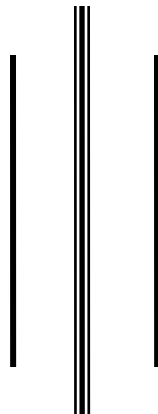


**REPORT ON IMPLEMENTATION OF  
CORPORATE GOVERNANCE  
2024**



**PT BANK BUMI ARTA Tbk**

## TABLE OF CONTENTS

INTRODUCTION.....	1
<b>I. Transparency of Implementation of Corporate Governance.....</b>	<b>3</b>
<b>A. Disclosures of Corporate Governance Practices .....</b>	<b>3</b>
1. Fulfillment of Duties and Responsibilities of the Board of Directors and the Board of Commissioners .....	3
2. Completeness and Implementation of Duties of the Committees .....	22
3. Implementation of Compliance, Internal Audit and External Audit Function.....	58
4. Implementation of Risk Management and Internal Control System.....	72
5. Lending to Related Party and Large Exposure .....	89
6. Bank's Strategic Plan.....	90
7. Dividend Policy.....	93
8. Transparency of Financial and Non Financial Condition Undisclosed in Other Reports .....	94
9. Other Information Related to Corporate Governance of the Bank .....	95
<b>B. Share Ownership by Members of the Board of Directors and Members of the Board of Commissioners of 5% (Five Percent) or More of the Paid-Up Capital.....</b>	<b>96</b>
<b>C. Financial Relations and Family Relations of Members of the Board of Directors and Members of the Board of Commissioners with Other Members of the Director, Other Members of the Boards of Commissioner, the Bank's Controlling Shareholders, and/or the Bank Ultimate Controlling Shareholders.....</b>	<b>97</b>
<b>D. Remuneration Policy.....</b>	<b>99</b>
1. Remuneration and Nomination Committee .....	99
2. Remuneration Policy Creation Process .....	100
3. Scope of Remuneration and Implementation Policies per business unit, the Region and in Subsidiary Companies of Branch Offices Located Overseas.....	101
4. Remuneration Related to Risk.....	102
5. Performance Measurement Related to Remuneration.....	102
6. Adjustment Remuneration is Associated with Performance and Risk.....	102
7. External Consultant Related to Remuneration Policy .....	103
8. Remuneration Package and Facilities Received The Board of Directors and The Board of Commissioners .....	103
9. Remuneration Package which is Grouped in the level of Income received by Directors and of the Board of Commisioners.....	105
10. Variable Remuneration.....	105
11. The Board of Directors, the Board Of Commissioners and Employees receiving Variable Remuneration.....	106
12. Position and Number of Parties that become a Material Risk Takers .....	106

13. Shares Option.....	107
14. Highest to Lowest Salary Ratio .....	108
15. The Number of recipients and the total number of Variable Remuneration guaranteed without conditions will be provided by the Bank to prospective Directors, the Board of Commissioners, and /or prospective Employees for the first year.....	108
16. Employees Affected by Termination of Employment and Nominal Severance Paid.....	109
17. Total Deferred Variable Remuneration.....	109
18. Total deferred variable remuneration Implemented Payments .....	109
19. Total Remuneration given.....	110
20. Quantitative Information.....	111
E. Frequency of Meeting of the Board of Commissioners .....	112
F. The Number of Deviations (Internal Fraud).....	113
G. Legal Cases.....	114
H. Transaction Bearing Conflict of Interests .....	115
I. Shares Buyback and/or Bonds Buy Back .....	115
J. Donations for Corporate Social Responsibility and Political Activities.....	116
II. Report on Self-Assessment on Implementation of Corporate Governance.....	117

Appendix I Worksheet for Self Assessment On Corporate Governance

### INTRODUCTION

The implementation of Corporate Governance 2024 also contains the terms “Bank and “Bank Bumi Arta”, which is defined as PT Bank Bumi Arta Tbk, which conducts business mainly in the field of banking.

Bank Bumi Arta is always committed to implementing prudential banking and upholding ethics and integrity in every aspect of the Bank’s management. This commitment is realized with the aim of encouraging performance improvement, ensuring the fulfillment of the rights of the stakeholders, and ensuring compliance with applicable laws and regulations in the banking sector and the Capital Markets.

Bank Bumi Arta in the context of developing Corporate Governance that is aligned with the best practices, continuously improves its internal control and risk management systems that can ensure effective accountability that is commensurate with the business risks faced. In addition the development of Corporate Governance also aims to provide adequate protection and fair treatment to all shareholders and other stakeholders, through maximizing shareholder value.

The implementation of Corporate Governance in Bank Bumi Arta is based on five basic principles namely transparency, accountability, responsibility, independency and fairness. This principle is applied comprehensively in all activities and levels of the organization.

The implementation of Corporate Governance in Bank Bumi Arta also based on the Regulation of Financial Services Authority No 17 of 2023 dated 14 September 2023 and Financial Services Authority Circular Letter No. 13/SEOJK.03/2017 of March 17, 2017 on Implementation of Corporate Governance for Commercial Banks and Regulation of Financial Services Authority No. 45/POJK.03/2015 of December 23, 2015 and Financial Services Authority Circular Letter No. 40/SEOJK.03/2016 of September 26, 2016 on the Application of Governance in Granting Remuneration for Commercial Bank.

## REPORT ON IMPLEMENTATION OF CORPORATE GOVERNANCE 2024

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Bank Bumi Arta commits to practice and implement the principles of Good Corporate Governance in every business activity at all organization levels and stages.

The Report on Implementation of Corporate Governance of Bank Bumi Arta of 2024 consists of 2 (two) sections as follows:

- I. Transparency of Implementation of Corporate Governance.
- II. Report of Self Assessment on Implementation of Corporate Governance.

Jakarta, April 29<sup>th</sup> 2025  
PT BANK BUMI ARTA Tbk



Wikan Aryono S.  
Presiden Direktur

Edwin Suryahusada  
Direktur

### **I. Transparency of Implementation of Corporate Governance**

#### **A. Disclosures of Corporate Governance Practices**

##### **1. Fulfillment of Duties and Responsibilities of the Board of Directors and the Board of Commissioners**

The role of the Board of Directors and the Board of Commissioners in the management of public companies is very important. Determination of duties and responsibilities of the Board of Directors and the Board of Commissioners is basically regulated the Law on Limited Liability Company, the Articles of Association and the Regulation of Financial Services Authority regarding the Implementation of Governance and the internal policies of Bank Bumi Arta which are is a guide the Board of Directors and the Board of Commissioners in carry duties and responsibilities related to the management of Bank Bumi Arta.

##### **a. The Number, Composition, Criteria and Independence of members of the Board of Directors and the Board of Commissioners**

The Board of Directors in Bank Bumi Arta consists of 5 (five) people as follows:

- 1) Wikan Aryono S as the President Director
- 2) Hendrik Atmaja as the Credit & Marketing Director
- 3) John David Nehemia Engelen as the Compliance Director
- 4) Edwin Suryahusada as Business Development & Finance Director
- 5) Aditya Putra Utama as Digital Banking Director

Meanwhile, the Board of Commissioners in Bank Bumi Arta consists of 4 (four) people as follows:

- 1) Ir. Rachmat M.S., MBA, as the President Commissioner
- 2) Daniel Budi Dharma as an Independent Vice President Commissioner
- 3) R.M. Sjariffudin as an Independent Commissioner
- 4) I Gst Agung Rai Wirajaya as a Commissioner

The President Director, Compliance Director and Digital Banking Director of Bank Bumi Arta originate from Parties Independent from the controlling Shareholders.

All members of the Board of Directors and the Board of Commissioners have obtained approval from Financial Services Authority.

All members of the Board of Directors and the Board of Commissioners reside in Indonesia.

Replacement and/or appointment of members of the Board of Directors are carried out in accordance with the recommendation from the Remuneration and Nomination Committee.

The majority of members of the Board of Directors has no less than 5 (five) years of experience in the operational field as Bank's Executive Officer.

Members of the Board of Directors do not give general authority to other party that may lead to transfer of duties and function of the Board of Directors.

All members of the board of directors of Bank Bumi Arta do not hold concurrent positions in Bank Bumi Arta, other banks, non-bank financial institutions, and other companies located within or outside the country.

The majority of the members of the Board of Commissioners of Bank Bumi Arta do not hold concurrent positions in Bank Bumi Arta, Other Banks, Non-Bank Financial Institutions, and other companies located domestically or internationally, except for Ir. Rachmat M.S., MBA who currently serves as a Commissioner at PT Surya Husada Investment and I Gst Agung Rai Wirajaya who also currently serves as a Director at PT Puri Kuta Beach and specifically as a member of Commission XI of the House of Representative of the Republic of Indonesia in the House of Representatives/MPR RI is still concurrently held until September 30, 2024.

No Independent Commissioner needs to run a cooling-off period and the last appointment of 2 (two) Independent Commissioners was during the Annual General Meeting of Shareholders ("GMS") in 19 June 2024 with the term of office until the close of GMS will be held in 2029.

The Independent Commissioners who are reappointed after serving for 2 (two) consecutive terms of office it has been determined in a board of Commissioner's meeting that the person concerned can still act independently and the Independent Commissioner concerned has declared his independence in Annual General Meeting of Shareholders ("GMS").



b. Work Ethics, Duties, Responsibilities, and Authorities of the Board of Directors and the Board of Commissioners

1) Work Ethics, Duties, Responsibilities, and Authorities of the Board of Directors

As stated in the articles of Association of Bank Bumi Arta, the Board of Directors is responsible for carrying out its duties for the benefit of Bank Bumi Arta. In achieving its purpose and objective the Board of Directors represents Bank Bumi Arta lawfully and directly both inside and outside the Justice Court for all matters and in all circumstances, binding Bank Bumi Arta with other party and other party with Bank Bumi Arta and carrying out all actions both regarding management and ownership, but with certain restrictions.

Bank Bumi Arta internal policies governing the practice of good Corporate Governance for the duties, responsibilities, and authorities of the Board of Directors are as follows :

a) Work Ethics of the Board of Directors

- (1) Members of the Board of Directors are prohibited from giving general power of attorney to other parties that result in the transfer of duties and functions of the Board of Directors.
- (2) Members of the Board of Directors, either individually or jointly, are prohibited from owning shares exceeding 25% of the paid-up capital in another company.
- (3) The Members of the Board of Directors are obliged to disclose the ownership of shares that reach 5% or more, both in the relevant Bank and in other Banks and companies,

domiciled at home and abroad in the Governance Implementation Report for Commercial Banks.

- (4) Members of the Board of Directors are required to disclose financial and family relationships with other members of the Board of Directors, members of the Board of Commissioners and/or controlling shareholders of the Bank in the Governance Implementation Report for Commercial Banks.
- (5) Members of the Board of Directors are obliged to report to the Financial Services Authority on their share ownership and any change in their ownership of shares of Public Companies either directly or indirectly.
- (6) Members of the Board of Directors are prohibited from using the Bank for personal, family, and/or other party interests that may harm or reduce the Bank's profits.
- (7) Members of the Board of Directors are prohibited from taking and/or receiving personal benefits either directly or indirectly from the Bank other than legitimate income, remuneration and other facilities determined based on the resolution of the GMS.
- (8) Members of the Board of Directors shall disclose the remuneration and other facilities received, as intended in number 7 (seven), in the Governance Implementation Report by referring to the Financial Services Authority Regulation regarding the application of Governance in the Provision of Remuneration for Commercial Banks.
- (9) The Board of Directors shall not use individual advisors and/or professional services as consultants unless they meet the following requirements:
  - (a) For special project.

(b) Based on a clear contract, at least including, among other :

- i. Scope of work
- ii. Responsibilities
- iii. Duration of work
- iv. Fees

(10) Is an independent party and has the qualifications to work on a special project as intended in number 9 (nine) letter (a).

(11) The decision of the Board of Directors taken in accordance with the guidelines and work rules is binding and is the responsibility of the Board of Directors.

b) Duties and Responsibilities of the Board of Directors

- (1) The Board of Directors is in charge of carrying out and being fully responsible for the implementation of the Bank management for the benefit of the Bank in accordance with the policies deemed appropriate, and in accordance with the Bank purposes and objectives as stipulated in the Articles of Association.
- (2) The Board of Directors shall manage the Bank in accordance with authority and responsibilities as stipulated in the Articles of Association and the applicable laws and regulations.
- (3) The Board of Directors must prepare short and medium term and long term work plans budgets.
- (4) In carrying out the duties and responsibilities of the Bank management, the Board of Directors shall convene the Annual General Meeting of Shareholders as stipulated in the laws and regulations and the Deed of Establishment.

- (5) Each member of the Board of Directors shall perform the duties and responsibilities of the Bank's management in good faith, responsibly, and prudence.
- (6) The Board of Directors is obliged to implement the principles of good Governance in every business activity of the Bank at all levels or levels of the organization.
- (7) The Board of Directors is obliged to follow up on the audit findings and recommendations from the Bank's Internal Audit Work Unit, external auditors, the results of the supervision of the Financial Services Authority and/or the results of the supervision of other authorities.
- (8) The Board of Directors shall follow up on the appeal/memorandum from the Board of Commissioners regarding the Results of the Board of Commissioners Meeting on matters of concern to the Board of Commissioners.
- (9) The Board of Directors shall make a written report accompanied by supporting data regarding the follow-up of the Board of Directors to the appeal/memorandum from the Board of Commissioners.
- (10) The Board of Directors shall be responsible for the implementation of its duties to shareholders through the General Meeting of Shareholders.
- (11) The Board of Directors is obliged to disclose to the Bank employees strategic policies in the field of personnel.
- (12) In order to implement the principles of good governance, the Board of Directors shall at least form:
  - (a) An Internal Audit Work Unit;
  - (b) A Risk Management Work Unit and a Risk Management Committee;

- (c) A Compliance Work Unit;
- (13) In order to support the effectiveness of the implementation of its duties and responsibilities, the Board of Directors may form a committee and the Board of Directors shall evaluate the performance of the committee at the end of each financial year.
- (14) The Board of Directors shall provide accurate, relevant and timely data and information to the Board of Commissioners.
- (15) Each member of the Board of Directors shall be jointly and severally liable for the Bank's losses caused by the fault or negligence of the members of the Board of Directors in carrying out their duties.
- (16) The Members of the Board of Directors shall not be held liable for the Bank's losses as referred to in number 15 (fifteen), if they can prove:
  - (a) the loss is not due to fault or negligence;
  - (b) has conducted management in good faith, full responsibility and prudence for the interests of and in accordance with the Bank's purposes and objectives;
  - (c) have no conflict of interest, either directly or indirectly, for management actions that result in losses; and
  - (d) has taken measures to prevent the occurrence or continuation of such losses.
- (17) The Board of Directors will conduct an evaluation/assessment of the performance of the Board of Directors which is carried out once every year by means of self-assessment to be reviewed by the Board of Commissioners.
- (18) The Members of the Board of Directors are obliged to submit information to the Bank no later than 3 (three)

working days after the occurrence of ownership or any change in ownership of the Bank's shares and must be disclosed in the Bank's annual report or website.

- (19) Responsible for the Implementation of the Sustainable Finance Action Plan and Sustainable Finance Principles.

c) Authorities of the Board of Directors:

- (1) The Board of Directors has the authority to represent the Bank in and outside of court.
- (2) Members of the Board of Directors are not authorized to represent the Bank, if :
  - (a) there is a case in court between the Bank and the members of the Board of Directors concerned; and
  - (b) the relevant members of the Board of Directors have interests that conflict with the interests of the Bank.
- (3) In the event that there are circumstances as referred to in number 2 (two) above, the person entitled to represent the Bank is:
  - (a) other members of the Board of Directors who do not have a conflict of interest with the Bank;
  - (b) The Board of Commissioners in the event that all members of the Board of Directors have a conflict of interest with the Bank; or
  - (c) other parties appointed by the GMS in the event that all members of the Board of Directors or Board of Commissioners have conflict of interest with the Bank.

### 2) Work Ethics, Duties, Responsibilities, and Authorities of the Board of Commissioners

The Board of Commissioners in accordance with the provisions of the Articles of Association of Bank Bumi Arta is tasked with supervising and responsible for supervising the policies of the Board of Directors in the management, the running of management in general, both regarding Bank Bumi Arta and the business of Bank Bumi Arta and providing advice to the Board of Directors and doing other things as specified in the Articles of Association or as determined from time to time by the General Meeting of Shareholders.

Bank Bumi Arta's internal policies that regulate good governance practices for work ethics, duties, responsibilities and authorities of the Board of Commissioners are as follows:

#### a) Work Ethics of the Board of Commissioners

- (1) The implementation of the duties of the Board of Commissioners must be carried out independently in good faith, full of responsibility and prudence.
- (2) The Board of Commissioners shall remain professional if in the performance of the duties, responsibilities and authorities of the Board of Commissioners there is a conflict of interest with the Bank.
- (3) The Member of the Board of Commissioners shall submit information to the Bank regarding the ownership and any change in his/her ownership of shares of a public company including the Bank, either directly or indirectly no later than 3 (three) working days after the occurrence of ownership or any change in ownership of shares of a public company.

Implementation as intended must be disclosed in the Annual Report or the Bank's website.

- (4) Members of the Board of Commissioners are obliged to report to the Financial Services Authority on their share ownership and any change in their ownership of shares of Public Companies either directly or indirectly.
- (5) Members of the Board of Commissioners are required to disclose financial and family relationships with other members of the Board of Commissioners, members of the Board of Directors and/or controlling shareholders of the Bank in the Governance Implementation Report for Commercial Banks.
- (6) Members of the Board of Commissioners are prohibited from using the Bank for personal, family and/or other party interests that may harm or reduce the Bank's profits.
- (7) Members of the Board of Commissioners are prohibited from taking and/or receiving personal benefits either directly or indirectly from the Bank other than legitimate income, remuneration and other facilities determined by the GMS.
- (8) Members of the Board of Commissioners are obliged to disclose the remuneration or other facilities stipulated in the GMS as referred to in number 7 (seven) in the Governance Implementation Report as regulated in accordance with the Financial Services Authority Regulations.

b) The duties and responsibilities of the Board of Commissioners

- (1) The Board of Commissioners shall ensure the implementation of good Governance (including Sustainability Governance) in every business activity of the



Bank at all levels or levels of the organization.

- (2) The Board of Commissioners is tasked with supervising and responsible for supervising management policies, the course of management in general, both regarding the Bank and the Bank's business and providing advice to the Board of Directors, including supervision of the implementation of the duties and responsibilities of the Board of Directors, among others, by directing, monitoring and evaluating the implementation of the Bank's strategic policies.
- (3) Under certain conditions, the Board of Commissioners shall hold an annual GMS and other GMS in accordance with its authority as stipulated in laws and regulations and articles of association.
- (4) In order to support the effective implementation of their duties and responsibilities, the Board of Commissioners is required to establish at least :
  - (a) An Audit Committee;
  - (b) A Risk Monitoring Committee;
  - (c) A Remuneration and Nomination Committee;
- (5) The appointment of committee members as intended in number 4 (four) above shall be carried out by the Board of Directors based on the decision of the Board of Commissioners Meeting.
- (6) The Board of Commissioners shall ensure that the Committee that has been formed carries out its duties effectively and evaluates the performance of the committee that assists in the implementation of its duties and responsibilities as intended in number 4 (four) at the end of each financial year.

- (7) The Board of Commissioners shall evaluate the implementation of the Bank's compliance function at least 2 (two) times in 1 (one) year and provide necessary suggestions to improve the quality of the implementation of the Bank's compliance function.
- (8) Each member of the Board of Commissioners shall be jointly and severally liable for losses to the Bank caused by the error or negligence of the members of the Board of Commissioners in carrying out their duties.
- (9) The members of the Board of Commissioners shall not be held liable for the Bank's losses as referred to in number 8 (eight) if they can prove:
  - (a) the loss is not due to fault or negligence;
  - (b) has conducted management in good faith, full responsibility and prudence for the interests of and in accordance with the Bank's purposes and objectives;
  - (c) have no conflict of interest either directly or indirectly for any management actions that resulted in losses; and
  - (d) has taken measures to prevent the occurrence or continuation of such losses.
- (10) The Board of Commissioners shall ensure that the Board of Directors has followed up on the audit findings and recommendations from the Bank's internal audit work unit, external auditors, the Board of Commissioners' appeal to the Board of Directors, the results of the supervision of the Financial Services Authority and/or the results of the supervision of other authorities.

- (11) The Board of Commissioners shall inform Bank Indonesia within 7 (seven) working days since the discovery of :
  - (a) violation of laws and regulations in the financial and banking sector; and/or.
  - (b) circumstances or estimated circumstances that may endanger the Bank's business continuity.
- (12) The Board of Commissioners shall conduct an evaluation/assessment of the performance of the Board of Directors which shall be carried out once a year by means of self-assessment by taking into account the recommendations of the Remuneration and Nomination Committee.
- (13) The Board of Commissioners shall conduct an evaluation/assessment of the performance of the Board of Commissioners which shall be carried out once every year by means of self-assessment.
- (14) The Board of Commissioners evaluates and approves the Sustainable Finance Action Plan prepared by the Board of Directors.
- (15) The Board of Commissioners oversees the implementation of the Sustainable Finance Action Plan and advises the Board of Directors to develop support for sustainable development.
- (16) The Board of Commissioners is required to hold a General Meeting of Shareholders (GMS) in the event of a request for a GMS from shareholders as stipulated in the prevailing laws and regulations and the Bank Articles of Association.

b) Authorities of the Board of Commissioners

- (1) The Board of Commissioners is authorized to temporarily suspend the members of the Board of Director by stating the reasons.
- (2) The Board of Commissioners may take action to manage the Bank under certain circumstances for a certain period of time. Certain circumstances in question include in the event that all members of the Board of Directors have a conflict of interest with the Bank, or in the event that all members of the Board of Directors are prevented or temporarily dismissed.
- (3) The authority as intended in number 2 (two) above is determined based on the articles of association or the resolution of the GMS.
- (4) In carrying out supervision as intended in point 2) point b) number 2 (two) of the Duties and Responsibilities of the Board of Commissioners, the Board of Commissioners is prohibited from participating in decision-making in the Bank's operational activities unless::
  - (a) provision of funds to related parties as stipulated in the provisions regarding the Maximum Limit of Commercial Bank lending; and
  - (b) other matters stipulated in the Bank's Articles of Association or laws and regulations.
- (5) Decision making by the Board of Commissioners as referred to in number 4 (four) is part of the supervisory duty by the Board of Commissioners, so as not to negate the responsibility of the Board of Directors for the implementation of the Bank management.

- (6) Request the Board of Directors to prepare short- and medium-term work plans and budgets (business plans) and long-term (corporate plans).
- (7) Monitor and review/evaluate the performance of the Board of Directors in realizing the Business Plan of the Bank each semester enclosed with supporting data for review/evaluation.
- (8) Propose to the GMS based on the decision of the Board of Commissioners Meeting to appoint and dismiss a Public Accountant who will provide audit services on the annual historical financial information taking into account the recommendations of the Audit Committee.
- (9) Evaluate the policies prepared by the Board of Directors in accordance with applicable regulations.

c. Recommendation from the Board of Commissioners

The Board of Directors is obliged to pay attention to the recommendations given by the Board of Commissioners in accordance with the results of the Board of Commissioners Meeting or as a follow-up to the results of the General Meeting of Shareholders.

The Board of Commissioners provides recommendations for the implementation of the duties of the Board of Directors according to the results of the Board of Commissioners meeting which discusses the results of the Audit Committee, Risk Monitoring Committee and Remuneration and Nomination Committee.

d. Statement of Independence of Independent Commissioners

All members of the current Board of Independent Commissioners have met the requirements of the Independent Commissioner and each of the Independent Commissioners has signed a statement of independence which is made and updated periodically.

At the Annual General Meeting of Shareholders of Bank Bumi Arta in 2024, there will be the reappointment of Independent Commissioners who have served for 2 (two) periods of office and to comply with the provisions of Article 25 paragraph (1) of the Financial Services Authority Regulation No. 33/POJK.04/2014 concerning the Board of Directors and Board of Commissioners of Issuers or Public Companies, each member of the Independent Commissioners who have been reappointed has declared their independence to the GMS, as follows: "That if trusted to be reappointed as Vice President Commissioner/Member Commissioner Independent Commissioner, hereby declares that he will remain independent in carrying out the position entrusted to him."

Declaration of Independence of each member of the Commissioners has been submitted to the Financial Services Authority, with the following Declaration:

### SURAT PERNYATAAN INDEPENDEN P.T. BANK BUMI ARTA Tbk.

Saya yang bertanda tangan di bawah ini :

Nama	: Daniel Budi Dharma
Tempat/tanggal lahir	: Jakarta, 23 Desember 1944
Alamat domisili (fotokopi KTP/SIM terlampir)	: Cempaka Putih Tengah 26 B/59, RT.004, RW. 006, Kel. Cempaka Putih Timur, Kec. Cempaka Putih, Jakarta Pusat
Nomor telepon rumah	: (021) 65836136
Jabatan	: Wakil Presiden Komisaris
Nama perusahaan	: P.T. Bank Bumi Arta Tbk.
Nomor telepon perusahaan	: (021) 2300893

Sehubungan dengan pencalonan saya kembali sebagai Komisaris Independen P.T. Bank Bumi Arta Tbk. ("Perseroan") yang sudah menjabat sebagai Komisaris Independen Perseroan selama lebih dari 2 (dua) periode masa jabatan, maka guna memenuhi ketentuan Pasal 25 ayat (1) Peraturan Otoritas Jasa Keuangan Nomor 33/POJK.04/2014 tentang Direksi dan Dewan Komisaris Emiten atau Perusahaan Publik, dengan ini saya menyatakan bahwa saya :

1. Tidak mempunyai saham baik langsung maupun tidak langsung dalam Perseroan;
2. Tidak mempunyai hubungan afiliasi dengan Perseroan, anggota Dewan Komisaris, anggota Direksi atau pemegang saham utama Perseroan;
3. Tidak mempunyai hubungan usaha baik langsung maupun tidak langsung yang berkaitan dengan kegiatan usaha Perseroan.

Demikian Surat Pernyataan Independensi ini saya buat dengan sebenar-benarnya.

Jakarta, 19 Juni 2024

Mengetahui,

Wikan Aryono S  
Presiden Direktur

Daniel Budi Dharma

### SURAT PERNYATAAN INDEPENDEN P.T. BANK BUMI ARTA Tbk.

Saya yang bertanda tangan di bawah ini :

Nama	: Mohammad Sjariffudin
Tempat/tanggal lahir	: Palembang, 03 Maret 1947
Alamat domisili (fotokopi KTP/SIM terlampir)	: Villa Cibubur Indah Blok U 2/3 RT.006, RW. 011, Kel. Cibubur, Kec. Ciracas, Jakarta Timur
Nomor telepon rumah	: (021) 87755436
Jabatan	: Komisaris
Nama perusahaan	: P.T. Bank Bumi Arta Tbk.
Nomor telepon perusahaan	: (021) 2300893

Sehubungan dengan pencalonan saya kembali sebagai Komisaris Independen P.T. Bank Bumi Arta Tbk. ("Perseroan") yang sudah menjabat sebagai Komisaris Independen Perseroan selama lebih dari 2 (dua) periode masa jabatan, maka guna memenuhi ketentuan Pasal 25 ayat (1) Peraturan Otoritas Jasa Keuangan Nomor 33/POJK.04/2014 tentang Direksi dan Dewan Komisaris Emiten atau Perusahaan Publik, dengan ini saya menyatakan bahwa saya :

1. Tidak mempunyai saham baik langsung maupun tidak langsung dalam Perseroan;
2. Tidak mempunyai hubungan afiliasi dengan Perseroan, anggota Dewan Komisaris, anggota Direksi atau pemegang saham utama Perseroan;
3. Tidak mempunyai hubungan usaha baik langsung maupun tidak langsung yang berkaitan dengan kegiatan usaha Perseroan.

Demikian Surat Pernyataan Independensi ini saya buat dengan sebenar-benarnya.

Jakarta, 19 Juni 2024

Mengetahui,

Wikan Aryono S  
Presiden Direktur

Mohammad Sjariffudin



### 2. Completeness and Implementation of Duties of the Committees

#### a. Committee of the Board of Commissioners

To support the effectiveness of the implementation of the duties and responsibilities of the Board of Commissioners, the Board of Commissioners has established an Audit Committee, a Risk Monitoring Committee and a Remuneration and Nomination Committee.

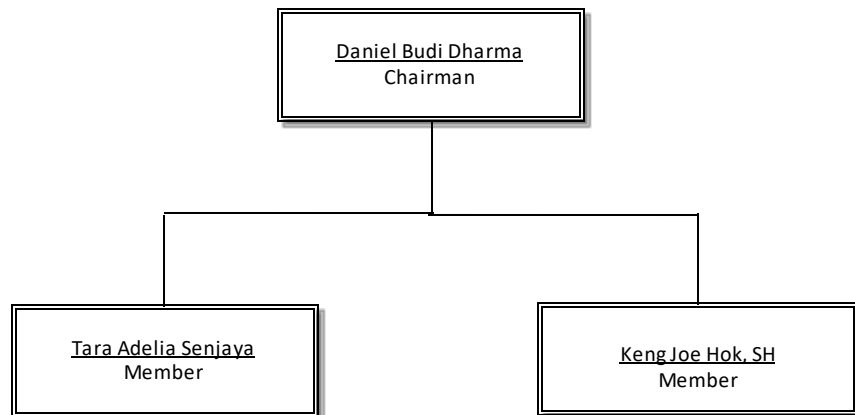
Based on the evaluation conducted in 2024, the Board of Commissioners assesses that the Committees have carried out their duties effectively and optimally. The Board of Commissioners evaluates the performance of the members of the Committee supporting their duties, which is based on the achievement of the Committee's performance as assessed in the Committee's recommendation to the Board of Commissioners, the competence of the Committee assessed in the training/training that has been carried out and the presence of Committee members in Committee meetings.

#### 1) Audit Committee

##### a) The Structure, membership, expertise and independence of members of the Committee

The Audit Committee was established on June 30, 2006 and became effective on July 1, 2006.

All members of the Audit Committee have been reappointed based on the Decree of the Board of Directors No. DIR/400/VII/2024 dated July 11, 2024, so that as of June 19, 2024 the membership structure of the Committee is as follows:



The structure of the Audit Committee consists of:

- (1) Daniel Budi Dharma as the Chairman and Vice President Commissioner as Independent Commissioner, who has expertise in banking field.
- (2) Tara Adelia Senjaya as Member and Independent Party, who has expertise in finance, accounting and risk management field.
- (3) Keng Joe Hok, SH as Member and Independent Party, who has expertise in legal field.

The expertise of the members of the Audit Committee is based on the curriculum vitae of the Committee members from the education and work experience of each Committee members.

b) Duties and Responsibilities of the Committee

The Audit Committee has the following duties and responsibilities:

- (1) Conduct a review of the financial information to be issued by the Bank to the public and/or the authorities, including financial statements, projections and other reports related to the Bank's financial information.

- (2) Conduct a review of compliance with laws and regulations related to the Bank activities.
- (3) Provide an independent opinion in the event of a difference of opinion between the management and the Accountant on the services provided.
- (4) To provide recommendations to the Board of Commissioners to be submitted to the General Meeting of Shareholders (GMS) regarding the appointment of Public Accountants and Public Accounting Firms based on:
  - (a) the independence of the Public Accountant, the Public Accounting Firm and the person inside the Public Accounting Firm;
  - (b) the scope of the audit;
  - (c) emuneration for audit services;
  - (d) the expertise and experience of the Public Accountant, Public Accounting Firm and the Audit Team of the Public Accounting Firm;
  - (e) the audit methodology, techniques and means used by the Public Accounting Firm;
  - (f) the benefits of fresh eye perspectives that will be obtained through the replacement of the Public Accountant, Public Accounting Firm and Audit Team of the Public Accounting Firm;
  - (g) potential risks for the use of audit services by the same Public Accounting Firm consecutively for a long period of time;
  - (h) the results of the evaluation of the implementation of audit services on annual historical financial information by the Public Accountant and the Public Accounting Firm in the previous period, if any.

- (5) Evaluate the implementation of audit services on annual historical financial information by Public Accountants and/or Public Accounting Firms. Evaluation of the implementation of audit services is carried out at least:
  - (a) the conformity of the audit by the Public Accountant and/or Public Accounting Firm with the applicable audit standards;
  - (b) the adequacy of the time of field work;
  - (c) assessment of the scope of services provided and the adequacy of the sampling test;
  - (d) recommendations for improvement provided by the Public Accountant and/or the Public Accounting Firm.
- (6) To review complaints related to the Bank's accounting and financial reporting processes.
- (7) To study and provide advice to the Board of Commissioners regarding the potential conflict of interest of the Bank.
- (8) Conduct a review of the implementation of the audit by the internal auditor and supervise the implementation of follow-up by the Board of Directors on the findings of the internal auditor.
- (9) Conducting monitoring and evaluation of:
  - (a) planning and execution of audits; and
  - (b) monitoring of the follow-up of audit results.to assess the adequacy of internal controls, including the adequacy of the financial reporting process.
- (10) Carry out monitoring and evaluation of at least the following:
  - (a) the implementation of the duties of the Internal Audit Work Unit;

(b) conformity of financial statements with applicable accounting standards;

(c) the implementation of follow-up by the Board of Directors on the findings of the Internal Audit Work Unit, the External Auditor, the results of the supervision of Bank Indonesia and/or the Financial Services Authority and/or the results of the supervision of other authorities and institutions.

(11) The results of monitoring and evaluation shall be used to provide recommendations to the Board of Commissioners.

(12) Provide recommendations to the Board of Commissioners regarding the provision of SKAI's annual remuneration as a whole and performance awards.

c) Authorities of the Committee

In performing its duties, the Audit Committee has the following authority :

- (1) Access the Bank's documents, data and information on the Bank's employees, funds, assets and resources required.
- (2) Communicate directly with employees, including the Board of Directors and parties who carry out internal audit, risk management and accountant functions regarding the duties and responsibilities of the Audit Committee.
- (3) Involve independent parties outside the members of the Audit Committee as necessary to assist in the execution of its duties (if required).
- (4) Exercise other authority granted by the Board of Commissioners.

d) Frequency of meeting of the Committee

In carrying out its duties and responsibilities, the Audit Committee holds periodic meetings at least 1 (one) time in 1 (one) month and may hold meetings outside the set schedule if deemed necessary. Audit Committee meetings are held if attended by a majority of the members of the Audit Committee.

e) Committee Work Plan and Realization

Throughout the year 2024, the Audit Committee has :

- (1) Held 15 (fifteen) meetings attended by all members of the Audit Committee either physically or teleconference.

The presence of members of the Audit Committee in the meeting during the period of 2024.

Audit Committee (Date)	Q1				Q2		
	24/1/24	23/2/24	4/3/24	19/3/24	30/4/24	28/5/24	25/6/24
Daniel Budi Dharma, Chairman	√	√	√	√	√	√	√
Keng Joe Hok, SH, Member	√	√	√	√	√*	√*	√
Tara Adelia Senjaya, Member	√	√	√	√	√*	√*	√

Audit Committee (Date)	Q3			Q4				
	23/7/24	27/8/24	23/9/24	28/10/24	28/10/24	26/11/24	12/12/24	23/12/24
Daniel Budi Dharma, Chairman	√	√	√	√	√	√	√	√
Keng Joe Hok, SH, Member	√	√	√	√	√	√	√	√*
Tara Adelia Senjaya, Member	√	√	√	√	√	√	√	√*

\* teleconference

The decision making of the Audit Committee meeting is carried out based on consensus deliberation or if there is no consensus deliberation is carried out based on the majority vote. The results of the Audit Committee meeting are outlined in the Meeting Minutes and have been well documented. The Audit Committee has submitted a memorandum to the Board of Commissioners regarding matters of concern to the Audit Committee based on the Audit Committee Meeting Results.

- (2) Carry out activities, among others:
  - (a) Conduct a discussion on the results of the 2023 SKAI examination at the Medan Branch Office, Bandar Lampung Branch Office and Information Technology examination.
  - (b) Discuss the results of the SKAI audit in 2024, namely the Wahid Hasyim Branch Office, Mangga Dua Branch Office, Bandung Branch Office, Semarang Branch Office, Surabaya Branch Office, Medan Branch Office, Denpasar Branch Office, Head Office, Information Technology audit on the development and procurement of Digital Banking Services, Bank Indonesia Payment System (SPBI) and National Black List Management Office (KPDHN), Single Customer View (SCV) Deposit Insurance Corporation.
  - (c) Evaluation of the Use of Public Accountant Services and/or Public Accounting Firms for the audit of the Bank's Financial Statements for the financial year ended December 31, 2023.

- (d) Proposed appointment of a Public Accountant and/or Public Accounting Firm for the audit of the Bank's Financial Statements for the financial year ending on December 31, 2024.
- (e) Conduct follow-up discussions by the Board of Directors on the findings of the Bank's internal audit work unit, external auditors, the results of the supervision of the Financial Services Authority, and/or the results of the supervision of other authorities and institutions.
- (f) Conduct a meeting with the Public Accounting Firm to discuss the results of the audit of the Bank's Financial Statements for the financial year ended December 31, 2023.
- (g) Conducting a discussion of the SKAI Work Plan for 2025.
- (h) Conduct a meeting with the Public Accounting Firm for the planned audit of the Bank's Financial Statements for the financial year ending December 31, 2024.
- (i) Conduct discussions on the revision of the Audit Committee's Guidelines and Work Procedures, the revision of the Internal Audit Charter, POJK Number 15 concerning the Integrity of Bank Financial Reporting.
- (j) Conduct a discussion on the 2024 OJK Audit Results Report.



f) Review Period of Audit Committee Guidelines and Work Procedures

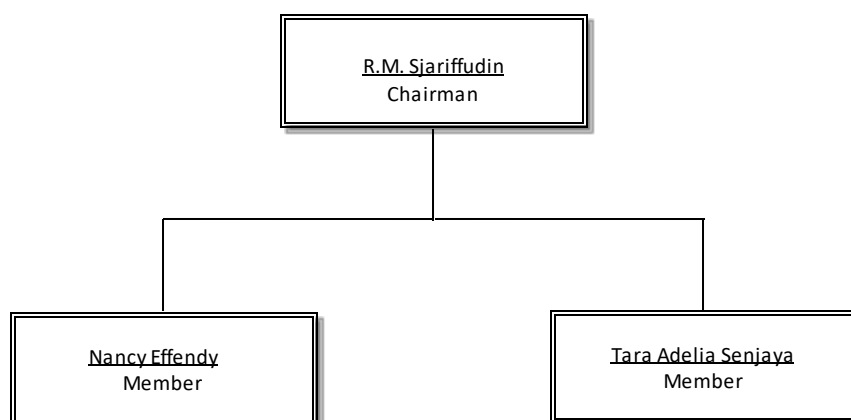
Bank Bumi Arta conducts periodic reviews of the Audit Committee Guidelines and Work Procedures (Audit Committee Charter) to ensure its relevance to the developments/changes in applicable regulations. The Audit Committee Guidelines and Work Procedures (Audit Committee Charter) were last updated on December 9, 2024.

2) Risk Monitoring Committee

a) Structure, membership, expertise and independence of the members of the Risk Monitoring Committee

The Risk Monitoring Committee was established on 16 April 2007 and came into effect on 1 June 2007.

All members of the Risk Monitoring Committee have been reappointed based on the Decree of the Board of Directors No. DIR/399/VII/2024 dated July 11, 2024, so that as of June 19, 2024 the membership structure of the Committee will be as follows :



The structure of Risk Monitoring Committee consists of :

- (1) R.M. Sjariffudin as the Chairman and Independent Party, the Commissioner as Independent Commissioner, who has expertise in banking field.
- (2) Nancy Effendy as Member and Independent Party, who has expertise in banking and risk management field.
- (3) Tara Adelia Senjaya as Member and Independent Party, who has expertise in finance, accounting, and risk management field.

Expertise of the Risk Monitoring Committee members based on the curriculum vitae of the Committee members from the education and work experience of each Committee members.

b) Duties and responsibilities of the Risk Monitoring Committee

Duties and responsibilities of Risk Monitoring Committee are as follows :

- (1) Perform :
  - (a) evaluation of the suitability between risk management policies and the implementation of Bank policies; and
  - (b) monitoring and evaluation of the implementation of the duties of the Risk Management Committee and the Risk Management Work Unit.to provide recommendations to the Boards of Commissioners.
- (2) Conducting an evaluation based on risk conditions in the field, including considering:
  - (a) Lending Approval Authority Limit ("BWMK");
  - (b) Competence and Integrity aspect of Human Resource;
  - (c) Adequacy of office facility and infrastructure;

(d) Information from other parties related to risk-exposed operational activities;

(3) Must supervise the implementation of risk management related to country risk and transfer risk carried out by the Bank, including the implementation of stress testing.

(4) Monitoring climate-related risks, cyber, information technology, outsourcing and other risk developments in the banking sector.

c) Authorities the Risk Monitoring Committee

In carrying out its duties, the Risk Monitoring Committee has the following authority:

(1) Access the Bank's data, documents and information related to the Bank's employees, funds, assets and resources required;

(2) Conduct communication and coordination with parties related to the duties of the Risk Monitoring Committee; and;

(3) Exercise other authority granted by the Board of Commissioners.

in accordance with the provisions of laws and regulations.

d) Frequency of Risk Monitoring Committee meetings

In carrying out its duties and responsibilities, the Risk Monitoring Committee holds periodic meetings at least 1 (one) time in 1 (one) month and may hold meetings outside the set schedule if deemed necessary. A Risk Monitoring Committee meeting is held if the majority of the members of the Risk Monitoring Committee are present.

- e) The Work Programme of the Risk Monitoring Committee and its realization

During 2024 the Risk Monitoring Committee has:

- (1) Held 12 (twelve) meetings attended by all members of the Risk Monitoring Committee either physically or teleconference.

The presence of members of the Risk Monitoring Committee at the meeting during 2024.

Risk Monitoring Committee (Date)	Q1			Q2		
	24/01/24	23/02/24	26/03/24	30/04/24	28/05/24	25/06/24
R.M. Sjariffudin, Chairman	√	√	√	√	√	√
Nancy Effendy, Member	√	√	√	√	√	√*
Tara Adelia Senjaya, Member	√	√	√*	√*	√*	√

Risk Monitoring Committee (Date)	Q3			Q4		
	23/07/24	27/08/24	25/09/24	28/10/24	21/11/24	19/12/24
R.M. Sjariffudin, Chairman	√	√	√	√	√	√*
Nancy Effendy, Member	√	√	√	√	√	√*
Tara Adelia Senjaya, Member	√	√	√	√	√	√*

\* teleconference

Decision-making at the Risk Monitoring Committee meeting is carried out based on consensus deliberation or if there is no consensus deliberation is carried out based on the majority vote. The results of the Risk Monitoring Committee meeting are outlined in the Meeting Minutes and have been well documented. The Risk Monitoring Committee has submitted a memorandum to the Board of Commissioners

on matters of concern to the Risk Monitoring Committee based on the Results of the Risk Monitoring Committee Meeting.

(2) Conducted activities such as :

- (a) Discuss the Risk Profile report for the position of December 31, 2023, January 31, 2024 to November 30, 2024.
- (b) Evaluate the suitability between risk management policies and the implementation of such policies.
- (c) Monitor and evaluate the implementation of the duties of the Risk Management Committee and the Risk Management Work Unit.
- (d) Conduct an assessment based on risk conditions in the field, including by considering BWMK, human resources, adequacy of office facilities and infrastructure, information from other parties related to operational activities that are exposed to management risks.

f) Review Period of the Guidelines and Work Procedures of the Risk Monitoring Committee

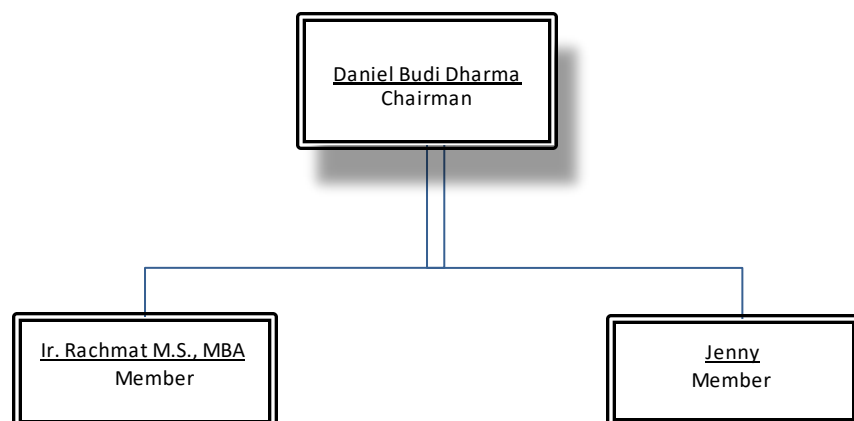
Bank Bumi Arta conducts periodic reviews of the Guidelines and Work Procedures of the Risk Monitoring Committee (Risk Monitoring Committee Charter) to ensure its relevance to the developments/changes in applicable regulations. The Guidelines and Work Procedures of the Risk Monitoring Committee (Risk Monitoring Committee Charter) were last updated on December 9, 2024.

### 3) Remuneration and Nomination Committee

#### a) Structure, membership, expertise and independence of the members of the Remuneration and Nomination Committee

The Remuneration and Nomination Committee was established on 16 April 2007 and became effective on 1 June 2007.

All members of the Remuneration and Nomination Committee have been reappointed based on the Decree of the Board of Directors No. DIR/398/VII/2024 dated July 11, 2024, so that as of June 19, 2024 the membership structure of the Committee will be as follows :



The structure of Remuneration and Nomination Committee consists of :

- (1) Daniel Budi Dharma as the chairman and Vice President Commissioner as Independent Commissioner, who has expertise in banking field.
- (2) Ir. Rachmat M.S., MBA, as Member and President Commissioner, who has expertise in banking field.
- (3) Jenny as Member and HRD Division Head, who has expertise in human resource field.

The expertise of the members of the Remuneration and Nomination Committee based on the curriculum vitae of the Committee members from the education and work experience of each Committee members.

b) Duties and responsibilities of the Remuneration and Nomination Committee

The Remuneration and Nomination Committee has the following duties and responsibilities:

(1) Related to the Remuneration Policy

- (a) evaluate the Remuneration policy based on performance, risk, fairness with peer groups, the Bank's long-term goals and strategies, the fulfillment of reserves as stipulated in laws and regulations and the Bank's revenue potential in the future;
- (b) submit the results of evaluations and recommendations to the Board of Commissioners regarding:
  - i. Remuneration structure, which can be in the form of:
    - (i) salary;
    - (ii) honorarium;
    - (iii) incentives; and/or
    - (iv) fixed and/or variable allowances.
  - ii. policy on Remuneration for:
    - (i) members of the Board of Commissioners and/or members of the Board of Directors to be submitted to the GMS;
    - (ii) the employees as a whole to be submitted to the Board of Directors.

- iii. the amount of remuneration;
  - (c) ensure that the Remuneration Policy is in accordance with the applicable provisions;
  - (d) conduct periodic evaluations of the implementation of the Remuneration policy;
  - (e) assist the Board of Commissioners in conducting a performance assessment in accordance with the remuneration received by each member of the Board of Directors and/or members of the Board of Commissioners.
- (2) Related to the Nomination Policy
- (a) prepare and provide recommendations regarding the system and procedures for the election and/or replacement of members of the Board of Directors and Board of Commissioners to the Board of Commissioners to be submitted to the GMS;
  - (b) identify and provide recommendations regarding prospective members of the Board of Directors and/or prospective members of the Board of Commissioners to the Board of Commissioners submitted to the GMS;
  - (c) make recommendations to the Board of Commissioners regarding the Independent Parties who will be members of the Audit Committee and members of the Risk Monitoring Committee;
  - (d) prepare a mechanism and assess the performance of the Board of Directors and the Board of Commissioners based on the benchmarks that have been prepared as evaluation materials;



(e) make recommendations to the Board of Commissioners regarding:

- i. the composition of the positions of members of the Board of Directors and/or members of the Board of Commissioners;
- ii. policies and criteria required in the Nomination process; and
- iii. performance evaluation policy for members of the Board of Directors and/or members of the Board of Commissioners;

(f) provide recommendations to the Board of Commissioners regarding capacity development programs for members of the Board of Directors and/or members of the Board of Commissioners;

c) Authority of the Remuneration and Nomination Committee

In carrying out its duties, the Remuneration and Nomination Committee has the following authority:

- (1) Access the Bank's data, documents and information related to the Bank's employees, funds, assets and resources required;
- (2) Conduct communication and coordination with parties related to the duties of the Remuneration and Nomination Committee; and
- (3) Exercise other authority granted by the Board of Commissioners.

in accordance with the provisions of laws and regulations.

### d) Frequency of Committee meetings

In carrying out its duties and responsibilities, the Remuneration and Nomination Committee holds a meeting at least 1 (one) time in 3 (three) months and may hold meetings outside the set schedule if deemed necessary. The Remuneration and Nomination Committee Meeting is held if the majority of committee members attend, including the presence of 1 (one) Independent Commissioner and 1 (one) Executive Officer who is in charge of the human resources function or 1 (one) employee representative.

### e) Committee Work Program and its realization

During the period of 2024 the Remuneration and Nomination Committee has:

- (1) Has held 4 (four) meetings attended by all members of the Remuneration and Nomination Committee both physically and teleconference.

The presence of members of the Remuneration and Nomination Committee at the meeting during 2024

Nomination Committee and Remuneration  (Date)	Q2		Q3	Q4
	29/04/24	08/05/24	05/07/24	13/12/24
Daniel Budi Dharma, Ketua	√	√	√	√
Ir. Rachmat M.S., MBA, Anggota	√*	√*	√*	√*
Jenny, Anggota	√	√	√	√

\*teleconference

Decision-making at the Remuneration and Nomination Committee meeting is carried out based on consensus deliberation or if there is no consensus deliberation is

carried out based on the majority vote. The results of the Remuneration and Nomination Committee meeting are outlined in the Meeting Minutes and have been well documented. The Remuneration and Nomination Committee has submitted a memorandum to the Board of Commissioners regarding matters of concern to the Remuneration and Nomination Committee based on the Results of the Remuneration and Nomination Committee Meeting.

- (2) Carry out activities, including:
  - (a) Evaluate the structure, policy and amount of remuneration.
  - (b) Evaluate the performance of the Board of Directors and the Board of Commissioners.
  - (c) Provide recommendations for the reappointment of the Bank's Board of Commissioners and Board of Directors whose terms of office will end at the 2024 Annual General Meeting of Shareholders (AGM) to be submitted by the Board of Commissioners for approval at the AGMS of PT Bank Bumi Arta Tbk on June 19, 2024.
  - (d) Provide recommendations on remuneration for members of the Board of Commissioners and Board of Directors to be submitted by the Board of Commissioners for approval at the AGMS of PT Bank Bumi Arta Tbk on June 19, 2024.
  - (e) Provide recommendations for the preparation of training programs for members of the Board of Commissioners and Board of Directors.

f) Review Period of Guidelines and Work Procedures of the Remuneration and Nomination Committee

The Bank conducts periodic reviews of the Guidelines and Work Procedures of the Remuneration and Nomination Committee (Remuneration and Nomination Committee Charter) to ensure its relevance to the developments/changes in applicable regulations. The Guidelines and Work Procedures of the Remuneration and Nomination Committee (Remuneration and Nomination Committee Charter) were last updated on August 19, 2024.

b. Committee of Directors

Bank Bumi Arta has established 6 (six) Committees under the Board of Directors in order to support the effectiveness of the implementation of the duties and responsibilities of the Board of Directors, namely: Assets and Liabilities Committee (ALCO), Treasury Credit Committee, Credit Policy Committee, Head Office Credit Committee, Information Technology Steering Committee and Risk Management Committee.

Based on the evaluation conducted in 2024, the Board of Directors assesses that the Committees have carried out their duties effectively and optimally. The Board of Directors evaluates the performance of the members of the Committee supporting their duties, which is based on the achievement of the Committee's performance as seen in the results of the review of the Committee's analysis, assessment and recommendations, the competence of the Committee seen in the training/training that has been carried out and the presence of Committee members in Committee meetings.

### 1) Assets and Liabilities Committee (ALCO)

ALCO is a committee formed by the Board of Directors at the Head Office to provide an objective opinion to the Board of Directors and help improve the effectiveness of the implementation of the Board of Directors' duties systematically, as well as contribute in accordance with its areas of duties and responsibilities.

#### a) ALCO Membership Structure.

ALCO membership structure consists of:

- (1) President Director
- (2) Credit & Marketing Director
- (3) Business Development & Finance Director
- (4) Digital Banking Director
- (5) Compliance Director
- (6) General Manager of Credit
- (7) General Manager of Operation, Treasury & Credit Support
- (8) Head of Treasury Division

#### b) Duties, Responsibilities and Authorities of ALCO.

The ALCO has the following duties, responsibilities and authorities:

- (1) Establish and evaluate balanced liquidity and liquidity management policies and strategies.
- (2) Responsible for achieving balanced liquidity and profitability of the Bank in accordance with the provisions and profit (profit) targets, balance sheet growth and several measures of profitability that have been determined in the Bank's budget and Business Plan (RBB).
- (3) Assess, plan and take steps in the form of policies and Action Plans to pursue the Bank's targets and Business Plan (RBB)

with the realization that occurs.

- (4) Considering the Bank's overall financial condition and adhering to the principle of prudence to be able to formulate, evaluate and decide on Pricing Strategy, Assets and Liabilities with the aim of optimizing Interest Margin/Spread which includes, among others:
  - (a) Pricing Lending Rate
  - (b) Pricing Deposit
  - (c) Pricing Produk and Other Bank Services
  - (d) Pricing Fund Transfer (RAK)
- (5) Assess and evaluate the Bank's performance related to the gap position (Gap Management) in relation to interest rate fluctuations.
- (6) Periodically review the Bank's liquidity position and formulate the amount of liquidity presentation to be maintained by the Bank, as well as formulate a balanced/equitable fund maintenance strategy.
- (7) Periodically review the allocation of the Bank's funds placement on earning assets, identify credit risks inherent in all products and activities in accordance with risk management and formulate optimal asset allocation and earnings.
- (8) Periodically review the Bank's sources of funds and formulate the composition of the types of sources of funds that produce the optimal cost of funds.
- (9) Periodically review the Bank's position and exposure to the placement of funds in the inter-bank money market by taking into account the financial ratios and ratings of counterparties to then determine the global limit on the amount of the Bank's asset position in the placement of

funds in the money market.

- (10) Periodically review the position and quality of the credit portfolio and determine the amount of Loan to Funding (LFR) position to be taken by the Bank.
- (11) Conduct a discussion on the Bank's capital position in an effort to achieve the position of Minimum Capital Provision Obligation (KPMM) determined by the Financial Services Authority with careful Capital Planning.
- (12) Conduct other meetings that are prompted by changes that occur in the money market or changes in terms of Bank Indonesia/Financial Services Authority regulations that occur suddenly.

c) ALCO Meeting

In carrying out its duties and responsibilities, ALCO holds meetings at least 1 (one) time in 1 (one) month to discuss routine or non-routine issues that are previously approved meeting agendas and may hold meetings outside the set schedule if deemed necessary. ALCO members who are unable to attend the meeting physically, can attend the meeting face-to-face by utilizing information technology. The ALCO meeting is held if the majority of the Committee members attend. During 2024, ALCO has held 12 (twelve) meetings attended by members.

d) ALCO Guidelines and Work Procedures Review Period

The Bank conducts periodic reviews of the ALCO Guidelines and Work Procedures (ALCO Charter) to ensure its relevance to the development or change of applicable regulations as well as the complexity of the Bank's business. The ALCO Guidelines and Work Procedures (ALCO Charter) were last updated on August 19, 2024.

### 2) Treasury Credit Committee

The Treasury Credit Committee is a committee formed by the Board of Directors at the Head Office to provide an objective opinion to the Board of Directors and help improve the effectiveness of the implementation of the Board of Directors' duties systematically, as well as to contribute in accordance with its areas of duties and responsibilities.

#### a) Treasury Credit Committee Membership Structure.

Treasury Credit Committee membership structure consists of:

- (1) Business Development & Finance Director
- (2) General Manager of Credit
- (3) General Manager of Operation, Treasury & Credit Support
- (4) Head of International Division
- (5) Head of Treasury Division

#### b) Duties, Responsibilities and Authorities of the Treasury Credit Committee.

The Treasury Credit Committee has the following duties, responsibilities and authorities:

- (1) Conducting analysis, assessment and recommendations using measurement methods in the form of calculation/analysis of financial conditions including financial ratios from third parties (counterparties) to decide a proposal regarding third parties (counterparties) given the ceiling of the Money Market Line Facility including Foreign Exchange Line and third parties as the main dealer to be established in cooperation with the Global Master Repurchase Agreement (GMRA) in the context of Repurchase Transactions (Repo).



- (2) Submit the results of analysis, assessment and recommendations covering various matters from third parties (counterparties) including performance, market, liquidity, profit and loss obtained and the Bank rating list to Bank Officials who have Credit Termination Authority Limit (BWMK) for Money Market Line Facilities including Foreign Exchange Line and Repo Transactions.
- (3) Review the results of analysis, assessment and recommendations as referred to in number 2 (two) above, at least once every 6 (six) months to be given to the President Director.

c) Treasury Credit Committee Meeting.

In carrying out its duties and responsibilities, the Treasury Committee holds periodic meetings at least once a year and may hold meetings outside the established schedule if deemed necessary. Members of the Treasury Credit Committee who are unable to attend the meeting physically may attend the meeting in person by utilizing information technology. A meeting of the Treasury Credit Committee is held if attended by a majority of the committee members. In 2024, the Treasury Credit Committee has held 2 (two) meetings attended by the members of the Treasury Credit Committee.

d) Review Period of Guidelines and Work Procedures of the Treasury Credit Committee.

Bank Bumi Arta conducts periodic reviews of the Treasury Credit Committee Guidelines and Work Procedures (Treasury Credit Committee Charter) to ensure its relevance to the developments/changes in applicable regulations and the

complexity of the Bank's business. The Treasury Credit Committee Guidelines and Work Procedures (Treasury Credit Committee Charter) were last updated on August 19, 2024.

### 3) Credit Policy Committee

The Credit Policy Committee is a committee formed by the Board of Directors at the Head Office to provide an objective opinion to the Board of Directors and help improve the effectiveness of the implementation of the Board of Directors' duties systematically, as well as contribute in accordance with its fields of duties and responsibilities.

#### a) Credit Policy Committee Membership Structure.

Credit Policy Committee membership structure consists of:

- (1) President Director
- (2) Credit & Marketing Director
- (3) Business Development & Finance Director
- (4) General Manager of Credit

#### b) Duties, Responsibilities and Authorities of the Credit Policy Committee.

The Credit Policy Committee has the following duties, responsibilities and authorities:

- (1) Formulate general policies and credit strategies of Bank Bumi Arta in the context of the preparation of credit policies, especially those related to the formulation of prudential principles in credit.
- (2) Monitor Bank Bumi Arta credit management activities to ensure that the risks and composition of the "credit portfolio" as well as contingent obligations due to the

various commitments and facilities provided are truly within the limits of Bank Bumi Arta capabilities.

- (3) Monitor and evaluate various credit policies and procedures applicable at Bank Bumi Arta as outlined in the Decree of the Board of Directors, Circular Letter of the Board of Directors, Credit Policy of Bank Bumi Arta (KPBBA), Credit Guidebook and Procedures (BPKP), and other written briefings.
- (4) Specifically monitor and assess:
  - (a) the development and quality of the credit portfolio as a whole;
  - (b) the suitability of the exercise of the authority to terminate credit with the applicable written policies and procedures;
  - (c) the suitability of the process of granting, development and quality of credit provided to parties related to the Bank and certain large debtors;
  - (d) the suitability of the implementation of the provisions of the Maximum Credit Limit (BMPK); and
  - (e) conformity with the provisions of laws and other regulations in the implementation of credit provisions.
- (5) If necessary, direct the relevant Divisions/Divisions in facilitating, among others:
  - (a) consultation for Bank Bumi Arta credit officers; and
  - (b) socialization and/or training related to credit.

c) Credit Policy Committee Meeting.

In carrying out its duties and responsibilities, the Credit Policy Committee holds meetings according to the Bank's needs. Members of the Credit Policy Committee who are unable to attend the meeting physically, can attend the meeting face-to-face by utilizing information technology. The Credit Policy Committee meeting is held if the majority of the Committee members attend.

d) Review Period of Guidelines and Work Procedures of the Credit Policy Committee.

Bank Bumi Arta conducts periodic reviews of the Guidelines and Work Procedures of the Credit Policy Committee (Credit Policy Committee Charter) to ensure its relevance to the developments/changes in applicable regulations as well as the complexity of the Bank's business. The Guidelines and Work Procedures of the Credit Policy Committee (Credit Policy Committee Charter) were last updated on August 19, 2024.

4) Head Office Credit Committee

The Head Office Credit Committee is a committee formed by the Board of Directors at the Head Office to provide an objective opinion to the Board of Directors and help improve the effectiveness of the implementation of the Board's duties systematically, as well as to contribute in accordance with its areas of duties and responsibilities.

a) Head Office Credit Committee Membership Structure.

Head Office Credit Committee membership structure consists of:

- (1) Wikan Aryono S, as President Director;
- (2) Hendrik Atmaja, Credit & Marketing Director;
- (3) Edwin Suryahusada, as of Business & Financial Development Director;
- (4) Sonya Hennipuspa W, as General Manager of Credit;
- (5) Drs. Anton Mudjoputro, as Deputy General Manager of Credit;
- (6) Ethan Fam, as Head of General Credit Division.

b) Duties, Responsibilities and Authorities of Head Office Credit Committee.

The Head Office Credit Committee has the following duties, responsibilities and authorities:

- (1) Assess and decide on a general credit proposal submitted to the Head Office of the General Credit Division/Business Section/Branch Office/Sub-Branch that exceeds the Credit Termination Authority Limit of the Branch Office Credit Committee, as well as general credit application from the General Credit Division.
- (2) Decide on a general credit proposal based on the results of the analysis from the General Credit Review & Remedial Division which is stated in writing (in the form of an Internal Memo) and based on further explanations if deemed necessary from the General Credit Division/Business Section/Branch Office Leader/Sub-Branch for the completeness of the data and analysis of the credit proposal submitted to the Head Office Credit Committee.

(3) The provision of the General Credit Facility must be approved by at least 2 (two) officials in accordance with the limit of the Credit Termination Authority (BWMK) for the General Credit Facility.

c) Frequency of meetings of the Head Office Credit Committee.

The Head Office Credit Committee may also take valid and binding decisions without holding a Head Office Credit Committee Meeting, provided that all members of the Head Office Credit Committee give their written consent to the proposal submitted and sign the approval. Decisions taken in such a manner have the same force as decisions lawfully taken in the Head Office Credit Committee Meeting.

d) Review Period of Guidelines and Work Procedures of the Head Office Credit Committee.

Bank Bumi Arta conducts periodic reviews of the Guidelines and Work Procedures of the Head Office Credit Committee (Head Office Credit Committee Charter) to ensure its relevance to the developments/changes in applicable regulations and the complexity of the Bank's business. The Guidelines and Work Procedures of the Head Office Credit Committee (Head Office Credit Committee Charter) were last updated on August 19, 2024.

5) Information Technology Steering Committee

The Information Technology Steering Committee is a committee formed by the Board of Directors at the Head Office to provide objective recommendations to the Board of Directors and help improve the effectiveness of the implementation of Direksi's duties systematically, as well as contribute in accordance with its areas of duties and responsibilities.

a) Information Technology Steering Committee Membership Structure.

Information Technology Steering Committee membership structure consists of:

- (1) The President Director, as Chairman Member
- (2) Credit & Marketing Director, as a Member Director
- (3) Compliance Director, as a Member
- (4) Business & Financial Development Director, as a Member
- (5) Digital Banking Director, as a Member
- (6) General Manager of Finance & Accounting as a Member
- (7) General Manager of Operation, Treasury & Credit Support, as a Member
- (8) General Manager of Internal Audit/SKAI, as a Member
- (9) Head of Information Technology Division, as a Member
- (10) Deputy Head of Information Technology Division, as a Member
- (11) Head of the Compliance & Risk Management Division, as a Member
- (12) Head of the Policy & Procedures Division, as a Member
- (13) Specially designated Division/Section as required, as Member

b) Duties, Responsibilities and Authorities of the Information Technology Steering Committee.

The duties, responsibilities and authorities of the Information Technology Steering Committee are to provide recommendations to the Board of Directors related to:

- (1) Information Technology Strategic Plan that is in line with the strategic plan of the Bank Corporation, taking into account the factors of efficiency, effectiveness and other matters,

namely:

- (a) a road map to achieve IT needs that support the Bank's business strategy, consisting of the current state, the conditions to be achieved (future state) and the steps to be taken to achieve the conditions to be achieved;
  - (b) the resources required;
  - (c) the benefits that will be gained when the IT Strategic Plan is implemented; and
  - (d) obstacles that may arise in the implementation of the IT Strategy Plan.
- (2) The formulation of the main IT policies, standards and procedures, such as the main IT policy, namely the IT security policy and risk management related to the use of IT in the Bank.
- (3) Compatibility between the approved IT development plan and the IT Strategic Plan. The Information Technology Steering Committee also determines the priority status of critical IT projects that have a significant impact on the Bank's operational activities, such as the replacement of core banking applications, production sever and network topology.
- (4) Conformity between the implementation of IT development and the agreed development plan (project charter). The Information Technology Steering Committee should complement the recommendations with the results of analysts from major IT projects so that the Board of Directors can make decisions efficiently.
- (5) Evaluation of the effectiveness of IT costs on the achievement of planned benefits.



- (6) Monitoring of IT performance and efforts to improve IT performance, for example detection of IT infrastructure obsolescence and measuring the effectiveness and efficiency of implementing IT security policies.
- (7) Efforts to solve various IT-related problems that cannot be solved by the user work unit and IT operator effectively, efficiently and on time.
- (8) The adequacy and allocation of resources owned by the Bank. In the event that the resources it has are inadequate and the Bank will use the services of other parties in the implementation of IT, the Information Technology Steering Committee must ensure that the Bank has the necessary policies and procedures in place.

c) Meeting of the Information Technology Steering Committee.

In carrying out its duties and responsibilities, the Information Technology Steering Committee holds meetings at least 1 (one) time every semester and may hold meetings outside the set schedule if deemed necessary. Members of the Information Technology Steering Committee who are unable to attend the meeting physically, can attend the meeting face-to-face by utilizing information technology. A meeting of the Information Technology Steering Committee shall be held if attended by a majority of Committee Members. During 2024, the Information Technology Steering Committee has held 3 (three) meetings attended by members of the Information Technology Steering Committee.

- d) Review Period of Guidelines and Work Procedures of the Information Technology Steering Committee.

Bank Bumi Arta conducts periodic reviews of the Guidelines and Work Procedures of the Information Technology Steering Committee (Information Technology Steering Committee Charter) to ensure its relevance to the developments/changes in applicable regulations as well as the complexity of the Bank's business. The Guidelines and Work Procedures of the Information Technology Steering Committee (Information Technology Steering Committee Charter) were last updated on August 19, 2024 of the Information Technology Steering Committee.

6) Risk Management Committee

The Risk Management Committee is a committee established by the Board of Directors at the Head Office to provide objective recommendations to the President Director and assist in improving the effectiveness of the Board of Directors' duties systematically, as well as contribute according to its areas of duties and responsibilities.

a) Risk Management Committee Membership Structure.

Risk Management Committee membership structure consists of:

- (1) Compliance Director
- (2) Credit & Marketing Director
- (3) Business Development & Finance Director
- (4) Digital Banking Director
- (5) General Manager of Finance & Accounting
- (6) General Manager of Credit
- (7) General Manager of Operation, Treasury & Credit Support
- (8) General Manager of Human Resources & Legal
- (9) General Manager of Internal Audit/SKAI

- (10) Head of Compliance & Risk Management Division
- (11) Head of the Foreign Affairs Division
- (12) Head of Information Technology Division
- (13) Head of Operational & Credit Support Division
- (14) Head of Human Resources Division
- (15) Head of Policy & Procedures Division
- (16) Head of the Legal Corporate Division
- (17) Head of Treasury Division
- (18) Head of Risk Management Work Unit
- (19) Other Divisions/Sections specially invited when necessary

b) Duties, Responsibilities and Authorities of the Risk Management Committee

The duties, responsibilities and authorities of the Risk Management Committee are to evaluate and provide recommendations to the President Director related to Risk Management which includes:

- (1) The preparation of Risk Management policies and their changes including Risk Management strategies, Risk levels taken and Risk tolerances, Risk Management frameworks and contingency plans to anticipate the occurrence of abnormal conditions;
- (2) Periodic or incidental improvement of the Risk Management process as a result of a change in the Bank's external and internal conditions that affect the adequacy of capital, the Bank's risk profile and the ineffective implementation of Risk Management based on the results of the evaluation;
- (3) Determination of policies and/or business decisions that deviate from normal procedures, such as significant business expansion exceeds the Bank's predetermined Business Plan

or takes risky positions/exposures that exceed the predetermined limit.

c) Frequency of Risk Management Committee meetings.

In carrying out its duties and responsibilities, the Risk Management Committee holds a meeting at least 1 (one) time in 3 (three) months and may hold meetings outside the set schedule if deemed necessary. Risk Management Committee members who are unable to attend the meeting physically, can attend the meeting face-to-face by utilizing information technology. A Risk Management Committee meeting is held if a majority of the Committee Members attend. During 2024, the Risk Management Committee has held 4 (four) meetings attended by Risk Management Committee Members.

d) Review Period of the Guidelines and Work Procedures of the Risk Management Committee

Bank Bumi Arta conducts periodic reviews of the Guidelines and Work Procedures of the Risk Management Committee (Risk Management Committee Charter) to ensure its relevance to the developments/changes in applicable regulations as well as the complexity of the Bank's business. The Risk Management Committee Guidelines and Rules (Risk Management Committee Charter) were last updated on August 19, 2024.

### 3. Implementation of Compliance, Internal Audit and External Audit Function

#### a. Compliance Function

At Bank Bumi Arta, the Compliance Function is overseen by the Compliance Director and carried out by the Compliance Work Unit which is independent of other work units. The appointment of the Compliance Director is a manifestation of Bank Bumi Arta's commitment to always implement laws and regulations, both issued by the Financial Services Authority, Bank Indonesia, and other laws and regulations.

The Compliance Director primary duty is to ensure that all levels of the organization, from top management to executive officers, adhere to the principle of prudence. This can be done in various ways, including circulating circulars, delivering directions in meetings, and giving messages in work meetings.

The Compliance Director is obliged to prevent the Bank's Board of Directors from pursuing policies and/or making decisions that deviate from the Financial Services Authority Regulations, Bank Indonesia and other applicable laws and regulations, which may affect the Bank's business continuity.

The Bank's Compliance function includes actions, to:

- 1) Realizing the implementation of a Compliance Culture at all levels of the Bank's organization and business activities;
- 2) Managing Compliance Risks 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 the provisions of the Financial Services Authority and applicable laws and

regulations; and

- 4) Ensure the Bank's compliance with the commitments made by the Bank to the Financial Services Authority and/or other authorized supervisory authorities.

The Compliance Work Unit in order to manage the Compliance Risks faced by the Bank makes a Compliance Risk Report by identifying, measuring, monitoring and controlling Compliance Risks based on reports received from related work units, which include functional activities of credit, treasury and investment, operations and services, trade financing, funding and debt instruments, Information System Technology and Management Information Systems and Human Resource Management.

The Compliance Work Unit makes the Compliance Risk Report to be provided to the Risk Management Work Unit in order to prepare the Risk Profile Report of Bank Bumi Arta.

The Compliance Director in order to ensure that the Bank has complied with all Financial Services Authority Regulations, Bank Indonesia Regulations and other applicable laws and regulations in the context of the implementation of the Prudential Principles, together with the Compliance Work Unit/Compliance & Risk Management Division coordinate with relevant work units to ensure the availability and conformity of guidelines, systems and procedures in each work unit with the Financial Services Authority Regulations, Bank Indonesia regulations and applicable laws and regulations within the framework of the Prudential Principle.

The Compliance Director, in order to monitor and maintain the Bank's compliance with all agreements and commitments made by the Bank to the Financial Services Authority, as well as other competent supervisory authorities, monitors the implementation of agreements, fulfillment of commitments, and the Bank's ability to comply with orders and prohibitions, from the Financial Services Authority, as well as other authorized supervisory authorities.

The Bank has ensured the Bank's compliance with the commitments made by the Bank to the Financial Services Authority and/or other competent supervisory authorities in accordance with the predetermined target date.

The Compliance Director has the following duties and responsibilities :

- 1) Formulate strategies to encourage the creation of a Bank Compliance Culture

The general task of the Compliance Director is to remind all levels of the organization, from the highest level to the executive officer, to always comply with the provisions of prudence to encourage the creation of a Bank Compliance Culture.

This general task can be carried out in various ways, for example: through the submission of circulars, giving messages at various meetings and work meetings.

- 2) Propose compliance policies or compliance principles to be determined by the Board of Directors.

The Compliance Director makes a Decree of the Board of Directors on Compliance Assessment in order to conduct a Compliance

Assessment on the provision of credit ceilings to borrowers/groups of borrowers with an amount of more than Rp. 5,000,000,000,- (five billion rupiah) and approves the Compliance Assessment that has been made by the Compliance Work Unit.

- 3) Establish compliance systems and procedures (Compliance Guidelines).

The Compliance Director establishes the Compliance Guidelines which are a guideline that is necessary so that the implementation of the Compliance Function can run as it should. These guidelines are established in accordance with the duties and responsibilities of the Compliance Director under the Financial Services Authority Regulation No. 46/POJK.03/2017 dated July 12, 2017 concerning the Implementation of the Compliance Function of Commercial Banks.

- 4) Ensure that all policies, provisions, systems and procedures as well as business activities carried out by the Bank are in accordance with the provisions of the Financial Services Authority and the provisions of laws and regulations.

The Compliance Director in order to ensure that the Bank has complied with all the provisions of the Financial Services Authority, the provisions of Bank Indonesia and other applicable laws and regulations in the context of the implementation of the Prudential Principles, together with the Compliance Work Unit/Compliance & Risk Management Division coordinate with relevant work units to ensure the availability and conformity of guidelines, systems and procedures in each work unit with the provisions of the Financial



Services Authority, provisions of Bank Indonesia and applicable laws and regulations within the framework of the Prudential Principle.

5) Minimizing Bank's Compliance Risk.

In order to minimize the Bank's Compliance Risk, the Compliance Director reviews and approves the Compliance Risk Report prepared by the Compliance Work Unit. The report is then submitted to the Risk Management Work Unit as material in the preparation of the Bank's Risk Profile Report.

6) Taking preventive measures so that policies and/or decisions taken by the Bank's Board of Directors do not deviate from the provisions of the Financial Services Authority and the provisions of laws and regulations.

The Compliance Director is obliged to prevent the Bank's Board of Directors from pursuing policies and/or decisions that deviate from the provisions of the Financial Services Authority, the provisions of Bank Indonesia and other applicable laws and regulations, which may affect the Bank's business continuity.

7) Perform other tasks related to the Compliance Function.

The Compliance Director, in order to monitor and maintain the Bank's compliance with all agreements and commitments made by the Bank to the Financial Services Authority, as well as other competent supervisory authorities, monitors the implementation of agreements, fulfillment of commitments, and the Bank's ability to comply with orders and prohibitions, from the Financial Services Authority, as well as other authorized supervisory authorities.

The Compliance Director in carrying out his duties and responsibilities is assisted by a Compliance Work Unit that is independent of the operational work unit.

The duties and responsibilities of the Compliance Work Unit are as follows:

- 1) Coordinate, direct, foster, supervise and socialize the risk culture and implement an environmentally friendly culture in the Bank's operational activities.
- 2) Follow, study, understand and implement all internal regulations/provisions and procedures that have been outlined by internal management, the Financial Services Authority, Bank Indonesia or other agencies.
- 3) Taking steps to support the creation of a Compliance Culture in all Bank business activities at every level of the organization.
- 4) Identify, measure, monitor and control Compliance Risks with reference to the Financial Services Authority regulations regarding the Implementation of Risk Management for Commercial Banks.
- 5) Assess and evaluate the effectiveness, adequacy and suitability of policies, provisions, systems and procedures owned by the Bank with applicable laws and regulations.
- 6) Review and/or recommend updates and improvements to policies, provisions, systems and procedures owned by the Bank in accordance with the provisions of the Financial Services Authority, Bank Indonesia and applicable laws and regulations.
- 7) Make efforts to ensure that the Bank's policies, provisions, systems and procedures, as well as business activities are in accordance with the provisions of the Financial Services Authority, Bank Indonesia and applicable laws and regulations.

- 8) Checking and being responsible for the correctness and accuracy of internal and external report submission.
- 9) Assist in the implementation of the duties of the Head of the Compliance & Risk Management Division in order to monitor and maintain the Bank's compliance with all agreements and commitments made by the Bank to the Financial Services Authority/other authorities, including monitoring the follow-up of the results of supervision/audits of the Financial Services Authority/other authorities by coordinating with other work units.
- 10) Prepare and submit the Bank's Compliance Risk Report to the Risk Management Work Unit in order to prepare the Bank's risk profile.
- 11) Follow up on the findings and recommendations of the Internal Audit Division/SKAI, external auditors, the results of the supervision of the Financial Services Authority and Bank Indonesia as well as the results of the supervision of other authorities for the improvement and improvement of the Compliance Work Unit.
- 12) Conducting a Compliance Assessment in order to monitor all the provision of funds in the form of credit provided, including credit products related to sustainable finance.
- 13) Contribute effectively in improving and developing the Compliance Function, including attending and providing input at Meetings organized by relevant parties.
- 14) Examining the memo of reprimand to the relevant parties for delay in submitting reports or violations that result in the Bank being sanctioned by fines by external parties.
- 15) Implementing the principles of good governance in every business activity of the Bank at all levels or levels of the organization.
- 16) Implement Anti-Fraud Strategy and report or not hide known fraud incidents, provide direction and foster awareness for fraud risk control to staff.

17) Carry out other duties given by the Head of the Compliance and Risk Management Division as long as it is within the scope of duties and functions as the Head of the Compliance Work Unit.

From the results of monitoring during 2024 on existing procedures and policies implemented so far that have met the prudential provisions of the Financial Services Authority, Bank Indonesia and applicable laws and regulations, taking into account the Bank's business activities, the possibility of losses faced by the Bank from Compliance Risk is relatively low.

The Bank's track record of compliance has been good and prudence in carrying out business activities has become the basic attitude of Bank Bumi Arta's management. This basic attitude is manifested by always striving to comply with the prudential provisions of the Financial Services Authority, Bank Indonesia and applicable laws and regulations. There are relatively minor violations of provisions that can be corrected by the Bank, and the Bank has implemented almost all applicable financial standards and codes of ethics, which have not been optimally implemented.

b. Internal Audit Function

The Internal Audit function at Bank Bumi Arta is carried out by the Internal Audit Work Unit (SKAI). SKAI is an institution that is independent of the operational work unit that is directly responsible to the President Director and has a direct communication relationship with the Board of Commissioners and the Audit Committee. The Head of SKAI is Lauw Janto, serves as the Head of SKAI in accordance with the Decree of the Board of Directors No. 009/KEP/IV/99/Dir dated April 13, 1999 and was last

reappointed through the Decree of the Board of Directors No.DK/Pers/003/I/2024/Dir dated January 3, 2024, completed his education at Tarumanagara University, Faculty of Economics, Department of Accounting and has received a Level 5 Risk Management Certification (BSMR) and International Certificate in Banking Risk and Regulation (GARP), as well as Qualified Internal Auditor (QIA) in 2017 and Certifies Anti Fraud Manager (CAFM).

The Head of SKAI is appointed and dismissed by the President Director with the approval of the Board of Commissioners taking into account the recommendations of the Audit Committee.

The implementation of Internal Audit by SKAI refers to the Financial Services Authority Regulation No. 1/POJK.03/2019 dated January 28, 2019 concerning the Implementation of the Bank's Internal Audit Function in Commercial Banks and the Professional Standards for Internal Audit as stipulated by the internal audit professional association, the Internal Audit Guidebook of PT Bank Bumi Arta Tbk., the Work Plan of PT Bank Bumi Arta Tbk. in 2024 and the Work Plan of the Internal Audit Work Unit (SKAI) of PT Bank Bumi Arta Tbk. in 2024.

In general, the scope of work of SKAI includes all independent examination activities and assessments of the adequacy and effectiveness of the Internal Control System, Risk Management, Corporate Governance, Information Technology, and all business activities of the Bank, as well as the quality of management's performance in carrying out its duties and responsibilities.

SKAI in 2024 in accordance with the work plan has conducted an annual audit of supporting functions at the Head Office (Credit Review, Credit Support, Loan Center, HR, Compliance, Anti-Money Laundering, Counter Terrorist Financing and Counter-Proliferation Financing of Weapons of Mass Destruction (AML-CFT and CPF), Risk Management, International and Information Technology), 9 (nine) Branch Offices, 14 (fourteen) Sub-Branch Offices, 8 (eight) Functional Offices. SKAI has conducted audits required by Bank Indonesia (BI), namely audits of SKN-BI, BI-RTGS, BI-SSSS, BI-ETP, BI-FAST and KPDHN, annual information technology audits and audits required by the Deposit Insurance Corporation (LPS), namely internal audits of the Single System Customer View (SCV).

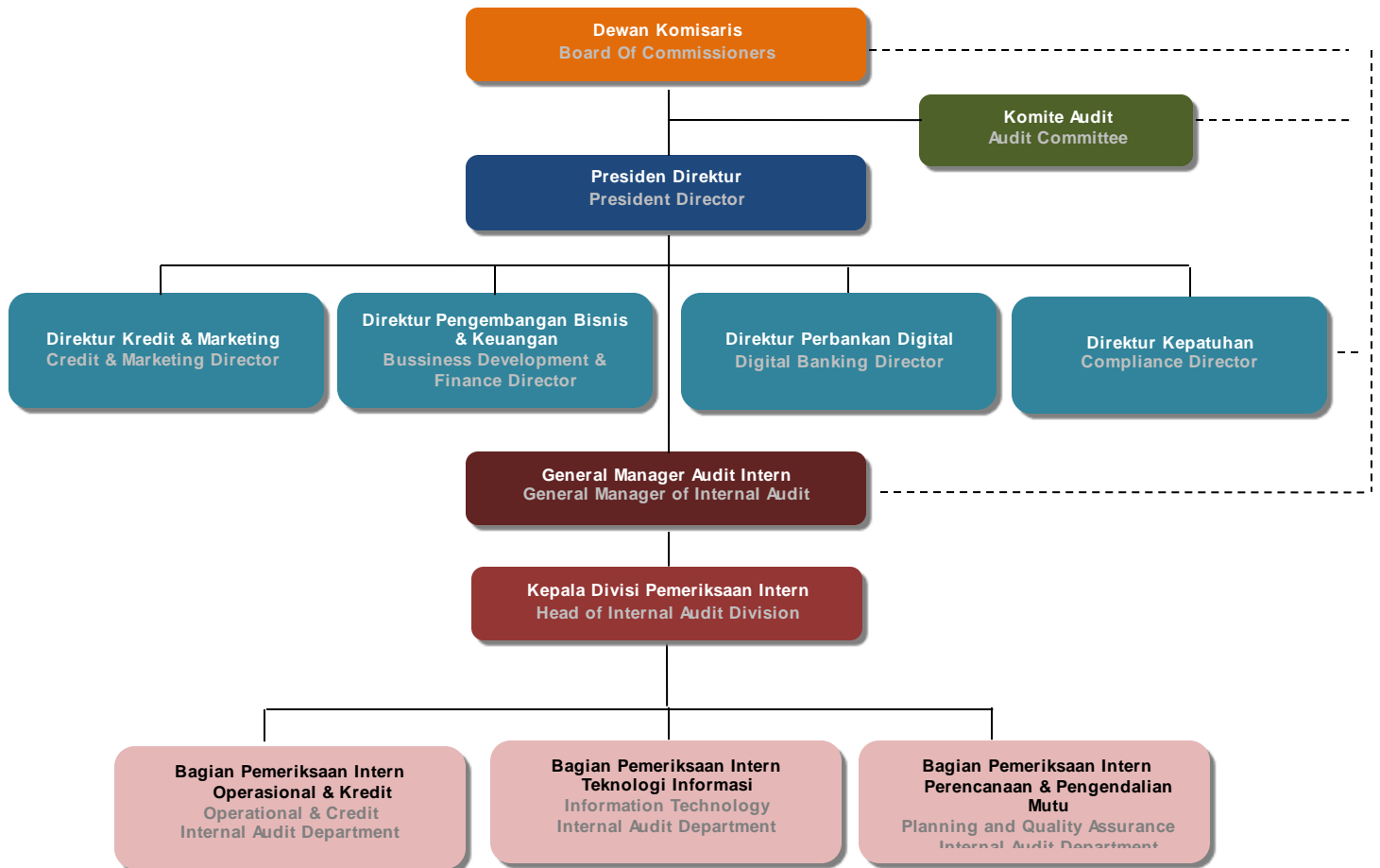
In addition to the annual audit conducted by SKAI, information technology audits have also been carried out with a focus on the Development and Procurement of Digital Banking Services that require special expertise, so in its implementation it uses the services of external parties related to information technology, as well as the Audit of the Information Technology Field related to Payment Service Providers (PJP) using independent external audit services registered with the authority or Self-Regulatory Organization (SRO) namely the Indonesian Payment System Association (ASPI).

The findings and comments of the SKAI audit are reported to the President Director, Board of Commissioners, Audit Committee, Compliance Director and Auditee for follow-up improvements. The follow-up of repairs made by the Auditee is monitored by the Operational Risk Section at the Head Office and Branch Office. SKAI has also reported the Implementation and Principal Results of the Internal Audit to the Financial Services Authority.

In order to develop the knowledge of internal auditors, improve the expertise of internal auditors and to anticipate any new developments in the banking world, SKAI continuously continues to provide training and education to internal auditors, both internally and externally. In 2024, SKAI members have participated in 62 (sixty-two) trainings in the form of on the job training, in-house training, socialization, webinars, workshops, seminars and risk management recertification.

The effectiveness of internal audit has been running quite well, including: internal audit can help implement and improve governance, risk management and internal control systems through improvements to the organization's core business processes (processes/activities) which include General Management, Work Plan Management, Credit Management, Deposit Management, Banking Services Management, Other Operational Management, Accounting, Reporting and General Administration, AML-CFT and CPF; Internal audit has carried out its function in helping management to achieve company goals through the provision of information needed by management and being able to detect audit findings which then provide recommendations for the process of improving organizational performance; and internal audit consistently develops knowledge and improves the expertise of internal auditors, so that internal auditors can have adequate understanding and knowledge in carrying out internal audits.

## ORGANIZATION STRUCTURE OF SKAI





### c. External Audit Function

The External Audit function at Bank Bumi Arta is carried out by Public Accounting Firm (KAP) Rintis, Jumadi, Rianto & Rekan, members of PricewaterCoopers (PwC) and Public Accountant Jimmy Pangestu who is registered with the Financial Services Authority.

The task of the KAP is to carry out audits in accordance with the auditing standards set by the Indonesian Institute of Accountants ("generally applicable auditing standards").

The purpose of the audit is to express an opinion on the fairness of the presentation of the company's financial statements for the year ended December 31, 2024, in all material respects, in accordance with generally applicable accounting principles in Indonesia.

The implementation of external audits and the Bank's compliance with the provisions regarding the relationship between the Bank, public accountants and the Financial Services Authority have gone well.

In the implementation of the KAP audit, it also refers to :

- 1) Bank Indonesia Regulation No. 3/22/PBI/2001 dated 13 December 2001 concerning Transparency of Bank Financial Conditions.
- 2) Financial Services Authority Regulation No. 37/POJK.03/2019 dated December 19, 2019 concerning Transparency and Publication of Bank Statements.
- 3) Financial Services Authority Regulation No. 9 of 2023 dated July 11, 2023 concerning the Use of Public Accountant Services and Public Accounting Firms in Financial Services Activities.

- 4) Circular Letter of the Financial Services Authority No. 9/SEOJK.03/2020 dated June 30, 2020 concerning Transparency and Publication of Conventional Commercial Bank Reports.
- 5) Circular Letter of the Financial Services Authority No.18/SEOJK.03/2023 dated November 06, 2023 concerning Procedures for the Use of Public Accountant Services and Public Accounting Firms in Financial Services Activities.

The function of External Audit is implemented through the implementation of the Bank's Financial Statements Audit by Public Accounting Firms and Public Accountants, in order to ensure and believe that the Bank's Financial Statements have been prepared and presented in a quality manner, free from material misrepresentations, both caused by errors and fraud, forming and expressing opinions on the fairness of the Bank's Financial Statements and testing the effectiveness of the Bank's internal controls.

In general, the scope of external audit includes :

- 1) Consideration of internal control over financial reporting, as a basis for determining audit procedures in accordance with the circumstances, but not intended to provide an opinion on the effectiveness of the Company's internal control over its financial reporting.
- 2) Examination on the basis of tests, evidence supporting amounts and disclosures in financial statements.
- 3) Questions and answers to the company's management and the Audit Committee to find out fraud or suspected fraud affecting the company.
- 4) Assessment of the accounting principles used and significant estimates made by management.

- 5) Assessment of the presentation of financial statements as a whole.

#### **4. Implementation of Risk Management and Internal Control System**

In accordance with the Good Corporate Governance Framework, Bank Bumi Arta has implemented an integrated Risk Management structure which is a means of determining strategies, organizations, policies and guidelines to ensure that all risks faced by the Bank can be properly identified, measured, monitored and controlled.

In 2024, Bank Bumi Arta will continue to improve risk management capabilities by improving governance, policies, procedures and risk management processes, and continuing to improve human resource competence.

The Risk Management Process carried out by Bank Bumi Arta is guided by the Financial Services Authority Regulation Number 18/POJK.03/2016 dated March 16, 2016 and the Financial Services Authority Circular Letter No. 34/SEOJK.03/2016 dated September 1, 2016 regarding the Implementation of Risk Management for Commercial Banks.

One form of implementing risk management is the preparation of a Bank's risk profile which is reported to the Financial Services Authority on a quarterly basis. This risk profile report describes the risks inherent in the Bank's business activities including the Quality of Risk Management Implementation for each type of risk.

Bank Bumi Arta's risk profile assessment is carried out on 8 (eight) types of risks, namely Credit Risk, Market Risk, Liquidity Risk, Operational Risk, Legal Risk, Reputation Risk, Strategic Risk and Compliance Risk.

The results of Bank Bumi Arta's composite risk assessment as of December 31, 2024 are Low to Moderate which is a combination of Low to Moderate Aggregate Inherent Risk and Satisfactory Risk Management Implementation Quality.

a. Credit Risk

1) Active Supervision of the Board of Directors and Board of Commissioners.

The Board of Directors and the Board of Commissioners describe and evaluate Credit Risk policies and strategies and monitor the work plans of related units.

The Bank has established a Credit Committee (credit committee) in each Branch Office and Head Office Credit Committee. The Credit Committee is a working team whose members consist of credit officers. The main task of this committee is to assess a credit proposal and make credit decisions.

The Bank has also established a Credit Policy Committee which is responsible for formulating the Bank's general policies and credit strategies as well as monitoring and evaluating credit policies and procedures.

2) Adequacy of Risk Management Policies and Procedures, as well as Risk Limit Determination.

The Bank already has Credit Risk Control policies and procedures such as the Bank Bumi Arta Credit Policy (KPBBA), Credit Guidelines and Procedures (BPKP), Risk Management Guidebook (BPMR), related Circulars, which are adjusted in line with the issuance of new provisions to deal with existing situations and conditions, and refined related to the weaknesses found.

There are limits such as limits such as the limit on the composition of the asset portfolio and the level of concentration, the limit on the quality of the provision of funds and the adequacy of reserves, the limit of coverage, the limit on the financial ratio and the rating of the depository correspondent of the Bank which is always adjusted to the business development and credit expansion plan.

3) Adequacy of Risk Identification, Measurement, Monitoring and Control Process as well as Risk Management Information System

The Bank conducts an analysis of business capital needs, finances of prospective debtors, cash flow projections and others. The collateral assessment has been carried out by the Credit Administration Section/Appraisal Section.

The Bank has a scoring system for outstanding loans with a certain ceiling limit.

The function of independent loan review has been carried out by the General Credit Review & Remedial Division in accordance with the Limit of Credit Termination Authority (BWMK).

The Bank already has a General Credit Review & Remedial Division that coordinates with the Branch in the execution process of collateral. The General Credit Review & Remedial Division also analyzes and provides recommendations/opinions on the settlement of non-performing loans and Taken Over Collateral (AYDA) to the Board of Directors as well as following up on the settlement of non-performing loans and AYDA. The Bank has appointed staff of the Pension Credit Section who will carry out the remedial function.

Banks begin to identify country risks, transfer risks and climate-related risks to the Bank's exposure that have an impact on Credit Risk.

Credit progress reports including Credit Risk reporting are submitted regularly to the Board of Directors and the Board of Commissioners.

#### 4) Comprehensive Internal Control System

Credit Risk Control is carried out by establishing an organizational structure that clearly describes the limits of authority and responsibilities of each work unit as well as the existence of inspections by the Operational Risk Section and periodic monitoring of SKAI.

#### b. Market Risk

##### 1) Active Supervision of the Board of Directors and Board of Commissioners

The Board of Directors and the Board of Commissioners have approved the Market Risk policy and strategy and evaluated the Market Risk management policy at the Assets & Liabilities Committee (ALCO) meeting at least once a month.

### 2) Adequacy of Risk Management Policies and Procedures, as well as Risk Limit Determination

The Bank already has Market Risk control policies and procedures such as the Risk Management Handbook (BPMR) and the Circular Letter related to Market Risk which stipulate the provisions for determining interest rates for Third Party Funds and loans, which are adjusted in line with the issuance of new provisions to deal with existing situations and conditions.

There are limits such as limit volume and portfolio composition, limit of potential loss of interest rate risk in the banking book, limit sensitivity to market risk, limit of the impact of climate-related risks on the Bank's exposure/portfolio, PDN limit, intraday limit, cut loss limit, dealer limit and others.

### 3) Adequacy of Risk Identification, Measurement, Monitoring and Control Process as well as Risk Management Information System

The process of identifying, measuring and monitoring Market Risk is carried out through analyzing the development of market interest rates and foreign exchange rates and monitoring using repricing gaps to determine the position of Risk Sensitivity Assets (RSA) against Risk Sensitivity Liabilities (RSL) periodically.

Every month, the Bank measures Interest Rate Risk on the Banking Book using the NII Gap (Net Interest Income Gap) method where asset positions, liabilities and administrative accounts are mapped based on the assumption of repricing time that has been determined by the Bank.

Banks are beginning to identify climate-related risks on the Bank's exposures that have an impact on Market Risk.

Reports related to Market Risk are reported at ALCO meetings and reported to the Board of Directors at least once a month.

In connection with the enactment of the Financial Services Authority Circular Letter Number 23/SEOJK.03/2022 dated December 7, 2022 concerning the Calculation of Risk-Weighted Assets for Market Risk for Commercial Banks, the Bank has calculated the ATMR for Market Risk using the Simplified Standardised Approach method since the end of January 2024.

#### 4) Comprehensive Internal Control System

Market Risk Control is carried out by establishing an organizational structure that clearly describes the limits of authority and responsibilities of each work unit as well as periodic inspections by SKAI.

#### c. Liquidity Risk

##### 1) Active Supervision of the Board of Directors and Board of Commissioners

The Board of Directors and the Board of Commissioners have approved and evaluated the Liquidity Risk policies and strategies conducted in the Assets & Liabilities Management Committee (ALCO) meeting at least once a month.

The Bank has established a Treasury Credit Committee which is tasked with determining markets, instruments, and transactions with eligible counterparties.



### 2) Adequacy of Risk Management Policies and Procedures, as well as Risk Limit Determination

The Bank already has policies and procedures regarding the management of Liquidity Risk contained in the Risk Management Handbook (BPMR) and the provisions stipulated in the Liquidity Guidelines Circular Letter of Bank Bumi Arta, which are adjusted in line with the issuance of new provisions to deal with existing situations and conditions.

There are limits such as limits on the composition of assets, liabilities and transactions of administrative accounts, concentration limits of assets and liabilities, limits on vulnerability in funding needs, limits on access to funding sources, limits on the impact of climate-related risks on Bank customers and limits on other liquidity ratios.

### 3) Adequacy of Risk Identification, Measurement, Monitoring and Control Process as well as Risk Management Information System

The process of identifying, measuring and monitoring Liquidity Risk is carried out through the analysis of maturity profile, cash flow, development of Third Party Funds and assets and liquidity ratios. The Bank conducts periodic analysis of Third-Party Funds and liquidity stress tests on the Bank's capital.

The Bank is beginning to identify climate-related risks to the Bank's exposure that have an impact on Liquidity Risk.

Reports related to liquidity have been comprehensively reported to the Board of Directors on a daily basis and in ALCO meetings.

### 4) Comprehensive Internal Control System

Liquidity Risk Control is carried out by establishing an organizational structure that clearly describes the limits of authority and responsibilities of each work unit as well as periodic audits by SKAI.

### d. Operational Risk

#### 1) Active Supervision of the Board of Directors and Board of Commissioners

The Board of Directors and the Board of Commissioners have approved and evaluated Operational Risk policies and strategies periodically.

The Board of Directors has approved policies and procedures for managing Operational Risks. Operational policies and strategies have taken into account the Bank's internal and external conditions.

The Bank has established an Information Technology Steering Committee which is authorized and responsible for providing recommendations to the Board of Directors regarding the Information Technology strategic plan in accordance with the strategic plan of the Bank's business activities and the suitability of its implementation.

The Bank's plans in digital transformation that increase the use of IT will have the potential to increase Operational Risks posed by cyber threats and incidents. The implementation of risk management related to cyber security is adjusted to the characteristics and complexity of the Bank's business as well as the Bank's overall IT management.

2) Adequacy of Risk Management Policies and Procedures, as well as Risk Limit Determination.

The Bank has policies and procedures regarding Operational Risk management such as the Guidebook on the Use of Information Systems Technology (BPPTSI), Guidelines for the Implementation of Risk Management in the Use of Information Technology (PPMRPTI), Risk Management Guidebook (BPMR), Guidelines for the Implementation of AML-CFT and CPF and related Circulars.

There are limits such as limits such as business characteristics and complexity limits, human resource limits, information technology and supporting infrastructure limits, fraud limits, external event limits, cyber security limits, climate-related risk impact limits on Bank operations, transaction limits, currency limits, SWIFT limits and others.

3) Adequacy of Risk Identification, Measurement, Monitoring and Control Process as well as Risk Management Information System

The process of identifying, measuring and monitoring Operational Risks is carried out through the analysis of operational incident data, BOPO ratios, Bank compliance with the AML-CFT and CPF program and others.

The Bank has identified cyber security and has begun to identify climate-related risks to the Bank's exposures that impact Operational Risks.

Reports related to Operational Risk are reported to the Board of Directors once a month.

### 4) Comprehensive Internal Control System

Operational Risk Control is carried out by establishing an organizational structure that clearly describes the limits of authority and responsibilities of each work unit as well as the existence of inspections by the Operational Risk Section and periodic monitoring of SKAI.

### e. Legal Risk

#### 1) Active Supervision of the Board of Directors and Board of Commissioners

The Board of Directors has developed policies and procedures which include Legal Risks. The Bank's policies and strategies have taken into account the Bank's external and internal factors. The Board of Directors and the Board of Commissioners have approved and periodically evaluated policies and procedures that include Legal Risks.

#### 2) Adequacy of Risk Management Policies and Procedures, as well as Risk Limit Determination

The Bank already has policies and procedures regarding the management of Legal Risks contained in the Bank Bumi Arta Credit Policy (KPBB), Guidelines for the Implementation of Risk Management in the Use of Information Technology (PPMRPTI), Risk Management Guidebook (BPMR), Circulars and Decrees as well as Company Regulations, which are adjusted in line with the issuance of new provisions to deal with existing situations and conditions.

There is a determination of limits such as the limit of litigation/legal cases faced by the Bank, the limit of the weakness of the agreement and the limit of the absence / change of legislation.

### 3) Adequacy of Risk Identification, Measurement, Monitoring and Control Process as well as Risk Management Information System

The process of identifying, measuring and monitoring Legal Risks is carried out, among others, through the analysis of legal cases faced by the Bank, the weak factors of the agreement and the absence / change of legislation. The Bank's Legal Risk has been monitored regularly.

The Branch Office makes a monthly report on the existence of any lawsuits or lawsuits experienced by the Branch and sends it to the Corporate Legal Division. Reports related to Legal Risks are reported to the Board of Directors once a month.

### 4) Comprehensive Internal Control System

Legal Risk Control is carried out by establishing an organizational structure that clearly describes the limits of authority and responsibilities of each work unit as well as periodic inspections by SKAI.

The Bank already has a Corporate Legal Division and a Credit Legal Section at the Head Office. The role of the Corporate Legal Division includes reviewing contracts and agreements between the Bank and other parties/customers based on applicable provisions and analyzing legal cases faced by the Bank. Meanwhile, the role of the Credit Legal Section is to review the implementation of credit-related agreements.

### f. Reputational Risk

#### 1) Active Supervision of the Board of Directors and Board of Commissioners

The Board of Directors and the Board of Commissioners actively provide approval and conduct periodic evaluations of policies and procedures in order to control Reputational Risks. Reputation Risk policies and strategies are adjusted to applicable laws and regulations regarding consumer protection.

The Bank has established a special function for handling and resolving customer complaints and appointing a Corporate Secretary who is responsible for providing the necessary information/explanations to customers and other external parties.

#### 2) Adequacy of Risk Management Policies and Procedures, as well as Risk Limit Determination.

The Bank has policies and procedures regarding the management of Reputation Risk contained in the Risk Management Guidebook (BPMR), policies and procedures regarding the transparency of the Bank's product information and the use of customer personal data as well as the handling of customer complaints to minimize Reputation Risk due to negative publications against the Bank contained in the Circular Letter, which is adjusted in line with the issuance of new provisions to deal with existing situations and conditions.

There are limits such as limits on the influence of the reputation of the Bank's owners and related companies, limits on violations of business ethics, limits on the complexity of the Bank's products and business cooperation, limits on the frequency, materiality and exposure of negative news of the Bank and/or the Bank's

management, limits on the frequency and materiality of customer complaints and limits on the frequency and materiality of negative reputations and/or complaints of Bank customers as the impact of climate-related risks.

3) Adequacy of Risk Identification, Measurement, Monitoring and Control Process as well as Risk Management Information System

The process of identifying, measuring and monitoring Reputation Risk is carried out through analysis of the frequency and impact of customer complaints and negative publications of the Bank.

Banks are beginning to identify climate-related risks to the Bank's exposures that have an impact on Reputational Risk.

Reports related to Reputational Risk are reported to the Board of Directors once a month.

4) Comprehensive Internal Control System

Reputation Risk Control is carried out by establishing an organizational structure that clearly describes the limits of authority and responsibilities of each work unit as well as periodic audits by SKAI.

g. Strategic Risk

1) Active Supervision of the Board of Directors and Board of Commissioners

The Board of Directors and the Board of Commissioners approve and evaluate policies and procedures related to Strategic Risks. Operational policies and strategies have taken into account the Bank's internal conditions (weaknesses and strengths) and the Bank's

external conditions. In the strategic plan and business plan, it is listed about the new product or activity to be launched.

The Bank has established an Implementation Team for the preparation of the Bank's Budget and Business Plan (TIM PPA and RBB) to assist the Board of Directors in the preparation of the Bank's Budget and Business Plan including plans to improve business performance, as well as strategies to realize the plan in accordance with the set targets and time, while still paying attention to the fulfillment of prudential provisions and the implementation of Risk Management.

2) Adequacy of Risk Management Policies and Procedures, as well as Risk Limit Determination

The Bank already has policies and procedures regarding Strategic Risk Management management contained in the Risk Management Guidebook (BPMR), guidelines for budget preparation which are outlined in writing in Circular Letters and Inter-Office Memos used for the preparation of Corporate Plan/Business Plan, which are adjusted in line with the issuance of new provisions to deal with existing situations and conditions.

There is a determination of limits such as the limit of the suitability of the strategy with the conditions of the business environment, the limit of the high-risk strategy and the low-risk strategy, the limit of the Bank's business position and the achievement limit of the Bank's Business Plan.



3) Adequacy of Risk Identification, Measurement, Monitoring and Control Process as well as Risk Management Information System

The process of identifying, measuring, and monitoring Strategic Risks is carried out through the analysis of the achievement of strategic plans (corporate plans) and business plans (business plans).

The Bank has established a Monitoring Team for the Realization of the Bank's Budget and Business Plan (PRA and RBB Team) to monitor and evaluate the realization of the Bank's budget and Business Plan.

The Strategic Risk Management Report has been prepared and submitted to the Board of Directors once a month. The Business Plan Realization Report has been prepared and submitted to the Board of Directors once a month and reported to the Financial Services Authority every quarter.

4) Comprehensive Internal Control System

Strategic Risk Control is carried out by establishing an organizational structure that clearly describes the limits of authority and responsibilities of each work unit as well as periodic inspections by SKAI.

h. Compliance Risk

1) Active Supervision of the Board of Directors and Board of Commissioners

The Board of Directors and the Board of Commissioners understand Compliance Risks, where periodic evaluations are carried out on the Bank's compliance with laws and regulations and other applicable provisions in the context of implementing the prudential principle. Existing Compliance Risk control policies and procedures have been approved by the Board of Directors.

The Bank has established a Compliance Work Unit in order to monitor the implementation of the prudential principle and maintain that the Bank's business activities do not deviate from the applicable provisions. The Board of Directors has required all work units to comply with applicable internal and external provisions in carrying out their operational activities.

### 2) Adequacy of Risk Management Policies and Procedures, as well as Risk Limit Determination

The Bank already has policies and procedures regarding the management of Compliance Risks contained in the Compliance Guidelines, Guidelines for the Implementation of AML-CFT and CPF, Risk Management Guidebook (BPMR) and Circular, which are adjusted in line with the issuance of new provisions to deal with existing situations and conditions.

The determination of limits for Compliance Risk is aimed at implementing the principles of prudence and compliance with the regulations of Bank Indonesia, the Financial Services Authority, such as the limit of the Minimum Capital Fulfillment Obligation (KPMM), the Maximum Limit for Lending (BMPK), Minimum Mandatory Current Account (GWM), as well as the limits set in connection with Foreign Exchange transactions including the fulfillment of the provisions of the Net Foreign Exchange Position (PDN) and others, the limit on the frequency of violations committed or the track record of non-compliance banks and limits violations of the provisions on certain financial transactions.

### 3) Adequacy of Risk Identification, Measurement, Monitoring and Control Process as well as Risk Management Information System

The process of identifying, measuring and monitoring Compliance Risk is carried out through an analysis of the Bank's compliance with the provisions of Bank Indonesia, the Financial Services Authority and other institutions.

The Bank has routinely monitored Compliance Risks based on the identification of violations and non-compliance with applicable laws and regulations.

Compliance Risk Control is carried out, among other things, by periodically evaluating the Bank's compliance with applicable laws and regulations.

Reports related to Compliance Risks are reported to the Board of Directors once a month. The report on the implementation of the duties and responsibilities of the Compliance Director is reported to the President Director with a copy to the Board of Commissioners on a quarterly basis. The Compliance Report is reported to the Financial Services Authority with a copy to the President Director and the Board of Commissioners on a semi-monthly basis.

### 4) Comprehensive Internal Control System

Compliance Risk Control is carried out by establishing an organizational structure that clearly describes the limits of authority and responsibilities of each work unit as well as the existence of inspections by the Operational Risk Section and periodic monitoring of SKAI.

## 5. Lending to Related Party and Large Exposure

Total debit balance for lending to related party and debtors/core group per December 2024 is as follows :

No.	Lending	Amount	
		Debtor	Nominal
			(in million Rupiah)
1	To Related Party	13	114.400 <sup>1</sup>
2	To Core Debtors	15	1.453.612
	a. Individual	7	748.682
	b. Group	8	704.930

<sup>1</sup> The provision of credit to Related Parties in the amount of IDR 114,400 million is guaranteed with cash collateral in the amount of IDR 48,909 million so that the provision of funds is calculated as the Maximum Credit Provision Limit (BMPK) to Related Parties of IDR 65,491 million.

### 6. Bank's Strategic Plan

Bank Bumi Arta's strategic plan is prepared in the form of a Corporate Plan (Corporate Plan) and a Business Plan (Business Plan) in accordance with the Bank's vision and mission. The preparation of the Corporate Plan is guided by the Financial Services Authority Regulation No. 17 of 2023, the Financial Services Authority Circular Letter No. 13/SEOJK.03/2017 concerning the Implementation of Governance for Commercial Banks and the Financial Services Authority Regulation No. 12/POJK.03/2021 concerning Commercial Banks, as well as the Business Plan guided by the Financial Services Authority Regulation No. 5/POJK.03/2016 dated January 26, 2016 concerning the Bank's Business Plan and the provisions of the Financial Services Authority Circular Letter No. 12/SEOJK.03/2021 dated 31 March 2021 on Commercial Bank Business Plan.

Bank Bumi Arta's Corporate Plan and Business Plan are prepared realistically, comprehensively and measurably, taking into account the composite risk level in the Risk Control System-Strategic Risk. This process also pays attention to the principles of prudence and responsiveness to internal and external changes that may affect the Bank's operational continuity.

The preparation of Bank Bumi Arta's Corporate Plan is based on an external environmental analysis that includes macroeconomic factors, banking business trends, and information technology advancements, as well as an internal environmental analysis that includes the development of third-party loans and funds. Meanwhile, the Business Plan is prepared based on Bank Bumi Arta's policies and strategies, including management policies, Risk Management and compliance, business development strategies, anticipation of external changes, human resource development, and remuneration policies. The plan is also supported by SWOT analysis, macro and micro

analysis, as well as consideration of external, internal, and national banking conditions.

The Board of Directors has submitted the Bank's Business Plan to the Controlling Shareholders and to all levels of the Bank's existing organization and implemented all plans and targets set effectively.

that has been prepared, the achievement of medium-term targets and short-term targets in the Bank's Corporate Plan and Business Plan, the Board of Directors regularly monitors its achievements. The results of monitoring related to the Bank's Business Plan are reported to the Financial Services Authority in the form of a quarterly Business Plan Realization Report.

The Board of Commissioners also supervises the implementation of the Bank's Business Plan, through the Bank's Business Plan realization report submitted by the management and the Board of Commissioners Meeting to evaluate and provide briefings to the Board of Directors. The results of the Board of Commissioners' supervision of the Bank's Business Plan are reported to the Financial Services Authority in the form of a Business Plan Supervision Report on a semi-monthly basis.

The achievement of the Bank's strategic plan as set out in the Bank's Business Plan is directed at efforts to achieve 3 (three) main targets/focuses of business activities, namely increasing credit growth, maintaining the level of Non-Performing Loans (NPL) and increasing third-party funds.

To increase credit growth, the Bank will continue to explore opportunities in sectors that have positive prospects with measurable levels of risk and focus on providing loans to borrowers with promising business potential and proven resilience in the face of various economic cycles. In addition, the Bank

will also develop financing for the commercial segment through a value chain financing approach, both through distributor financing and supplier financing and focusing on companies in the emerging industrial sector.

In order to reduce the NPL rate, the Bank will implement preventive measures, including more intensive monitoring of credit utilization and the development of debtors' businesses. If there is a decline in the debtor's business performance that causes difficulties in fulfilling payment obligations, the Bank will coordinate with the debtor to resolve the problem that occurs.

In addition, the Bank will also develop digital banking services to collect third-party funds, especially from retail customers with a wider reach throughout Indonesia.

In 2024, Bank Bumi Arta's credit reach IDR 4,477,789 million, an increase of IDR 558,335 million or by 14.25%, when compared to 2023 of IDR 3,919,454 million.

Meanwhile, credit quality was maintained with non-performing loans (NPL) ratios of 3.65% (gross) and 2.30% (net).

Bank Bumi Arta's deposits at the end of 2024 were recorded at IDR 4,798,663 million, an increase of IDR 101,901 or (2.17%) compared to 2023 which amounted to IDR 4,696,762 million. The increase in deposits came from current accounts of IDR 38,528 million or (6.11%), savings of IDR 14,297 million or (4.28%) and time deposit of IDR 49,076 million or (1.32%).

### 7. Dividend Policy

The Bank has a Dividend Policy that is effective from December 20, 2024.

In determining the distribution of dividends to shareholders, the Bank is obliged to base on various considerations, including:

- a. Internal considerations, which are related to the Bank, include:
  - 1) Realization of financial performance;
  - 2) Business Growth Plan;
  - 3) Upcoming profitability prospects;
  - 4) The level of health of the Bank;
  - 5) Fulfillment of the level of capital adequacy;
  - 6) Potential risks from within the Bank;
  - 7) The need to strengthen capital in the future.
- b. External considerations include:
  - 1) Economic conditions and prospects (market wide);
  - 2) Potential risks from external banks;
  - 3) Fulfillment of the provisions of laws and regulations, including taxation;
  - 4) Direction and input from supervisory authorities or regulators;
  - 5) Input or aspirations from shareholders (investors).

The Bank sets the amount of dividends given as follows:

- a. All net profit after deducting the allowance for reserves is distributed to shareholders as dividends of the Bank based on the resolution of the GMS.
- b. Dividends can only be distributed if the Company has a positive profit balance.



- c. Dividend distribution must be able to support and pay attention to the implementation of business activities and healthy management of the Bank and maintain the continuity of the Bank's performance and Return of Investment for shareholders.
- d. The calculation of dividends must be based on the profitability performance generated by the Bank in a reasonable manner.
- e. The proposal and implementation of dividend distribution must comply with the provisions of the laws and regulations of the Bank.

Meanwhile, the mechanism for approving the proposed dividend distribution is as follows:

- a. The dividend distribution plan is based on the fulfillment of shareholder rights by taking into account both internal and external considerations.
- b. The Board of Directors discussed and proposed the use of net profit for dividends at the Board of Directors meeting.
- c. The proposal for the use of net profit is submitted to the Board of Commissioners to be submitted to the GMS for shareholder approval.

Based on the decision made at the Annual GMS on June 19, 2024, Bank Bumi Arta decided not to distribute cash dividends on the profit for the 2023 financial year. However, the Bank has determined the allocation of the Reserve Allowance to comply with the provisions of Article 70 of Law Number 40 of 2007 concerning Limited Liability Companies and Article 23 of the Bank's Articles of Association of Rp2,500 million.

### **8. Transparency of Financial and Non Financial Condition Undisclosed in Other Reports**

Bank Bumi Arta has presented all financial and non-financial conditions transparently in all reports submitted to external parties.

### 9. Other Information Related to Corporate Governance of the Bank

During 2024, there was no owner intervention, no internal disputes, and no problems arising as a result of the remuneration policy at Bank Bumi Arta that could interfere with the Bank's business continuity and performance.

### **B. Share Ownership by Members of the Board of Directors and Members of the Board of Commissioners of 5% (Five Percent) or More of the Paid-Up Capital**

The share ownership of members of the Board of Directors and members of the Board of Commissioners that reaches 5% (five percent) or more of the paid-up capital in Bank Bumi Arta, other banks, non-bank financial institutions and other companies is as follows :

1. Ir. Rachmat M.S., MBA, as President Commissioner owns 20.07% of the shares in PT Dana Graha Agung.<sup>2</sup>
2. I Gst Agung Rai Wirajaya, as Commissioner owns 10.00% of the shares in PT Midaz Digital Ventura, as many as 10.00% of the shares in PT Puri Kuta Beach and as many as 7.69% of the shares in PT BPR Santi Pala.
3. Hendrik Atmaja, as Credit & Marketing Director owns 21.11% of the shares in PT Surya Husada Investment<sup>3</sup> and as many as 10.00% of the shares in PT Arta Tritunggal Jaya.

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<sup>2</sup> PT Dana Graha Agung is a shareholder in PT Bank Bumi Arta Tbk with a total of 17.72%.

<sup>3</sup> PT Surya Husada Investment is a shareholder in PT Bank Bumi Arta Tbk with 29.53%.

**C. Financial Relations and Family Relations of Members of the Board of Directors and Members of the Board of Commissioners with Other Members of the Director, Other Members of the Boards of Commissioner, the Bank's Controlling Shareholders, and/or the Bank Ultimate Controlling Shareholders**

Name	Position	Financial Relationship/Family Relationship
Ir. Rachmat M.S., MBA	President Commissioner	Have a family relationship with Hendrik Atmaja, Credit & Marketing Director and Edwin Suryahusada, Business & Financial Development Director, and do not have a financial relationship with other members of the Board of Commissioners, Board of Directors, the Bank's Controlling Shareholders, and/or the Bank's Ultimate Controlling Shareholders. <sup>4</sup>
Daniel Budi Dharma	Vice President Commissioner/ Independent Commissioner	Does not have financial and family relationships with other members of the Board of Commissioners, the Board of Directors, the Bank's Controlling Shareholders, and/or the Bank's Ultimate Controlling Shareholder.
R.M. Sjariffudin	Commissioner/ Independent Commissioner	Does not have financial and family relationships with other members of the Board of Commissioners, the Board of Directors, the Bank's Controlling Shareholders, and/or the Bank's Ultimate Controlling Shareholder.
I Gst Agung Rai Wirajaya	Commissioner	Does not have financial and family relationships with other members of the Board of Commissioners, the Board of Directors, the Bank's Controlling Shareholders, and/or the Bank's Ultimate Controlling Shareholder.
Wikan Aryono	President Director	Does not have financial and family relationships with members of the Board of Commissioners, other Board of Directors, the Bank's Controlling Shareholders and/or the Bank's Ultimate Controlling Shareholders.

<sup>4</sup> Ir. Rachmat M.S., MBA is the Ultimate Controlling Shareholder.

Name	Position	Financial Relationship/Family Relationship
Hendrik Atmaja	Credit and Marketing Director	Has a family relationship with Ir. Rachmat M.S., MBA, President Commissioner and the Bank's Ultimate Controlling Shareholder, and Edwin Suryahusada, Business & Financial Development Director, and does not have a financial relationship with members of the Board of Commissioners, other Board of Directors, the Bank's Controlling Shareholders and/or the Bank's Ultimate Controlling Shareholders.
Edwin Suryahusada	Business Development Director and Digitalization	Has a family relationship with Ir. Rachmat M.S., MBA, President Commissioner and the Bank's Ultimate Controlling Shareholder, and Hendrik Atmaja, Credit & Marketing Director, and does not have a financial relationship with members of the Board of Commissioners, other Board of Directors, the Bank's Controlling Shareholders, and/or the Bank's Ultimate Controlling Shareholders.
Aditya Putra Utama	Digital Banking Director	Does not have financial and family relationships with members of the Board of Commissioners, other Board of Directors, the Bank's Controlling Shareholders, and/or the Bank's Ultimate Controlling Shareholders.
John David Nehemia Engelen	Compliance Director	Does not have financial and family relationships with members of the Board of Commissioners, other Board of Directors, the Bank's Controlling, and/or the Bank's Ultimate Controlling Shareholders.

### **D. Remuneration Policy**

#### **1. Remuneration and Nomination Committee**

- a. The Board of Commissioners has formed a Remuneration Committee which is merged into one with the Nomination Committee as the Remuneration and Nomination Committee with the following composition:
  - 1) Daniel Budi Dharma as Chairman and serves as Vice President Commissioner and Independent Commissioner, and has expertise in the banking sector.
  - 2) Ir. Rachmat Mulia Suryahusada, MBA, as a Member and serves as President Commissioner, and has expertise in the banking sector.
  - 3) Jenny as a Member and serves as the Head of the Human Resources Division, and has expertise in the field of human resources.
- b. The duties and responsibilities of the Remuneration and Nomination Committee related to Remuneration are:
  - 1) Evaluate the Remuneration policy based on performance, risk, fairness with peer groups, the Bank's long-term goals and strategies, the fulfillment of reserves as stipulated in laws and regulations and the Bank's revenue potential in the future;
  - 2) Submit the results of evaluations and recommendations to the Board of Commissioners regarding:
    - a) Remuneration Policy for the Board of Directors and the Board of Commissioners to be submitted to the General Meeting of Shareholders
    - b) Remuneration Policy for employees as a whole to be submitted to the Board of Directors

- 3) Ensure that the Remuneration policy is in accordance with the provisions;
  - 4) Conduct periodic evaluations of the implementation of the Remuneration policy
- c. During the 2024 period, the Remuneration and Nomination Committee has held 4 (four) meetings attended by all members of the Remuneration and Nomination Committee, both physically and teleconference.
- d. Remuneration that has been paid to Members of the Remuneration and Nomination Committee during 2024.

The remuneration that has been paid to members of the Remuneration and Nomination Committee during 2024 is IDR 3,987 million. The remuneration includes salary/honorarium and allowances provided related to the position of each member of the Remuneration and Nomination Committee of Bank Bumi Arta.

## 2. Remuneration Policy Creation Process

### a. Background of Remuneration Policy

In accordance with the Financial Services Authority Regulation No. 45/POJK.03/2015 and the Financial Services Authority Circular Letter No. 40/SEOJK.03/2016 concerning the Implementation of Governance in the Provision of Remuneration for Commercial Banks, Bank Bumi Arta already has and implements a remuneration policy that includes remuneration for the Board of Commissioners, Board of Directors and employees. The remuneration policy is prepared with various considerations that include the creation of effective risk management, the Bank's financial stability, the adequacy and strengthening of the Bank's capital, short-term and long-term liquidity needs and potential

future revenues.

b. Objectives of Remuneration Policy Improve the quality of human resources.

- 1) Improving the quality of human resources.
- 2) Maintain and maintain human resources who have good and productive work quality.
- 3) Create positive competition in order to motivate employees to continue to develop themselves.
- 4) Improving the welfare of human resources.
- 5) Creating good corporate governance.

c. Implementation of Review of Remuneration Policy

The Bank periodically reviews the Remuneration Policy based on performance, risk, fairness with the peer group, the Bank's long-term goals and strategy, the fulfillment of reserves as stipulated in laws and regulations and the Bank's revenue potential in the future.

d. Remuneration Policy Mechanism

The Bank ensures that performance evaluation and remuneration determination are carried out through in-depth supervision and review by the Remuneration and Nomination Committee. This effort is carried out to ensure the independence of providing remuneration to all employees, including employees in the control unit.

### **3. Scope of Remuneration and Implementation Policies per business unit, the Region and in Subsidiary Companies of Branch Offices Located Overseas**

Until December 31, 2024, the Bank does not have overseas branch offices.



#### **4. Remuneration Related to Risk**

The main types of risks in the remuneration policy are adjusted to the assessment of the Bank's risk profile which is determined annually by looking at market conditions, industry developments, performance and financial capabilities of the Bank. The Bank's main risk is Credit Risk.

The determination of the main risk type will have an impact on the determination of Key Performance Indicators (KPIs) and have an impact on the provision of variable remuneration. Until 2024, there has been no change in the determination of the type of main risk compared to the determination of the type of main risk last year.

#### **5. Performance Measurement Related to Remuneration**

The Bank sets performance assessments with Key Performance Indicators (KPI) and Performance Appraisal approaches. KPI is to measure and assess employee performance achievements in meeting agreed targets and objectives, while Performance Appraisal is to evaluate or assess employee work performance based on the competency aspects that have been determined.

#### **6. Adjustment Remuneration is Associated with Performance and Risk**

The remuneration given is in the form of:

- a) Cash; and
- b) Shares or stock-based instruments issued by the Bank, which are valid for the Board of Directors, Board of Commissioners and Material Risk Taker.

Remuneration that is variable in the form of shares or share-based instruments for the Independent Commissioners is converted and provided in cash.

The provision of remuneration in the form of Bank shares is calculated from a certain percentage of the gratuity given, which is as much as 10%.

Some of the variable remuneration given to the Material Risk Taker, both cash and shares, must be deferred for 3 years, the disbursement of which is divided prorated according to the period. The amount of variable remuneration that is deferred is 10% for cash remuneration and 10% for remuneration in the form of shares. The suspension period applies the same to all Material Risk Takers.

### **7. External Consultant Related to Remuneration Policy**

Until 2024, the Bank does not involve external consultants in determining remuneration policies.

### **8. Remuneration Package and Facilities Received The Board of Directors and The Board of Commissioners**

The Remuneration package and facilities received by the Board of Directors and the Board of Commissioners include the Remuneration structure and details of the nominal amount are as follows :

Type of Remuneration and Other Facilities	The Received Amount in 2024			
	The Board of Directors		The Board of Commissioners	
	People	Million Rupiah	People	Million Rupiah
1. Remuneration (salary, bonus, regular allowance, tantiem and other fringe benefits)	5	11.907	4	4.165
2. Other fringe benefits (housing, transportation, health insurance and so forth) that are:				
a. Acquirable	-	-	-	-
b. Non-Acquirable	5	762	1	105
<b>Total</b>	<b>5</b>	<b>12.669</b>	<b>4</b>	<b>4.270</b>

Type of Remuneration and Other Facilities	The Received Amount in 2023			
	The Board of Directors		The Board of Commissioners	
	People	Million Rupiah	People	Million Rupiah
1. Remuneration (salary, bonus, regular allowance, tantiem and other fringe benefits)	5	11.385	4	3.972
2. Other fringe benefits (housing, transportation, health insurance and so forth) that are :				
a. Acquirable	-	-	-	-
b. Non-Acquirable	5	734	1	88
<b>Total</b>	<b>5</b>	<b>12.119</b>	<b>4</b>	<b>4.060</b>

## 9. Remuneration Package which is Grouped in the level of Income received by Directors and of the Board of Commissioners

The Remuneration Package grouped in the level of income received by the Board of Directors and members of the Board of Commissioners is as follows :

The Amount of Remuneration per person in 1 (one) year	2024		2023	
	Number The Board of Directors	Number The Board of Commissioners	Number The Board of Directors	Number The Board of Commissioners
Above Rp 2 billion	3	-	3	-
Above Rp 1 billions.d. Rp 2 billion	2	1	2	1
Above Rp 500 millions.d. Rp 1 billion	-	3	-	3
Rp 500 million and below	-	-	-	-

\*)Received in cash.

## 10. Variable Remuneration

Variable remuneration is remuneration that is associated with performance and risk, including bonuses or other forms that are equated with it. Variable remuneration is given in the form of:

- Cash; and
- Shares or stock-based instruments issued by the Bank, which are valid for the Board of Directors, Board of Commissioners and Material Risk Taker.

There is no difference in the provision of variable remuneration between the Board of Directors, the Board of Commissioners and the Material Risk Taker.

## 11. The Board of Directors, the Board Of Commissioners and Employees receiving Variable Remuneration

Number the Board of Directors, the Board Of Commissioners and Employees receiving Variable Remuneration is as follows :

Variable Remuneration	Total Amount Received in 2023					
	The Board of Directors		The Board of Commissioners		Employees	
	Person	Million Rp	Person	Million Rp	Person	Million Rp
Amount	3	1.470	4	750	593	12.658

Variable Remuneration	Total Amount Received in 2022					
	The Board of Directors		The Board of Commissioners		Employees	
	Person	Million Rp	Person	Million Rp	Person	Million Rp
Amount	3	1.457	3	750	587	10.544

## 12. Position and Number of Parties that become a Material Risk Takers

The positions and number of parties who become Material Risk Takers are as follows:

- Non-Independent Commissioners
- The Board of Directors
- General Manager
- Head of General Credit Division
- Chief of Branch

In total, all Material Risk Takers are 25 people.

### 13. Shares Option

Shares Option refers to the right granted to members of the Bank's Board of Commissioners, Board of Directors, and Executive Officers to purchase shares of the Bank. This option is exercised through a share offering or a share option offer as part of a compensation program for members of the Bank's Board of Commissioners, Board of Directors, and Executive Officers, which has been agreed at the General Meeting of Shareholders and/or in accordance with the Bank's Articles of Association.

In 2024, Bank Bumi Arta will not implement the Shares Option program for the Bank's Board of Directors, Board of Commissioners, or Executive Officers, thus:

- a. Bank Bumi Arta does not have a policy in granting Shares Option.
- b. No Shares Option is granted.
- c. No Shares Option has been executed until the end of the reporting period.
- d. No Option price is given.
- e. There is no expiration period for the execution of Shares Option.

**14. Highest to Lowest Salary Ratio**

Salary is the right of an employee who is received and declared in the form of money in return from the Company or the employer to the employee who is determined and paid in accordance with an employment agreement, agreement or legislation including allowances for employees and their families for a job and/or service that has been performed.

The information below explains the salary ratio at the Bank, where the salary compared in the salary ratio below is the remuneration received per month by the Board of Directors, Board of Commissioners and permanent employees of the Bank as follows:

Information	Salary Ratio	
	2024	2023
The highest and lowest employee's salary	49,70	52,37
The highest and lowest salary of the Board of Directors	1,57	1,37
The highest and lowest salary of the Board of Commissioners	2,85	2,71
The highest salary of the Board of Directors and the highest employee's	1,36	1,25

**15. The Number of recipients and the total number of Variable Remuneration guaranteed without conditions will be provided by the Bank to prospective Directors, the Board of Commissioners, and /or prospective Employees for the first year**

There is no variable remuneration that is guaranteed unconditionally to candidates for the Board of Directors, Board of Commissioners, and/or prospective Employees for the first 1 (one) year of employment.

## 16. Employees Affected by Termination of Employment and Nominal Severance Paid

The number of employees affected by termination of employment and the total nominal severance pay paid are as follows:

Nominal Amount of Severance Paid per Person	Number of employees	
	2024	2023
Over Rp 1 billion	2	-
Over Rp 500 million – Rp 1 billion	1	4
Under Rp 500 million	11	19

## 17. Total Deferred Variable Remuneration

The total amount of deferred variable remuneration, consisting of cash and/or shares or stock-based instruments issued by the Bank is as follows :

Deferred Variable Remuneration Type	The amount paid for 1 (one) years	
	2024	2023
Cash	275	221
Shares	275	221

In Million Rp

## 18. Total deferred variable remuneration Implemented Payments

The total deferred variable remuneration paid in 2024 is as follows:

1. In cash Rp 275 millions.
2. In shares Rp 275 millions.



19. Total Remuneration given

Detail of the amount of Remuneration given :

- a. Fixed Remuneration and Variable Remuneration;
- b. Deferred and Non-Deferred Remuneration;
- c. Form of Remuneration given in cash and/or shares or share-based instruments issued by Bank

A.Fixed Remuneration*)				
	2024		2023	
Cash	30.758		22.452	
Shares/Instruments based on shares issued by Bank	-		-	
B. Variable Remuneration *)				
	2024		2023	
	Not Suspended	Suspended	Not Suspended	Suspended
Cash	1.099	275	882	221
Shares/Instruments based on shares issued by Bank	1.099	275	882	221

\*) Only for MRT and expressed in million rupiah

## 20. Quantitative Information

Quantitative Information regarding :

- total remaining Remuneration that is still suspended whether exposed to implicit or explicit adjustment;
- total reduction in Remuneration caused by explicit adjustments during the reporting period;
- total reduction in Remuneration caused by implicit adjustment.

Variable Remuneration	Remaining Deffered		Total Deduction During Report Period					
			Due to Explicit Adjustments		Due to Implicit Adjustments		Total	
	2023	2022	2023	2022	2023	2022	2023	2022
Cash	521	436	-	-	-	-	-	-
Shares/Instruments based on shares issued by Bank (in shares and nominal of million rupiah which is the conversion of said shares)	521	436	-	-	-	-	-	-

\*) Only for MRT and expressed in million rupiah

**E. Frequency of Meeting of the Board of Commissioners**

In order to carry out its duties and responsibilities more optimally, the Board of Commissioners holds a meeting at least 1 (one) time in 2 (two) months, where the meeting must be attended by all members of the Board of Commissioners physically at least 2 (two) times a year. Non-Independent Commissioners who are unable to attend meetings physically, can attend Board of Commissioners meetings face-to-face by utilizing information technology (including via teleconference).

During 2024, the Board of Commissioners has held 24 (twenty-four) meetings, of which 16 (sixteen) meetings were attended physically and teleconference by members of the Board of Commissioners and 8 (eight) meetings without the presence of the President Commissioner.

The presence of members of the Board of Commissioners at the meeting during 2024:

Board of Commissioners (Date)	Q1			Q2		
	18/01/24	21/02/24	06/03/24	25/04/24	13/05/24	12/06/24
Ir. Rachmat M.S., MBA	-	V V V V*	V*	-	V V *	V V *
Daniel Budi Dharma	V	V V V V	V	V V	V V	V V
R.M. Sjariffudin	V	V V V V	V	V V	V V	V V
I Gst Agung Rai Wirajaya	V	V V V V	V	V V	V V *	V V *

Dewan Komisaris (Tanggal)	Tw 3			Tw 4	
	10/07/24	21/08/24	12/09/24	30/10/24	20/12/24
Ir. Rachmat M.S., MBA	V V V*	V V V*	-	V*	-
Daniel Budi Dharma	V V V	V V V	V V	V	V V V
R.M. Sjariffudin	V V V	V V V	V V	V	V V V
I Gst Agung Rai Wirajaya	V V *	V V V	V V	V*	V V V

\*teleconference

**F. The Number of Deviations (Internal Fraud)**

In 2024, there was no internal fraud related to the Bank's work processes and operational activities, thus:

1. No irregularities (internal fraud) have been resolved.
2. There are no irregularities (internal fraud) that are in the process of being resolved within the Bank.
3. There are no irregularities (internal fraud) that have not been resolved.
4. There are no irregularities (internal fraud) that have been followed up through legal processes.

(unit)

Internal Fraud in 1 year	Number of Cases Committed by					
	Member of the Board of Directors and the Board of Commissioners		Permanent Employee		Non - Permanent Employee and Outsourcing	
	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year
Total Fraud	-	-	-	-	-	-
Settled Fraud	-	-	-	-	-	-
Being Settled in Bank's Internal Affairs	-	-	-	-	-	-
Has Not Been Sought for	-	-	-	-	-	-
Has Been Followed Up by Legal	-	-	-	-	-	-

## G. Legal Cases

Throughout 2024, there were 10 (ten) civil cases and 1 (one) criminal case, with 10 (ten) of these cases were related to credit and 1 (one) related to industrial relations. However, these cases did not disrupt the continuity of the Bank's business and performance.

4 (four) of the civil cases have received final and binding decisions, while the other 6 (six) civil cases and 1 (one) criminal case are still under settlement process.

Throughout 2024, there were no members of the Board of Directors or the Board of Commissioners were involved in any legal cases or material administrative sanctions that affected the Bank's business continuity or performance.

(unit)

Legal Cases	Number	
	Civil	Criminal
Closed (with final and legally binding decision)	4	-
In proceedings	6	1
Total	10	1

## H. Transaction Bearing Conflict of Interests

In accordance with the provisions stated in the Articles of Association of Bank Bumi Arta, if there is a transaction involving a conflict of interest between the personal economic interests of members of the Board of Directors, Board of Commissioners, or Shareholders and the economic interests of the Bank, the Board of Directors must obtain approval from the General Meeting of Shareholders (GMS).

Throughout 2024, Bank Bumi Arta did not conduct any conflict of interest transactions that required approval from the General Meeting of Shareholders (GMS) as referred to in Financial Services Authority Regulation (POJK) No. 42/POJK.04/2020 concerning Affiliated Transactions and Conflict of Interests.

No.	Name and Position of the Party Having Conflict of Interests	Name and Position of the Party Making the Decision	Type of Transaction	Amount of Transaction (In Million Rupiah)	Note *)
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-

\*) Noncompliant with the applicable system and procedures.

## I. Shares Buyback and/or Bonds Buy Back

Throughout 2024, Bank Bumi Arta did not issue bonds and did not conduct buy back shares or buy back shares that have been issued by the Bank, thus:

1. Bank Bumi Arta does not have a policy in buying back Bank Shares and/or Bonds.
2. No shares and/or bonds are repurchased.
3. There is no buyback price per share and/or bond.
4. There is no increase in earnings per share and/or bond.

### J. Donations for Corporate Social Responsibility and Political Activities

As a form of concern for social and community development as well as the environment and nature conservation, during 2024 Bank Bumi Arta:

1. Conducting blood donation activities involving the participation of Bank employees in Jakarta at a cost of IDR 20,000,000,-.
2. Participate in the Tree Planting and Maintenance Project by planting 1,000 (one thousand) mangrove tree seedlings (Rhizophora sp Mangrove Seeds) in Tangkolak Hamlet, Karawang, West Java entitled "BBA Real Action: 1,000 Mangrove Seedlings for Tangkolak Hamlet" at a cost of IDR 96,250,000,-.
3. Build a public bathroom in Tangkolak Hamlet, Karawang at a cost of IDR 15,850,000,-.

Bank Bumi Arta does not provide funds for political activities or to political parties.

### II. Report on Self-Assessment on Implementation of Corporate Governance

The results of the self-assessment of the Implementation of Bank Bumi Arta Governance in 2024 are as follows :

SELF ASSESSMENT RESULT ON CORPORATE GOVERNANCE IMPLEMENTATION	
Rank	Definition of Rank
2	The overall implementation of Good Governance principles by the management of Bank Bumi Arta has been successful. This is reflected in the adequate fulfillment of these principles. Despite some weaknesses in the implementation of governance, the impact is relatively insignificant and can be overcome by the Bank's management. With a strong commitment, the management continues striving to improve the quality of governance in order to achieve better results.

According to the analysis on all criteria/indicators for assessment of Corporate Governance, it is concluded that :

#### A. Governance Structure

1. The positive factors in terms of the Bank's governance structure are:
  - a. Implementation of the Duties and Responsibilities of the Board of Directors
    - The number, composition, integrity and competence of the members of the Board of Directors are in accordance with the size and complexity of the Bank's business and have complied with the applicable regulations.



- The Board of Directors has guidelines and work rules that have included work ethics arrangements, working hours and meetings, which are refined from time to time according to needs.

b. Implementation of the Duties and Responsibilities of the Board of Commissioners

- The number, composition, integrity and competence of the members of the Board of Commissioners are in accordance with the size and complexity of the Bank's business and have complied with the applicable regulations.
- The Board of Commissioners already has guidelines and work rules.

c. Completeness and Implementation of Committee Duties

- The number, composition and competence of the Committee members are in accordance with the size and complexity of the Bank's business and have met the applicable regulations.
- All Independent Parties members of the Committee do not have a financial, management relationship, shareholding relationship and/or family relationship with the Board of Directors, Board of Commissioners, and/or controlling shareholders or relationship with the Bank, which may affect its ability to act independently.

d. Handling Conflict of Interests

The Bank has policies, systems and procedures for resolving conflicts of interest as stated in company regulations, BBA Credit Policy (KPBBA) and Bank Circular.

e. Implementation of Bank's Compliance Function

- An independent Compliance Work Unit for operational work units

- The appointment of the Compliance Director is in accordance with the provisions of the Financial Services Authority.

f. Implementation of Internal Audit Function

- Bank already has an Internal Audit Charter, Internal Audit Work Unit (SKAI) and Internal Audit Guidebook (BP2I).
- SKAI Bank is a work unit that is independent of the operational work unit.

g. Implementation of External Audit Function

The audit assignment to Public Accountants and Public Accounting Firms has fulfilled the aspects that have been set.

h. Implementation of Risk Management and Internal Control System

- The Bank has an adequate organizational structure to support the implementation of Good Risk Management and internal control, including SKAI, the Risk Management Work Unit (SKMR) and the Risk Management Committee and the Compliance Work Unit.
- The Bank has adequate policies, procedures and risk limit determination as stated in the Risk Management Guidebook (BPMR).

i. The provision of fund to the Related Parties and the provision of Large Funds (Large Exposure)

The Bank has adequate written policies, systems and procedures for the provision of funds to related parties and the provision of large exposure, as stated in the Maximum Credit Limit Policy (BMPK) and the Limit of Credit Termination Authority (BWMK).

j. Transparency of Bank Financial and Non-Financial Conditions, Governance Implementation Reports and Internal Reporting

- The Bank has policies and procedures regarding the procedures for implementing transparency of financial and non-financial conditions.
- The Bank has prepared a Governance Implementation Report at the end of each financial year with coverage in accordance with applicable regulations.
- Adequate internal reporting and accurate and timely information.
- There is a reliable information system and an adequate IT security system.

k. The Bank's Strategic Plan

- The Bank's strategic plan has been prepared in the form of a Corporate Plan (corporate plan) and a Business Plan (business plan) in accordance with the Bank's vision and mission.
- The Bank's strategic plan is fully supported by the owner, among others, reflected in the commitment and efforts of the owner to strengthen the Bank's capital.

### B. Governance Process

1. The positive factors in the Bank's governance process are:
  - a. Implementation of the Duties and Responsibilities of the Board of Directors
    - The Board of Directors manages the Bank in accordance with its authority and responsibilities as stipulated in the Articles of Association and applicable laws and regulations.
    - The Board of Directors has followed up on the findings and recommendations of SKAI, external auditors, appeals/memorandum from the Board of Commissioners.
    - There is no intervention of the owner in the implementation of the duties of the Board of Directors that may cause the Bank's operational activities to be disrupted.
  - b. Implementation of the Duties and Responsibilities of the Board of Commissioners
    - The process of implementing the duties and responsibilities of the Board of Commissioners has met the application of Governance principles and has been effective.
    - No intervention of the owner in the implementation of the duties of the Board of Commissioners that may cause the Bank's operational activities to be disrupted.

c. Completeness and Implementation of Committee Duties

- The implementation of the Committee's duties has been effective.
- The results of the Committee's meetings on matters of concern to the Committee are stated in a memorandum to the Board of Commissioners.
- There is no intervention of the owner in the implementation of the Committee's duties.

d. Handling of Conflict of Interests

There is no conflict of interest.

e. Implementation of the Bank's Compliance Function

- The Director in charge of the Compliance function and the Compliance Work Unit have carried out their duties in accordance with applicable regulations.
- The Board of Directors has approved the Bank's compliance policy and communicated all policies, guidelines, systems and procedures to all relevant levels of the organization.

f. Implementation of Internal Audit Function

- The bank has effectively implemented the internal audit function in all aspects.
- The Bank conducts periodic reviews of the effectiveness of the implementation of SKAI work and its compliance with SPFAIB by external parties every 3 (three) years.
- The SKAI Bank audit plan in 2024 has been realized.
- SKAI has carried out an independent audit function with adequate scope of duties and in accordance with the plan, implementation and monitoring of audit results.

g. Implementation of External Audit Function

- The appointment of Public Accountants and Public Accounting Firms is carried out by the Board of Directors based on the authority granted by the GMS on the recommendation of the Audit Committee through the Board of Commissioners.
- The Public Accountant has carried out the audit independently and professionally.
- The Public Accountant has reported the results of the audit and Management Letter to the Financial Services Authority.

h. Implementation of Risk Management and Internal Control System

- The Board of Directors has prepared and evaluated the Risk Management policy contained in the Risk Management Guidebook (BPMR), ensured the implementation of corrective measures for problems or deviations found by SKAI, and has developed a Risk Management culture to all levels of the organization.
- The Board of Commissioners has approved and evaluated Risk Management policy and evaluated the accountability of the Board of Directors and provided guidance for improvement of implementation of Risk Management as set forth in the Appeal/Memorandum of the Board of Commissioners to the Board of Directors.
- The Bank has implemented an adequate internal control system and its implementation continues to be improved.

i. Provision of Funds to Related Parties and Provision of Large Funds (Large Exposure)

- The Bank has ensured that the provision of funds to related parties and the provision of large exposure funds are in accordance with the prudential principle.

- Decision-making in the provision of funds is carried out by the management independently without intervention from related parties and/or other parties.
- j. Transparency of Bank Financial and Non-Financial Conditions, Governance Implementation Reports and Internal Reporting
  - The Bank has made financial and non-financial conditions transparent to Stakeholders including announcing the quarterly Publication Financial Statements and has reported them to the Financial Services Authority or Stakeholders in accordance with applicable provisions.
  - The Bank has made the Bank's product information transparent in accordance with the provisions governing the Transparency of Bank Product Information and the Use of Customer Personal Data.
  - The Bank has made transparent the procedures for customer complaints and dispute resolution to customers in accordance with the provisions governing Customer Complaints and Banking Mediation.
  - The Bank has prepared the Implementation of Corporate Governance Report with content and scope in accordance with the provisions, as well as entering data and information in accordance with the findings of the Financial Services Authority's audit.
  - There is no difference in the rating of Governance Factors in the results of the assessment (self assessment) in the Implementation of Corporate Governance Report and the results of the assessment of the Implementation of Corporate Governance by the Financial Services Authority.

k. Bank's Strategic Plan

- The Bank's Business Plan is approved by the Board of Commissioners.
- The Board of Directors has communicated the Bank's Business Plan to shareholders and to all levels of the Bank's organization.
- The preparation and submission of the Bank's Business Plan has been guided by the provisions of the Financial Services Authority regarding the Bank's Business Plan and has taken into account external and internal factors that may affect the Bank's business continuity, the principle of prudence, the application of Risk Management and the principles of sound banking.
- The Board of Commissioners has carried out supervision over the implementation of the Bank's Business Plan.

2. Negative factors of the aspect of Bank governance process are :

- Implementation of the Duties and Responsibilities of the Board of Directors and the Implementation of the Bank's Compliance Function.  
There are still 2 (two) commitments of the Bank to the Financial Services Authority based on the Report of the Audit Results of the Head Office position on June 30, 2024 with a target time of December 2024 which is still in the process of being completed.

### C. Governance Outcome

1. The positive factors in the governance outcome aspect of the Bank are:

- a. Implementation of the Duties and Responsibilities of the Board of Directors
- The Board of Directors has accounted for the implementation of its duties to shareholders through the GMS.



- The results of the Board of Directors meeting have been stated in the minutes of the meeting and well documented.
- The Board of Directors has disclosed its share ownership, financial and family relationships, remuneration and other facilities as well as share options owned in the Governance Implementation Report.
- No intervention of the owner on the composition and/or implementation of the duties of the Board of Directors that may cause the Bank's operational activities to be disrupted.

b. Implementation of the Duties and Responsibilities of the Board of Commissioners

- The results of the Board of Commissioners meeting have been stated in the minutes of the meeting and well documented.
- The Board of Commissioners has disclosed the share ownership, financial and family relationships, remuneration and other facilities as well as share options owned in the Governance Implementation Report.
- There is no intervention of the owner in the composition and/or implementation of the duties of the Board of Commissioners that may cause the Bank's operational activities to be disrupted.

c. Completeness and Fulfillment of Duties of the Committee

- The minutes of the Committee meeting have been well documented.
- The existing committees have made recommendations to the Board of Commissioners.

d. Handling of Conflict of Interests

The Bank's operational activities are free from the intervention of owners/related parties/other parties that may cause conflicts of interest that may harm the Bank or reduce the Bank's profits.

e. Implementation of the Bank's Compliance Function

The Bank has submitted a principal report on the implementation of the duties of the Compliance Director to the Financial Services Authority and related parties.

f. Implementation of Internal Audit Function

- The Board of Directors has submitted a report on the implementation of the Bank's internal audit function to the GMS.
- SKAI has acted objectively in conducting audits.
- The internal audit function has been adequately implemented.

g. Implementation of External Audit Function

- The results of the audit and Management Letter have described the Bank's problems and were submitted in a timely manner to the Financial Services Authority.
- The auditor acts objectively in conducting the audit.

h. Implementation of Risk Management and Internal Control System

- The Bank has implemented Risk Management effectively, which is adjusted to the Bank's objectives, business policies, size and complexity of the business as well as the Bank's capabilities.
- The Board of Directors and Board of Commissioners are able to actively supervise the implementation of Risk Management policies and strategies.
- The bank does not carry out business activities that exceed the ability of capital to absorb the risk of loss.

- i. Provision of Funds to Related Parties and Provision of Large Funds (Large Exposure)
  - There is no violation of the Maximum Credit Granting Limit (BMPK) and exceeding the Maximum Credit Granting Limit (BMPK).
  - Diversification of the portfolio of equitable fund provision or the amount of large fund provision/core debtor compared to the total fund provision is not significant.
  - The Bank has submitted reports on the provision of funds to related parties on a regular basis to the Financial Services Authority in a timely manner.
  
- j. Transparency of Bank Financial and Non-Financial Conditions, Governance Implementation Reports and Internal Reporting
  - The Bank has submitted the Annual Report and the Implementation of Corporate Governance Report to the Financial Services Authority and the Bank's shareholders in a complete and timely manner.
  - The Bank has presented the Quarterly Publication Financial Statements, Annual Report and the Implementation of Corporate Governance Report on the website in a timely manner.
  - Mediation in the context of resolving the Bank's customer complaints has been carried out properly.
  
- k. Bank's Strategic Plan
  - The Corporate Plan and Business Plan are prepared by the Board of Directors and approved by the Board of Commissioners.
  - The Bank's strategic plan is prepared on the basis of a comprehensive study by taking into account the Bank's business opportunities and strengths and weaknesses (Strength, Weakness, Opportunities, Threats/SWOT Analysis).

- The Bank has improved the Information Technology Strategic Plan (RSTI) which is part of the Bank's Business Plan by paying more attention to its conformity with the Bank's strategic plan.
- There is no intervention of the owner in the distribution of the Bank's profits.

2. The negative factors in the Bank's governance outcome are:

a. Implementation of the Bank's Compliance Function

There will still be fines in 2024 related to violations of the provisions, although they are not significant.

b. Implementation of Internal Audit Function

The findings of the SKAI audit have been followed up by the Board of Directors and Auditee. There are still some findings that are the same but have been followed up and corrected by the Auditee.

c. Bank Strategic Plan

The Bank's Business Plan is almost achieved

The realization of the Bank's Business Plan related to Gross Profit has reached 114.92%, while for Assets it has reached 93.67%, Loans have reached 98.01% and Third Party Funds have reached 89.28%.

The Bank's Business Plan related to Credit that has not been achieved is 1.99%, mainly because the debtor is quite careful in using the credit given. Although the global economic situation is quite good, the uncertainty of the Government's current Economic Policy is still not felt by debtors.

Meanwhile, Third Party Funds that have not been achieved are 10.72% due to several customers disbursing their funds for business transactions and it is also the Bank's strategy in maintaining the Bank's Loan to Deposit Ratio (LDR) of 85% to 94%.

## WORKSHEET FOR SELF- ASSESSMENT ON CORPORATE GOVERNANCE

### ASSESSMENT FACTOR :

#### FULFILLMENT OF DUTIES AND RESPONSIBILITIES OF THE BOARD OF DIRECTORS

A. FULFILLMENT OF DUTIES AND RESPONSIBILITIES OF THE BOARD OF DIRECTORS	
1. Governance Structure	
Criteria/Indicator	Analysis
a. The number of members of the Board of Directors is no less than 3 (three) people.	The number of members of the Board of Directors is 5 (five) people.
b. All members of the Board of Directors reside in Indonesia.	All members of the Board of Directors reside in Indonesia.
c. The majority of members of the Board of Directors has no less than 5 (five) years of experience in the operational field as Bank's Executive Officer.	The majority of members of the Board of Directors has no less than 5 (five) years of experience in the operational field as Bank's Executive Officer.
d. The Board of Directors does not hold concurrent position as the Board of Directors, the Board of Commissioners or Executive Officer in other Bank, company and/or institution except for matters specified in Financial Services Authority Regulation on the Implementation of Corporate Governance for Commercial Banks, i.e. holding concurrent position as the Board of Commissioners for fulfillment of supervisory function for investment at non-bank subsidiary under the control of the Bank.	The Board of Directors does not hold concurrent position as the Board of Directors, the Board of Commissioners or the Executive Officer in other Bank, company and/or institution.
e. Members of the Board of Directors, both individually and collectively, do not own more than 25% (twenty five percent) of share and paid-in capital in another company.	Members of the Board of Directors, both individually and collectively, do not own more than 25% (twenty five percent) of share and paid-in capital in another Bank and/or company.

ASSESSMENT FACTOR :  
FULFILLMENT OF DUTIES AND RESPONSIBILITIES OF THE BOARD OF DIRECTORS

A. FULFILLMENT OF DUTIES AND RESPONSIBILITIES OF THE BOARD OF DIRECTORS	
f. The majority of the members of the Board of Directors do not have family relationship to the second degree with the other members of the Board of Directors and/or the Board of Commissioners.	The majority of the members of the Board of Directors do not have family relationship to the second degree with the other members of the Board of Directors and/or the Board of Commissioners.
g. Replacement and/or appointment of members of the Board of Directors are carried out in accordance with the recommendation from the Nomination Committee or the Remuneration and Nomination Committee.	Replacement and/or appointment of members of the Board of Directors are carried out in accordance with the recommendation from the Remuneration and Nomination Committee.
h. The Board of Directors has a work guidelines and code of conducts that includes guidelines to work ethics, working hours, and meeting.	The Board of Directors has had a work guidelines and code of conducts that includes guidelines to work ethics, working hours and meeting, arrangement that are refined from time to time as needed.
i. The Board of Directors does not hire an individual advisor and/or professional service provider as a consultant except for special project under a definite contract that specifies the scope of work, responsibilities, time of completion and costs, and the consultant is an Independent Party having qualification to perform work for special project.	The Board of Directors does not hire an individual advisor and/or professional service provider as a consultant.
j. All members of the Board of Directors have proper integrity, competence and financial reputation.	All members of the Board of Directors have proper integrity, competence and financial reputation.
k. The President Director or the Managing Director are the party independent from the Majority Shareholders, i.e. does not have financial, managerial, share ownership and family relationship.	The President Director or the Managing Director are the party independent from the Majority Shareholders, i.e. does not have financial, managerial, share ownership and family relationship.

ASSESSMENT FACTOR :  
FULFILLMENT OF DUTIES AND RESPONSIBILITIES OF THE BOARD OF DIRECTORS

A. FULFILLMENT OF DUTIES AND RESPONSIBILITIES OF THE BOARD OF DIRECTORS	
<p>l. All members of the Board of directors have passed the Fit and Proper Test and secured the approval from Financial Services Authority.</p> <p>m. Members of the Board of Directors have sufficient and relevant competence to their positions to fulfill their duties and responsibilities and are capable of implementing their competencies in fulfillment of duties and responsibilities.</p> <p>n. Members of the Board of Directors have the willingness and capacity to carry out continuous learning in order to develop their knowledge on banking field and the latest improvement on financial or other fields, which supports the fulfillment of their duties and responsibilities.</p> <p>o. Members of the Board of Directors develop a continuous learning in order to develop their knowledge on banking field and the latest improvement on financial/other fields, which supports the fulfillment of their duties and responsibilities at all organizational levels.</p> <p>p. Composition of the Board of Directors does not meet the requirement due to intervention of the owner.</p>	<p>All members of the Board of directors have passed the Fit and Proper Test and secured the approval from Financial Services Authority.</p> <p>Members of the Board of Directors have sufficient and relevant competence to their positions to fulfill their duties and responsibilities and are capable of implementing their competencies in fulfillment of duties and responsibilities.</p> <p>Members of the Board of Directors have the willingness and ability to conduct continuous learning in order to increase knowledge about banking and the latest developments related to the financial sector or other fields that support the implementation of their duties and responsibilities, including by attending seminars, training and risk management recertification.</p> <p>Members of the Board of Directors develop a continuous learning in order to develop their knowledge on banking field and the latest improvement on financial or other fields, which supports the fulfillment of their duties and responsibilities at all organizational levels, such as by holding internal or external training on various fields of expertise and by engaging the employees in seminars/training/workshops and risk management certification/refreshment.</p> <p>Composition of the Board of Directors has met the requirement.</p>



ASSESSMENT FACTOR :  
FULFILLMENT OF DUTIES AND RESPONSIBILITIES OF THE BOARD OF DIRECTORS

A. FULFILLMENT OF DUTIES AND RESPONSIBILITIES OF THE BOARD OF DIRECTORS	
2. Governance Process	
Criteria/Indicator	Analysis
a. The Board of Directors has assigned Committee members according to the result of meeting of the Board of Commissioners.	The Board of Directors has assigned Committee members according to the result of meeting of the Board of Commissioners.
b. Members of the Board of Directors do not give general authority to other party that may lead to transfer of duties and function of the Board of Directors.	Members of the Board of Directors do not give general authority to other party that may lead to transfer of duties and function of the Board of Directors.
c. The Board of Directors is fully responsible for the implementation of management of the Bank.	The Board of Directors is fully responsible for the implementation of management of the Bank.
d. The Board of Directors manages the Bank according to its authority and responsibilities as specified in the Articles of Association and the applicable laws and regulations.	The Board of Directors manages the Bank according to its authority and responsibilities as specified in the Articles of Association and the applicable laws and regulations.
e. The Board of Directors has fulfilled its duties and responsibilities independently to the shareholders.	The Board of Directors has fulfilled its duties and responsibilities independently to the shareholders.
f. The Board of Directors has implemented the principles of Corporate Governance in every business activities of the Bank at all organizational levels.	The Board of Directors has implemented the principles of Corporate Governance in every business activities of the Bank at all organizational.

ASSESSMENT FACTOR :  
FULFILLMENT OF DUTIES AND RESPONSIBILITIES OF THE BOARD OF DIRECTORS

A. FULFILLMENT OF DUTIES AND RESPONSIBILITIES OF THE BOARD OF DIRECTORS	
g. The Board of Directors has followed up audit findings and recommendation from the Internal Audit Work Unit (SKAI), external auditor, and result of supervision by Financial Services Authority and/or result of supervision by other authorities.	<p>The Board of Directors has followed up on the findings and recommendations of the Internal Audit Work Unit (SKAI), external auditors, appeals/memorandum from the Board of Commissioners.</p> <p>There are still 2 (two) commitments of the Bank to the Financial Services Authority based on the Audit Report at the Head Office position of June 30, 2024 with a target time of December 2024 which is still in the process of being completed.</p>
h. The Board of Directors has provided data and information that is complete, accurate, updated and timely to the Board of Commissioners.	The Board of Directors provides data and information that is complete, accurate, updated and timely to the Board of Commissioners, such as the Financial Statement, Risk Profile, Business Plan, Compliance Director Report, etc.
i. Decision in the meeting of the Board of Directors has been made through a deliberation, or based on the majority vote in the event that deliberation is not made.	Decision in the meeting of the Board of Directors has been made through a deliberation, or based on the majority vote in the event that deliberation is not made.
j. Every decision of the meeting made by the Board of Directors can be implemented and is in accordance with the policy, work guidelines and code of conduct.	Every decision of the meeting made by the Board of Directors can be implemented and is in accordance with the policy, work guidelines and code of conduct.
k. The Board of Directors has set the strategic policy and decision through a meeting of the Board of Directors.	The Board of Directors has set the strategic policy and decision through a meeting of the Board of Directors.
l. The Board of Directors does not make use of the Bank for its own interest, for their family and/or other party interests that may harm or decrease Bank's profit.	The Board of Directors does not make use of the Bank for their own interest, or for their family and/or other party interests that may harm or decrease Bank's profit.

## ASSESSMENT FACTOR :

### FULFILLMENT OF DUTIES AND RESPONSIBILITIES OF THE BOARD OF DIRECTORS

A. FULFILLMENT OF DUTIES AND RESPONSIBILITIES OF THE BOARD OF DIRECTORS	
<p>m. The Board of Directors does not take and/or receive personal advantage from the Bank other than from the remuneration and other facilities as specified in the General Meeting of Shareholders ("GMS").</p> <p>n. The owner intervenes with the performance of duties of the Board of Directors that affects Bank's operational activities, which results in the decrease of Bank's profit and/or disadvantages the Bank.</p>	<p>The Board of Directors does not take and/or receive personal advantage from the Bank other than from the remuneration and other facilities as specified in the General Meeting of Shareholders ("GMS").</p> <p>There is no intervention of the owner in the performance of duties of the Board of Directors that affects Bank's operational activities, which results in the decrease of Bank's profit and/or disadvantages the Bank.</p>
3. Governance Outcome	
Criteria/Indicator	Analysis
<p>a. The Board of Directors has submitted the accountability report on the implementation of its duties to the shareholders in "GMS".</p> <p>b. Accountability of the Board of Directors for the fulfillment of its duties and responsibilities is obtained received by the shareholders through "GMS".</p> <p>c. The Board of Directors has disclosed Bank's strategic policy in employment to its employee through a media that is easily accessible.</p>	<p>The Board of Directors has submitted the accountability report on the implementation of its duties to the shareholders in "GMS".</p> <p>Accountability of the Board of Directors for the fulfillment of its duties and responsibilities is obtained received by the shareholders through "GMS".</p> <p>The Board of Directors has disclosed Bank's strategic policy in employment to its employee through a media that is easily accessible, such as Guidelines to Company Regulation and Circular of the Management Board.</p>

ASSESSMENT FACTOR :  
FULFILLMENT OF DUTIES AND RESPONSIBILITIES OF THE BOARD OF DIRECTORS

A. FULFILLMENT OF DUTIES AND RESPONSIBILITIES OF THE BOARD OF DIRECTORS	
<p>d. The Board of Directors has communicated to its employee the direction of Bank's business in order to achieve the mission and vision of the Bank.</p> <p>e. Result of the meeting of the Board of Directors has been presented in the summary of report and documented properly, including the disclosure of dissenting opinions arising in the meeting of the Board of Directors.</p> <p>f. In the report on implementation of Corporate Governance, members of the Board of Directors have disclosed :</p> <ol style="list-style-type: none"> <li>1) share ownership of 5% (five percent) or more in the Bank or in other domestic and overseas Bank and company;</li> <li>2) financial relationship and family relationship with other members of the Board of Directors, members of the Board of Commissioners and/or Majority Shareholders of the Bank;</li> <li>3) remuneration and other facilities;</li> <li>4) shares option owned by the Board of Directors.</li> </ol>	<p>The Board of Directors has communicated to its employee the direction of Bank's business in order to achieve the mission and vision of the Bank in the Meeting of the Board of Directors and Executive Meeting.</p> <p>Result of meeting of the Board of Directors has been presented in the minutes of meeting and documented properly.</p> <p>In the report on implementation of Corporate Governance 2024, members of the Board of Directors have disclosed :</p> <ol style="list-style-type: none"> <li>1) share ownership in the Bank or in other domestic and overseas Bank and company;</li> <li>2) financial relationship and family relationship with other members of the Board of Commissioners, members of the Board of Directors and/or Majority Shareholders of the Bank;</li> <li>3) remuneration and other facilities;</li> <li>4) shares option owned by the Board of Directors.</li> </ol>

## ASSESSMENT FACTOR :

### FULFILLMENT OF DUTIES AND RESPONSIBILITIES OF THE BOARD OF DIRECTORS

A. FULFILLMENT OF DUTIES AND RESPONSIBILITIES OF THE BOARD OF DIRECTORS	
g. Improvement of knowledge, skills, and capacity of Members of the Board of Directors in supervising the Bank is indicated by the increase in Bank's performance, settlement of issues faced by the Bank, and achievement result that satisfies the expectation of the stakeholders.	Improvement of knowledge, skills and capacity of Members of the Board of Directors in managing the Bank obtained through seminar/training/workshop and certification can improve bank performance, settlement of issues faced by the Bank, and achievement result that satisfies the expectation of the stakeholders.
h. Improvement of knowledge, skills and capacity of all employees in the Bank is indicated by the increase in individual according to their duties and responsibilities.	Improvement of knowledge, skills and capacity of all employees at all levels and stage of organization obtained through seminars/training/workshops and certification can improve individual performance according to their duties and responsibilities.
i. Development of sustainable learning culture for improvement of knowledge on banking field and the latest improvement on financial or other fields, which supports the fulfillment of duties and responsibilities at all organizational levels, which is indicated in the increasing participation of Bank's employees in banking certification and/or education or training for individual quality improvement.	Development of sustainable learning culture for improvement of knowledge on banking field and the latest improvement on financial/other fields, which supports the fulfillment of duties and responsibilities at all organizational levels, which is indicated in the increasing participation of Bank's employees in banking certification and/or education/training for individual quality improvement.
j. Bank's operational activities are affected and/or providing unfair advantage to the owner, which results in decrease of Bank's profit and/or disadvantage for the Bank due to intervention of the owner to the composition and/or fulfillment of duties of the Board of Directors.	There is no intervention of the owner to the composition and/or fulfillment of duties of the Board of Directors that may affect Bank's operational activities and/or provide unfair advantage to the owner, which may result in the decrease of Bank's profit and/or disadvantage for the Bank.

ASSESSMENT FACTOR :  
FULFILLMENT OF DUTIES AND RESPONSIBILITIES OF THE BOARD OF COMMISSIONERS

B. FULFILLMENT OF DUTIES AND RESPONSIBILITIES OF THE BOARD OF COMMISSIONERS	
1. Governance Structure	
Criteria/Indicator	Analysis
a. The number of members of the Board of Commissioners shall not be less than 3 (three) people and shall not exceed the number of members of the Board of Directors.	The amount of members in the Board of Commissioners is at least 4 (four) members and the Board of Directors is 5 (five) members.
b. No less than 1 (one) member of the Board of Commissioners shall reside in Indonesia.	The majority of the members of the Board of Commissioners are domiciled in Indonesia
c. No less than 50% (fifty percent) of the number of members of the Board of Commissioners shall be Independent Commissioner.	2 (two) of the 4 (four) members of the Board of Commissioners are Independent Commissioners.
d. The Board of Commissioners do not hold concurrent positions except otherwise specified in Financial Services Authority Regulation on Implementation of Corporate Governance for Commercial Banks, i.e.: <ul style="list-style-type: none"> <li>concurrent post as member of the Board of Commissioners, the Board of Directors or Executive Officer In 1 (one) non-financial institution/company; located within or outside the country or</li> <li>concurrent post as member of the Board of Commissioners, the Board of Directors or Executive Officer In 1 (one) non-bank subsidiary controlled by the Bank;</li> <li>The Non-Independent Commissioner carries out the functional duties of the Bank's shareholders in the from of legal entities in the Bank's business group; and/or</li> <li>Members of the Board of Commissioners hold positions in organizations or non-profit institutions.</li> </ul>	The majority of the members of the Board of Commissioners of Bank Bumi Arta do not concurrently hold positions at Bank Bumi Arta, Other Banks, Non-Bank Financial Institutions and other companies domiciled at home or abroad, except for Ir. Rachmat M.S., MBA who currently also serves as Commissioner at PT Surya Husada Investment and I Gst Agung Rai Wirajaya who currently also serves as Director at PT Puri Kuta Beach and specifically as a member of Commission XI of the House of Representatives of the Republic of Indonesia in the House of Representatives/MPR RI is still concurrent until September 30, 2024.

ASSESSMENT FACTOR :

FULFILLMENT OF DUTIES AND RESPONSIBILITIES OF THE BOARD OF COMMISSIONERS

B. FULFILLMENT OF DUTIES AND RESPONSIBILITIES OF THE BOARD OF COMMISSIONERS	
e. Independent Commissioner may hold concurrent positions as the Chairman of Committee in a maximum of 2 (two) Committees in a same Bank.	Concurrent positions held by the Independent Commissioner is at a maximum of 2 (two) positions as the Chairman of Committee in a same Bank, namely the Audit Committee and the Remuneration and Nomination Committee.
f. The majority of the members of the Board of Commissioners do not have family relationship to the second degree with the other members of the Board of Directors and/or the Board of Commissioners.	3 (three) of the 4 (four) members of the Board of Commissioners do not have family relationship to the second degree with the other members of the Board of Directors and/or the Board of Commissioners.
g. The Board of Commissioners has a work guidelines and code of conduct, including regulation on work ethics, working hour and meeting.	The Board of Commissioners has a work guidelines and code of conduct that contain regulation on work ethics, working hour and meeting.
h. All members of the Board of Commissioners have proper integrity, competence and financial reputation.	All members of the Board of Commissioners have proper integrity, competence and financial reputation.
i. Independent Commissioners who are the former members of the Board of Directors or Bank's Executive Officers or parties related to the Bank, which may affect their capacity to act independently and do not perform supervisory function and are from the Bank itself, have been in the cooling-off period of no less than 1 (one) year	No Independent Commissioner needs to run a cooling-off period.
j. An Independent Commissioner from a non Independent Commissioner after being eligible as an Independent Commissioner has served a minimum period of 6 (six) months and has obtained approval from the Financial Services Authority.	There has been no Independent Commissioner from non Independent Commissioner.

ASSESSMENT FACTOR :

FULFILLMENT OF DUTIES AND RESPONSIBILITIES OF THE BOARD OF COMMISSIONERS

B. FULFILLMENT OF DUTIES AND RESPONSIBILITIES OF THE BOARD OF COMMISSIONERS	
<p>k. An Independent Commissioner reappointed after taking office for 2 (two) consecutive periods of terms has been stipulated in a Board of Commissioners meeting that the person concerned may remain independent and the Independent Commissioner concerned has declared independence in the General Meeting of Shareholders ("GMS").</p>	<p>The last appointment of 2 (two) Independent Commissioners is at the Annual GMS on June 19, 2024 with a term of office until the close of the Annual GMS which will be held in 2029.</p> <p>Independent commissioners who are reappointed after serving for 2 (two) years in the term of office it has been determined in a Board of Commissioner's meeting that the person concerned can still act independently, and the relevant Independent commissioner has stated regarding his independence in Annual General Meeting of Shareholders ("GMS").</p>
<p>l. All Independent Commissioners do not have financial, managerial, ownership and family relationship with other members of the Board of Commissioners, the Board of Directors and/or the Majority Shareholders, or relationship with the Bank, which may affect their capacity to act independently.</p>	<p>All Independent Commissioners do not have financial, managerial, ownership and family relationship with other members of the Board of Commissioners, the Board of Directors and/or the Majority Shareholders, or relationship with the Bank, which may affect their capacity to act independently.</p>
<p>m. All members of the Board of Commissioners have passed the Fit and Proper Test and secured the approval from Financial Services Authority.</p>	<p>All members of the Board of Commissioners have passed the Fit and Proper Test and secured the approval from Financial Services Authority.</p>
<p>n. Members of the Board of Commissioners have sufficient and relevant competence to their positions to fulfill their duties and responsibilities, as well as in order to be able to implement their competences in the fulfillment of duties and responsibilities</p>	<p>Members of the Board of Commissioners have adequate and relevant competencies to carry out their duties and responsibilities and are able to implement their competencies in the implementation of their duties and responsibilities, including by attending seminars, risk management refreshments as well as equalization and alignment of Risk Management certifications.</p>



## ASSESSMENT FACTOR :

### FULFILLMENT OF DUTIES AND RESPONSIBILITIES OF THE BOARD OF COMMISSIONERS

B. FULFILLMENT OF DUTIES AND RESPONSIBILITIES OF THE BOARD OF COMMISSIONERS	
o. Members of the Board of Commissioners have the willingness and capacity to carry out continuous learning in order to develop their knowledge on banking field and the latest improvement on financial/other fields, which supports the fulfillment of their duties and responsibilities.	Members of the Board of Commissioners have the willingness and capacity to carry out continuous learning in order to develop their knowledge on banking field and the latest improvement on financial/other fields, which supports the fulfillment of their duties and responsibilities.
p. Composition of the Board of Commissioners does not meet the requirement due to intervention of the owner.	Composition of the Board of Commissioners has met the requirement.
2. Governance Process	
Criteria/Indicator	Analysis
a. Replacement and/or appointment of Commissioners are carried out in accordance with the recommendation from the Nomination Committee or the Remuneration and Nomination Committee and have been approved by the General Meeting of Shareholders ("GMS").	Replacement and/or appointment of Commissioners have been carried out in accordance with the recommendation from the Nomination Committee or the Remuneration and Nomination Committee and have been approved by the General Meeting of Shareholders ("GMS").
b. The Board of Commissioners has fulfilled its duties to ensure the implementation of principles of Corporate Governance in every business activity of the Bank at all organizational levels.	The Board of Commissioners has fulfilled its duties to ensure the implementation of principles of Corporate Governance in every business activity of the Bank at all organizational levels.
c. The Board of Commissioners has performed supervision on the fulfillment of duties and responsibilities of the Board of Directors on a regular basis or at any time necessary, as well as it has provided advices for the Board of Directors.	The Board of Commissioners has performed supervision on the fulfillment of duties and responsibilities of the Board of Directors on a regular basis or at any time necessary, as well as it has provided advices for the Board of Directors.

ASSESSMENT FACTOR :

FULFILLMENT OF DUTIES AND RESPONSIBILITIES OF THE BOARD OF COMMISSIONERS

B. FULFILLMENT OF DUTIES AND RESPONSIBILITIES OF THE BOARD OF COMMISSIONERS	
d. In order to perform the supervisory duty, the Commissioners have directed, monitored and evaluated the implementation of Bank's strategic policies.	The Board of Commissioners has directed, monitored and evaluated the implementation of Bank's strategic policies.
e. The Board of Commissioners is not involved in the making of decision for Bank's operational activities, except for lending to related party and other matters set forth in the Articles of Association of the Bank and/or the applicable law and regulation in order to perform the supervisory function.	The Board of Commissioners is not involved in the making of decision for Bank's operational activities, except in the context of carrying out supervisory functions, which as set forth in the Articles of Association of the Bank.
f. The Board of Commissioners has ensured that the Board of Directors has followed up audit findings and the recommendation from the Internal Audit Work Unit ("SKAI"), external auditor, result of monitoring Financial Services Authority and/or result of monitoring by other authorities.	The Board of Commissioners has ensured that the Board of Directors has followed up audit findings and the recommendation from the Internal Audit Work Unit ("SKAI"), external auditor, result of monitoring by Financial Services Authority and/or result of monitoring by other authorities.
g. The Board of Commissioners shall inform to Financial Services Authority no later than 7 (seven) business days as of the finding of violation to laws and regulation on financial and banking matters, and condition or predicted condition that may harm the continuity of Bank's business.	Throughout the year 2024, there is no violation to the law and regulation on financial and banking matters, condition or prediction that may harm the continuity of Bank's business.
h. The Board of Commissioners has fulfilled its duties and responsibilities independently.	The Board of Commissioners has fulfilled its duties and responsibilities independently.
i. The Board of Commissioners has established the Audit Committee, Risk Monitoring Committee, and Remuneration and Nomination Committee	The Board of Commissioners has established the Audit Committee, Risk Monitoring Committee, and Remuneration and Nomination Committee.

ASSESSMENT FACTOR :  
FULFILLMENT OF DUTIES AND RESPONSIBILITIES OF THE BOARD OF COMMISSIONERS

B. FULFILLMENT OF DUTIES AND RESPONSIBILITIES OF THE BOARD OF COMMISSIONERS	
j. Appointment of Committee members is carried out by the Board of Directors in accordance with the result of meeting of the Board of Commissioners.	Appointment of Committee members is carried out by the Board of Directors in accordance with the result of meeting of the Board of Commissioners.
k. The Board of Commissioners has ensured that these Committees have fulfilled their duties effectively.	The Board of Commissioners has ensured that these Committees have fulfilled their duties effectively.
l. The Board of Commissioners has provided sufficient time to fulfill its duties and responsibilities optimally.	The Board of Commissioners has provided sufficient time to fulfill its duties and responsibilities optimally.
m. Meeting of the Board of Commissioners discusses issues that are specified in the agenda and is held periodically, no less than 4 (four) times in a year, and shall be physically attended by no less than 2 (twice) in a year, or is held through a teleconference in the event that the Non Independent of Commissioners cannot physically attend the meeting.	During 2024, 24 (twenty-four) meetings of the Board of Commissioners have been held, of which 16 (sixteen) meetings were attended physically and teleconference by the entire Board of Commissioners and 8 (eight) meetings were attended physically without the presence of the President Commissioner. The Board of Commissioners meeting was attended by a majority of the members of the Board of Commissioners
n. Decision in the meeting of the Board of Commissioners shall be made through a deliberation, or based on the majority vote in the event that deliberation is not made.	Decision in the meeting of the Board of Commissioners period of 2024 is made through a deliberation.
o. Members of the Board of Commissioners shall not make use of the Bank for their own interest, or for their family and/or other party interests that may harm or decrease Bank's profit.	Members of the Board of Commissioners do not make use of the Bank for their own interest, or for their family and/or other party interests that may harm or decrease Bank's profit.

ASSESSMENT FACTOR :

FULFILLMENT OF DUTIES AND RESPONSIBILITIES OF THE BOARD OF COMMISSIONERS

B. FULFILLMENT OF DUTIES AND RESPONSIBILITIES OF THE BOARD OF COMMISSIONERS	
<p>p. Members of the Board of Commissioners shall not take and/or receive personal advantage from the Bank other than from the remuneration and other facilities as specified in the General Meeting of Shareholders ("GMS")</p> <p>q. The owner intervenes with the performance of duties of the Board of Commissioners that affects Bank's operational activities, which results in the decrease of Bank's profit and/or disadvantages the Bank.</p>	<p>Members of the Board of Commissioners do not take and/or receive personal advantage from the Bank other than from the remuneration and other facilities as specified in the General Meeting of Shareholders ("GMS")</p> <p>There is no intervention of the owner in the performance of duties of the Board of Commissioners that affects Bank's operational activities, which results in the decrease of Bank's profit and/or disadvantages the Bank.</p>
3. Governance Outcome	
Criteria/Indicator	Analysis
<p>a. Result of the meeting of the Board of Commissioners has been presented in the summary of report and documented properly, including the disclosure of dissenting opinions arising in the meeting obviously.</p> <p>b. Result of meeting of the Board of Commissioners has been distributed to all members of the Board of Commissioners and related party.</p> <p>c. Result of meeting of the Board of Commissioners is a recommendation and/or a direction to be implemented by the General Meeting of Shareholders ("GMS") and/or the Board of Directors.</p>	<p>Result of meeting of the Board of Commissioners has been presented in the minutes of meeting and documented properly.</p> <p>Result of meeting of the Board of Commissioners has been distributed to all members of the Board of Commissioners and related party.</p> <p>Result of meeting of the Board of Commissioners is a recommendation and/or a direction to be implemented by the General Meeting of Shareholders ("GMS") and/or the Board of Directors as set forth in the memorandum.</p>

ASSESSMENT FACTOR :  
FULFILLMENT OF DUTIES AND RESPONSIBILITIES OF THE BOARD OF COMMISSIONERS

B. FULFILLMENT OF DUTIES AND RESPONSIBILITIES OF THE BOARD OF COMMISSIONERS	
<p>d. In the report on implementation of Corporate Governance, members of the Board of Commissioners have disclosed :</p> <ol style="list-style-type: none"> <li>1) share ownership of 5% (five percent) or more in the Bank or in other domestic and overseas Bank and company;</li> <li>2) financial relationship and family relationship with other members of the Board of Commissioners, members of the Board of Directors and/or Majority Shareholders of the Bank;</li> <li>3) remuneration and other facilities;</li> <li>4) shares option owned by the Board of Commissioners.</li> </ol> <p>e. Improvement of knowledge, skills and capacity of Members of the Board of Commissioners in supervising the Bank is indicated by the increase in Bank's performance, settlement of issues faced by the Bank, and achievement result that satisfies the expectation of the stakeholders.</p> <p>Development of sustainable learning culture for improvement of knowledge on banking field and the latest improvement on financial/other fields, which supports the fulfillment of duties and responsibilities of the Board of Commissioners.</p> <p>f. Bank's operational activities are affected and/or providing unfair advantage to the owner, which results in decrease of Bank's profit and/or disadvantage for the Bank due to intervention of the owner to the composition and/or fulfillment of duties of the Board of Commissioners.</p>	<p>In the report on implementation of Corporate Governance, members of the Board of Commissioners have disclosed :</p> <ol style="list-style-type: none"> <li>1) share ownership in the Bank or in other domestic and overseas Bank and company;</li> <li>2) financial relationship and family relationship with other members of the Board of Commissioners, members of the Board of Directors and/or Shareholders of the Bank;</li> <li>3) remuneration and other facilities;</li> <li>4) shares option owned by the Board of Commissioners.</li> </ol> <p>Improvement of knowledge, skills and capacity of Members of the Board of Commissioners in supervising the Bank is indicated by the increase in Bank's performance, settlement of issues faced by the Bank, and achievement result that satisfies the expectation of the stakeholders.</p> <p>Development of sustainable learning culture for improvement of knowledge on banking field and the latest improvement on financial/other fields, which supports the fulfillment of duties and responsibilities of the Board of Commissioners.</p> <p>There is no intervention of the owner to the composition and/or fulfillment of duties of the Board of Commissioners that may affect Bank's operational activities and/or provide unfair advantage to the owner, which may result in the decrease of Bank's profit and/or disadvantage for the Bank.</p>

**ASSESSMENT FACTOR :  
COMPLETENESS AND FULFILLMENT OF DUTIES OF THE COMMITTEE**

<b>C. COMPLETENESS AND FULFILLMENT OF DUTIES OF THE COMMITTEE</b>	
<b>1. Governance Structure</b>	
<b>Criteria/Indicator</b>	<b>Analysis</b>
<p><b>a. Audit Committee</b></p> <ol style="list-style-type: none"> <li>1) Members of the Audit Committee shall at least consist of an Independent Commissioner, an Independent Party having expertise in financial or accounting field, and an Independent Party having expertise in legal field or bank field.</li> <li>2) Audit Committee is led by the Independent Commissioner</li> <li>3) No less than 51% (fifty one percent) of members of the Audit Committee is the Independent Commissioner and Independent Party.</li> <li>4) Members of the Audit Committee have proper integrity, characters and morals.</li> </ol>	<p><b>Audit Committee</b></p> <ol style="list-style-type: none"> <li>1) Members of the Audit Committee consist of an Independent Commissioner, an Independent Party having expertise in financial, accounting, and risk management field, and an Independent Party having expertise in legal field.</li> <li>2) Audit Committee is led by the Independent Commissioner.</li> <li>3) Members of the Audit Committee consist of the Independent Commissioner and the Independent Party.</li> <li>4) Members of the Audit Committee have proper integrity, characters and morals.</li> </ol>

**ASSESSMENT FACTOR :  
COMPLETENESS AND FULFILLMENT OF DUTIES OF THE COMMITTEE**

<b>C. COMPLETENESS AND FULFILLMENT OF DUTIES OF THE COMMITTEE</b>	
<p><b>b. Risk Monitoring Committee</b></p> <ol style="list-style-type: none"> <li>1) Members of the Risk Monitoring Committee shall at least consist of an Independent Commissioner, an Independent Party having expertise in financial or accounting field, and an Independent Party having expertise in legal or risk management field.</li> <li>2) Risk Monitoring Committee is led by the Independent Commissioner.</li> <li>3) No less than 51% (fifty percent) of the number of members of the Risk Monitoring Committee is the Independent Commissioner and the Independent Party.</li> <li>4) Members of the Risk Monitoring Committee have proper integrity, characters and morals.</li> </ol> <p><b>c. Remuneration and Nomination Committee</b></p> <ol style="list-style-type: none"> <li>1) Members of the Remuneration and Nomination Committee shall at least consist of an Independent Commissioner, a Non Independent Commissioner and an Executive Officer in charge of human resource affair or an employee representative.</li> <li>2) The Executive Officer or employee representative shall have the necessary knowledge and understand the provisions for nomination and/or remuneration system and Bank's Succession Plan.</li> </ol>	<p><b>Risk Monitoring Committee</b></p> <ol style="list-style-type: none"> <li>1) Members of the Risk Monitoring Committee shall at least consist of an Independent Commissioner, an Independent Party having expertise in financial, accounting and Risk Management field, and an Independent Party having expertise in banking and risk management field.</li> <li>2) Risk Monitoring Committee is led by the Independent Commissioner.</li> <li>3) Members of the Risk Monitoring Committee consist of the Independent Commissioner and the Independent Party.</li> <li>4) Members of the Risk Monitoring Committee have proper integrity, characters and morals.</li> </ol> <p><b>Remuneration and Nomination Committee</b></p> <ol style="list-style-type: none"> <li>1) The members of the Remuneration and Nomination Committee consist of an Independent Commissioner, a Non Independent Commissioner and an Executive Officer in charge of human resource affair.</li> <li>2) The Executive Officer has the necessary knowledge and understands the provisions for nomination and/or remuneration system and Bank's Succession Plan.</li> </ol>

**ASSESSMENT FACTOR :  
COMPLETENESS AND FULFILLMENT OF DUTIES OF THE COMMITTEE**

C. COMPLETENESS AND FULFILLMENT OF DUTIES OF THE COMMITTEE	
<p>3) Remuneration and Nomination Committee is led by an Independent Commissioner.</p> <p>4) In the event that the member of the Remuneration and Nomination Committee is specified to be more than 3 (three) people, the members of the Independent Commissioner shall be no less than 2 (two) people</p> <p>5) In the event that the Bank established the Committee separately :</p> <p>a) The Executive Officer or employee representative in the members of the Remuneration Committee shall have the knowledge on Bank's remuneration system; and</p> <p>b) The Executive Officer in the member of the Nomination Committee shall have the knowledge on Bank's nomination system and succession plan.</p> <p>d. Members of the Audit Committee and Risk Monitoring Committee shall not be appointed from the Board of Directors of the same Bank or the other Bank.</p> <p>e. Concurrent Position as the Independent Party in the same Bank, other Bank and/or other company has been taken in consideration of the competence, independence criteria, confidentiality, ethic codes and fulfillment of duties and responsibilities.</p>	<p>3) Remuneration and Nomination Committee is led by an Independent Commissioner.</p> <p>4) 1 (one) of the 3 (three) members of the Remuneration and Nomination Committee is an Independent Commissioner.</p> <p>5) The Bank does not establish the Remuneration and Nomination Committee separately.</p> <p>Members of the Audit Committee and Risk Monitoring Committee are not appointed from the Board of Directors of the same Bank or the other Bank.</p> <p>Concurrent Position of the Independent Party in the same Bank, other Bank and/or other company has been taken in consideration of the competence, independence criteria, confidentiality, ethic codes and fulfillment of duties and responsibilities.</p>



**ASSESSMENT FACTOR :  
COMPLETENESS AND FULFILLMENT OF DUTIES OF THE COMMITTEE**

C. COMPLETENESS AND FULFILLMENT OF DUTIES OF THE COMMITTEE	
<p>f. No Independent Parties in the members of the Committee has financial, managerial, share ownership and/or family relationship with the Board of Directors, the Board of Commissioners and/or the Majority Shareholders or relationship with the Bank, which may affect their capacity to act independently</p> <p>g. All Independent Parties who are the former members of the Board of Directors or Bank's Executive Officers from the same Bank and do not perform supervisory function or other parties related to the Bank, which may affect their capacity to act independently, have been in the cooling-off period of 6 (six) months.</p> <p>h. Meeting of the Audit Committee and Risk Monitoring Committee shall be attended by no less than 51% (fifty one percent) of the members, including the Independent Commissioner and the Independent Party.</p>	<p>No Independent Parties in the members of the Committee has financial, managerial, share ownership and/or family relationship with the Board of Directors, the Board of Commissioners and/or the Majority Shareholders or relationship with the Bank, which may affect their capacity to act independently.</p> <p>All Independent Parties are not the former Members of the Board of Directors of Bank Bumi Arta. Whereas, the Independent Party who are the Executive Officer of Bank Bumi Arta perform the supervisory function, and therefore does not have to undergo the cooling-off period of 6 (six) months.</p> <p>Meeting of the Audit Committee is attended by at least 51% (fifty one percent) of the total members, including the Independent Commissioner and the Independent Party. In addition, the meeting is also attended by SKAI who presents an explanation of the executed audit work plan, including audit result and internal control evaluation.</p> <p>Meeting of the Risk Monitoring Committee is attended by all members, including the Independent Commissioner and the Independent Party. In addition, the meeting is also attended by SKMR who presents an explanation of Bank's risk profile.</p>

**ASSESSMENT FACTOR :  
COMPLETENESS AND FULFILLMENT OF DUTIES OF THE COMMITTEE**

<b>C. COMPLETENESS AND FULFILLMENT OF DUTIES OF THE COMMITTEE</b>	
<p>i. Meeting of the Remuneration and Nomination Committee shall be attended by no less than 51% (fifty one percent) of the members, including an Independent Commissioner and an Executive Officer or employee representative.</p> <p>j. Composition of the Committee does not comply with the requirement due to intervention of the owner.</p>	<p>Meeting of the Remuneration and Nomination Committee is attended by all members, including an Independent Commissioner and an Executive Officer.</p> <p>Composition of the Committee has met the requirement.</p>
<b>2. Governance Process</b>	
<b>Criteria/Indicator</b>	<b>Analysis</b>
<p>a. <b>Audit Committee</b> To provide recommendation for the Board of Commissioners :</p> <p>1) The Audit Committee has monitored and evaluated the audit planning and implementation, as well as monitored the follow up of audit result in order to assess the adequacy of the internal control, including the adequacy of the financial reporting process.</p> <p>2) The Audit Committee has reviewed :  a) the implementation of duties of the IATF;  b) the conformity of audit by the Public Accounting Firm to the applicable audit standard;  c) the conformity of financial statement to the applicable accounting standard; and</p>	<p><b>Audit Committee</b> To provide recommendation for the Board of Commissioners :</p> <p>1) The Audit Committee has monitored and evaluated the audit planning and implementation, as well as monitored the follow up of audit result in order to assess the adequacy of the internal control, including the adequacy of the financial reporting process.</p> <p>2) The Audit Committee has reviewed :  a) the implementation of duties of the SKAI;  b) the conformity of audit by the Public Accounting Firm to the applicable audit standard;  c) the conformity of financial statement to the applicable accounting standard; and</p>

**ASSESSMENT FACTOR :  
COMPLETENESS AND FULFILLMENT OF DUTIES OF THE COMMITTEE**

C. COMPLETENESS AND FULFILLMENT OF DUTIES OF THE COMMITTEE	
<p>d) implementation of the follow-up by Board of Directors on the findings from IATF, Public Accountant and supervision result of Financial Services Authority</p> <p>3) Audit Committee has provided recommendation of the appointment of Public Accountant and Public Accounting Firm in accordance with the applicable provisions under General Meeting of Shareholders ("GMS") through Board of Commissioners.</p> <p><b>b. Risk Monitoring Committee</b> To provide the recommendation for the Board of Commissioners :</p> <p>1) the Risk Monitoring Committee evaluates risk management policy and implementation;</p> <p>2) the Risk Monitoring Committee monitors and evaluates the implementation of duties of the Risk Management Committee and Risk Management Work Unit.</p>	<p>d) Implementation of the follow-up by Board of Directors on the findings from SKAI, Public Accountant and supervision result of Financial Services Authority.</p> <p>Audit Committee has made evaluation report for the follow-up by Board of Directors on the findings from SKAI, Public Accountant, and supervision result of Financial Services Authority.</p> <p>3) Audit Committee has provided recommendation of the appointment of Public Accountant and Public Accounting Firm in accordance with the applicable provisions under General Meeting of Shareholders ("GMS") through Board of Commissioners.</p> <p><b>Risk Monitoring Committee</b> To provide the recommendation for the Board of Commissioners :</p> <p>1) the Risk Monitoring Committee evaluates risk management policy and implementation;</p> <p>2) the Risk Monitoring Committee monitors and evaluates the implementation of duties of the Risk Management Committee and Risk Management Work Unit through the result of assessment of Bank's risk profile and other related information exposed to the risk, such as Human Resource issues, completeness of the operational facility and infrastructure in Office.</p>

**ASSESSMENT FACTOR :  
COMPLETENESS AND FULFILLMENT OF DUTIES OF THE COMMITTEE**

<b>C. COMPLETENESS AND FULFILLMENT OF DUTIES OF THE COMMITTEE</b>	
<p><b>c. Remuneration and Nomination Committee</b> To provide recommendation for the Board of Commissioners :</p> <ol style="list-style-type: none"> <li>1) The Remuneration Committee has evaluated the remuneration policy for : <ol style="list-style-type: none"> <li>a) The Board of Directors and the Board of Commissioners, which has been presented before the GMS; and</li> <li>b) The Executive Officer and the employees, which has been presented before the Board of Directors.</li> </ol> </li> <li>2) With regard to the nomination policy, the Committee has set the system and procedures for the appointment and/or replacement of members of the Board of Directors and the Board of Commissioners to be presented before the GMS.</li> <li>3) The Nomination Committee has provided recommendation on candidates of members of the Board of Directors and/or the Board of Commissioners to be presented before the GMS.</li> <li>4) The Nomination Committee has provided recommendation on candidates of members of the Committee to the Board of Commissioners.</li> </ol>	<p><b>Remuneration and Nomination Committee</b> To provide recommendation for the Board of Commissioners :</p> <ol style="list-style-type: none"> <li>1) The Remuneration and Nomination Committee has evaluated the remuneration policy for : <ol style="list-style-type: none"> <li>a) The Board of Directors and the Board of Commissioners, which has been presented before the GMS; and</li> <li>b) The Executive Officer and the employees, which has been presented before the Board of Directors.</li> </ol> <p>The Remuneration and Nomination Committee has conducted the remuneration evaluation.</p> </li> <li>2) With regard to the nomination policy, the Committee and remuneration has set the system and procedures for the appointment and/or replacement of members of the Board of Directors and the Board of Commissioners to be presented before the GMS.</li> <li>3) The Remuneration and Nomination Committee has provided recommendation on candidates of members of Independent Commissioner.</li> <li>4) The Remuneration and Nomination Committee has provided recommendation on candidates of members of the Committee to the Board of Commissioners.</li> </ol>

**ASSESSMENT FACTOR :  
COMPLETENESS AND FULFILLMENT OF DUTIES OF THE COMMITTEE**

C. COMPLETENESS AND FULFILLMENT OF DUTIES OF THE COMMITTEE	
d. Meeting of the Committee is held in accordance with the need of the Bank.	Throughout 2024, conducted: <ul style="list-style-type: none"> <li>- Audit Committee meetings 15 (fifteen) times,</li> <li>- Risk Monitoring Committee meetings 12 (twelve) times, and</li> <li>- Remuneration and Nomination Committee meetings 4 (four) times.</li> </ul>
e. Decision of meeting is made upon deliberation or the majority vote, in the event that deliberation cannot be made.	Decision of meeting is made upon deliberation.
f. Result of meeting of the Committee is a recommendation to be used optimally by the Board of Commissioners.	Result of meeting of the Committee regarding issues under the concern of the Board of Commissioners is presented in a memorandum for the Board of Commissioners.
g. The owner intervenes with the fulfillment of duties of the Committee, such as by providing unfair remuneration for the related party, recommendation on nominees for the Board of Directors or the Board of Commissioners that does not comply with the specified procedures for appointment and/or replacement.	The owner does not intervene with fulfillment of duties of the Committee.

**ASSESSMENT FACTOR :  
COMPLETENESS AND FULFILLMENT OF DUTIES OF THE COMMITTEE**

<b>C. COMPLETENESS AND FULFILLMENT OF DUTIES OF THE COMMITTEE</b>	
<b>3. Governance Outcome</b>	
<b>Criteria/Indicator</b>	<b>Analysis</b>
a. Result of minutes of meeting shall be made, including the disclosure of dissenting opinions and must be documented properly.	Minutes of meeting has been documented properly.
b. Each Committee has performed its function according to the applicable regulation, such as provision of recommendation for the Board of Commissioners.	Each Committee has performed its function according to the applicable regulation, such as provision of recommendation for the Board of Commissioners.

**ASSESSMENT FACTOR :  
HANDLING OF CONFLICT OF INTEREST**

<b>D. HANDLING OF CONFLICT OF INTEREST</b>	
<b>1. Governance Structure</b>	
<b>Criteria/Indicator</b>	<b>Analysis</b>
<p>The Bank has the policy, system and procedures for settlement of :</p> <p>a. conflict of interests that binds all members of the management board and employees of the Bank;</p> <p>b. administration, documentation and disclosure of conflict of interests as referred to in the Minutes of meeting.</p>	<p>The Bank has the policy, system and procedures for settlement of conflict of interests as set forth in company regulation, Credit Policy of BBA "KPBB" and Circular of the Bank.</p>
<b>2. Governance Process</b>	
<b>Criteria/Indicator</b>	<b>Analysis</b>
<p>In the event of conflict of interests, members of the Board of Directors, members of the Board of Commissioners and the Executive Officer shall not take any measure that may harm or decrease Bank's profit.</p>	<p>There is no conflict of interests</p>
<b>3. Governance Outcome</b>	
<b>Criteria/Indicator</b>	<b>Analysis</b>
<p>a. Conflict of Interests that may harm the Bank or decrease Bank's profit has been disclosed in each decision and has been documented properly.</p> <p>b. Bank's operational activities are free of intervention of the owner/other related parties that may lead to conflict of interests, which may harm the Bank or decrease Bank's profit.</p> <p>c. The Bank has succeeded in settling the arising conflict of interests.</p>	<p>There is no conflict of interests</p> <p>Bank's operational activities are free of intervention of the owner/other related parties that may lead to conflict of interests, which may harm the Bank or decrease Bank's profit.</p> <p>There is no conflict of interests.</p>

**ASSESSMENT FACTOR :  
IMPLEMENTATION OF BANK'S COMPLIANCE FUNCTION**

<b>E. IMPLEMENTATION OF BANK'S COMPLIANCE FUNCTION</b>	
<b>1. Governance Structure</b>	
<b>Criteria/Indicator</b>	<b>Analysis</b>
<p>a. The compliance work unit is independent from the operational work unit.</p> <p>b. Appointment, dismissal and/or resignation of the Director in charge of the Compliance Function shall be made in accordance with Financial Services Authority regulation.</p> <p>c. The Bank has provided quality human resource for the Compliance Work Unit to perform its duties effectively.</p>	<p>The compliance work unit is independent from the work unit.</p> <p>Appointment, dismissal and/or resignation of the Director in charge of the Compliance Function shall be made in accordance with Financial Services Authority regulation.</p> <p>The Bank has provided quality human resource for the Compliance Work Unit to perform its duties effectively.</p>
<b>2. Governance Process</b>	
<b>Criteria/Indicator</b>	<b>Analysis</b>
<p>a. Compliance Director is responsible for :</p> <p>1) ensuring Bank's compliance to Bank Indonesia regulation and the applicable laws and regulations by :</p>	<p>With reference to Financial Services Authority Regulation No. 46/POJK.03/2017 of July 12, 2017 on the Fulfillment of Compliance Function for Commercial Banks, the duties and responsibilities of the Compliance Director are :</p> <p>1) ensures Bank's compliance with the regulation of the Financial Services Authority ("OJK") regulation and the applicable laws and regulations by :</p>



**ASSESSMENT FACTOR :  
IMPLEMENTATION OF BANK'S COMPLIANCE FUNCTION**

E. IMPLEMENTATION OF BANK'S COMPLIANCE FUNCTION	
<p>a) determining the necessary measures to take in consideration of the principles of prudential banking;</p>	<p>a) determining the necessary measures to take in consideration of the principles of prudential banking;</p> <p>Circular of the Management Board no. 108, July 25, 2017 on Compliance Culture has been issued, in which it is stated "The Board of Directors shall develop and implement the Compliance Culture at all organizational levels and Bank's business activities. All staffs and employees shall be aware that in fulfillment of their duties and responsibilities shall be carried out in compliance with Financial Services Authority regulation and the applicable Laws and Regulation, and shall avoid making policy and/or decision that violates Financial Services Authority regulation and the applicable Laws and Regulation.</p>
<p>b) monitoring and maintaining Bank's business activities to avoid violation of the provisions;</p>	<p>b) monitoring and maintaining Bank's business activities to avoid violation of the provisions;</p> <p>In order to monitor and maintain Bank's business avoiding violation of the regulation, the Director in charge of the Compliance Function, together with the Compliance Work Unit, issues the Internal Memo, Inter-Branch Memo to the relevant work units and System and Procedure department, as well as provide analysis on compliance in all provision of fund in the form of credit (exposure group &gt; 5 billion Rupiah).</p>

**ASSESSMENT FACTOR :  
IMPLEMENTATION OF BANK'S COMPLIANCE FUNCTION**

<b>E. IMPLEMENTATION OF BANK'S COMPLIANCE FUNCTION</b>	
<p>c) monitoring and maintaining Bank's compliance with all agreements and commitments made between the Bank and Financial Services Authority and other authorities.</p>	<p>c) monitoring and maintaining Bank's compliance with all agreements and commitments made between the Financial Services Authority and other authorities.</p> <p>The Director in charge of the Compliance Function monitors the implementation of agreement, performance of commitment, Bank's commitment to obey the command and prohibition from the Financial Services Authority and/or from other supervisory authorities.</p> <p>The Bank has followed up on the findings of the Financial Services Authority (OJK) based on the General Audit Report (LHP) of PT Bank Bumi Arta. Tbk Head Office position January 31, 2023, and June 30, 2024 and Medan Branch Office position June 30, 2024. There are still 2 (two) commitments of the Bank to the OJK based on the LHP of the Head Office position of June 30, 2024 with a target time of December 2024 which is still in the process of being completed.</p>
<p>2) submitting the report on fulfillment of duties and responsibilities on a periodical basis to the President Director with a copy to the Board of Commissioners or other authorities according to the organizational structure of the Bank.</p>	<p>2) the Director in charge of the Compliance Function has submitted the quarterly report on fulfillment of duties and responsibilities to the President Director, supplied with a copy to the Board of Commissioners.</p>

**ASSESSMENT FACTOR :  
IMPLEMENTATION OF BANK'S COMPLIANCE FUNCTION**

<b>E. IMPLEMENTATION OF BANK'S COMPLIANCE FUNCTION</b>	
<p>3) formulate the strategy to encourage the development of Bank's Compliance Culture.</p>	<p>3) formulate the strategy to encourage the development of Bank's Compliance Culture.</p> <p>The duties of the Director who is in charge of the General Compliance Function is to remind all levels of the organization, both from highest level to the executive officer, to always comply with the provisions of prudence to encourage the creation of a Bank Compliance Culture</p> <p>For this reason, Management Circular Letter No. 108 has been made July 25, 1017 regarding Culture of Compliance.</p>
<p>4) proposing the compliance policy or compliance principles to be stipulated by the Board of Directors.</p>	<p>4) proposing the compliance policy or compliance principles to be stipulated by the Board of Directors.</p> <p>Compliance Director has proposed compliance policies and principles that contained in the Compliance Cultures, Guidelines, and Assessments.</p>

**ASSESSMENT FACTOR :  
IMPLEMENTATION OF BANK'S COMPLIANCE FUNCTION**

<b>E. IMPLEMENTATION OF BANK'S COMPLIANCE FUNCTION</b>	
<p>5) set the compliance system and procedures for arrangement of Bank's internal regulation and guidelines;</p>	<p>5) specifying compliance system and procedures (Compliance Guidelines).</p> <p>Compliance Director determines the Compliance Guidelines as a guidelines that is necessary for the Compliance Function to be implemented properly.</p> <p>This guidelines is arranged according to the duties and responsibilities of the Compliance Director pursuant to Bank Indonesia Regulation No. 46/POJK.03/2017 of July 12, 2017 on Implementation of Compliance Function for Commercial Banks.</p>
<p>6) ensure that all policies, provisions, system and procedures, as well as Bank's business activities have complied with Financial Services Authority regulation and the applicable laws and regulations;</p>	<p>6) ensure that all policies, provisions, system and procedures, as well as Bank's business activities have complied with Financial Services Authority regulation and the applicable laws and regulations.</p> <p>The Director in charge of the Compliance Function together with the Compliance Work Unit, coordinate with the relevant work units to ensure the availability and conformity of the guidelines, system and procedures in each work unit with the regulation from the Financial Services Authority regulation and the applicable laws and regulations for the principles of prudential banking.</p>

**ASSESSMENT FACTOR :  
IMPLEMENTATION OF BANK'S COMPLIANCE FUNCTION**

<b>E. IMPLEMENTATION OF BANK'S COMPLIANCE FUNCTION</b>	
<p>7) minimizing Bank's Compliance Risk</p> <p>8) take preventive measures to keep the policy and/or decision made by the Board of Directors or Branch Office management of the Bank avoiding violation of Financial Services Authority regulation and the applicable laws and regulations.</p>	<p>7) minimizing Bank's Compliance Risk. In order to minimize Bank's Compliance Risk, the Director in charge of the Compliance gives approval for Report on Compliance Risk made by the Compliance Work Units and provides advices for the management board, both verbally and in written by sending an Internal Memo, in the event that some improvements are necessary.</p> <p>8) take preventive measures to keep the policy and/or decision made by the Board of Directors of the Bank avoiding violation of Financial Services Authority regulation and the applicable laws and regulations.</p> <p>The Director in charge of the Compliance Function shall have the Board of Directors of the Bank make policy and/or decision that does not violate the regulation from the Financial Services Authority regulation and other applicable laws and regulations by giving advice in every summit and meeting and providing Compliance Analysis.</p>

**ASSESSMENT FACTOR :  
IMPLEMENTATION OF BANK'S COMPLIANCE FUNCTION**

<b>E. IMPLEMENTATION OF BANK'S COMPLIANCE FUNCTION</b>	
<p>9) performing other duties related to the Compliance Function.</p> <p>b. Appointment of the Compliance Director conforms to the applicable laws and regulations.</p> <p>c. The Board of Director has :</p> <ol style="list-style-type: none"> <li>1) approved Bank's compliance policy in the form of a formal document of the effective compliance function.</li> <li>2) been held responsible for establishing an effective and permanent compliance function as a part of Bank's overall compliance policy.</li> <li>3) responsible for creating an effective and permanent compliance function as part of the overall Bank's compliance policies.</li> </ol>	<p>9) performing other duties related to the Compliance Function.</p> <p>In order to monitor and maintain Bank's compliance with all agreements and commitments made between the Bank and Financial Services Authority and/or other supervisory authorities, The Director in charge of the Compliance Function performs monitoring of implementation of agreement, fulfillment of commitment, Bank's commitment to obey the command and prohibition from Financial Services Authority and/or other supervisory authorities.</p> <p>Appointment of the Director in charge of the Compliance Function conforms to the applicable laws and regulations.</p> <p>The Board of Director has :</p> <ol style="list-style-type: none"> <li>1) approved Bank's compliance policy in the form of a formal document of the effective compliance function.</li> <li>2) been held responsible for establishing an effective and permanent compliance function as a part of Bank's overall compliance policy.</li> <li>3) responsible for creating an effective and permanent compliance function as part of the overall Bank's compliance policies.</li> </ol>

**ASSESSMENT FACTOR :  
IMPLEMENTATION OF BANK'S COMPLIANCE FUNCTION**

<b>E. IMPLEMENTATION OF BANK'S COMPLIANCE FUNCTION</b>	
<p>d. Compliance Work Unit holds the duties and responsibilities to :</p> <ol style="list-style-type: none"> <li>1) take necessary measures to develop Compliance Culture in all Bank's business activities at all organizational levels;</li> <li>2) carry out identification, measurement, monitoring and control of Compliance Risk with reference to Financial Services Authority regulation on Implementation of Risk Management for Commercial Banks;</li> </ol>	<p>Compliance Work Unit holds the duties and responsibilities to :</p> <ol style="list-style-type: none"> <li>1) in order to support the development of Compliance Culture in all Bank's business activities at all organizational levels. Compliance Work Unit has disseminated the information on regulation of the Financial Services Authority regulation and the applicable laws and regulations, both verbally or in written as in the Internal Memo, Inter-Branch Memo, training, etc.;</li> <li>2) Compliance Work Unit has carried out identification, measurement, monitoring and control of Compliance Risk based on the reports from the relevant work units, which include credit, treasury and investment functions, operational and service, trade financing, funding and debt instruments, Information System Technology and Management Information System, as well as Human Resource Management.</li> </ol> <p>In the event of violation to the applicable regulation or other issues that need improvement, the Compliance Work Unit shall coordinate with the relevant work units both verbally or in written through the internal memo.</p> <p>Risk Management Work Unit receives the report on Compliance Risk that is made by the Compliance Work Unit to arrange report on risk profile/composition with reference to Financial Services Authority regulation on Implementation of Risk Management for Commercial Banks.</p>

**ASSESSMENT FACTOR :  
IMPLEMENTATION OF BANK'S COMPLIANCE FUNCTION**

<b>E. IMPLEMENTATION OF BANK'S COMPLIANCE FUNCTION</b>	
<p>3) assess and evaluate the effectiveness, adequacy and conformity of Bank's policy, provision, system and procedures with the applicable laws and regulations;</p> <p>4) carry out review and/or recommend update and improvement of Bank's policy, system and procedures for compliance with Financial Services Authority regulation and the applicable laws and regulations;</p> <p>5) put efforts to ensure that Bank's policy, provision, system and procedures, as well as business activities have complied with Financial Services Authority regulation and other applicable laws and regulations;</p>	<p>3) Compliance Work Unit has assessed and evaluated the effectiveness, adequacy and conformity of Bank's policy, provision, system and procedures with the regulation of the Financial Services Authority regulation and other applicable laws and regulations in order to implement the principles of Prudential Banking;</p> <p>4) Compliance Work Unit has reviewed and/or recommended update and improvement of Bank's policy, system and procedures for compliance with the regulation of Financial Services Authority regulation and the applicable laws and regulations, by sending Internal Memo to the System and Procedures Department or to the relevant Work Unit with regard to the arrangement/review/update/ improvement of the said policy, provision, system or procedures;</p> <p>5) Compliance Work Unit has carried out coordination and monitoring of arrangement/ review/update/improvement of the said policy, provision, system or procedures to ensure that Bank's policy, provision, system and procedures, as well as business activities have complied with the regulation of Financial Services Authority regulation and other applicable laws and regulations;</p>



**ASSESSMENT FACTOR :  
IMPLEMENTATION OF BANK'S COMPLIANCE FUNCTION**

<b>E. IMPLEMENTATION OF BANK'S COMPLIANCE FUNCTION</b>	
6) perform other duties related to the Compliance Function.	6) perform other duties related to the Compliance Function, such as : a) Monitoring of provision of fund in the form of credit (exposure group >5 billion Rupiah) for Compliance Analysis. b) The Compliance Work Unit helps carry out the duties of the head of the Compliance and Risk Management Division in monitoring and maintaining bank compliance with all agreements and commitments made by the bank to authorization of financial services including monitoring the follow up of the results of supervision or inspection of the financial services authority or another authority other authorities by coordinating with other works units.
<b>3. Governance Outcome</b>	
<b>Criteria/Indicator</b>	<b>Analysis</b>
<p>a. The Bank has submitted the report on fulfillment of duties of the Director in charge of Compliance Function and special report to Financial Services Authority and related party.</p> <p>b. Scope of the report on fulfillment of duties of the Director in charge of Compliance Function conforms to the applicable Financial Services Authority regulation.</p> <p>The Bank has succeeded in reducing violation of the applicable regulation;</p>	<p>The Bank has submitted the report on fulfillment of duties of the Director in charge of the Compliance Function and special report to Financial Services Authority and related party.</p> <p>Scope of the report on fulfillment of duties of the Director in charge of the Compliance Function conforms to the applicable Financial Services Authority regulation.</p> <p>There are still fines in the 2024 period related to violations of the provisions, although they are not significant.</p>

**ASSESSMENT FACTOR :  
IMPLEMENTATION OF BANK'S COMPLIANCE FUNCTION**

<b>E. IMPLEMENTATION OF BANK'S COMPLIANCE FUNCTION</b>	
c. The Bank has succeeded in developing compliance culture in decision-making and its operational activities.	<p>The Bank has built a culture of compliance in decision-making and in the Bank's operational activities and needs to be continuously improved.</p> <p>The Bank has followed up on the OJK's findings based on the General LHP of PT Bank Bumi Arta. Tbk Head Office position January 31, 2023 and June 30, 2024 and Medan Branch Office position June 30, 2024. There are still 2 (two) commitments of the Bank to the OJK based on the LHP of the Head Office position of June 30, 2024 with a target time of December 2024 which is still in the process of being completed.</p>

**ASSESSMENT FACTOR :  
IMPLEMENTATION OF INTERNAL AUDIT FUNCTION**

<b>F. IMPLEMENTATION OF INTERNAL AUDIT FUNCTION</b>	
<b>1. Governance Structure</b>	
<b>Criteria/Indicator</b>	<b>Analysis</b>
a. The organizational structure of Bank's IATF is in accordance with the applicable provision.	The organizational structure of Bank's SKAI is in accordance with the applicable provision.
b. Satisfying the Internal Audit Function Standard for Commercial Banks ("SPFAIB"), by : 1) Arranging the Internal Audit Charter; 2) Establishing the Internal Audit Work Unit ("SKAI") 3) Arranging the guidelines to internal audit.	Satisfying the Internal Audit Function Standard for Commercial Banks ("SPFAIB") by : 1) Arranging the Internal Audit Charter; 2) Establishing the Internal Audit Work Unit (SKAI) 3) Internal Examination Manual (BP21)
c. The IATF is independent from the operational work unit.	SKAI Bank is a work unit that is independent of operational work units.
d. Providing quality human resource for effective fulfillment of duties.	The Bank has provided resources in accordance with the qualifications required by SKAI.
<b>2. Governance Process</b>	
<b>Criteria/Indicator</b>	<b>Analysis</b>
a. The Board of Directors is responsible for : 1) establishment of internal control system, and ensuring the implementation of Bank's internal audit function at all managerial levels;  2) follow-up for findings of Bank's internal audit under the policy and direction from the Board of Commissioners.	The Board of Directors is responsible for : 1) establishment of internal control system, and ensuring the implementation of Bank's internal audit function at all managerial levels;  2) follow-up for findings of Bank's internal audit under the policy and direction from the Board of Commissioners.

**ASSESSMENT FACTOR :  
IMPLEMENTATION OF INTERNAL AUDIT FUNCTION**

F. IMPLEMENTATION OF INTERNAL AUDIT FUNCTION	
<p>b. The Bank implements internal audit function effectively in all aspects and elements of its activities that may directly be considered affecting the interests of the Bank and the community.</p> <p>c. The Bank carries out periodical analysis by an external party on the effectiveness of performance of SKAI and its compliance with the SPFAIB every 3 (three) years.</p> <p>d. Proper audit plan by Bank SKAI, adequacy of scope of audit and the depth of audit.</p> <p>e. There is no violation in the realization of audit plan by Bank SKAI.</p> <p>f. Bank was planning and realizing quality improvement of human resource skills on a regular and sustainable basis.</p> <p>g. The SKAI has Performed the supervisory function independently with proper scope of duties and in accordance with the plan, implementation or monitoring of audit result.</p> <p>h. SKAI has Fulfilled the duties that at least include the following assessments on :</p> <ol style="list-style-type: none"> <li>1) the adequacy of Bank's Internal Control System</li> <li>2) the effectiveness of Bank's Internal Control System</li> <li>3) performance quality</li> </ol>	<p>The Bank implements internal audit function effectively in all aspects and elements of its activities that may directly be considered affecting the interests of the Bank and the community.</p> <p>The Bank carries out periodical analysis by an external party on the effectiveness of performance of SKAI and its compliance with the SPFAIB every 3 (three) years.</p> <p>SKAI Bank has prepared an Audit Plan with adequate audit scope and audit depth.</p> <p>SKAI Bank's audit plan in 2024 has been realized.</p> <p>SKAI Bank's human resources have participated in regular and continuous training.</p> <p>SKAI has carried out the audit function independently with adequate scope of duties and in accordance with the plan, implementation and monitoring of audit results.</p> <p>SKAI has Fulfilled the duties that at least include the following assessments on :</p> <ol style="list-style-type: none"> <li>1) the adequacy of Bank's Internal Control System</li> <li>2) the effectiveness of Bank's Internal Control System</li> <li>3) performance quality</li> </ol>

**ASSESSMENT FACTOR :  
IMPLEMENTATION OF INTERNAL AUDIT FUNCTION**

<b>F. IMPLEMENTATION OF INTERNAL AUDIT FUNCTION</b>	
<p>i. SKAI reporting all findings of examination according to the applicable provisions.</p> <p>j. SKAI monitoring, analyzing and reporting the progress of improvement follow up carried out by the audited.</p> <p>k. SKAI has compiled and updated the guidelines as well as systems and procedures for implementing the duties for internal auditors on a regular basis according to applicable laws and regulations.</p>	<p>SKAI has reported to the Financial Services Authority the findings of the results of annual audits at the Head Office, Branch Offices, SPBI and KPDHN, SCV, PJP and annual IT audits using the services of an external party (PT Xynexis International).</p> <p>SKAI has monitored, analyzed and reported the progress of follow up improvements carried out by the audit object (auditee).</p> <p>SKAI has updated the Internal Audit Guidebook related to changes in the SKAI Organizational Structure at the Bank.</p>
<b>3. Governance Outcome</b>	
<b>Criteria/Indicator</b>	<b>Analysis</b>
<p>a. The Board of Directors is responsible for the availability of report on implementation of Bank's internal audit to the General Meeting of Shareholders.</p> <p>b. Findings of audit by the IATF have been followed-up and there is no recurrent finding</p> <p>c. SKAI act objectively in performing the audit.</p>	<p>The Board of Directors has submitted the report on implementation of Bank's internal audit to the General Meeting of Shareholders.</p> <p>Findings of audit by the SKAI have been followed-up by the Board of Directors and the Auditee. There are some findings that are similar to previous findings but has been followed up and corrected by the Auditee.</p> <p>SKAI has acted objectively in performing the audit.</p>

**ASSESSMENT FACTOR :  
IMPLEMENTATION OF INTERNAL AUDIT FUNCTION**

F. IMPLEMENTATION OF INTERNAL AUDIT FUNCTION	
<p>d. Internal Audit function has been carried out properly while taking into account the followings :</p> <ol style="list-style-type: none"> <li>1) Audit program includes all work units on which the implementation considers risk level in each work unit.</li> <li>2) Audit program and scope of audit are properly in accordance with the principles of SPFAIB, among others by the fulfillment of independence, objectivity, no limitation of scope and extent of internal audit.</li> <li>3) Fulfillment of the number and quality of internal auditor.</li> </ol>	<p>Internal Audit function has been carried out properly while taking into account the followings :</p> <ol style="list-style-type: none"> <li>1) Audit program includes all work units on which the implementation considers risk level in each work unit.</li> <li>2) Audit program and scope of audit are properly in accordance with the principles of SPFAIB, among others by the fulfillment of independence, objectivity, no limitation of scope and extent of internal audit.</li> <li>3) Fulfillment of the number and quality of internal auditor.</li> </ol>

**ASSESSMENT FACTOR :  
IMPLEMENTATION OF EXTERNAL AUDIT FUNCTION**

<b>G. IMPLEMENTATION OF EXTERNAL AUDIT FUNCTION</b>	
<b>1. Governance Structure</b>	
<b>Criteria/Indicator</b>	<b>Analysis</b>
<p>Assignment of audit to the Public Accountant and Public Accounting Firm shall at least meet the following aspects :</p> <ul style="list-style-type: none"> <li>a. Capacity of the appointed PAF</li> <li>b. Legality of contract agreement</li> <li>c. Scope of audit</li> <li>d. Professional standard of public accountant; and</li> <li>e. Communication between Bank Indonesia and the said PAF.</li> </ul>	<p>Assignment of audit to the Public Accountant and Public Accounting Firm shall have met the specified aspects.</p>
<b>2. Governance Process</b>	
<b>Criteria/Indicator</b>	<b>Analysis</b>
<ul style="list-style-type: none"> <li>a. In the audit of Bank's financial statement, the Bank appointed a Public Accountant and PAF registered in Financial Services Authority.</li> <li>b. Appointment of the same Public Accountant and Public Accountant Firm has complied with the applicable laws and regulations.</li> <li>c. Appointment of Public Accountant and Public Accountant Firm is made upon approval from the the General Meeting of Shareholders based on the recommendation from the Audit Committee through the Board of Commissioners.</li> </ul>	<p>In the implementation of the audit of the Bank's financial statements for the financial year 2024, the Bank has appointed Pioneer Public Accounting Firm Pioneer, Jumadi, Rianto &amp; Rekan, a member of PricewaterhouseCoopers (PwC) and a Public Accountant Jimmy Pangestu who are registered with the Financial Services Authority.</p> <p>Appointment of the same Public Accountant and Public Accountant Firm has complied with the applicable laws and regulations.</p> <p>Appointment of Public Accountant and Public Accountant Firm is made upon approval from the General Meeting of Shareholders based on the recommendation from the Audit Committee through the Board of Commissioners.</p>

**ASSESSMENT FACTOR :  
IMPLEMENTATION OF EXTERNAL AUDIT FUNCTION**

<b>G. IMPLEMENTATION OF EXTERNAL AUDIT FUNCTION</b>	
<p>d. The appointed Public Accountant and Public Accountant Firm are capable of performing independently, satisfying the professional standard of public accountant and contract agreement, as well as the specified scope of audit.</p> <p>e. Public Accountant has communicated with Financial Services Authority with regard to the condition of the audited Bank for the preparation and execution of the audit.</p> <p>f. Public Accountant has performed the audit independently and professionally.</p> <p>g. Public Accountant has reported the result of audit and the Management Letter to Financial Services Authority.</p>	<p>The appointed Public Accountant and Public Accountant Firm are capable of performing independently, satisfying the professional standard of public accountant and contract agreement, as well as the specified scope of audit.</p> <p>Public Accountant has communicated with Financial Services Authority with regard to the condition of the audited Bank for the preparation and execution of the audit.</p> <p>Public Accountant has performed the audit independently and professionally.</p> <p>Public Accountant has reported the result of audit and the Management Letter to Financial Services Authority.</p>
<b>3. Governance Outcome</b>	
<b>Criteria/Indicator</b>	<b>Analysis</b>
<p>a. Result of audit and Management Letter indicates significant problems in the Bank and has been submitted in a timely manner to Financial Services Authority by the appointed Public Accountant Firm.</p> <p>b. Scope of audit result shall at least conform to the scope of audit set forth in the applicable provision.</p> <p>c. The auditor acts independently in the audit.</p>	<p>Result of audit and Management Letter indicates significant problems in the Bank and has been submitted in a timely manner to the Financial Services Authority.</p> <p>Scope of audit result shall at least conform to the scope of audit set forth in the applicable provision.</p> <p>The auditor acts independently in the audit.</p>



**ASSESSMENT FACTOR:  
IMPLEMENTATION OF RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM**

<b>H. IMPLEMENTATION OF RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM</b>	
<b>1. Governance Structure</b>	
<b>Criteria/Indicator</b>	<b>Analysis</b>
a. The Bank has a proper organizational structure to support the implementation of Risk Management and Internal Control System, such as the SKAI, Risk Management Work Unit ("SKMR") and Risk Management Committee, as well as the Compliance Work Unit.	The Bank has a proper organizational structure to support the implementation of Risk Management and Internal Control System, such as the SKAI, Risk Management Work Unit ("SKMR"), and Risk Management Committee, as well as the Compliance Work Unit.
b. The Bank has proper policy, procedures and determination of risk limit.	The Bank has proper policy, procedures and determination of risk limit as set forth in the Guidelines to Risk Management ("BPMR").
<b>2. Governance Process</b>	
<b>Criteria/Indicator</b>	<b>Analysis</b>
a. The Board of Directors has definite duties and responsibilities, among others : 1) making Risk Management policy, including Risk Management strategy and frame work in written and comprehensively, including the overall risk limit and limit for each risk type, in accordance with risk appetite and risk tolerance to capital adequacy. Upon approval from the Board of Commissioners, the Board of Directors shall set the said Risk Management policy, strategy and frame work;  2) arranging, specifying and updating the procedures and instruments for identifying, measuring, monitoring and controlling the risk;	The Board of Directors has definite duties and responsibilities, among others : 1) making Risk Management policy, including Risk Management strategy and frame work in written and comprehensively, including the overall risk limit and limit for each risk type, in accordance with risk appetite and risk tolerance to capital adequacy as set forth in the Guidelines to Risk Management. Upon approval from the Board of Commissioners, the Board of Directors shall set the said Risk Management policy, strategy and frame work;  2) arranging, specifying and updating the procedures and instruments for identifying, measuring, monitoring and controlling the risk;

**ASSESSMENT FACTOR:  
IMPLEMENTATION OF RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM**

H. IMPLEMENTATION OF RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM	
<p>3) arranging and specifying the mechanism of transaction approval, including for the over limit transaction and the authority of each position level;</p> <p>4) evaluating and/or updating the policy, strategy and frame work of Risk Management no less than once in a year or more, in the event that there is change of factors that significantly affect Bank's business, risk exposure, and/or risk profile.</p> <p>5) determining the organizational structure, including the definite authority and responsibility with regard to the implementation of Risk Management;</p> <p>6) being responsible for the implementation of Risk Management policy, strategy and frame work approved by the Board of Commissioners and evaluating and providing direction based on the reports submitted by the Risk Management Work Unit, including the report on risk profile;</p> <p>7) ensuring that all material risks and impacts arising from the said risk have been followed-up and that accountability report has been submitted regularly to the Board of Commissioners. The said report includes –among others- progress report and issues related to material risks, supplied with improvement measures that have been taken, being taken and will be taken;</p>	<p>3) arranging and specifying the mechanism of transaction approval, including for the over limit transaction and the authority of each position level;</p> <p>4) evaluating and/or updating the policy, strategy and frame work of Risk Management as set forth in the Guidelines to Risk Management ("BPMR").</p> <p>BPMR is being adjusted to Financial Services Authority Regulation Number 17 of 2023 dated 14 September 2023 concerning Implementation of Governance for Commercial Banks.</p> <p>5) determining the organizational structure, including the definite authority and responsibility with regard to the implementation of Risk Management;</p> <p>6) being responsible for the implementation of Risk Management policy, strategy and frame work approved by the Board of Commissioners and evaluating and providing direction based on the reports submitted by the Risk Management Work Unit, including the report on risk profile;</p> <p>7) ensuring that all material risks and impacts arising from the said risk have been followed-up and that accountability report has been submitted regularly to the Board of Commissioners;</p>

**ASSESSMENT FACTOR:  
IMPLEMENTATION OF RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM**

H. IMPLEMENTATION OF RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM	
<p>8) ensuring that the implementation of improvement measures for issues or violation in Bank's business is identified by the SKAI;</p> <p>9) developing Risk Management culture, including risk awareness, at all organizational levels, including proper communication among all organizational levels on the importance of effective internal control;</p> <p>10) ensuring the adequacy of financial capacity and infrastructure to manage and control the risk;</p> <p>11) ensuring that Risk Management function has been implemented independently, as reflected in the separation of function between the Risk Management Work Unit that performs risk identification, measurement, monitoring and control- and work unit that execute and finalize the transaction.</p>	<p>8) ensuring that the implementation of improvement measures for issues or violation in Bank's business is identified by the SKAI;</p> <p>9) developing Risk Management culture, including risk awareness, at all organizational levels, including proper communication among all organizational levels on the importance of effective internal control;</p> <p>10) ensuring the adequacy of financial capacity and infrastructure to manage and control the risk;</p> <p>11) ensuring that Risk Management function has been implemented independently, as reflected in the separation of function between the Risk Management Work Unit that performs risk identification, measurement, monitoring and control- and work unit that execute and finalize the transaction.</p>

**ASSESSMENT FACTOR:  
IMPLEMENTATION OF RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM**

H. IMPLEMENTATION OF RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM	
<p>b. The Board of Commissioners has definite duties and responsibilities, among others :</p> <ol style="list-style-type: none"> <li>1) giving approval for Risk Management policy, including Risk Management strategy and work frame that are specified in accordance with the risk appetite and risk tolerance;</li> <li>2) evaluating Risk Management policy and Risk Management Strategy no less than once in a year or more, in the event that there is change of factors that significantly affect Bank's business;</li> <li>3) evaluating the accountability report of the Board of Directors and periodically providing direction for improvement of implementation of Risk Management policy. Evaluation is made in order to ensure that the Board of Directors manages Bank's activities and risks effectively.</li> </ol> <p>c. The Bank has implemented comprehensive and reliable internal control system.</p>	<p>The Board of Commissioners has definite duties and responsibilities, among others :</p> <ol style="list-style-type: none"> <li>1) giving approval for Risk Management policy, including Risk Management strategy and work frame that are specified in accordance with the risk appetite and risk tolerance as set forth in the Guidelines to Risk Management ("BPMR").</li> <li>2) evaluating Risk Management policy and Risk Management Strategy.</li> <li>3) evaluating the accountability report of the Board of Directors and periodically providing direction for improvement of implementation of Risk Management policy, which stipulated in appeal/Memorandum of the Board of Commissioners to the Board of Directors. Evaluation is made in order to ensure that the Board of Directors manages Bank's activities and risks effectively.</li> </ol> <p>The Bank has implemented an adequate internal control system and in its implementation it continues to be improved.</p>

**ASSESSMENT FACTOR:  
IMPLEMENTATION OF RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM**

<b>H. IMPLEMENTATION OF RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM</b>	
<b>3. Governance Outcome</b>	
<b>Criteria/Indicator</b>	<b>Analysis</b>
a. The Bank has implemented effective Risk Management, which is adjusted to the objective, business policy, size and complexity of Bank's business and capacity.	The Bank has implemented effective Risk Management, which is adjusted to the objective, business policy, size and complexity of Bank's business and capacity.
b. The Board of Directors and the Board of Commissioners (Management Board) are capable of performing active supervision of the implementation of Risk Management policy and strategy.	The Board of Directors and the Board of Commissioners (Management Board) are capable of performing active supervision of the implementation of Risk Management policy and strategy.
c. The Bank does not commit business activities exceeding its capital capacity to absorb loss risk.	The Bank does not commit business activities exceeding its capital capacity to absorb loss risk.

**ASSESSMENT FACTOR:  
LENDING TO RELATED PARTY AND LARGE EXPOSURE**

<b>I. LENDING TO RELATED PARTY AND LARGE EXPOSURE</b>	
<b>1. Governance Structure</b>	
<b>Criteria/Indicator</b>	<b>Analysis</b>
The Bank has had the written and definite policies, systems and procedures for the provision of lending to related party and large exposure lending, monitoring and settlement of the problem.	The Bank has had the written and definite policies, systems and procedures for the provision of lending to related party and large exposure lending, which stipulated in Legal Lending Limit ("BMPK") policy and Lending Approval Authority Limit ("BWMK").
<b>2. Governance Process</b>	
<b>Criteria/Indicator</b>	<b>Analysis</b>
a. The Bank has regularly evaluates and update policies, systems and procedures referred to in order to comply with the provisions and the applicable legislation.	The Bank has regularly evaluates and update policies, systems and procedures referred to in order to comply with the provisions and the applicable legislation.
b. There is a proper process to ensure lending to related party and large exposure lending in accordance with the principles of prudential banking.	There is a proper process to ensure lending to related party and large exposure lending in accordance with the principles of prudential banking.
c. Decision-making in the lending is made independently by the Management Board without any intervention of the related party and/or other parties.	Decision-making in the lending is made independently by the Management Board without any intervention of the related party and/or other parties.

**ASSESSMENT FACTOR:  
LENDING TO RELATED PARTY AND LARGE EXPOSURE**

<b>I. LENDING TO RELATED PARTY AND LARGE EXPOSURE</b>	
<b>3. Governance Outcome</b>	
<b>Criteria/Indicator</b>	<b>Analysis</b>
<p>a. Implementation of lending to related party and/or large exposure lending by the Bank have :</p> <ol style="list-style-type: none"> <li>1) Complied with Legal Lending Limit regulation and taking into account the principles of prudential banking and the applicable laws and regulations;</li> <li>2) Considering capital capacity and distribution/diversification of lending portfolio.</li> </ol> <p>b. Lending to related party report has been submitted regularly to the Financial Services Authority in a timely manner.</p>	<p>Implementation of lending to related party and/or large exposure lending by the Bank have :</p> <ol style="list-style-type: none"> <li>1) Complied with Legal Lending Limit's regulation and taking into account the principles of prudential banking and the applicable laws and regulations;</li> <li>2) Considering capital capacity and distribution/diversification of lending portfolio.</li> </ol> <p>The Bank has delivered the report of fund provision by the Bank to related parties regularly to the Financial Services Authority in a timely manner.</p>

**ASSESSMENT FACTOR :  
TRANSPARENCY OF FINANCIAL AND NON FINANCIAL CONDITION, REPORT ON IMPLEMENTATION OF  
CORPORATE GOVERNANCE AND INTERNAL REPORTING**

<b>J. TRANSPARENCY OF FINANCIAL AND NON FINANCIAL CONDITION, REPORT ON IMPLEMENTATION OF CORPORATE GOVERNANCE AND INTERNAL REPORTING</b>	
<b>1. Governance Structure</b>	
<b>Criteria/Indicator</b>	<b>Analysis</b>
a. The Bank has the policy and procedures for methods of implementation fo transparance fo financial and non-financial condition.	The Bank has the policy and procedures for methods of implementation fo transparance fo financial and non-financial condition.
b. The Bank must submit the Report on Implementation of Corporate Governance at every end of financial year, with a scope that is in accordance with the applicable provision.	The Bank must submit the Report on Implementation of Corporate Governance at every end of financial year, with a scope that is in accordance with the applicable provision.
c. Availability of complete, accurate and timely internal reporting that is supported by proper Management Information System.	Availability of complete, accurate and timely internal reporting that is supported by proper Management Information System.
d. Availability of reliable information system that is supported by competent human resource and proper Information Technology security system.	<p>There is a reliable information system and an adequate IT security system.</p> <p>The need for human resource competencies is always changing, due to the rapid development of digitalization so that it is necessary to improve the competence of human resources to create reliable security.</p>



**ASSESSMENT FACTOR :  
TRANSPARENCY OF FINANCIAL AND NON FINANCIAL CONDITION, REPORT ON IMPLEMENTATION OF  
CORPORATE GOVERNANCE AND INTERNAL REPORTING**

<b>J. TRANSPARENCY OF FINANCIAL AND NON FINANCIAL CONDITION, REPORT ON IMPLEMENTATION OF CORPORATE GOVERNANCE AND INTERNAL REPORTING</b>	
<b>2. Governance Process</b>	
<b>Criteria/Indicator</b>	<b>Analysis</b>
<p>a. The Bank has transparently presented its financial and non-financial conditions to the stakeholders, including the quarterly Condensed Financial Statements, and has reported to Financial Services Authority or stakeholders pursuant to the applicable regulations.</p> <p>b. The Bank has made the products information become transparent in accordance regulations on the Transparency of Bank's Products Information and the Use of Customer Personal Data, such as :</p> <ol style="list-style-type: none"> <li>1) Written information on Bank's product that meets the specified minimum requirements;</li> <li>2) Bank Officers (the Customer Service and Marketing Officer) have explained product information to the customers;</li> <li>3) Product information is disclosed according to its true condition;</li> <li>4) The Bank has disclosed to the customers whenever there are changes of product information;</li> <li>5) Product information can be read and understood easily;</li> <li>6) The Bank has product information service that is easily accessible for public;</li> </ol>	<p>The Bank has transparently presented its financial and non-financial conditions to the stakeholders, including the quarterly Condensed Financial Statements, and has reported to Financial Services Authority or stakeholders pursuant to the applicable regulations.</p> <p>The Bank has made the products information become transparent in accordance regulations on the Transparency of Bank's Products Information and the Use of Customer Personal Data.</p>

**ASSESSMENT FACTOR :  
TRANSPARANCY OF FINANCIAL AND NON FINANCIAL CONDITION, REPORT ON IMPLEMENTATION OF  
CORPORATE GOVERNANCE AND INTERNAL REPORTING**

<b>J. TRANSPARENCY OF FINANCIAL AND NON FINANCIAL CONDITION, REPORT ON IMPLEMENTATION OF CORPORATE GOVERNANCE AND INTERNAL REPORTING</b>	
<p>7) The Bank has explained to the customers the objective and consequence of distribution of personal data.</p> <p>8) The customers whose personal data are distributed have given their approval for disclosure of personal data.</p> <p>c. The Bank has made transparent the procedures for customer complaints and settlement of disputes to the customer in accordance regulation on Customer Complaints and Banking Mediation.</p> <p>d. The Bank has prepared and presented a report with the procedure, type and scope specified in Financial Services Authority regulation on Transparency of Bank's Financial Condition.</p> <p>e. The bank has prepared a report on the implementation of Corporate Governance with the contents and scope that are in accordance with the applicable provisions.</p> <p>f. In the event that the Report on Implementation of Corporate Governance does not conform to the real condition, the Bank shall immediately submit the revision completely to Financial Services Authority, and any Bank that has its homepage shall publish it on the homepage.</p>	<p>The Bank has made transparent the procedures for customer complaints and settlement of disputes to the customer in accordance regulation on Customer Complaints and Banking Mediation.</p> <p>The Bank has prepared and presented a report with the procedure, type and scope specified in Financial Services Authority regulation on Transparency of Bank's Financial Condition.</p> <p>The bank has prepared the report on the implementation of Corporate Governance in accordance with the applicable regulations, by providing the data and information according to the findings of examination by Financial Services Authority.</p> <p>Report on Implementation of Corporate Governance conforms to the real condition.</p>

**ASSESSMENT FACTOR :****TRANSPARANCY OF FINANCIAL AND NON FINANCIAL CONDITION, REPORT ON IMPLEMENTATION OF CORPORATE GOVERNANCE AND INTERNAL REPORTING**

<b>J. TRANSPARENCY OF FINANCIAL AND NON FINANCIAL CONDITION, REPORT ON IMPLEMENTATION OF CORPORATE GOVERNANCE AND INTERNAL REPORTING</b>	
<p>g. In the event that there is difference in the Rank of Corporate Governance Factor from the self assessment in Bank's Report on Implementation of Corporate Governance and assessment result of implementation of Corporate Governance by Financial Services Authority, the Bank :</p> <p>1) Shall at least make a revision of the Rank of Corporate Governance Factor and Definition of Rank from the said self assessment to the public in a Condensed Financial Statement for the nearest period;</p> <p>2) Shall immediately submit the complete revision of self-assessment on Bank's Corporate Governance to Financial Services Authority, and any Bank that has its homepage shall publish it on the homepage.</p>	<p>There is no difference in the Rank of Corporate Governance Factor from the self-assessment in Bank's Report on Implementation of Corporate Governance and assessment result of implementation of Corporate Governance by the Financial Services Authority.</p>
<b>3. Governance Outcome</b>	
<b>Criteria/Indicator</b>	<b>Analysis</b>
<p>a. Annual Report has been submitted completely and in a timely manner to the Financial Services Authority and the shareholders.</p>	<p>Bank has submitted Annual Report completely and in a timely manner to the Financial Services Authority and the shareholders.</p>

**ASSESSMENT FACTOR :****TRANSPARENCY OF FINANCIAL AND NON FINANCIAL CONDITION, REPORT ON IMPLEMENTATION OF CORPORATE GOVERNANCE AND INTERNAL REPORTING**

<b>J. TRANSPARENCY OF FINANCIAL AND NON FINANCIAL CONDITION, REPORT ON IMPLEMENTATION OF CORPORATE GOVERNANCE AND INTERNAL REPORTING</b>	
<p>b. Transparency of reports has been made on reporting media and deadlines in accordance with the provisions of the Financial Services Authority on Transparency and Publication of Bank Statements, including :</p> <ol style="list-style-type: none"><li>1) Quarterly Condensed Financial Statements</li><li>2) Annual Report</li></ol> <p>c. The Report on Implementation of Corporate Governance has reflected the actual condition of the Bank or the condition according to the result of Bank's self-assessment and has been supplied with the result of Bank' self-assessment to :</p> <ol style="list-style-type: none"><li>1) Scope of Corporate Governance as referred to in Financial Services Authority regulation on Corporate Governance and the result of self-assessment on the implementation of Corporate Governance;</li><li>2) Share ownership by members of the Board of Directors and financial relationship and family relationship between members of the Board of Directors and other members of the Board of Commissioners, and/or Bank's share holders;</li><li>3) Share ownership by members of the Board of Commissioners and financial relationship and family relationship between members of the Board of Directors and other members of the Board of Commissioners, members of the Board of Directors and/or Bank's share holders;</li></ol>	<p>Transparency of reports has been made on reporting media and deadlines in accordance with the provisions of the Financial Services Authority on Transparency and Publication of Bank Statements, including :</p> <ol style="list-style-type: none"><li>1) Quarterly Condensed Financial Statements</li><li>2) Annual Report</li></ol> <p>The Report on Implementation of Corporate Governance has reflected the actual condition of the Bank or the condition according to the result of Bank's self-assessment and has been supplied with the result of Bank' self-assessment.</p>

**ASSESSMENT FACTOR :****TRANSPARANCY OF FINANCIAL AND NON FINANCIAL CONDITION, REPORT ON IMPLEMENTATION OF CORPORATE GOVERNANCE AND INTERNAL REPORTING**

<b>J. TRANSPARENCY OF FINANCIAL AND NON FINANCIAL CONDITION, REPORT ON IMPLEMENTATION OF CORPORATE GOVERNANCE AND INTERNAL REPORTING</b>	
<p>4) Frequency of meeting of the Board of Commissioners meets the requirements;</p> <p>5) The number of internal fraud and settlement efforts by the Bank;</p> <p>6) Transaction with conflict of interests;</p> <p>7) Share buy-back and/or Bank's bond buy-back;</p> <p>8) Provision of fund for social program and political activities, both in cash or non-cash;</p> <p>d. Report on Implementation of Corporate Governance has been submitted completely and in a timely manner to the Financial Services Authority and the shareholders.</p> <p>e. Report on Implementation of Corporate Governance has been published on the homepage in a timely manner.</p> <p>f. Mediation for settlement of customer complaint has been carried out properly.</p> <p>g. The Bank implements transparency of information on product and the use of customer's data.</p>	<p>Bank has submitted the Report on Implementation of Corporate Governance completely and in a timely manner to the Financial Services Authority and the shareholders.</p> <p>The Bank has published the Report on Implementation of Corporate Governance on the homepage in a timely manner.</p> <p>Mediation for settlement of customer complaint has been carried out properly.</p> <p>The Bank has implemented transparency of information on product and the use of customer's data.</p>

**ASSESSMENT FACTOR:  
BANK'S STRATEGIC PLAN**

<b>K. BANK'S STRATEGIC PLAN</b>	
<b>1. Governance Structure</b>	
<b>Criteria/Indicator</b>	<b>Analysis</b>
<p>a. Bank's strategic plan has been arranged in the form of a Corporate Plan and Business Plan according to the vision and mission of the Bank.</p> <p>b. Bank's strategic plan is fully supported by the owner, as indicated by the commitment and efforts of the owner to strengthen Bank's capital.</p>	<p>Bank's strategic plan has been arranged in the form of a Corporate Plan and Business Plan according to the vision and mission of the Bank.</p> <p>The Bank has submitted the Corporate Plan in accordance with the recommendation of the Financial Services Authority.</p> <p>Bank's strategic plan is fully supported by the owner, as indicated by the commitment and efforts of the owner to strengthen Bank's capital.</p>
<b>2. Governance Process</b>	
<b>Criteria/Indicator</b>	<b>Analysis</b>
<p>a. The Bank has arranged its realistic, comprehensive and achievable Business Plan while considering the principles of prudential banking and being responsive to the internal and external changes.</p> <p>b. Bank's Business Plan is approved by the Board of Commissioners.</p> <p>c. The Board of Directors has communicated Bank's Business Plan to :</p> <p>1) Bank's Shareholders</p> <p>2) All organizational levels in the Bank</p>	<p>The Bank has arranged its realistic, comprehensive and achievable Business Plan while considering the principles of prudential banking and being responsive to the internal and external changes.</p> <p>Bank's Business Plan is approved by the Board of Commissioners.</p> <p>The Board of Directors has communicated Bank's Business Plan to Bank's Shareholders and all organizational levels in the Bank.</p>

**ASSESSMENT FACTOR:  
BANK'S STRATEGIC PLAN**

K. BANK'S STRATEGIC PLAN	
<p>d. The Board of Directors has implemented Bank's Business Plan ("RBB") effectively.</p> <p>e. The arrangement and submission of RBB refers to Bank Indonesia regulation on Bank's Business Plan, and the Bank has taken into account the followings :</p> <ol style="list-style-type: none"> <li>1) The external and internal factors that may affect the continuity of Bank's business;</li> <li>2) Principles of prudential banking;</li> <li>3) Implementation of Risk Management;</li> <li>4) Sound Banking principles.</li> </ol> <p>f. The Board of Commissioners has performed supervision on the implementation of Bank's Business Plan.</p> <p>g. The owner does not express seriousness and/or does not take necessary measures to support the Bank's strategic plan, as indicated in the weak commitment and efforts of the owner to strengthen Bank's capital.</p>	<p>The Board of Directors has implemented Bank's Business Plan ("RBB") effectively.</p> <p>The arrangement and submission of RBB refers to Bank Indonesia regulation on Bank's Business Plan, and the Bank has taken into account the followings :</p> <ol style="list-style-type: none"> <li>1) The external and internal factors that may affect the continuity of Bank's business;</li> <li>2) Principles of prudential banking;</li> <li>3) Implementation of Risk Management;</li> <li>4) Sound Banking principles.</li> </ol> <p>The Board of Commissioners has performed supervision on the implementation of Bank's Business Plan.</p> <p>The owner does not express seriousness and/or does not take necessary measures to support the Bank's strategic plan, as indicated in the weak commitment and efforts of the owner to strengthen Bank's capital.</p>

**ASSESSMENT FACTOR:  
BANK'S STRATEGIC PLAN**

<b>K. BANK'S STRATEGIC PLAN</b>	
<b>3. Governance Outcome</b>	
<b>Criteria/Indicator</b>	<b>Analysis</b>
<p>a. Corporate Plan and Business Plan are drawn by the Board of Directors and approved by the Board of Commissioners.</p> <p>b. Bank's Corporate Plan and Business Plan, along with the realization, have been communicated by the Board of Directors to the Majority Shareholders and to all organizational levels in the Bank.</p> <p>c. Bank's Business Plan indicates the continuing growth of the Bank.</p>	<p>Corporate Plan and Business Plan are drawn by the Board of Directors and approved by the Board of Commissioners.</p> <p>Bank's Corporate Plan and Business Plan, along with the realization, have been communicated by the Board of Directors to the Majority Shareholders and to all organizational levels in the Bank.</p> <p>Bank's Business Plan indicates the continuing growth of the Bank.</p> <p>The realization of the Bank's Business Plan related to Gross Profit has reached 114.92%, while for Assets it has reached 93.67%, Loans have reached 98.01% and Third Party Funds have reached 89.28%.</p> <p>The Bank's Business Plan related to Credit that has not been achieved is 1.99%, mainly because the debtor is quite careful in using the credit given. Although the global economic situation is quite good, the uncertainty of the Government's current economic policy is still not felt by debtors.</p> <p>Meanwhile, Third Party Funds that have not been achieved are 10.72% due to several customers disbursing their funds for business transactions and it is also the Bank's strategy in maintaining the Bank's Loan to Deposit Ratio (LDR) of 85% to 94%.</p>



**ASSESSMENT FACTOR:  
BANK'S STRATEGIC PLAN**

K. BANK'S STRATEGIC PLAN	
<p>d. Bank's Growth provides economic and non-economic values for the stakeholders.</p> <p>e. Bank's strategic plan is made based on the comprehensive analysis by considering business opportunities and strength of the Bank, as well as by identifying its weakness and the threats (Strenght, Weakness, Opportunity, Threat Analysis/SWOT Analysis).</p> <p>f. Bank's strategic plan shall be supported by provision of proper infrastructure, such as Human Resources, Information Technology, office network, policy and procedures.</p> <p>g. There is intervention of the owner on the sharing of Bank's profit without considering capitalization efforts to support Bank's strategic plan.</p> <p>h. The owner is not capable of overcoming the shortfall of Bank's capital or Bank's capital is lower than the specified requirement accordance with the provisions of the Financial Services Authority on Capital Adequacy Ratio.</p>	<p>Bank's Growth provides economic and non-economic values for the stakeholders.</p> <p>Bank's strategic plan is made based on the comprehensive analysis by considering business opportunities and strength of the Bank, as well as by identifying its weakness and the threats (Strenght, Weakness, Opportunity, Threat Analysis/SWOT Analysis).</p> <p>Bank's strategic plan shall be supported by provision of proper infrastructure, such as Human Resources, Information Technology, office network, policy and procedures.</p> <p>The Bank has amended the Strategic Plan of Information Technology (RSTI) which is part of the Business Plan of the Bank with regards to the suitability of the Bank's strategic plan.</p> <p>There is no intervention of the owner on the sharing of Bank's profit.</p> <p>Bank's capital meets the specified requirement.</p>