

Guidelines for the Implementation of Anti-Fraud Strategy

In accordance with Financial Services Authority (OJK) Regulation Number 12 of 2024 dated July 23, 2024, regarding the Implementation of Anti-Fraud Strategies for Financial Services Institutions, Bank Bumi Arta is required to implement an anti-fraud strategy in the execution of all its operational activities.

As stated in the regulation, the Bank defines fraud as any act of irregularity or deliberate omission carried out with the intention to deceive, mislead, or manipulate the Bank, customers, or other parties, which occurs within the Bank's environment and/or utilizes the Bank's facilities, causing losses to the Bank, customers, or other parties and/or resulting in financial gain for the perpetrator, either directly or indirectly.

The types of acts categorized as fraud include:

1. Irregularities
2. Deception
3. Asset embezzlement
4. Information leakage
5. Banking crimes (*Tindak Pidana Perbankan / Tipibank*)
6. Other acts that can be equated with fraud in accordance with prevailing laws and regulations

The success of the Anti-Fraud Strategy is influenced by the Bank's internal environment that fosters a conducive and ethical atmosphere, in which all relevant parties are expected to take an active role in implementing the fraud control system.

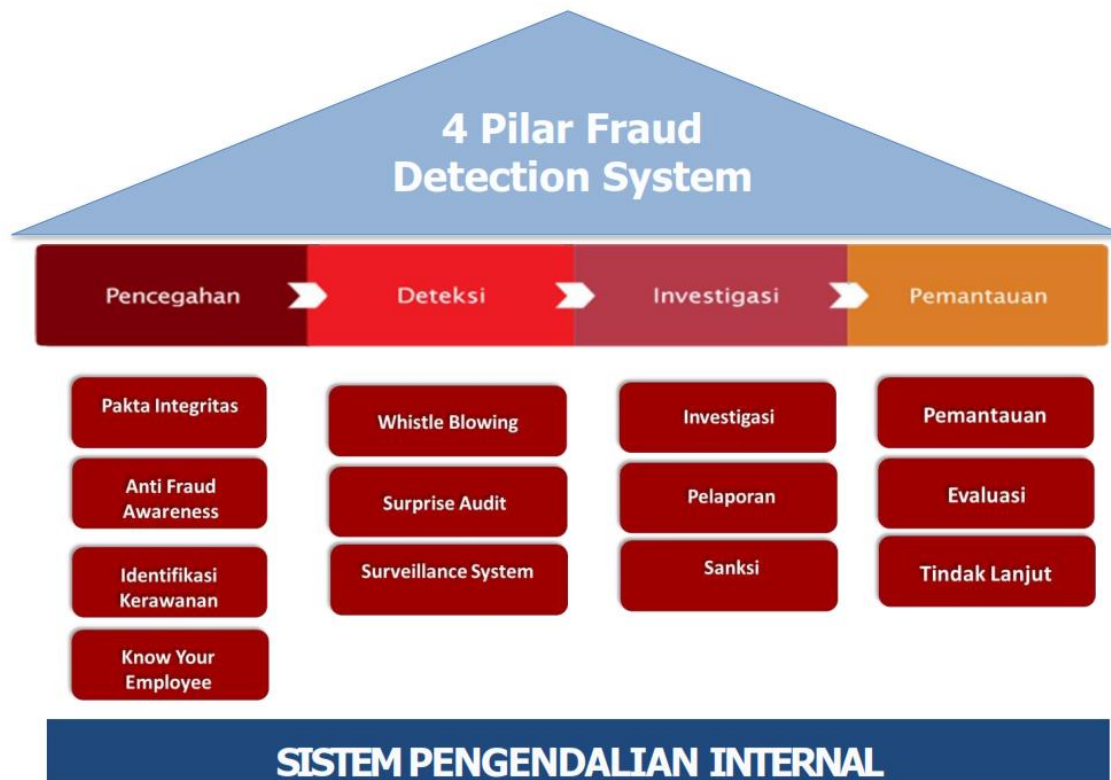
To support the implementation of the Anti-Fraud Strategy, the Bank has established a **coordination function for the Anti-Fraud strategy**, incorporated into the **Risk Management Work Unit (SKMR)**.

ANTI FRAUD STATEMENT

1. Conduct business fairly, honestly, and transparently; avoid engaging with third parties that do not share the Bank's commitment and impose consequences for violations of policy and commitment.
2. Always comply with the law, statutory regulations, and the internal rules of P.T. Bank Bumi Arta Tbk.
3. Act objectively, upholding ethical values, morality, fairness, transparency, consistency, and maintaining integrity, honesty, and commitment.
4. Actively participate in fraud prevention and eradication efforts and commit to reporting any fraudulent activity occurring within the Bank.
5. Understand that anyone found guilty of fraud will face firm disciplinary action, including criminal prosecution.
6. The Bank has zero tolerance for fraud; therefore, all actual or suspected fraud cases must be handled seriously and promptly.
7. Fraudulent acts will incur serious sanctions for both the perpetrators and all parties who collaborate with the perpetrators, whether directly or indirectly.

8. The Bank shall enforce measures as stipulated in applicable regulations governing all acts of fraud.
9. The Bank shall refrain from taking actions for personal, family, or affiliated party interests that may lead to a conflict of interest.
10. The Bank is committed to conducting its business based on integrity values and guided by the Bank's Code of Ethics and Employee Conduct.
11. The Bank continuously strives to enhance and improve business processes in alignment with the principles of integrity.
12. The Bank strictly prohibits all members of the Board of Commissioners, Directors, Independent Committee Members, employees (permanent, contractual, or non-permanent), as well as consultants, advisors, and outsourced personnel working within the Bank's scope, from soliciting or requesting any form of gratuity from individuals or organizations in relation to their roles, duties, or responsibilities at the Bank.
13. The Bank has a policy governing conflicts of interest applicable to the Board of Commissioners, Directors, Independent Committee Members, and Bank employees. Any potential conflict of interest that poses a risk must be declared.
14. The Bank will monitor compliance with these commitments, and any violation of Bank policies or the Code of Ethics and Employee Conduct shall result in sanctions in accordance with applicable regulations.

Four (4) Pillars of the Fraud Control System



**Explanation:**

1. Prevention
The prevention pillar includes measures to reduce the risk of fraud, at a minimum consisting of: anti-fraud awareness; vulnerability identification; and know-your-employee policies.
2. Detection
The detection pillar outlines steps to identify and uncover fraud within the Bank's business activities, which include: whistleblowing policies and mechanisms; surprise audits; and monitoring systems.
3. Investigation, Reporting, and Sanctions
The investigation, reporting, and sanctions pillar includes steps for conducting investigations, implementing reporting systems, and imposing sanctions related to fraud incident.
4. Monitoring, Evaluation, and Follow-up
The monitoring, evaluation, and follow-up pillar includes steps to conduct monitoring and evaluation as well as to follow up on fraud incidents.

Whistleblowing Policy and Mechanism

This policy is intended to enhance the effectiveness of the fraud control system implementation by emphasizing fraud disclosure through employee reports. It also aims to encourage awareness among employees and Bank officers to report any fraud occurring within Bank Bumi Arta.

1. The Bank is committed to enhancing communication channels and providing full support and protection to every good-faith whistleblower, ensuring the confidentiality of the whistleblower's identity and the fraud reports submitted, in accordance with the applicable laws and regulations as well as best practices in the implementation of whistleblower protection systems.
2. Whistleblower can file a complaint if they experience retaliation in the form of pressure, threats, or other retaliatory actions. If the issue cannot be resolved internally, the whistleblower is guaranteed the right to take the matter to an independent external institution, such as a mediator or witness and victim protection agency, at the Bank's expense.
3. The Bank provides protection to whistleblowers against detrimental treatment such as:
 - a. Unfair dismissal.
 - b. Demotion or reduction in rank.
 - c. Harassment or discrimination in any form.
 - d. Adverse remarks in their personal file record.
4. In addition to the listed protections, for whistleblowers acting in good faith, the Bank will also provide legal protection, in accordance with the provisions of article 87 of Law No. 8 of 2010 on the Prevention and Eradication of Money Laundering, Article 5 of Law No. 31 of 2014, which amends Law No. 13 of 2006 on the Protection of Witnesses and Victims, and Article 5 of Government Regulation No. 57 of 2003 concerning Special Procedures for the Protection of Whistleblowers and Witnesses in Money Laundering Crimes, which are:
 - a. Immunity from criminal and/or civil lawsuits.
 - b. Protection of the whistleblower's and/or their family's personal safety from physical and/or mental threats.
 - c. Protection of the whistleblower's assets.
 - d. Confidentiality and anonymity of the whistleblower's identity.
 - e. The right to provide testimony without face-to-face confrontation with the reported party, at any stage of case examination if the violation becomes a legal dispute.



5. If the whistleblower deems it necessary, they may also seek assistance from the Witness and Victim Protection Agency (LPSK), in accordance with Law No. 13 of 2006 on the Protection of Witnesses and Victims and Law No. 31 of 2014, which amends Law No. 13 of 2006 on the Protection of Witnesses and Victims.

Website : <https://www.bankbba.co.id/bumiarta/id/whistleblowing>

E-Mail : whistleblowing@bankbba.co.id

Telephone : (021) 2300893 ext 307

Whistleblowing reports may be submitted by any party, whether internal or external.

Reports submitted by the whistleblower must at a minimum include and explain the following: **What** violation occurred; **Who** was involved; **When** the violation took place; **Where** the violation occurred; and **How** the violation happened

The reports must be related to:

- Fraud
- Legal violations
- Code of ethics violations
- Conflicts of interest violations
- Other matters of a similar nature