed to Issuer or Public Company, members of the Board of Commissioners and the Board of Directors, by the Capital Market Authority and other authorities during the last fiscal year (if any);	337
12)	information about codes of conduct of the Issuer or Public Company, includes:	337-338
a)	key points of the code of conduct;	338
b)	socialization of the code of conduct and enforcement; and	338
c)	statement that the code of conduct is applicable for the Board of Commissioners, the Board of Directors, and employees of the Issuer of Public Company;	338
13)	information about corporate culture or corporate value of the Issuer or Public Company (if any);	65
14)	description of employee or management stock ownership program of the Issuer or Public Company, among others containing:	143-146
a)	number of share and/or option;	144--146
b)	implementation period;	144--146
c)	requirement for eligible employee and/or management; and	144--146
d)	exercise price;	144--146
15)	description of whistleblowing system at the Issuer or Public Company (if any), among others include:	
a)	mechanism for violation reporting;	339
b)	protection for the whistleblower;	339
c)	handling of violation reports;	339
d)	unit responsible for handling of violation report; and	339
e)	results from violation report handling, at least includes:	339
(1)	number of complaints received and processed during the fiscal year; and	339
(2)	follow up of complaints;	339
16)	implementation of the Guidelines of Corporate Governance for Public Companies for Issuer issuing Equity-based Securities or Public Company, including:	247-249
a)	statement regarding recommendation that have been implemented; and/or	247-249
b)	description of recommendation that have not been implemented, along with the reason and alternatives of implementation (if any)	247-249
h.	Social and Environmental Responsibility of the Issuer or Public Company	
1)	Information on social and environmental responsibility of the Issuer or Public Company that covers policies, types of programs, and cost, among others related to:	342-354
a)	environment, among others:	349-350
(1)	the use of environmentally friendly and recyclable materials and energy;	350
(2)	the waste treatment systems of the Issuer or Public Company;	-
(3)	mechanism for filling complaint on environmental issues; and	350
(4)	environmental certification;	350
b)	employment practices, occupational health and safety, among others	351-352
(1)	gender equality and equal work opportunity;	351
(2)	work and safety facilities;	352
(3)	employee turnover;	352
(4)	work incident rate;	352
(5)	education and/or training;	352
(6)	remuneration; and;	352
(7)	mechanism for filing complaint on employment issues;	352

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c) social and community development, among others:	354
(1) the use of local work force;	354
(2) empowerment of local communities among others through the use of raw material produced by the community or by providing education;	354
(3) improvement of public social facilities and infrastructure;	354
(4) other form of donation; and	354
(5) dissemination of the policies and procedures of anti-corruption at the Issuers or Public Company, and training on anti-corruption (if any);	354
d) products and/or services responsibilities, among others:	
(1) consumers' health and safety;	353
(2) products and/or services information; and	353
(3) facilities, number, and resolution of consumer complaint.	353
2) In the event that the Issuer or the Public Company imparts information on social and environmental responsibility as referred to in point 1) in separate report such corporate social and environmental responsibility report, or sustainability report, then the Issuers or the Public Company is excluded from disclosing information on social and environmental responsibility in Annual Report; and	-
3) The said report in point 2) should be submitted to the Financial Service Authority along with the Annual Report;	√
i Audited Annual Financial Statement	361-587
Financial Statements included in Annual Report should be prepared in accordance with the Financial Accounting Standards in Indonesia and audited by an Accountant. The said financial statement should be included with statement of responsibility for financial report as stipulated in the legislations in the Capital Markets sector governing the responsibility of the Board of Directors on the financial report or the legislations in the Capital Markets sector governing the periodic reports of securities company in the event the Issuer is a Securities Company; and	
j Letter of Statement of the Board of Directors and the Board of Commissioners regarding the Responsibility for Annual Reporting	52-53
Letter of statement of the Board of Directors and the Board of Commissioners regarding the responsibility for Annual Reporting should be prepared according to the format of letter of statement of member of Board of Directors and the Board of Commissioners regarding the responsibility for Annual Reporting as attached in the Attachment, which is an integral part of this Circulation Letter of the Financial Services Authority.	52-53

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NAVIGATING THROUGH

THE CHALLENGE OF GROWTH

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Annual Report

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